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Don't leave your survivors unprepared

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Did you know that survivors are asked more than 100 questions within the first 72 hours after a death? At some point, these people may have known the answers to all of these questions. However, what will they remember at this painful time?

Death is never an easy subject. Few like to think about it, and even fewer want to sit down and discuss it. Unfortunately, this leaves many people unprepared for the inevitable, leaving details, arrangements, and bills for loved ones to manage when emotions are at their highest. As a result, planning for death is—unfortunately—a necessary and important step in the estate planning process.

Think AND Talk About It
Consider the following questions and discuss your answers with loved ones:

- How do I want to be cared for if I can't take care of myself?
- What kind of medical treatment do I want—or not want—if I am dying?
- What will make me comfortable while I am dying?

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- Do I want to stay at home if at all possible?
- If future laws permit my representative to hasten my death, is this something I want?
- What do I want people to remember about me?

These questions can all be answered by one or more of the following: wills, living wills, durable power of attorney for health care, and living trusts.

Prepare a Will

The most basic document you will need to prepare is a will. This should provide instructions on how you would like your estate to be handled.

Here are some important questions you'll need to answer as you draw up your will:

- Who should be the Executor?
- Who should you name as guardian of your children?
- Is it appropriate to create a trust for the assets you will leave?
- To whom would you like to leave your things?

Although your will addresses several important questions, the courts must verify it before it can be enforced. As a result, a will may not be the best plan for you and your family, primarily because it does not avoid probate—a potentially lengthy and expensive legal process—when you die.

Address Your Medical Affairs

To respond to your medical issues, consider preparing a living will or a durable power of attorney for health

care. A living will lets others know how you feel about life support in terminal situations. A durable power of attorney for health care gives someone else the ability to carry out your wishes. If you don't select one of these options, decisions can be made on your behalf, possibly resulting in a lengthy and expensive court case.

Establish a Financial Plan

Since a will is only executed at death, it does not address any of the financial questions that will inevitably arise if you are incapacitated, or those that occur immediately after your death. A durable power of attorney allows you to name someone to manage your financial affairs if you are unable to do so. However, many financial institutions won't honor this decision unless it follows their specific guidelines. And, if your decision is accepted, it can lead to negative results in the wrong hands—giving someone a “blank check” to do whatever he/she wants with your assets. As a result, a durable power of attorney should be used with a living trust.

Like a will, a living trust contains instructions for your assets upon your death. But, unlike a will, a living trust allows you to avoid probate at death, maintain control of your assets, and keep your assets out of the court's hands if you are incapacitated.

Difficult to contest in court, a living trust also provides other benefits. It can:

- Bring your assets under one plan.
- Provide maximum privacy.

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- Allow for quicker distribution of assets to beneficiaries.
 - Enable you to keep assets in trust until you want beneficiaries to inherit.
 - Reduce or eliminate estate taxes.
 - Provide an inexpensive and easy alternative to a will.
 - Be changed or cancelled at any time.
 - Prevent court control of minors' inheritances.
 - Protect dependents with special needs.
 - Prevent unintentional disinheritance and other problems of joint ownership.
 - Be administered by a corporate trustee.
 - Provide added peace of mind.

A qualified financial planner can help you decide if your current estate plan answers all of these questions. In addition, a qualified attorney can help you draft and execute any necessary documents.



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