

THE LAW OFFICE OF RANDY HOPE STEEN, LTD.

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EXPLANATION OF JOBS IN ESTATE PLANNING

JOBS DURING YOUR LIFETIME

During your lifetime there are two key positions that need to be filled. They are as follows:

DURABLE POWER OF ATTORNEY (for Finances) - If you should become disabled, or sometimes even for convenience we need someone to step into our shoes financially to help us. If you are unable to act for yourself financially, who would that person be?

HEALTH CARE POWER OF ATTORNEY/LIVING WILL - If you are unconscious, and cannot communicate with doctors, we need to actively appoint someone to do so (even if you are married to them). The HIPPA laws call for privacy of medical information and that is not waived if you are unconscious. So who would make health care decisions for you if you could not communicate your wishes? Also for end of life decisions, if you are in a coma with brain death, first would you want to be kept alive on machines, and if not, who would enforce your wishes?

JOBS AFTER YOU DIE

EXECUTOR - the executor of your Last Will and Testament, is the person who probates the Will (registers it in the county courthouse), obtains all the date of death values of the assets, and make sure all death taxes are paid, debts of the estate are paid, etc. This is in general a 9-12 month job. Taxes are due within 9 months of death, and then usually we are waiting for a closing letter from the tax authorities accepting the return. Once this is accomplished the Executor job is done, and the Trustee takes over.

TRUSTEE - this is the person who actually manages the money and makes distribution decisions to your beneficiaries based on the plan you have laid out. The Trustee must make sure the money is invested according to Trust law, which means conservatively. They can hire an investment advisor to assist with this. They then deal with your beneficiaries, usually your children, and make determinations as to what is needed for their health, education, support and maintenance. They must have a similar value system as you, and hopefully a good relationship with your beneficiaries.

TRUSTEE OF A SPECIAL NEEDS TRUST - all of the same jobs as a regular Trustee, but also someone who can be an advocate for your child, and work with different agencies and resources on behalf of your child. This does not mean they need to handle every single job themselves, but rather they will most likely be the quarterback of a team they put together of experts to assist them. This job runs the duration of your child's lifetime.

GUARDIAN - this is who your children would actually physically live with if both parents would die

**** For each of these jobs it could be one person or more than one person acting together. Ideally, we would want an alternate to each job, in case the first person(s) appointed cannot serve****

THE TERM FIDUCIARY TO MEAN ANY ONE OR ALL OF THESE DIFFERENT JOBS!