

WHAT IS AN ESTATE PLAN?



1 WHERE THERE'S A WILL THERE'S A WAY

Even if you don't feel like you have a lot of assets, it's important to maintain a valid and accurate will. This is especially vital if you have any dependents.

What does a will do?

When an individual passes away, their belongings go through a court process called probate. Having a will:

- Speeds up the process and lowers the cost of probate (which can last 6 months or longer!);
- Ensures your assets will pass according to your wishes; and
- Allows a parent to name a guardian for their minor children.

Unlike in the movies, creating a will is not a dramatic death bed event. In fact, it can be a very straightforward, painless process that your family will appreciate should the unthinkable happen.



2 HOW DO I CREATE A WILL?

Each state has their own laws regarding the drafting of wills. Certain states require that a will be witnessed and certified by a public notary. There are several online options that provide templates for valid, legal wills that do not cost a fortune.

However, if you have complicated assets, own a business, or have a blended family, seeking professional legal advice would be wise.



3 DO I NEED TO LIST ALL OF MY ASSETS IN MY WILL?

- Accounts that have the option to name a beneficiary usually skip the probate process and pass directly to the named beneficiary. Examples may include:

Retirement Accounts, Life Insurance Policies

- Certain accounts (such as bank accounts) may have the ability to have a *Transfer On Death* designation which would also allow them to skip probate.
- Assets that are likely to be included in the probate process:

House, Other Real Estate, Vehicles, Personal Belongings

SO WHAT DOES THIS MEAN FOR ME?

Janice has sole custody of her 12 year old son and rents a 2 bedroom apartment. After the unexpected death of a friend, Janice wants to make sure her family is cared for if something were to happen to her. She begins by creating a will according to her state laws. She specifies that her car be given to her sister whom she also names as her son's guardian. She specifies that her personal belongings will pass to her sister and names her sister as the beneficiary of her life insurance policy, and bank account. In her will, Janice selects her best friend as the backup guardian for her son. It's unpleasant to think about death, but she feels relieved that her family will be cared for if something should happen to her.

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