

TRUST-BASED ESTATE PLAN

How your estate planning documents work together

Patient Advocate Designation

Names someone to make healthcare decisions when you cannot.

- Directs doctors and hospitals
- Can include end-of-life wishes
- Active during your lifetime only

Also includes: Funeral Representative Designation – names who handles your physical remains after death.

Goal:
Avoid probate guardianship

Durable Financial Power of Attorney

Names someone (your “agent”) to manage finances when you cannot.

- Pays bills, manages bank accounts
- Handles real estate transactions
- Active during your lifetime only

Goal:
Avoid probate conservatorship



Revocable Living Trust

FILLING THE BUCKET – 3 WAYS TO FUND

- 1 Transfer ownership of assets into the trust (home, bank accounts, investments)
- 2 Name the trust as beneficiary on life insurance and retirement accounts
- 3 Pour-over will directs assets left in your name at death into the trust

YOUR THREE ROLES

Settlor: Creates the trust and can amend or revoke it

Trustee: Manages trust assets and carries out its terms

Beneficiary: Receives the benefit of the trust’s resources

You will serve as the only settlor, initial trustee, and initial beneficiary.

PROTECTING FUTURE GENERATIONS

A trust can allow for gradual distribution of resources ensuring children receive support at the right time and in a controlled manner.

Pour Over Will

Safety net – directs assets still in your name at death into the trust.

- Nominates guardians for minor children
- Nominates personal representative
- Does NOT avoid probate court

Goal:

Ensures all assets reach the trust



Funeral Representative Designation

Contained within your Patient Advocate Designation.

- Names who handles your physical remains
- Burial vs. cremation decisions
- Funeral and memorial arrangements

Goal:

Avoid dispute over final arrangements

How a Trust-Based Plan Can Avoid Probate

Dead people do not have property rights and thus cannot hold title to assets. When someone dies with property in their name, a probate estate is needed to transfer those assets. However, if a deceased person arranged for property to pass through beneficiary designation or transferred title to a trust before their death, probate can be avoided. Without a probate court order, the trustee will have control of assets presently funded into the trust.

PROBATE

Powers of attorney are active during your lifetime and end at death. The trust, pour-over will, and funeral designation govern what happens after death. A funded trust avoids probate.