

Introduction

This booklet is designed to give us, as your attorneys, your complete financial and family picture. The information you furnish us will assist us in recommending to you an estate plan that will:

- (1) Accomplish your objectives for your family, and
- (2) Minimize the tax burden to you and your family.

The first part of this information booklet presents answers to some of the questions our clients frequently ask us. Next is a checklist designed to help you define your estate planning objectives. Finally, there is a detailed questionnaire regarding the financial aspects of your estate. We recognize that you may not be able to complete all of the answers prior to the conference. To the extent that you can furnish us the information, however, our conference will be much more meaningful. Moreover, the resulting savings in conference time will help reduce the cost of your estate plan.

Our Client Service Strategy

We believe that we can get the best results for our clients if we consistently utilize a sound and proven client service strategy. Our service strategy is a simple one, and it works—especially in estate planning. Thus, throughout our work with you on your estate plan, we will attempt to do the following:

- (1) We will **Listen**.

Do not look for quick answers. We need to ask you questions (including the ones in this booklet) and we need to hear your answers.

- (2) We will **Understand Your Objectives**.

This is critically important. You will see questions throughout this booklet that are meant to assist you in defining your own objectives—and to assist us in understanding them.

- (3) We will **Develop the Right Solutions** to achieve those objectives.

These solutions may involve gifts to family, use of trusts (during your lifetime or at your death), use of the “marital deduction,” charitable gifts or bequests, educational funds for children or grandchildren, powers of attorney, etc. Our understanding your estate and your objectives will help us make recommendations that are right for you.

- (4) We will **Do the Job**.

We will try to give you an estate plan that meets your objectives and makes you feel a sense of comfort and security.

Important Ethical Statement

The legal professional has become appropriately concerned about joint representation of clients. A husband and wife may have different interests in estate planning that concerns their community and separate property interests. If we are to act as attorneys for both of you, we will try to explain the consequences of the decisions you make and balance all factors. We cannot, therefore, be an advocate for either of you against the other; such a process could favor one of you to the detriment of the other.

In assisting you in your estate plan, we must necessarily obtain confidential information from each of you. If we represent both of you, however, we cannot keep that information confidential from either of you.

We will probably make recommendations that affect your community and separate property interests. A conflict may exist in

the determination of what is community property and what is separate property. That determination may be more beneficial for one of you than for the other. If you partition community property, convert separate property to community property, or give property to your spouse as part of your estate plan, the possibility of a divorce must also be recognized. Consequently, our present recommendations could influence the income, property, and support provisions in any such divorce or after the death of one or both of you.

You are each, of course, welcome to have your own counsel for any part or all of the matters to be discussed.

With the foregoing in mind, if you do wish us to proceed with estate planning assistance to both of you, please sign below:

I have read the Important Ethical Statement above and I understand that a conflict of interest may exist or arise between my spouse and me in the matters about which we are consulting you. If I wish to have separate counsel or desire that you not be involved in any aspect of estate planning on my behalf, I shall notify you in writing. I consent to have your firm represent both of us in our estate planning until you are notified otherwise in writing. I understand that, where you are representing both of us on the same matters, as among my spouse, me, and you, no confidential communications are possible.

PART ONE

QUESTIONS FREQUENTLY ASKED ABOUT ESTATE PLANNING

One way of introducing estate planning is to answer some questions clients frequently ask us. We believe that these questions and answers are important enough to include here, and we hope you find them informative.

1. Q. What is community property and what is separate property?

A. Texas (along with other states) has a community property system as its basic marital property law. This is in contrast to other states that derive their property systems from the English common law. Texas property laws are traceable to the Spanish concept of a marital partnership between husband and wife.

Texas law—somewhat awkwardly—defines community property as that which is not separate property. Separate property is that which was owned by a spouse before the marriage, as well as property received after marriage by gift or inheritance. Everything else is community property. For example, the earnings of both spouses are community property. Income from separate property is also community property.

The foregoing rules may be changed if there is a gift or an agreement between spouses. For example, a husband and wife may agree to partition community property into separate property. Alternatively, a husband and wife may agree to convert separate property into community property.

2. Q. What happens if I die without a will?

A. If you fail to plan your estate and die without a will, the law will create a plan for you. The entire system—which is set forth by statute—is too complex for a discussion here, but some surprising and frequently undesirable results can occur.

One example is a client who lost his wife and was left with his wife's children of a prior marriage who were ages 8 and 10. Because his wife died without a will, her community one-half of his unincorporated retail business passed to her two children. He then found himself in a partnership with his wife's two minor children. Moreover, he must now, as guardian, post a bond and make a detailed periodic accounting to a court for everything he does in his business.

3. Q. Is a handwritten will legal?

A. A holographic will is one which is *solely* in the maker's handwriting. If it meets the other requirements for a will, a holographic will can be valid.

Holographic wills are a fruitful source of litigation, usually because they have been composed by someone who has had no legal training.

4. Q. Why should my will be more than one page long?

A. Your will need not be any longer than one page. Indeed, any lawyer should be able to turn out a pair of “one-pagers” for a relatively small fee.

The problem, however, is that such a will may not accomplish your objectives for your beneficiaries. We prefer to draft wills to cover the various factual and legal situations that reasonably may arise. The alternative is to hope that, by coincidence, the will may fit the facts at your death.

Accordingly, we may present you with a lengthy instrument. This “burden” to you may be a possible blessing to your family when they later find that you have anticipated and planned for what might have been cumbersome problems.

5. Q. What property will not pass under my will?

A. Proceeds from life insurance policies and retirement benefits will pass in accordance with the beneficiary designations and *not* under your will. In addition, property held as joint tenants with right of survivorship accounts (e.g., joint bank or brokerage accounts with right of survivorship) will pass to the surviving account holder and *not* under your will. Therefore, you should review your beneficiary designations and account agreements to be sure they are coordinated with your will. If a substantial portion of your estate consists of these types of assets, there may not be any property available to fund the “Bypass Trust,” discussed below.

6. Q. What is community property with right of survivorship?

A. A husband and wife may agree that the survivor will own the property. The agreement must be in writing and signed by both spouses. The agreement is revocable until the death of the first spouse to die. As a result of such an agreement, the property will pass *by the agreement* and *not by the will*.

Many banks and brokerage firms have this type of agreement in their standard joint account applications. Thus, many couples may have survivorship accounts without even realizing it. In the case of a spouse who desires to leave all or part of his estate in trust (either for tax planning or for other reasons) or to beneficiaries other than the surviving spouse, these types of survivorship agreements can frustrate his or her wishes.

We find clients acquiring certificates of deposit and other accounts in the name of themselves and others (for example, a child) for FDIC insurance purposes. The motive is to expand the number of insured \$100,000 accounts. The form used sometimes creates an account payable to the child at death, and this can frustrate the plan of the client’s will.

We will rely on you to review your joint accounts to determine if they are survivorship accounts. Then let us know about them, so we can advise you whether they should be changed.

7. Q. What is an Independent Executor?

A. An executor is the person appointed in your will to settle your estate. Your executor will be responsible for administering your estate. This includes ascertaining your assets and your liabilities. Your executor must prepare an inventory of what you own and submit that inventory to the Probate Court. After debts have been paid (including estate and inheritance taxes) the executor makes distributions to the beneficiaries in your will.

Texas law permits you to appoint an “independent” executor. An independent executor can act free of control by a court, except for only a few essential matters. In certain situations, the probate court may grant independent administration where your will fails to provide it. Without this independence, virtually all of the executor’s actions will be subject to prior approval by the court, and such a “dependent” administration can be cumbersome and expensive.

8. Q. What is a trustee?

A. A trustee is one to whom property is transferred for the benefit of someone else (the beneficiary).

We find that our new estate planning clients frequently misunderstand trusts. Many of our clients have heard a horror story about a trust, such as an impoverished widow-beneficiary who cannot extract enough money from the well-funded trust to maintain herself.

Present law, along with well drafted trustees' powers and professional trustees, make this concept of trusts obsolete. A trust can be designed to produce almost any result you desire, if you fund the trust with sufficient assets. We usually recommend that trustees be given very broad and adaptable powers to provide flexibility for future events. The trustee should be empowered to do what is best for the beneficiary, without being hampered by inappropriate restrictions.

If a trust appears suitable for your estate plan, you will want to select the trustee carefully. The family member or friend who comes to mind as a logical first choice may not really want to deal with the management of your assets. If a corporate trustee appears appropriate, we will suggest that you have a conference with a trust officer of the proposed bank or trust company. Further, you should consider giving someone, such as a committee, the power to change trustees. This could obviate the need to go to court to have a trustee removed and a successor appointed.

9. Q. What is a living trust?

A. A "living trust" is a trust that a person (the "Grantor") establishes during his or her lifetime. A living trust may be for the Grantor's own benefit or for the benefit of others. The trust may be funded either during the Grantor's lifetime or at the Grantor's death. Revocable living trusts for the Grantor's own benefit are appropriate in the following circumstances:

- The Grantor owns real property in another state

- The Grantor is likely to become incompetent

- The Grantor wants the disposition of his or her property to be kept private, and not in the public record

- The Grantor wants his or her property holdings to be kept private, and not in the public record

- A will contest is likely or anticipated

We refer to a living trust for the Grantor's own benefit as a "revocable management trust."

Some clients have the misconception that the primary advantage of a revocable management trust is that it will reduce or eliminate probate costs. It is true that property transferred to a revocable management trust during the Grantor's lifetime is not subject to probate. Therefore, if all of a client's assets are transferred to a revocable management trust, probate can be avoided. Unlike other states, however, Texas has a relatively inexpensive probate process. As discussed above, if an independent executor is appointed, the executor can act without having to obtain court approval. Therefore, avoiding probate in Texas may involve less economic advantage than in other states.

10. Q. What gifts are subject to the gift tax?

A. Generally, any gratuitous transfer of property is subject to the gift tax. Examples of gratuitous transfers include, but are

not limited to:

- A sale of property for less than its fair market value

- A loan for inadequate interest

- Forgiving a loan to a family member

- Paying for a car for a child and titling the car in the child's name

Certain transfers may be exempt from the gift tax, however. The first \$13,000 (for 2009) (in money and property) transferred to any person in any calendar year is excluded from the gift tax. This exclusion is commonly referred to as the “annual exclusion from gift tax.” A donor can make annual exclusion gifts to an unlimited number of persons regardless of any relationship between the donor and donee. Under certain circumstances, a husband or wife is permitted to transfer \$26,000 (for 2009) to a person in a calendar year. Qualified tuition or medical expenses paid directly to the service provider also are excluded from the gift tax.

If a donor transfers more than the annual exclusion from gift tax to a person in a calendar year, the excess is subject to gift tax and will reduce the “applicable exclusion from gift tax” (discussed below) available to the donor in the future. If the applicable exclusion from gift tax amount is completely used up during the donor's lifetime, the donor will have to pay gift tax on any additional gifts that are not excluded.

11. Q. How will my estate be taxed at my death?

A. Your estate may be subject to at least two taxes: the federal estate tax and a state inheritance tax. This discussion will be confined to the federal estate tax.

The federal estate tax is based on the fair market value of your “gross estate” at the time of your death. At the election of your executor, an alternate valuation date of six months from the date of your death may be used.

Your gross estate will include all of your separate property as well as your one-half of all community property. Additionally, your gross estate may include property which you do not own, but over which you retained or received certain rights or powers.

Federal estate tax law allows a “marital deduction” for bequests of property to your surviving spouse. The marital deduction permits interspousal transfers to pass tax free and defers payment of estate taxes on the property transferred until the death of the surviving spouse. In order to qualify for the marital deduction, property must be transferred to the surviving spouse in a fashion that satisfies the technical requirements of the Internal Revenue Code, such as an outright transfer or a transfer to certain types of trusts. There are special rules where the surviving spouse is not a U.S. citizen. It is important that you let us know if either spouse is not a U.S. citizen.

For persons who die in or make gifts during the year 2011 and 2012, the maximum estate and gift-tax rate is 35%. After 2012, the maximum estate and gift-tax rates will be 55% unless Congress changes the law.

The “applicable exclusion from estate tax” amount permits each person to make transfers that are not subject to federal estate

tax. The cumulative applicable exclusion amount for each individual changes over time in accordance with the following schedule:

Five million dollars for persons dying in calendar year 2011.

Five million dollars (adjusted for inflation) for persons dying in calendar year 2012.

One million dollars for persons dying in calendar year 2013 and thereafter.

Any applicable exclusion from gift tax used during a person's lifetime will reduce the applicable exclusion from estate tax available at the person's death. The cumulative applicable exclusion amount from gift tax for each individual was set at \$5 million for 2011 and 2012. The applicable exclusion amount for gift tax remains at \$1 million for all years after 2012 (unless other law is enacted). With proper wealth planning, a husband and wife both may make tax-free transfers of the applicable exclusion amount.

12. Q. What is a Bypass Trust?

A. A bypass trust is a trust that is designed to be excluded from or "bypass" the surviving spouse's estate for federal estate tax purposes. It enables a couple to utilize the applicable exclusion amount of each spouse. The surviving spouse can be a beneficiary of the Bypass Trust even though the Bypass Trust property is excluded from the surviving spouse's estate for federal estate tax purposes. Without a bypass trust, any property left to the surviving spouse will be taxed in his or her estate at his or her death and, thus, the applicable exclusion amount of the first spouse to die would be wasted.

For example, assume a couple has \$7,000,000 worth of community property. Also, assume Husband dies first in the year 2011 and leaves all of his property (\$3,500,000) outright to Wife. Husband's estate will owe no tax because all of the property passing to Wife will qualify for the unlimited marital deduction. If Wife dies later that year, the entire \$7,000,000 is taxable in her estate, which will result in an estate tax liability for Wife's estate.

However, if a bypass trust is utilized as part of the couple's estate plan, no tax would be owed at the second death. Husband's will would provide for his \$3,500,000 to be held in a bypass trust for the benefit of Wife for her lifetime. At Wife's death, the bypass trust property is distributed to the persons named in the bypass trust, (typically the couple's descendants). Alternatively, Husband could give Wife the power to determine who will receive the bypass trust property at her death without any adverse tax consequences.

13. Q. What is the generation-skipping transfer tax?

A. The generation-skipping transfer tax is a federal transfer tax which is separate from and in addition to the estate and gift taxes. Generally the generation-skipping transfer tax applies to a transfer of property to a grandchild (skipping the child's generation). It also applies to a transfer in trust for a child's lifetime with the property being distributed to grandchildren upon the child's death without having been taxed in the child's estate.

There are exemptions from the generation-skipping transfer tax. In 2011 and 2012, each person may transfer up to \$5 million without the tax being imposed. With proper planning, a couple may transfer \$10 million free of tax. After 2012, unless other law is enacted, the generation-skipping transfer tax exemption will revert to \$1 million (as adjusted for inflation).

If the tax is imposed, then the transfer is taxed at the highest estate-tax rate then in effect. This is in addition to any applicable estate or gift tax.

14. Q. Who will raise my minor children after my death?

A. The other parent. But if the other parent is not living, this becomes a selection you can make in your will. *If you fail to do so, the court will make the choice for you.* Needless, to say, you should assume the responsibility for this important decision, and not leave it up to the judge.

Clients frequently tell us that they have chosen one of their parents as the “guardian” in the event of both clients’ deaths. A quick mathematical computation may shed light on the advisability of this choice. For example, assume that the youngest child is 3 years old and the client’s parent is 58. When that child is 15 (i.e., during a time when adult-child communication can be difficult under the best of conditions), the grandparent will be 70.

A choice other than your parents may be better for your child. You might look first to your contemporaries in your families (such as brothers, sisters, or cousins). If no family member is available or appropriate, then consider friends with children in the same age range as yours. In any case, *you should consult with the proposed guardian to ensure that he or she is agreeable to assuming this responsibility.*

If you have planned your estate properly, the guardian should not experience financial strain in raising your children. We usually suggest that, upon the death of you and your spouse, a trust be established for your minor children. The trustee can be authorized to make distributions to assist the guardian and even provide funds to pay for any necessary expansion of the guardian’s home.

Please list below your choices of a guardian for your minor children (the choice can be either one person or a husband and wife together):

First Choice:

Name:

City:

State:

Second Choice:

Name:

City:

State:

15. Q. How frequently should I review my estate plan?

A. As a general rule, we suggest that you contact us every four or five years for a conference to review your estate plan and to update the information previously provided. We also recommend that you contact us in the event of a significant change in your finances or in your family situation. For example, a substantial increase in your estate (through inheritance, gifts, successful investments, or life insurance, etc.) may create opportunities for tax savings, as well as call for further family estate and financial planning. A divorce necessarily reopens the matter of planning your estate. Likewise, do not hesitate to contact us any time you have a question as to whether changes in tax or other substantive laws may influence your estate plan. While we sometimes send information to our clients regarding changes in law, we do not assume the responsibility of doing so, regardless of whether we retain the original copy of the will.

16. Q. What is a power of attorney?

A. A power of attorney is an instrument in writing by which one person, as principal, appoints another as agent, and it gives the agent authority to perform certain specified acts or kinds of acts on behalf of the principal. The person holding a power of attorney is known as an “attorney in fact” or “agent.” We have found that many clients want to appoint someone to act for them, particularly in the event of disability.

Generally, a power of attorney terminates on the disability of the principal. Texas law provides, however, that a power of attorney will be effective during the principal's disability provided that the instrument is notarized and contains the words "This power of attorney shall not terminate on disability of the principal."

Who should be the agent? In view of the authority and discretion conferred by a general power of attorney, your agent must be someone in whom you have complete trust and confidence. The agent should not be the same person who determines your incapacity. If you want a power of attorney, please list the person(s) you will designate as agent.

Name:

Address:

Name:

Address:

17. Q. What is a Directive to Physicians and Family or Surrogates?

A. A directive to physicians (commonly known as a living will) is a document that provides instructions to your attending physician to provide, withhold, or withdraw life sustaining procedures in the event of a terminal or irreversible condition. The directive to physicians also allows you to specify the types of treatment, like artificial hydration and nutrition that you would like to have provided or withheld. We advise you to consult with your personal physician in completing the directive to physicians.

18. Q. What is a Medical Power of Attorney?

A. A medical power of attorney is an instrument in writing by which you, as principal, appoint another as your agent to make health care decisions if you are incapable of doing so or are incapable of communicating with your physician.

If you want a medical power of attorney, please list the person(s) you will designate as agent (in order of preference):

Name:

Address:

Name:

Address:

19. Q. What is a Declaration of Guardian?

A. A declaration of guardian is a document in which you, as a competent adult, designate a person to serve as guardian of your person or estate in the event you become incompetent. In the event of incompetency, the guardian of your person would take charge of the care of you while the guardian of the estate would manage your property and financial affairs. Due to these different functions, you may wish to appoint different persons as guardian of your person and guardian of your estate. Many husbands and wives, however, appoint each other in both capacities.

You may, in the declaration, also disqualify named persons from serving as guardian of your person or estate. Once a named person is so disqualified, the person may not be appointed guardian under any circumstances.

Because of the widespread use of powers of attorney, we do not see many guardianships of the estate for adult persons. The need for a guardianship could arise, however, and our clients sometimes prefer to choose the person to be appointed as guardian by the court. In the event that a guardian of your estate is appointed, your power of attorney will no longer be effective.

If you desire to sign a declaration of guardian, please designate in order of succession:

Guardian of Person:

1. Name:

Address:

2. Name:

Address:

Guardian of Estate:

1. Name:

Address:

2. Name:

Address:

Please also advise us of the names of any individual(s) who you wish **not** to serve as guardian.

Name:

Address:

PART TWO

ESTATE PLANNING OBJECTIVES

An estate plan created in an ivory tower can be technically beautiful but of little value to you. Instead, the plan should accomplish your objectives.

To help you to better define those objectives and to prepare for our conference on this subject, we have listed many of the objectives sought by our other clients. Please check the ones that express your views regarding the following beneficiaries. Do not hesitate to make additions and comments.

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Objectives for

Husband

Wife

To provide a home.

To provide security of income.

To provide business management of his/her property and to relieve him/her of such responsibility.

To enable him/her to provide for my family.

- To protect him/her against improvidence.
- To give him/her freedom to manage his/her own affairs.
- To enable him/her to go into business or to continue my business.
- To protect him/her against the dangers of incapacity through old age and illness.

Objectives for

Son

Daughter

- To educate him/her.
- To protect him/her for life.
- To enable him/her to make his/her own career.
- To protect him/her against a designing or incompetent spouse.
- To enable him/her to enter business or to continue my business.
- To prevent him/her from disposing of my wealth.
- To provide business management of his/her property.
- To enable him/her to provide for his/her family.

Other

Name and Objective(s)

- Grandchild
- Parent
- Brother/Sister
- Charity

**PART THREE
FINANCIAL QUESTIONNAIRE**

I. Family Information

A. Residence and Business Addresses, and Related Information

1. Residence

Address _____ Telephone

(City) (State) (Zip)

2. Business

a. Husband

Name of Company _____

Address _____ Telephone _____

(City) (State) (Zip) _____

a. Wife

Name of Company _____

Address _____ Telephone _____

(City) (State) (Zip) _____

3. Correspondence regarding Estate Plan to be sent to:

Residence Husband's Business Wife's Business

B. Immediate Family

	Full Name	Date of Birth	Place of Birth	Social Security Number	Marital Status	Health Status (Good, Fair, Poor)
Husband	_____	_____	_____	_____	_____	_____
Wife	_____	_____	_____	_____	_____	_____
Children	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____

C. Marital History

1.
Date and place of your marriage

2.
List the states where you have lived since your marriage and the dates you lived in each state

3.
Do you and your spouse have a prenuptial or postnuptial marital property agreement? _____

If yes, please return a copy with this Questionnaire.

4. Prior divorces can have an effect on both tax and financial planning. Support and custody arrangements may influence the manner in which you provide for your children in your will.

a.
Have you or your spouse been previously married? _____

If yes, did the marriage end because of:

Death; please give date and place

Divorce; please give date, place, and name of your former spouse

b.
Which of your children or your spouse's children were born to the previous marriage?

c.
If the previous marriage ended in divorce, what arrangements were made as to child custody and support?

Parents and other Family Members.

D. Parents and other Family Members. If there is a possibility of inheritance from parents and other family members, or even if you support them, tax considerations should be investigated.

<i>Husband</i>		<i>Wife</i>	
Father	Mother	Father	Mother

- | | | | | | |
|----|--|--|--|--|--|
| 1. | Are your parents living? | | | | |
| 2. | What are their ages? | | | | |
| 3. | Describe their health (good, fair, poor). | | | | |
| 4. | In what state do they live? | | | | |
| 5. | Marital status (married, divorced, widowed). | | | | |
| 6. | Do they have wills? | | | | |
| 7. | What is the approximate inheritance you might receive? | | | | |
| 8. | Do you now support them or is it likely you will support them in the future? | | | | |
| 9. | Is there any other information about your family or your spouse's family that would be relevant to your estate plan? If so, please describe. | | | | |
10. Do you, your spouse, or your children expect a substantial inheritance from anyone other than your parents? If yes, please explain and state approximate amount of such inheritance.

Military Service.

E. Military Service. Certain death benefits are available to the families of veterans. In the event of your death, the following information can be useful in applying for these benefits.

Were you in the armed forces? Yes No

If yes: Date entered

Date discharged

Serial or Service No.

Branch:

Previous Estate Planning Instruments.

F. Previous Estate Planning Instruments. We will need to know whether you have previously developed an estate plan. If so, those instruments could have an impact on our recommendations to you.

1. Do you presently have a will? Yes No
If yes, please return a copy with this Questionnaire.
2. Does your spouse have a will? Yes No
If yes, please return a copy with this Questionnaire.
3. Have you ever established a trust? Yes No
If yes, please return a copy with this Questionnaire.
4. Are you or any of the members of your immediate family beneficiaries of any estates or trusts? Yes No

5. Are you or any of the members of your immediate family a trustee now (or are you or they likely to be a trustee in the future) of a personal trust?
 Yes No

Location of Important Items.

G. Location of Important Items. You should give careful consideration to where you keep your important papers and documents. They should be kept in a central location that offers a high degree of security and can be easily located in the event of your death.

1. Do you have a safe deposit box? Yes No
 If yes, where?
2. Does anyone other than you have access to it? Yes No
 If yes, who?
3. Please indicate the location of the following:

	S/D Box	Other	Home	Office (describe)
Bank book and cancelled checks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prior year's tax returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Current financial statement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Divorce papers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Birth certificates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Life insurance policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hospitalization and disability policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property and other insurance policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal documents (deeds, notes, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

II. Personal Financial Information

The sources of your income and the nature of your assets will have a significant impact on our recommendations. The following questions are directed at determining the precise nature of these items. Your assets may raise special problems of transfer at your death, and they may suggest a number of options with regard to tax planning. The nature of your assets also may influence the selection of the person or institution that should serve as an executor or trustee of your estate. This information also will enable us to give you an estimate of your potential estate tax liability and how that liability is affected by alternative estate plans.

Employment.

A. Employment. If you or your spouse is employed other than in your own business, please complete this paragraph. If either of you is a sole proprietor, a partner, or a shareholder in a closely held corporation, you will need to complete questions posed later.

1. Husband

a.
Who is your employer?

b.
What is your position?

c. Do you participate in any of the following benefit plans?

- | | |
|--|--|
| <input type="checkbox"/> Profit sharing (including 401(k) plan) | <input type="checkbox"/> Group Life |
| <input type="checkbox"/> Pension | <input type="checkbox"/> Accidental death or travel accident insurance |
| <input type="checkbox"/> Group hospitalization | <input type="checkbox"/> Stock option |
| <input type="checkbox"/> Group disability income | <input type="checkbox"/> Salary continuation plan |
| <input type="checkbox"/> Any other employee benefit plan. Please describe: | |

.....
.....
.....

d. Do you have an employment contract? Yes No

If yes, please return a copy with this Questionnaire.

e.
Who may we contact at your place of employment with regard to these programs?

2. Wife

a.
Who is your employer?

b.
What is your position?

c. Do you participate in any of the following benefit plans?

- | | |
|--|--|
| <input type="checkbox"/> Profit sharing (including 401(k) plan) | <input type="checkbox"/> Group Life |
| <input type="checkbox"/> Pension | <input type="checkbox"/> Accidental death or travel accident insurance |
| <input type="checkbox"/> Group hospitalization | <input type="checkbox"/> Stock option |
| <input type="checkbox"/> Group disability income | <input type="checkbox"/> Salary continuation plan |
| <input type="checkbox"/> Any other employee benefit plan. Please describe: | |

.....
.....
.....

d. Do you have an employment contract? Yes No

If yes, please return a copy with this Questionnaire.

e.
Who may we contact at your place of employment with regard to these programs?

Accountant.

B. Accountant. We may wish to seek advice and information from others who are familiar with your finances. These people may be able to offer information and recommendations which will benefit your estate plan.

1.
Who prepared your most recent income tax returns?

2.
What is the preparer's profession (CPA, bookkeeper, etc.)?

3.
With what firm is the preparer associated?

Address

Telephone number

Prior Gifts.

C. Prior Gifts. You and your spouse are entitled to certain credits and exclusions in computing tax on lifetime gifts. If your motive in making a lifetime gift is to save income tax or estate taxes, the gift must be planned carefully. This section inquires into prior gifts.

1. Have you ever filed a gift tax return? Yes No

If yes, please return with this Questionnaire a copy of all returns.

2. Have you ever made a gift to a minor under the Uniform Gifts to Minors Act? Yes No

If yes, who is the custodian?

Annual Income.

D. Annual Income. Please set forth below your estimate of this year's:

	Husband	Wife
Earnings from employment	_____	_____
Dividends and interest	_____	_____
Capital Gains	_____	_____
Other Income (royalties, trust distributions, etc.)	_____	_____

Assets and Liabilities.

E. Assets and Liabilities. If any of the property you are asked to describe below is your or your spouse's separate property, please indicate with the symbol "HSP" if it is the husband's separate property, and with the "WSP" if it is the wife's separate property. Joint tenancies with right of survivorship create special problems. They may cause the disposition at death to avoid the desired result under the will. If any property is held as joint tenants with right of survivorship, please indicate with the symbol "JTWROS". Please attach additional sheets where more space is needed. Note also that a current and somewhat detailed financial statement can be substituted for much of this information.

1. Cash Balances

	Bank, Savings & Loan or Other Institution	Amount	Name of Contact
Checking accounts	_____	_____	_____
Savings accounts	_____	_____	_____
Certificates of Deposit	_____	_____	_____
Money Market Funds	_____	_____	_____
Total		_____	

2. Employment Benefits

	Custodian or Trustee	Name of Contact	Present Value
Individual retirement account, annuity, or bond	_____	_____	_____
Keogh (HR-10) account	_____	_____	_____
Corporate pension plan	_____	_____	_____
Corporate profit sharing plan (including 401(k) plan)	_____	_____	_____

Other plan (e.g., stock option, nonqualified deferred compensation plan, etc.) _____

Total _____

3. Notes and Accounts Receivable (these are owed to you, not by you)

Debtor	Nature of Debt	Security	Maturity	Annual Interest	Face Value	Present Value
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Total Present Value						_____

4. Bond Holdings

Description of Bonds	Maturity Date	Date Acquired	No. of Units	Cost	Annual Yield	Present Value
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Total						_____

5. Stock, Other Than Personal Business

Description	Date Acquired	No. of Shares	Annual Cost	Yield	Present Value
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total					_____

6. Mutual Funds

Description	Date Acquired	No. of Units	Cost	Annual Yield	Present Value
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total			

7. Real Estate (attach additional sheets as necessary)

	Your Residence	Property #2	Property #3
Description			
Location			
Income, if any			
Owned in name of			
How acquired (gift, purchase, etc.)			
Date acquired			
Cost			
Present value (without deducting debt)			
Total value of real estate			

8. Producing Oil Properties or Other Mineral Interests

Description	Type of Interest	Date Acquired	Cost	Current Yield	Present Value
Total					

9. Other Investments

Description	Type of Interest	Date Acquired	Cost	Current Basis	Present Value
Total Present Value					

10. Other Personal Property and Collectibles (e.g., jewelry, art, collections, patents, vehicles, boats, aircrafts, etc.)

Description	Date Acquired	Cost	Present Value
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Present Value			

11. Personal Liabilities (Other Than on Real Estate) Owed to Banks

Name of Bank	Location	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Liabilities Owed on Real Estate

Real Estate	Owed to	Location	Amount	Monthly Payment
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total				

13. Other Liabilities (e.g., life insurance policy loans and amounts owed to other individuals)

Description	Amount Owed
_____	_____
_____	_____
_____	_____
_____	_____

Charge Accounts (approximate)

Total

III. Business Financial Information

If you are a sole proprietor, a partner in a partnership or a stockholder in a closely held corporation, significant tax considerations are raised. One of the most important of these is how your interest in such a business is to be valued at your death. This is an area that has seen considerable tax litigation. The information sought in this section will aid us in recommending to you steps you might take during your lifetime to reduce the likelihood of such a dispute. In addition, it will determine whether or not you have made any arrangements with your business partners or fellow shareholders as to the disposition of your interest or their interests upon death or disability. For example, you may not want a widow or widower of one of your colleagues to be a shareholder or partner with you. Instead, you may want to make provision to buy out the interest of a deceased business colleague at a fixed price or at a price to be determined according to a formula.

Sole Proprietorship.

A. Sole Proprietorship. Do you own your business as a sole proprietorship?

- Yes No

If yes, please complete the questions in this part. And please furnish to us the Schedule C from your latest income tax return.

1. Details of Business Interest in Proprietorship

a.
Name of the business

b.
Address

c.
Date you acquired the business

d.
Nature of the business

e. Have Assumed Business or Professional Name Certificates been filed within ten years?

- Yes No

If yes, in what counties?

f. Earnings (net before taxes last three years):

Year	Amount
_____	_____
_____	_____
_____	_____

g.
What is the book value?

h.
Liquidation value?

i.
Value as a going concern?

2. Transfer of Ownership Interest

a. Is the retention of the business for your family desired?

Yes No

If yes, who are the members now active or whom you expect to become active following your withdrawal?

Name	Age	Relationship
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

b. Is there any agreement requiring the sale of your business at your death?

Yes No

If yes, who are the parties to this agreement?

c.
When is the effective date of the transfer (death, disability, retirement)?

d.
What is the purchase price?

e.
What is the method of funding (life insurance, payment of future earnings)?

f.
Any other material provisions?

g. If no agreement of sale is in effect, are there any employees capable of continuing the business after your withdrawal?

Yes No

If yes, give

Name

Age

Position

Partnership.

B. Partnership. Do you own any interest in a partnership?

Yes No

If yes, please complete the questions in this part. Please furnish to us the partnership's latest tax return and financial statements.

1. Details of Partnership Interest

a.

Name of partnership

b.
Address

c.
Date partnership interest acquired

d. Have Assumed Business or Professional Name Certificates been filed within ten years?

Yes No

If yes, in what counties?

e.
Nature of business

f. Earnings (net before taxes last three years):

Year	Amount
_____	_____
_____	_____
_____	_____

g.
What is the book value of your partnership interest?

h. Liquidation value? _____

i. Going concern value? _____

j. List partners:

Name	Relationship (if any)	% Profits & Capital	Annual Income from Partnership
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

k.
Who is partnership's accountant?

1. Address of accountant

Address (*Street*) (*City, State, Zip*)

Telephone

2. Transfer of Ownership Interest

a. Is retention of your partnership interest for your family desired?

Yes No

If yes, who are the relatives active in or whom you expect to become active in the business following your withdrawal?

Name	Age	Relationship
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

b. Is there in effect a buy-sell or partnership redemption agreement?

Yes No

If yes:

(1)
Who are the parties to the agreement?

(2)
What is the effective date of the transfer (death, disability, retirement)?

(3)
What is the purchase price?

(4)
What is the method of funding (life insurance, payment out of future earnings)?

Closely Held Corporation.

C. Closely Held Corporation. Do you own any of your business as a corporation?

Yes No

If Yes, complete the questions in this part. Please furnish to us the corporation's latest tax return and financial statements. Unless you have another attorney who is representing the corporation, we should examine the Minute Book.

1. Details of Business Interest in Close Corporation

a.
Name of the corporation

b.
Address

c.
Date you acquired corporate stock

d.
Cost of shares acquired

e.
Nature of the business

f.
State of incorporation

g.
Year of incorporation

h.
Other states in which qualified to do business

i.

Where is the Minute Book located?

j. Is the Minute Book current? Yes No

k. Earnings (net before taxes last three years):

Year	Amount
_____	_____
_____	_____
_____	_____

l. What is the corporation's book value?

m. Liquidation value?

n. Going concern value?

o. Who is the corporation's accountant?

p. Address of accountant

Address (*Street*) (*City, State, Zip*)

Telephone

q. How many shares are outstanding of:

Preferred

Voting Common

Nonvoting Common

2. Transfer of Ownership Interest

a. Who are the shareholders and what are their interests?

No. of Shares	Name of Shareholder	Age	Relationship
---------------	---------------------	-----	--------------

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

b. Is any stock subject to option? Yes No If yes, who are the optionees and what are the terms of the options?

.....

.....

c. Is there in effect a buy-sell or stock redemption agreement?

Yes No

If yes?

1. Who are the parties to the agreement?

2. What is the effective date of the transfer (death, disability, retirement)?

3. What is the purchase price?

4. What is the method of funding? (life insurance, payment out of future earnings)?

IV. Insurance

Insurance has become an increasingly important estate planning tool. Life insurance can provide significant financial security if an individual dies while building his estate. Later in life, after a substantial estate has been built, life insurance can assure the availability of cash to satisfy any estate tax liability. The coordination of your life insurance beneficiary designations is an essential part of your estate plan.

A. Your Underwriters

1. Who is your life insurance agent?

2. Address

3.
Telephone Number

4.
When did you last review your life insurance program and with whom did you do so?

5.
What insurance agent handles your fire and casualty insurance?

6.
What agency is he/she with?

7.
Address

8.
Telephone Number

9.
When did you last review your property insurance needs and with whom did you do so?

B. Personal Insurance

1. Life insurance (including your group life insurance) on you and other members of the family:

	Policy No. 1	Policy No. 2	Policy No. 3	Policy No. 4	Policy No. 5
Insured	_____	_____	_____	_____	_____
Company	_____	_____	_____	_____	_____
Policy No.	_____	_____	_____	_____	_____
Type of Policy	_____	_____	_____	_____	_____
Beneficiary	_____	_____	_____	_____	_____
Owner	_____	_____	_____	_____	_____
Face amount	_____	_____	_____	_____	_____
Accidental Death Amount	_____	_____	_____	_____	_____

2. Life insurance on lives of others

Insured	Owner	Insured's Relationship Owner	Company	Policy No.	Amount
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

3. Disability insurance

Company	Insured	Benefits
.....		
.....		
.....		

C. Business Related Life Insurance

1. Does your business carry life insurance on you or any business colleague or other key employee? Yes No If yes, please specify:

Name of Employee, Shareholder, Partner	Amount of Insurance	Plan of Insurance
_____	_____	_____
_____	_____	_____
_____	_____	_____