



Legacy-Silicon Valley Estate Planning Packet

The Process

- Staying on Track
If we adhere to these simple commitments, the process will be efficient and your estate planning will be behind you before you know it.
- The Steps to Establishing Your Estate Plan
This will give you a road map and check list to follow as we move through the estate planning process.
- Our fees
This is a description of our services and our basic fee structure.

Resource Materials

- Building blocks for a Basic Estate Plan
This will help you understand the basic tools of estate planning.
- Structuring Trusts in a Will- for clients who want wills only
This explains how trusts in a will save taxes and preserve assets for children.
- How a Legacy-Silicon Valley Living Trust Works- for clients who want living trusts
This provides guidance in filling out the questionnaires.

The Questionnaire

Staying on Track

We find that the estate planning process works best for our clients and ourselves if we all follow some very simple guidelines. Now that you have begun the process, I am sure that you want to be as efficient about it as possible. Based on our experience, we would like to propose some mutual commitments for your consideration. (These commitments do not form a contract: but they do provide some useful guidelines.)

A. On our part, we will commit to:

Providing you with our best service by:

- Meeting with you in my office or in your home, at a time that is convenient for you. (Home visit will increase the cost slightly.)
- Giving you as much of our time as you need.
- Charging you highly competitive rates for your documents.
- Explaining issues fully with a minimum of legal jargon.
- Concentrating solely on your documents when we are working on them (we will not tolerate interruptions by phone, people or otherwise.)

We will be timely and accurate:

- You will receive your documents as soon after our meeting as possible.
- The documents will be correct and comprehensive.

We will continue to respond to your needs:

- We will help you fund your trust and answer questions as they arise.
- We will modify the trust documents if you want to make minor changes.
- Of course, we will correct any mistake we might make.
- In the future, we will make minor changes to your documents for a minimal charge. More significant changes will result in an hourly charge.

B. On your part, we ask that you agree to:

Help with scheduling our first meeting.

- Please contact us to set an appointment with a few alternate dates and times that are at least two weeks from when you call.

Be prepared for our appointment by:

- Filling out the Questionnaire as thoroughly as possible. (This means that you will have chosen and called your designated guardians (if applicable), and your personal representative and trustee and will have chosen at least one back-up for each position.) Do not worry if your questionnaire is missing information, we will have time to gather the information during our meeting.
- Signing the Memorandum of Understanding and the Disclosure which I will give to you at the first meeting.
- Making copies of all necessary documents (set out on the Questionnaire.)

Pay upon receipt of the invoice

- I will send the invoice to you when your documents are complete. Please plan on paying the remaining ½ of the fee at the signing meeting.

THE STEPS TO ESTABLISHING AN ESTATE PLAN

➤ **STEP 1: Your Preparation (This part helps us to be efficient.)**

- After you have downloaded the packet, call to set an appointment.

Decide if you want a living trust or a will as your basic estate planning tool. Set an appointment. Pick two or three times on different days for our first appointment.

Appointments are usually scheduled two to four weeks in advance, but I may have earlier available times. You can set appointments for evening or weekend hours if absolutely imperative, but additional fees will be charged. We will meet in my office; however, if your health or special needs warrant, we can meet at your home.

- You should review this packet carefully.

Read the enclosed materials and fill out the Questionnaire.

Gather and copy necessary documents. If I am representing a couple, please sign the Disclosures Regarding Joint Representation (unless you have questions).

➤ **STEP 2: Our Meeting (this is often the best part!)**

We will meet at a time that works for you. During our appointment, we will talk generally about your goals and any special circumstances or concerns that you have. I will go over the mechanics of the living trust and answer any lingering questions. We will then review your Questionnaire and I will gather some additional information. The meeting typically takes about an hour and half. At the end of the meeting I will ask you to sign the memorandum of understanding and the disclosure. Until I actually begin drafting your documents, there is no obligation on your part.

If you decide to proceed further with document preparation, I will ask that you pay 1/2 of the total fee after this first meeting is concluded.

➤ **Step 3: Document Preparation (now it's my turn to do homework....and lots of it)**

I will prepare your documents. These documents will include a living trust, certification of trust, pour over wills, durable powers of attorney for property management, Advance Health Care Directives and a HIPAA form. I also provide a Memorial Services Memorandum for you to complete in the privacy of your own home.

➤ **Step 4: Final Meeting (this one completes the process!)**

We will set a time for this meeting at our first meeting. When we meet we will sign the documents and work on the paperwork transferring your assets into the trust if I have prepared a trust for you. If this paperwork is

voluminous, we will keep it and fill in the parts we can and then return it to you to complete the balance of the form. You should then mail these forms into the appropriate entities. We will handle the transfer of real estate into the trust. If funding is extensive, an extra hourly charge may be assessed.

Please note, the scheduling of this second meeting is important to the flow of my practice. It is important that scheduled meetings be kept and always inform me of any changes that you are interested in making at least three days before the meeting

Knowing that you have taken care of business, you can now sit back and relax.

OUR FEES

Legacy-Silicon Valley typically operates on a standard fixed fee basis. Please note that the fees quoted below may be revised upward if you ask us to undertake substantial additional work (such as preparing additional trusts or sub trusts or substantially redrafting the documents you receive based on stylistic or aesthetic preferences).

Complete Living Trust Package

In drawing up a living trust, we will also prepare pour-over wills, durable powers of attorney for property management, certification of trust, advance health care directives, memorial services memorandum, and HIPPA health care forms. Living trusts for married couples with young children typically include a sub-trust for children.

In my office during the day:

Couple	\$4250
Single	\$3950*

*This price differential between living trust for couples and single people is not based on marital status, but arises from the fact that a couple's estate plan must include additional documents, such as separate wills and durable powers of attorney for each spouse. These documents obviously take time to prepare.

The price includes the transfer of one piece of California based real property into the trust. We will transfer additional real property at \$250 per asset plus any recording fees charged by the outside preparer.

Notarization: Notarization fees are included if we sign in my office during the day. If you want to arrange to have a mobile notary to sign the documents in your home in the evening, charges typically run between \$150 and \$200 for the notary and my hourly rate of \$375. (If notarization exceeds more than 8 notarized signatures due to particular assets, \$10 per additional signature will apply when done in my office.)

Funding Your Trust: I will help you transfer your assets into the trust. You will need to obtain the paper work from your financial institutions and have it available for our second meeting.

Complete Wills (without a Living Trust)

When we draw up your Will, we will also prepare durable powers of attorney for property management, Advance Health Care Directives and HIPPA health care forms. Wills are typically drafted to include a tax-savings trust and a trust for children.

In my office during the day:

Couple	\$3100
Single	\$2800*

Payment Options:

We are more than happy to work within your budget. You may pay in installments that are comfortable for you and are interest free. If you would like to avail yourself of this option, just ask. It is our policy not to turn away any parent of a minor child because of an inability to pay. We also accept credit cards with a small service fee added.

Building Blocks for a Basic Estate Plan

Most parents of young children have three basic estate planning goals. While every situation is unique, I find that most people want an estate plan to:

- Appoint guardians to care for minor children,
- Create a plan to manage assets left behind for children, and
- Preserve wealth by reducing or eliminating taxes and transfer costs.

What follows is a list of tools to accomplish these goals, and some others besides.

Wills

Wills are the simplest estate planning tools. They are extremely flexible and provide for appointment of guardians, tax savings trust, and trusts for children. They do not substantially reduce the costs of wealth transfer (i.e. probate).

Living Trust

Living trusts are legal entities that hold property during a person's life and provide for a distribution plan after death. All assets in the living trust avoid probate. Living trusts are coordinated with pour-over wills to appoint guardians and tie up loose ends.

Powers of Attorney

Durable Powers of attorney allow someone to make decisions and take actions on your behalf. A durable power of attorney for property management allows someone to manage your financial affairs either immediately or if you become incompetent.

Advance Health Care Directive

An "advance health care directive" lets your physician, family and friends know your health care preferences, including the types of special treatment you want or don't want at the end of life, your desire for diagnostic testing, surgical procedures, cardiopulmonary resuscitation and organ donation

Other tools:

Sophisticated estate planning involves numerous devices designed to reduce or shift tax liability. If your estate is very large, ask us about other devices. We will tell you about them and consult with your financial advisors to ensure that you are adequately prepared.

Filling Out Your Questionnaire

PART I: FAMILY

This section should be self-explanatory. Obviously, I will be gathering other information when we meet.

PART II: GUARDIANS, TRUSTEES, EXECUTORS AND ADVISORS

Whether you decide to have me prepare simple wills or a living trust with pour-over wills, I will need certain information from you. In particular, I will need to know who you would want to serve as executor of the wills, as guardian of your children and as trustees of the trust for you or your children. If you are having me prepare a living trust, put the information down on the Living Trust Questionnaire. If you are having me prepare wills, please fill out the Wills Questionnaires.

- *Guardian*- Your nominated guardian would raise your children if anything were to happen to you. The person you choose may be a relative or a friend. You may pick someone who lives out of state or even out of the country. You can designate a couple to serve as joint guardians, but you should be confident in the strength of their marriage since custody of your children would become an issue between them if they were to divorce.

- *Trustee*- Your trustee would manage any assets you leave behind for your children. You can name the same person as guardian and as trustee; you should choose someone who will get along well with your guardian. The guardian and the trustee will have a loving relationship and it is essential that they cooperate. Your trustee will manage funds for your children for some time, so he or she should be relatively young or you should have an alternate who would be able to take over if your primary trustee could no longer serve. Another option is to name an institution to serve as trustee (such as a bank or trust company). These companies do charge for their service, but they will be around and can competently manage assets. They are often well worth the price that is paid!

- *Executor*- The executor would take your estate through probate (which is the court supervised distribution of assets). When you have a living trust this job is not burdensome. With a will, it can require a great deal of work. In essence, the executor would be responsible for gathering any assets outside of your living trust, filing documents with the court, paying debts, passing property to heirs and, most importantly, insuring that the guardian you nominate is appointed by the court.

You should designate at least two people for each of these roles. If any of the people are not family members you have listed already, please note their relationship to you (e.g., friend, cousin). Most often couples will designate each other as the first executor, but you should name two alternate executors. You want to make sure in advance that the people you choose are willing to serve and so, if you have not already done so, you should call them to discuss these designations with them. My guess is that they will be honored.

PART III: ASSETS

Final Distribution: You will also need to identify the people you would want to receive your assets if something happens to both of you and to your children. People typically will give their assets to their family members. If parents need the funds, it makes sense to pass assets to them. However, if they have substantial assets in their own right, giving your assets to them will only swell their estates. Spouses may treat their respective property differently. For example, a husband may want his half to go to his parents because they would need it, while a wife might want her half to be divided between her siblings. If you want to share distribution (for example, between parents or siblings), put their names on the same line and indicate the percentage they are to receive.

Specific Gifts: With a living trust, anything that you do not specify as going to a certain person will go to your spouse and then to your children. You may have specific gifts that should go to specific people. You should describe the property generally and name the person the property is to be given to. If you want the property to go to that person even if your spouse survives you, please check the box.

PART IV: DOCUMENTS- Living Trusts Only

I will need copies of documents related to your finances. I know that for some, providing this information is a nuisance and feels invasive, so let me tell you why I need this material. First, I need to make sure that we are reducing estate taxes to the maximum extent possible. Not revealing assets or their value could result in large estate tax liabilities. Second, because one of the purposes of a living trust is to avoid probate, you must transfer the vast bulk of your assets into the trust for it to be effective.

Assets transferred into a living trust are listed on schedules attached to your trust documents. We will include in the trust all real estate you own (whether in this state or in other states), any bank or brokerage accounts, mutual funds, money market accounts, options, proceeds from life insurance policies, as well as jewelry, art, collectibles, heirlooms and any royalties, copyrights or other intellectual property you own. We can also transfer most small business interests (whether sole proprietorships, partnerships or corporations) to your living trust. By Federal Law, you cannot transfer retirement, savings (such as IRAs and 401 plans) into your trust.

For me to compile the schedule, it is far more efficient for all of us if you are able to gather relevant documents before we meet. These documents are listed on the

Questionnaire. I will need copies of many of the documents, but in certain cases need only the originals. If you have any additional documents reflecting other substantial assets that are not on the list, please have them available when we meet.