

Estate Planning, Explained.

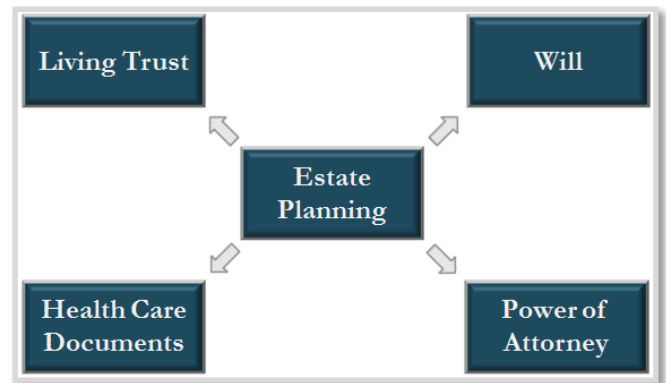
In planning for the future financial state of your family, it is imperative to think about how your wealth will be handled after your death. Estate planning is a powerful tool that allows you to plan and decide what happens to your assets when you're gone, impacting multiple generations. Without it, major financial and personal decisions regarding your wealth will be left up to the court of law, hospitals or relatives, and may not be in line with the wishes of you and your family.

An estate plan consists of a Will, living trust, durable power of attorney, and a health care proxy.

Just about everyone needs a Will. Although your living trust will direct the disposition of your assets, the Will allows you to appoint guardians for minor children. In what's known as a "pour-over will" you can require that any assets not named specifically in the living trust be transferred to the trust upon death. Your Will also appoints an executor who will need to file an estate tax return.

In a living trust, you name those who will inherit your assets (and when, in the case of minor children) and appoint a trustee to oversee your affairs. A properly designed trust will minimize the impact of estate taxes and protect your beneficiaries' assets from creditors and ex-spouses.

A living trust also helps protect your family's confidentiality. Money and property flow through the trust rather than through probate court, which would create a public record of your assets, liabilities and beneficiaries. You, as the grantor of your living trust, have full access and can amend the living trust as you please during your lifetime. Your trustee must live up to the title – someone you trust completely! This person will manage and distribute your assets after your death, so choose your trustee carefully.



Assets not named in your living trust can be distributed through an Assignment of Assets. This document works in conjunction with your living trust and Will to ensure a smooth transfer of assets after your death. Here you can spell out your desire that any assets not specifically named in the trust get transferred there rather than go through probate court. This is useful for both the big items, such as real estate acquired after the trust was set up, and smaller things such as jewelry and household property.

Keep in mind, assets such as Retirement Accounts, Life Insurance, Annuities and Pension pass outside of a Will or trust, and follow the beneficiary designations listed on each asset.

For most of us, thinking about death isn't pleasant, but it isn't nearly as bad as thinking about being alive yet unable to make our own decisions. Illnesses and injuries do happen, and a Durable Power of Attorney authorizes another person to manage your financial affairs if you are incapacitated. Typically, people choose a spouse or child, while others appoint a trusted friend or business partner. It is vital to have this document in place since the need for it usually arises without warning. If you have not executed a Power of Attorney, a court will appoint someone to manage your financial decisions, and it may not be the person you would have chosen.

Many of us have strong views about what we would want in the event of a catastrophic illness or injury. Sometimes we disagree with even our closest family members about issues such as life support withdrawal, pain management and organ donation. This is why it is imperative to have a health care proxy. It allows you to write your wishes down, and to appoint someone you trust to make medical decisions for you if unforeseen circumstances arise.

Without a health care proxy, there could be conflict among family members and perhaps court intervention.

Most of us focus on the here and now, but peace of mind comes with knowing you have planned for the future and taken care of those you love. At Riverview Capital Advisers, we help our clients build assets and live comfortably by thinking ahead.

Estate Planning: Questions to Consider	
Will	<ul style="list-style-type: none"> • How would you like your estate to be divided? • Who would raise your minor children if you died?
Living Trust	<ul style="list-style-type: none"> • At what age would you like your children to inherit? • How much income do you want them to have until that time? • What efficient, reliable person could act as executor of your estate?
Durable Power of Attorney	<ul style="list-style-type: none"> • Who would take charge of your finances?
Health Care Proxy	<ul style="list-style-type: none"> • Who do you trust to make medical and financial decisions on your behalf if you are unable to do so?

Contributors: Paula Pienkowska Director of the Wealth Advisory Group at Riverview Capital Advisers. Alan Arcadipane is a business analyst at Riverview Capital's Business Advisory Group who helps clients grow revenue and enhance efficiencies. Melysa Latham, Marketing & Communications, is a member of Riverview Capital's Business Advisory Group.