

Getting Started with Your Estate Planning

What is the first step in the estate planning process?

The first step in the estate planning process is to schedule an appointment to discuss your particular situation. The initial estate planning conference provides me an opportunity to learn about you, your family, your assets, and your goals. It is a “no obligation” meeting that lasts about one hour. At the end of the meeting, I will recommend different estate planning techniques that suit your needs, and explain my fees. You can decide how you wish to proceed.

What should I bring with me to the initial conference?

You should bring a financial statement with you to your initial estate planning conference. It does not have to be professionally prepared. A list of your major assets and liabilities (debts), with approximate values, helps me assess whether any tax planning should be recommended for your situation. Also, be sure to indicate separately “pre-tax” assets (like IRAs and qualified retirement plans) versus “after-tax” assets (like regular investment accounts, money market accounts, etc.). Some people use a computer program or other form for creating a financial statement. Others simply sketch out their information on the form attached as Exhibit A. Bringing along your address book or completing the information on Exhibit B is also helpful (see below). Also, if available, you might bring copies of your current estate planning documents (although, if you know they need to be completely redone, I will probably not spend too much time reviewing them).

Is there anything else that I should bring to my initial conference?

Other documents that should be brought, if applicable, would be copies of documentation relating to any business you own, such as the articles of incorporation and bylaws for your corporation, the partnership agreement for your business partnership and any buy-sell agreement. If you are the beneficiary under someone else’s Will or trust, you should bring a copy of that document. In addition, if you have ever been divorced and you believe the divorce decree might impose certain requirements with respect to various assets that you own (such as life insurance), please bring a copy of the divorce decree or property settlement agreement. If you have signed a premarital agreement or other marital property contract, that document should be brought along as well. If these documents are not readily available, they can be provided after the initial conference.

What should I think about before meeting with my estate planning attorney?

The two most basic questions are (i) to whom do you want to leave your assets and (ii) who do you want to name in various positions of responsibility?

With respect to the bulk of your estate, the answer to the first question is often very standard. Most married couples wish to provide first for their spouse and then for their children. Single people with children usually leave the bulk of their estate to their children in equal shares. Unmarried individuals without children should make a list of persons (or charities) they wish to benefit and the percentage share to each.

The answer to the second question can sometimes be more difficult. Usually, spouses name each other first in all positions of responsibility (except as guardian for minor children, which is automatic in most cases). The executors, trustees, agents and guardians that you name in your estate planning documents should be trustworthy, responsible people (collectively called “fiduciaries”). In some cases, a professional (such as a bank having trust powers or a private trust company) can be named as a fiduciary. You do not need to know exactly who you will name in every position before meeting with me. I will help advise you in regard to these matters. Preparation of your documents, however, will be advanced if you at least bring with you to the meeting the names, addresses and phone numbers of all persons who *might* be involved in your estate plan (see Exhibit B and further discussion below).

Is there anything else I should think about in preparation for the meeting?

If you have any particular issues or concerns, such as disposition of your business in the event of your death, or providing for an adult disabled child who is receiving government benefits, you should make a list of those issues and concerns prior to meeting with me. You should also advise me whether you and your spouse are both U.S. citizens and how long you have lived in Texas during the period of your marriage. If you or your spouse have inherited any assets from someone, you should advise me of that fact and identify the inherited assets in your financial statement. Further, it is also helpful if you can determine the current beneficiaries that you have named for your life insurance policies, IRAs and qualified retirement plans. If you are thinking of making relatively large cash gifts or gifts of other assets (*excluding* items that come within the general phrase “household furnishings and personal effects”), you might begin making a list of those persons and the amount or items that you are considering leaving to them.

Is there any other information that would be helpful to bring with me to the initial conference?

It would be helpful if you were to bring a prepared list of family and personal information, including all of the basic information relating to you, your spouse, your children, and any other persons who might be involved in your estate plan. A form that can be used to compile this information is attached to this memorandum as Exhibit B.

EXHIBIT A
FINANCIAL STATEMENT

Assets	Designated Beneficiary (if any)	How Titled ¹	Approximate Value
Your home			
Other real estate ²			
Oil, gas and other mineral interests ¹			
Stocks, bonds, mutual funds and other investments ("after-tax")			
Cash, CDs, money market accounts			
Automobiles and other vehicles			
Valuable collections/collectibles/heirlooms			
Other household furnishings and personal effects			
Retirement assets, such as 401(k) plans, profit sharing plans, pension plans, IRAs, etc. ("pre-tax")			
Life insurance (identify insured and show <u>both</u> death benefit <u>and</u> cash value, if any)			(Death benefit)
			(Cash value)
Closely held business interest (describe)			
Other miscellaneous assets (describe)			
Total Assets²			

Liabilities (Debts)	Current Balance
Mortgage on home	
Other real estate mortgages	
Personal debt (credit cards, car notes, etc.)	
Accrued taxes	
Other debts	
Total Liabilities	

Net worth for estate planning purposes (Total Assets ³ minus Total Liabilities)	
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¹ Account by account, and owner by owner. If space does not allow here, write on the back of this sheet or on another page.

² Provide state and county.

³ Including life insurance death benefit, but excluding life insurance cash value.

**EXHIBIT B
FAMILY AND PERSONAL INFORMATION**

General Personal Information

	<u>Husband</u>	<u>Wife</u>
Full legal name:	_____	_____
Other names used:	_____	_____
Preferred signature name:	_____	_____
Home address:	Street: _____	_____
	City: _____	_____
	County: _____	_____
	State, ZIP: _____	_____
	Phone: _____	_____
	Fax: _____	_____
	E-mail: _____	_____
Birth date (and age):	_____	_____
Soc. Sec. No.:	_____	_____
Citizenship:	_____	_____
Date of marriage:	_____ at City of _____, State of _____	
Is your marriage:	[] Ceremonial or [] common-law? If common-law, did you file an affidavit of informal marriage? [] No [] Yes, in _____ County, State of _____	
How long have you lived in Texas?	_____	_____
Occupation:	_____	_____
Employer:	_____	_____
Bus. address:	_____	_____
	Phone: _____	Phone: _____
	Fax: _____	Fax: _____
	E-mail: _____	E-mail: _____

Children, Grandchildren

Please list all children of either of you below. For each child, please indicate: (i) the child's name (if the child has a preferred name, please put it in parenthesis after the legal name) and occupation; (ii) gender (male or female); (iii) date of birth; (iv) whether the child is the husband's only (H), the wife's only (W), a child of both (B); and (v) the child's approximate net worth. If any child is adopted by either of you, please indicate. If any child is deceased, please include him or her and indicate the date of death. If any child was given up for adoption, please include him or her, and indicate whether the court's adoption order terminated the child's inheritance rights.

Name & occupation	M/F	Birth date	H/W/B	Net worth
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

***Note:** For each child who does not live at home with you, please mark an "X" or make a check mark in front of that child's name and **LIST THAT CHILD'S NAME ON THE BACK OF THIS PAGE** (or on a separate page), **ALONG WITH HIS OR HER COMPLETE ADDRESS** (including street, city, county, state, and ZIP code if possible), **AND PHONE NUMBER.**

Are additional children in the future (including adopted children) even *remotely* possible? _____ (Y/N)

