



# PENSION & WEALTH MANAGEMENT ADVISORS

## IMPROVING FINANCIAL SECURITY

800 SOUTH STREET SUITE 160 WALTHAM MA 02453 t 781.398.0077

### ELEMENTS OF AN ESTATE PLAN

Every successful wealth management plan begins with a thoughtful estate plan. An estate plan ensures that your assets will be managed effectively should you become incapacitated and that your assets be efficiently transitioned to your heirs. Organizing and preparing these documents well in advance of an event will provide clarity and substantially ease the administrative and financial burden on your family. Below are the essential components of an estate plan:

#### **Last Will & Testament**

A legal document used to distribute property to heirs, specify last wishes, name guardians for minors, and identify who is responsible for managing the estate and implementing your wishes. Every adult needs one. If you don't decide who will take care of your children and who gets your possessions, your state will.

#### **Power of Attorney - Financial**

A durable power of attorney gives someone you trust the authority to handle your financial and legal decisions if you're unable to do so yourself. Your family will not be able to conduct some of the most basic transactions if you have not provided them with this document.

#### **Power of Attorney - Medical**

You assign a healthcare proxy or durable power of attorney to make medical decisions for you when you are incapable to do so for any reason. This person will need relevant health information, so be sure to include a HIPAA provision that gives your physicians permission to disclose your medical information.

#### **Living Will & Medical Directives**

A living will allows you to specify what types of medical treatment you want to sustain your life if you're terminally ill or in a vegetative state. Medical directives apply if you become incapacitated and are unable to communicate your wishes for treatment. Although some states, including Massachusetts, do not fully recognize a Living Will, we strongly recommend one so that decision making is easier on those who will be responsible for your care.

#### **Revocable or Living Trust**

In many states, a revocable or living trust can be used to distribute property more privately than a will. It can also help you avoid a costly probate court process and may offer substantial tax benefits. Living trusts can also be used to transfer assets in an orderly, and private manner. You can even stipulate provisions for the bequests if you wish.

#### **Beneficiary Forms**

For retirement accounts, insurance policies, and some other assets, the beneficiary form prevails over the will. So whomever you've named will receive those assets unless you update the form. It's a good idea to keep current copies as well.

## **Letters of Instruction**

A way to share any wishes not covered by a will, such as preferences for your funeral, how to care for your pets or whether you want to donate your organs. You may also want to document how you would like your digital assets to be handled – if so, be sure to include instructions for accessing the relevant accounts and files.

## **List of Contacts**

A detailed list of people to contact in certain circumstances, including family, friends and the professionals who oversee your legal, financial, insurance, and health matters. Consider signing a **contact authorization form** to authorize a third person (such as an advisor or attorney) to communicate with a designated contact person if there are questions or concerns regarding your health status.

We advise all of our clients to establish an estate plan and to revisit it every few years. Our team will work with you and your attorney to ensure that you have all the essential components of a successful plan in place for you and your family.

*Please note that Pension & Wealth Management Advisors does not render advice on tax or legal matters. You should discuss any tax or legal matters with the appropriate professional.*