

## ***Don't lose control by doing nothing!***

Q: Who needs an estate plan?

A: Anyone who owns anything and is over the age of 18.

Most people don't even have a basic will, let alone an estate plan. Even worse, most people who prepared an estate plan did not have the documents available when they were needed.

Time is running out for many people. The first baby boomer became eligible for Social Security in 2008. Without proper planning you and your family have no control. The IRS, the court system – even health care professionals – can alter you and your family's future in many undesirable ways.

While traditional estate planning deals primarily with drafting legal documents, much more is needed to properly protect your estate. People today are living more complex lives. Families are more spread out than ever making it harder to keep track of what they own. Frequent travel abroad... The growth of Identity Theft... Living in areas prone to natural disaster... All these things are making it necessary for families to have a complete estate protection plan.

When Elvis Presley died his estate was worth \$10 million. Since he did not have an estate plan 73 percent of his estate went toward legal fees and taxes. His family received only \$3 million.

Terri Schiavo spent 15 years in a coma. Given the lack of a living will, her feeding tube could not be removed without a court order. This caused many years of family conflict and included involvement by the courts, politicians, and advocacy groups.

When Estate<sup>++</sup>'s co-founder Trudy Reilly's father died, she didn't know where anything was. Her father had two homes that were both filled with furniture and belongings. After sorting through the houses, she realized it would take years to figure out what he had and how to get rid of it. She hired an auctioneer to sell the contents of both houses. She thought she had looked through *all* the important things, but she was wrong. One of her friends bought a chest of drawers at the auction. In one of the drawers her friend found a bible that had a letter and vows from her parent's wedding. She asked for the bible back. Her friend said she would give it back, but never did. Ever since, Trudy has wondered what else was hidden among the things that she didn't know about.

When Estate<sup>++</sup>'s co-founder James Bell's mother entered the hospital for the last time, his brother was the first to arrive. The nurses and doctors would not talk to him unless he was named as an attorney-in-fact in a health care power of attorney signed by his mother. After a 10 hour drive, James finally arrived on the scene with the proper documents. Can you imagine what it would be like for someone, whose mother is dying, to be denied information about her condition?

**Use technology to protect your estate.** If protecting your estate seems like a lot of work, it is. However, advances in modern technology allow information to be organized and shared in many different ways.

Estate<sup>++</sup>, by Vaulting Systems International, makes it easy for you to keep your information current. Estate<sup>++</sup> was developed in response to the need for reliable access to information for planning and emergency purposes. Unlike other services that only provide PC and server backup, Estate<sup>++</sup> focuses on organization and the preservation of documents.

With Estate<sup>++</sup> your information is protected in a secure, remote location keeping it safe from theft, loss, and natural disasters. Estate<sup>++</sup> has a unique collaboration feature that lets you share information in a matter of seconds. Your information is always available, through the Internet, in any situation, anytime, anywhere in the world.

Basic functionality includes:

- A comprehensive set of personal information forms to record information
- Organization of information into a single PDF
- A virtual safe deposit box that contains files and documents
- Sharing of information with trusted parties such as your attorney, financial planner, tax accountant and physician.

Estate<sup>++</sup> also sends quarterly email reminders to help you keep current with personal information and confirm that your important documents have not been changed or revoked.

**Everyone has an estate worth planning.** Seek out an attorney who specializes in estate planning. Your attorney will be able to determine the appropriate set of documents for your estate. Your State Bar's web site can help you locate a certified lawyer referral service.

There are a lot of do-it-yourself estate plans advertised on the Internet. Please don't prepare your own estate documents. It's *too easy* to make a mistake. If you do it incorrectly you won't get a second chance. Protecting your family from probate issues after your death is one of the most important gifts you can give! If you do choose to prepare your own estate documents, please have an attorney examine them for accuracy.

Estate<sup>++</sup> makes it easy to collaborate with your family attorney. Estate<sup>++</sup> contains a set of special Dropbox folders that allows two-way file sharing between you and a designated advisor such as an estate planning attorney, a tax accountant, a financial planner, or an image expert. Documents are exchanged through a secure channel making it much safer than email.

For example, start by connecting your family attorney to your Legal Dropbox. While creating your estate plan, your attorney uploads an initial draft to your Legal Dropbox folder. You download this document, review it, make changes, and upload it back to the Legal Dropbox. Afterwards, your attorney downloads your changes for review, etc... This exchange continues until the document is complete. Once complete, you move the document to a private folder.

**Make advanced arrangements for your death or incapacity.** There are many advantages to arranging your funeral services in advance. Not only do you make your wishes known but you also protect your family from having to make these decisions at a difficult time. Making your own decisions about the service prevents emotional overspending by your family members who could have only guessed at what you wanted.

If you do choose to plan ahead it may be a long time before you need to use these services, so you need to make sure the information is available when you need it. Estate<sup>++</sup> allows you to enter information about nursing homes, places of worship, and funeral arrangements. You can also upload copies of contracts and receipts.

**Select a set of trustworthy individuals to carry out your final wishes.** These people should have enough contact with you so that your absence would be noticed in a relatively short period of time. Potential candidates might include family members, friends, or co-workers. After confirming with these people that they are willing to carry out your final wishes, you need to leave them a written set of instructions designating what needs to be done. Estate<sup>++</sup> allows you to enter notes and instructions for final wishes. You can even choose to have these instructions emailed after you die or become incapacitated.

**Create a list of persons whom you want notified in case of death or incapacity, along with their contact information.** Make sure this list includes everyone involved in settling your estate including attorneys, executors, trustees, health care agents, attorneys-in-fact, guardians, and representative payees. Estate<sup>++</sup> allows you to enter detailed contact information about all of these legal entities.

**Document what needs to be done to take care of your current affairs.** This might include taking care of your pets and plants, picking up your mail and newspapers, and paying your bills as they come due. Most importantly, you need to record details about bills and expenses, such credit cards, loans, and home owner association fees.

Pay special attention to direct deposit accounts and automatic bill pay. Payments will be missed if an account is frozen because of incapacity or death. Claims made against your estate because of missed payments could result in default or repossession. Payments for unneeded services, such as magazines and newspapers, could continue for long periods of time. An unlit home with piles of magazines and newspapers may appear abandoned making it a prime target for burglars and vandals.

It may be easier to view your household as a business. Money flows into your household as income. Money flows out of your household as expenses. In case of an emergency this flow needs to be altered. Estate<sup>++</sup> contains a comprehensive set of personal information forms that cover all aspects of your current affairs.

**Create a written inventory of your belongings.** List your assets, liabilities, and insurance coverage. You should include:

- Details about your home, personal property, vehicles, insurance policies, bank accounts, financial assets, benefits, and pensions.
- The location of original financial and family documents including birth certifications, marriage licenses, wills, trusts, deeds, powers of attorney, tax returns, insurance policies, stock and bond certificates, and personal notes.
- Photographs of your home that include any landscaping and improvements.
- Photographs of cars, boats, and recreational vehicles.
- Appraisals of jewelry, artwork, and other property that is difficult to value.
- Copies of receipts and cancelled checks for more valuable items.
- Copies of contracts with assisted living centers, nursing homes, funeral homes, and cemeteries.

*\*\*\*Make sure to include model and serial numbers where appropriate.*

If your estate is massive you may want to hire an expert to help you complete this inventory. Almost every item in your inventory can be converted into electronic format and uploaded into Estate<sup>++</sup>. Two-way file sharing between you and an inventory expert is accomplished by using the Insurance Dropbox. The Insurance Dropbox typically contains photographs of personal property, appraisals, and other documents related to insurance claims.

**Document your legacy.** Without it, your personal memories will be lost to future generations. The Internet is full of software tools and services that can help you convey the essential information, stories and values that you wish to express in meaningful and lasting way. We strongly recommend that you view "The Last Lecture" by Randy Pausch available on [www.youtube.com](http://www.youtube.com).

Estate<sup>++</sup> allows you to enter notes and instructions about your personal legacy. You can even choose to have these instructions emailed after you die or become incapacitated. If you choose to make a video you can store it in Estate<sup>++</sup> for safekeeping. A direct download link to this video can be emailed to selected individuals after your death or incapacity.

**Most important of all, make your estate documents available to the appropriate persons or institutions.** If your important documents cannot be found when needed then it is as if they never existed. Papers tend to get lost over time. Information is vulnerable to disaster, theft, and computer crashes. Even a safe deposit box could be sealed after your death.

Your final wishes may not be carried out as planned. Your family, or *worse*, the courts, will make decisions about medical treatments, life-prolonging measures, organ donation, and funeral plans. 75% of people who have prepared medical directives did not have them available when needed. Under current HIPAA privacy laws, without a power of attorney, health care professionals will not talk to your family no matter what relation they are to you.

Estate<sup>++</sup> allows you to securely share information on a "need to know" basis with trusted parties. For example, a tax accountant needs access to tax returns. An attorney needs access to legal documents. An executor of an estate needs access to wills and trusts. A physician may need access to advanced medical directives. Key family members may need access to all information.

Estate<sup>++</sup> collaboration features make your information available, when it's needed most. Data is accessed as independent *slices of information* in the following ways:

- **Full access** A full-access user is automatically created with your account that can add, delete, or change any information. You can create additional full-access users, usually for a spouse or domestic partner.
- **Read-only** Information can be retrieved on a read-only basis. This type of user is typically created for key family members and the executor of an estate.
- **Single Use** Direct links are created to download specific documents. For example, you could email a direct link to an attorney to review a legal document. For safety purposes, direct links are made to expire within 1 hour, 4 hours, or 24 hours.
- **Medical Directives** A special type of read-only access that only allows downloading of documents designated as medical directives. This type of user is typically created for an attorney-in-fact and health care professionals.
- **Legal** Two-way file sharing between you and your legal advisor using the Legal Dropbox. The Legal Dropbox typically contains legal documents including wills, trusts, and powers of attorney.
- **Tax** Two-way file sharing between you and your tax advisor using the Tax Dropbox. The Tax Dropbox typically contains tax returns and other tax related documents.
- **Financial** Two-way file sharing between you and your financial advisor using the Financial Dropbox. The Financial Dropbox typically contains quarterly account statements and financial plans.
- **Insurance** Two-way file sharing between you and your inventory expert using the Insurance Dropbox. The Insurance Dropbox typically contains photographs of personal property, appraisals, and other documents related to insurance claims.
- **Legacy** There are several ways to distribute information based on events, such as incapacity or death. When you create a read-only or full-access user, it can be specified that a confirmation email, containing instructions on how to register with Estate<sup>++</sup>, be sent once death or incapacity has been verified. Notes and Instructions can be emailed to selected individuals after verification of death or incapacity. A direct link to an uploaded document can be emailed to selected individuals after verification of death or incapacity. To help safeguard information, the direct link expires after 30 days.
- **Hardware** File sharing and synchronization between your Estate<sup>++</sup> account and multiple computers using the Local Dropbox. Typically this is used to share files between your laptop and your home computer. The Local Dropbox requires that client software be installed on each computer.
- **Software** File uploading between your Estate<sup>++</sup> account and a software product using the Application Programming Interface (API). Software vendors must integrate this API into their software products. The API requires a set of public and private encryption keys to securely access your Estate<sup>++</sup> account.

**Summarize your arrangements into a single document.** Once you have completed these steps you should write out a short description of what tasks you assigned and who you assigned them to. In the future, this document will help you recall what needs to be done and who will do it. Estate<sup>++</sup> greatly simplifies this task. All personal information can be organized into a single PDF file with just the click of a mouse.

**If disaster strikes today, what would you do tomorrow?** Each year there is a 50% chance that a major hurricane will hit the East Coast. The Midwest experiences numerous floods and tornadoes. The West Coast is prone to frequent earthquakes and wildfires. All coastal areas are subject to tsunamis. If disaster strikes you will have to evacuate quickly. You will only have enough time to grab a few items, maybe some clothes, photo albums, and your pets. If you experience a total loss, rebuilding your life will seem like an impossible task. If you live in an area prone to natural disasters you need to take extra precautions to protect your estate.

Once the initial shock is over and things are starting to settle down, you'll need access to your insurance and financial related information. With Estate<sup>++</sup> your important documents and inventory are stored in a secure, remote location, far from disaster.

Once the initial shock is over and things are starting to settle down, you'll need access to your insurance and financial related information. With Estate<sup>++</sup> your important documents and inventory can be easily retrieved through any Internet connected computer. All of your important information and documents are stored in a secure, remote location. Estate<sup>++</sup> allows you to enter detailed contact information about your emergency contacts which will make it easier to notify these individuals.

Flood and wind insurance are not typically included in your homeowner's insurance policy. A separate policy protecting your home from this type of damage is a wise and relatively inexpensive investment. By installing impact-resistant shutters and protecting areas where water can enter your home, you may be able reduce your monthly premiums.

It's also prudent to have a stock of emergency supplies, including a first aid kit, water, food, and a battery operated radio. Another good idea is to have an out-of-state family member or friend as an emergency contact. Also, make sure that your children know how to contact these people.

**Every so often, review and revise your plans.** Major life changes can significantly change your future needs. Changes to your insurance policies, financial assets, and estate plan may be required. Make sure to record any new credit cards, bank accounts, or vehicles. You may want to review this document to make sure that you haven't overlooked anything.

You also need to confirm that the persons choose to carry out your final wishes are still willing to do so. A friendly reminder, from time to time, to these people would probably be advisable.

Estate<sup>++</sup> sends quarterly email reminders to help you keep current with personal information and confirm that your estate documents have not been changed or revoked.