

# PREPARING FOR YOUR FUTURE



## ESTATE PLANNING

An estate plan protects your family and your property when you die or become incapacitated. Planning your estate includes:

- Deciding who will get your things when you die.
- Naming an executor to wrap up your affairs.
- Naming guardians for your children and their property.
- Preparing for a time when you may not be able to make your own financial or medical decisions.

To accomplish these goals, you need a will, a living will, and powers of attorney.

## POPULAR MYTHS

1. Estate planning is for rich, old people.
2. When I die my family will take care of my kids, so I don't need to make provisions for them.
3. I don't have anything to give anyone when I die, so I don't need to make a will.

## WILL

A will identifies who will get your property, an executor to wrap up your affairs, guardians for your children and their property. If you don't make a will (or create a comparable plan), your state's laws will decide where your property should go – usually to your spouse, children, or parents.

## RULES WHEN WRITING A WILL

- A will must be written in sound judgment and mental capacity to be valid.
- The document must clearly state that it your will.
- An executor, who makes sure your property is distributed the way you want, must be named.
- To be valid you must sign the will in front of two adult witnesses.
- It is not necessary to notarize or record your will but doing so minimizes claims that your will is invalid.



## CHOOSING AN EXECUTOR

An executor is responsible for settling your estate after you die. Duties include:

- Taking inventory of your property and belongings
- Appraising and distributing your assets
- Paying your taxes
- Settling your debts once you are deceased

Most importantly, the executor is legally obligated to act in your interest once you are deceased.

## LIVING WILL

This document spells out the types of medical treatments and life-sustaining measures you want and don't want, such as mechanical breathing (respiration and ventilation), tube feeding or resuscitation.

... and I'm sure  
I can trust you  
not to fight over  
my money  
when I'm  
gone.



## POWER OF ATTORNEY (POA)

A power of attorney is a legal document that gives someone you chose the authority to act in your place. With a valid POA the trusted person can take care of important matters for you (i.e. pay your bills and manage your investments) if you are unable to do so yourself.

### DURABLE POA

A durable POA means that the document stays in effect if you become incapacitated and are unable to handle matters on your own.

### MEDICAL POA

This type of POA specifically names someone to oversee your medical care and make health decisions for you if you are unable to do so.

### FINANCIAL POA

This type of POA gives someone the authority to handle financial transactions on your behalf. This type of POA can be very simple and used for a single transaction (i.e. a real estate deal), or may be more complex and exhaustive.

## REVIEW YOUR ESTATE PLAN

Periodically review your estate plan and consider changes if:

- The value of your assets has changed considerably.
- You marry, divorce, or remarry.
- You have a child.
- You relocate to a different state.
- The people named as your executor and/or POA die, become incapacitated, or your relationship changes.
- One of your heirs dies.
- The laws affecting your estate change.

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