

THE FIREMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO

PRE-RETIREMENT SEMINAR

PLANNING YOUR ESTATE

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I. WHAT IS AN ESTATE?

Your estate is simply everything that you own. That includes your house or other real estate, cash accounts, stocks, bonds and investments, automobile, retirement plan accounts, life insurance, jewelry and household furnishings.

When you die, all of this property is valued and becomes part of your estate.

II. WHY DO I NEED AN ESTATE PLAN?

If you think your estate is too small to worry about, and you don't need estate planning, think again. When you total up the value of your home, cash, investments, retirement plans, etc. (items that comprise your estate), it is often easy to find that your estate is valued at several hundred thousand dollars. You need an estate plan so that your hard-earned assets go to:

- X WHOM YOU WANT
- X WHEN YOU WANT
- X HANDLED BY THE PERSON YOU WANT

To begin your planning, you should consider these questions:

A. WHO SHOULD RECEIVE YOUR ESTATE UPON YOUR DEATH?

What inheritance do you want to leave your spouse? What inheritance do you want to leave your children? Do you want to leave amounts to beneficiaries other than your spouse and children, such as grandchildren, other relatives or friends? Do you want to make any provision for charitable bequests? If you do not make these provisions, state law will dictate how your estate is to be divided among your relatives.

B. WHICH OF YOUR ASSETS SHOULD A PARTICULAR BENEFICIARY RECEIVE?

Every asset might not be appropriate for every beneficiary. For example, you might want stock in your business left only to your children who are active in your business. Some of your assets, such as rental properties, might be suited only for a beneficiary with special management skills. Also consider who might get a special asset such as a family heirloom, etc.

C. WHEN SHOULD ASSETS BE DISTRIBUTED?

Tax implications and the ability to manage wealth should be considered. Should assets be retained in trust? If so, under what terms?

D. WHO SHOULD I APPOINT TO BE GUARDIAN OF MY MINOR CHILDREN?

Who will take physical custody and control of your minor children? How do you want to set up funds to help meet the guardian's expenses for these children?

E. WHO WILL MANAGE YOUR ESTATE AFTER YOUR DEATH, OR IF YOU BECOME DISABLED?

Who should I appoint as Executor or Trustee?

III. WILLS AND TRUSTS

You have the legal right to control the transfer of your assets upon your death by executing a will and, if desired, creating trusts. If you die without an estate plan, you forfeit that privilege, and your assets could pass to unintended recipients. Without an estate plan, administering your estate could be more complex, and much more expensive for your heirs. At a minimum, you should address these topics in a will or trust:

A. Brief Explanation of Wills:

Three characteristics of a will set it apart from other forms of property transfer:

1. Will is revocable during life – you can change your mind as many times as you want.
2. Will is inoperative until death – the provisions do not take effect until that time.
3. Will applies to the situation that exists at death concerning property holdings and beneficiaries.

Dying Intestate – simply means that you have left no valid will governing the disposition of your assets after death. If you do not make a will, then the state does one for you.

B. Benefits of Having Will:

1. State does not control where assets go.
2. Can provide for the special financial needs of spouse and/or dependent children.
3. Can control not only who the beneficiaries are, but how and when they will receive inheritance.
4. You can remember individuals whom the law would otherwise omit; e.g., surviving parents or brothers and sisters.
5. With a will you can take full advantage of estate tax savings by creating trusts – you can also assume an equitable distribution of the death tax burden by setting forth specific directions for the payment of these obligations.
6. You can name an executor or personal representative of your choice and grant that person a great deal of discretion as to how to deal with the circumstances unique to your estate. An administrator appointed by the court – cannot act with the same flexibility and must obtain approval of the probate court far more often than an executor.

C. What Does an Executor Do Under a Will?

Basic purpose of estate administration, or executor, is to:

1. Collect assets and information
 - locate will and file it
 - find out about safe deposit boxes, bank accounts, etc.
 - obtain life insurance claim forms
 - obtain death certificate
 - assemble assets
2. Determine debts and claims against the estate
 - determine bills owed to doctor, hospital, utility company, etc. and pay them

- find out what debts exist- mortgage, auto loans, bank loans
 - publish legal notice regarding claims
 - evaluate claims and oppose, if necessary
 - keep records
3. Manage the estate
- set up book-keeping records
 - inventory all items
 - collect rents, insurance benefits, etc.
 - make any necessary investments
 - make request for allowance from court for support of deceased's family, if needed
4. Determine and pay all taxes
- select valuation date (date of death or six (6) months after death)
 - compute estate federal taxes
 - prepare estate's income tax return
 - figure out which funds will be used to pay taxes
5. Distribute the estate
- determine who gets what share
 - sell assets to raise cash, if necessary, for specific bequests
 - pay all final costs of estate
 - prepare final accounting

D. The Need to Update a Will:

Wills are revocable. Changing circumstances necessitate a re-evaluation of a will's provisions and possible revision in line with your objectives.

Examples necessitating a re-evaluation:

1. There may have been substantial changes in the value of your assets.
2. There may have been deaths, births or marriages.
3. You may have moved and the laws of the state you moved to may be different from those where the will was prepared.
4. You may have started a new business or career.

5. Changes in federal or state law may have occurred that materially affect the suitability of the will.
6. Your named executor may no longer be able to serve as originally expected.

IV. SELECTING EXECUTORS TRUSTEES AND GUARDIANS

The selection of fiduciaries is often difficult. As part of your decision, you should consider whether you would like an individual or a corporation (bank) to serve as your executor or trustee. You may name both an individual and a corporation as co-executors or co-trustees or you may name two or more individuals to serve jointly. It is also a good idea to provide for successors in case your primary choice for executor, trustee or guardian is unable or unwilling to serve. In addition to selecting fiduciaries that have the necessary skills, you should select fiduciaries that are willing to serve. Each fiduciary position involves a considerable amount of responsibility, and could require a substantial time commitment.

V. PROBATE

A. GENERAL

Many people are confused about the probate process and why it is even needed. Basically probate's main purpose is to change the title of the property you own. If you pass away, and your family wants to spend or sell an asset, or refinance or lease an asset that is in your name, they cannot do so until the name or title on the account or asset has been changed into their names. In addition, probate was created to make sure creditors are paid.

Probate is a court-supervised process of estate administration. First, the court will resolve any disputes among family members or relatives. In addition, the court makes sure creditors are paid. A full inventory of each asset owned by the decedent is completed and an appraisal of each asset is made. Finally a distribution of assets is made to the rightful beneficiaries.

The problem with this process is that it is expensive and time consuming. Therefore, avoiding probate is usually a major objective in estate planning. You can accomplish this objective with a "Living Trust".

B. SMALL ESTATE AFFIDAVIT

Small estate affidavit is a statutory procedure available to the heirs or legatees of a decedent where no representative of the estate has been appointed. Available where gross value of the decedent's personal property does not exceed \$100,000. The decedent must be an Illinois resident, 30 days must have elapsed since the decedent's death, and there must be no outstanding creditors.

Upon receiving affidavit, person in possession of property is directed to pay any unpaid funeral expenses, to distribute to the surviving spouse and children, the amount necessary to pay the balance of any awards and distribute the balance to the heirs:

Benefit of small estate affidavit involves little expense.

C. JOINT TENANCY

Poor man's will. Title to property held in joint tenancy passes to the surviving joint tenant upon the death of the deceased joint tenant without the need of Probate.

D. Transfer on Death Deed ("TOD")

Deeds avoid probate by allowing an owner of real property to transfer title to a beneficiary upon the owner's death. However, if the deed is not prepared properly and pursuant to specific requirements it could end up going through the probate process and costing your heir's and beneficiaries more money. Additionally, these deeds are not easily revocable. There are specific requirements to revoke the deed, such as the revocation must be recorded with the county before the grantor dies. While these deeds seem to be a quicker and cheaper alternative than a will or trust there are many problems that can arise with these deeds.

VI. LIVING TRUSTS

A living trust is a legal alternative to a Will. It can direct the disposition of your estate at your death if during your lifetime, after creating your living trust, title to your assets is changed from your name to the name of the trust. You will still control any of your assets transferred to your living trust (usually because you will be both the trustee and the beneficiary of the trust during your lifetime). Your living trust would also be transparent for tax purposes during your lifetime, which means that income earned from trust assets would be reported on your own tax return - no tax return would be filed for the living trust. You also could remove assets from the trust and amend or revoke the trust at any time.

It should be emphasized that during your lifetime, your living trust would not change your control and enjoyment of your assets. Upon your death, however, assets in your living trust would not go through probate. Therefore, if all of assets are titled to your living trust at the time of your death, your estate would not require probate. Your assets would be disposed of without the costs or delays of probate and, perhaps most important, your assets would not be exposed in public court records as they would be in probate.

An additional benefit of a living trust is that it can provide a mechanism for managing your assets if you become disabled. To accomplish that objective, you may designate a successor trustee in your living trust, and define circumstances of your disability under which your successor trustee would take over. Without a mechanism such as this in place, a guardianship proceeding could be necessary.

VII. HOW MUCH IS YOUR ESTATE WORTH?

Federal income tax rates top out at 35%. In recent years, the estate tax rate has gone as high as 55% (though the current maximum rate is now back down to 35%).

Everything is included in valuing your estate!

• Cash	\$ _____
• Stocks and bonds	_____
• Personal residence (net of mortgage)	_____
• Other real estate	_____
• Retirement plan accounts Business investments	_____
• Annuities	_____
• Life insurance (face amount)	_____
• Work of art	_____
• Autos, boats, etc.	_____
• Jewelry	_____
• Household furnishings	_____
 Total (this is your "gross estate")	 \$ _____

Any assets passing to a surviving spouse pass estate tax free. This rule is known as the "marital deduction". Therefore if you leave your entire estate to your spouse, your estate will pay no Federal estate tax. However, those assets transferred from you to your spouse will be subject to estate tax in your spouse's estate at his or her death.

How to Calculate Federal Estate Taxes

Take the value of your estate and subtract any debts. Now subtract any assets that pass to charity on your death and any assets that pass to your spouse. The net number represents your taxable estate.

Keep in mind, if you leave your estate to a surviving spouse, then you do not have to pay any federal estate tax.

But if you don't have a spouse, or you choose to leave the estate to somebody else, then you could be on the hook for any amounts over the threshold figure.

What is the threshold figure? The 2018 federal estate tax tops out at 40%, with a \$11.2 million exemption. This means that if your taxable estate is worth \$11.2 million (or \$22.4 million for a married couple), you could be on the hook for a 40% tax rate on all amounts over that threshold.

The new rates, part of a compromise reached between the White House and Congress last November, has brought a measure of relief to the super-wealthy. However, the current levels are set to expire after 2025- and there is no guarantee they won't go back up after that point.

VIII. WHAT IF YOU BECOME DISABLED?

When a person becomes disabled to a point where he/she can no longer manage his/her own affairs, someone else must do so for him/her. The following are ways to prepare for such an event:

Property matters - If disability is not planned for, your family will need to go to court to have you declared a disabled person in order to take over your financial affairs or the affairs of your person, or both. This is a very costly, time consuming, and public procedure. You can avoid it if you have a living trust or a power of attorney or both, in force. Your designated successor trustee in your living trust can take control of assets you have titled to your living trust, without going to court. Similarly, your designated agent under a power of attorney can take control of your assets titled in your individual name, without going to court.

Health care matters - A “living will” or “power of attorney for health care” can make sure that the health decisions made for you, when you become disabled, are those that you would make for yourself. Such decisions could include the continuation or discontinuation of life support measures. Without one of these documents in force prior to a disability, state laws determine how those decisions are made for you.

Appendix A

ESTATE PLANNING CHECKLIST

This initial estate planning questionnaire is presented in a narrative form. The detailed explanations and the space provided for answers are designed to garner more complete and helpful information than would be afforded by merely filling in blanks.

ESTATE PLANNING REVIEW

FOR

The purpose of this questionnaire

Your lawyer will use the information you provide in this questionnaire:

1. To help you organize personal and financial information so that you can assess your current estate plans and evaluate whether changes are desired or required.
2. To provide your estate planning attorney with the information needed to make a similar analysis.
3. To help you evaluate your lawyer's estate planning recommendations. The estate plan is your plan, not your lawyer's, and you must be satisfied that it is workable.

The information you provide must be as accurate as possible. If you are uncertain about exact information, tell your lawyer that and give your best assessment. If your lawyer believes that exact information is required, he or she will ask you to be more precise. You may provide as much or as little information as you want. We recognize that this questionnaire is a fairly intrusive document. Keep in mind, however, that the more complete the information is, the better it will equip you and your lawyer throughout the planning process to come up with the best possible estate planning alternatives. Your information will be kept confidential by your lawyer unless you authorize its release to others.

PERSONAL AND FAMILY INFORMATION

State the names requested below exactly as you want them to appear in your will and other estate planning documents. Where the space on the form is insufficient, please use the reverse side.

Your name: _____

Date of birth: ____

Spouse's name: _____

Date of birth: ____

Home Address: _____

Telephone No.: _____

Are you a United States citizen? _____ If not, of what country are you a citizen?

Is your spouse a citizen of the United States? _____

If not, of what country is he/she a citizen? _____

Your children, their spouses, and their children

Indicate which, if any, of your children is your child but not your spouse's, or vice versa. Also show the date and place of adoption of any adopted child. Be sure to include any deceased child and indicate the date of the child's death and his or her surviving spouse and children.

1. (a) Child: _____ Date of birth: _____

(b) Personal data (specify is the child from prior marriage, adopted, deceased, etc.)

(c) Child's spouse: _____ (d) Child's children (and their dates of birth): _____

2. (a) Child: _____ Date of birth: _____

(b) Personal data (specify is the child from prior marriage, adopted, deceased, etc.)

(c) Child's spouse: _____ (d) Child's children (and their dates of birth): _____

3.(a) Child: _____ Date of birth: _____

(b) Personal data (specify is the child from prior marriage, adopted, deceased, etc.)

(c) Child's spouse: _____ (d) Child's children (and their dates of birth): _____

4. If either you or your spouse has been married previously, state the name of each prior spouse and indicate whether he or she is now living (if living give his or her address).: _____

_____ If either you or your spouse has been divorced, attach a copy of the divorce decree.

5. Is there other important personal information that might affect your estate plans? For example, does a member of your family have a serious long-term medical or physical problem that will require special care or attention in the future? _____

PERSONAL AND FAMILY FINANCIAL ASSETS

The following questions do not require detailed responses. For example, shares in publicly traded companies might be shown simply as "common stocks." On the other hand, for property interests that are more or less unique, such as interests in real estate, greater detail will be helpful. With regard to real estate, it is important for your lawyer to know the location (city and state) of the real estate, how title is held, and the character of the property, e.g., residence, shopping center, apartment house, or similar description.

The following abbreviations may be used to describe certain attributes of particular assets:

JT = Joint tenancy with right of survivorship

TE = Tenancy by the entirety

TC = Tenancy in common

H = Husband's name alone

W = Wife's name alone

LT = Land trust

FMV = Fair market value (or your best estimate)

CV = Cash value of life insurance policy

PV = Proceeds of life insurance policy

1. Personal residence:

Address: _____

Description (e.g., single family, condo, or co-op, similar description):

How you hold title:

FMV: _____ Mortgage balance, if any: _____ Mortgage life insurance? _____

2. Other personal residences or vacation homes:

Address: _____ Description: _____

How you hold title: _____

FMV: _____ Mortgage balance, if any: _____ Mortgage life insurance? _____

3. Personal and household effects: If you think that the general categories do not provide an adequate description, please provide additional detail. Also state your best estimate of the value of each kind of property and who owns it (how you hold title). Automobiles:

General personal and household effects such as furniture, furnishings, books, and pictures of no special value:

Valuable jewelry (indicate if insured): _____

Valuable antiques (indicate if insured): _____

Other valuable collections, e.g., coins, stamps, or gold (indicate if insured): _____

Other tangible personal property that does not seem to be covered by any of the other categories:

4. Cash, cash deposits, and cash equivalents: State the name and address of each bank or institution and who owns each item.

(a) Checking accounts, including money market accounts:

You: _____

Spouse: _____

Jointly with: _____

(b) Ordinary savings accounts:

You: _____

Spouse: _____

Jointly with: _____

(c) Certificates of deposit:

You: _____

Spouse: _____

Jointly with: _____

(d) Short-term U.S. obligations (T-bills):

You: _____

Spouse: _____

Jointly with: _____

5. Pension & profit-sharing plans, IRAs, ESOPs or other tax-favored employee-benefit plans.

(a) Pension plans.

You: _____ Vested: _____ Current value: _____

Spouse: _____ Vested: _____ Current value: _____

(b) Profit-sharing plans.

You: _____ Vested: _____ Current value: _____

Spouse: _____ Vested: _____ Current value: _____

(c) Individual Retirement Accounts (IRAs).

You: _____ Vested: _____ Current value: _____

Spouse: _____ Vested: _____ Current value: _____

(d) Other tax-qualified employee benefit plan interests. Please provide similar information. _____

6. Life Insurance on your life.

(a.) Ordinary life insurance. List company, name, address, and policy number. _____

Face amount of policies (proceeds): _____

If you do not own it, who does? _____

Beneficiaries: _____

Cash value: _____ Loans, if any, against it: _____

Amount of accidental death benefits, if any: _____

(b) Term/group term insurance. List company, name, address, and policy number. _____

amount of policies:

_____ Owner other than you: _____

Beneficiaries: _____

Accidental death benefits: _____

(c) Please supply similar information with respect to other life insurance or other insurance having life insurance features:

7. (a.) Life insurance on your spouse's life. List company, name, address, and policy number.

Face amount of ordinary life insurance: _____

Owner other than spouse: _____

Beneficiaries: _____

Cash value: _____ Loans, if any: _____

Accidental death benefits: _____

(b,)Term/Group life insurance. List company, name, address, policy number. _____

Face amount of term/group term insurance: _____

Owner other than spouse: _____

Beneficiaries: _____

Cash value: _____ Loans, if any: _____

Accidental death benefits: _____

(c) Other insurance on spouse's life: _____

8. Closely held business interests. Describe any interest you have in a family or other business with limited shareholders. Include the nature of the business, its form of organization (e.g., corporation, partnership, or the like), whether you are active in its-operations, and your estimate of its value. If it is-a corporation, please indicate whether an "S election" is in force with respect to the federal taxation of the corporation.

[NAME]
REVOCABLE LIVING TRUST DATED [DATE]

This REVOCABLE LIVING TRUST made on [DATE], between [NAME], Grantor, and [NAME], Initial Trustee, witnesseth:

WHEREAS, the Grantor desires to transfer certain portions of his property to the Initial Trustee for the Initial Trustee to manage such property and distribute the income and principal thereof in accordance with this agreement; and,

WHEREAS, the Grantor, simultaneously with the execution of this agreement, has transferred certain assets to the Initial Trustee, a list of which assets is set forth on Schedule A which is attached hereto and, by reference, is made a part hereof (the "Trust Estate"); and,

WHEREAS, the parties desire to establish the rights and obligations of the parties hereto and the beneficiaries of said trust.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, it is agreed as follows:

1. That the Initial Trustee will hold the Trust Estate, and any additional assets conveyed to said Trustee pursuant to the terms of this trust agreement, and will invest and reinvest the same.
2. That the Initial Trustee will distribute the income of said trust in convenient installments to the Grantor and will distribute to the Grantor such amounts of the principal of the trust as the Grantor shall request.
3. That the Initial Trustee may apply such income and principal directly to the payments of the debts, expenses and care of the Grantor, it being the intention of the Grantor that she have the freedom to act in accordance with her desired standard of living.
4. That for purposes of this trust agreement the Grantor as Initial Trustee shall be deemed disabled during any period when, in the opinion of two licensed physicians, or in the sole opinion of [PHYSICIANS NAME]., the Grantor/ Initial Trustee is incapacitated or disabled because of illness, age, or any other cause which results in the Grantor/ Initial Trustee's inability to effectively manage his property or financial affairs.

The Grantor/ Initial Trustee shall also be deemed to be disabled for purposes of this agreement upon the determination of a court of competent jurisdiction that the Grantor/ Initial Trustee is incompetent, incapacitated, or otherwise legally unable to effectively manage her property or financial affairs.

5. If at any time the Grantor as Initial Trustee is determined to be unable to manage the trust's affairs, or resigns, the Successor Trustee shall use such sums from the income and principal of the Trust Estate as the Successor Trustee deems necessary or advisable for the care, support, and comfort of the Grantor or for any other purpose the Successor Trustee considers to be for Grantor's best interests, adding to principal any income not so used.

6. (A) That, upon the death of the Grantor, and after the payment of debts, as hereinafter provided, the Successor Trustee shall distribute all assets and property to the [NAME OF ALTERNATE TRUST OR SPOUSE/BENEFICIARY NAME], dated [DATE] if the Initial Trustee, [NAME OF TRUSTEE OF ALTERNATE TRUST], of the [ALTERNATE TRUST NAME], survives me for thirty (30) days. If the [TRUST NAME] doesn't exist or [NAME OF BENEFICIARY] does not survive me, then I give all the rest, residue and remainder of my estate wherever situated which I may own at my death including all bequests and devises which for any reason may lapse or fail, except as otherwise specifically provided and excepting also any property over which I may have a power of appointment to my children [NAMES], in equal shares. If either [NAMES] shall fail to survive me for thirty (30) days, then their interest shall be distributed per stirpes to their living descendants.

7. That the Successor Trustee shall pay, out of the principal of said trust, upon the death of the Grantor, the expenses of Grantor's last illness, the entire amount of outstanding debts and all claims, costs of administration, federal estate taxes, and state inheritance taxes of the Grantor.

8. That the Grantor expressly reserves the right to transfer any further assets to this trust and to remove property from the trust as she shall deem proper.

9. That the Grantor expressly reserves unto herself the right to amend, alter, or revoke this trust agreement, in whole or in part, at any time and without notice to any person. The trust property to which any revocation relates shall be conveyed to the Grantor or otherwise as she directs.

10. That the Initial Trustee, and any Successor Trustee, shall have all powers conferred upon trustees under the laws of the State of Illinois, both by statute and by the decisions of the courts of appeal of said state, as such laws may presently or hereafter exist, in addition to the following powers, exercisable in the discretion of the Initial Trustee:

(A) to retain for any period of time without limitation, and without liability for loss or depreciation in value, any property transferred to the Initial Trustee, including partnership interests (whether general, special, or limited), even though the Trustee could not properly purchase the property as a trust investment and though its retention might violate principles of investment diversification;

(B) to sell at public or private sale, wholly or partly for cash or on credit, contract to sell, grant or exercise options to buy, convey, transfer, exchange, or lease any real or

personal property of the trust, and to partition, dedicate, grant easements in or over, subdivide, improve and remodel, repair, or raze improvements on any real property of the trust, and in general to deal otherwise with the trust property in such manner for such prices and on such terms and conditions as any individual might do as outright owner of the property;

(C) to borrow money at interest rates then prevailing from any individual, bank, or other source, irrespective of whether any such individual or bank is then acting as trustee, and to create security interests in the trust property by mortgage, pledge, or otherwise;

(D) to invest in bonds, common or preferred stocks, notes, real estate mortgages, common trust funds, shares of regulated investment companies, partnership interests, or other securities or property, real or personal, including partial interests, such as life estates, term or remainder interests, without being limited by any statute or rule of law governing investments by trustees;

(E) to exercise in person or by general or limited proxy all voting and other rights, powers, and privileges and to take all steps to realize all benefits with respect to stocks or other securities; and to enter into or oppose, alone or with others, voting trusts, mergers, consolidations, foreclosures, liquidations, reorganizations, or other changes in the financial structure of any corporation;

(F) to cause any security or other property to be held, without disclosure of any fiduciary relationship, in the name of the Initial Trustee, in the name of a nominee, or in unregistered form;

(G) to pay all expenses incurred in the administration of the trust, including reasonable compensation to any trustee, and to employ or appoint and pay reasonable compensation to accountants, depositories, investment counsel, attorneys, and agents;

(H) to deal with the fiduciary or fiduciaries of any other trust or estate, even though the trustee is also the fiduciary or one of the fiduciaries of the other trust or estate;

(I) to compromise or abandon any claim in favor of or against the trust;

(J) to receive any property, real or personal, to be added to the trust;

(K) to execute instruments of any kind, including instruments containing covenants and warranties binding upon and creating a charge against the trust property and containing provisions excluding personal liability;

(L) to perform all other acts necessary for the proper management, investment, and distribution of the trust property.

11. To the extent that such requirements can legally be waived, no trustee hereunder shall be required to give bond or security as trustee, or to qualify before, be appointed by, or

account to any court, or to obtain the order or approval of any court with respect to the exercise of any power or discretion granted in this instrument.

12. The Initial Trustee may resign as trustee at any time by written notice to the beneficiary or beneficiaries to whom the current trust income and principal may or must then be distributed. After the Initial Trustee's resignation, death, or inability to manage the trust's affairs, [SUCCESSOR TRUSTEE NAME], the Grantor's beloved wife, shall be Successor Trustee. If for any reason [SUCCESSOR TRUSTEE NAME] is not available or is unable or unwilling to serve as Successor Trustee, then the Grantor's son [2ND SUCCESSOR TRUSTEE NAME] shall be Successor Trustee. If for any reason [2ND SUCCESSOR TRUSTEE NAME] is not available or is unable or unwilling to serve as Successor Trustee, then the Grantor's daughter [3RD SUCCESSOR TRUSTEE NAME] shall be Successor Trustee. If for any reason [3RD SUCCESSOR TRUSTEE NAME] is not available or is unable or unwilling to serve as Successor Trustee, then the Grantor's daughter [4TH SUCCESSOR TRUSTEE] shall be Successor Trustee.

13. Any Successor Trustee may resign at any time by giving prior written notice to the Grantor. If the Grantor is no longer living, then said notice shall be given, in writing, to the beneficiary or beneficiaries to whom the current trust income and principal may or must then be distributed. In case of the resignation, refusal, or inability to act of any Successor Trustee acting or appointed hereunder, the Grantor, if living, otherwise the beneficiary or a majority in interest of the beneficiaries then entitled to receive or to have the benefit of the income and principal of the trust, shall appoint another Successor Trustee.

14. That this trust agreement shall be construed and interpreted under the laws of the State of Illinois.

As Grantor and Initial Trustee, I now sign this declaration of trust on [DATE].

[NAME]

Individually and as Initial Trustee

SUBSCRIBED AND SWORN TO
before me this ____ day of
[DATE]

NOTARY PUBLIC

SCHEDULE A

1. [ASSETS TO BE PLACED IN TRUST]
- 2.

DRAFT

Last Will and Testament

OF

[NAME]

I, [NAME] resident of the State of Illinois declare this to be my Will, and I revoke all other Wills and Codicils that I may have made, specifically the Will that was signed and notarized [DATE].

ARTICLE I

The expenses of my last illness, my funeral, and the administration of my estate shall be paid out of the principal of my residuary estate.

ARTICLE II

All inheritance, estate, and succession taxes, including interest and penalties payable by reason of my death, shall be paid out of and be charged generally against the principal of my residuary estate without reimbursement from any person; except that my Executor shall have the right to claim reimbursement for any such taxes which become payable on account of property over which I have power of appointment.

ARTICLE III

I give all my personal and household effects not otherwise effectively disposed of, such as jewelry, clothing, furniture, furnishings, silver, books, and pictures, including policies of insurance thereon, to the trustee of the [NAME] Revocable Living Trust

[INITIALS]

Agreement, dated _____, to be added to the trust estate heretofore transferred by me to said trustee, as trustee of the [NAME] Revocable Living Trust Agreement dated _____, _____ and to be administered in accordance with the provisions and conditions and for the uses and purposes as set forth in the said trust.

ARTICLE IV

I give all my residuary estate, being all real and personal property wherever situated in which I may have an interest at the time of my death not otherwise effectively disposed of, to the trustee of the [NAME] Revocable Living Trust Agreement, dated _____, _____, to be added to the trust estate heretofore transferred by me to said trustee, as trustee of the [NAME] Revocable Living Trust Agreement dated _____, _____, and to be administered in accordance with the provisions and conditions and for the uses and purposes as set forth in the said trust.

ARTICLE V

In the event that the [NAME] Revocable Living Trust Agreement, dated _____, _____, is no longer in existence at the date of my death, then I give all the rest, residue, and remainder of my estate, wherever situated, which I may own at my death, including all bequests and devises which for any reason may lapse or fail, except as otherwise provided in this Will, specifically provided and excepting also any property over which I may have a power of appointment, in equal shares to my children, namely [NAME] born [DATE], [NAME] born [DATE], and [NAME] born [DATE]. If any of my children shall fail to

[INITIALS]

survive me, then their interest shall be distributed per stirpes to their living descendants. If either [NAMES] should die without issue, such share shall be distributed to the surviving children and the descendants of the surviving child per stirpes.

In the event that the [NAME] Revocable Living Trust Agreement is held to be invalid the terms of that trust shall be incorporated as though fully set out herein.

If the [NAME] Revocable Living Trust Agreement is no longer in existence, one hundred percent (100%) of the remainder of my estate shall be distributed to [NAME].

ARTICLE VI

(1) Any property otherwise distributable to a beneficiary who has not attained age twenty-five (25) shall vest in such beneficiary but nevertheless may be distributed to a custodian for the beneficiary under a Uniform Transfer to Minors Act or may be retained by the trustee as a separate trust, and until such age the trustee shall distribute to the beneficiary so much of the net income and principal of the trust as the *trustee* deems necessary for the support, medical care, and education of the beneficiary, considering the beneficiary's resources known to the trustee and shall add to principal any undistributed net income.

(2) Notwithstanding any prior provisions hereof, at the end of twenty-five (25) years after the death of the last to die of all of my descendants living at my death, the trustee shall distribute each trust then held to the beneficiary thereof.

(3) No interest under this will shall be assignable by any beneficiary or subject to the claims of his or her creditors, including claims for alimony or separate maintenance.

[INITIALS]

ARTICLE VII

I appoint as guardian of the person and property of my minor children my mother [NAME]. She shall have custody of my minor children, and shall serve without bond. If she dies, resigns, fails to qualify or for any reason ceases to serve as guardian, I appoint as successor guardian my [NAME] and shall serve without bond.

ARTICLE VIII

I name [NAME], Executor of this Will. If [NAME] dies, resigns, fails to qualify, or is unable or ceases to act, then I name [NAME], as the successor Executor. No security shall be required on the bond of my Executor. My Executor shall have the following powers and any others that may be granted by law to be exercised in his/her discretion without court order:

- (a) To retain any property of my estate;
- (b) To sell any real or personal property of my estate, for cash or on credit, at public or private sales, for any purpose; to exchange any such property for other property; to grant options to purchase or acquire any such property; and to determine the prices and terms of sale, exchanges, and options;
- (c) To operate, maintain, repay, rehabilitate, alter, improve, or remove any improvements on real estate; to make leases and subleases for terms of any length, even though the terms may extend beyond the termination of the trust; to subdivide real estate; to grant easements,

[INITIALS]

give consents and make contracts relating to real estate or its use; to release or dedicate any interest in real estate;

- (d) To employ attorneys, auditors, depositaries, and agents;
- (e) To collect, pay, contest, compromise, or abandon claims by or against my estate wherever situated; and to execute contracts, conveyances, and warranties binding upon and creating a charge against my estate, and containing provisions excluding personal liability;
- (f) To enter into any transaction authorized by this Article with trustees, Executors, or Administrators of any other trust or estate in which any beneficiary has any interest, even though any such trustee or representative is also Executor or Executrix;
- (g) To make any distribution or division of my estate in cash or kind or both;
- (h) To allot different kinds of disproportionate share of property or undivided interests in property among the beneficiaries and to determine the value of any such property;
- (i) To invest in any property, real or personal.

ARTICLE IX

No person hereinabove named or described in this will shall be deemed to have survived me unless he or she is living on the thirtieth (30th) day after the day of my death.

[INITIALS]

ARTICLE X

I have signed this Will, consisting of nine (9) pages, this page included, and have initialed each preceding page on this ____ day of _____ 2017.

[NAME], in our presence, signed this instrument at its end; he then declared it to be his Will and requested us to act as witnesses to it; we believed him to be of sound mind and memory and not under duress or constraint of any kind; and then we, in his presence and in the presence of each other, signed our names as attesting witnesses; all of which was done on the date of this instrument.

SIGNATURE:

NAME & ADDRESS:

[INITIALS]

AFFIDAVIT OF WITNESSES

We, the attesting witnesses to the Will of [NAME], state under oath that each of us was present and saw the Testator sign and declare as his Will the instrument of which this Affidavit is a part; that each of us believed him to be of sound mind and memory and not under duress or constraint of any kind; and that each of us then attested the Will at the Testator's request and in the presence of the Testator and of each other.

**SIGNED AND SWORN TO
before me this**

_____ day of
_____ 2017

NOTARY PUBLIC

[INITIALS]

NOTICE TO THE INDIVIDUAL SIGNING THE
ILLINOIS STATUTORY SHORT FORM POWER OF ATTORNEY FOR HEALTH CARE

(NOTICE: THE FORM THAT YOU WILL BE SIGNING IS A LEGAL DOCUMENT. IT IS GOVERNED BY THE ILLINOIS POWER OF ATTORNEY ACT. IF THERE IS ANYTHING ABOUT THIS FORM THAT YOU DO NOT UNDERSTAND, YOU SHOULD ASK A LAWYER TO EXPLAIN IT TO YOU.

THE PURPOSE OF THIS POWER OF ATTORNEY IS TO GIVE YOUR DESIGNATED “AGENT” BROAD POWERS TO MAKE HEALTH CARE DECISIONS FOR YOU, INCLUDING POWER TO REQUIRE, CONSENT TO OR WITHDRAW TREATMENT FOR ANY PHYSICAL OR MENTAL CONDITION, AND TO ADMIT YOU TO OR DISCHARGE YOU FROM ANY HOSPITAL, HOME OR OTHER INSTITUTION. YOU MAY NAME SUCCESSOR AGENTS UNDER THIS FORM, BUT YOU MAY NOT NAME CO-AGENTS.

THIS FORM DOES NOT IMPOSE A DUTY UPON YOUR AGENT TO MAKE SUCH HEALTH CARE DECISIONS, SO IT IS IMPORTANT THAT YOU SELECT AN AGENT WHO WILL AGREE TO DO THIS FOR YOU AND WHO WILL MAKE THOSE DECISIONS AS YOU WOULD WISH. IT IS ALSO IMPORTANT TO SELECT AN AGENT WHOM YOU TRUST, SINCE YOU ARE GIVING THAT AGENT CONTROL OVER YOUR MEDICAL DECISION-MAKING, INCLUDING END-OF-LIFE DECISIONS. ANY AGENT WHO DOES ACT FOR YOU HAS A DUTY TO ACT IN GOOD FAITH FOR YOUR BENEFIT AND TO USE DUE CARE, COMPETENCE, AND DILIGENCE. HE OR SHE MUST ALSO ACT IN ACCORDANCE WITH THE LAW AND WITH THE STATEMENTS IN THIS FORM. YOUR AGENT MUST KEEP A RECORD OF ALL SIGNIFICANT ACTIONS TAKEN AS YOUR AGENT.

UNLESS YOU SPECIFICALLY LIMIT THE PERIOD OF TIME THAT THIS POWER OF ATTORNEY WILL BE IN EFFECT, YOUR AGENT MAY EXERCISE THE POWERS GIVEN HERE THROUGHOUT YOUR LIFETIME, EVEN AFTER YOU BECOME DISABLED. A COURT, HOWEVER, CAN TAKE AWAY THE POWERS OF YOUR AGENT IF IT FINDS THAT THE AGENT IS NOT ACTING PROPERLY. YOU MAY ALSO REVOKE THIS POWER OF ATTORNEY IF YOU WISH.

THE POWERS YOU GIVE YOUR AGENT, YOUR RIGHT TO REVOKE THOSE POWERS AND THE PENALTIES FOR VIOLATING THE LAW ARE EXPLAINED MORE FULLY IN SECTIONS 4-5, 4-6, 4-9 AND 4-10(b) OF THE ILLINOIS POWER OF ATTORNEY ACT. THIS FORM IS A PART OF THAT LAW. THE “NOTE” PARAGRAPHS THROUGHOUT THIS FORM ARE INSTRUCTIONS.

YOU ARE NOT REQUIRED TO SIGN THIS POWER OF ATTORNEY, BUT IT WILL NOT TAKE EFFECT WITHOUT YOUR SIGNATURE. YOU SHOULD NOT SIGN IT IF YOU DO NOT UNDERSTAND EVERYTHING IN IT, AND WHAT YOUR AGENT WILL BE ABLE TO DO IF YOU DO SIGN IT.

PLEASE PUT YOUR INITIALS ON THE FOLLOWING LINE INDICATING THAT YOU HAVE READ THIS NOTICE:

Initialed.....

ILLINOIS STATUTORY SHORT FORM
POWER OF ATTORNEY FOR HEALTH CARE

1. I, **[NAME] of Chicago, Illinois**, hereby revoke all prior powers of attorney for health care executed by me and appoint:

[NAME/ADDRESS]

as my attorney-in-fact (my "agent") to act for me and in my name (in any way I could act in person) to make any and all decisions for me concerning my personal care, medical treatment, hospitalization and health care and to require, withhold or withdraw any type of medical treatment or procedure, even though my death may ensue.

- A. My agent shall have the same access to my medical records that I have, including the right to disclose the contents to others.
- B. Effective upon my death, my agent has the full power to make an anatomical gift of the following:

(NOTE: INITIAL ONE. IN THE EVENT NONE OF THE OPTIONS ARE INITIALED, THEN IT SHALL BE CONCLUDED THAT YOU DO NOT WISH TO GRANT YOUR AGENT ANY SUCH AUTHORITY.)

_____ Any organs, tissues, or eyes suitable for transplantation or used for research or education.

_____ Specific organs:_____

_____ I do not grant my agent authority to make any anatomical gifts.

- C. My agent shall also have full power to authorize an autopsy and direct the disposition of my remains. I intend for this power of attorney to be in substantial compliance with Section 10 of the Disposition of Remains Act. All decisions made by my agent with respect to the disposition of my remains, including cremation, shall be binding. I hereby direct any cemetery organization, business operating a crematory or columbarium or both, funeral director or embalmer, or funeral establishment who receives a copy of this document to act under it.
- D. I intend for the person named as my agent to be treated as I would be with respect to my rights regarding the use and disclosure of my individually identifiable health information or other medical records, including records of communications governed by the Mental Health and Developmental Disabilities Confidentiality Act. This release authority applies to any information governed by the Health

Insurance Portability and Accountability Act of 1996 (“HIPAA”) and regulations thereunder. I intend for the person named as my agent to serve as my “personal representative” as that term is defined under HIPAA and regulations thereunder.

(i) The person named as my agent shall have the power to authorize the release of information governed by HIPAA to third parties. (ii) I authorize any physician, health care professional, dentist, health plan, hospital, clinic, laboratory, pharmacy or other covered health care provider, any insurance company and the Medical Information Bureau, Inc., or any other health care clearinghouse that has provided treatment or services to me, or that has paid for or is seeking payment for me for such services to give, disclose, and release to the person named as my agent, without restriction, all of my individually identifiable health information and medical records, regarding any part, present or future medical or mental health condition, including all information relating to the diagnosis and treatment of HIV/AIDS, sexually transmitted diseases, drug or alcohol abuse, and mental illness (including records or communications governed by the Mental Health and Developmental Disabilities Confidentiality Act). (iii) The authority given to the person named as my agent shall supersede any prior agreement that I may have with my health care providers to restrict access to, or disclosure of, my individually identifiable health information. The authority given to the person named as my agent has no expiration date and shall expire only in the event that I revoke the authority in writing and deliver it to my health care provider. The authority given to the person named as my agent to serve as my “personal representative” as defined under HIPAA and regulations thereunder and to access my individually identifiable health information or authorize the release of the same to third parties shall take effect immediately, even if I designate in Paragraph 3 of this document that this agency shall otherwise take effect at some future date.

(NOTE: THE ABOVE GRANT OF POWER IS INTENDED TO BE AS BROAD AS POSSIBLE SO THAT YOUR AGENT WILL HAVE AUTHORITY TO MAKE ANY DECISION YOU COULD MAKE TO OBTAIN OR TERMINATE ANY TYPE OF HEALTH CARE, INCLUDING WITHDRAWAL OF FOOD AND WATER AND OTHER LIFE-SUSTAINING MEASURES, IF YOUR AGENT BELIEVES SUCH ACTION WOULD BE CONSISTENT WITH YOUR INTENT AND DESIRES. IF YOU WISH TO LIMIT THE SCOPE OF YOUR AGENT'S POWERS OR PRESCRIBE SPECIAL RULES OR LIMIT THE POWER TO MAKE AN ANATOMICAL GIFT, AUTHORIZE AUTOPSY OR DISPOSE OF REMAINS, YOU MAY DO SO IN THE FOLLOWING PARAGRAPHS.)

2. The powers granted above shall not include the following powers or shall be subject to the following rules or limitations:

(NOTE: HERE YOU MAY INCLUDE ANY SPECIFIC LIMITATIONS YOU DEEM APPROPRIATE, SUCH AS: YOUR OWN DEFINITION OF WHEN LIFE-SUSTAINING MEASURES SHOULD BE WITHHELD; A DIRECTION TO CONTINUE FOOD AND FLUIDS

OR LIFE-SUSTAINING TREATMENT IN ALL EVENTS; OR INSTRUCTIONS TO REFUSE ANY SPECIFIC TYPES OF TREATMENT THAT ARE INCONSISTENT WITH YOUR RELIGIOUS BELIEFS OR UNACCEPTABLE TO YOU FOR ANY OTHER REASON, SUCH AS BLOOD TRANSFUSION, ELECTRO-CONVULSIVE THERAPY, AMPUTATION, PSYCHOSURGERY, VOLUNTARY ADMISSION TO A MENTAL INSTITUTION, ETC.):

(THE SUBJECT OF LIFE-SUSTAINING TREATMENT IS OF PARTICULAR IMPORTANCE. FOR YOUR CONVENIENCE IN DEALING WITH THAT SUBJECT, SOME GENERAL STATEMENTS CONCERNING THE WITHHOLDING OR REMOVAL OF LIFE-SUSTAINING TREATMENT ARE SET FORTH BELOW. IF YOU AGREE WITH ONE OF THESE STATEMENTS, YOU MAY INITIAL THAT STATEMENT; BUT DO NOT INITIAL MORE THAN ONE. THESE STATEMENTS SERVE AS GUIDANCE FOR YOUR AGENT, WHO SHALL GIVE CAREFUL CONSIDERATION TO THE STATEMENT YOU INITIAL WHEN ENGAGING IN HEALTH CARE DECISION-MAKING ON YOUR BEHALF.):

I do not want my life to be prolonged nor do I want life-sustaining treatment to be provided or continued if my agent believes the burdens of the treatment outweigh the expected benefits. I want my agent to consider the relief of suffering, the expense involved and the quality as well as the possible extension of my life in making decisions concerning life-sustaining treatment.

Initialed _____

I want my life to be prolonged and I want life-sustaining treatment to be provided or continued unless I am, in the opinion of my attending physician, in accordance with reasonable medical standards at the time of reference, in a state of “permanent unconsciousness” or suffer from an “incurable or irreversible condition” or “terminal condition,” as those terms are defined in Section 4-4 of the Illinois Power of Attorney Act. If and when I am in any one of these states or conditions, I want life-sustaining treatment to be withheld or discontinued.

Initialed _____

I want my life to be prolonged to the greatest extent possible in accordance with reasonable medical standards without regard to my condition, the chances I have for recovery or the cost of the procedures.

Initialed.....

(NOTE: THIS POWER OF ATTORNEY MAY BE AMENDED OR REVOKED BY YOU IN THE MANNER PROVIDED IN SECTION 4-6 OF THE ILLINOIS POWER OF ATTORNEY ACT.

YOUR AGENT CAN ACT IMMEDIATELY, UNLESS YOU SPECIFY OTHERWISE; BUT YOU CANNOT SPECIFY OTHERWISE WITH RESPECT TO YOUR "PERSONAL REPRESENTATIVE" UNDER SUBPARAGRAPH D (iii).)

3. () This power of attorney shall become effective on

[DATE]

(NOTE: INSERT A FUTURE DATE OR EVENT DURING YOUR LIFETIME, SUCH AS COURT DETERMINATION OF YOUR DISABILITY OR A WRITTEN DETERMINATION BY YOUR PHYSICIAN THAT YOU ARE INCAPACITATED, WHEN YOU WANT THIS POWER TO FIRST TAKE EFFECT.)

(NOTE: IF YOU DO NOT AMEND OR REVOKE THIS POWER, OF IF YOU DO NOT SPECIFY A SPECIFIC ENDING DATE IN PARAGRAPH 4, IT WILL REMAIN IN EFFECT UNTIL YOUR DEATH; EXCEPT THAT YOUR AGENT WILL STILL HAVE AUTHORITY TO DONATE YOUR ORGANS, AUTHORIZE AN AUTOPSY, AND DISPOSE OF YOUR REMAINS AFTER YOUR DEATH, IF YOU GRANT THAT AUTHORITY TO YOUR AGENT.)

4. () This power of attorney shall terminate on

my death

(NOTE: INSERT A FUTURE DATE OR EVENT, SUCH AS COURT DETERMINATION THAT YOU ARE NOT UNDER A LEGAL DISABILITY OR A WRITTEN DETERMINATION BY YOUR PHYSICIAN THAT YOU ARE NOT INCAPACITATED, IF YOU WANT THIS POWER TO TERMINATE PRIOR TO YOUR DEATH.)

(NOTE: YOU CANNOT USE THIS FORM TO NAME CO-AGENTS. IF YOU WISH TO NAME SUCCESSOR AGENTS, INSERT THE NAMES AND ADDRESSES OF SUCH SUCCESSORS IN PARAGRAPH 5.)

5. If any agent named by me shall die, become incompetent, resign, refuse to accept the office of agent or be unavailable, I name the following (each to act alone and successively, in the order named) as successors to such agent:

[ALTERNATIVE POWER OF ATTORNEY]

For purposes of this paragraph 5, a person shall be considered to be incompetent if and while the person is a minor or an adjudicated incompetent or disabled person, or the person is unable to give

prompt and intelligent consideration to health care matters, as certified by a licensed physician.

(NOTE: IF YOU WISH TO, YOU MAY NAME YOUR AGENT AS GUARDIAN OF YOUR PERSON, IN THE EVENT A COURT DECIDES THAT ONE SHOULD BE APPOINTED. TO DO THIS, RETAIN PARAGRAPH 6, AND THE COURT WILL APPOINT YOUR AGENT IF THE COURT FINDS THAT SUCH APPOINTMENT WILL SERVE YOUR BEST INTERESTS AND WELFARE. STRIKE OUT PARAGRAPH 6 IF YOU DO NOT WANT YOUR AGENT TO ACT AS GUARDIAN.)

6. If a guardian of my person is to be appointed, I nominate the agent acting under this power of attorney as such guardian, to serve without bond or security.

7. I am fully informed as to all the contents of this form and understand the full import of this grant of powers to my agent.

Signed _____
[NAME]

The principal has had an opportunity to read the above form and has signed the form or acknowledged his or her signature or mark on the form in my presence. The undersigned witness certifies that the witness is not: (a) the attending physician or mental health services provider or a relative of the physician or provider; (b) an owner, operator, or relative of an owner or operator of a health care facility in which the principal is a patient or resident; (c) a parent, sibling, descendant, or any spouse of such parent, sibling or descendant of either the principal or any agent or successor agent under the foregoing power of attorney, whether such relationship is by blood, marriage, or adoption; or (d) an agent or successor agent under the foregoing power of attorney.

Signed _____
(Witness Signature)

(Print Witness Name)

(Street Address)

(City, State, ZIP)

(NOTE: YOU MAY, BUT ARE NOT REQUIRED TO, REQUEST YOUR AGENT AND SUCCESSOR AGENTS TO PROVIDE SPECIMEN SIGNATURES BELOW. IF YOU INCLUDE SPECIMEN SIGNATURES IN THIS POWER OF ATTORNEY, YOU MUST COMPLETE THE CERTIFICATION OPPOSITE THE SIGNATURES OF THE AGENTS.)

Specimen signatures of
agent (and successors).

(agent)

(successor agent)

(successor agent)

I certify that the signatures of my
agent (and successors) are correct.

(principal)

(principal)

(principal)

(NOTE: THE NAME, ADDRESS, AND PHONE NUMBER OF THE PERSON PREPARING THIS
FORM OR WHO ASSISTED THE PRINCIPAL IN COMPLETING THIS FORM IS OPTIONAL.)

(Name of Preparer)

(Street Address)

(City, State, ZIP)

(Phone Number)