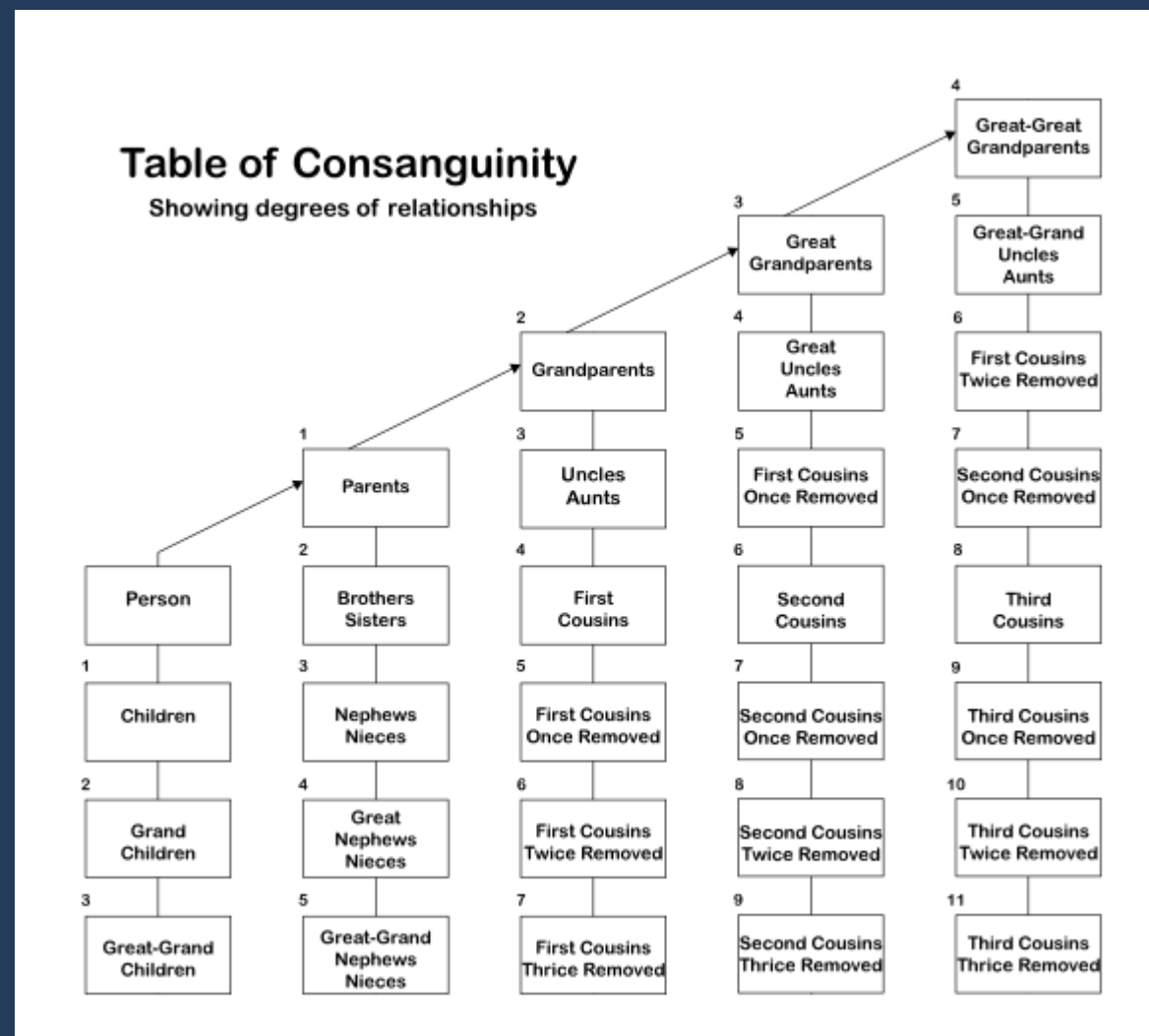


HOOK

— LAW —

PLAN FOR THE GOOD LIFE

Estate Planning – The Top 10 Mistakes & How Your Clients Can Avoid Them



#1



Not Having an Estate Plan

If your clients do not have a plan, the Commonwealth has one for them.

- Intestacy Laws
- Guardianship/Conservatorship

Not having an estate plan can have other unintended consequences.

- Family disputes
- Increased costs and time



#2



Failing to Update the Plan

- Unintended beneficiaries
 - Ex-spouses
 - Estranged children or children with special needs
- Higher taxes or plans that are too complicated
- Unaddressed new assets
- Power of Attorney becomes “stale”



#3



Not Naming a Guardian for Minor Children

- Court intervention
- Family disputes
- Foster care placement and separation of siblings
- Unintended guardian
- Delayed decision-making
- Misalignment with values



#4



Ignoring Tax Implications

- Probate Tax
- State Inheritance Tax (MD, PA, NJ)
- Federal Estate & Gift Tax
- State Estate Tax (MD, DC)
- Income Tax
- Loss of Step-Up in Basis
- Forced business sales



#5



Improper Beneficiary Designations

- Not naming one at all or naming the estate
- Outdated designations
- Naming minors directly
- Inconsistency with estate planning documents
- Lack of contingent beneficiaries



#6



Not Planning for Incapacity or Long-Term Care

- Guardianship/Conservatorship
- Inability to protect assets



#7



Failing to Fund a Trust

- Probate
 - Increased costs
 - Loss of privacy
 - Delayed distribution of assets
- Waste of time and money
- Inability to manage assets during incapacity

DIY Estate Planning

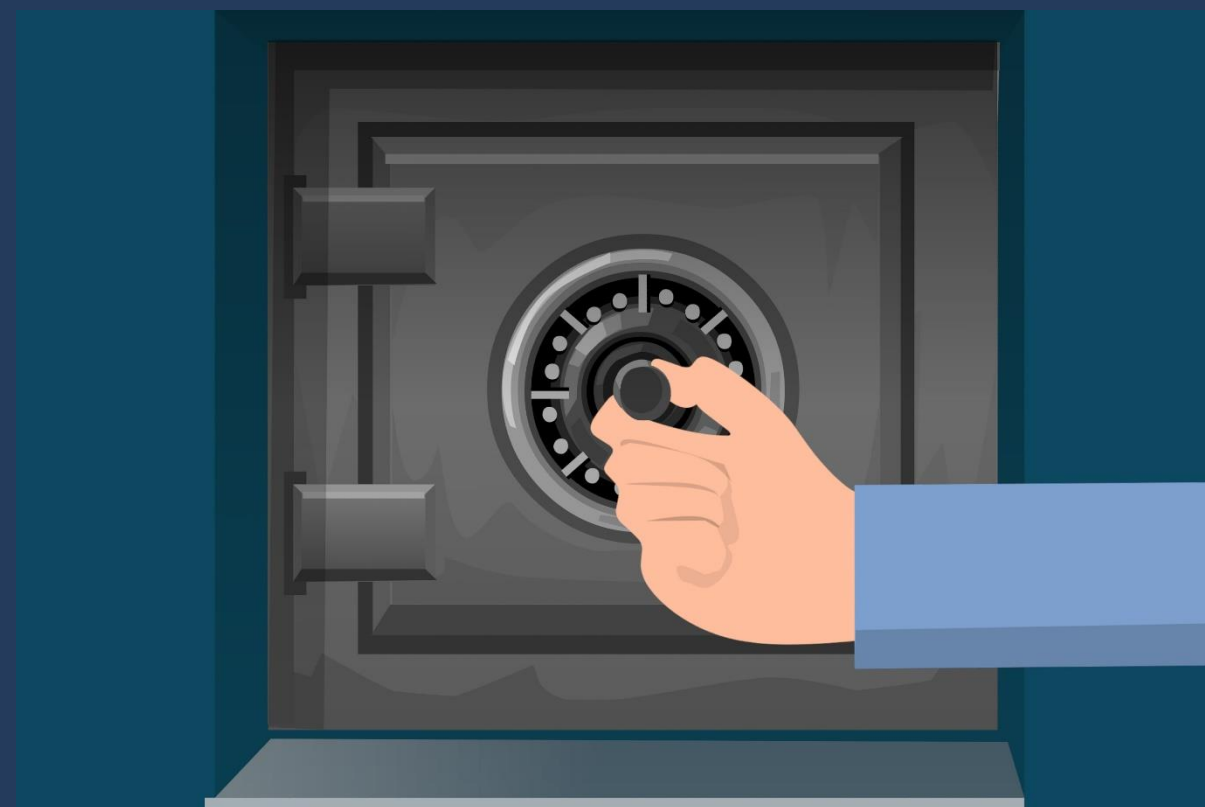
- Lack of customization
- Missed opportunities
- Lack of ongoing support

#8

It ...
DEPENDS.



#9



Lack of Communication

- Confusion and uncertainty
- Potential family conflicts
- Difficulty locating documents
- Challenges to the estate plan



#10

Forgetting Digital Assets

- Loss of valuable assets
- Loss of sentimental items
- Identity theft risks
- Legal complications



What Can You Do?



- Encourage clients to meet with an experienced estate planning attorney as soon as possible and upon the happening of major life events.
- Make sure their beneficiary designations go hand in hand with their estate plan.
- Encourage clients to consider disability planning.
- Ask if their Trust is funded.
- Encourage family meetings and discussions

Thank You



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