

Planning your legacy

A Christian guide to providing for your family and supporting the causes you care about



“Each of you should use whatever gift you have received to serve others, as faithful stewards of God’s grace in its various forms.”

1 Peter 4:10

“Plans fail for lack of counsel, but with many advisors they succeed.”

Proverbs 15:22

Table of Contents

Introduction	
Planning Your Legacy	4
The Shortest Day	7
Estate Planning Documents	8
1. You and Your Family	
Your Personal Information	12
Your Spouse's Information	13
Your Religious Affiliation	13
Your Children's Information	14
Your Estate Planning Goals	16
Estate Planning Family Background	17
2. You and Your Contacts	
Your Executor	18
Your Minor Children's Guardian	19
Power of Attorney For Healthcare	20
Power of Attorney For Finances	21
3. Estate Planning Finances	
Assets	22
Liabilities	24
4. Planning Your Estate	
Choosing Your Estate Plan	25
The “Right Amount” Inheritance	26
5. Estate Plans for Single Individuals	
Simple Will	27
Simple Will with Trust For Children	28
Give It Twice Trust	30
6. Estate Plans for Married Couples	
Simple Will	32
Simple Will With Trust For Children	34
Give It Twice Trust	37
7. Estate Planning Information	
Personal Property Distribution	39
Frequently Asked Questions	41
Sample Bequest Language for SPU	44
Notes to your Attorney	46

Planning your Legacy

A Christian guide to providing for your family as well as supporting Seattle Pacific and other causes you care about

We are very pleased that you are taking steps to protect those you love through the creation of an estate plan. A plan is important, but an estimated 70% of Americans don't even have a will. This guide will help you by making the process easy and understandable.

Someone may work 40 years to accumulate assets and spend 10 to 20 years conserving that accumulation, but often take two hours or less to plan for the distribution of those assets. Through good planning, a wonderful chapter in the book of your life can be completed. When there has been little to no planning, the last chapter of life can become burdensome for family members.

This guide is designed to help you move forward with a plan that will write a meaningful chapter in the book of your life and reflect your Christian values and personal walk with the Lord. Through proper planning, a legacy of love and care that you leave for your family and friends can be encouraging and even inspiring. Scripture also teaches us that we have a primary responsibility to provide for the needs of our own family (1 Timothy 5:8).

Part of becoming a "good and faithful servant" is to create a plan for your family. This important stewardship of the property that God has entrusted to you can both protect and provide for your family. We will show you in this document how to enhance their security by creating or updating your estate plan with a will and a trust, as well as plan for your potential future medical and financial decisions.

This planning guide is designed to encourage you to think about how you want your assets to be distributed at death and to assist you in gathering the information your attorney will need. With this guide, the process will be much easier, less expensive, a comfort to your loved ones and will fulfill your desires for family and the Lord's work.

Also, if your desires include a gift to Seattle Pacific University, we have included sample bequest language for you and your attorney on pages 44 and 45 of this guide.



What are the benefits of an estate plan?

Peace. An estate plan should give you peace of mind knowing that important and sometimes difficult decisions have been made to care for you and your loved ones.

Provision. An estate plan should make provision for both you and your family. With a good estate plan, you can give loved ones the property you have acquired in the right way, at the right time and at minimal cost.

Protection. An estate plan should offer protection. It may be important to designate a specific person to manage your property, help doctors and other medical staff with important decisions and make certain that you are receiving the best possible care. An estate plan can increase your lifetime security and also achieve your goals for family and charity.

Spiritual Legacy. 1 Chronicles 29:11-12 clearly illustrates God's ownership of all. An estate plan acknowledges that ownership helps to prepare the next steward and ensures that your final act on earth is one of good stewardship.

How do I get started?

We have designed this Christian planning guide for your benefit. Feel free to take your time moving through the different sections. You may, however, need to come back later and fill in more detailed information. Most of this information you will know or have readily available.

What if I have questions about some of the information?

When it comes time to decide on the distribution of your property, you may have some questions. There are two resources that will help you. In addition to the explanations within this guide, we have a wealth of online estate planning information on our website. Feel free to visit our website and learn about wills, bequests and other estate planning options. In addition, we are always available to help. Call or email us for more information.

What good things happen with a will?

With a will, you can transfer specific property or assets. In addition, you will be able to direct the residue of your estate. If you have a larger estate, this could provide you with substantial estate tax savings. In addition, you can select the executor or personal representative to manage your property (rather than allow a probate judge to choose). A good will is able to carry out your plan and save thousands of dollars while transferring property quickly and inexpensively to your loved ones.

The Shortest Day

What is accidental disinheritance?

Too many times, the “wrong” persons end up receiving property. An “accidental disinheritance” occurs if you either have no will or the will doesn’t function properly. Sometimes a will is unclear and the estate goes to distant relatives or is simply paid to CPAs and attorneys who are representing family members fighting over the estate. You can avoid an “accidental disinheritance” by creating a good plan to protect your loved ones.

Can I use my estate plan to create a Christian legacy?

Everyone wants to have a life with meaning. Part of that meaningful life is to live on in the memory of family and friends. A good estate plan can indeed create a legacy for family and charity that gives added meaning to your life.

But another part is to use property the Lord entrusts to your care to lift up those in need. Paul spoke to those in Corinth and said, “Now he who supplies seed to the sower and bread for food will also supply and increase your store of seed and will enlarge the harvest of your righteousness. You will be made rich in every way so that you can be generous on every occasion.” 2 Corinthians 9:10-11 (NIV). Your estate is a wonderful opportunity to bless others in need with a portion of your lifetime “increase” in property.

Every day has 24 hours—1,440 minutes—86,400 seconds. Or does it? A short day is coming for all of us—a day when we will not reach the 86,400th second and will pass on to our final reward.

We aspire to live long and useful lives, filled with great memories. First, the “learning” years—youthful and vibrant time spent in school with classmates. Second, the “earning” years—that first job, building a career and meeting many friends and business associates. Third, the “retirement” years—when you finally have time to enjoy visits with your family and friends.

In many ways you have made a difference for family, friends and countless others during your lifetime. Yet there is one more part of life—the chance through your estate to make a meaningful difference in the lives of those in need. Keeping that in mind, please consider this story.

John D. Rockefeller founded Standard Oil in 1870 and became the richest man on the planet. When he passed away, his accountant was asked, “How much of an estate did he leave?” His accountant’s answer was: “All of it.”

Over the course of his life, John D. Rockefeller accumulated many assets. He also gave generously both during his lifetime and through his estate. But he also understood Psalm 49:16-17, “Do not be overawed when others grow rich, when the splendor of their houses increases; for they will take nothing with them when they die, their splendor will not descend with them.” (NIV).

You also have accumulated and given. Yet, in your estate, the accumulation period will be over. As was true with John D. Rockefeller, everything will be given to someone or for some purpose.

Thank you for your gifts to the Lord’s work during life. We know you have carefully thought and prayed about how much to give, to whom to give and how to give. Now we invite you to think about a “living legacy.”

This is called a “living legacy” from your estate because through this gift you live on—at least in the sense that your lifelong efforts for accumulation continue to bear fruit by helping others.

Many of our friends find great joy and satisfaction during life, knowing that their estate will someday make a great difference in the lives of others. By completing this guide and a will with benefits for family and charity, you too can join in that happiness.

Only the Lord knows if your “Shortest Day” is coming soon or is many years into the future. But your chance for the satisfaction of a legacy that touches many others can be here today. Thank you again for your generous support of those in need!

Estate Planning Documents

There are four basic steps in the estate planning process.

1. **Write Down What You Own.** As a Christian, you naturally want to be a “good and faithful servant” with your property. An important first step is to understand what property you own and what property will be transferred through your estate. Even though in Job 41:11 the Lord says that, “Everything under heaven belongs to me,” (NIV), you have been given responsibility to manage and decide where it will be given.

2. **Work With an Attorney.** There are many knowledgeable estate planning attorneys. You can bring this completed planning guide to your attorney to assist with the preparation of your estate planning documents. Feel free to ask your attorney questions and talk about your goals.

3. **Know How Property is Transferred.** Some property is transferred by will and some by a beneficiary designation or other form. Your attorney will help you understand how to properly transfer your property in order to avoid an accidental disinheritance. With a good plan, your property may be transferred as you desire. Your attorney will help you with this process.

4. **Sign Your Will and Medical Directives.** Finally, it is important to sign the documents that correctly express your will and desires, both for your property and for your potential future personal care.

BASIC PLANNING DOCUMENTS

Let's start by reviewing the three basic estate planning documents—a will, a durable power of attorney for finances and a durable power of attorney for healthcare.

Current Will

Your will is a written document, signed by you and typically by two or more witnesses. In some states, your signature must be witnessed by a notary public. If the will is accepted by the probate court, it will be used to determine the distribution of your property. If the will is not accepted by the court or you do not have a will, the court will follow state law to distribute your assets and appoint guardians for minor children. Many of the court's decisions might be completely contrary to your desires.

With a will, you are able to choose who will inherit your property and who will administer your estate as executor or personal representative. If you have minor children, you can choose a person to raise your children. With a trust, you are permitted to decide who will manage the trust for family members.

A will is an essential part of transferring your property at the right time to the right people at the lowest cost. Without a will, your family may encounter increased costs, delays and unnecessary conflicts. You can provide a wonderful legacy for

Durable Power of Attorney for Finances

It's likely you are currently able to manage your finances and personal affairs; however, that may not always be possible. There may come a time when you are in poor health or perhaps in the hospital. During these times, you do not want to worry about your property being neglected or bills going unpaid. A durable power of attorney for finances is the solution that protects your property and yourself. If you are no longer able to manage your property, you can use a durable power of attorney to select someone to act as your agent. Even if you are disabled or incapacitated, this person will have the legal right to manage your property. If you do not have a durable power of attorney for finances, the court may decide to appoint a conservator to manage your affairs.

The court may select any person as conservator and there often will be expensive reports, audits and costs in the management of your property. If you sign a durable power of attorney for finances, the person that you select may manage your property without the added expense of a court-appointed conservator.

Healthcare Directives

There are two general types of healthcare directives—a durable power of attorney for healthcare and a living will. In some states, they are combined into one document called an Advanced Directive.

The durable power of attorney for healthcare allows you to select a person who can assist your doctors in making healthcare decisions if you become incapacitated. You may have a serious medical condition and the doctor will need the advice of another person regarding the best possible care for you. Your designated holder of the durable power of attorney for healthcare can help the doctors ensure that you have high-quality care.

A living will is a second document (in most states) that will direct medical personnel about your wishes for end-of-life care. In the last days and weeks of life, there are a number of decisions regarding care, nutrition, hydration and resuscitation that need to be made. A living will gives you the opportunity to offer recommendations to medical staff about the types of care to be provided to you at that time.

YOUR BENEFITS WITH OTHER PLANNING OPTIONS

Living Trusts

If you have a moderate or large estate, you may find it desirable to create a living trust. The living trust is completely within your control during your lifetime. You can add property to the trust or remove property from the trust at any time. During your lifetime, the trust income is taxable to you.

There are at least three major benefits of the living trust. If you are sick or in the hospital, your designated successor trustee can take over and manage your property for your benefit. Second, when you pass away, the property in the living trust will avoid probate and potentially save thousands of dollars in costs. Third, the living trust typically is a private document and is not made public during the probate process.

Custom Estate Plan for Business, Investments or Child with Special Needs

If you own a family business, substantial real estate holdings or a large estate, then a custom plan that considers your special property goals and requirements should be created. Another custom plan option is important if you have a child with special needs. A child with special needs may be provided for through a "special needs trust." A special needs trust will facilitate care of the child by providing resources and directions. In some cases, a child may qualify to receive federal or state benefits if that is helpful in providing care for a child with special needs.

IRA, 401(k) or Other Retirement Plan

Your IRA, 401(k) or other retirement plan is transferred by a beneficiary designation. Normally, the beneficiaries should be named on the IRA, and it should be given directly to family or charity, and not to your estate. The IRA or 401(k) custodian should provide a form for you to select a primary and contingent beneficiary. Because your retirement plan may represent a major portion of your property (30% to 70%), your beneficiary designation should be reviewed every two to four years.

Life Insurance

Life insurance is usually permanent (whole life or universal life) or term. The insurance policy is a contract, and there is a beneficiary designation form. You will select the primary and contingent beneficiary to receive the life insurance proceeds if you pass away with a valid insurance policy.

Charitable Remainder Trusts

A charitable remainder trust is an excellent way to benefit yourself, your spouse or other family members. It combines substantial tax savings with the ability to produce income for you or your family members. Charitable remainder trusts are especially helpful for individuals who retire and would like to sell land or stock tax free and receive income.

Charitable Gift Annuity

Many of our friends, especially those age 70 and above, are very interested in fixed payments from a charitable gift annuity. If you fund a gift annuity, you receive a substantial income tax charitable deduction and fixed payments for life. A gift annuity may pay for one life or for two lives. For a married couple, the payments will last until both spouses have passed away.

Donor Advised Funds

Many families find that a Donor Advised Fund (DAF) is a simple and efficient way to help charities that they love. By establishing such a fund, you can time the gifts you make (for investment or tax reasons) and you can select the charities you wish to benefit from your gifts. You receive the income or estate tax deduction, and the opportunity is there to make distribution decisions later. Many families may use a DAF as an estate beneficiary so that they can allow their children or friends to continue supervising the gifts from their fund for years to come. Parents appreciate the way that their DAF encourages children to be involved in philanthropy.

Charitable Endowments

Another option that you may prefer is to leave property or money in an endowment so that the charity does not spend the principal. Instead, the charity spends the endowment income. An endowment may be left to community or religious foundations or often directly to the charity with instructions for its use. It is often helpful to suggest a general purpose for the endowment fund because it will last perpetually, and the original purpose for the gift may one day not exist. If you are interested in an endowment approach to your charitable gifts, please contact us.



1. You and Your Family

Please provide information about you and your family. Print names in ink, not pencil.
Spell names exactly as you want them to appear in your estate documents.
Use full legal names, not nicknames.

YOUR PERSONAL INFORMATION

Date _____

Your Full Legal Name _____

Date of Birth _____ Gender Male Female

Present marital status:

Married Single Divorced Legally Separated Widowed

If you are widowed, what date did this occur? _____

Home Address _____

City _____ State _____ Zip _____

Home Phone _____ eMail _____

Employer _____

Job Title _____ Work Phone _____

Are you a U.S. Citizen or Lawful Permanent Resident?

No Born in the U.S. Naturalized LPR

Check which documents you presently have:

- Will
- Living Will
- Living Trust
- Durable Power of Attorney/Health Care
- Durable Power of Attorney/Finances

YOUR SPOUSE'S INFORMATION

Spouse's Full Legal Name _____

Date of Birth _____ Gender Male Female

Have you previously been married?

Yes No

If you are widowed, what date did this occur? _____

Home Phone _____ eMail _____

Employer _____

Job Title _____ Work Phone _____

Is your spouse a U.S. Citizen or Lawful Permanent Resident?

No Born in the U.S. Naturalized LPR

Check which documents your Spouse presently has:

- Will
- Living Will
- Living Trust
- Durable Power of Attorney/Health Care
- Durable Power of Attorney/Finances

Do you or your spouse have a Prenuptial agreement that identifies and disposes of separate spousal property? (If yes, attach a copy.)

Yes No

RELIGIOUS AFFILIATION

Religious Organization _____

City _____ State _____

YOUR CHILDREN'S INFORMATION

Please list all children, whether minors or adults, including deceased children and children of a prior marriage. If you need more space, please attach additional pages as needed. If you wish to exclude a child as a beneficiary of your estate, check the "Exclude" box. If you have no children, write "NONE."

1. Full Legal Name

Date of Birth _____ Social Security # _____

Marital Status

Married Single Needs Special Care Dependent Exclude

Home Address _____

City _____

State _____ Zip _____

Origin

Child of Present Marriage Child of Prior Marriage or Relationship

Deceased

2. Full Legal Name

Date of Birth _____ Social Security # _____

Marital Status

Married Single Needs Special Care Dependent Exclude

Home Address _____

City _____

State _____ Zip _____

Origin

Child of Present Marriage Child of Prior Marriage or Relationship

Deceased

3. Full Legal Name

Date of Birth _____ Social Security # _____

Marital Status

Married Single Needs Special Care Dependent Exclude

Home Address _____

City _____

State _____ Zip _____

Origin

Child of Present Marriage Child of Prior Marriage or Relationship

Deceased

4. Full Legal Name

Date of Birth _____ Social Security # _____

Marital Status

Married Single Needs Special Care Dependent Exclude

Home Address _____

City _____

State _____ Zip _____

Origin

Child of Present Marriage Child of Prior Marriage or Relationship

Deceased

5. Full Legal Name

Date of Birth _____ Social Security # _____

Marital Status

Married Single Needs Special Care Dependent Exclude

Home Address _____

City _____

State _____ Zip _____

Origin

Child of Present Marriage Child of Prior Marriage or Relationship

Deceased

Your Estate Planning Goals

You will have a number of goals that can be carried out through your estate plan. Listed below are several types of goals. Please indicate how important these goals are by circling a number from one to five by each goal. One is low and five is high.

GOAL	RANKING (1-5 with 5 being the most important)				
Reduce estate taxes	1	2	3	4	5
Increase current income	1	2	3	4	5
Provide for guardianship of minors	1	2	3	4	5
Provide for healthcare if disabled	1	2	3	4	5
Protect against liability	1	2	3	4	5
Create a charitable legacy	1	2	3	4	5
Sell appreciated assets tax free	1	2	3	4	5
Plan for business	1	2	3	4	5
Other goals listed below	1	2	3	4	5

Comments

Your Estate Planning Family Background

1. Lifetime Gifts. You may have made gifts to children or other heirs. Your attorney will need to know this. List the year, amount and recipient of every gift of \$12,000 or more.

2. Trustee, Guardian or Executor. Are you currently serving as a trustee of a trust, guardian of another person's children or executor of an estate?

3. Living Trust. Have you previously created a revocable living trust? Or any other trust?

4. Inheritance. Is it likely that you may receive an inheritance from a parent or other relative? Do you know the age of the parent or other person and the probable amount of the inheritance?

5. Safe Deposit Box. If you have one, please list the bank, the city and state and who has the key.

2. You And Your Contacts

YOUR EXECUTOR

Your executor is the manager of your estate. Because he or she will make many decisions about the management and distribution of your estate, you should select a trusted person who understands your circumstances. An executor will usually complete eight separate steps to ensure an orderly transfer of all of your property to the right individuals:

1. Submit your will to the probate court
2. Locate your heirs
3. Determine your estate assets and values
4. Pay bills and the estate attorney
5. Make debt payments
6. Resolve any estate controversies
7. File your income and estate tax returns
8. Distribute your assets to heirs

Please name your Executor

Name of Executor _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Please name your Alternate Executor

Name of Alternate _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

YOUR GUARDIAN FOR MINOR CHILDREN

A very important decision for you is to decide who would be the guardian of your minor children. The guardian you select would raise your children, teach them values, select the schools they attend and perform the functions of a parent. If you do not have a guardian selected in a will, a court may select someone. That person may not share your cultural background, your religion, your general world view or other character aspects that you think important for the person who raises your children. By selecting a guardian and an alternate guardian in your will, you have a much better prospect of finding someone who you think is the right person to raise your children.

If there are two parents, the survivor will usually be selected as the guardian of the children. In this case enter "Spouse" as the primary guardian. But if both parents pass away, then it will be necessary to select an alternate guardian. If you are a single parent, it is especially important to carefully select a primary and alternate guardian.

Please name your Children's Guardian

Name of Guardian _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Please name your Children's Alternate Guardian

Name of Alternate _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

POWER OF ATTORNEY FOR HEALTHCARE

There are two primary documents that will provide for your future healthcare. A durable power of attorney for healthcare empowers the person you select to make key decisions for your care. These could include whether an operation should be done or other major healthcare decisions should be made.

A second document is a living will. If you are in your final weeks or days of life, then decisions must be made with respect to nutrition, hydration, resuscitation and other critical care.

A durable power of attorney for healthcare is important to ensure that the right person has been selected. It is called a "durable" power because it is effective even if you are ill and not capable of making your own decisions.

In some states the living will and durable power of attorney are combined in an "Advance Directive" document.

Please select your primary and secondary healthcare decision makers.

Please name your Power of Attorney For Healthcare

Name of Primary _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Please name your Alternate Power of Attorney for Healthcare

Name of Alternate _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

POWER OF ATTORNEY FOR FINANCES

A common concern is, "What if I am sick and am no longer able to manage my property?" Unfortunately, there are far too many cases in which property is mismanaged or taken away by fraud or misrepresentation. A very good plan to protect yourself and your property is to have a durable power of attorney for finances.

If you are no longer able to manage your property, or later wish to have someone else manage your property, this durable power of attorney will give the person you select the legal authority to buy, sell and manage your property. Of course, if you have a revocable living trust, the successor trustee will manage the property in the trust. But it is still very possible that you own other property personally. The durable power of attorney for finances enables the individual you designate to manage your property and provide for your care.

Do you want to create a durable power of attorney for finances? Yes No

If married, does your spouse want a durable power of attorney? Yes No

For the durable power of attorney, please list information about the selected person.

Please name your Power of Attorney For Finances

Name of Primary _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Please name your Alternate Power of Attorney For Finances

Name of Alternate _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

3. Estate Finances

Please list all of your assets and liabilities. This will help your advisor plan your estate.

Most people learn at the end of this exercise that they are worth more than they think!

ASSET	\$ TOTAL VALUE OF ASSET	CHECK IF JOINT PROPERTY	CHECK IF YOUR PROPERTY	CHECK IF YOUR SPOUSE'S PROPERTY
Example Property	\$298,000		✓	
REAL ESTATE				
Main Residence Address				
Second Residence Address				
Vacation Home				
CHECKING ACCOUNTS				
Bank Account Number				
SAVINGS ACCOUNTS/CDS/MONEY MARKET FUNDS/CREDIT UNION ACCOUNTS				
Bank Account Number				
Tax Sheltered Annuity—not in Retirement Plan				

ASSET	\$ TOTAL VALUE OF ASSET	CHECK IF JOINT PROPERTY	CHECK IF YOUR PROPERTY	CHECK IF YOUR SPOUSE'S PROPERTY
INVESTMENTS				
Bonds or Bond Fund Custodian, Account Number				
Stocks or Stock Fund Custodian, Account Number				
Saving Bonds				
PERSONAL PROPERTY				
Furniture/Household Furnishings				
Tools & Equipment				
Antiques/Collections				
Jewelry				
Automobiles/Vehicles				
Business Interests				
Life Insurance— Face Amount/Death Benefit				
Retirement (IRA/401(k)/403(b)) Custodian, Account Number				
Other Retirement Plan				
Miscellaneous				
TOTAL ASSETS: \$				

4. Planning Your Estate

LIABILITIES	\$ TOTAL AMOUNT OF DEBT	CHECK IF JOINT DEBT	CHECK IF YOUR DEBT	CHECK IF YOUR SPOUSE'S DEBT
Mortgage on Personal Residence				
Mortgage on Second Residence				
Mortgage on Vacation Home				
Vehicle Debts				
Charge Accounts				
Installment Contracts				
Loans on Life Insurance				
Other Debts				
Total Liabilities/Debts: \$				
TOTAL ESTATE: \$ (Assets Less Liabilities)				

When you are planning your estate, there are several decisions that must be made. First, you may select one of three options for a single person or for a married couple. After selecting your desired estate planning option, you will be able to enter the information for that plan.

Single Person

1. **Simple Will.** With a simple will, you may transfer specific property, then give away what is left (the “residue” of your estate). Your simple will may transfer your property to family members or favorite charities.
 2. **Will With Trust for Minor Children.** If you are a single parent with minor children, it will be important to select a guardian and a trustee to manage assets for the benefit of your children.
 3. **Will With Give It Twice Trust.** As a single person, you may desire to benefit children, nephews, nieces or other relatives and also assist charity. A give it twice trust pays income to family with the remainder to charity.

Married Couple

1. **Simple Will.** If you pass away first, your estate is typically transferred to your surviving spouse. If you are the survivor, with a simple will you may transfer specific property, then give away the residue of your estate. Your simple will may transfer your property to family members or favorite charities.

- 2. Will With Trust for Minor Children.** If you pass away first, your estate is typically transferred to your surviving spouse. If you are the survivor and have minor children, it will be important to select a guardian and a trustee to manage assets for their benefit.

3. Will With Give It Twice Trust. If you pass away first, your estate is transferred to your surviving spouse. If you are the survivor, you may desire to benefit children, nephews, nieces or other relatives and also assist charity. A give it twice trust pays income to family with the remainder to charity.



THE “RIGHT AMOUNT” CHRISTIAN INHERITANCE

What is the “right amount” to leave for children, nephews or nieces? Here are three guiding principles for deciding on that amount.

First, everyone should provide for the needs of family. “Anyone who does not provide for their relatives, and especially for their own household, has denied the faith and is worse than an unbeliever.” 1 Timothy 5:8 (NIV).

Second, the inheritance should provide a reasonable level of security in the standard of living for the child, nephew or niece.

Third, there are many children who have received an inheritance large enough to cover both needs and wants. An inheritance that covers too many “wants and desires” may lead to unhappiness, greed and a failure to trust in the Lord for provision.

Finally, are there guidelines for leaving children a substantial inheritance?

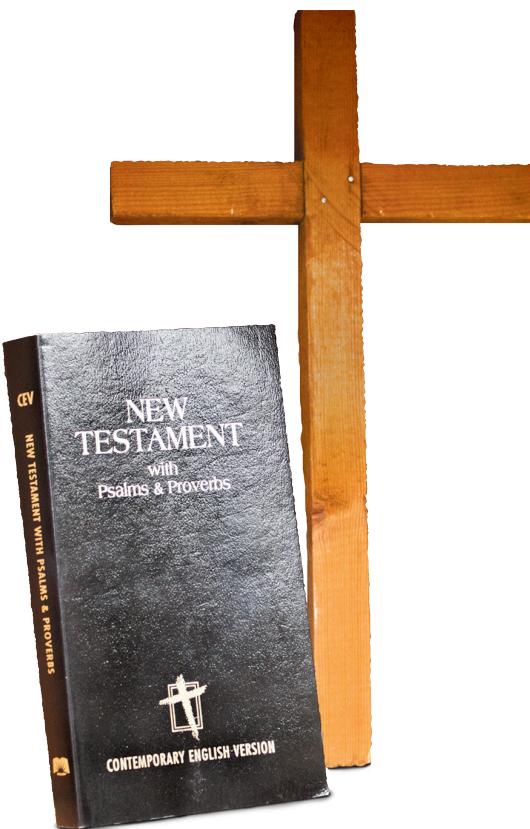
Some parents have been careful with their resources and have accumulated a significant estate. How can a larger estate be transferred with a good result for children?

First, a larger inheritance will be used more wisely if it is distributed over a longer time and at a later age. A lump sum at one time may be unwise. Many younger children who receive a large inheritance at an early age spend it within

18 months.

Second, transfer a larger inheritance over a period of years. A good plan includes a distribution of principal when the parents pass away, income for a period of years and a second payout of deferred principal.

Third, set up a target number for the inheritance. The total inheritance can then be designed to pass that amount to a child, nephew or niece. A target number is the sum of the principal and income given through the inheritance plan. With prayer and careful thought, the plan can move a substantial amount, while still permitting your child to learn to love the Lord, know the joy and rewards of work and trust Him for provision.



5. Estate Plans for Single Individuals

Please choose one of the three options and fill out the information for that form only.

1. SIMPLE WILL – SINGLE PERSON OR SURVIVING SPOUSE

For a single person or surviving spouse, one option is to create a simple will for adult children, nephews or nieces. If the estate is not taxable under federal law, this plan may work well. With a simple will, it is possible to transfer a specific property or amount, and then to divide the balance or residue of the estate among children, nephews or nieces. Many individuals also decide to leave a bequest to charity.

Specific Bequests

Bequests of items or amounts to family or to charity.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Residue of Estate

Percent of residue to family or to charity.

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____
4. _____ % to _____	_____	_____

2. SIMPLE WILL WITH TRUST FOR CHILDREN – SINGLE/SURVIVING SPOUSE

If you are a single parent with minor children or if you desire a trust for your children, this option can work well. This option assumes that one trust is created with income distributions made equally to children until the selected age.

However, the trustee may be given the right to invade the trust for the support or education of children. You will need to select a trustee and choose the age of the youngest child for distribution of trust principal.

If a testamentary trust is created by will for the benefit of minor children, it does not avoid probate. This trust would only become operative if neither parent is living. Funds from the trust are then given by the trustee to the guardian to provide for your children's care and living expenses, including college. The trustee or guardian may be a single person, but could be two individuals as co-trustees or co-guardians if you so desire.

The trustee's responsibilities continue on until your child reaches the age you specify for the final distribution of any unused trust funds. The trustee can be the same person as the guardian if you so choose. Careful consideration should be given to this important position. Integrity, ability and experience to manage financial assets are important factors to consider. If you die without a will and leave property to your minor children, the court will appoint a conservator for your estate unless you establish a trust for your children.

There are many advantages of a trust over a conservatorship. A conservator is generally appointed by a court and must follow rigid statutory rules. He or she must file an accounting and petition for approval before the court annually. This can result in expensive court costs and attorney fees. A conservatorship also ends at age 18 for each child, at which time the child receives what is left in a lump sum. Ask yourself, "What will an 18-year-old do with the money?" For obvious reasons, most parents don't like this arrangement. However, with a trust you can specify the age at which your children will receive the principal from the trust. You don't have to give it all to them in a lump sum when they reach age 18, but may defer distribution of principal to age 25, age 30 or even longer.

Specific Bequests

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Name, City and State of Trustee

Name of Primary _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Age for ending trust and distributing principal to children

Charity in Trust

It is also possible to include favorite charities in your final trust distribution. A popular option is to treat the charities collectively as one child at termination of the trust. If you would like to choose this option, please check here . In this case, all charities listed will divide one share and your children will each receive one share. Option: If you want selected charities to have a larger or smaller percentage of your estate, you may also list that percentage here .

Charities to divide one share — % Share, Legal Name, City and State

Amount or Percentage Share	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

3. GIVE IT TWICE TRUST FOR FAMILY – SINGLE/SURVIVING SPOUSE

Another popular option for a single person or surviving spouse is to divide the estate into two parts. The first portion of the estate is given to the children when you pass away. The other portion is transferred to a give it twice trust. This is a charitable remainder unitrust that pays at least 5% each year to children for a maximum of 20 years (5% times 20 years equals 100%; or you may select 6% for 18 years). After paying income to children for 20 years, the trust corpus is given to favorite charities.

For example, a surviving spouse had an estate of \$600,000. She gave \$200,000 outright to children from the estate and placed \$400,000 in the give it twice trust. After payouts of more than \$400,000 from the trust, the principal was given to her selected charities. Her children received \$600,000, the sum of \$200,000 directly from the estate and \$400,000 of income from the trust.

Specific Bequests

Bequests of items or amounts to family or to charities.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Give It Twice Trust

If you select this option, please choose the portion to give to children outright and the portion in the give it twice trust (the total of the two percentages will be 100%).

Outright to children _____ % To give it twice trust _____ %

Children In Trust

Percent and State	Recipient	City
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____

Charities at the End of The Trust

Percent	Recipient	City and
State		
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____
4. _____ % to _____	_____	_____



6. Estate Plans for Married Couples

Please choose one of the three options and fill out the information for that form only.

1. SIMPLE WILL – MARRIED COUPLE

A married couple with an estate that is not taxable under federal law may desire a simple will. The first estate may include specific bequests to children or charity with the balance transferred outright to the surviving spouse. The estate of the surviving spouse (or a percentage of the estate) may then be transferred by specific bequest to children or charity.

An option that you might consider is to treat your favorite charities collectively as one child. The estate of the surviving spouse could be divided among your selected children and charities. Consider an example with three children. Under this plan, the charities together are considered the fourth child. Therefore, the three children and the charitable portion will each receive $\frac{1}{4}$ of the estate. The $\frac{1}{4}$ transferred to charities could be divided on a percentage basis among your favorite charities.

First Estate — Specific Bequests, Balance to Spouse

Bequests of items or amounts to family or to charities.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Bequests of Percentage of First Estate to Family or Charities, Balance to Spouse

State	Percent	Recipient	City and
1. _____	% to _____	_____	_____
2. _____	% to _____	_____	_____
3. _____	% to _____	_____	_____
4. _____	% to _____	_____	_____

Second Estate — Specific Bequests

Bequests of items or amounts to family or to charities.

State	Percent	Recipient	City and
1. _____	% to _____	_____	_____
2. _____	% to _____	_____	_____
3. _____	% to _____	_____	_____
4. _____	% to _____	_____	_____

Residue of Second Estate

Percent of residue to family or to charities.

City and State	Percent	Recipient	
1. _____	% to _____	_____	_____
2. _____	% to _____	_____	_____
3. _____	% to _____	_____	_____
4. _____	% to _____	_____	_____

2. SIMPLE WILL WITH TRUST FOR CHILDREN – MARRIED COUPLE

If you are a couple with minor children and desire a trust for children, this option can work well. A married couple with an estate that is not taxable under federal law may choose to protect and benefit children with a trust. The first estate may include specific bequests to children or charity with the balance transferred outright to the surviving spouse. The estate of the surviving spouse may then be transferred by specific bequests with the residue passing to a trust for children.

This option assumes that one trust is created with income distributions made equally to children until the selected age. However, the trustee may be given the right to invade the trust for the support or education of children. You will need to select a trustee and choose the age of the youngest child for distribution of trust principal.

First Estate — Specific Bequests, Balance to Spouse

Bequests of items or amounts to family or to charities.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

Bequests of Percentage of First Estate to Family or Charities, Balance to Spouse

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____
4. _____ % to _____	_____	_____

Second Estate — Specific Bequests

Bequests of items or amounts to family or to charities.

Item or Amount	Recipient, City and State
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____

Name, City and State of Trustee

Name of Primary _____

Address _____

City _____ State _____ Zip _____

Home Phone _____ Email _____

Relationship, if not a spouse _____

Age for ending trust and distributing principal to children _____



3. GIVE IT TWICE TRUST FOR FAMILY — MARRIED COUPLE

Charity in Trust

It is also possible to include charities in your final trust distribution. A popular option is to treat charities collectively as one child at termination of the trust. If you would like to choose this option, please check here. In this case, all charities listed will divide one share and your children will each receive one share. Option: If you want selected charities to have a larger or smaller percentage of your estate, you may also list that percentage.

Percent	Charity	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____
4. _____ % to _____	_____	_____

A married couple with an estate that is not taxable under federal law may desire a simple will. The first estate may include specific bequests to children or charity with the balance transferred outright to the surviving spouse.

First Estate — Specific Bequests, Balance to Spouse
Bequests of items or amounts to family or to charities.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

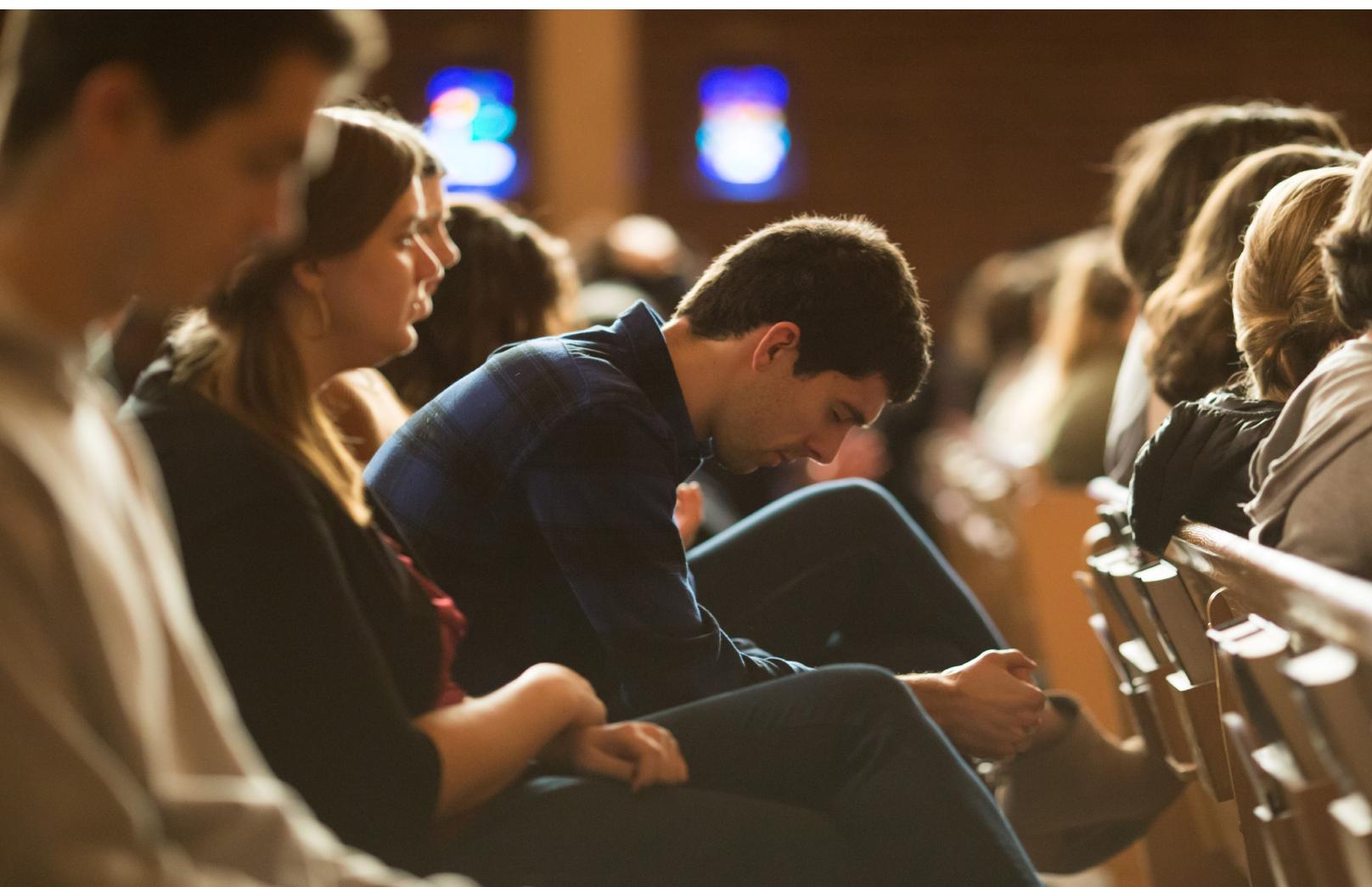
Bequests of Percentage of First Estate to Family or Charities, Balance to Spouse

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____
4. _____ % to _____	_____	_____

Second Estate — Specific Bequests

Bequests of items or amounts to family or to charities.

Item or Amount	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____



7. Estate Planning Information

Residue of Second Estate

Percentage of residue to family or to charities.

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____

Another popular option for the estate of a surviving spouse is to divide the second estate into two parts. The first portion of the estate is given to the children when you pass away. The other portion is transferred to a give it twice trust. This is a charitable remainder unitrust that pays at least 5% each year to children for a maximum of 20 years (5% times 20 years equals 100% — or you may select 6% for 18 years). After paying income to children for 20 years, the trust corpus is given to your favorite charities. If you select this option, please choose the portion outright and the part in the give it twice trust (the total of the two percentages will equal 100%).

Give It Twice Trust

If you select this option, please choose the portion to give to children outright and the part in the give it twice trust (the total of the two percentages will be 100%).

Outright to children _____ % To give it twice trust _____ %

Children In Trust

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____

Charities at the End of The Trust

Percent	Recipient	City and State
1. _____ % to _____	_____	_____
2. _____ % to _____	_____	_____
3. _____ % to _____	_____	_____

List to Dispose of Personal Property

Your will or trust is designed to transfer property to the person you select.

However, many states permit you to update and maintain a list of personal items that may be changed whenever you desire. The list must be signed, dated, describe the personal property and name the recipient.

Under the laws of most states, you are permitted to make a list of property that may include jewelry, silver, china, furniture, and collections of stamps, coins, art and other personal items that are movable. The advantage of this list is that you may update it as you buy or sell these items or you may change your mind about who should receive china, silver, rings or other personal items.

By making and updating this list, you can change the recipients as your property changes. It is important to be certain that you have signed and dated each list. That way, the last list you complete will be used by the executor of your estate.

If some items on this list are very valuable (especially art and other collections), then it is important to discuss the transfer of these items with your professional advisor. Your advisor may use language similar to the language below in your will:

EXAMPLE LANGUAGE

"Under the laws of the State of _ I may leave a written statement or a list, dated and signed by me, disposing of certain items of my tangible personal property. Any such list with date and signature shall be effective to transfer the named personal property. If no signed and dated list is identified by my Personal Representative within thirty days after his or her qualification, it shall be presumed that there is no statement or list and any subsequently discovered statement or list shall be ignored."

Ways to Give or Transfer Personal Property

Give During Life.

Many individuals start the gift process during life. By giving personal items to children and other heirs, they understand and appreciate the gift.

Consider Preferences.

Some children may desire a piano or other instrument. Others may prefer to receive valuable books or china. Discuss the goals of heirs and attempt to make gifts that will be most meaningful to each person.

Leave Instructions.

The list is very useful. Other items could be distributed through a "rotating choice" plan. Everyone meets together and each person takes a turn at selecting one item.

FREQUENTLY ASKED QUESTIONS (FAQs)

Anytime you update your list, make a copy and send the original to your attorney or personal representative for safekeeping.

Please make your list of personal property here:

Description	Recipient	City and State
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____
6. _____	_____	_____
7. _____	_____	_____
8. _____	_____	_____
9. _____	_____	_____
10. _____	_____	_____
11. _____	_____	_____
12. _____	_____	_____
13. _____	_____	_____
14. _____	_____	_____
15. _____	_____	_____

Signature _____ Date _____

1. Why is estate planning more than a will?

An estate plan cares for both your property and your person. A will and, for some persons a trust, is important for the management and distribution of your property. But caring for your person requires creating a durable power of attorney for healthcare and a living will. The person who holds your durable power of attorney for healthcare can help the doctors make important decisions if you are in the hospital and not able to communicate. A living will is your statement of the care to be provided to you when you are in your final weeks or days. In some states, the durable power of attorney for healthcare and living will are combined in a document called an Advance Directive.

2. How can I avoid probate?

In many cases, property can be transferred without probate. For example, IRAs, insurance policies and some other assets may be transferred through a beneficiary designation. If you are on title with another person as joint tenant with right of survivorship, under state law property rules, the real property will be transferred to the survivor. Finally, many trusts hold real estate, which will be transferred to the trust beneficiary.

3. Who are primary beneficiaries of a will?

One of the first decisions that you make is to decide who receives specific land, your home, or personal items. These heirs are your primary beneficiaries.

4. When should you select a contingent beneficiary?

If you have given a primary beneficiary a specific item like a family heirloom, it is a very good idea to select a contingent beneficiary. However, if you do not, then the property simply is part of the residue of your estate. After distribution of specific property and payment of costs and taxes, the balance of the estate property is called the residue.

5. Why should you create a trust for minor beneficiaries?

Receiving property at a young age frequently leads to indulgence and serious problems. If you plan to leave property to minors, it is important to select a trustee to manage the property.

6. Should you forgive your children's debts?

Many parents pass away with outstanding loans to children. If you do decide to forgive debts to children or other family members, you may also want to include an offsetting gift of cash or other property to those family members who do not receive any debt forgiveness. In this way, you can keep the total benefits under the will even among your children or other heirs.

7. Why is selecting a guardian for minor children so important?

The guardian will perform most of the functions of a parent in teaching the child, selecting his or her school, providing ethical or religious education and many other aspects of the child's life.

8. If you have minor children and a substantial estate, should the same person be guardian of your children and trustee of their trust?

If there is a substantial property inheritance for the child, it is quite risky to transfer both the guardianship and the property to the same individual. After the parents pass away the guardian has control of the property. Thus, the temptation for the guardian to spend income and principal for personal benefit, rather than for the care of the child, is extremely strong. A better plan is to select a different person or commercial institution as trustee to manage the property. The trustee performs an important check-and-balance role. He or she can also distribute income and, if needed, principal for the benefit of the children.

9. Should medical papers and a living will be kept in your safety deposit box?

No. If you are ill and in the hospital, the durable power of attorney for healthcare or advance healthcare directive will need to be available to your healthcare agent. They may not have access to your safety deposit box. Your healthcare powers should be given to a friend or advisor so they are available if you are in the hospital and need their assistance.

10. Is it important to express your preferences on end-of-life care through an advance directive or living will?

Yes. While states may use different forms and have a different name for the document, all permit you to express your healthcare preferences for end of life.

11. Is a family member who lives in your area a good choice for your healthcare agent?

While you can select any family member who lives in another state as your healthcare agent, it is helpful to select a person who is in the area so that he or she is available if an immediate healthcare decision is needed.

12. Will your personal preferences on pain management have substantial impact on your end-of-life care?

If you desire a high comfort level even though that leads to less mental clarity, or prefer a more moderate or even low comfort level with greater mental clarity, that will have great impact on the level of pain medication provided to you.

13. For a young person with a modest estate, is a will a better option than a trust?

For a young person with a modest estate, it is important to get started in the estate planning process. The basic step is to create a will, which is much more reasonable in cost than a living trust. However, if you own substantial real property, a trust may be a good addition, even for a younger person.

14. If you use IRA beneficiary designations, joint tenancy with right of survivorship and other types of non-probate transfers, do you still need a will?

While a majority of property can be transferred through non-probate methods, your estate will require a will. If you have minor children, your will is used to select their guardian. But your estate invariably will include some personal items and other assets that are subject to the will. You may also receive an inheritance or lose your life in an accident that provides a large judgment to your estate. In all of these cases, it is essential to have a will to transfer your property as you choose, not as the court determines.

15. Does a living trust protect you in your very senior years?

With a living trust, you normally serve as the initial trustee and select the successor trustee. Your chosen successor will be able to take over if you are in your very senior years and are ill or otherwise unable to manage your property. This is a great comfort and protection for both you and your property.

Sample Bequest Language for SPU

In order to make a bequest, you should speak with your attorney. Your attorney can help you include a bequest to Seattle Pacific University in your estate plan. We have provided some basic bequest language to assist you and your attorney.

1. Specific Bequest

If you are considering making an outright bequest to Seattle Pacific University, we recommend the following language:

Bequest of a Specific Dollar Amount

I hereby give, devise and bequeath _____ and No/100 dollars (\$DOLLARS) to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, for Seattle Pacific University's general use and purpose.

Bequest of Specific Personal Property

I hereby give, devise and bequeath DESCRIPTION OF PROPERTY to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, for Seattle Pacific University's general use and purpose.

Bequest of Specific Real Estate

I hereby give, devise and bequeath all of the right, title and interest in and to the real estate located at ADDRESS OR DESCRIPTION OF PROPERTY to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, for Seattle Pacific University's general use and purpose.

2. Percentage Bequest

If you are considering making a bequest of a percentage of your estate to Seattle Pacific University, we recommend the following language:

I hereby give, devise and bequeath ____ percent (____%) of my total estate, determined as of the date of my death, to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, for Seattle Pacific University's general use and purpose.

nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, DESCRIPTION OF PROPERTY to be used for Seattle Pacific University's general use and purpose.

3. Residual Bequest

I hereby give, devise and bequeath to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, ALL OR A PERCENTAGE of the rest, residue and remainder of my estate to be used for Seattle Pacific University's general use and purpose.

4. Contingent Bequest

If (primary beneficiary) does not survive me, then I hereby give, devise and bequeath to Seattle Pacific University, a nonprofit organization located at 3307 Third Ave W, Suite 304, Seattle, WA, 98119-1957, Federal Tax ID #91-0565553, DESCRIPTION OF PROPERTY to be used for Seattle Pacific University's general use and purpose.

Restricted Bequests

If you are considering a bequest but would like to ensure that your bequest will be used for a specific purpose, please let us know. We would be happy to work with you and your attorney to help you identify ways to give and meet your charitable objectives. We will also work with you and your attorney to craft language to accomplish your goals.

An endowment may be established through the will. It is a separately invested, restricted fund that is usually named for the donor, and is created with a bequest of \$50,000 or more. Endowments provide ongoing support because a specific percentage of the fund is spent each year for the purpose designated by the donor, such as scholarships for students, while the principal is retained in perpetuity.

If you are making a restricted bequest, we recommend that your attorney include the following provision to give Seattle Pacific University flexibility should it no longer be possible for our Seattle Pacific University to use your gift as you originally intended:

If, in the judgment of the Board of Trustees of Seattle Pacific University, it shall become impossible for Seattle Pacific University to use this bequest to accomplish the specific purposes of this bequest, Seattle Pacific University may use the income and principal of this gift for such purpose or purposes as the Board determines is most closely related to the restricted purpose of my bequest.

Notes For My Attorney

Disclosure on Attorneys and Organization

Thank you for completing this form. It is offered by us to you as an educational service. While we attempt to provide helpful estate and financial background, we are not able to offer specific legal advice on your personal situation. Because you may have special needs, we know that you will want to contact your own attorney. He or she will be your independent advisor and will have an obligation of trust and confidence to you. With the advice of your independent attorney, you may have a customized estate plan that truly fulfills your unique family, healthcare, estate and planning circumstances.



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