

Estate Planning Fiduciary Roles

A *fiduciary* is a person in a position of trust with respect to another's property. It is a general term used to refer to an executor/ executrix, trustee, guardian, or agent. *Making Tough Choices*. Creating a comprehensive estate plan requires you to make some very tough decisions. Deciding who will receive which assets requires effort and makes it a tough process, however, choosing WHO to appoint in fiduciary roles should be afforded a significant amount of thought as well.

The Role of the Executor/ Executrix

- Oversees the probate process
- Locates beneficiaries, and transfers estate assets.
- Pays claims and files taxes
- Represents estate in any litigation

Things to Consider When Choosing Your Executor/ Executrix

- Background, education, skills
- Location
- Time commitment/ availability
- Emotional impact of your death
- Willingness to serve

The Role of Guardian

- Responsible for training your child
- May have control over child's assets
- May be recipient of child's state/federal benefits

Things to Consider When Choosing a Guardian

- Parenting styles
- Religious beliefs
- Proximity or willingness to relocate
- Familiarity with your child
- Stability and capacity to serve
- Willingness to serve

The Role of the Trustee

- Administers a trust
- Controls and invests trust assets
- Distributes trust benefits

Things to Consider When Choosing a Trustee

- Financial and legal background or knowledge
- Proximity to trust assets
- Potential for conflict of interests
- Availability and willingness

The Role of Agent

- Authority to act on your behalf in legal and/or financial matters
- Ability to make healthcare decisions for you under a Medical Power of Attorney
- Can have narrow or broad authority

Things to Consider When Choosing an Agent

- Location and availability in an emergency
- Capacity to honor your wishes
- Ability to separate emotions from decisions