



BUYNAK LAW FIRM

DUTIES OF TRUSTEE IN ADMINISTRATION OF A TRUST (Coordinate All Actions with your Attorney)

Immediate Matters:

- Make proper funeral and burial arrangements and pay funeral expenses. (Review Disposition Instructions)
- Retain an attorney and through him/her, gain a competent certified public accountant. (Your attorney lends this process).
- If prior year income tax returns were not completed, file (or arranged to have filed) income tax returns for year of death and for all prior years which are due but were not filed at the time of death.
- Determine, locate and notify beneficiaries of their interest. Send formal notice.
- Determine, secure and protect assets. Liquidate any asset in a high-risk investment.
- Dispose of all perishables; secure the home and its personal property. (No one should take anything).
- Open estate/trust bank account and all monies (collection and payment should be sent through it; not your personal or deceased's account).
- Review insurance coverage and insure estate against fire and other perils.
- Make provision for the immediate needs of the deceased's spouse and any other dependents of the deceased.
- Collect income generated by the estate's assets or payable to the deceased.
- Pay bills, mortgage payments, insurance premiums, credit cards.
- Re-direct mail.
- Cancel health insurance coverage, driver's license, cable, telephone, club memberships, subscriptions, credit cards and obtain any refunds where appropriate.
- Notify Social Security.
- Locate all insurance policies to determine what coverage applies and if a claim for life insurance proceeds should be made.

Interim Matters

- Prepare inventory of original assets including safety deposit box listing, real estate, monies on deposit at financial institutions, life insurance, any interest in an estate or trust and any other investment such as mortgage.

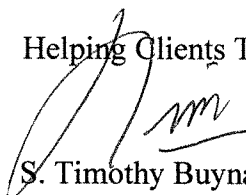
- Arrange valuation of assets where necessary.
- Advertise for creditors, prepare inventory of debts and give notice to known creditors (but contact your attorney – one year statute of limitations).
- Ascertain any debts to family members and locate evidence regarding loan balance.
- Consider any claims or potential claims against the estate and obtain legal advice if necessary.
- Set aside reserve funds for estimated debts, taxes (including potential taxable capital gains on property and any possible litigation) and estate trustee's compensation.
- Prepare interim release and make interim distributions to beneficiaries if appropriate; where a clearance certificate has not yet been obtained and there are no outstanding prior year income tax returns, interim distributions should seldom exceed one-half the estate value; if there are outstanding prior income tax returns or the estate trustee is not familiar with the affairs of the deceased, no interim distribution should be made until a clearance certificate with respect to the terminal return has been obtained.

Final Matters

- Convert investments and other assets to cash and deposit to estate account or, if estate balance is substantial and final distribution will be delayed, invest balance in interest-earning investments pending final distribution to beneficiaries.
- Re-register assets in estate's/Trustee's name, if applicable.
- Prepare transfer/deed for conveyance of real property.
- Settle to pay all legitimate claims against the estate; Set aside reserve sufficient for any outstanding litigation.
- Apply for any benefits payable on death, life insurance proceeds, death benefits from pension plans or annuities, and deposit to estate account.
- File a Trust Return, if appropriate.
- Prepare and maintain estate accounts for approval by the beneficiaries or examination by the court if a passing of accounts is appropriate or required.
- Prepare checks and pay shares to beneficiaries.
- Advise beneficiaries regarding the inclusion of income from estate in income tax, if appropriate.

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Helping Clients Thrive!


S. Timothy Buynak, Principal