



CREATING A BRIGHTER FUTURE THROUGH ESTATE PLANNING



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Tamara Kidd



Tamara Pataky Kidd, JD/VP Senior Fiduciary Officer

Tamara brings to MTC over 34 years of experience in Estate Planning and Trust Administration. She is fully bilingual in English and Spanish, Prior to joining MTC she served as Chief Trust Officer for the Southeast of the United States for the Merrill Lynch Trust Company and Vice President and Trust Service Manager for Comerica. Tamara earned a BA (Cum Laude) from Florida International University and a JD from Washington University. She is a member of the Florida Bar..



MTC OVERVIEW



OCC
charter



Owned by
credit unions



Nationwide
service



30+ year
history



Investment
management



\$4B+ AUM

ESTATE PLANNING



**MORE THAN
A WILL**



**LIFE
PLANNING**



YOUR LEGACY

Last Will & Testament

PROBATE



Time-consuming



Expensive



Public



Court supervised



Attorney needed



Simplified process for small estates

WHO GETS WHAT

Who will decide



With a Will



Without a Will

WHY YOU NEED A WILL

A will lets you

1 Determine who will receive your assets

2 Choose an executor

3 Designate a guardian for minor children

4 Create testamentary trusts



TESTAMENTARY TRUSTS

1 Established by will

2 Only takes effect upon death

3 Ability to control inheritance

4 Spendthrift provisions



MORE ABOUT WILLS

1

Heirs have no interest in estate until death

2

Separate disposition of tangible personal property

3

Codicils



Assets Distributed By Will

Assets in Decedent's Name Only

- No joint owner
- No beneficiary



WILL SUBSTITUTES

1 Living trust

2 Joint ownership

3 Beneficiary designation

4 Transfers on death



Revocable Living Trust

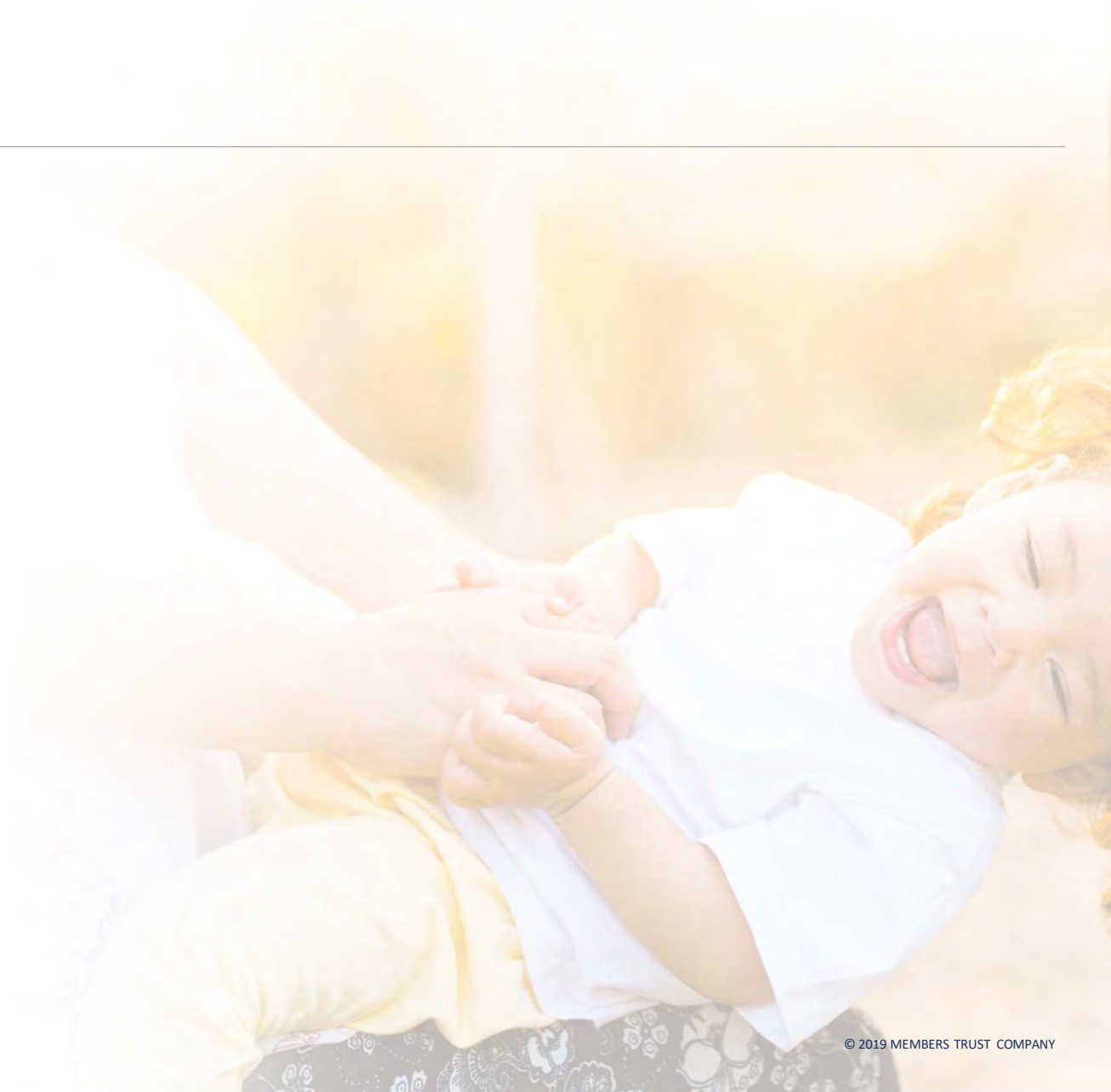
LIVING TRUST

1 Legal agreement

2 Very flexible

3 Privately administered

4 Pour-over provisions in will



PARTIES TO A TRUST



GRANTOR



TRUSTEE



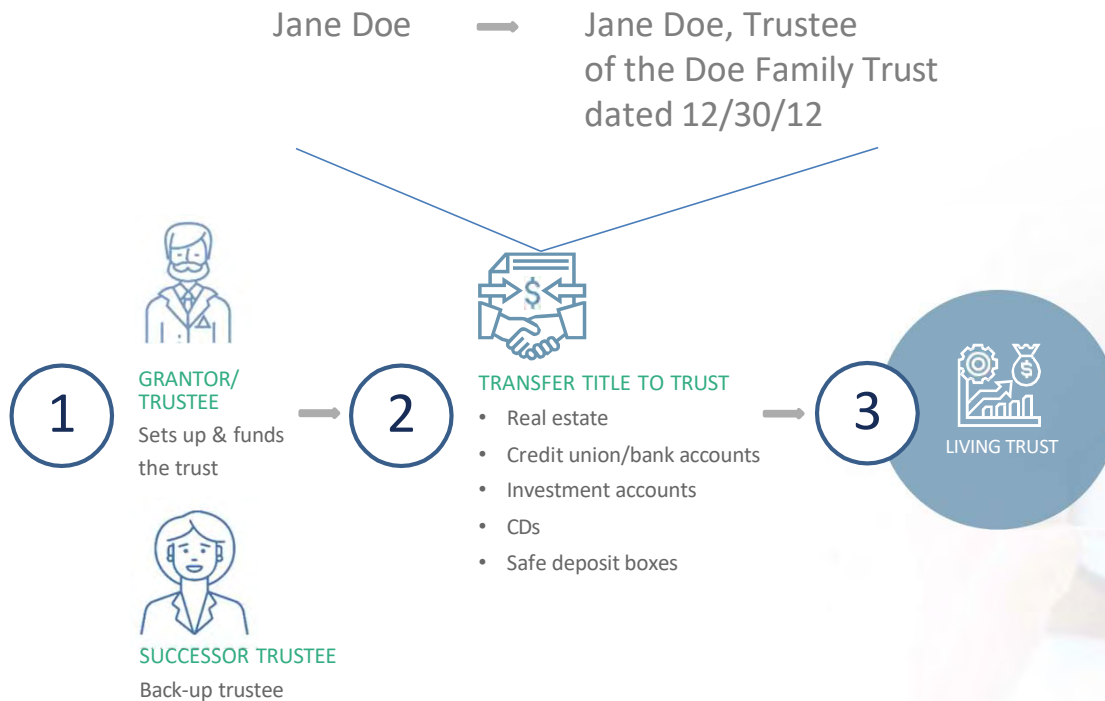
SUCCESSOR
TRUSTEE



BENEFICIARIES

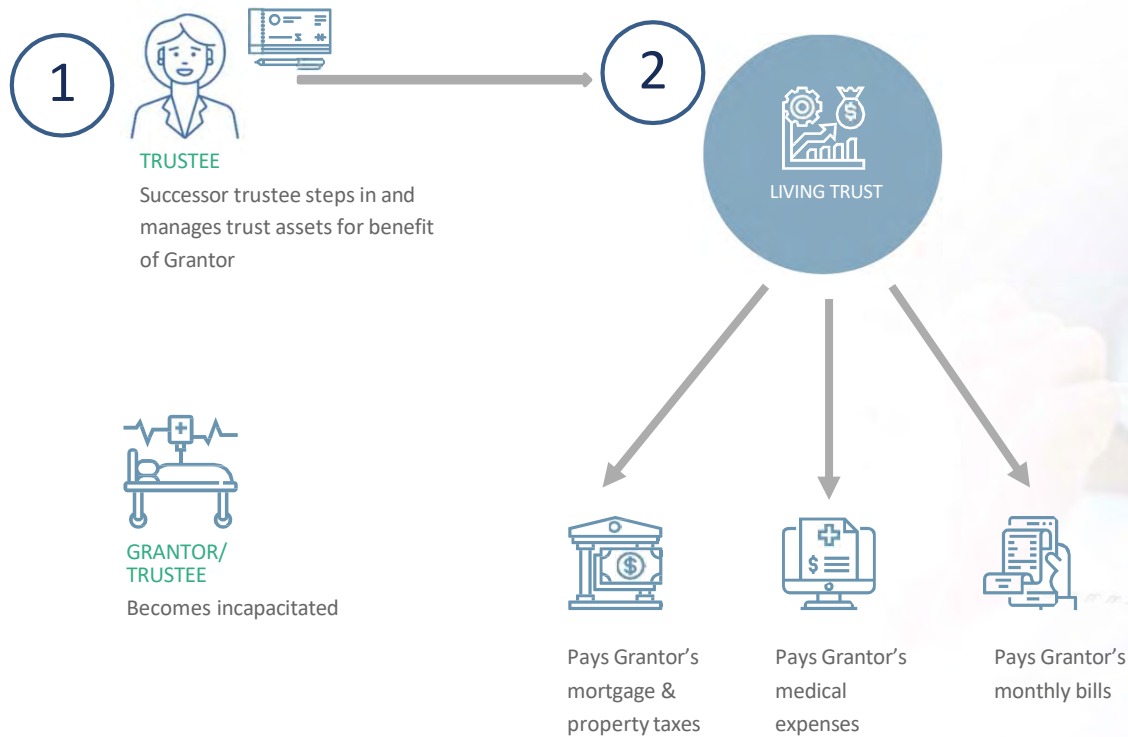
HOW DOES IT WORK?

Funding the trust



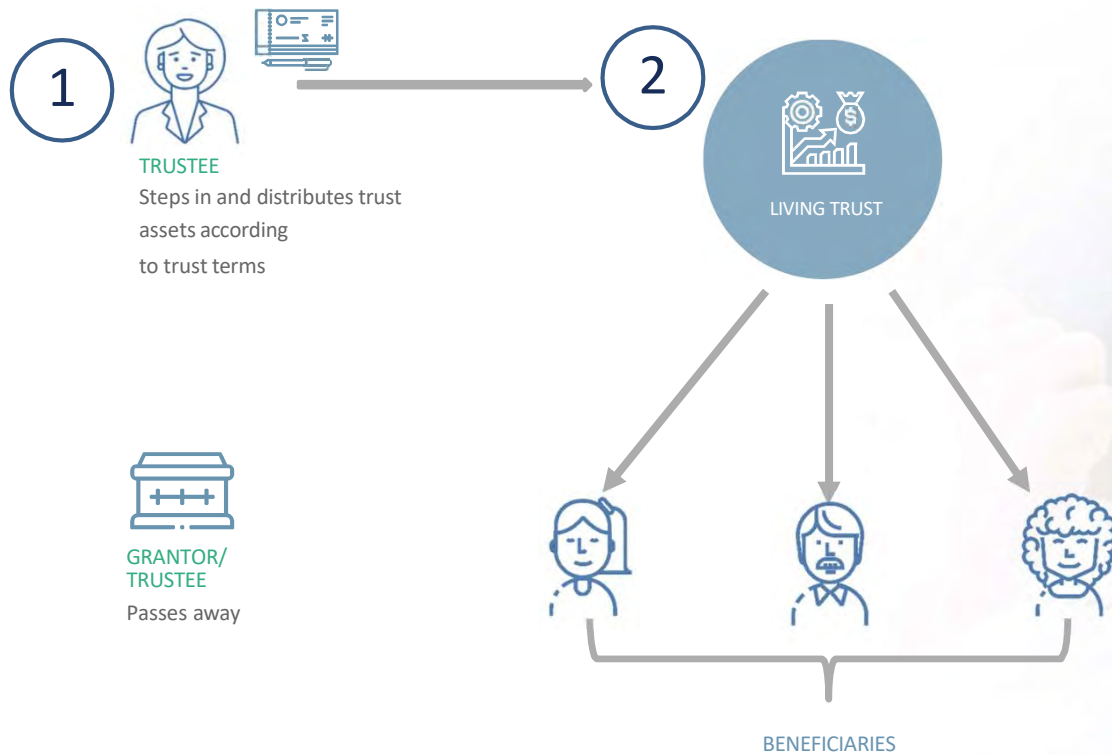
HOW DOES IT WORK?

Upon Grantor's incapacity



HOW DOES IT WORK?

Upon grantor's death



BENEFITS OF A TRUST

1

Avoids probate proceedings

2

Avoids conservatorship proceedings

3

Reduces likelihood loved ones will squander inheritance

4

Can be changed at any time

Choosing a Trustee

Your Options For Successor Trustee

CHOOSE WISELY.

1 Loved one

2 Institution

3 Loved one + institution



Selecting a Loved One as a Trustee

- Will your grieving loved one have the emotional wherewithal to take on the responsibility of a trust?
- Is your loved one good at managing money?
- Does your loved one have the bandwidth and inclination to take on this responsibility?
- Is your loved one honest, detail-oriented, fair and a good communicator?





Selecting an Institution as a Trustee

- Professional asset management
- Legal proficiency to administer terms of trust
- Regulated entity; oversight & accountability
- Legal duty to act in client's best interest
- Perpetual appointment
- Capital and insurance

Institution + Loved one

Best of both worlds?

If you want to minimize family disputes, professional management by an institutional trustee, coupled with decision-making input from a family member could be the best of both worlds.

- Trust Protector
- Co-Trustee





Main Street Values. Wall Street Expertise.™

Client Focus. We strive to understand each client's needs by communicating candidly, listening intently, and working to build trust. Everything else follows.

Expertise Without Ego. Trust and investment services can be confusing, so we make every effort to keep it simple—humbly helping clients crystallize their goals and understand their options, so we can recommend creative solutions.

Accessibility. From our competitive pricing to our ever-accessible team of investment and fiduciary professionals, we are fully transparent and here for our clients when they need us most.

Innovation. We drive transformation in the industry and the delivery of investment management and fiduciary services, while engaging our clients throughout the evolution of their needs.



WHO WE HELP

Who can benefit from a corporate trustee?



LOVED ONE WITH SPECIAL NEEDS

Members with loved ones with special needs must plan carefully to preserve eligibility for government benefits



BLENDED FAMILIES

Married members with kids from a previous relationship must plan carefully to protect biological kids from disinheritance



IRRESPONSIBLE LOVED ONES

Members can restrict trust distributions, reducing the likelihood that loved ones will squander inheritance



BABY BOOMERS

Without an estate plan in place, a judge will decide who will take control of a member's assets in the event of incapacity



THOSE WITH NO/DISTANT KIDS

Members who live far from loved ones must plan ahead to ensure financial affairs are managed upon death/incapacity



UNBURDEN LOVED ONES

Members who want to relieve loved ones of the burden of dealing with legal complexities

HOW WE HELP

Our products & services



TRUSTEE

For members who pass away or become incapacitated, MTC steps into their shoes and administers their trust



FLEXIRA™

Members can control post-death distributions of retirement funds to loved ones.



PERSONAL REPRESENTATIVE

MTC helps members who die with or without a will by administering and settling the estate via probate court process



AGENT FOR TRUSTEE

An option for individual trustees who want to tap into the resources of a professional trustee



ATTORNEY IN FACT

When members do not have anyone to appoint as Power of Attorney, they can authorize MTC to serve as Power of Attorney



CONSERVATOR

MTC can be appointed by a judge to manage the financial affairs of another due to physical or mental limitations

Common Questions

Joint Ownership

Potential Pitfalls:

- Unintentional disinheritance
- Potential risk if joint owner is sued





Transfer on Death

Does not eliminate need for a will or a trust.

- Designate a beneficiary to receive property on your death
- TOD may be changed prior to death
- Any type of property may be subject to TOD

Disinheriting a Spouse

State laws vary.

- Generally, no
- Unless a prenuptial agreement is in place





Power of Attorney

Appoint someone to act on your behalf.

- “Durable” POA survives incapacity
- “Springing” POA allows you to keep control until necessary

Tax Implications

FEDERAL ESTATE TAX

YEAR	EXEMPTION AMOUNT	MAXIMUM FET RATE
2022	\$12.06 M per person*	40%



34 | * Revenue Procedure 2019-44.

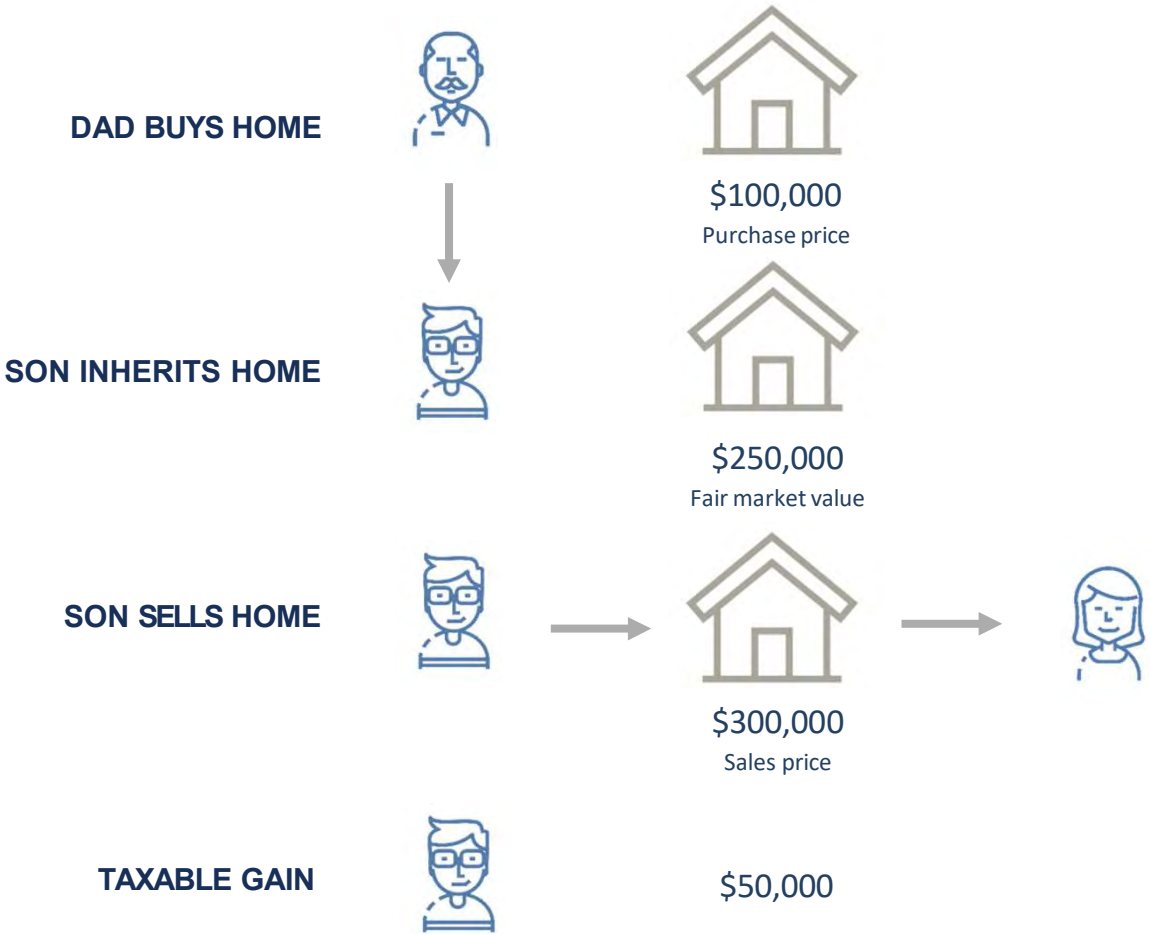
ANNUAL GIFT TAX EXCLUSION

YEAR	EXCLUSION AMOUNT
2022	\$16,000 per person, per year



CAPITAL GAINS TAX

For inherited property



THANK YOU.



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