ESTATE PLANNING GUIDE

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Supporting Davis Health System Foundation is an opportunity for all those who call north central West Virginia home to advance healthcare through giving. The decision to give is personal. Most discussions about giving begin and end with values — your personal values and our shared community values.

By completing your will or estate plan, you can give your family the gift of peace of mind – in knowing and following your wishes. While not meant to offer legal or tax advice, the following Estate Planning Guide is designed to help you organize the personal information you will need to work with your professional advisors to draft your will or estate plans.

Making a direct bequest to family members and to the charities you care about is the simplest way of giving. Your professional advisor can explain other giving options that allow you to help Davis Health System Foundation and to preserve resources for yourself during your lifetime or for your heirs.

If you have questions or need additional information, don't hesitate to contact the Davis Health System Foundation Office at 304-630-3043.

Thanks again helping Davis Health System to advance healthcare through giving,

Mike Bell
Foundation Director

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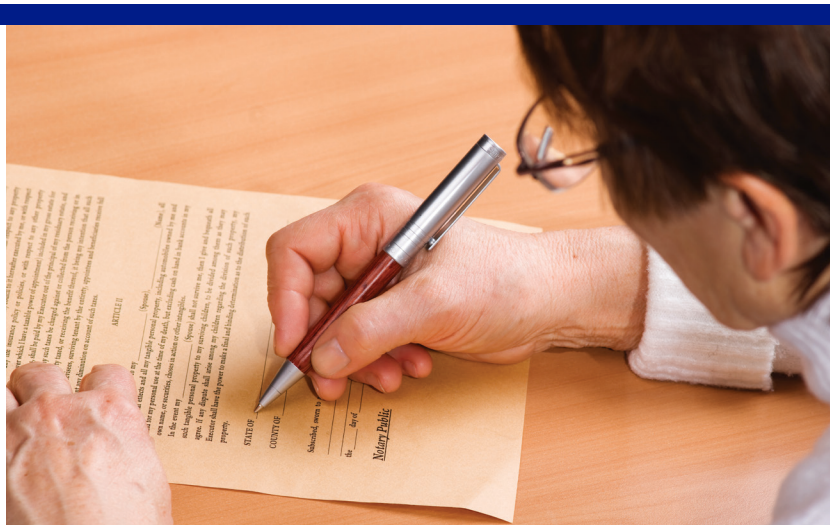
Write Your Will, or the Government Decides



Of all your legal or financial documents, perhaps none is more personal or more important than your will. Your will speaks volumes about what matters to you.

A will tells friends and family members precisely how you'd like your material assets distributed after you're gone. It saves those you leave behind unnecessary distress by clearly articulating your opinions and decisions. It alleviates guesswork, speculation and doubt in the minds of those affected by your death.

Some people mistakenly believe that unless they've accumulated great wealth and a complex assortment of financial holdings, they don't need a will. That's far from the truth.

Without a legitimate will, the government — not you — will decide how your affairs are handled. There is no guarantee that its choices will be those you would have made.

You Deserve to…

- *Select an individual you trust to serve as executor and make sure your wishes are carried out*
- *Determine who will serve as guardian of your minor children or dependents and manage their finances*
- *Make tax-wise decisions for the distribution of your assets*
- *Ensure friends and charitable causes important to you are included*

Once this cornerstone document is in place, you can complete your estate plans with two other important documents: a power of attorney and a living will (also known as an advanced directive). With these documents you can:

- *Designate who will have authority to make financial and legal decisions if you become unable to handle your own affairs*
- *Clarify your feelings regarding end- of-life measures — then empower an individual to carry out your medical wishes*

Pass Along Your Possessions and Values

In truth, all people have possessions that need to be disbursed when they're gone. Think about it. Most people possess financial holdings such as checking accounts, saving accounts, retirement savings, real estate, life insurance, stocks and bonds.

Many individuals also have personal belongings like automobiles, artwork, silver flatware, fine china and electronics with real or sentimental value. Family heirlooms of jewelry, photographs and handmade crafts hold great personal value. Unless such items are specifically addressed in an estate plan, disputes can be the source of family discord and arguments.

Keep Your Will as Simple, or as Detailed, as You Wish

Your will can be as specific, or as general, as you wish. You can include instructions and wishes on virtually any subject — from directing the care of a beloved family pet, to passing along treasured belongings to those who will most appreciate them.

When to Revise Your Will

Creating a will is a landmark accomplishment. But even if you already have a will, you'll want to examine it periodically to make sure it continues to reflect your wishes.

At the very least, your will should be reviewed and possibly revised any time you experience a major life change such as:

- *Loss of a spouse*
- *Remarriage or divorce*
- *Death of an heir*
- *Significant change in the health of your proposed executor or alternate executor*
- *Changing relationships with family members or others you may have included*
- *Birth of children or grandchildren*
- *Major shifts in assets, such as the sale of real estate or a business*
- *Maturation of long-term investments*
- *Changes in estate tax laws that impact the distribution of your assets*

When needed, revisions can be addressed through an amendment, or codicil. This is a simple attachment that can be added to your existing will. For major revisions, it is best to seek professional advice from an attorney.

Get a Head Start on Writing or Updating Your Will

Completing the following guide will be very helpful in drafting or amending your will. It includes sections on many types of assets, and it will help you to gather important information and reflect on your personal wishes prior to meeting with your professional advisor.

You may not be able to answer all the sections at once. That's fine. Answer as much as you're able. You can always return to sections that require extra research or discussion. The important thing is to stick with it. Don't let completion of the entire guide keep you from organizing and acting on your estate plans. Once you have the basic information gathered, you can meet with your attorney.

Organize Your Thoughts, Feelings and Information

STEP 1: **Learn about your options for estate planning.**

Review the sample language and definitions in the glossary at the end of this guide. You'll soon have a basic understanding of the vocabulary and planning tools available to you.

STEP 2: **Organize your assets.**

Systematically complete the guide, noting account numbers and financial details where prompted. Keep this information in a convenient, secure place so you can easily return to it and continue working if need be.

STEP 3: **Meet with an attorney.**

Share your information and formalize your will. With this completed guide in hand, you'll be well on your way.

STEP 4: **Share your intentions.**

Notify loved ones, your executor and any charities you may include. At the very least, you should leave a copy of your will with your attorney, and make sure your executor has your attorney's name and contact information.

If you have any questions or would like any help getting started or completing your estate plans, we invite you to call Davis Health System Foundation Office at 304-630-3043 or email us at foundation@davishealthsystem.org.

Use the Following Guide to Prepare to Meet with Your Advisor

Planning Steps

1. Determine your assets. Use this guide to make a list of all your assets.

2. Identify people and causes you'd like to benefit through your will or estate plan. Consider family, friends, organizations, charities, church, etc. Determine what you would like to leave as a legacy. Consider each beneficiary on your list and decide what or how much you want to give to each one.

3. Decide on an executor, trustee and guardian, as appropriate. Which individuals and institutions do you trust to carry out your wishes? Ask these individuals if they are willing to perform the proposed duties.

4. Consult your attorney and include other estate planning professionals such as financial advisors if needed. Put in place your plan to accomplish your goals. Be sure to complete any required documents.

Notes:

Personal Information

1. Full Legal Name_____
2. Date of Birth_____
3. Social Security Number _____
4. Place of Birth _____
5. Father's Name _____
6. Mother's Maiden Name _____
7. Marital Status
   ❑ Single ❑ Married ❑ Widowed
   ❑ Divorced ❑ Separated
8. Spouse's Name _____
9. Country of Citizenship (If other than U.S.A.)
   You: ❑ Yes ❑ No
   Your Spouse: ❑ Yes ❑ No
10. Any Former Marriages
    You: ❑ Yes ❑ No
    Your Spouse: ❑ Yes ❑ No
11. Children
    For each child, list
    - Full legal name
    - Date of birth
    - Sex
    - Whether child is of your current marriage, a marriage, or your spouse's former marriage
    - Is your child living or deceased?
    - List any of your children's children
12. Do any of your children or grandchildren have permanent disabilities? ❑ Yes ❑ No
    If so, explain: _____
13. Charitable organizations you have supported or wish to support:
    Name and Address: _____
14. Employer (or Retired From)
15. Other Business Interests (status as partner, stockholder or sole proprietor)
16. Military Service? ❑ Yes ❑ No
    Service Serial #_____
    Branch of Service_____
    Dates of Service_____
    Veterans Administration Disability # _____
    Location of Discharge Papers _____
17. Religious Affiliation
    Name and Address of Church, Synagogue, Mosque, etc.
18. Funeral Requests
    Funeral Home Name and Address
    Prepaid Expenses? ❑ Yes ❑ No
    Funeral Instructions_____
    Obituary Wording _____
    Tombstone Engraving_____
    Cemetery Plot _____
    Persons to be notified at death _____
19. Current Last Will and Testament or Living Trust (if any)
    Location _____
    Date of Will or Trust _____
    Executors, Trustees, or Guardians _____
    Primary or Secondary_____
    Names, Addresses, and Phone Numbers

Distribution of Estate

20. Does all of your estate go to your spouse?
❑ Yes ❑ No

21. Specific Bequests
Full Legal Name of Each Beneficiary
Name _____
Address _____
_____
_____
Name _____
Address _____
_____
_____
Name _____
Address _____
_____
_____
Item(s) Designated to Beneficiary _____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

22. Distribution of Assets (Residue and Remainder)
List below individuals and/or charitable organizations designated to receive the remainder of your estate after expenses have been paid and all specific bequests made.
Name _____
Address _____
_____
_____
Amount or % Designated _____

23. Power of Attorney
Name _____
Address _____
_____
_____
Phone Number _____
Email Address _____

24. Lawyer _____
Name _____
Address _____
_____
_____
Phone Number _____
Email Address _____

25. Accountant
Name _____
Address _____
_____
_____
Phone Number _____
Email Address _____

26. Tax Information and Returns
Copies of current tax information and recent returns can be found _____

Inventory of Assets

One of the most important functions of this workbook is to serve as a place for developing a full and complete list of all your assets. This will help you in your estate planning and will also help your personal representative in the administration of your estate.

When you make your asset list, be sure to indicate how each asset is held and whether it has a beneficiary already named. This is particularly helpful for real property. The five basic types of property ownership are:

Individual Ownership

- Tenants in common *(where your share of the asset will continue as part of your estate)*
- Joint tenants with right of survivorship *(where the survivor will own the entire asset)*
- Tenants by the entirety *(a special form of joint tenants — for married couples only)*
- Community property *(if you live in a community property state)*

When you complete your asset list on the following pages, try to make your best estimate as to the value of each asset. This will help in determining whether special provisions will be required in your estate plan or will.

Location of Records

1. Safe Deposit Boxes
   Name and Address of Bank(s)
   _____
   _____
   _____
   _____
   Box Number _____
   Location of Key_____
   Box held jointly with _____
   Additional people who have access to box
   _____
2. Storage Unit(s)
   Name and Address of Storage Unit
   _____
   _____
   _____
   Unit Number _____
   Location of Key _____
   Access Code _____
3. Location of Personal Safe(s)
   _____
   Location of key or combination to safe
   _____
   _____

Financial Information

(Complete for each account.)

1. Mortgage_____
   Provider _____
   Account Number _____
   Online Username _____
   Online Password_____
2. Checking and Savings Accounts
   Bank or Credit Union Name _____
   Account Number _____
   Online Username _____
   Online Password_____
3. Automatic Payments
   Amount _____
   Account Drawn From_____
   Purpose _____
4. Certificates of Deposit
   Bank Name _____
   Address _____
   _____
   _____
   Account Number _____
   Online Username _____
   Online Password_____
   Name(s) on CD _____
   _____
   Amount _____
   Type _____
   Maturity Date _____
5. Credit Cards
   Company _____
   Card Number _____
   Online User Name _____
   Online Password_____
6. Investment Accounts
   Individual Security Name _____
   Type (stock, bond, mutual fund)
   Owner_____
   Number of Shares _____
   Original Cost_____
   Current Value _____
7. College Savings Plans
   Type _____
   Provider _____
   Account Number _____
   Website _____
   Online Username _____
   Online Password_____
8. Other Property or Investments_____

Retirement Plans/Employee Benefits

1. Individual Retirement Account(s)
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

2. 401(k), 403 (b) Plans
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password

3. Tax Deferred Annuity
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

4. Qualified Pension, Keogh or Profit Sharing Plan
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

5. Split Dollar, Stock Option or Thrift Plans
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

6. Deferred Compensation Agreement
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

7. Roth IRA
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

8. Disability Policies
   - Account Number _____
   - Owner _____
   - Beneficiary _____
   - Value $ _____
   - Institution Where Held _____
   - Online Username _____
   - Online Password _____

Insurance *(List each policy separately.)*

1. Life Insurance
   - Company _____
   - Policy Number _____
   - Name of Insured _____
   - Policy Owner _____
   - Primary Beneficiary _____
   - Contingent Beneficiary _____
   - Online Username _____
   - Online Password _____
   - Death Benefit _____
   - Any loan against policy _____

2. Medical Insurance
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____

3. Medicare Supplement
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____

4. Long Term Care Insurance
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____

5. Homeowners Insurance
   - Property Address _____
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____
   - Location of Policy _____

6. Automobile Insurance
   - Vehicle Make and Model _____
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____
   - Location of Policy _____

7. Other Policies (Boat, Trailer, theft, Liability, etc.)
   - Carrier _____
   - Policy Number _____
   - Online Username _____
   - Online Password _____

Business Activity

For each Business:

Business Name _____

Type of Business _____

Are You an Owner/Key Employee?

Current Value

% Owned or # Shares _____

Are any other family members involved in business?

Form of Business:

- ❑ Sole Proprietorship
- ❑ Partnership
- ❑ C Corporation
- ❑ S Corporation
- ❑ Professional Corporation
- ❑ Personal Holding Company

Is there a Buy/Sell Agreement?

If yes, describe (or attach copy)

At death, business is to be:

- ❑ Continued by Heirs
- ❑ Liquidated
- ❑ Sold to Surviving Owners
- ❑ Sold to Key Employees
- ❑ Other _____

Real and Personal Property

Make a list of all real estate, automobiles, boats, jewelry, firearms, household items, art, antiques, collections, or other items of value, their value, and their location.

Assess the documents you already have in place and decide whether your current estate plan, if you have one, is satisfactory. How would you like your estate distributed? (Be sure to designate any family heirlooms, jewelry, etc. Often the strongest disagreement among heirs arises from these items.)

If married, at death of first spouse:

- *All to surviving spouse*
- *Benefit surviving spouse and children*
- *List gifts of specific items, heirlooms, etc., and Recipients*
- *Gifts to Charities*

If single, or at death of surviving spouse:

- *List gifts of specific items, heirlooms, etc., and Recipients*
- *Gifts to Charities*

If your recipients or beneficiaries are under 18 or disabled, do you want their shares to be placed in trust and, if so, for how long or until what age?

- *For whom?*
- *Until when?*

Once you have gathered your personal and family information, it is time to take the next step and actively turn that information into a sound estate plan.

We encourage you to make an appointment with your professional advisor(s) to draft the necessary legal documents to protect your assets and ensure that your final wishes are known and honored.

Other Important Passwords

1. Home Computers and/or Laptops
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

2. Email Account(s)
   Website or Email Address
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

3. Online Subscriptions/Listservs
   Website
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

4. Social Networking Sites
   Website or Email Address
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

5. Photo Sharing Sites
   Website or Email Address
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

6. Blogs
   Website or Email Address
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

7. Software Applications (Turbo Tax, Quicken, etc.)
   Program
   _____
   Username
   _____
   Password
   _____
   Notes _____
   _____
   _____

8. Other Notes _____
   _____
   _____
   _____
   _____
   _____
   _____
   _____

Important questions for you to consider…

Who should serve as your executor or personal representative?

This should be someone you trust, who is young enough to be available (theoretically) when the estate will need to be probated and who understands the basics of administration and/or working with attorneys.

Often spouses will appoint each other, as available, and will appoint a backup in case the spouse is unable to serve.

Executor
Name _____
Address _____
_____

Backup Executor
Name _____
Address _____
_____

Who do you want to serve as the guardian for your minor children (if applicable)?

Often young couples believe that they have so little that it is not necessary to have a will. However, one of the most important reasons for them to complete their estate plans is to appoint a guardian for their children. At a time when their lives would be in a terrible uproar, an appointed guardian can help bring a level of stability to the children.

The guardians should be willing to accept the responsibility of additional children. They should have a lifestyle that is compatible with yours and be young enough to appropriately care for the children.

Guardian
Name _____
Address _____
_____

Backup Guardian
Name _____
Address _____
_____

Who do you want to have as your Trustee for any trusts that you create in your will or estate plan?

The Trustee will continue to care for any assets that you have left in trust for children or others. The Trustee should have knowledge about investing and administering assets and should be young enough to be available for the length of the trusts. In addition, the Trustee will work with the guardians to handle the assets for the children. The person to be appointed should feel comfortable with that role.

Trustee
Name _____
Address _____
_____

Backup Trustee
Name _____
Address _____
_____

Who should be given power of attorney?

This should be someone you trust who has the expertise and concern to handle your affairs if you are incapacitated.

Person to be appointed

Name _____

Address _____

_____

Do you have advanced directives or have you named a healthcare surrogate?

A copy of my advanced care planning documents may be found…

I have named a healthcare surrogate to speak on by behalf if I am unable to communicate my wishes concerning emergency or end-of-life care.

Name _____

Address _____

_____

Phone Number(s) _____

Email Address _____

Charitable Giving Through Your Will or Estate Plan

Making a legacy gift to Davis Health System Foundation isn't just for the wealthy or for those trying to minimize estate taxes. After providing for family, friends and others in their wills, many individuals also choose to remember organizations important to them.

Bequest - A Gift in Your Will

You may designate the Foundation as a beneficiary of your estate to receive a certain dollar amount or to be a contingent or residuary beneficiary.

Outright Bequest

An outright bequest is an unrestricted gift in which you give Davis Health System Foundation a specified dollar amount or specified assets, such as securities, real estate or tangible personal property.

Sample Language: "I give, devise, and bequeath to Davis Health System Foundation, Elkins, West Virginia, or its successor, (insert dollar amount or specified assets) to be used for its general purposes."

Contingency Bequest

A contingency bequest is a gift that provides for Davis Health System Foundation upon the occurrence of a certain event — if, for example, your primary beneficiary does not survive you.

Sample Language: "In the event that (insert name) predeceases me, I give, devise, and bequeath to Davis Health System Foundation, Elkins, West Virginia, or its successor, (insert dollar amount or specified assets) to be used for its general purposes."

Residual Bequest

A residual bequest is a gift in which you give Davis Health System Foundation all or a percentage of the remainder of your estate after specific amounts designated for other beneficiaries are distributed and estate-related expenses are paid.

Sample Language: "I give, devise, and bequeath to Davis Health System Foundation, Elkins, West Virginia, or its successor, (insert percentage amount) percent of the residue of my estate to be used for its general purposes."

Life Insurance

You may donate an existing, paid-up policy or you may take out a new insurance policy naming the Foundation as owner and beneficiary.

Charitable Remainder Trusts

This option is for individuals who need to maximize their income but would still like to make a charitable gift with their assets. When you establish a charitable remainder trust with yourself or a financial institution serving as trustee, you receive an income tax deduction.

Please ask your professional financial or legal advisor about other planned giving options that may minimize your estate tax liability and maximize your charitable gift to Davis Health System Foundation.

Glossary of Estate Planning Terms

Actuarial

As used in gift planning, refers to the factors used to calculate the value of lifetime payments to individuals or organizations.

Adjusted Gross Income (AGI)

The sum of an individual's taxable income for the year is the total at the bottom of the first page of Form 1040. Individuals may deduct charitable cash contributions up to 50 percent of AGI; they may deduct gifts of appreciated securities and appreciated property up to 30 percent of AGI.

Advanced Directive

Written instructions expressing your wishes regarding life support and other medical interventions. Also known as a Living Will.

Appraisal

An assessment of the value of a piece of property. Benefactors contributing real or tangible personal property (art, books, collectibles, etc.) must secure an independent appraisal of the property to substantiate the value they claim as a charitable deduction.

Appreciated Property

Securities, real estate or any other property that has risen in value since the benefactor acquired it. Generally, appreciated property held by the donor for a year or more may be donated at full fair market value with no capital gains cost.

Basis

The benefactor's purchase price for an asset, possibly adjusted to reflect subsequent costs or depreciation.

Beneficiar

The recipient of a bequest from a will or a distribution from a trust.

Bequest

A transfer of personal property to an individual or organization under a will.

Capital Gains Tax

A federal tax on the appreciation of an asset between its purchase and sale prices.

Codicil

An amendment to a legal document such as a will.

Estate Tax

A federal tax on the value of the property held by an individual at his or her death (paid by the individual's estate, not the heirs or recipients of bequests). In contrast, state inheritance tax is applied to the value of bequests passing to beneficiaries; it is also paid by the estate before the distributions are made.

Executor

The person named in a will to administer the estate (known in some states as the Personal Representative).

Grantor

The individual transferring property into a trust.

Income Interest

In a trust, the right to receive payments from the trust for lifetime or a term of years.

Living Will

Written instructions expressing your wishes regarding life support and other medical interventions. Also known as an Advanced Directive.

Personal Property

Securities, artwork, business interests and items of tangible property as opposed to real property (the term real property is used in gift planning to refer to land and the structures built on it).

Personal Representative

See Executor, above.

Remainder Interest

In a trust, the portion of the principal left after the income interest has been paid to the beneficiary(ies). A charitable remainder trust pays income to the benefactor or other individuals and then passes its remainder to charity.

Trust

A transfer of property by the Grantor to the care of an individual or organization, for the benefit of the Grantor or others.

Trustee

An individual or organization carrying out the wishes of the person who established the trust (the Grantor), paying income to the beneficiaries and preserving the principal for ultimate distribution.

1099-R

The IRS forms that we send our life- income gift participants detailing how payments they received from their gifts during the year will be taxed.

Notes:

Notes:

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