

**“WHERE THERE’S  
A Will...”**

**PREPARATION  
is PEACE  
of MIND**



**WHAT IS YOUR LEGACY? HOW CAN WE HELP YOU BUILD IT?**



**COVENANT TRUST COMPANY®**

*your financial services partner*

*trustee services • asset management • retirement planning • legacy planning*

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## Who Needs A Will?

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Covenant Trust Company recommends that everyone have a will. All life stages and situations have important concerns that can be addressed through a will:

### *Single*

When you're on your own, it's especially important to plan carefully

### *Married*

Even if all your assets are in joint tenancy or community property, you still need a will

### *Small children*

Care for your children if something happened to you

### *Grown-up children*

Bequests can be designated based on need and circumstances

### *Change in Marital Status*

Marriage/divorce/death of spouse—any change requires a review and possible updating of legal documents

No matter where you are in your life journey, it's important to plan ahead, be prepared and build a legacy. Your legacy is what you pass down to those who follow you. The heirs of your legacy are not just children and family; but society as a whole, charities you support, and the people whose lives you touch. As Christians, God calls us to be stewards of all aspects of our life—including our legacy. Making a will is one way to fulfill that mandate.



## Why do we put it off?

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A **will** is the primary legacy planning document for most people. Yet despite that fact, **seven out of ten Americans don't have one.**

### Why is that?

- We are reluctant to face death
- We don't think we own enough
- We think wills are too expensive
- We can't decide on a guardian for our children
- We don't know how to start

Studies show that many people simply procrastinate. The cost of putting it off is high if the unexpected happens. The legacy you built over the years will be out of your control.

**The good news is that the decisions you make now can protect the future for you and your family, and preserve your legacy.**



**The bottom line...**

**Creating a will gives you peace of mind you can enjoy now.**



## **You decide**

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The advantage of having a will is that it gives **you** the decision-making power for your family and assets after death.

**YOU decide:**

- **Personal representative** (also known as Executor)

*Who do you want to distribute your assets and personal property?*

- **Trustee(s)**

*If you establish trusts through your will, who will administer them?*

- **Guardian** for your minor children

*Who will raise and care for your children the way you desire?*

- **Beneficiaries** of your estate—family, friends, your favorite charities, etc.

*Who will provide for your elderly parent, a disabled adult child, ministries you love?*

If you die without a will, the answer to all of these questions is “the probate court”. Every state has its own rules and preset formulas for determining who makes decisions about your family and your assets. Total strangers may end up handling your estate. Charities you loved and supported during your lifetime are guaranteed to receive nothing. Your will and the choices you designate in it give your executor the direction to distribute your assets as you wished.

**What is probate?**

Probate is the process by which a court establishes the validity of a will. It is the legal system by which title to assets are transferred at the time of death. In some cases, the probate court may assume responsibility for controlling the assets of a minor child or an incapacitated person.

**If all my assets are in joint tenancy or community property, do I still need a will?**

Yes, everyone should have a will. If you inherit or acquire assets, and then die or become incapacitated before you transfer the assets into joint tenancy or community property, these assets may not go to the person or persons you wish.

Also, unless you have named your favorite charitable organization as the beneficiary of a savings account, IRA, life insurance policy, or have made other arrangements, your will may be your chosen method of making charitable gifts at your death.

### **If I have a will, do my assets avoid probate?**

No, assets passing by will do *not* avoid probate.

### **Does everything go through probate?**

Certain assets and properties may legally bypass the will and pass directly to your survivors without probate. Examples include:

- Assets in a Revocable Living Trust
- Property held in “Joint Tenancy with the Right of Survivorship” (JTWROS); tenancy in common; or community property (usually, but not always, avoid probate)
- Assets with a designated beneficiary *other than your estate*

### **What are the advantages of probate?**

- A valid will and appropriate ownership/registration mean your assets will be distributed as you wished
- A time limit on challenges to your will
- A time limit for creditors to place a claim on assets or to sue your estate
- Your executor is supervised by the probate court

### **Are there disadvantages?**

- Time delay before assets can be distributed
- Cost of the probate process—court costs, executor’s fees, attorney fees and other costs
- Probate files in most states are open to anyone



**The bottom line...**

**Creating a will allows you to have a “voice” even after you’re gone.**



## How do I GET STARTED?

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The barrier to making a will is often a matter of not knowing who to contact and what is needed to get started.

### Who do I contact?

Covenant Trust Company has a full-time Financial Services Representative (FSR) in every regional conference to provide assistance to individuals desiring to prepare their legacy plan. Call our central office in Illinois or visit our website at [www.CovenantTrust.com](http://www.CovenantTrust.com) to find the contact information for the FSR in your area. Your FSR will meet with you and discuss your situation with no obligation on your part. It is not necessary to be a member of a Covenant church to work with Covenant Trust Company. Although our goal is to help Covenant ministries increase what they receive through deferred gifts, your interests always come first.



*Information contained in this brochure is presented for purposes of information and education only. It is not intended as either tax or legal advice, nor are items listed in order of importance or priority. Consult your own legal, financial and tax advisors for professional help.*

## WHAT IS THE PROCESS?

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Once you have made the initial contact and arranged a meeting with your Financial Services Representative, it is helpful to gather information that will be needed to complete the necessary forms for will preparation. Make a list of the following:

- Your full legal name
- Your legal address
- Your date and place of birth
- Your citizenship status
- Dates and documents of current marriage, previous marriages, divorce or death certificates, prenuptial agreements
- Legal names, birthdates of children—current address if no longer living with you
- Names and addresses of those you've chosen as executor, guardian, or trustee. Have a second choice to name as successor.
- Names and addresses of persons or institutions you wish to name as a beneficiary
- Detailed personal net worth statement, including information on all mortgages and debts
- If you are married, include the same information for your spouse

Covenant Trust Company works closely with local attorneys to develop and implement plans for those clients who choose to work with us. The forms you complete with your FSR will be forwarded to the attorney you've chosen from an approved list. This attorney will review the information, consult with you and prepare the legal documents to comply with the laws of your state of residence.

Covenant Trust Company will share in the attorney's fee for your will preparation if the following criteria are met:

- Your will includes one or more Covenant ministries to receive 10% or more of your estate
- Covenant Trust Company receives a copy of the signed documents

It's important to review your will yearly or any time there is a change in your life situation such as marriage, divorce, death etc.

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### Is there anything else I need?

Two important documents to “add on” to your will preparation process are the *Financial Durable Power of Attorney* and the *Power of Attorney for Health Care*. Your will lays out provisions for after death; the powers of attorney provide a “contingency plan” in the meantime. In these documents, you will name a person to conduct your financial affairs and someone to make health care decisions in the event you become incapacitated and unable to do so yourself. Your Financial Services Representative can assist you in collecting this information and having these documents prepared along with your will.



WHAT IS YOUR LEGACY?



HOW CAN WE HELP YOU BUILD IT?