



THE TIM BARKLEY LAW OFFICES



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Initial Meeting Memorandum

In order to make our time more fruitful, you should make decisions regarding a few issues before meeting. Before we meet, please review this Initial Meeting memorandum, complete the Questionnaire, the Estate Planning Information Form, and the Financial Inventory Sheet.

1. Where will your assets go? We will need to know whom you wish to receive what amounts of your estate on your death. Most of our clients wish for the surviving spouse, if any, to retain control and possession of all of the family wealth on the death of the first spouse to die. At the death of the second spouse to die, or if there is no surviving spouse, many of our clients make a gift to charity through their estates before giving the estate to the children.

The amount given to the children is usually given in trust, and actually distributed to them as needed for support, for education, or in a certain proportion of their whole share every so often. This is to prevent the all-too-common occurrence of children wasting their inheritance. A national study by the IRS found that most inheritances are spent within six months if they are given outright.

A popular arrangement to prevent this is to hold all assets, except those needed for health, education, maintenance, and reasonable support, until the child reaches eighteen or twenty-one years of age, and then give one-third every five years for fifteen years, so children cannot spend it all at once. Another popular arrangement is the "capital growth trust," wherein the beneficiaries receive only the income from the estate over a period of years, so that they receive the value of the entire estate, and then the estate itself is split between the beneficiaries and a charity. The benefit of this latter arrangement is that you are able to give the entire value of your children's inheritance to them before giving anything to charity, thus freeing you to make a much more generous gift than might otherwise be possible.

You should also make plans regarding any special needs of beneficiaries, such as a handicapped child, and regarding any special types of assets, such as a family business. You should discuss your plans with your spouse, if any, in detail before our meeting, as well as discussing your plans with your beneficiaries, if appropriate.

2. Who will manage the distribution? Planning the distribution of your family wealth requires that certain persons agree to assist you after your death. The second set of decisions you should make before we meet would determine who should fill the following positions. We suggest that you discuss your choices with your spouse, if any, and also with the person(s) to be chosen before our meeting. You might list your choices on the forms provided here, or online on the Estate Planning page of our website at www.barkleylaw.com.