

Option 2: Assets Divided Unequally Among Beneficiaries
Parent(s) Asset Value on Date of Death
\$200,000 home + \$300,000 investments

Child 1's Trust

- Home is transferred to Child 1's trust
- Child 2 is the trustee of Child 1's trust

Child 2's Trust

- \$200,000 of investments are transferred to Child 2's trust
- Child 2 is the trustee of Child 2's trust

Child 3's Trust

- \$100,000 of investments are transferred to Child 3's trust
- Child 3 becomes the trustee of Child 3's trust at age 25

5. Each trust will be irrevocable and cannot be amended without a court order.
6. After a beneficiary's trust is funded and if the successor trustee is not the beneficiary and you allow the beneficiary to become trustee of his or her trust if the child is older than an age you select then the beneficiary can replace the successor trustee and be the sole trustee of the beneficiary's trust.
7. Trustee has sole discretion on how much and when to make distributions.
8. Unless a beneficiary's trust requires distributions, each beneficiary's trust is a life-time beneficiary controlled trust that gives the beneficiary asset protection from ex-spouses, judgment creditors and bankruptcy courts. Warning: If funds are paid directly to the beneficiary the beneficiary loses asset protection for those funds.

What Happens to Assets if a Beneficiary Dies?

Option 1: If a beneficiary dies and he or she does not have any children then the share that would have gone to the beneficiary will go equally to the other beneficiary or beneficiaries you designate.

Option 2: If beneficiary dies and has living children the share that would have gone to the deceased beneficiary will go equally to the deceased beneficiary's living children.