

## Glossary

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To help understand some of the confusing terms used when discussing trusts, probate, and wills we have compiled this list of definitions. All information is deemed reliable, but not guaranteed.

**A-B Trust-** This is a trust designed to take advantage of the personal estate tax exemption, which is currently at 5.43 million dollars. It also allows the surviving spouse use of the assets, no matter what, for the remainder of his or her life.

**Administrator (male)/Administratrix (female)-** This person is appointed by the court to manage and oversee the court process for the estate of a deceased person or "decedent" who has died without leaving a will.

**Attorney in Fact-** This person is designated to act as an agent for the executor of a power of attorney document.

**Basic Will-** The basic will is designed to give everything to the spouse, if living, or the children who are 18 or above.

**Beneficiary-** The beneficiary is the person who receives property or other assets from a will, insurance policy, or contract.

**Durable Power of Attorney for Health Care-** This is a written document that gives someone the power to make medical decisions for another person in case that person becomes incapacitated in some way.

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**Durable Power of Attorney for Property-** This is a written document that gives someone the power to make property and financial related decisions for a person who has become incapacitated in some way.

**Estate-** The property and assets of an individual, including all real estate, bank accounts, life insurance policies, stocks, bonds and personal property.

**Executor (male)/Executrix (female)-** The person or persons named in the will who will manage the estate of the decedent. He or she will inventory all properties, pay off debts and taxes, then distribute any remaining assets to the beneficiaries and heirs.

**Fiduciary-** The trustee who is identified in a trust, or an institution or person who is legally responsible for the distribution, management, or investment of funds or other assets of another person or entity.

**Grantor-** The person who gives assets to another, usually by way of a trust.

**Heir-** The person legally entitled to the property of another upon that person's death.

**Inter Vivos Trust-** A trust created while a person is still living that holds property in trust for the benefit of someone.

**Intestate-** When someone dies without a will.

**Joint Tenancy with Right of Survivorship-** This term refers to co\_owning property. When one owner dies, the other owner is legally entitled to take possession of the property, no matter what the will says.



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**Living Trust-** This is a trust that is established during a person's lifetime in which they place property.

**Living Will-** The document that outlines a person's wishes in regards to life sustainment treatment should he or she become terminally ill or in a vegetative state.

**Marital Deduction-** A deduction set up by the government that allows one spouse to leave his or her estate directly to his or her spouse upon death without having to pay gift or estate taxes.

**Personal Representative (PR)-** The individual who represents the estate for financial and other matters. Also known as the administrator or executor.

**Pour Over Will-** Everything is distributed into a trust by this type of will.

**Probate-** The process in court of reviewing, legitimizing, and processing claims against a will, or in the case of no will, settling the estate according to inheritance laws.

**Trust-** A written document that provides for property being held by someone for someone else.

**Testate-** When a person dies having a will.

**Trustee-** The person named in a trust who manages and distributes the property for and to the beneficiary.

**Will-** A legal document that states how property and assets will be distributed upon a person's death.