

## WILLS vs TRUSTS

Following is a comparative summary of Wills and Trusts:

Issue	Will	Trust
Purpose	<ul style="list-style-type: none"> <li>• Asset distribution after death</li> <li>• Other wishes, such as funeral arrangements, organ donation and guardianship</li> </ul>	Asset management and distribution during incapacity and after death
When Active?	Only after death	Both during incapacity and after death
Structure	<ul style="list-style-type: none"> <li>• Informal</li> <li>• May be created without attorney involvement</li> </ul>	<ul style="list-style-type: none"> <li>• Formal</li> <li>• Must be created by an experienced estate planning attorney</li> </ul>
Asset Coverage	Applies to all assets, except those belonging to a trust	Only applies to assets that are transferred to the trust or made ‘payable on death’ to the trust
Avoids Probate?	No, unless gross estate is less than \$166,250	Yes
How Executed	Requires two independent witnesses	Requires notarization
Legal Costs	\$0 to create, if no attorney is involved \$45,000 after death, if probate applies (based on gross estate worth \$1M at death)	≥\$1,500 to create, with attorney involvement \$0 after death <sup>1</sup>
Post-Death Distribution Period	6 months – 2 years, if probate applies	1 – 3 months, depending on the complexity of trust administration
Privacy	Limited privacy, if probate is triggered	Complete privacy, except in case of trust disputes or litigation

<sup>1</sup> Excluding trust administration costs, which could vary based on the estate value.