

General Letter Regarding Asset Retitling.

[firm letterhead]

[date]

Personal and Confidential

[name]

[address]

Re: Trust Funding

Our File No. _____

Dear _____:

As you requested, we are beginning work on the process of titling most of your assets in your respective revocable trusts.

In order to transfer title to your principal assets, we need additional information about your assets. Please provide the following information that we need to do the trust funding services you requested.

Real Estate. Please provide copies of the following documents, which we need to prepare transfer documents that contain correct legal descriptions and accurately reflect the present ownership of these properties:

- A copy of the deed for your residence in [city],
- A copy of the deed to your [property type, e.g. lake cabin, time-share condominium, or investment property] located in [city and state]], and
- [Any other needed real estate documents].

Financial Investments and Insurance. I am enclosing a Trust Funding Information form. This form needs to list all of your assets that you expect this firm to help you retitle into your trusts. Please note that the form places assets in different categories.

Please carefully review and complete the enclosed Trust Fund Information form. As you will see, the form has been partially completed with the information we presently have about your various bank accounts, financial investments, life insurance policies, retirement accounts (e.g., IRAs and 401k plans), and other such assets. For each of these assets, please correct any inaccurate information shown on the form and fill in any of the requested information not already on the form.

For each asset that is not presently included on the Trust Funding Information form, please add the following information on the form:

1. Identify the asset (e.g., checking account or brokerage account)
2. Write in the name and address of the financial or insurance institution holding the asset
3. Write in the name of any individual contact persons (if known)
4. Write in the account or policy number
5. Fill in the approximate current value of the account or policy
6. Add the name of the present owner of the account or policy
7. [for couples: Name the trust that should hold title to the asset]

In addition, we would appreciate receiving a copy of a recent account or policy statement for each asset shown on, or that you add to, the Trust Funding Information form. Please return the completed and signed Trust Funding Information form and said statement copies to our office as quickly as possible.

Keep in mind that the only financial investments and insurance policies that we will help you retitle are those listed on the enclosed Trust Funding Information form. Be sure to write any other such assets you may have on the form, and provide all of the requested information for them, if you want us to help retitle them.

Acknowledgement Form. Enclosed are several copies of an Acknowledgment, Consent and Release form for you to sign where indicated and return to our office. These documents will be forwarded to financial, insurance, and other such institutions if we need to obtain additional information to make the change in title.

Personal Property. In order to transfer your tangible personal property, including, for example, furniture, apparel, and other such items, we recommend a Bill of Sale be signed. A draft Bill of Sale for this purpose is enclosed. Please read this document and contact me if you have any questions or concerns about the Bill of Sale.

Automobiles. Some people with revocable trusts choose not to title some or all of their licensed vehicles in their trusts, both as a matter of current convenience and because these assets are typically owned by spouses as joint tenants meaning the surviving spouse can readily take title to the vehicle upon a death. The State also charges some fees for changing title to motor vehicles.

On the other hand, automobiles, trailers, boats, and other vehicles that are licensed by the State can be transferred to the appropriate trust by application to the Minnesota Department of Public Safety. If you decide to have us retitle any of your vehicles, please provide me the original certificates of title for each of the licensed vehicles you want titled in one of your trusts.

If you decide to retitle your vehicles in your trusts, be sure that your trusts, as well as yourselves, individually, are named as insured parties on your automobile insurance policy. An insurer could try to avoid paying a claim based on the vehicles owner being different from the named insured if a vehicle is titled in one of your trusts and the appropriate trust is not added as an additional insured party on the relevant insurance policies. Be sure, too, that your excess liability insurance also covers claims arising from incidents involving an asset owned by your revocable trusts.

Exception for Tax Benefited Investments. Keep in mind that you ordinarily do not want to change title to your pre-tax investments such as Individual Retirement Accounts, annuities, pension plans, deferred compensation plans, and 401(k) plans. Changing title to such accounts typically results in all of the deferred incomes taxes becoming immediately due, so you should not change title to such accounts to your trusts.

On the other hand, beneficiary changes for such assets may be appropriate. Typically your spouse should be named as the primary beneficiary and your children as contingent beneficiaries of such assets so you can receive the favorable income tax benefits of said accounts being rolled over to your beneficiaries. Speak with me about this matter if you wish to discuss it further.

[Address any other types of assets that may be involved and request any other needed information.]

In addition to the foregoing, please speak with me about any other asset that you may have, and provide me with any other information that you think might be relevant to or helpful as we assist with retitling your principal assets in your trusts.

Please keep in mind that we will rely on the information you provide as we work to retitle assets in your trusts. We will not, of course, transfer title to any assets you do not tell us about, and we will not be able to retitle assets that you do not give us all of the above-requested information about.

Thank you for your attention to this letter and for providing this information. Please contact me if you have any questions or need additional information.

Sincerely,

[firm name]

[attorney name]

/_____
Enclosures