ISBA'S ELDER LAW BOOTCAMP 2017

TRUST ADMINISTRATION April 28, 2017

Heather McPherson McPherson Law Offices 1720 Hance Drive Freeport, IL 61032 815.235.4411 McPhersonLaw.com

CHECKLIST TRUST – POST DEATH

FOR THE TRUST OF

| DECE | DENT'S DOD: | DECEDENT'S DOB: |
|---------------|--|-----------------|
| | ss: none Number: Address: | |
| 5 | Declaration of Trust or Trust Agre | ement |
| | Will (Filed with Court) | |
| · <u> </u> | Obituary | |
| _ | Death Certificate | |
| _ | SS-4 | |
| _ | IRS TIN Notice | |
| | IRS Form 56 | |
| _ | Authorizations | |
| _ | Initial letters to trust beneficiaries | |
| | IRS Form W-9 for beneficiaries | |
| | Inventory | |
| | Address List for all beneficiaries | |
| _ | Copy of ID/Driver's license | |
| | Final Accounting | |
| _ | Approvals of Accounting | |
| | Final Receipts | |

Form **\$\$-4** (Rev. January 2010)

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

| | OWR No. | 1545-0003 |
|-----|---------|-----------|
| EIN | | |

(Rev. January 2010)

government agencies, India

government agencies, India

| Inter | artment on all Reve | of the Treasurenue Service | ► See separate in | structions for each li | ne. | ► Kee | p a cor | y for your red | ords. | | |
|------------------------|---------------------|----------------------------|--|----------------------------------|---------------|--------------|-----------------|--------------------------------|-------------|--|------------|
| | 1 | Legal nam | e of entity (or individua | al) for whom the EIN is | being | requeste | d | | | | |
| arly. | 2 | Trade nan | e of business (if different | ent from name on line | 1) | 3 E | xecutor, | , administrator, | , trustee, | "care of" name | |
| nt cle | 4a | Mailing ac | dress (room, apt., suit | e no. and street, or P.0 | D. box) | 5a S | treet ad | dress (if differe | ent) (Do n | ot enter a P.O. box.) | |
| or pri | 4b | City, state | and ZIP code (if forei | gn, see instructions) | | 5b C | ity, state | e, and ZIP cod | e (if forei | gn, see instructions) | |
| Type or print clearly. | | | d state where principa | l business is located | | | | | | | |
| | 7a | Name of r | sponsible party | | | | 7b | SSN, ITIN, or | EIN | | |
| 8a | | | on for a limited liabilit uivalent)? | | Yes | □No | | If 8a is "Yes," LLC members | | ne number of | |
| 8c | If 8a | is "Yes," v | as the LLC organized | in the United States? | | | | | | | □No |
| 9a | | | | Caution. If 8a is "Yes, | | | | | | | |
| | _ | | etor (SSN) | | | | - | state (SSN of | | | |
| | | Partnershi | 5 250 L | | | | - | lan administra | | - | |
| | - Commence | | n (enter form number | to be filed) > | | | Пт | rust (TIN of gra | antor) | | |
| | - | | ervice corporation | - | | | - | lational Guard | | State/local government | |
| | - | | church-controlled orga | anization | | | □ F | armers' cooper | | Federal government/military | 1 |
| | | Other non | rofit organization (spe | cify) ► | | | □R | EMIC | | ☐ Indian tribal governments/ente | erprises |
| | | Other (spe | cify) ► | | | | Group | Exemption N | umber (G | EN) if any ▶ | |
| 9b | | | , name the state or for re incorporated | reign country (if | Stat | te | | | Foreign | country | |
| 10 | Rea | son for ap | olying (check only one | e box) | ПЕ | Banking p | urpose | (specify purpo | se) ▶ | | |
| | _ | | v business (specify ty | | | | | organization (s | 1500 | ew type) ▶ | |
| | 5 | | (-), -, -, -, -, -, -, -, -, -, -, -, -, -, | | 193110 | | | business | , , | 7,57 | |
| | П | Hired emp | oyees (Check the box | and see line 13.) | - 1 (Sec. 25) | | 11000 | pecify type) ▶ | | | |
| | 23-12 | | e with IRS withholding | | | | 1000 | n plan (specify | type) ▶ | The state of the s | |
| | | Other (spe | | 3 | | | .51 | | <i>3. 7</i> | | |
| 11 | Date | business | started or acquired (m | onth, day, year). See in | struct | ions. | 12 | Closing mor | th of acc | counting year | |
| | | | | | | | 14 | | | ployment tax liability to be \$1,0 | 00 or |
| 13 | - | | of employees expected expected, skip line 1 | in the next 12 months 4. | enter - | 0- if none) |). | annually inst | ead of Fo | year and want to file Form 944 orms 941 quarterly, check here. x liability generally will be \$1,000 | |
| | | Agricultu | ral House | hold | Other | | | | check th | o pay \$4,000 or less in total was his box, you must file Form 941 f | |
| 15 | | | | paid (month, day, yea | | | | | g agent, | enter date income will first be | paid to |
| 16 | | | | principal activity of you | | | _ | n care & social a | assistance | e | r |
| | | Constructio | Rental & leasin | g Transportation & | wareho | using [| Accor | nmodation & fo | od servic | e Wholesale-other | Retail |
| | | Real estate | ☐ Manufacturing | Finance & insu | rance | | Other | (specify) ▶ | | | |
| 17 | Indic | cate princip | al line of merchandise | sold, specific constru | ction v | vork done | , produ | cts produced, | or servic | es provided. | |
| 18 | | 45 MG | The same of the sa | e 1 ever applied for an | d recei | ived an E | IN? | ☐ Yes ☐ |] No | | 291 |
| | If "Ye | | revious EIN here | | | | | e 1 FM 1 | | E 1 10 1E 10 | 7 |
| Th: | | 100 | | want to authorize the nan | nea inai | vidual to re | ceive the | entity's EIN and | answer qu | uestions about the completion of this | |
| This Par | | Desig | nee's name | | | | | | | Designee's telephone number (include | area code) |
| | ignee | Addre | ss and ZIP code | | | | | | | Designee's fax number (include at | rea code) |
| Under | penaltie | s of perjury, I o | eclare that I have examined this | s application, and to the best o | f my knov | wledge and b | pelief, it is t | rue, correct, and co | mplete. | Applicant's telephone number (include | area code) |
| Nam | e and ti | itle (type or | rint clearly) ▶ | | | | | | | | 7-1-20 |
| Signa | ature > | | | | | | Date ▶ | | | Applicant's fax number (include ar | ea code) |

Form **56**(Rev. December 2015) Department of the Treasury Internal Revenue Service

Notice Concerning Fiduciary Relationship

► Information about Form 56 and its separate instructions is at www.irs.gov/form56.

(Internal Revenue Code sections 6036 and 6903)

OMB No. 1545-0013

| Par | Identification | | | | | |
|---------|---------------------------------|--|---|--|---------------------------|--------|
| Name o | of person for whom you are a | cting (as shown on the tax return) | | Identifying number | Decedent's social securit | ty no. |
| Address | s of person for whom you are | e acting (number, street, and room or suite | no.) | | | |
| City or | town, state, and ZIP code (If | a foreign address, see instructions.) | | `````````````````````````````````````` | | |
| Fiducia | ry's name | Property of the second | | | | |
| Address | s of fiduciary (number, street, | and room or suite no.) | | | | |
| City or | town, state, and ZIP code | 41 | With the second | Telephon | e number (optional) | |
| Secti | on A. Authority | | | | | |
| 1 | Authority for fiduciary | relationship. Check applicable b | ox: | | | |
| а | | nt of testate estate (valid will exist | | | | |
| b | | nt of intestate estate (no valid will | | | | |
| С | | nt as guardian or conservator | | | | |
| d | ☐ Valid trust instrum | nent and amendments | | | | |
| е | ☐ Bankruptcy or ass | signment for the benefit or creditor | ors | | | |
| f | ☐ Other. Describe ▶ | | | | | |
| 2a | If box 1a or 1b is che | cked, enter the date of death ▶ | | | | |
| b | If box 1c-1f is check | ked, enter the date of appointmen | nt, taking office, or ass | signment or transfer of | assets ▶ | |
| | | | | | | |
| Secti | on B. Nature of Lia | bility and Tax Notices | | | | |
| | Time of tours (alocal) | all that analy. | 0# D E-t-t- D | Opposition objection | | |
| 3 | | all that apply): ☐ Income ☐ ner (describe) ► | | | | ent |
| | ☐ Excise ☐ Otr | ier (describe) | | | | |
| 4 | Federal tay form num | ber (check all that apply): a | 706 series h 709 | c□ 940 d□ 0 | 41 943 944 | |
| 7 | e 1040, 1040-A, c | or 1040-EZ f 1041 g | 1120 h Other (list | t) > | | |
| 5 | If your authority as a | fiduciary does not cover all years | ar tax pariads shock | horo | | νП |
| 3 | and list the specific y | oare or periode | | | | |
| | and list the specific y | ears or periods | | | | |
| 6 | | AF number and wants a copy of no or period(s) for the corresponding | | | | |
| | | | | | | |
| | Complete only if the | line 6 box is checked. | | | | |
| | If this item is checked: | Enter year(s) or period(s) | If this item is checked: | Enter year(s) or | period(s) | |
| | 4a | | 4b | | | |
| | 4c | | 4d | | | |
| | 4e | | 4f | | | |
| | 4g | | 4h: | | | |
| | 4h: | | 4h: | | | |

| Part | Revocation or Termination of Notice | | |
|-----------------------|---|---|--|
| | Section A—Total Rev | ocation or Termin | nation |
| 7 a b | Check this box if you are revoking or terminating all prior represented Service for the same tax matters and years or per Reason for termination of fiduciary relationship. Check app ☐ Court order revoking fiduciary authority ☐ Certificate of dissolution or termination of a business en ☐ Other. Describe ▶ | notices concerning foods covered by this licable box: | fiduciary relationships on file with the Internal s notice concerning fiduciary relationship |
| 1 | Section B—Pa | artial Revocation | |
| 8a b | Check this box if you are revoking earlier notices concernir for the same tax matters and years or periods covered by t Specify to whom granted, date, and address, including ZIP | his notice concerning code. | |
| | | | |
| | | bstitute Fiduciary | |
| 9 | Check this box if a new fiduciary or fiduciaries have been of specify the name(s) and address(es), including ZIP code(s), | of the new fiduciary | /(ies) ▶ [|
| Part | Court and Administrative Proceedings | 0 (570) | |
| Name o | of court (if other than a court proceeding, identify the type of proceeding and n | ame of agency) | Date proceeding initiated |
| Address | s of court | | Docket number of proceeding |
| City or t | town, state, and ZIP code | Date | Time a.m. Place of other proceeding p.m. |
| Part | IV Signature | | |
| Pleas Sign Here | | iary relationship on behalf | f of the taxpayer. |
| | Fiduciary's signature | Title, if applicable | Date |
| | | | Form 56 (Rev. 12-20 |

AUTHORIZATION TO RELEASE INFORMATION

| You are hereby authorized to release to my attorneys,, an |
|---|
| information including tax information which they may request in regard to bank |
| accounts/brokerage accounts/insurance policies/other financial instruments at your |
| institution, and further any information requested from U.S. Government Agencies |
| including the Social Security Administration and U.S.D.A., State Agencies of any Stat |
| part of the United States, which may be in the name(s) of: |
| SSN: |
| Trust SSN: |
| A copy or other electronic form of this document shall be the same as an original. |
| Dated this day of, 201 |
| , Trustee |
| Subscribed and sworn to before me this day of, 20 |
| Notary Public |

AUTHORIZATION TO RELEASE INFORMATION TO ATTORNEYS FOR TRUST

| You are hereby authorized to release to my attorneys,, any |
|--|
| information including tax information which they may request in regard to bank |
| accounts/brokerage accounts/insurance policies/other financial instruments at your |
| institution, and further any information requested from U.S. Government Agencies |
| including the Social Security Administration and U.S.D.A., State Agencies of any State |
| part of the United States, which may be in the name of: |
| Trust TIN: |
| A copy or other electronic form of this document shall be the same as an original. |
| Dated this day of, 20 |
| , Trustee |
| Subscribed and sworn to before me this day of, 20 |
| Notary Public |

SAMPLE LETTER TO BENEFICIARY RECEIVING A SPECIFIC BEQUEST

| | | April 26, 2017 |
|--|---|---|
| | | |
| | | |
| | | |
| | | |
| | Re: | , Deceased |
| | | |
| Dear: | | |
| were in a trust, there will not be at the trust is (name of bank) in Free account for several years will be had Trustee, this is to advise you that the S We anticipate that the amount can be paid by the end of | ny formal court administration port, Illinois, and (name of true andling the final settlement of you have been named in the true he settlement of the trust will this year. At that time you winto the Trustee. Since this is will be taxable. Although the t | f the trust. As Attorney for the rust to receive the sum of have proceeded to the point that this ll receive a check for the a specific sum of money, no portion terms of the trust are private, we |
| | Very truly | yours, |
| | Heather M | cPherson |
| Enclosure HM/gvt c. | | |

SAMPLE LETTER TO RESIDUARY BENEFICIARY AND BEQUEST RECIPIENT

| | April 26, 2017 |
|-------------------------------|---|
| | |
| | |
| | |
| | |
| | D |
| | Re:, Deceased |
| Dear | ₫ |
| As you may know, | died on Sinceassets |
| were in a trust, there will i | not be any formal court administration of his/her estate. The Trustee of |
| | in Freeport, Illinois, and (Name of Trust Officer) who has handled the |
| | will be handling the final settlement of the trust. As Attorney for the |
| | ou that you will share in the trust. Enclosed is a copy of the Declaration In Paragraph you receive, and in Paragraph |
| von receive | per cent of the balance. [Due to the various tax returns required and |
| | tters, it will not be possible to complete the administration of the trust |
| | ars that it will be necessary to file a Federal Estate Tax Return for |
| | ossible to complete the administration of the trust this year.] We do |
| | fic amounts given in Paragraph by the end of this year, |
| | partial distribution to each of the beneficiaries in Paragraph |
| | eral Estate Tax Return which we hope to receive in 20_, we will then be |
| in a position to make final | distribution of the trust assets. At that time you will receive an |
| | e expenses and the distributions made. If you receive a distribution in |
| 20_, a portion of the distr | ribution will be taxable for income tax purposes. We will furnish you |
| with a Schedule K-1 by | , 20, which will contain information for the preparation of |
| your 20 tax returns. At | , 20, which will contain information for the preparation of this time it is difficult to estimate exactly what the balance of the trust |
| will be, but we would estin | mate that the balance after payment of expenses and taxes would be at |
| | ch would mean that your per cent share would be approximately |
| \$ | |
| If you have any questions | you can call either (Trustee) or myself. |
| | Very truly yours, |
| | |
| | Heather McPherson |
| Enclosure | |
| HM/gvt | |
| (A) | |

Form W-9
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

| | STEERING FOR STREET | | | | | | | | | | rold- |
|--|---|--|-----------------------|-------------------|----------------|-------------------|---------------------------------|---------------|------------------|----------|-------|
| | 1 Nar | ne (as shown on your income tax return). Name is required on this line; do not leave this line blank | • | | | | | | | | |
| ge 2. | 2 Bus | iness name/disregarded entity name, if different from above | | | | | | | | | |
| Print or type See Specific Instructions on page | | ck appropriate box for federal tax classification; check only one of the following seven boxes: dividual/sole proprietor or C Corporation S Corporation Partnership ngle-member LLC mited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partner | | ust/estat | e i | ertain nstruct | nptions entities tions or | not in page 3 | dividua 3): | | |
| Print or type Instructions | _ 1 | time inability company. Either the tax classification (0=0 corporation, 3=3 corporation, P=partier lote. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box is tax classification of the single-member owner. | - | above fo | 21 | xempt | tion from | n FATO | A repo | orting | Ž. |
| in Si | | ther (see instructions) > | | | | | accounts | maintaine | d outside | the !!! | \$1 |
| ا <u>ن</u> | | ress (number, street, and apt. or suite no.) | Poguos | ter's nar | _ | 3777) | | | | 1110 0.1 | 0., |
| . <u></u> | J Aut | ress (number, street, and apt. or suite no.) | neques | ter s riai | ne an | u auun | ess (up | liorialj | | | |
| See Sp | 6 City | state, and ZIP code | | | | | | | | | |
| | 7 List | account number(s) here (optional) | | | | | | | | | |
| Pari | 30 | Taxpayer Identification Number (TIN) | | | | | | | | | |
| Enter y | our T | N in the appropriate box. The TIN provided must match the name given on line 1 to av | oid/ | Social | secu | rity nu | mber | | | | |
| | | olding. For individuals, this is generally your social security number (SSN). However, | | | | | T | | | | |
| | | s, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For othe your employer identification number (EIN). If you do not have a number, see <i>How to ge</i> | | | | - | 1 | - | | 1 1 | |
| TIN on | | | eta | or | | | | | | | _ |
| | | | A for | | ver id | entific | ation n | umber | | | |
| | | ccount is in more than one name, see the instructions for line 1 and the chart on page whose number to enter. | 4 101 | | 7 | | 1 | | _ | \vdash | |
| 9 | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | | - | | | | | | |
| Part | | Certification | | | | | | | | | |
| Under | penal | ies of perjury, I certify that: | | | | | | | | | |
| 1. The | numb | er shown on this form is my correct taxpayer identification number (or I am waiting for | r a numb | er to be | e issu | ed to | me); a | ind | | | |
| Ser | vice (I | ubject to backup withholding because: (a) I am exempt from backup withholding, or (t RS) that I am subject to backup withholding as a result of a failure to report all interest subject to backup withholding; and | | | | | | | | | |
| 3. I am | n a U.S | c. citizen or other U.S. person (defined below); and | | | | | | | | | |
| 4. The | FATC | A code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting | ng is cor | rect. | | | | | | | |
| becaus interes genera instruc | se you t paid dly, pa | instructions. You must cross out item 2 above if you have been notified by the IRS thave failed to report all interest and dividends on your tax return. For real estate transacquisition or abandonment of secured property, cancellation of debt, contributions tyments other than interest and dividends, you are not required to sign the certification in page 3. | actions, to an ind | item 2 ividual | does retire | not a | pply. F arrang | or mo | rtgage (IRA), | and | |
| Sign Here | | ignature of .S. person ▶ D | ate ▶ | | | | | | | | |

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
 - 2. Certify that you are not subject to backup withholding, or
- 3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- 4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See What is FATCA reporting? on page 2 for further information.

APPROVAL OF ACCOUNTING AND RELEASE TRUST

| The undersigned does hereby approve the Final | |
|--|---|
| Trustee/Executor, and acknowledges that the undersign | |
| Accounting in the amount of \$ consisting | |
| and (put other assets here such as stock) represents the | undersigned's share of the Trust/Estate of |
| in full. | |
| Further, in consideration of the distribution of the undersigned, and of other goods and valuable consideration | tions, the undersigned does hereby forever |
| release said from any and all clar responsibilities of whatsoever kind or nature arising out | ims, demands, suits, actions, and liabilities or of or in connection with the Trust/Estate of |
| * | |
| Further, the undersigned hereby agrees to return [or put name of trustee here] any or all of said distribution said Trustee/ becomes necessary for the painheritance taxes, claims or administration expenses, and from any loss sustained as a result of making such distributed. | on, if according to law, recourse thereto by the ayment of estate taxes, income taxes, d agrees to indemnify and save it harmless |
| Signed by the undersigned this day of | , 20 |
| (Name) (Name) | ame) |
| Social Security Number Soc | cial Security Number |

FINAL RECEIPT TRUST

| The undersigned, the assets | , does hereby acknowledge receip as set forth in the Final Accounting for the |
|-----------------------------|---|
| Trust/Estate | previously approved. |
| Dated this day of | , 20 |
| | |