

## FAQ: At my death, what happens to assets that are distributed to a person under 18?

Generally, if assets are to be distributed directly to a minor (either under a Will or by beneficiary designation), the law of many states require that a special account be created for the funds until the beneficiary is 18. To avoid creating this type of account, and to prevent a beneficiary from receiving the funds at such a young age, it is generally recommend to have assets pass to a Trust for a young beneficiary. Trust funds can be used for the beneficiary's benefit, but the funds are managed by a Trustee until the beneficiary reaches a certain age or ages.

It is important to coordinate life insurance and retirement accounts beneficiary designations with the terms of the Will and/or revocable Trust since the beneficiary designations (and not the Will or Trust) govern how the insurance proceeds and retirement funds are distributed.