

## You Are An Executor – Now What?

At some point in your life, a loved one may have asked permission to name you as executor of his or her estate. What responsibilities does an executor have? Who does an executor represent? Essentially, an executor is a person who makes sure that all the terms of the will are fulfilled, ensures that any debt is paid off, and oversees that any remaining money or property is distributed according to the wishes of the deceased.

While this might seem daunting, it can be an honor to take on that responsibility for a loved one. You might be hoping that it will be several years before you need to do anything. But how will you know what to do when the time comes? We've put together a few recommendations to help you know what you can be doing BEFORE as well as DURING your stint as an executor.

### BEFORE DEATH:

1. **Know where the estate documents and the significant assets are located.** Whether with the estate attorney, with the wealth advisor or stashed in a safety deposit box, it is important to know how to get to the will, trust documents, deeds and other important documentation when the time comes.
2. **Ask for a yearly Net Worth Statement.** If you are an executor for someone other than your spouse, this can be a sensitive topic, but nothing is more stressful for an executor than tracking down assets and liabilities after the loved one is gone. Hand in hand with having this statement is knowing how each asset is owned (jointly, in a retirement account, in a trust, etc.).
3. **Get the contact information** for the tax preparer, the estate attorney and the wealth advisor. This team will be essential in coordinating the paperwork involved with being an executor.
4. **Have a conversation about preferences.** Again, not a conversation people like to have, but does your loved one want to be cremated? Get them to write down not only their wishes about a funeral ceremony, but also specific bequests. This will save a lot of angst among family members.
5. **Make sure you know how to access and shut down online accounts.** Do you have access to passwords and photos? Again, what are the loved one's wishes in this regard? If you are not comfortable with navigating online accounts, ask your loved one to name a tech-savvy individual specifically as the digital executor to work with you.



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***Preparation is the  
key to being a  
successful  
executor.***

## **DURING ESTATE SETTLEMENT:**

When you finally have to step into the role of executor, there may be competing demands for your attention. The essential steps are **identifying** the assets and **valuing** them, **paying** the debts, and then **distributing** the assets according to the will. However, there are also other equally important tasks that need to be completed, which we've broken down into non-financial and financial steps to take:

### *NON FINANCIAL –*

1. Help notify family and friends.
2. Take care of dependents and pets. Was a guardian named for minors?
3. Arrange (and maybe even write) the obituary, placing it in relevant publications.
4. Handle the funeral arrangements and cremation.
5. Secure the home and other properties.

### *FINANCIAL –*

1. Order at least ten copies of the death certificate.
2. Locate the will and other relevant estate documents.
3. Get a court order (“letters testamentary”) appointing you as executor. This will allow you to pay bills for the estate and transact any other necessary estate business.
4. Put your team in place – the tax preparer, the estate attorney and the wealth advisor.
5. Make sure Social Security has been notified and any spousal benefits are calculated.
6. Locate all assets and liabilities.
7. Understand how each asset will be distributed – to a beneficiary, through probate, into a new trust.
8. Pay final and ongoing bills and taxes.
9. Cancel services no longer needed.
10. Cancel credit cards and notify credit reporting agencies.
11. Locate all insurance policies and pension arrangements. Notify companies as necessary.
12. Work with the tax preparer to file final individual and estate tax returns by the various deadlines.
13. Keep an accurate accounting of bills paid and distributions made.
14. Ensure all distributions have been made and close the estate.

*Having a team of professionals is essential to helping you with all the complexities of estate settlement.*

The job of executor is not one to take lightly. It usually means several hours of work, careful decision-making, and empathetic communication with many different parties. The next time someone asks if you will be his or her executor, spend a little time going through this list with him or her. Make sure you and your loved one know what it will take to execute an estate plan.

If you would like more information, we have created a detailed checklist for clients who become executors. Please give me or your Wealth Advisor/Relationship Manager a call and we would be happy to provide it to you.

### **Disclosure**

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### **Want to know more?**

I will be posting additional tips for executors over the next month on my Twitter feed:

**@FitFinanceAt40.**

