

# Revocable Living Trust



## Will your children be provided for if something happens to you?

### Funding a Revocable Living Trust using life insurance proceeds and personal assets.

As parents, you will always worry about your children – no matter what their age. But when your children are young, you may be especially concerned about their well-being.

You can set up a trust while you are living that is funded with personal assets, the value of your home, and proceeds from your life insurance to help take care of your family's financial needs should you become incapacitated or pass away. Using a Revocable Living Trust, you maintain control of your assets while you are alive and competent.

Learn how MassMutual Trust Company helped a couple protect their young children by setting up a Revocable Living Trust that will be funded with personal assets and life insurance proceeds in the future.

## Meet the Hermans

Anthony and Kate Herman are in their early 40s. They have three young children: Jack is 14, Macy is 12, and Tyler is 9. Anthony and Kate have successful careers and make a comfortable living. The Hermans both have 401K plans and Anthony has an individual IRA. Their home is almost paid off, and they both have life insurance policies valued at \$500,000 each.

### The current situation

After Kate was in a minor car accident, the Hermans became increasingly worried about how their children would be

provided for if something should happen to them. Anthony and Kate have put off naming a guardian for the kids, simply avoiding a tough decision. Anthony has a brother and Kate has two sisters. The couple was afraid that choosing one sibling would upset the others.

The Hermans also worried about the responsibility they would be putting on one of their siblings. They have been considering naming Kate's sister Sarah as guardian. Sarah is a school teacher but has limited financial knowledge. They know Sarah would take good care of the kids, but they are concerned about leaving an estate valued at over \$1 million in her hands.

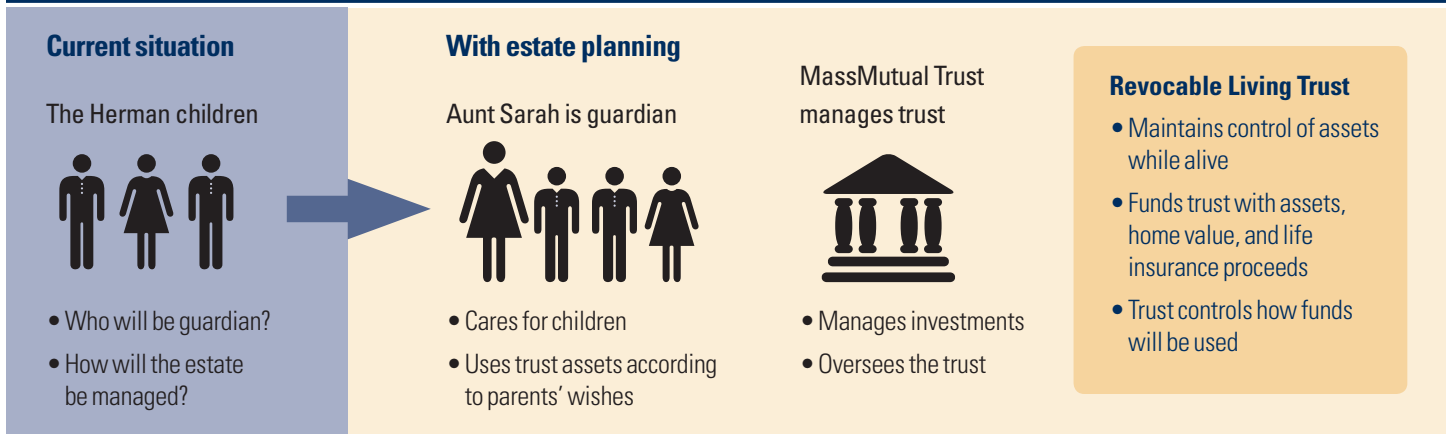
### If the situation stays the same...

If the Hermans put off naming a guardian for the children, they will not have control over deciding who will care for their children if something happens to both of them. Even if they choose to name Sarah as guardian, they will be putting her in charge of a million-dollar estate. Without an estate plan, there will be no guidelines in place for how they want their children to be cared for or how they want their estate to be managed.

### Benefits of a trust account funded in the future:

- Have peace of mind – knowing your children will be financially secure
- Maintain control of your assets while you're living
- Feel confident that MassMutual Trust will serve your best interests when you're gone

## A Revocable Living Trust provides peace of mind



### When the Hermans choose MassMutual Trust . . .

After much consideration, the Hermans decided that Kate's sister Sarah would be the best person to take care of the children. The Hermans worked with their financial advisor and attorney to set up their trust account with MassMutual Trust and named Sarah as the children's guardian in their will.

The Hermans also set up a Revocable Living Trust. While they are alive, they maintain control of their assets. If they both pass away, the trust will be funded with their personal assets, the value of their home, and their life insurance proceeds. The trust stipulates how they want the funds to be used and when the children will be able to have access to assets for college, a first home, and more.

In addition, the Hermans named MassMutual Trust Company as corporate trustee for the account. While Sarah will be guardian for the children, MassMutual Trust will provide unbiased management of the trust account – investing assets, providing ongoing monitoring, and taking care of

day-to-day tasks, such as tax preparation and reporting, fund distribution, and making distributions for their benefit.

The Hermans' family members are comfortable with Sarah as guardian, knowing that MassMutual Trust will be overseeing the trust.

### The results

The Hermans have greater peace of mind – knowing that Sarah will take care of their children and MassMutual Trust will manage their investments and oversee the trust account. By appointing MassMutual Trust as corporate trustee, the Herman family can remain family and focus on caring for the children.

At the same time, Anthony and Kate feel confident that their children will be financially comfortable and that the couple's assets and the trust account will be managed according to their wishes.

## To learn more about the MassMutual Trust Company's personalized trust and wealth management services, call us today at 888-894-5354.

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