



OLD NORTH STATE TRUST, LLC

IS A LIVING TRUST BETTER THAN A TYPICAL INVESTMENT ACCOUNT?

Although both account types may offer a vehicle for growing and preserving your wealth, a revocable, intervivos (living) trust offers some advantages over an ordinary investment account. A living trust exists as an independent legal entity which creates significant flexibility to meet your and your family's financial needs that are not available with a brokerage or investment agency arrangement. Also, by establishing a revocable trust, you maintain the authority to alter, amend, or terminate it if you wish. A living trust can provide the following:

- 1. A living trust can provide for continued financial management of the trust assets in the event of an illness or your incapacity.***

As an independent legal entity, your living trust may continue for your benefit, even if you are unable to act on your own behalf. Your trustee has the authority to pay your everyday bills, ensure your taxes are paid promptly, and even pay health care costs for you, including assisted living expenses. Having a living trust could also avoid the expensive legal and court procedure of having a guardian appointed for you. Brokerage or investment accounts do not offer the ability to provide these services in the event of your incapacity as you must be capable of acting for yourself.

- 2. At your death, the assets in your living trust may avoid probate and pass directly to your heirs.***

You can generally avoid the costs and delays associated with having your assets tied up in an estate administration with the use of a living trust. Your beneficiaries may need and may be entitled to immediate distributions from your trust upon your death. Not having to wait an undue time associated with probate can provide financial and emotional relief for your heirs. Also, a living trust avoids the publicity of a court mandated estate settlement.

3. *A living will can be a good complement to your Last Will and Testament.*

A living trust may be designed to continue beyond your lifetime and provide for your heirs just as a Will does. In fact, your trust could be the primary means for distribution of funds to your beneficiaries rather than a Will. You still need a Will but it could simply pour over assets that are not part of the trust into the trust. Outright gifts can even be made from your trust, as well as providing financial management for minor children or those beneficiaries with special needs. None of this is possible with a brokerage or investment management account.

Planning for your future needs as well as those of your loved ones is just as important as growing your wealth. At Old North State Trust, LLC, we will work with you to preserve your wealth and your beneficiaries' financial wellbeing by providing professional guidance in setting your financial goals. Please call one of our financial consultants if we may be of assistance to you.