

Getting Comfortable With Estate Planning Terminology

Some people feel uncomfortable meeting with an attorney to discuss their estate planning needs because of an unfamiliarity with the law. A good lawyer will discuss your available options in simple terms that a person with no legal training can comprehend.

You can also relieve some of that hesitancy by familiarizing yourself with legal terminology before meeting with a qualified estate planning attorney to discuss the appropriate choices for you. The following is a short list of common legal terms that may come up in an estate planning meeting. Take just a few minutes to familiarize yourself with this list and keep it handy for future reference.

Attorney-in-Fact: A person who is named under a Power of Attorney to act on behalf of another person.

Beneficiary: A person or entity that receives a benefit from an estate, trust or asset transfer vehicle.

Death Probate: The legal process used to assemble and transfer a decedent's assets to the intended beneficiaries and settle a decedent's outstanding debts.

Decedent: A person who has passed away.

Donee: A person or entity who receives a gifted asset from a donor.

Donor: A person or entity who gifts an asset to another person or entity.

Estate: All the assets owned by a decedent upon his or her death.

Executor/Personal Representative: The person responsible for settling a decedent's estate.

Grantor: A person who transfers an asset to another person or entity.

Guardian of the Person: A court-appointed supervisor in charge of the care of a minor or incompetent person's physical well-being.

Guardian of the Estate: A court-appointed supervisor in charge of the care of a minor or incompetent person's financial well-being.

Irrevocable Trust: A trust in which the trustor has not reserved the right to revoke and cannot change the wording in the trust.

Living Trust: A trust established and operating during the trustor's lifetime.

Revocable Trust: A trust in which the trustor reserves the right to revoke.

Testator: The creator of a will.

Trust: A legal arrangement created to facilitate the transfer of

property to a trustee for the benefit of a beneficiary.

Trustee: A person or entity named in a trust agreement to be responsible for holding and administering the trust assets according to the terms of the trust.

Trustor: A person who creates a trust. (Also sometimes called a "grantor" or "settlor.")

Will: A legal document used to transfer assets upon a decedent's death.