

## Funding Your Joint Revocable Living Trust

Your Joint Revocable Living Trust is drafted so that you may transfer assets to it during your lifetime and/or upon your death. However, with few exceptions, you must transfer ownership of an asset to the Trust during your lifetime if you want such asset to avoid probate. The necessary steps vary depending upon the asset being transferred, as outlined below. Please check with each respective institution mentioned below to determine if such institution requires further information or special types of signatures (for example, notarized signatures).

*Note that if you file a joint federal income tax return, then either of your Social Security Numbers can be used as the Tax Identification Number (TIN) for your Trust. If you do not file jointly, then use the one spouse's Social Security Number (SSN) for transfers of their separate property and one-half of community property to the Trust. Use the other spouse's SSN for transfers of their separate property and one-half of community property to the Trust.*

## Personal Property

- Check with the Department of Motor Vehicles (or relevant government department) in your state about transferring vehicles to your Trust. Automobiles, boats and similar assets may need to be retitled into the name of the Trust, i.e., \_\_\_\_\_ and \_\_\_\_\_, as Trustees (or their successors) of the \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, 2025, as may hereafter be amended. (The date is the date on which you execute the Trust in accordance with the instructions provided.) If the asset is insured or subject to a lien, check with your insurance company or the lienholder prior to such transfer concerning the transfer and any impediments or implications, continued insurability, costs, etc.
- Other personal property, such as antiques, tools, collectibles, and jewelry, must be transferred to the Trust via a bill of sale or other transfer document. Contact your insurance company prior to such transfer concerning this transfer and continued insurability, costs, etc.

## Real Property

Real estate may be transferred to the Trust via the execution and recording of a deed; recording fees/taxes may apply. You may contact your local county clerk for information about transferring real estate into the Trust. You may also wish to contact a real estate attorney in the state where the property is located to advise you regarding proper transfer and compliance with the homestead laws and other possible state law matters. We also offer a deed service at <https://deeds.hargrovefirm.com>. You should also review your mortgage paperwork and contact your lender regarding any issues it may have regarding the transfer, including due-on-sale clauses. The *Garn-St. Germain Depository Institutions Act* of 1982 preempts lenders from enforcing due-on-sale restrictions in the case of certain exempt transfers, which include transfers into most revocable trusts. Contact your insurance company prior to such transfer concerning this transfer and continued insurability, costs, etc. Please note that some cemetery plots are real estate interests with ownership evidenced by deeds that you may wish to transfer to the Trust.

Once real estate has been transferred to the Trust, you will want to execute the Certificate of Trust in the presence of a notary public. Note that the Certificate of Trust requires a description in Section 1, paragraph (c), as well as providing legal descriptions of the real estate on Exhibit A.

## Bank and Brokerage Accounts

- Bank accounts may be transferred to the Trust by contacting your bank and arranging to execute the proper paperwork to change the account's ownership from your individual name to the name of your Revocable Living Trust ("\_\_\_\_\_ and \_\_\_\_\_, as Trustees (or their successors) of the \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, 2025, as may hereafter be amended"). If your bank accounts are with a federal credit union, seek the advice of a credit union advisor, who will know whether there are membership restrictions against holding these accounts in trust.
- Access to a bank safe deposit box is typically gained through a lease arrangement between the customer and the bank. Depending on the institution, a safe deposit box rental agreement may be transferred to a trustee or the trustee can enter into a new agreement for the same box. If the safe deposit box remains solely subject to your control as an individual, it may take a court order to open it in the event of the owner's death or incapacity. Your bank advisor should be able to address this issue with you.
- Brokerage accounts may be transferred to the Trust by contacting your brokerage company and arranging with your advisor to execute the proper paperwork to change the account's ownership from your individual name to the name of your Revocable Living Trust \_\_\_\_\_ and \_\_\_\_\_, as Trustees (or their successors) of the \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, 2025, as may hereafter be amended").

## Stocks, Bonds, and Closely Held Business Interests

- Publicly traded stocks held in certificate form may be transferred to the Trust by contacting the corporation's transfer agent, who will require you to surrender the stock certificate and sign certain transfer documents.
- Contact Treasury Direct at <http://www.treasurydirect.gov/> about retitling federal bonds and contact the appropriate state, city, or municipal government agency or department regarding the transfer of state, city, or municipal bonds.
- Ownership Interests in closely held businesses may be transferred to the Trust by properly drafted assignments, irrevocable stock powers and/or completing transfer information on the certificates representing the ownership interest. A review of any applicable transfer restrictions should be done prior to the execution of any such documents. If the entity to be transferred is taxed as an S corporation, consult with your tax advisor and/or an attorney prior to transfer. Also, if you have any questions or concerns, you should contact an attorney.
- Promissory notes or mortgages owed to you may also be transferred by an assignment, unless the note or mortgage prohibits such transfer. Review the document completely to determine if there are transfer restrictions. Consult an attorney if you are uncertain.

## Life Insurance

If you wish for any life insurance or annuities to be payable upon your death to the Trust, consult with your advisors as to the consequences of such choice. If, after discussion with your advisors, a change of beneficiary is deemed appropriate, request and complete a "Change of Beneficiary Designation" or equivalent form naming "\_\_\_\_\_ and \_\_\_\_\_, as Trustees (or their successors) of the \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, 2025, as may hereafter be amended", as the beneficiary. Return the form to the appropriate party.

## Retirement Plans

If you wish for any retirement plan proceeds or other similar assets to be payable upon your death to the Trust, **we cannot stress enough** that you should consult with your advisors as to the consequences of your choice. For instance, making your Trust the beneficiary of your retirement plans could cause unwanted income tax consequences. If you and your advisors agree that a change of beneficiary is appropriate, you will want to request and complete a "Change of Beneficiary Designation" or equivalent form naming "\_\_\_\_\_ and \_\_\_\_\_, as Trustees (or their successors) of the \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, 2025, as may hereafter be amended", as the beneficiary. Return the form to the appropriate party.

Many of these transfers can be done by you without legal assistance. However, you are encouraged to seek professional advice when changing title to your assets to make sure that tax issues, title issues, insurance issues, and state law issues are addressed. These instructions are to be used for general reference only and are not meant to take the place of directed legal advice. Any additional assets you acquire yet wish to avoid probate can also be titled in the name of the Trust, provided that the Trust, as drafted, ultimately distributes the assets at your death as you desire. You should keep a schedule of assets contributed to the Trust, adjusted from time to time for sales, purchases, or other changes, so that not only the current Trustee, but any future or successor Trustee, will know what assets are owned by the Trust at any given time. Since the Trust may hold community property as well as separate property, you will want to mark each item on your schedule of assets as either community property or separate property.