

FUNERAL PLANNING:

Options for You and Your Family



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As citizens of a culture that worships youth, most of us find it nearly impossible to admit our own mortality, much less make plans for that eventuality. Denial, however, offers no protection from the inevitable. As it turns out, we have far more to gain than to lose by sitting down in advance to plan for every contingency life may throw at us. To help you begin this important process, here is an essential item that should be on your list of basic estate planning objectives.

FUNERAL PLANNING

For survivors, the hours and days following a loved one's death is no time for weighty decisions. For many Americans, however, this will be the first time they think about the preparations for their loved one's funeral. Given the expense and the painful emotions often involved, survivors may be in no condition to make choices for themselves or their loved one. With funeral expenses increasing every year, it is an expense that can quickly escalate as survivors confront a bewildering range of options on everything, from the kind and quantity of flowers, to the quality of their loved one's casket. A premium casket alone, for example, can exceed \$15,000. Add in the expense of roses over carnations and live music over recorded music; and survivors can end up paying triple or quadruple the average funeral's cost. Yet, without a plan to guide them, survivors may feel guilty about saying anything but "yes" to the best for their loved one.

Leaving these emotionally charged decisions to grieving family and friends, can pose an unfair burden on them in their time of loss. That's why a growing number of Americans are choosing to take matters into their own hands with Advance Funeral Planning.

HOWEVER, BUYER BE AWARE!

PLANNING WITH A FUNERAL HOME OR FUNDING A FUNERAL— WHAT IS THE DIFFERENCE?

A study conducted by the National Funeral Directors Association found that although 62.5 percent of consumers felt it was very important to communicate their funeral plans and wishes to family members prior to their own death, only 21.4 percent had done so in 2017.¹ Generally, the process begins when individuals sit down with a funeral director to discuss the plans available to them. Once they've reviewed their plans with their spouse and their loved ones, they purchase a funeral package that reflects their wishes down to every possible detail. Consumers have several alternatives for prepayment of their funeral plans. One is to purchase a life insurance policy with the funeral home named as the beneficiary. Or consumers can make payments in

¹ <http://www.nfda.org/news/media-center/nfda-news-releases/id/2419/nfda-consumer-survey-funeral-planning-not-a-priority-for-americans> (2017)

installments over months or years. Yet another alternative, they may work with a licensed funeral director to establish a regulated trust which will pay their funeral expenses.

All of these options are “planning with a specific funeral home.” This method is riddled with potential problems. Some of the problems are well documented in recent scandals with funeral homes. These include funeral homes not honoring commitments, funeral homes being sold and the new buyer not honoring the contracts and funeral homes closing their doors!

A BETTER ALTERNATIVE IS FUNDING A FUNERAL TRUST

Another option enables consumers to set aside funds for their funeral in a Funeral Trust funded by life insurance which earns interest, and which can be used at any funeral home in the country. After death, if there’s more money in the Funeral Trust than required to pay for the funeral, the excess money will go back to the estate or to a named beneficiary.

One company that specializes in funeral funding is National Guardian Life (NGL). NGL not only works with funeral homes to provide great pre-funding products, but has also created the NGL Funeral Trust which allows consumers to set aside funds that they earmark for the funeral and final expenses without having to go to a funeral home in advance. This allows people to take care of this important planning need with their trusted advisor and not have to face all of the details of planning their own funeral.

NGL’s Funeral Trust is funded by a guaranteed issue life insurance policy that anyone can qualify for regardless of their health. NGL provides the Funeral Trust at no additional cost to the client when they purchase a policy, and there are no administrative costs ever taken out of the Funeral Trust. The NGL Funeral Trust can be used at any funeral home in the country and the death benefits are paid out next business day to the funeral home of choice and any money left over is paid out immediately. In most states, NGL does not even require a Death Certificate to pay out the claims so the money is there for the family when they need it the most. Also, since NGL uses a life insurance policy to fund the Funeral Trust, the interest growth that the money earns is not subject to income tax. Therefore, the entire amount of the money will be available for the funeral and final expenses.

Even though funeral funding takes care of a very important aspect of Funeral Planning, it is also important to plan your wishes in advance to relieve the burden on your family. There is an avalanche of information that is needed when someone passes way. The surviving family is required to provide a lot of information to the funeral home in order to complete the Death Certificate and to plan the memorial services. To lessen the burden on the survivors, everyone who sets up a NGL Funeral Trust is automatically enrolled, free of charge, into *Legacy Safeguard*. *Legacy Safeguard* has been established to help families through one of the toughest times in their life. *Legacy Safeguard’s* primary mission is to help consumers record the important information

needed to complete all of the documents and to outline the wishes for the memorial services to help reduce stress, confusion, and conflict on the survivors during a very difficult time.

Legacy Safeguard also provides some significant benefits for their members and their surviving family. Once you set up a NGL Funeral Trust you will receive free *Legacy Safeguard* membership where your family will receive the following benefits.

LEGACY SAFEGUARD PLANNING GUIDE

- The *Legacy Safeguard* Planning Guide is designed to help share historical information, record life lessons, and pass along family values they hope their loved ones keep.

LEGACY PLANNING ARCHIVE

- The *Legacy Planning Archive* is a planning guide that outlines the important information that will be needed to complete the Death Certificate and helps record the final wishes to reduce stress and conflict among the surviving family during a difficult time.
- The *Legacy Planning Archive* can be securely stored in the *Legacy Safeguard* archives until it is needed.

END OF LIFE PLANNING GUIDANCE & ASSISTANCE

- Funeral Planning Advisor — At the time of need, *Legacy Safeguard's* Advisors are on call to guide the family through the entire funeral planning process to help them make the most informed decisions about funeral related issues.
- Funeral Home Locator — *Legacy Safeguard* can assist the family in locating several funeral homes and cemeteries in their area, and will evaluate the service options.
- Funeral Price Negotiation — The *Legacy Safeguard* Advisors can help the surviving family create a dignified memorial service, yet help them avoid overspending in the midst of grief by negotiating the price with the funeral home selected by the family.

SUPPORT FOR SURVIVORS

- Bereavement Travel Assistance — *Legacy Safeguard* can negotiate with airlines and hotels to help keep travel costs down during a time of grief.
- Grief Counseling Support — *Legacy Safeguard* can also recommend grief counseling programs to help the surviving family deal with the loss of a loved one.

The NGL Funeral Trust coupled with *Legacy Safeguard* provides families with complete planning and protection for the one inevitable life event.

CONCLUSION

The benefits of Funeral Planning using the Funeral Trust rather than prepaying at a funeral home makes sense. This goes beyond cost savings. For many families, it provides an important opportunity to talk about sensitive issues and concerns that might otherwise have gone unspoken, and it allows the family to decide together which funeral options will be most meaningful to them. In many ways, funeral planning allows families to lay the foundation for a faster process in the future. For many Americans, the discussion of their own funeral conjures up unwelcome thoughts of death. But once they overcome their initial resistance, most will find peace of mind, rather than discomfort, in knowing that all the details of this important task have been handled as they want them to be, in the most economical and efficient fashion.

Even though a death in the family can be a very traumatic event, with the proper planning, a lot of the difficulty can be reduced. This enables the family to focus on remembering their loved one instead of having to scramble around looking for lost documents or trying to figure out how they are going to pay for and plan the details of the funeral. Planning with a Funeral Trust provides protection for your assets, protection for your family and peace of mind for you.

ABOUT THE ACADEMY

This report reflects the opinion of the American Academy of Estate Planning Attorneys. It is based on our understanding of national trends and procedures, and is intended only as a simple overview of the basic estate planning issues. We recommend you do not base your own estate planning on the contents of this Academy Report alone. Review your estate planning goals with a qualified estate planning attorney.



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