

## Decedent

Teresa Jefferson – died in 2017 at age 57

Married but estranged from her husband due to her infidelity, they never divorced.

Husband = James Jefferson (85)

Was an attorney, had his own practice which he sold and is now receiving payments from that sale.

Teresa was one of two caregivers for James.

James' son, Peter (50) stopped by daily also.

Peter had a full-time job with a local warehouse. There are indications of undue influence by Peter with James' income and assets.

James in the early stages of dementia and has difficulties with ADLs

Daughter (from first marriage) = Annie

25 yrs old

Special needs

Teresa paid all her expenses

Dog = Toby

Teresa died intestate.

## Assets

Value	Type
-------	------

\$150K	IRA
--------	-----

Modest amount	Tangibles
---------------	-----------

\$14.5M	Business and business real estate
---------	-----------------------------------

Building had a rental income \$10,000/per month. The building was paid off but needed substantial repairs to get ready for sale. Teresa's two stepbrothers (Dave and Bill) are employees in the business. Dave wants to run the business, and Bill wants to take the money and run.

??	Ranch property which she owned jointly with James – two homes on the property and 5 acres of land in a desirable area
----	---

Nine months before Teresa passed away, her mother passed away with an estate totaling \$5,000,000. Mom had an estate plan. Eighty percent of her assets were placed in a trust to benefit Teresa during her lifetime. Twenty percent of Martha's trust went to conservative think tanks and the Republican Party. Teresa was named as a co-trustee with a corporate trustee of Martha's testamentary trust. Martha also left Teresa an IRA in the amount of \$250,000.

Teresa noticed mismanagement of the trust, fired the corporate trustee and began litigation on the trust's behalf.

**Questions:**

1. What are the immediate issues noted from a planning perspective in this fact pattern?
2. Who are you representing? James, Peter, Annie, Dave or Bill
3. If Teresa had come to you right after her mother's death in June 2017, how would you set up the perfect estate and care plans depending on who you are representing?
4. Since Teresa died intestate what now?
  - a. For Annie
  - b. For James
  - c. For Dave and Bill