

Location: Learning Guide Section 6.6 Estate Planning

## What is Estate Planning?

Estate planning is preparing for what to do with your assets in the event of death. An estate includes the assets and liabilities left by a person at death. If you have spent many years building your assets, an estate plan designates exactly what should happen with your wealth. There are some common purposes driving the creation of an estate plan, which will be explored throughout this chapter.

People create estate plans to achieve the following:

- Identify how money and property will be distributed upon death
- Establish a power of attorney and medical directive
- Name guardianship of minor children
- Designate **beneficiaries**
- Create a will, living will, or trust

## 03L1 Listen and Speak | Assets

|                                    |  |
|------------------------------------|--|
| YOUR NAME                          |  |
| DATE DUE                           |  |
| GRADE                              |  |
| Create and deliver a presentation. |  |

Apply your knowledge of the Assets by researching and presenting on the subject of asset types.

Create a presentation with the following items:

- Which asset type or asset mix makes the most sense for a young person of your age?
- What financial aspects of that asset type/ asset mix do you find most attractive?
- What financial aspects of the other asset types do you find less attractive?
- What methods are available to you to accumulate these assets?

Prepare and deliver a presentation where you connect your ideas to the above questions. Verbally communicate your findings to your class ensuring proper use of grammar and transitions between ideas and sentences.

## 04D1 Define Key Terms | Liabilities

|  |  |
|--|--|
| YOUR NAME  |  |
| DATE DUE   |  |
| GRADE  |  |
| A. Define the terms below from Section 4 of the Learning Guide.<br>B. Complete the given scenario. |  |

### **PART A**

#### 1. DEBT

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#### 2. LOAN

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#### 3. CREDIT

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4. INTEREST PAYMENTS

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5. CREDIT RATING

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6. REVOLVING CREDIT

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7. LOAN GUARANTEES

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## **PART B**

Imagine that you are looking to obtain a loan for a new car. You know that in order to get the necessary funding, you must meet with a loan officer at your local bank.

In your meeting, you will be expected to explain why you would be a good candidate to borrow the funds.

Using your understanding of the terms above, write a paragraph, consisting of 5-10 sentences, that summarizes the following:

- The purchase price of the car
- Your credit history
- Loans you have outstanding
- Your ability to repay the loan with interest

Include a photo of the car.