

The duties and responsibilities of an executor

Bank of America Trust Services — helping you simplify your life, give lasting meaning to your wealth, and prepare for whatever the future may hold.

Whether you're creating a trust as part of your own estate plan or serving as a trustee or executor for someone else, our focus is on what's important to you—your unique goals for today and the future. We are dedicated to providing the trust and fiduciary services that address your specific needs in the way that works best for you.

As the leading provider of personal trust services,¹ we are able to offer a broad array of specialized services through a nationwide network of local offices. It is all part of our commitment to providing an unmatched level of personal service and care to you and your family, wherever you may call home.

Being named executor is both an honor and a privilege. Significant responsibilities come with the role that can make it complex and time-consuming — requiring both technical knowledge and strong interpersonal skills to avoid potential conflicts among interested parties. If you are choosing an executor, or have been appointed executor, an understanding of the duties and responsibilities can help you make informed decisions.

The duties of an executor normally include:

- Reviewing and adhering to the terms of the will and trust documents.
- Identifying, collecting and valuing the estate's assets.
- Verifying and satisfying the decedent's final debts.
- Developing an impartial plan for the estate.
- Making tax elections and filing income, estate, gift and generation-skipping tax returns.
- Executing and filing court-mandated documents.

An executor is also responsible for making investment and distribution decisions that affect beneficiaries. Each decision should be well thought through, as the executor can be held personally liable for errors, omissions or inappropriate tax elections.

Often, the most challenging aspect is making sensitive decisions that balance the competing interests of multiple beneficiaries. That can mean refusing requests by individuals who may be close friends or family members.

Simplifying the role

Bank of America's* dedicated Estate Administration Group focuses exclusively on estate and trust settlements, offering comprehensive assistance, impartial fiduciary guidance, and help resolving any estate-related conflicts among family members or beneficiaries. We can tailor our approach to provide the level of service you need, acting as agent providing specific services, as co-executor serving alongside one or more individuals, or as executor providing complete fiduciary oversight of the estate. Regardless of our role, if you choose Bank of America, we'll promote open communication among all parties involved, including accountants, attorneys, beneficiaries and other representatives.

* Trust and fiduciary services are provided by Bank of America, N.A., Member FDIC and wholly owned subsidiary of Bank of America Corporation (BoFA Corp.).
Investment products:

| | | |
|-----------------------------|--------------------------------|-----------------------|
| Are Not FDIC Insured | Are Not Bank Guaranteed | May Lose Value |
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Begin the settlement process

The time required to settle an estate varies depending on a number of factors including the complexity of the situation, but it often takes 18 months or more to complete. The timelines noted provide a general idea of what is involved in settling a typical estate. Serving as agent, co-executor or executor, Bank of America can help:

- Coordinate proceedings with the estate's attorney and assist with matters regarding the will.
- Collect assets and provide valuations for marketable securities.
- Arrange appraisals for personal and real property.
- Evaluate closely held business interests and special assets.
- Manage real estate until it is sold or transferred to heirs, and determine community property divisions as required.
- Review and pay bills; cancel all subscriptions, services and utilities as needed; arrange for creditor notices; and receive, evaluate and pay all proper claims.
- Finalize the asset inventory.

Tap into our strength and capabilities

Your relationship manager works closely with experienced, knowledgeable and dedicated professionals from Bank of America to deliver trust and estate services that address your specific goals. The result is an approach designed to help you pursue all your trust and wealth management needs.

Preparation

Immediately:

Review the will and begin the estate settlement process

- Review the will and note any special instructions.
- Confer with attorney who will represent the estate.
- Meet with family members and other interested parties to discuss document provisions and settlement process.

First 30 days:

Review the will and begin the estate settlement process

- Receive court authority to act and notify banks, Financial Advisors and others of your appointment.
- Begin to identify assets and liabilities and send notices to creditors.
- Notify post office as to where decedent's mail should be forwarded, and contact utility providers to change billing information.

30-90 days:

Assemble, inventory and take custody of assets

- Search for and collect all assets (e.g., savings, checking and investment accounts, individual securities, safe deposit boxes).
- Inspect real estate and personal property. Review leases and mortgages and associated insurance policies.
- File claims for any veterans, Social Security, retirement or life insurance benefits that are due.
- Review any employment contracts or deferred compensation arrangements to determine whether or not payments are due to the estate.
- Assemble supporting data and establish value of all assets in the estate by having assets appraised by a qualified appraiser.

30-120 days:

Review financial records

- Obtain cancelled checks and brokerage records for several years prior to death.
- Acquire information on insurance policies on decedent's life owned by others, as well as policies owned by decedent on others.
- Identify and review gifts made by the decedent during life for tax implications.
- Review the decedent's personal and business tax returns for the three years prior to death, and gather data to support returns if audited.

Settle the estate

In settling the estate, Bank of America can help:

- Prepare court accountings.
- Arrange for the payment of expenses and inheritances.
- Assist with the preparation of the tax plan by calculating cash requirements for taxes, claims and legacies.
- Advise on assets to be distributed to heirs or trusts.
- Determine the appropriate way to distribute assets according to the will.
- Prepare and file state and federal tax returns, as well as any other legally required documents.

Specialty asset management

Nonfinancial assets such as private business interests, investment real estate, oil and gas interests, timberland, and farm and ranch land are often an important component of an estate, or ones that have special significance. Managing these assets through the estate settlement process presents challenges for most executors. Bank of America's Specialty Asset Management team has specialists with the experience and knowledge to provide strategic guidance, as well as day-to-day management of these assets. Our ability to provide the assistance needed through the estate settlement process and beyond can mean the difference between a quick liquidation and preserving a cherished asset—even when heirs do not have the desire or ability to take an active management role.

Settlement

1st to 24th month:

Administer the estate

- Collect all income, receivables and other moneys due, keeping detailed records.
- Determine distribution requirements of spouse or beneficiaries and whether any distributions are needed during settlement.
- Review claims, bills and expenses submitted against the estate.
- Arrange for and oversee delivery or sale of tangible property and real estate.
- Coordinate any litigation against decedent or estate.
- Estimate cash needed for bequests, taxes and settlement costs and determine assets to be sold.
- Execute and file required probate court pleadings through attorney.

1st to 15th month:

Prepare and file tax returns

- File decedent's final individual income tax returns.
- File fiduciary income tax returns for the estate during the administration period.
- File estate tax return and pay estate tax within the appropriate deadlines.
- Consider estate tax impact of nonprobate assets (e.g., jointly owned property with right of survivorship, any trusts created or gifts made).
- Determine whether any demands should be made against persons who received property outside of the will for their proportionate share of taxes.

12th to 24th month:

Distribute the estate

- Prepare data for final accounting showing all assets, income and disbursements.
- Distribute the estate in accordance with the will.
- Receive receipts and releases from beneficiaries, and if required, notice of discharge from the court.

The specialized experience you need

Whether you are selecting an executor for your own estate or have been appointed to serve as executor for someone else, Bank of America has the experience, technical knowledge and impartiality to simplify the process and carry out fiduciary responsibilities with skill, care and compassion.

Bank of America Trust Services works closely with your relationship manager—who knows you, your needs and your goals for your wealth. Together, we focus on your unique situation, helping you identify trust and fiduciary solutions that align with your priorities and integrate them into your overall estate and wealth management plans.

To find out more about the ways we can help you simplify your life and create lasting meaning for your wealth, reach out to your relationship manager.

¹ Spectrem Group, "2018 Comprehensive Bank Trust Update," November, 2018.

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