

GUIDELINES FOR GUARDIANS

These guidelines are designed to provide a "roadmap" to help you, as the guardian of a minor, to successfully manage the financial affairs of the minor. The Orphans' Court has developed these guidelines in an effort to help you preserve and protect the assets of the minor child or children. Some of these guidelines are required by law; others may be simply suggestions. This list of guidelines is not a complete listing of the duties or obligations of a guardian, and the ultimate determination rests with the Orphans' Court. Authority for these guidelines, and for guardianships in general, may be found in the Annotated Code of Maryland, Estates and Trusts Article, Title 13 et. seq. (1974, and Supp. 1996).

Please READ your Court Order. You need to be familiar with it's contents.

Please KEEP the Court Order in an easily accessible place for your future reference, when necessary.

Once you are appointed guardian:

1. You must deposit ALL assets of the minor (life insurance policies, insurance settlements, accident settlements, monies from lawsuits, etc.) into a federally insured savings institution (bank). This account MUST be in the name of the minor, listing yourself as the guardian of the minor. Restricted account forms, inventory and information report forms must be filed within sixty (60) days of appointment. These forms will be given to you with your order appointing you as guardian.

2. A restricted account means that no money can be removed from the account without an Order from the Orphans' Court. You must write to the court, requesting SPECIFICALLY why you want to remove money from the minor's account. In the request, you must state: (a) the reason for the withdrawal, (b) the amount requested, (c) documents supporting your request, if possible, (ie. copies of receipts for medical bills, school tuition, etc.), and (d) the name of the bank, and account number(s) from which you wish to withdraw the funds. (See attached Order of Court dated 6/7/02)

3. Withdrawals from the restricted account are generally limited to expenses directly related to the health, education and welfare of the child. Withdrawals for income taxes due from the minor and for bond premiums and court costs in connection with the guardianship will be allowed. In all instances court approval is required for any withdrawal. A guardian may not pay him/herself from the funds of the minor unless specifically allowed by the court in very narrow circumstances.

4. You MUST file an accounting with the Register of Wills EVERY YEAR, unless ordered otherwise by the court. This accounting must show: (a) the amount of money in the minor's account(s), (b) any monies added to the account (interest, etc), and (c) ALL MONIES WITHDRAWN FROM THE ACCOUNT for the year. The accounting must include the bank statements for each account and receipts for all expenditures.

5. A separate bank account must be set up for each minor for which you are appointed guardian.

6. You must notify the Orphans' Court, promptly, in writing, if your address, or that of the minor changes.

Generally, the Orphans' Court will not permit withdrawals for "normal" living expenses, such as food, clothing, haircuts, school books, etc. Requests of this nature will be determined by the court on a case by case basis.

Remember, YOU, as the guardian, are responsible for the safekeeping of the property of the minor. If you mismanage the funds, spend the money inappropriately, disobey or ignore an order of the court, or otherwise breach your responsibility, you may be subject to sanctions by the Orphans' Court, including removal as guardian, and/or other sanctions.

All Requests for Distribution of Funds must include:

- 1) The date the guardianship of property was established.
- 2) The relationship of the guardian to the minor.
- 3) The specific reason for the request for funds and the "reasonable cause which exists" for the request.
- 4) A financial summary for the previous three (3) years showing the total amount in the account and all withdrawals by date and amount.
- 5) The name of the bank, and specific account number(s) from which you wish to withdraw the funds.
- 6) If a guardian is the parent or parents their total annual income.

I acknowledge I have received a copy of the Guidelines for Guardians.

Signature

Date

Name (print)

Social Security No.

Address

Soundex No.

City, State, Zip Code

Guardianship No.

Telephone (home and work)

Keep a copy for your records. The original to be filed with the court.