Annuities—An investment security normally administered by an insurance company. Invested funds may accumulate in tax deferred status. Ultimately, funds are converted to an obligation to pay a sum each month for a fixed period, or for the life of the annuitant.

Best Interests Standard—This standard requires the guardian to make a decision that best reflects the guardian's judgment as to what is in the best interest of the incapacitated person. When the competent preferences of an incapacitated person cannot be ascertained, the guardian is responsible for making decisions that are in the best interests of the incapacitated person. A determination of the best interests of the incapacitated person must include consideration of the person's stated preferences and residual capacity to make decisions. Also see "Substituted Judgment Standard."

Brokerage—An investment firm at which the guardian may maintain an account to handle stocks, bonds and mutual funds.

Cognitive—Pertaining to the mental process including:

- Perception
- Memory
- Judgment
- Reasoning

Commingleing—To mix or mingle together; combine. A guardian should *not* commingle the guardian's personal assets with the incapacitated person's assets.

Conflict of Interest—Occurs when a guardian's independent judgment on behalf of the incapacitated person may be compromised by a competing interest. For example, there would be a conflict if a guardian wished to sell anthe incapacitated person's automobile to histhe guardian's daughter that belonged to the incapacitated person. There would be a conflict between the guardian's duty to get the best price for the incapacitated person and the temptation to give his daughter a good deal. Also see "Self-Dealing."

Electroconvulsive Therapy (ECT)—Relating to or involving electroshock.

Fiduciary—In law, a fiduciary is a person who occupies a position of such power and confidence with regard to the <u>person or</u> property of another, that the law requires him to act solely in the interest of the person whom the <u>fiduciary</u> represents.

Guardianship Bond—The Guardianship Surety Bond is an insurance contract designed to protect the assets of the guardianship estate. The bond will insure against losses resulting from negligence or misconduct by the guardian. This type of bond is obtained from an commercial insurance agent.

Incapacitated Person—An incapacitated person is one who has been determined by the court to be at significant risk of one or both of the following:

- Personal harm based upon a demonstrated inability to adequately provide for nutrition, health, housing, or physical safety;
- Financial harm based upon a demonstrated inability to adequately manage property or financial affairs.
- to his or her person or estate due to a cognitive disability or impairment.

 You will hear the person you have guardianship over referred to as the "incapacitated person."

 Whether a person is incapacitated is a legal rather than a medical decision.

Kelley Blue Book—One of the trusted resources for prices, values and expert and consumer reviews on new and used carsmotor vehicles.

Liabilities—Moneys owed; debts or obligations related to, or in the form of, money.

Oath—A document used by the guardian to swear to faithfully perform all the duties as a guardian according to law.

Overreaching—Exploiting a situation <u>or asserting authority</u> through fraud, or <u>shockingly</u> unfair or unjust conduct that does not conform to the dictates of conscience.

Pleadings—Every legal dDocuments filed in a lawsuit, guardianship matter, including but not limited to petitions, notices, motions and/or hearing, orders, and declarations including complaint, petition, answer, demurrer, motion, declaration and memorandum of points and authorities (written argument citing precedents and statues).

Prohibited Decisions No guardian, limited guardian, or standby guardian may involuntarily commit an incapacitated person for mental health treatment, observation, or evaluation who is unable or unwilling to give informed consent.

Prudently—Wise or showing good judgment in practical affairs.

Psychotropic Medication—Drugs that act on the mind.

Psychosurgery—Brain surgery used to treat psychic mental symptoms.

Resident Agent—A resident agent is a resident of the state of Washington designated by an out-of-state guardian to receive service of legal papers if someone brings suit against the guardianship estate.

Self-Dealing—Occurs when someone, a fiduciary or trustee, takes advantage of his or her position in a transaction and acts for his or her own interests, or interest of a family member or business associate rather than for the interests of the incapacitated person. Self-dealing may involve misappropriation (to appropriate wrongly or improperly as by theft) of funds or opportunities. However, even a self-dealing transaction that is facially fair is prohibited. Self-dealing is a form of conflict of interest. Also see "Conflict of Interest."

Substantive Involving matters of major or practical importance to all concerned.

Substituted Judgment—This <u>is the default</u> standard <u>that a guardian must use when making decisions on behalf of an incapacitated person. The substituted judgment standard requires the guardian to make a decision that best reflects what the incapacitated person <u>'s "competent preferences"</u> (what the incapacitated person would have decided when he or she had capacity). Also see "Best Interests Standard."</u>