



Winter, 2014-2015

WHO CARES?

Our motto, **Plans That Work. People Who Care™** is usually presumed to mean that we are the sort of professionals who care more than most. To be certain, we really do care about our clients and are very focused in our mission to help assure that our clients' estate plans work.

But in reality, the phrase "people who care" refers as much to you as it does to us. In a world as complicated as ours, effectively accomplishing your estate planning goals is not a simple task. There is no document you can sign to just make it all happen.... no more than there is such a thing as a silver bullet or magic pill. It takes some focused effort on your part, coupled with efficient work on the part of the professionals who serve you.

There are a lot of people in the world who don't seem to give a hoot what will happen to their estate and their loved ones. You know some of those people. Maybe they have asked, "Why do you bother titling your car in your trust?" or "How come you put your life insurance in trust?" Or, even the professionals ask this one: "Why name your trust as beneficiary of your IRA?" Do you know how to answer them? Just say,

"Because I care what happens to the people I love! I want my estate to be in good order and have the most positive impact possible on their lives."

See what they say. If you are talking to a serious-minded person who genuinely wants to know why you give this much attention to detail, refer them to us. We can help them assure that they will remain in control of their affairs while alive and well, that their wishes will be carried out if they become disabled, and that what they have will go to whom they want, when they want and the way they want, with all possible benefits to their loved ones.

Thank you for allowing us to join you in caring for your loved ones and your estate. Thank you for being a quiet, determined American.

Curt

Thank you, Quiet, Determined Americans

"In such a depressing American landscape, why is the United States doing pretty well? Put simply, millions of quiet, determined Americans get up every morning and tune out the incompetence and corruption of their government. They simply ignore destructive fads of popular culture. They have no time for the demagoguery of their politicians and the divisive rhetoric of social activists. Instead, these quiet Americans simply go to work, pursue their own talents, excel at what they do, and seek to take care of their families. The result of their singular expertise is that even in America's current illness, the nation still soars above the global competition. ... America is not saved by our elected officials, bureaucrats, celebrities and partisan activists. Instead, just a few million hardworking Americans in key areas -- a natural meritocracy of all races, classes and backgrounds -- ignore the daily hype and chaos, remain innovative and productive, and dazzle the world. The silent few of a forgotten America have given the entire country an astonishing standard of living that is quite inexplicable."

Historian Victor Davis Hanson

Renewing Commitments: TO DO LIST

Your renewal packet includes your Asset Review Report, yellow renewal form, and 2015 invoice. To assure uninterrupted service from your LifeSpan™ Team, be sure to:

1. Select the best date and location for you to attend an **Annual Family Reunion™** (AFR), mark the **yellow renewal form** we provided, and **return it immediately with your annual retainer/membership fee** (also note the date on your own calendar and keep it clear of conflicts). Please pay by the due date of January 18, 2015 (if you pay after January 31 go ahead and add the \$25 late fee).
2. Start updating the **Asset Review Report™** (ARR) and return it to us by January 31, 2015. Add new assets; delete any you no longer have; update the dollar values; and send appropriate **Red Check Review™** (verification) paperwork for new assets you add to the report (see **lime-green instructions** stapled to the ARR).

Remember: the **Annual Family Reunion™** is the focal point of our standard updating process. If you miss that, you lose much of the value we provide. There is limited seating, so we give reservation priority in the order we receive yellow reservation forms. If you are not flexible, return yours early. Then make attendance a priority.

Education Update



Hello Brrrr.....Baby Its Cold Outside! I like that song, but not this crazy cold weather!

The good news is Christmas is coming soon, and that means lots of activities, events, and special family time together as we celebrate the birth of Jesus!

As my family grows and changes, I realize how special our “annual traditions” are to each of us. Whether it is having sloppy joes and watching the movie Christmas Vacation as we decorate our Christmas tree, baking cookies while listening to Christmas music, or bundling up for a day of shopping, we are making great memories together.

As the Education/Settlement Coordinator, I have the pleasure of getting to know not only you, our LifeSpan™ Clients, but also members of your families. I always enjoy seeing the pictures of the kids/grandkids, and hearing about some of your traditions as well.

At The Estate Planning Center we talk with you, our clients about transferring your wisdom along with your wealth. As I assist Sam during the settlement phase helping clients who have lost their loved ones, it is always a joy to hear the stories and memories they share. Even during such difficult times, I believe these traditions and memories are a very important part of the legacy left behind.

During this holiday season as you are spending a little extra time with your loved ones, it may be a good time to remind them of the family education opportunities available at The Estate Planning Center.

We recommend that your ‘Helpers’ attend at least one **Family Education Program™** within the first year after you’ve created your plan with us, then at least once every five years thereafter. Families with the best relationships and a mindset of “*doing planning with my family*” (not doing it “to” or just “for” them) attend events together more often, which is encouraged!

Our ongoing **Family Education Program™** will—if *your family participates as they should*—assure that your Helpers and Beneficiaries will begin to understand the wisdom behind and receive the full benefit of your plan with minimal stress and controlled cost.

They are designed to help prepare families for what must be done at the time of a disability or death.

Along with clients (of course) both ‘Helpers’ (i.e., successor Trustees and power of attorney Agents) and Beneficiaries are encouraged to attend: Trustees so they are better prepared for their “jobs” when the time comes and Beneficiaries so they will be understanding with the Trustee.

Keep in mind that **Disability Made Simple™**, **My Spouse’s Estate Made Simple™**, and **Receiving My Inheritance Made Simple™** are available on our website. This is a great resource for our clients and their Helpers that may not be able to attend in person. Don’t forget to submit the simple quiz so we will know you have participated!

As always, I am just a phone call or email away if I can ever be of assistance.

Merry Christmas!

Gayla

“[T]he States can best govern our home concerns and the general government our foreign ones. I wish, therefore ... never to see all offices transferred to Washington, where, further withdrawn from the eyes of the people, they may more secretly be bought and sold at market.” - Thomas Jefferson

Another Sort of “Who Cares”

Caring about one’s employees and associates probably can’t be boiled down to one particular issue, but this one says a lot. *Bloomberg News* ranks the 250 largest companies in the US by which firms have the **best retirement plans**. It caught our attention that at the top were the supposedly money-grubbing, greedy entities that only care about profit and gouging their customers. At the bottom were the supposedly laid-back, environmentally-conscious, really nice guys.

Comparisons were made about company matches, investment options, and time to vest. For example, over 40% of companies allow workers to vest immediately, meaning they can take company contributions with them if they leave the firm. Others ask participants to wait for several years before 100% of company contributions are available to them.

Oh, back to the rankings. Who’s nice and who’s naughty? ConocoPhillips, Philip Morris, and Abbott Labs were at the top, while Amazon, Whole Foods, and Facebook brought up the rear.

“I am always amazed at how many people seem to think that a series of unsubstantiated pronouncements constitutes an argument.” Thomas Sowell

From the Desk of Sherry French
Your Funding Coordinator

In the last newsletter I requested help from all of you. I requested names of banks, financial institutions etc. who would allow you to borrow against a car in a trust. These are names I received: Marion County Savings Bank, U.S. Bank, First Financial Bank, Chrysler Capital and Ford Motor Credit. If you know of any others that do, let me know. I'm keeping a running list and if anyone asks I can forward it to them. Thanks for your help!

When you purchase a new vehicle and are informing the dealer of the proper name for the title, please use your sample Title Application (located in your **Client Organizer** behind **Tab D**) for reference. Do not use an old title. There are two common mistakes we are seeing:

1. Your title says John & Mary Sample Living Trust. ***There is no such trust!*** Our married clients have two separate trusts. Is the car in his trust or hers? Be sure that you name either John Sample Living Trust **or** Mary Sample Living Trust as owner.
2. There are two lines for names on Illinois titles. One line should be for the name of the trust, such as John Sample Living Trust. The second line should have the trustee name or names, such as John Sample Trustee or John & Mary Sample Trustees. If your title does not have the trustee name(s) on the second line, sometimes it is extra hassle to transfer that title.

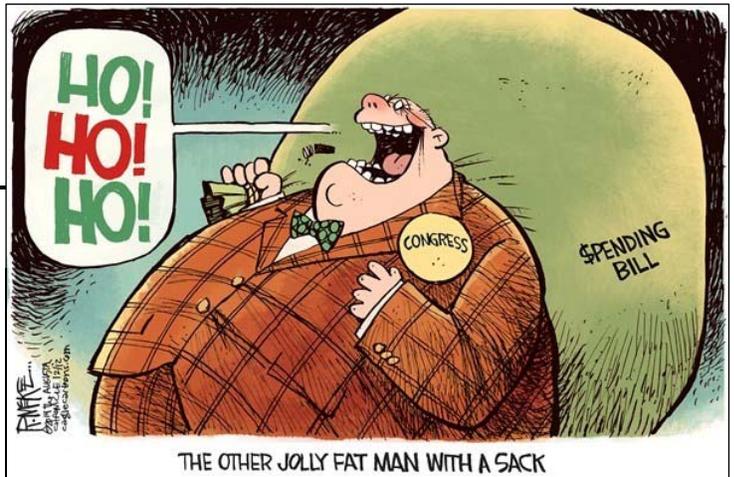
Again, use the sample Title Application form. It shows the proper way to fill in both lines. Don't hesitate to call us ***before you actually apply for the title*** and we will help make sure you get it right. Then when you receive your new title send me a copy as soon as possible, because (if it is incorrect) the **Illinois Secretary of State allows you sixty days to re-apply and correct a problem with no extra cost.**

If you have inherited an IRA and it is not on your report (we don't know about it) we need information on it and it needs to be funded correctly. Please give me a call and I will help you with the process.

Remember to give me a call if you have any questions!

May you all have a Blessed Christmas and a Prosperous New Year!

Sherry French aka The Professional Nag (the only woman we know who gets paid to nag!)©



THE OTHER JOLLY FAT MAN WITH A SACK

Keep Family Disagreements Private

What if, after your death, one of your beneficiaries thinks the trustee is cheating? Or is not dividing the trust assets according to its terms?

Some clients have included provisions in their living trust saying that if there is any legal dispute among the parties to their trust those disagreeing parties must submit their dispute to an Alternative Dispute Resolution (ADR) procedure rather than going to court and suing each other.

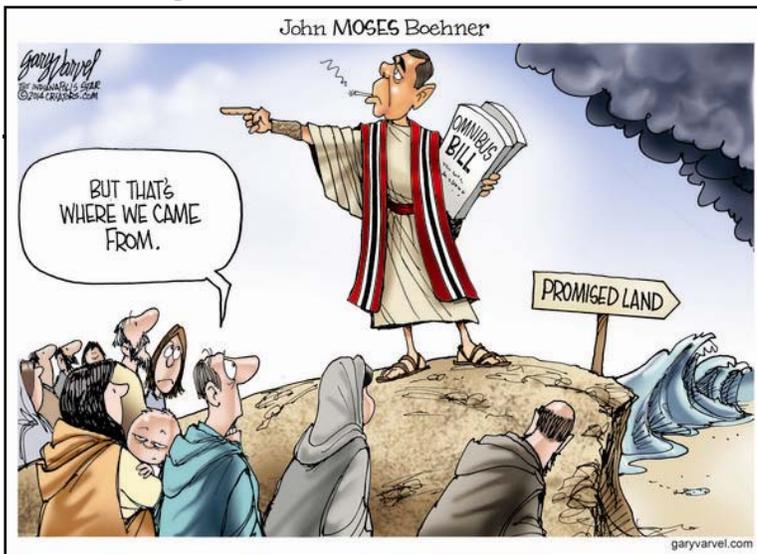
Many clients have chosen the Institute For Christian Conciliation (*aka* Peacemaker Ministries) as the organization to provide the ADR services. One reason this organization is chosen is their emphasis on reconciling the parties, not just legally deciding who should win. Feel free to look them up on the internet for more information.

If you want to require that your family use a Christian-oriented ADR procedure instead of suing each other, just let us know and we will add the following provision in your living trust:

ALTERNATIVE DISPUTE RESOLUTION MANDATED: Any claim or dispute arising from or related to this agreement (and not limited to an attack on the validity of this agreement but including any dispute between any parties hereto and relating to their rights and duties hereunder) shall be settled by mediation and, if necessary, legally binding arbitration in accordance with the Rules of Procedure for Christian Conciliation of the Institute for Christian Conciliation, a division of Peacemaker® Ministries. Judgment upon an arbitration decision may be entered in any court otherwise having jurisdiction. The parties understand that these methods shall be the sole remedy for any controversy or claim arising out of this agreement and expressly waive their right to file a lawsuit in any civil court against one another for such disputes, except to enforce an arbitration decision.

It's one more way to assure that your plan works.

Curt



Corporate Veil Piercings: No Longer Just For Shareholders

Many people form corporations or other business entities to provide some level of personal asset protection from liabilities arising inside their business. Those of you who attended last summer's **Business Structures and Succession™** program saw how this works in great detail. This asset protection, at its core, arises because the business is itself a distinct entity from the owners of the business.

Suppose a corporation is found liable for breaching several contracts and as a result ends up owing someone a lot of money. As long as it was the *corporation* that engaged in those contracts, and not individuals on behalf of themselves, then typically the person owed the money would only have the corporation and its assets to look to for recovery. The shareholders who own the corporation would typically not be at risk in this situation.

But what happens if the corporation is not *really* being run as a distinct and separate entity? Generally, these protections will be lost. Failure to do so can result in the shareholders of the corporation being held liable for its debts. This means that their personal assets—their money and their homes—are at risk to satisfy the indebtedness. This is sometimes referred to as a creditor “piercing the corporate veil,” which is just a fancy way of saying that the corporation is a dud, doesn't really exist, and it is the owners who are the real personalities constituting the entire business picture. A corporate veil piercing is not a separate lawsuit in and of itself, but an argument that corporate debts from the underlying lawsuit should be satisfied by the owners themselves.

There are many formalities in maintaining a business that is separate and apart, including:

1. Keeping separate corporation checking accounts and corporation credit accounts;
2. Paying salaries;
3. Dealing in the corporate name (usually by President or other agent);
4. Having independent tax and legal advice for the corporation;
5. Holding and documenting annual meetings of the shareholders and/or directors;
6. Voting on major corporate decisions and documenting those at special meetings.

The above list is by no means exhaustive and could pertain to any business arrangement. The current state of the law in Illinois is a bit murky, but it seems the same arguments that would allow a creditor to pierce the corporate veil and go after the owners will also be available to creditors of other entities, like Limited Liability Companies or Limited Partnerships. There is no magic bullet, but the more separation there is, the more likely the entity protections will hold up. The key is always to observe the formalities of the business being a separate and distinct entity from the owners.

Under Illinois law, a recent case seems to expand the class of individuals that can be sued in a veil piercing. In the recent case of *Buckley vs. Abuzir*, the Court was asked whether a non-shareholder of the corporation could be liable, when the non-shareholder of the corporation was the dominant decision maker of the business, and no corporate formalities were being observed or followed. The court concluded that in a veil piercing situation (when there is no “real” corporation), the person who is alleged to actually be in control, and the dominant personality of the corporation, can also be on the hook for corporate debts.

Many of our clients are farmers with corporations that have been in existence for a long time. In many of these situations Mom and Dad are the shareholders, but perhaps are making fewer and fewer decisions about the management of the corporation as they get older—for example, perhaps these decisions are being made by their son who selects the seed each year, does the planting and harvesting, deals with the elevator, markets the grain, etc. Over the years, corporate formalities like shareholder meetings and keeping detailed corporate ledgers may have fallen by the wayside as the shareholders themselves got less involved. [cont'd]



The annual registration of the corporation was kept up each year, so the corporation wasn't administratively dissolved, and there might be a checkbook somewhere with the corporate name on it, but that's about it. Does this sound familiar to you?

If it does, and you are running a corporation in such a manner, not only could the shareholders be liable in the event of a lawsuit, but potentially that liability could extend to a non-shareholder who is making the day to day business decisions. If your corporate books are out of date, it is probably not too late to fix things. As with many things, waiting for a problem to arise is typically too late. If you are at all in doubt, examine your corporate book. Are the owners having meetings? Are these meetings documented at least annually? Are big decisions put to vote? Are all corporate assets and accounts kept completely separate from all individuals? These are just some of the things you should be looking for, and if they are not being done you risk losing some protections.

"Having a corporation" or "having an LLC" is a little like "having a trust": none of these legal tools will serve their intended purposes if you don't maintain the necessary formalities.

Sam

Kitty, Kitty, Kitty...

No, I'm not calling the cat. There's an old court case that goes something like this. A very rich man once left his black cat to his long-time maid, along with a trust fund to be used for the cat's care and a stipend to the maid. The trustee began to get suspicious when the cat lived a very long time. Either something strange was going on or else this cat was setting some kind of record! The investigation revealed that the maid was now on her 3rd black cat!

What will happen to your pets when you pass away? What would happen if you became disabled because of a stroke or Alzheimer's? Pet trusts and other estate planning tools are becoming more common to ensure that a beloved pet is well cared for even if you can't do it yourself.

If you have not provided a means to take care of your pet, and you want to, call to schedule a Personal Counselling Review™. We will help you with the details.

"If men knew themselves, God would heal and pardon them." Blaise Pascal, Pensee' 779

Thoughts on patience: "Of course, the ability to wait patiently is something we admire in others, but find difficult for ourselves. Patience is something I can admire in the driver behind me, for example, but not in the one ahead of me!"

Margaret Manning Shull of RZIM

Succession Planning

It seems like many trade publications are publishing articles about, and professional advisors of all kinds are offering to help you with, business succession planning.

Some clients came in to see me and were very apologetic: "We didn't realize you offered this sort of advice and help!" Their accountant had referred them to a financial advisor to explore retirement and succession planning for their family business. Then they learned that we offer much of that advice as well, and felt bad for having gone to others.

We weren't offended. The fact is, succession planning often requires a variety of professionals. The issues are voiced in questions like these:

"Do I have enough money to retire?"

"I can't afford to quit and pay all the income taxes I will incur!"

"How can I be sure my son is going to be able to run the business successfully?"

"If I turn control over to a new generation, am I still liable for what happens?"

"If I sell out, can I get top dollar for the business?"

The answers to these questions will come from investment advisors, income tax advisors, insurance advisors, business valuation experts, property appraisers, and legal professionals.

Legal professionals...yes, that's us. We can help. Many of you attended our 2014 summer education program, **Business Structures and Succession™**. You learned about Limited Liability Companies (LLCs) and how you could use one to help you sleep better at night (less fear of lawsuits) and reduce your income taxes. Sometimes an LLC is useful to transfer your business operation, too, but each family situation is different. In some cases a charitable trust is called for. In others, an irrevocable grantor trust is appropriate. But your legal professionals are, in almost any case, going to coordinate with your other advisors to develop the best possible succession plan for you.

Curt



“We must reject the idea that every time a law is broken, society is guilty rather than the lawbreaker. It is time to restore the American precept that each individual is accountable for his actions.”

Ronald Reagan

Advance Medical Directives

Question: What is the first thing that comes to your mind when you are going into the hospital for a scheduled—or maybe not-so-scheduled—medical situation?

Answer: The Estate Planning Center of course! Well, alright, probably not, but your estate plan should be near the top. Almost *every time* you are utilizing hospital facilities, or even visiting your primary care doctor for a routine checkup, you are asked for your advance medical directives. So, you think, “Do I even have Medical Directives? Do I have a Health Care Power of Attorney? Do I have a Living Will?” You tell the staff that you don’t think you do and they have you fill out fill-in-the-blank forms that they have on hand for anyone to use. What you have just done is voided the Health Care Power of Attorney and/or Living Will that we helped you create.

I explained this story to remind you that you *do have medical directives*, including a Health Care Power of Attorney and, for those who have chosen, a Living Will. You were counseled by Sam or Curt as to who you would want as your agent and what

options within those documents to choose. Much time and consideration went into them.

In addition, as a LifeSpan™ client, we provide you with a **DocuBank®** membership. You have a card to carry in your wallet, or somewhere handy, so that when asked for your advance medical directives, you can simply pull out your card, give it to the medical intake staff and they can quickly obtain your directives by following instructions on the card.

If you have any questions about this, or you do not have your **DocuBank®** card, please call or email me. This is a service we provide to you at no additional charge as one of the many privileges of being a LifeSpan™ client.

Real Estate Tax Bills

Review your tax bills! We cannot go by your tax bills to verify that your real estate is in your trust. *However*, if your tax bills are addressed to you individually (and not a trust nor you as “Trustee”) then this a **red flag** indicating that your real estate *might not* be funded. You should call your assessor to verify this. Ask them why the bills are addressed to you individually. If you need any assistance with this, of course, give us a call! Then, if your real estate is not in your trust, contact us immediately and we will get a deed prepared to fund it to your trust/s.

Caring about Friends

Remember that the highest compliment you can give us is referring a friend to us. If you think our services are valuable, then share that with people you

care about! Their first step, of course, would be to attend one of our monthly **TRUTH ABOUT ESTATE PLANNING™** workshops, presented by Curt and Sam. As you know, the workshop is complimentary, but reservations are required. We are always thrilled when your friends check us out for themselves.

Sarah

WEEKLY STANDARD
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www.investors.com/cartoons

Land and Liability

Living in the country has advantages. Wide open space, fresh air and a bit of privacy. Rural property owners who want to maintain their privacy and breathing room may rightfully try to keep four-wheelers, hunters and others off their land. You may be afraid that if someone is on your property and gets hurt, you will get sued. There are three primary categories of people who might be on your property, and personal injury law treats them differently: TRESPASSERS, GUESTS, and GENERAL PUBLIC.

You as a landowner owe no duty of care to an adult **TRESPASSER** except to refrain from “willful and wanton” conduct that would “endanger the safety of a known trespasser.” They trespass, they get hurt, it’s their own problem. You aren’t liable...unless you did something to willfully create a dangerous condition. (Setting a booby trap to get them comes to mind.)

Some people can be awfully presumptuous as they enjoy your property without your invitation. Are they trespassers? The general definition of criminal trespass is: “enters upon the land of another, after receiving prior to the entry, notice from the owner or occupant that the entry is forbidden.” So someone walking through your woods is not a trespasser until they have notice that you forbid them.

The traditional solution was to post visible “private property” and “no trespassing” signs around your property. Now those walkers have notice, and if they proceed, they are trespassing. But the signs get torn down or shot up. What’s a landowner to do?

Illinois law gives you another way to designate your property as private. The **purple paint law** allows you to mark your land without the need for posting visible signs on the more remote edges. You mark trees or posts with vertical stripes of purple paint, and it is effectively a sign to everyone that the area is off-limits, and they will be trespassing if they enter.

Bottom line: Trespassers can only sue if you do something willfully and wantonly to endanger a trespasser you know about.

GUESTS are a different matter altogether. It probably is not as bad as you imagine, but it is where your greatest risk lies. You must take “reasonable care under the circumstances regarding the state of the

premises” and the activities conducted there. An injured guest can sue successfully if they show that their injury was due to your negligence. That is, an injured guest can sue if you fail to exercise reasonable care to keep the premises and activities being conducted safe.

So, there is another strategy you might consider: Illinois law limits your liability risk if you open your land to the **GENERAL PUBLIC**. If you allow the public to freely enter your land for recreational or conservation purposes the Recreational Use of Land and Water Areas Act (RULWA Act) clears you of liability for injuries sustained on your property except in the case of a “willful and wanton failure to warn” the public of an unsafe condition. This is different from the care you owe your guests (you must take reasonable care to prevent harm), but slightly higher than the standard you owe trespassers (who can sue only if you willfully create a dangerous condition). Injured members of the public can sue if you know of a danger and willfully fail to warn them of it.

Where do hunters with permission fit? They would seem to be guests, but the Act treats “entry onto the land of another for recreational shooting or hunting” in the same way as the general public. That is, an injured hunter could only sue if you know of a danger and willfully and wantonly fail to warn the hunter, and he or she gets injured as a result.

After all that, we have one specific recommendation. If you do not open your land to the general public, then when you do permit hunters or others to use your property, have them sign a liability waiver. We have forms available!

Curt





The Estate Planning Center

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Saturday, December 13, 2014

Web Site

Home About Us Educational Resources The Truth... Family Farms Newsletters Client Testimonials Contact Us Resources

Protecting What Really Matters

- Where to Begin?
- Babysitter Instructions
- What is involved

Home

Getting Started

New to the Estate Planning Center? Just getting started with Estate Planning? Check out these great resources.

We've come to realize that some people don't really care what happens to their estate and their wisdom...which, ultimately, are their influence on future generations. We have also observed that even **people who do care** are often poorly served by professionals who aren't thorough.

If you care about the impact of your wealth and wisdom on your loved ones, we're here to help with our unique **LifeSpan Planning Process™**.

LOG IN FOR EXCLUSIVE CLIENT RESOURCES

Top Ten List

Why you should visit www.tlcplanning.com:

- #10. Every few weeks there is a new article, new page, or new visual aid.
- #9. Your visit increases our **web traffic** count so when prospective clients are searching for estate planning services, we are higher in the search results (helping our business grow keeps your annual fees down!).
- #8. The schedule of **Annual Family Reunions™** and **Truth About Estate Planning™** meetings is posted for your reference.
- #7. There is **Timeless Wisdom** updated daily in the form of Scripture passages.
- #6. You can see our "Rating" by **Avvo.com** (hint: it's "Superb"! Oh, and if you are happy with how we care for you, go to Avvo.com and "rate" us. You can do it anonymously. Thanks!
- #5. You have a direct link to **Docubank®** (make sure your Docubank® contact information is up-to-date in case of a medical emergency)
- #4. See—or show your kids—an online sample **LifeSpan Client Organizer™** and the **LifeSpan Helper Handbook™** (both under Exclusive Client

Resources)

- #3. Read hundreds of Curt's favorite Quotes!
 - #2. Watch—or have your kids watch—our top three **Family Education Programs™** and fill out Quiz/Certificate for easy attendance credit:
 - **Disability Transitions Made Simple™**
 - **My Spouse's Estate Made Simple™**
 - **Receiving My Inheritance Made Simple™**
- and the number one reason to visit our website...
- #1. You get to look at someone's **adorable blonde** grandsons on the home page!

"A silly idea is current that good people do not know what temptation means. This is an obvious lie. Only those who try to resist temptation know how strong it is... A man who gives in to temptation after five minutes simply does not know what it would have been like an hour later. That is why bad people, in one sense, know very little about badness. They have lived a sheltered life by always giving in."
C. S. Lewis

I BELIEVE THAT PEOPLE DON'T CARE HOW MUCH YOU KNOW UNTIL THEY KNOW HOW MUCH YOU CARE."

Richard H. Ferguson
1936-2008



"An unarmed man can only flee from evil, and evil is not overcome by fleeing from it." U.S. Marine Jeff Cooper (1920-2006)