



Cannon Estate Planning Teleconference Series

2010 Dates and Topics

2010 is an exceptional year with no estate tax before it goes back to the old tax laws in 2011. If Congress passes any major tax legislation affecting the Federal estate tax laws, you can be sure that Cannon will add another special teleconference to the 2010 Series to address the new tax laws and their effects on our clients.

1. Tuesday, January 12, 2010 (program code: 15992)

Recent Developments: Government Instructions for a Wave of New Laws.

Mountains of recent developments legislation and court decisions have filled our pipeline. What the Government is doing which is new and provocative occupies this topic.

- Changes in 529 Plans anticipate different uses than are now being used.
- Federal tax rates for income, estate, gift, fiduciary, change and remain uncoordinated.
- Does the agony of differences in pension taxation and estate taxation in general continue?
- How is our old friend the Credit Shelter Trust doing?
- Is the philosophy behind recent development legislation changing?

2. Tuesday, February 23, 2010 (program code: 15993)

Creating Wealth by Legal Means, Through Shifting Wealth by Legal Means.

There are dozens of ways to shift wealth which open the door to increasing that wealth. There are legal means thereafter to make available techniques to grow that wealth further. Taxes play a role; business acumen plays a role; time and patience play a role; as well as general economic conditions.

- What happens to the wealth which GRATs shift?
- Are the grantor and beneficiaries better off with a GRAT than other techniques?
- Frozen Family Partnerships, as complicated as they are, have a foothold in moving assets, dispersing assets and growing assets. Are they too complex to use?
- Are the two steps of shifting wealth and growing wealth thereafter essential to combine?
- Is the playing field limited because of the skill required?

3. Tuesday, March 23, 2010 (program code: 15994)
A Trust or Account for Every Purpose under the Sun.

The utilization of Crummey Trusts, Minor's Trusts, Dynastic Trusts, Custodial Accounts, 529 Plans and their multiple interrelationships are matters for serious study. The trusts and accounts not only relate to each other, but can be used in conjunction with each other.

- Do Crummey Trusts need modernization?
- Are Minor's Trusts too narrow in their application generally?
- Are Custodial Accounts still practical?
- Are 529 Plans as attractive as they seem?
- Are Dynastic Trusts for everyone?
- What are the multiple interrelationships among these devices?

4. Tuesday, April 20, 2010 (program code: 15995)
Guidance and Sanctions for Ethical Behavior Move More to the Left and More to the Right.

As a generalization (and we all know how unsafe they are), the courts, both state and Federal, seem to be relieving pressure on ethical behavior, whereas the statutes move more to the right, and are stricter sources of enforcement.

- Is persistence in what could be called ethical enforcement under Circular 230 an example of stricter ethics by statute?
- Are recent cases decided by state courts evidence of more tolerance of lawyers' behavior than Federal or state statutes?
- Is the sanction of fiduciary behavior more frequently encountered by ethics per se rules?
- What damages are coming out of ethical sanctions?
- What penalties are coming out of ethical sanctions?

5. Tuesday, May 25, 2010 (program code:15996)
The Use of Wealth to Modify Behavior.

One, among many blessings of wealth, is its utilization to modify behavior. Modification would include correcting disruptive behavior and causing changes which result in a more serious, balanced, conscientious, and reasonable person. It may involve influencing career choices to more sensitive alternatives. It may encourage association with people who are able to reinforce the best, not the worst. It may even be able to constructively address the introduction of spiritual and moral values.

- Useful techniques which have worked for wealthy families, to change behavior from irrational to more rational conduct.
- Utilizing methods to encourage study in college, graduate school, professional school or rudimentary vocational education.
- Pragmatic experiences garnered by others who have used behavioral technique modifications over prolonged periods of time.
- Professional points of view on wealth as a behavioral modification option.

- Types of beneficiaries responding to this approach and types which do not.

6. Tuesday, June 15, 2010 (program code: 15997)
GRITs and GRATs for Traditional Family Planning – Protecting State and Federal Exemption Levels.

Anyone who plans for the traditional family, which is at or slightly exceeds state and Federal exemption levels, must take steps to ensure transfer taxes will not become applicable. GRITs and GRATs are excellent tools to monitor the growth of family assets in order to stay within the exemption levels.

- GRITs and GRATs come in all sizes and shapes. Which one is appropriate for your family's situation?
- In times of low interest rates like now, why are GRITs and GRATs particularly attractive?
- Countering the low interest rate environment is deflation which must be balanced against interest rate issues.
- Should traditional family planning with A/B trusts and the like be supplemented with irrevocable trust planning?
- What property is appropriate to fund GRITs and GRATs?

7. Tuesday, July 27, 2010 (program code: 15998)
Fiduciary Mistakes and Learning from Them & Knowing Fiduciary Boundaries

Unfortunately, dozens of mistakes are made by fiduciaries of all types in giving estate planning advice and administering assets. Much can be learned from where others go wrong. Indeed, helpful checklists can be prepared which take into account frequent errors made by others.

- How to avoid undue influence claims when estate planning documents are changed close to death.
- How to stay within the confines of the language of wills and trusts when the language is less than perfect.
- How to anticipate where the battle lines will be drawn by the beneficiaries.
- Avoiding problems with the execution of documents.
- Courts watch procedures more than results – how you do something is often as or more important than what you do.
- Be aware of laws outside the document which can affect and even grossly modify the terms of your document.

Trustees and beneficiaries stake out their separate claims just like the Old Wild West. Each is concerned with entitlements and responsibilities. The goals are to minimize litigation and to better serve each other.

- Are trustee rights and responsibilities the same as those of beneficiaries? If the answer is no, what are the differences?
- How far can trust documents go in protecting trustees and beneficiaries?
- What are the most likely lawsuits taking place now and what are the damage ranges?

- What are the most popular defenses used by trustees and by beneficiaries against the most popular claims?
- What is a trial lawyer's perspective on instituting trust litigation

8. Tuesday, August 17, 2010 (program code:15999)
Suing Estate Planners – New Opportunities for Litigators?

The estate planner is an ideal target for litigation, unfortunately. Complex and ever-changing laws and high ethical standards lead to cracks in the wall for litigators to attack. Comprehensive malpractice insurance adds to litigators' incentive.

- Is McNeil vs. McNeil the motherload?
- Are the ways in which estate planners charge for their services, open doors to litigation?
- What about arbitration as a mandatory remedy? Do ethics get in the way?
- Note arbitration clauses in brokerage contracts with their customers.
- Can damages be limited to a specified amount?
- Will you need an expert witness and how does that person charge?

9. Tuesday, September 21, 2010 (program code: 16000)
The World of Irrevocable Life Insurance Trusts – Funding and Maintenance.

Dozens of new questions are being presented to estate planners about the old family favorite in estate planning, the Irrevocable Life Insurance Trust. From how to diversify policies, to how to review the trust documents and include effective exculpatory language, this device warrants special attention.

- Can you split gifts to an Irrevocable Life Insurance Trust when the spouse is a trustee and discretionary beneficiary?
- What are the best types of insurance to use in funding the Irrevocable Life Insurance Trust?
- How to price the trustee's fee for administering the Irrevocable Life Insurance Trust?
- What should the trustee require as standard provisions for procedures used to administer such a trust?
- Lessons learned from attacks on Irrevocable Life Insurance Trusts by beneficiaries.

10. Tuesday, October 19, 2010 (program code:16001)
Retirement Benefit Planning for the Non-Retirement Benefits Specialist.

Estate planners have always been inside a difficult pickle. Ours is a world of many subspecialties, including, but not limited to, life insurance, partnerships, corporate and personal income tax, retirement benefits, trusts & estates law, transfer tax laws and so forth. We have no choice but to be sufficiently familiar with these subspecialties in order to carry out our duties as an estate planner.

- Are we comfortable now with making retirement benefits payable to the marital trust?
- Are we at ease in making retirement benefits payable to B trust?
- What about Roth conversions?
- What about non-spousal rollovers?
- What about the details of spousal rollovers?

11. Tuesday, November 16, 2010 (program code:16002)

The Rocky Road Ahead for Charitable Giving.

With ideas floating around like reducing the deduction for lifetime charitable giving and perhaps death-time gifts as well, what is ahead is a brave new world. One main issue being debated is what effect such changes in the tax law relative to charitable giving will have upon charitable donors? We hear that people give without the deduction being a major consideration or at least one that will only marginally reduce their giving. With all due respect, that is simply not my experience.

- Charities actively seek sensible modifications to proposed new rules.
- What are the multiple tax advantages of lifetime and transfer tax deductions for charitable gifts?
- What is ahead for private foundations?
- What is ahead for donor-advised funds?
- What should charities be saying to prospective donors?
- What is the role of charitable remainder trusts?

12. Tuesday, December 7, 2010 (program code: 16003)

Gathering Necessary Data for Estate Planning and Obtaining New Business from Prospective or Existing Clients.

Experts disagree on something as “simple” as the estate planning questionnaire. Such a form should be part of the estate planner’s defense arsenal.

- Should the data form be signed by the client?
- Should the information furnished be verified by the estate planner?
- Should the client commit to accuracy of information and permit reliance?
- Should all documents be attached?
- Should copies of estate planning newsletters or other publications be attached as preliminary reading by the client?
- Should there be short and long data forms varying with the complexity and size of clients’ estates?

In addition, our discussion will focus on how faithful pursuit of certain basic principles will unlock new opportunities with existing or prior clients. Most of us would agree that existing or prior clients are the best source of business; however, opening this oyster to find the pearl is a demanding task.

- The ever popular notion of cross-selling -- using contacts for peripheral entry into new client matters.
- Using checklists to spot needs not yet addressed.

- Can social events, correspondence and newsletters be productive?
- What are the best procedures to have clients return to the office to address estate planning issues?
- What are the relevant ethical principles or constraints on soliciting business from old or existing clients?
- Is it a good idea for the estate planner, if asked by the client, to be executor or trustee?
- Are lawyers good referral sources for bank trust departments? Are bank trust departments good referrals for lawyers? Are accountants good referrals for both?