

WHAT'S GOING ON AT NASH NASH BEAN & FORD

This Month's Firm Focus

This month, we're gearing up for our October & November Estate Planning Seminars. See the enclosed flyer for additional details.

Are you online?

In addition to our website, www.nashbeanford.com, you can find our latest happenings on our Facebook page and learn the latest in Estate Planning and Elder Law issues by subscribing to our blog at www.nashbeanford.com/blog

Estate Planning Lessons from the Late Robin Williams

In the United States we are fascinated, sometimes obsessed, with celebrities. When a celebrity dies, we often turn that interest toward the estate left behind by the celebrity. How much money was left behind? What gets his/her money? It should come as no surprise then that the tabloids starting discussing the estate of actor and comedian Robin Williams within hours after he was reported to have committed suicide. What is surprising, however, is that the tabloids were able to provide details about trusts the actor created. After all, most trust agreements are supposed to be private.

One of the many reasons why people choose to incorporate trusts into their estate plans, in fact, is because of the private nature of a trust agreement. Unlike your Last Will and Testament, an irrevocable trust does not become part of your probate estate because the assets held by the trust are no longer legally yours. Details from two irrevocable trusts created by Williams though made it into the headlines shortly after his death. The reason for this is simple – the trust agreements were silent on the issue of

appointment of a successor trustee. While this may seem to be a minor detail, it is not.

Williams created an irrevocable trust back in 1989 for his then only child. He then created another irrevocable trust in 2009 for all three of his children -- Zachary, 31; Zelda, 25 and Cody, 22. Williams used the trust terms to stagger disbursements to his children – a wise move. He also appointed co-trustees. Unfortunately, one of the co-trustees died, leaving an important position open with no way to fill it because the trust agreement did not provide a method for filling the vacancy. As a result, the surviving co-trustee was forced to file a petition in court asking the court to appoint a successor trustee. Keep in mind that because the trust was an irrevocable trust even Williams could not appoint a successor trust once the trust became active. By petitioning the court for guidance, the trustee agreements themselves became part of the court file and, therefore, a matter of public record.

The lesson to be learned here is a simple one – always consult with an experienced Illinois estate planning attorney when creating, revising, or updating all, or part, of your estate plan.

Does Your Estate Plan Include Digital Assets?

As we move further into the “electronic age,” we seem to spend more of our lives online. Many of us have an ever-expanding digital footprint using accounts that store sensitive personal and financial information. These may include email accounts, website domain names, online banking accounts and passwords, and countless personal and business documents stored in the cloud. You may also have accounts with:

- Facebook
- Twitter
- Instagram
- Pinterest
- LinkedIn
- Youtube
- Amazon

- iTunes

The contents of all of these accounts are generally considered private property, which is why they are protected by usernames and passwords. It's important to include your "digital assets" in your estate plan, so someone has access to them in the event of your death or disability.

For example, you may need your bills paid online or other financial accounts managed, not to mention what you would like done with your email accounts, online photos, and other digital assets. You might want a trusted loved one to access your email account or your Facebook page to notify your friends and contacts of a sudden change. You might want playlists or photos downloaded and preserved for your children or other family members. And you would definitely want to provide your online banking information to your executor or trustee for hassle-free administration of your estate.

As a practical matter, there are several options for including your digital assets in your estate plan.

One option is to dispose of these assets using your Will or Trust. Due to the nature of digital assets, this option could prove unwieldy at best. Technology changes so rapidly that it is difficult to keep a Will or Trust current that itemizes ever-changing digital assets. Passwords change frequently, as do digital assets themselves. Ten years ago, you might have had a Hotmail account or a MySpace page...who knows what digital assets you'll have two years from now. You don't want to revisit your estate planning attorney every time you join a new social network.

Another option is to keep a flash drive with all your pertinent information, along with instructions for handling each account. The drive would need to be stored in a safe place and updated frequently, and you would need to let a trusted family member or friend know of its location. Unless the person you select has easy access to your home, this may not be an ideal solution.

A third option is to get an account with an online digital asset repository such as Password Box, which allows you to securely upload and maintain your usernames, passwords, and other information concerning your digital assets. In the event of your death or disability, access to this information is granted to a person (or people) designated by you, allowing for a smooth transition of your digital assets.

The worst thing you can do when it comes to planning your digital assets is nothing. Without a plan in place, many email providers have policies that provide for the deletion of all account contents after a specified period of inactivity. Leaving your digital assets in limbo can mean that your loved ones may lose access to them and might be forced to spend time and money jumping through hoops to get to your information.

It is especially important to have a clear plan for assets with real financial value, such as eBay, PayPal, iTunes, and Kindle accounts, not to mention online bank accounts. You'll want to ensure the person you leave in charge of these is legally obligated to manage them as you have instructed. The trustee of your Trust is an obvious choice for this responsibility.

Technological advances continue to outpace the law, and these result in many gray areas when it comes to digital assets – especially in the context of estate planning. Now more than ever, it is essential that you work closely with an estate planning attorney who has knowledge of digital assets to ensure that your estate plan is up-to-date so that *all* of your assets are protected. Associate Attorney Ben Young spoke on this topic at the Quad Cities Computer Society's monthly membership meeting in August.

Stretching Your IRA in Illinois

Have you ever heard the phrase "stretching your IRA"? Here's the not-so-little trick it refers to: If you inherit an IRA, it's not only possible for you to "stretch your payments out" over the course of your lifetime, but with adequate assets and

planning, *your* beneficiary can actually do the same after your death.

The whole process starts with your decedent's beneficiary form. If anyone other than the decedent's spouse inherits the account, they are legally required to begin taking distributions by December 31 of the year following the death. The beneficiary retains the right to withdraw funds over the course of their lifetime.

If you are the holder of a current IRA, your account has been able to grow tax-free since it was established. This can continue unabated until your spouse or other beneficiary dies or fully depletes the account.

Normally, when you are closing an IRA account, you can redeposit funds into another IRA within 60 days at no penalty. The better process is to have the inherited IRA transferred directly to your new inherited IRA. This is referred to as a Trustee to Trustee transfer. When you are the beneficiary to such an account, the process will not be as simple if you are choosing to stretch payments over your lifetime.

Properly titling of the inherited IRA account is paramount. This is one of the most detailed areas of tax law. It is definitely not a do-it-yourself job. Lawyers who are specialists in other fields would be prudent in avoiding this process. You only have one chance to get it right and there are no do-overs.

If you find yourself wanting your stretch your IRA or needing to retitle an inherited IRA, please call us at (309) 944-2188 to set up a private consultation.

Your Estate Planning Dictionary

Maybe it's been a while since you did you trust or maybe you could use a refresher in the terms and ideas of estate planning.

Conservator – A court appointed representative responsible for managing the financial affairs of a person deemed incompetent to manage his or her own finances.

Referrals

We hope that after having completed your estate planning, you also feel it was a valuable process. If you know family or friends that you feel could also benefit from that process, we encourage you to refer them to our firm. Don't worry, we won't bother them. We would simply like to send them a personal invitation to one of our free estate planning seminars in their area. You may find that they may have some of the same reasons to complete their estate planning as you did!

If you would like to refer a family member or friend, simply fill out the enclosed referral form and return it to our office. You may also email their name and contact information to info@nashbeanford.com.

Nash Nash Bean & Ford Happenings

Bob Nash had back surgery on October 2. Bob will be out of the office for as little as 8 weeks or until the end of the year. In the meantime all of the other attorneys will be helping with clients' needs while he is out. We wish Bob a speedy but complete recovery!

Blue Jeans for Charity If you've been in our offices over the past year, you may have noticed that we've been going casual for a cause. We designate the fourth Friday of every month for "Blue Jeans for Charity" day, in which staff and attorneys can pay \$5 to wear jeans to benefit a charity suggested by the staff. The firm matches funds raised by the blue-jean wearing staff. Since our last issue, we have supported Up With Life, Nick Teddy Foundation, the Geneseo Food Pantry and will be supporting Children's Therapy Center in October. Thank you to our staff and firm for supporting these great charities.

Continuing Legal Education Efforts of Our Attorneys

As part of their membership in the American Academy of Estate Planning Attorneys, all of our attorneys are required to complete 36 hours of continuing legal education:

Jim Nash & Ben Young completed Starting Points: Basic Estate Planning provided by Illinois Institute for Continuing Legal Education.

Jim Nash also attended the Academy of Estate Planning Attorneys Fall Summit in San Diego, CA

along with Funding Paralegal Jackie Lauritzen and Marketing Coordinator Tonya Adams.

Ben Young also completed Effective Administration of Decedents' Estates provided by Illinois Institute for Continuing Legal Education.

John Bean completed Trusts as Beneficiaries of IRAs provided by the Academy of Estate Planning Attorneys.

Recipe

Slow Cooker Italian Beef

(from Tonya Adams, Marketing Coordinator)

4-5 lb. Rump Roast

1 Pkg. Good Seasons Italian Dressing Mix

1 Pkg. Au Jus Mix

1 Can Beef Broth

1 Cup Water

1 Medium Green Pepper Thinly Sliced

1 Medium Onion Thinly Sliced

Mix ingredients and pour over roast in slow cooker. Top with green pepper & onion. Cook on low 6-7 hours or until roast is tender.

Speaker's Connection

Thank you to the Quad Cities Computer Society for asking us to speak about Estate Planning in the Electronic Age.

Does your organization need a program? We regularly work with professionals, churches, non-profit organizations, clubs and other groups to help educate their clients and members on the principles of Estate, Tax and Business Planning along with both immediate and long-term Charitable Giving options. We also speak to elder organizations, such as Alzheimer's Associations, assisted living facilities and senior citizen organizations on Medicaid planning, care giving and retirement planning topics.

If you would like us to speak at your next meeting, contact our office at 309-944-2188, 309-762-9368 or 1-800-644-5345 and ask for Tonya.

For up-to-the-Minute News

We are happy to offer you:

- *eNewsletters* filled with timely and informative articles about estate planning and related topics.

- *Blog posts* covering a variety of estate planning, farm planning, business planning and elder law topics.

- *Facebook* and *Google+* filled with community and nonprofit events, health tips, farm and family information and general news about the Nash Nash Bean & Ford family.

It's easy to join any of these options by simply visiting our website, www.nashbeanford.com, and following the links in the right hand column. It's that simple! Please tell your friends!

Do you have any changes to your current lifestyle that would affect your will or trust?

This will include a death, marriage, divorce or any status that could change your will or trust. Please contact our office immediately so we can review your documents. We will let you know if there are any changes that need to be made or reviewed with you.

It is also important for your family to know what life insurance you have in the event of an unexpected death. If you receive notification from your Life Insurance Company do not ignore it. It is your responsibility to update names and address of named beneficiaries of a policy. It will help your loved ones in the long run!

Have you gotten rid of your home phone and use a cell phone only now?

Please contact our office at (309) 944-2188 or (800) 644-5345 so we can update your information in your file.