

SYLVESTER LAW FIRM ONE PAGER (11/2008)

Did You Know...?

- ◆ The only thing keeping me from playing on the Professional Golf Tour is talent, but that's the only thing.
- ◆ In the current depressed market environment it is difficult to advise individual trustees and executors as to how they should invest probate and trust assets for the benefit of beneficiaries. If assets are part of a probate estate or an administrative trust (i.e., what we call the revocable living trust after the trust-maker's death, and which lasts about one year until trust settlement is completed), the assets will be held by such entities for a relatively short time period and then distributed to beneficiaries or continuing sub-trusts. *In light of current market conditions, does an individual executor or trustee of an administrative trust satisfy his/her fiduciary duty by merely maintaining a balanced portfolio? Or, in the current market environment, is it more prudent for an executor of a probate estate or trustee of an administrative trust to liquidate securities and invest in short-term CDs or other cash equivalent vehicles in an effort to preserve principal?* From a legal perspective, I don't think there is a clear answer to this question. *(Although, I'm sure plaintiffs lawyers would disagree with me.)* Individual and corporate trustees cannot guarantee investment results. However, they do have a fiduciary duty to prudently invest probate and trust assets.
- ◆ When I prepare revocable living trust plans for clients, I recommend that their car not be transferred to their trust. I actually find it easier to transfer vehicles post-death to new owners when the original owner died leaving the vehicle in his/her own name. Probate is usually not an issue for vehicles. This is just a matter of style; there is nothing wrong with transferring a vehicle to a personal trust during the trust-maker's lifetime.
- ◆ Because of the high cost of airline tickets right now, I expect to perform most of my Florida work out of my Wilmette office during the next 9 months or so. I just hope we don't have a replay of last winter's weather in the coming months!

Business Development Tid-bits

- ◆ Use my conference room or my office building's seminar rooms for meetings with clients who reside much closer to my office than your offices. Clients will appreciate the convenience. Never hesitate to send me an e-mail directing me to reserve my conference room or seminar rooms for you and your client(s) to use.
- ◆ Use this time of volatile market conditions to revisit all of your clients' insurance coverage, and talk to clients about how their insurance portfolios can be improved, if at all. Your primary focus will be on life, LTC and disability products. However, I also recommend that you inquire about the existence of an umbrella policy for asset protection purposes. For clients who don't have an umbrella policy, perhaps this would be a good time to introduce them to a property and casualty insurance agent. The P&C agent will be impressed with your thoroughness, and take interest in your own practice.
- ◆ Exercise at least 5 days per week for at least 30 minutes each exercise session. Exercise gives you energy and makes you feel more healthy. When you feel more healthy, you feel better about yourself. When you feel better about yourself, you have a better attitude. Remember, attitude is everything.
- ◆ Consider hosting a seminar on *How to Navigate the Current Volatile Market Environment*. I would be happy to join you any seminar efforts. Consider having a psychologist speak about ways to stay mentally healthy during these difficult financial times.

Recommended Product and/or Resource

- ◆ I frequently fly to Florida on Midwest Airlines from General Mitchell Airport in Milwaukee. I highly recommend using Midwest if it flies to your destinations. I also recommend utilizing General Mitchell Airport when you need to fly. I find General Mitchell so much easier to navigate than O'Hare and much less stressful.

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