

*Protecting What You Value Most Through
Estate Planning and Asset Protection*

Providing Solutions That Secure and Enhance Your Wealth and Your Legacy

Everyone understands the benefits of having insurance to protect your assets from unanticipated events. Hazard and casualty insurance is necessary to provide protection from the risks of fire, floods and wind damage. Liability insurance is necessary to provide protection from the risks of auto accidents and personal injury. But what can you do to protect your assets from claims in excess of your insurance or from risks of lawsuits or from unexpected business liabilities or from an overabundance of tax consequences? Fortunately having an asset protection plan in place can help insulate you from these potentially significant risks.

We believe in providing you with effective solutions so that you can have confidence that your assets and your legacy are protected. An effective asset protection plan needs to be in place before a lawsuit or claim is made against you, and well in advance of your retirement or death, so it is important to take the step toward greater protection today.

Wild Felice & Pardo is a full-service, Fort Lauderdale, Florida based law firm with a specialty in asset protection. We utilize a combination of estate planning, real estate law, corporate formation, family law, and asset structuring to assure that our clients are protected from potential litigation, creditors, and any other threats that may be looming. A properly designed asset protection plan can accomplish many of your most important objectives:

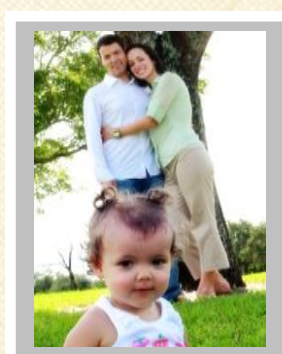
- Protection of family savings and investments from lawsuits and claims.
- Protection against inadequate or unavailable insurance coverage.
- Insulation of rental properties reducing your exposure to potential lawsuits.
- Protection of business assets and accounts receivable from potential claims.
- Elimination of probate.
- Reduction of estate taxes.



ESTATE PLANNING FOR MINOR CHILDREN EDITION

It's not really news that most people don't have an estate plan. What's truly scary is that parents of minor kids are apparently even *less* likely than others to have prepared a will. Even though it is an unpleasant subject, planning for your children's care in case of your incapacity or death is necessary. In this issue, we will discuss:

- The different types of guardians
- The benefits of a Separate Share Trust
- Your children's finances when an ex-spouse is involved



*Every American should have an
estate plan in place but the need for
comprehensive estate planning is
even greater when you have
children.*



WILD FELICE & PARDO, P.A.

101 N Pine Island Road, Suite 201
Ft. Lauderdale, FL 33324
954-944-2855 office • 954.653.2917 fax
info@wfplaw.com
www.wfplaw.com



New Year's Resolution: Estate Planning to Protect my Child

On New Year's Day, most Americans like the idea of a new start and a clean slate. We make New Year's resolutions and start working out or keeping a cleaner house or eating better. January also tends to be a month when many children are born. Mothers who plan to give birth when the weather is not as hot will schedule their pregnancies so that their babies are born in either December or January. The beginning of the year is a time for lifestyle additions and subtractions. Unfortunately for some, one of those subtractions tends to be marriage. Many unhappy couples wait until after the holidays to get divorced and see January as a time to end a troubled relationship and start fresh.

Whether adding a child or subtracting a spouse, one of the most important resolutions to keep each New Year is the one to draft or review your estate plan. If you are married and have a new child, you must protect that child by announcing its guardian in the case that something should happen to you and your spouse. If you are a single parent, this need is even more pressing. If you don't select a guardian for your child, there will be a lengthy process to determine the guardianship which may result in your child being raised by someone less than ideal or even becoming a ward of the state.

Beyond choosing a guardian for your child, you should have a trust in place to protect your children from probate and limit their exposure to any estate tax liability. You should also add contingent trusts to your estate plan if you are leaving money to a minor child. Distributing assets to a child outside of a trust can lead to a total loss of assets and a child that is taken advantage of. By leaving your assets to your children in trust, you assure that the assets are protected from any predators and from the whims of an immature child who is not accustomed to handling large sums of money.

When I ask my single parent clients if they want to leave all of their assets to their ex-spouse, the answer is usually "No." However, without a trust in place to distribute assets and then protect those assets for your children, that is exactly what is going to happen. If you or anyone you know is the parent of a minor child, whether single or divorced, a living trust is an absolute necessity.



Michael D. Wild is a Florida attorney specializing in the areas of estate planning and asset protection. For more information on successful Florida estate planning and asset protection techniques, please contact the South Florida law firm of Wild Felice & Pardo, P.A. at 954-944-2855 or via email at info@wfplaw.com to schedule your free consultation. Protecting what you value most.

Did you know?



If you die without a trust in place and leave all of your assets to your minor child, that child's surviving parent will be able to manage the entire estate on behalf of the child. If you die while happily married, there is no issue. However, if you die while divorced, your ex-spouse will end up with ALL of your assets. The only way to prevent this from occurring is to set up a Separate Share Trust for your child, to be funded by your Living Trust at the time of your death. Don't leave everything to your ex; leave it to your child. Get a trust in place immediately.

CHOOSING THE RIGHT TYPE OF GUARDIAN

Having minor children adds an new and extremely important dimension to estate planning. It is necessary to plan for the care of children in case of parental incapacity or death. Adjusting to the loss and the new family relationships can be an extremely disruptive process for the child, even if the new family are grandparents or other relatives. It can be avoided if a parent chooses a guardian for the child in a will or a grant of guardianship.

There are two kinds of guardians: *guardians of the estate*, and *guardians of the person*. The former manages the money or assets held by a child, whether the parents are incapacitated or have passed away. A guardian of the person, however, is someone who becomes a substitute parent for the child should the child's actual parents die or become incapacitated or otherwise unable to take care of them.

When selecting a guardian, be aware of the two types, and choose people with the skills or attributes that best suit those roles. In other words, your accountant brother-in-law may be a terrific choice as guardian of the children's estate, but his workaholic nature may make him a poor choice for guardian of the person.

WILD FELICE & PARDO, P.A.

101 N Pine Island Road, Suite 201
Ft. Lauderdale, FL 33324
954-944-2855 office • 954.653.2917 fax
info@wfplaw.com
www.wfplaw.com



SATISFY SPECIFIC NEEDS BY USING SEPARATE TRUSTS

It is more than likely that the reason for establishing your estate plan is to ensure that your family is financially secure after you are gone. Estate planning for families with minor children can present challenges and difficult choices to parents. The challenges originate from the minor's legal restrictions on ownership of property and by the parent's desire to gift assets to a minor but to defer the minor's actual possession until the minor reaches some level of maturity or at least the age of majority. Additionally, planning for minors also involves planning for the custody of the minor in the event both parents die before the minor reaches the legal age of majority. Once appointed, the guardian has a significant impact on the child's value system, religious beliefs, education and, in general, the child's development to adulthood.

Once a guardian is chosen, the most effective way to make sure that each of your children receives the necessary financial support to ensure that they are well taken care of is to establish your Revocable Trust and draft a provision that would create Separate Share Trusts upon your death. A "Separate Share Trust" is called that because a separate trust is created for each of your children. This can make it easier for the parents to account for the differences in the needs and propensities of each child. If one child has special medical or education needs, or if there is a wide gap in the children's ages, parents can establish the appropriate portion of the estate, and can establish the terms of the distribution accordingly. Thus, by using Separate Share Trust, you can ensure that each child is cared for according to their specific needs.

In Separate Share Trust the parent/grantor can decide under what circumstances and at what age each child has the maturity sufficient to take possession of the assets. This will ensure that children will not recklessly waste the funds when they turn 18. However, one disadvantage to using "separate share" trusts with multiple children is the difficulty in administration. Depending on the provisions of the trust agreement, the trustee (which does not have to be the legal guardian) may have to account to each beneficiary separately and may have to maintain records of the distributable net income attributable to each beneficiary for income tax purposes.

A grantor need not have a large estate to create a trust. The assets you will leave your children can add up faster than you think. If you add the value of your home, savings and investment accounts, you may find that you are well over \$75,000. In these cases a trust is usually the best solution. In addition, the trust could be funded by life insurance policies which can push the value of their estate much higher. Once established, the trust would provide for the children's care and education and make money available to them as they reach certain ages indicative of maturity 18, 21, 25, 30, 35 or any other age you specify. You've worked hard to provide for your family a bright future. Plan accordingly and make sure that your work creates the best opportunities imaginable for your children.

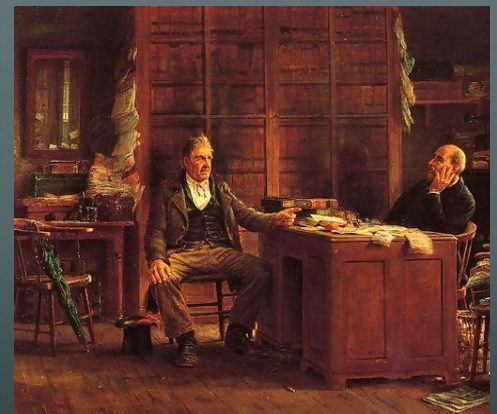


THE DECEASED AND HIS HEIRS

A man died leaving a large estate and many sorrowful relations who claimed it. After some years, when all but one had had judgment given against them, that one was awarded the estate, which he asked his Attorney to have appraised.

"There is nothing to appraise," said the Attorney, pocketing his last fee. "Then," said the Successful Claimant, "what good has all this litigation done me?"

Families are destroyed and fortunes lost when things are left unclear. Plan today to make sure your loved ones can enjoy the fruits of your labor in peace and harmony.



WILD FELICE & PARDO, P.A.

101 N Pine Island Road, Suite 201
Ft. Lauderdale, FL 33324
954-944-2855 office • 954.653.2917 fax
info@wfplaw.com
www.wfplaw.com

