

BOTTI & MORISON
ESTATE PLANNING ATTORNEYS, LTD.

BAKERSFIELD • SAN LUIS OBISPO • SANTA BARBARA
VALENCIA • VENTURA • WESTLAKE VILLAGE

WWW.BOTTILAW.COM

877.585.1885

Dear Friend,

If you're like us, you're looking for signs that things are returning to normal. We are extremely excited to announce that our live workshops are returning! After the challenges we all faced in the last two years, we cannot wait to get back to our passion – educating folks about the importance of estate planning – a topic that gained importance and relevance for many of us. You've worked hard for what you have . . . so why put it all at risk by failing to plan? The estate planning attorneys at Botti & Morison are pleased to bring you this important Legal Advisory. You need to know the truth about probate as well as other important changes in the law made effective last year. Additionally, dramatic changes in the estate tax and capital gains tax system may occur this year that promise to have profound planning implications.

As a homeowner, it is imperative that you establish a well-designed, comprehensive estate plan to protect your hard-earned assets. Estate taxes and probate (the legal process of distributing your assets after you are gone) cost thousands of dollars, *even if you have a will*. Money that should go to your loved ones will instead go to the government and probate lawyers.

Attorneys Christopher Botti and Paul Morison each have over thirty years of estate planning experience and have been dedicated to serving Ventura County since 2003. They personally work with each client from start-to-finish in the process of crafting a customized estate plan. We would like to invite you to attend our free, informative workshop that will explain estate planning and demonstrate how Botti & Morison has made the process simple and affordable. At the workshop you will learn how to eliminate all costs of probate to your family. You will leave the workshop with a feeling of empowerment, knowing that your family will be protected from unnecessary probate expenses and potentially devastating tax burdens – and that your final wishes will be followed.

There is no cost to attend this workshop. It is recommended that spouses attend together, but the information applies equally to unmarried people as well. Feel free to bring friends too. We are privileged to be able to gather again and bring this informative and entertaining presentation to you. Don't procrastinate any longer – call today to reserve your seat and let's get back to the old normal!

Very Truly Yours,



Christopher E. Botti, Esq.
Certified Specialist



Paul A. Morison, Esq.

Our Clients Are Satisfied . . . You Will Be Too.

“Although I never really wanted to deal with it, it’s such a relief knowing I’ve taken care of my family. It’s a great feeling knowing my Living Trust will spare my family the costs and delays of probate.”

- Kevin P.

“As a single parent with many responsibilities, I’m extremely grateful that you made a complicated issue so simple. I’m relieved to have set up my Will and Trust.”

- Susan W.

“After attending the seminar, we decided we needed a living trust. After we sat down with Paul, we were confident in our decision. He explained everything in detail and answered all of our questions.”

- Nicholas R.

“The workshop was excellent. I came away with a clear understanding of why I need a Will and Trust. Everything I’ve worked for is now protected.”

- Frederick S.

“Chris was very patient and efficient. I would highly recommend their services to anyone interested in preserving their assets.”

- Susan L.

“It was so easy. I wish I had done it a long time ago. The peace of mind is tremendous.”

- Leona D.

Visit our website at www.bottilaw.com for more client testimonials.

** Client testimonials do not constitute a guarantee or prediction regarding the outcome of your legal matter.*

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**Learn How to Protect Your Estate and Avoid the High Cost of Probate
at Our Free Workshop**

Without an estate plan, the fates of your assets and your loved ones may be decided by the Probate Court, government bureaucrats and tax agencies. Taxes and attorneys' fees can eat away at your estate, and distribution of your assets will be delayed at a time when your heirs need them most. Remember, if you don't put your own estate plan into action, the government will do it for you.

Probate is necessary when an individual dies without the proper estate planning documents and his or her assets exceed \$166,250. The cost for probating an estate is based on the estate's **gross asset value**. The chart below shows the cost of probate as set by the California Probate Code relative to the estate's gross asset value.

Gross Asset Value of Entire Estate	Statutory Probate Fees WITHOUT Proper Estate Planning	Probate Fees WITH Proper Estate Planning
\$250,000	\$16,000*	\$0
\$500,000	\$26,000*	\$0
\$750,000	\$36,000*	\$0
\$1,000,000	\$46,000*	\$0
\$2,000,000	\$66,000*	\$0
\$3,000,000	\$86,000*	\$0
\$4,000,000	\$106,000*	\$0

*This is not a tax. One half will be paid to a probate lawyer and one half may go to Administrator(s) unless you take action.

Please accept this invitation to attend our free, informative workshop that will explain estate planning and demonstrate how Botti & Morison has made the process simple and affordable. At the workshop you will learn how to eliminate all costs of probate to your family, and our free Estate Planning Kit will show you how to put into place the various components of a truly comprehensive estate plan.

WHY IS ESTATE PLANNING AND ASSET PROTECTION SO IMPORTANT?

You have worked hard to build your assets — your home, investments, personal property — and to provide a level of financial security for your loved ones. Doesn't it make sense to work just as hard to protect them in the event something should happen to you? That's the primary goal of estate planning — to protect, preserve, and manage your estate if you die or become disabled. There are methods to structure the ownership of your assets to make it difficult, or even impossible, for others to take them away. Creditors, plaintiffs, unhappy business partners, state and federal agencies — all can threaten those assets. Proper planning can reduce, or even eliminate, those threats long before they appear. Our clients tell us that the peace of mind that comes with planning is priceless.

Why is estate planning and asset protection so important? Because it allows you to accomplish a number of crucial objectives:

1. **Avoid the costs and delays of probate and keep your family matters private.**
2. **Help ensure that your money and other assets go to the people you choose. Without a plan, California law will determine your beneficiaries.**
3. **Specify who will care for your minor children if you become unable to do so.**
4. **Defuse potential conflicts over the distribution of your assets.**
5. **Eliminate or minimize estate taxes and other transfer taxes.**
6. **Help ensure that you're taken care of in the manner you wish if you should become incapacitated and save your family potentially thousands of dollars in attorney's fees by avoiding a conservatorship court proceeding.**
7. **Help protect your assets from financial predators.**

Do your loved ones a favor and get started now, and at the same time achieve peace of mind, knowing that you have taken care of this important task. Please take the time to complete the following Quiz.

ESTATE PLANNING QUIZ

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have a current Will which names guardians for minor children? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have a Durable Power of Attorney so that someone can handle financial matters for you in the event that you become disabled? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have an Advance Health Care Directive? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have provisions in your Trust or Will designed to eliminate or minimize estate taxes? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you designated how your personal property will be distributed after your death? |

If you answered "No" to any of the above questions, you should attend our Estate Planning Workshop.

- | Yes | No | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | Do you have a Health Care Power of Attorney signed before 2003? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you changed your mind regarding distribution of your property to your heirs? |
| <input type="checkbox"/> | <input type="checkbox"/> | Has there been a change in the value of your estate (the value of everything you own)? |
| <input type="checkbox"/> | <input type="checkbox"/> | Do the beneficiaries of your insurance policies and retirement accounts need to be changed? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you recently married, divorced or remarried? |
| <input type="checkbox"/> | <input type="checkbox"/> | Have you moved between states? |

If you answered "Yes" to any of the above questions, you should attend our Estate Planning Workshop.

Call 877.585.1885 or visit www.bottilaw.com to reserve your seats.

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ALREADY HAVE A TRUST?

Are you concerned that your existing estate plan is valid, up to date and will serve its intended purpose? We are often asked to review existing estate plans and are shocked by the number of individuals who have had these critical documents prepared incorrectly by non-attorneys, “document assist” companies, or online services. Often these “one-size-fits-all” forms will fail because they: (i) are missing critical provisions; (ii) are out of date; (iii) contain provisions that are unnecessarily complex, especially in light of the dramatic changes to the Federal Estate Tax system; (iv) have not been properly implemented and/or “funded,” which may lead to Probate; or, (v) contain provisions that will ultimately lead to conflict and expensive court challenges.

We have included with this letter some common, potentially dangerous scenarios that we have seen repeatedly lead to disastrous results. Please review them and see if any apply to your situation. If your estate plan was prepared by an experienced estate planning attorney with whom you maintain a relationship, then we urge you to consult with them about the issues raised in this letter. If, however, that is not your situation (i.e., your attorney is unavailable to you, or you simply have no one to turn to for an intelligent conversation about this important subject), then we invite you to attend our workshop or come in for a **Free Estate Plan Review** with either Mr. Botti or Mr. Morison. All you need to do to schedule this no obligation consultation is call the office within thirty days from receipt of this letter and make an appointment – it’s that simple to gain the peace of mind that proper estate planning delivers.

DANGEROUS SCENARIO NO. 1: “TRUST MILLS”

Did you purchase a living trust from an organization that you thought was a law firm? Here’s how a “trust mill” works: under the pretext of preparing your estate plan, sales people from these companies obtain your personal financial information in order to use in advancing their hidden agenda: selling inappropriate annuities and other similar investments, *most often to senior citizens*. According to the California Attorney General:

“To give themselves a cloak of legitimacy, these sales agents pretend to be experts in living trusts. In their solicitations, these sales agents often pose as expert financial or estate planners. They pass themselves off as a “trust advisor,” “senior estate planner” or “paralegal,” and schedule an initial appointment with seniors in their homes. They sometimes work in assisted living centers, churches and other places where seniors gather, hooking elderly victims through free seminars and other sales presentations. Seniors pay substantial sums of money to sales agents for living trusts, but sometimes, through fraud and deceit, the sales agents damage seniors’ estate plans, and the security of their investments and life savings. Planning an estate and choosing investments involve important legal, financial, and personal decisions. If estate planning documents are not properly prepared or executed they can be invalid and cause lasting damage.”

Does this sound familiar? If so, you should be concerned. You can view the California Attorney General’s full warning concerning Trust Mills at http://oag.ca.gov/consumers/general/living_trust_mills. If you have reason to believe that your estate plan was prepared by one of these companies, or if you’re uncertain as to the origin of your documents, you should schedule a free consultation with us.

DANGEROUS SCENARIO NO. 2: FEDERAL ESTATE TAX COMPLIANCE

There have been significant changes to the Federal Estate and Gift Tax laws. If your documents were prepared under the old system, they may be out of date, and very likely contain overly complicated and unnecessarily burdensome provisions, especially if you are married, or were married at the time your documents were prepared. The good news is that very few estates will be subject to tax liability under the new system of regulations. You should review your plan to determine if it needs to be amended in light of the new estate tax system.

DANGEROUS SCENARIO NO. 3: LACK OF LONG-TERM CARE COMPLIANCE

The primary goal of long-term care estate planning is to protect, preserve and manage your estate if you are not well. Why is long-term care estate planning so important? Because it allows you to accomplish a number of crucial objectives:

1. Be in a position to maximize your ability to preserve your estate for you and your loved ones in the event of medical crisis.
2. Help ensure that your money and other assets go to the people you choose without the need of your estate going through Probate.
3. Defuse potential conflicts over management of your affairs if you become disabled by having a properly crafted Advance Health Care Directive.

Planning for long-term care can involve complex evaluations and may require extensive estate planning, either in the form of modifications to your existing documents or the creation of new documents. If you require long-term care because of a chronic physical condition such as arthritis or Parkinson's disease, or a degenerative mental disease such as Alzheimer's, who will pay for it? The answer is probably you, unless you take steps to protect yourself.

Very little, if any, long-term care is covered under health, disability or Medicare supplemental insurance policies. Medi-Cal may be an option to pay for your costs of care. Due to the high costs of nursing home care, a majority of California's nursing home residents have part or all of their care paid for by the Medi-Cal program at some point.

FREQUENTLY ASKED QUESTIONS

- **Do I need to sell the house to qualify for Medi-Cal?** No, under current rules the home is treated as an "exempt asset." But, just because the home is "exempt" does not mean that California will not vigorously pursue recovery efforts and place a lien on the home. Legal strategies are available to protect against such a lien.
- **I have a living trust. Will a living trust protect my assets, including my home from a claim for reimbursement by the state?** Yes. The trust (if properly drafted and funded) will protect your assets from a Medi-Cal recovery lien under a new law effective January 1, 2017.