



ROBINSON, LYON & FULTON

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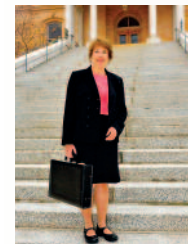
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NEWSLETTER VOLUME 1, ISSUE 1 – MAY 2009

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MARGARET HEISER FULTON

Certified Specialist in Estate Planning, Trust and Probate Law. Certified by the State Bar of California Board of Legal Specialization

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WELCOME

We are pleased to send you a copy of our first newsletter. At Robinson, Lyon & Fulton, we provide quality legal services to help clients pass assets from one generation to the next. Our practice focuses exclusively on estate planning and administration. If you would like to receive the email version of our future newsletters, please visit our new website at www.fulton-law.com and select the Newsletter tab.

THE ROBINSON FIRM

In 2002, the Law offices of Margaret Heiser Fulton merged with the Auburn firm of Robinson and Lyon. Margaret Heiser Fulton, the principal attorney, is certified by the California State Bar as a specialist in estate planning, trust and probate law. She earned her law degree from Hastings College of the Law in San Francisco in 1977. In 1992, she earned a Master of Laws in Taxation degree from Mc George School of Law in Sacramento.

Margaret, and the entire staff at Robinson, Lyon & Fulton, have years of experience in estate planning and administration, and are committed to providing you excellent and prompt legal services. The Robinson, Lyon & Fulton staff also includes Donna Robison, a contract attorney, and paralegals and administrative personnel who share the firm's commitment to excellent legal service. The Robinson firm was founded by A.K. Robinson in 1887, and is one of the oldest law firms in California.

PRACTICE AREAS

Our practice focuses exclusively on estate planning and administration. We offer extensive services in the following areas:

ESTATE PLANNING

We have prepared thousands of estate planning packages over the years. A typical package will include:

- LIVING TRUST
- A revocable "living" trust will enable your heirs to avoid an expensive and time-consuming probate. The trust will provide for the distribution of your assets according to your wishes after your death.

- POUR OVER WILLS
- These wills provide for the disposition of your assets if they are not titled in your trust at your death.

- POWERS OF ATTORNEY FOR HEALTH CARE AND FINANCIAL AFFAIRS
- These documents allow you to appoint agents to manage your health care and financial affairs in the event you are incapacitated and unable to make decisions for yourself.



TRUST FUNDING DOCUMENTS

If you elect to establish a living trust, deeds will be prepared to transfer your real property assets to your trust. Other documents and instructions will be prepared to transfer your other assets into the trust.

UPCOMING SEMINARS

Please call the numbers below to register for the following seminars:

TOPIC: WHAT'S THE STATE OF YOUR ESTATE ... KEEPING UP WITH LIFE CHANGES

Should you have your existing trust reviewed? At this seminar, Margaret Heiser Fulton and Donna Robison will discuss life changes which may require a change in your trust. We will also discuss how financial problems of your children, due to the current troubled economy, may affect your current estate planning.

DATE: Saturday, May, 9, 2009, from 10:30 a.m. to 11:30 a.m.

PLACE: Auburn Multi-Purpose Senior Center
11577 "E" Avenue
Auburn, CA

REGISTRATION: Please call (530) 823-2010

TOPIC: ESTATE PLANNING AND CHARITABLE GIVING SEMINAR

At this seminar, Margaret Heiser Fulton and Reba Hirsch, Salvation Army Gift Planning Director, will discuss planned gift strategies which will enable you to receive a fixed income for life, bypass capital gains taxes, and leave a lasting legacy. Margaret Heiser Fulton will also discuss the need for review of existing trusts in this troubled economy.

DATE: Thursday, May 14, 2009, from 10:30 a.m. to 12:00 noon

PLACE: The Salvation Army
Auburn Corps Community Center
286 Sutter Street
Auburn, CA

REGISTRATION: Please call (530) 889-3900

REGISTER TODAY.



TRUST ADMINISTRATION AFTER A DEATH

We assist successor trustees in the administration of living trusts after a death. We will help you determine whether a Federal estate tax return must be filed with the Internal Revenue Service, and we will advise you of your fiduciary duties as trustee. If the trust provides for the distribution of assets to beneficiaries, we will guide you in the steps required to render accountings to the beneficiaries, if necessary, and gather and distribute assets as quickly and efficiently as possible.

PROBATE

If a deceased person did not establish a revocable living trust, or did not properly fund the living trust, a court supervised probate may be necessary to transfer the assets to the beneficiaries.

Our office is proficient in handling court probates and we take pride in finishing probates as quickly as possible. We can evaluate your situation and advise you whether or not a probate is necessary to distribute assets to beneficiaries.

While we are located in Placer County, we can handle probates in any county in California.

SHOULD YOUR EXISTING ESTATE PLAN BE REVIEWED?

Are your estate planning documents more than five years old? Has your estate size or estate plan changed? We review existing trusts and other estate planning documents to determine whether they are appropriate for your current circumstances. Changes may be necessary under the following circumstances:

- You want to change beneficiaries or trustees.
- You have moved since your trust was created and you are not sure whether your new assets are in the trust.

INCAPACITY PLANNING

Is your spouse or elderly parent facing possible incapacity, or do you have a developmentally disabled child? We can assist you in determining how this person's affairs can best be handled by others. There are several options to be considered.

If the person has sufficient capacity to understand and execute documents, he or she can execute powers of attorney to allow a trusted agent to handle his or her affairs without court supervision. If an elder person facing possible dementia has created a living trust, it may be appropriate for that person to resign as trustee to allow an adult child to take over management of trust assets. In addition, many trusts provide that, if a physician certifies that a trustee has become incapacitated, the trusteeship will pass to the successor trustee. We can represent either the elder parent or the adult child in this situation (but not both) and assist our client in determining the best course of action.

If the individual has already become incapacitated, a court conservatorship can be established to handle the person's affairs. We are very experienced in representing conservators in establishing conservatorships under court supervision.

- Your children are now adults and you want them named as trustees.
- Your spouse has passed away. If you are a surviving spouse, you may have to divide the trust assets between an "A" trust and a "B" trust, and we will assist you with this process.
- The troubled economy has created a reduction in the value of your assets, and this change has made gifts of specific assets inappropriate. For example, you now may not make that gift of \$10,000 to each of the grandchildren.

You are welcome to call us to find out whether a trust review is appropriate.

PLANNING FOR LARGE ESTATES

In 2009, each individual can pass an estate of \$3.5 million free of estate tax. If your estate is larger than this, you will need specialized planning to minimize estate taxes. Our firm can work with your other financial advisors to devise the best plan for you. Your plan may include an irrevocable life insurance trust, a qualified personal residence trust or a family limited partnership.

You may also find that you can fulfill your charitable giving goals while, at the same time, reducing estate taxes at your death. A charitable remainder trust, or a charitable lead trust may be appropriate for you.

The estate tax laws may be changing in 2009. Our website and newsletters will have information on the latest developments.

BUSINESS SUCCESSION PLANNING

Are you the owner of a business? We can assist you in planning the orderly transfer of your business to the next generation. We prepare business buy-sell agreements. We have assisted business owners in devising plans to treat all children fairly, including those involved in the business and those who are not. Estate taxes can force the liquidation of a business. We can advise you of techniques to minimize the impact of these taxes.



ARE YOUR ADULT CHILDREN OR OTHER HEIRS EXPERIENCING CREDITOR PROBLEMS?

We can assist you with the following:

LOANS TO CHILDREN

If you want to lend money to a child who is having difficulty making mortgage payments, or is facing high interest rates, we can prepare a note for your child to sign. When you lend money to one of your heirs, you should also decide whether the loan should be forgiven at your death, or whether the share of your estate to be received by the heir should be reduced by the unpaid amount of the note. Many parents want to treat their children equally. Make sure that lifetime gifts to your children don't interfere with this plan.

PROTECT YOUR CHILD'S INHERITANCE FROM CREDITORS.

If your child's inheritance is at risk of being taken by your child's creditors, you may want to change your estate plan and make distributions to other beneficiaries, such as grandchildren, in lieu of making distributions to the child with creditor problems. In addition, it is possible for you to distribute the inheritance to a Discretionary Trust for the benefit of that child. This type of trust will provide more protection from creditors.

GIFTING OPPORTUNITIES

As of 2009, you can give away as much as thirteen thousand dollars a year to as many people as you wish, without any estate or gift tax consequences. In addition to this amount, you can give away more, with no gift tax consequences, by directly paying someone's tuition or medical expenses. These payments don't even count towards the thirteen thousand dollar a year limit.

Your gifts can be in cash or in depreciated securities. If you give depreciated securities, the value of the gift is set on

the day the shares are transferred. If the stock goes back to higher levels, the beneficiary will own the stock and it will be out of your estate for estate tax purposes.

If you have a larger estate, the economic downturn is a particularly good time to transfer assets to the next generation. The low interest rate environment provides an opportunity to use specialized estate planning techniques for the large estate. Please contact us to learn more about gifting opportunities that are now available.

ESTATE TAX LEGISLATION

In 2009, the amount each taxpayer can pass free of estate tax went up to \$3.5 million. Under the current law, there will be no estate tax in 2010, and in 2011 the amount each taxpayer can pass tax free will go back to \$1 million. Most practitioners in this area believe there will be legislation during 2009 to limit the amount passing free of estate tax in 2010. This amount may remain at \$3.5 million. Please check our website for updates on estate tax legislation. www.fulton-law.com



DON'T MISS OUR UPCOMING SEMINARS (please see more details on reverse)

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