The Cannon Estate Planning Teleconference Series

Participant Guide

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The Impact of 2020 on Estate Planning

Cannon Financial Institute, Inc.

Presents

The 2021 Estate Planning Teleconference Series

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By:

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CHARLES A. REDD

Charles A. Redd is a partner in the St. Louis, Missouri, office of the law firm of STINSON LLP. Mr. Redd concentrates his practice in estate planning, estate and trust administration and estate and trust-related litigation. Prior to joining Stinson, Mr. Redd was a partner in and Vice Chairman of the Trusts & Estates Practice Group at the law firm of SNR Denton US LLP (now Dentons US LLP). Mr. Redd was also previously a partner in the law firm of Armstrong, Teasdale, Schlafly & Davis (now Armstrong Teasdale LLP) and was Chairman of that firm's Trusts & Estates Department. He was previously employed as a Trust Administrator by First Wisconsin Trust Company (now U.S. Bank, N.A.), Milwaukee, Wisconsin, and as an Assistant Counsel by Centerre Trust Company of St. Louis (now Bank of America Private Bank).

Mr. Redd has extensive experience and expertise in: (a) the drafting of wills, trust instruments, durable powers of attorney, marital agreements and other estate planning documents; (b) pre- and post-death tax planning for individuals, trusts and estates; (c) preparation and filing of estate tax returns, gift tax returns and fiduciary income tax returns; (d) representation and filing of estate tax returns, gift tax returns and fiduciary income tax returns; (e) representation of individual and corporate fiduciaries and (f) litigation in the Probate Division and other equity divisions of the Circuit Court. Mr. Redd has worked on estates and estate planning projects, some involving assets valued at over a billion dollars, and has successfully handled numerous estate tax, gift tax and generation-skipping transfer tax matters, will and trust construction cases, will contests, contests of trust agreements, alleged breach of fiduciary duty cases and other types of cases involving estates and trusts.

Mr. Redd is a member of the State Bar of Wisconsin, The Missouri Bar, the Illinois State Bar Association, The Bar Association of Metropolitan St. Louis and the Estate Planning Council of St. Louis.

Mr. Redd was Chairman of the Missouri Bar's Health Care Durable Power of Attorney Subcommittee, and he played a significant role in the drafting and enactment of the Missouri Durable Power of Attorney for Health Care Act. In 1991, Mr. Redd received The Missouri Bar President's Award. Mr. Redd was the principal draftsman of the recently enacted Missouri Family Trust Company Act.

Mr. Redd is an elected member of The American Law Institute and a Fellow of The American College of Trust and Estate Counsel (Past Missouri State Chair; Past Regent; Estate and Gift Tax Committee; and Fiduciary Litigation Committee). He was an adjunct professor of law (Estate Planning) at Northwestern University School of Law for fifteen years. He serves as Co-Chair of the Editorial Advisory Board of, and writes a regular column in, TRUSTS & ESTATES magazine. In 2018, he was inducted into the Estate Planning Hall of Fame® by the National Association of Estate Planners and Councils. Mr. Redd is listed in The Best Lawyers in America and is "Band 1" ranked by Chambers and Partners in their High Net Worth guide. He frequently writes and lectures nationally on topics in the trusts and estates field.

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The Impact of 2020 on Estate Planning

By: Charles A. Redd
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I. INTRODUCTION

The year 2020 has been like no other in the memory of most of us. We have all been impacted in a significant way by the onslaught of COVID-19, the economic dislocation that followed, social unrest unmatched since the 1960s and a polarizing national election. Estate planning professionals have been striving to adjust to what some have referred to as "the new normal." Without doubt, estate planning has evolved – in some ways, perhaps, permanently.

II. ENHANCED INTEREST IN LARGE LIFETIME TAXABLE GIFTS AND LONG-TERM TRUSTS

A. Introduction

At this time, and for the indefinite future, as a result of the 2017 Tax Act,[1] individuals have a greatly enhanced, historically high basic exclusion amount.[2] This large basic exclusion amount[3] is scheduled to evaporate January 1, 2026,[4] and could be taken away by legislation at any time before that date. Although predicting tax law changes is well beyond this author's competence, it should be noted that, before November 3, 2020, President-elect Biden indicated an interest in reducing the basic exclusion amount to $3,500,000. It would appear at least theoretically possible that, if legislation so to reduce the basic exclusion amount were enacted in 2021, it could be given retroactive effect as far back as January 1, 2021 – a possibility prospective donors may wish to consider.

Thus, clients having significant wealth who wish to maximize their use of what could be a fleeting opportunity to use the basic exclusion amount now in place should consider expeditiously making one or more lifetime taxable gifts that fully absorb the basic exclusion amount. Individuals making gifts sooner rather than later will remove more appreciation from their gross estate, which would be highly beneficial if the basic exclusion amount declines on January 1, 2026 or sooner. Making a gift, however, is always subject to the risk that a basis step-up upon the owner's death with respect to the gifted asset will be forfeited. Moreover, if the basic exclusion amount doesn't decline, an individual whose net worth is safely under the basic exclusion amount may regret having made a gift to remove post-gift appreciation and income with respect to the gifted asset(s) from his or her gross estate.

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[1] An Act To Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018, Pub. L. No. 115-97.
[2] Internal Revenue Code ("IRC") § 2010(c)(3).
[3] $11,700,000.00 in 2021.
[4] IRC § 2010(c)(3)(C).

B. Some Specific Strategies

- Outright gifts to children and/or more remote descendants
  - Conceptually simple.
  - Generally, quick and easy to implement.
- Gifts in trust exclusively for children and/or more remote descendants
  - The longer the term, the more efficacious. A large gift to a long-term irrevocable trust fully utilizing a client's basic exclusion amount, to which the client's GST exemption is allocated, puts potentially very substantial value in a vehicle that for the indefinite future escapes estate tax, gift tax and generation-skipping transfer tax and enables the fine-tuning of income tax consequences (basis step-up using formula general powers of appointment for beneficiaries and minimizing income taxes for the trust and its beneficiaries through the making of judicious distributions).
  - The benefit is maximized if the trust is a "grantor trust" for income tax purposes.
- "Spousal lifetime access trusts" (SLATs)
  - All the rage these days.
  - If the marriage dissolves, a SLAT strategy can backfire badly.
  - Take care to avoid the reciprocal trust doctrine.
- "Grantor retained income trusts" (GRITs)
  - Intentional failure to qualify as a grantor retained annuity trust (GRAT) under Internal Revenue Code ("IRC") § 2702.
  - Beware possible application of the as yet-undefined "anti-abuse" rules presaged in the preamble of, and for which space was reserved in, the final "no clawback" regulations.[5]
- Potential QTIP trusts
  - Fund now.

[5] Estate and Gift Taxes; Difference in the Basic Exclusion Amount, T.D. 9884, 84 Fed. Reg. 64,995 (November 26, 2019).

- Elect QTIP treatment via gift tax return (or not) on or before October 15, 2022.
    - If basic exclusion amount is reduced non-retroactively, don't elect.
    - If basic exclusion amount is reduced retroactively, elect.
    - If basic exclusion amount is not reduced, elect.

- Disclaimers
  - Make outright gift in 2021.
  - Structure gift so that, if disclaimed (IRC § 2518), it will return to donor.
  - Like potential QTIP trust strategy, this approach extends the time for deciding whether to use basic exclusion amount.
  - Could be done with a gift in trust, but more complicated.

III. INCREASED USE OF CERTAIN LEVERAGING STRATEGIES

A. Introduction

The power of certain leveraging strategies ordinarily depends very little on use of a client's basic exclusion amount and far more on one or more or all of the following factors: (1) applicable federal rates that are materially below the actual total return to be achieved by the assets being considered for a given strategy; (2) the current fair market value of such assets; (3) being able to engineer valuation discounts with respect to such assets; and (4) using a trust that is a "grantor trust" for income tax purposes as the operative structure.

The year 2020 saw continuation, and, in some ways and instances, enhancement, of some types of leveraging opportunities. Applicable federal rates declined to all-time lows. The values of some types of assets plummeted and in some cases rebounded but only partially. Carefully constructed valuation discounting, as well as grantor trust planning, remained alive and well.

As we embark on a new year, much of the environment supporting certain leveraging strategies continues. Applicable federal rates remain extremely close to the all-time lows of 2020. Although stock market indices are generally quite high, there are categories of assets and industries that remain depressed. Techniques generating valuation discounts, and grantor trusts, are still available.

Notably, however, there have been rumblings that grantor retained annuity trusts (GRATs), at least as they can be structured under current law (in particular, zeroed-out, short-term GRATs), may be on the chopping block. Although probably not in the immediate future, IRC § 2702 may be changed to require that: (1) the remainder interest in a GRAT have a present value, at the time the GRAT is established, of at least 10% of the value of the assets conveyed to the GRAT; and (2) the GRAT have a minimum term of ten years. For clients for whom a GRAT would be a desirable estate planning strategy, this is an additional reason for moving sooner rather than later.

B. Grantor Retained Annuity Trusts ("GRATs")

1. Description

A GRAT is an irrevocable trust to which the settlor makes a gift of property at the outset. The GRAT pays the settlor an annuity,[6] at least annually, for a fixed term of years.[7] The annuity interest generally is described as a percentage of the initial value of the assets transferred to the GRAT. The value of the gift to the GRAT depends heavily on the present value, determined pursuant to IRC § 7520, of the annuity interest the settlor has chosen to retain (which present value is subtracted from the value of the property conveyed to the GRAT). If the settlor is living at the end of the term, any property remaining in the GRAT after the last annuity payment is made will pass to the remainder beneficiaries (usually the settlor's children), either outright or in trust for their benefit, free of gift, estate and income tax consequences.

The term can be for any length. Generally, the longer the term: (a) the smaller the amount of each annuity payment; and (b) the greater the possibility that the settlor will die during the term (in which case the estate tax savings sought to be achieved will be reduced, perhaps drastically).

A GRAT is a grantor trust for federal income tax purposes – having all the grantor trust benefits discussed above.

GRATs are particularly beneficial when the required assumed interest rate under IRC §7520 is low because the retained annuity stream is presumed to be worth a greater proportion of the transferred property's present value. Indeed, so-called zeroed-out GRATs are particularly popular because the funding of a zeroed-out GRAT results in a miniscule taxable gift.

2. Example

Settlor transfers $10,000,000.00 to a GRAT with a nine-year term. The value of the GRAT's assets increases at a lineal rate of 5% per year during the GRAT's term. The GRAT instrument provides that, if Settlor dies during the nine-year term, the remaining annuity payments will be paid to his estate for the balance of the term. The IRC § 7520 rate in effect at the creation of the GRAT is 0.6%.

The GRAT instrument provides that Settlor will receive $1,144,714.00 from the GRAT at the end of each year during the nine-year term. Because the GRAT annuity payments have a present value equal to the value of the property transferred, there is no gift when Settlor

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[6] The annuity must be a stated dollar amount or a fixed percentage of the initial fair market value of the trust assets. Treas. Reg. § 25.2702-3(b)(1)(ii). The annuity amount may increase annually by up to 120% of the preceding year's annuity amount. *Id*.

[7] GRATs are authorized by IRC § 2702. The "recipe" for how to create a GRAT is contained in Treas. Reg. § 25.2702-3.

creates and funds the GRAT. The assets remaining in the GRAT at the end of the nine-year term will have a value of $2,891,019.62 and will be distributable to Settlor's children free of gift, estate and income taxes.

C. Installment Sales to Irrevocable Grantor Trusts

1. Description

With an installment sale to an irrevocable grantor trust, the settlor sells property at its fair market value to the trust in return for an installment note that bears interest that is determined by reference to IRC § 7872(f)(2)(A). At the end of the note's term, when the note has been fully paid, all remaining trust assets pass to the beneficiaries (usually the settlor's children and/or grandchildren) free of income, estate, gift and, if appropriately structured, generation-skipping transfer taxes.

The term of the note can be for any length. Generally, the longer the term, the larger the required interest payments because the AFR that must be used to set the note's interest rate will be higher. Accordingly, if the AFR is low, the settlor may want to lock in the resulting low interest rate by using a longer term; alternatively, if the AFR is high, the settlor may want to use a shorter note term and later enter into another sale transaction or a renegotiation of the note if and when the AFR is lower.

As with a GRAT, the success of this technique depends on the assets that are the subject of the transaction achieving a rate of return in excess of the required assumed interest rate. An installment sale to an irrevocable grantor trust works best with low interest rate assumptions because, in a low rate environment, the note interest that must be paid to the seller to avoid gift tax consequences with respect to the note is less than in a higher rate environment.

2. Example

Settlor makes a $1,000,000.00 gift (fully protected from gift tax by her basic exclusion amount and to which she allocates $1,000,000.00 of her GST exemption[8]) to an irrevocable grantor trust and then sells an asset having a fair market value of $9,000,000.00 to the trust in exchange for a nine-year, amortized promissory note.[9] The principal amount of the note is $9,000,000.00, and the note bears interest at 0.52% per annum. The value of the trust's assets increases at a lineal rate of 5% per year during the note's term. The mid-term AFR in place at the time of the sale is 0.52%.

The note provides that Settlor will receive annual payments of $1,026,180.00 for nine years. The $1,000,000.00 initial funding of the trust is a taxable gift that absorbs $1,000,000.00 worth of Settlor's basic exclusion amount. The sale in exchange for the note is a bona fide sale for adequate and full consideration and so has no gift tax consequences. The assets

[8] IRC § 2631.

[9] Alternatively, the note may be structured (as a "balloon note") so that the trust makes only annual interest payments and defers paying all principal until the end of the note's term. Using such a note enables a larger amount of assets to remain in the trust during the note's term, thereby allowing greater compounding of investment return inside the trust.

remaining in the trust at the end of the note's nine-year term will have a value of $4,198,046.00 and will be distributable to or continue to be held for Settlor's children and/or more remote descendants free of income, estate, gift and generation-skipping transfer taxes.

IV. RENEWED EMPHASIS ON PLANNING FOR EVENTUAL INCAPACITY

A. Introduction

Beyond the obvious fundamentals of estate planning, *i.e.*, dispositive planning, tax minimization planning and selection and succession of fiduciaries, all solid estate planners have long understood that incapacity planning is a vital part of an estate planning package. As medical science has evolved, life expectancies have increased, but with advancing age often comes a deterioration of physical and mental capacity.

The advance of COVID-19 has underscored and exacerbated the need for incapacity planning. Large numbers of individuals throughout America have become seriously ill in the pandemic, and many have been rendered unable for lengthy periods to attend to their business and financial matters and even to make their health care decisions.

Those who haven't taken steps to address how their affairs shall be handled and who shall handle them if they become incapacitated or disabled place themselves and members of their family in a precarious position. The incapacitated or disabled individual's family members may disagree about what the individual wanted or would have wanted under then existing circumstances. Third parties may refuse to honor directions being given on behalf of the individual by family members who lack legal authority to give such directions. It may be necessary to petition a court to appoint a guardian and/or conservator for the individual – a time-consuming, burdensome and expensive process that results in a judge who has limited knowledge of the individual and his or her family having ultimate authority. Decisions that must be made urgently may be deferred and, when made, may be made in a manner inconsistent with the individual's desires and best interests.

There are tools at the estate planner's disposal which, if implemented before the client becomes incapacitated or disabled, may avoid many or all of the problems outlined in the preceding paragraph. The most important of these tools are revocable trusts and durable powers of attorney.

B. Revocable Trusts

In many but not all jurisdictions, revocable trusts are the most important element of an estate plan. A revocable trust, although invisible for income tax purposes, is recognized as having an existence under state property law separate and apart from the settlor. The trust instrument specifies the settlor's desired disposition of trust property during the settlor's life and following his or her death and designates an initial Trustee (often the settlor him or herself) and successor Trustees.

Revocable trusts are uniformly designed so that, if and when the settlor becomes incapacitated, the Trustee (often a successor Trustee) is empowered seamlessly, without any court involvement, to continue to manage and dispose of the assets then held in the trust. A revocable trust operates in this fashion precisely because of its existence separate and apart from the settlor. If and when the settlor becomes incapacitated, the trust, as such, remains in place and unimpeded in fulfilling its purposes as set forth in the trust instrument.

The effectiveness of a revocable trust as a device to enable asset management during any period of the settlor's incapacity is maximized to the extent the settlor's property has been conveyed to the Trustee before the onset of incapacity.

C. Durable Powers of Attorney for Property, Business and Financial Matters

A power of attorney is a document by which a person legally confers one or more enumerated powers on another person to act on his or her behalf. The person conferring the power(s) is usually referred to as the "principal," and the person to whom the power(s) is (are) given is called the "attorney-in-fact" or "agent." A power of attorney can be broad and comprehensive, allowing the attorney-in-fact to act in innumerable ways, and for an indefinite period of time, for and in the place of the principal, or it may be quite narrow in scope (limited, even, to a single transaction) and may be operative only for a short period of time.

At common law, a power of attorney loses its validity if and when the principal became incapacitated and/or at death (a "common law power of attorney"). A common law power of attorney has utility only to the extent that, when challenged by a third party being asked to rely on the power's efficacy, it can be established to the third party's satisfaction that the principal is then alive and competent. Thus, a common law power of attorney has very limited usefulness – usually only to facilitate individual transactions occurring a short time after the power of attorney was signed.

To cause powers of attorney to have more practical value, the legislative bodies in all states and the District of Columbia over the past few decades have enacted statutes that allow for the creation of powers of attorney that remain legally effective even after the principal has become incapacitated. This still relatively new type of power of attorney is referred to as a "durable" power of attorney – meaning it has duration extending beyond the point in time when the principal no longer has capacity. The statutory rules governing the creation and operation of durable powers of attorney vary widely from jurisdiction to jurisdiction, but one very common requirement is that the power of attorney, to be "durable," must contain a statement of durability. Hook, 859-3rd T.M., *Durable Powers of Attorney*, at p. A-5; *see, e.g.*, Section 404.705, RSMo.

A durable power of attorney is a common component of a modern, comprehensive estate plan. Indeed, in the 21st century, it is hard to conceive of a complete estate plan that lacks a durable power of attorney. One of the very most important non-tax objectives of estate planning is to put in place a mechanism by which the client's affairs can continue to be conducted, without undue delay or court involvement, even in the event of the client's incapacity. A durable power of attorney can effectively confer powers on an agent to handle any and all of the principal's matters not involving assets held in trust, even after the client has become incapacitated, and so is an ideal and indispensable tool to enable achievement of this objective.

In cases in which revocable trusts are used, it is nevertheless still important for the client to have a durable power of attorney. This is true for at least two reasons. First, at the moment the client becomes incapacitated, it may be the case that his or her revocable trust is not fully funded (in fact, intentionally or unintentionally, it may not then be funded at all). A durable power of attorney enables the client's designated agent (often the same person who is then serving as Trustee of the client's revocable trust) to deal with the client's assets not in his or her revocable trust, and/or to transfer such assets to his or her revocable trust, during a period in which he or she is incapacitated. Second, a durable power of attorney, unlike a revocable trust instrument, can confer powers that cannot be conferred on the Trustee of a revocable trust, such as the authority to prepare and file the principal's tax returns and to have access to the principal's safe deposit box, and powers relating to non-business, non-financial matters such as health care and similar matters.

D. Durable Powers of Attorney for Health Care

A health care durable power of attorney is fundamentally the same sort of device as a traditional durable power of attorney discussed above, but, rather than conferring powers on an agent to address and deal with the principal's property, business and financial matters, it grants powers to address health care and other personal (non-financial) matters. Because a health care durable power of attorney addresses matters entirely different from those covered in a traditional business and financial matters durable power of attorney, ordinarily, it makes sense for a health care durable power of attorney to be contained in a separate document.

Selection of an attorney-in-fact to make health care decisions – perhaps with life and death consequences – is quite different from selecting attorneys-in-fact who will carry out business and financial transactions. A person who may be quite well qualified to handle the principal's property-related, business and financial matters may be wholly unsuitable to make his or her health care and similar decisions – and vice versa.

Also, extremely careful attention needs to be given to the extent and nature of health care-related powers. Of vital (literally) importance is the question of whether the attorney-in-fact shall be given power to direct health care providers to withhold or withdraw artificially supplied nutrition and hydration if and when the principal has been determined to have a terminal condition or be in an irreversible coma.

V. PRACTICAL LIMITATIONS ON CLIENT COUNSELING AND DOCUMENT SIGNING

A. Introduction

The COVID-19 pandemic has changed the relationship between estate planning professionals and their clients in ways that, barely a year ago, would have seemed unimaginable. Estate planning is a "high-touch" industry. All those involved in the process – lawyers, accountants, trust administrators, investment advisors and life insurance experts – have long understood that in-person, face-to-face communication with clients is by far the most effective way for clients to develop trust in those they have engaged and to facilitate the exchange of information (some of which may be quite sensitive) needed to design and implement the best possible estate plan.

B. Confined Clients

1. Meetings and Communication

Depending on the circumstances, live, in-person meetings in the COVID-19 era are often awkward and may be impossible. If, for example, the client is in a hospital or a nursing home, opportunities for an on-site visit with the client will be extremely limited. In many such cases, the client will not be permitted to receive any visitors at all. In other cases, visitors may be limited to certain close family members, and the number of simultaneous visitors, and the times for visitation, may be very restricted.

In such a scenario, exchanges of communication with clients may be possible, if the client is physically able to receive and convey information, but communicating with clients in this predicament are often awkward and inefficient. Modes of communication with such a client may include video conferencing (*e.g.*, Zoom), telephone conversations, audio messages (voice mail), text messages and e-mail.

2. Signing of Documents

Assuming that appropriate estate planning documents can be assembled for a client confined to a hospital or a nursing home, the next challenge will be to effectuate the signing of the documents by the client. Navigating that challenge successfully depends largely on applicable state law. The client will need to be able to sign his or her name in some fashion (at least by making a mark) or, in some cases, be able to direct another to sign for him or her. In some jurisdictions, electronic signing, remote electronic witnessing and/or remote, electronic notarization of Wills, trust instruments and/or durable powers of attorney may be possible. For a nationwide survey, *see* https://www.actec.org/resources/emergency-remote-notarization-and-witnessing-orders/

To the extent applicable state law does not allow electronic signing, remote electronic witnessing and/or remote, electronic notarization of Wills, trust instruments and/or durable powers of attorney, physical documents must be delivered to the confined client, and accomplishing delivery to a client's bed or room may present uncertainty and difficulties. If and when delivery of physical documents occurs, then the facility's rules regarding who may visit and how many simultaneous visitors will be permitted may seriously impede the signing of documents while adhering to necessary formalities, *e.g.*, witnessing and notarization. Many hospitals and nursing homes refuse to allow their employees to witness or notarize a patient or resident's legal documents. In most jurisdictions, there are no formalities associated with the signing of a trust instrument (even notarization is optional), but the testator's signing of a Will must, at minimum, be witnessed by two disinterested individuals. Durable powers of attorney must be witnessed and/or notarized. If a client already has in place a durable power of attorney that explicitly authorizes the attorney-in-fact to sign trust instruments and fund trusts on behalf of the principal, that approach may be a viable option. The signing of a Will, however, cannot be validly delegated to an agent of the testator.

Clients who may be considered particularly vulnerable to the possibility of being hospitalized or placed in a nursing home (*e.g.*, clients who are older and/or have significant health issues) should establish as a high priority the creation or updating of a modern, comprehensive estate plan.

C. Clients Who are Not Confined

Clients who are not hospitalized or nursing home residents face fewer obstacles to developing and completing an estate plan, but, obviously, the process is far different than in the pre-pandemic environment. A large majority of clients and their advisors are concerned about being exposed to COVID-19 – if not for themselves, because of the possibility that they could infect others. Thus, many estate planning meetings that formerly would have been live and in-person are now conducted using video conferencing services and telephone. Planning meetings that are live and in-person, and document signing meetings, involving unconfined clients almost always involve the use of masks by all participants and "social distancing." Depending on the level of concern of the attendees and the practicalities of a given situation, such meetings may occur in a client's home or backyard, in a large conference room in a professional's office suite, in the more spacious lobby of an office building or even in a public park. Document signing meetings have been conducted in all such places as well as in parking lots. Of course, extra caution to preserve client confidentiality should be observed when conducting any meeting with a client in a location in which uninvited guests could be present.

The current proliferation of COVID-19 vaccines notwithstanding, it seems that a return to pre-pandemic behaviors will not happen soon. Indeed, it has been suggested that the pandemic may have caused a long-lasting, if not permanent, focus by some individuals on physically distancing themselves from others. Thus, at least some of the new procedures we have developed to enable estate planning to continue in an era of a once-in-a-century pandemic may be deployed, at least for some clients, indefinitely.

Participant Survey

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The Impact of 2020 on Estate Planning

January 19, **2021**

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Any questions regarding CE credit, please contact Laurie Sebestyen at (706) 389-7645
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Laurie Frye
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Professional Education Coordinator

Continuing Legal Education Credits for this course are as follows:
The following states have been approved for 1.5 hours of General Credit: (Course number is indicated in parenthesis):Alabama, Arkansas (TWE73839), California, Delaware, Georgia, Idaho, Illinois, Iowa (356982), Kentucky(225612), Louisiana, Maine (057853), Minnesota (336438), Mississippi, Montana (32650), Nebraska(205058), Nevada, New Mexico, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee (Distance Ed), Texas (174101377), Utah, Vermont, Washington, Wisconsin, & Wyoming

These states have been approved for the following General Credit: Colorado – 2 hours, Florida - 2 hours (2008258N), Missouri –1.8 hours (663454), Oklahoma – 2 hours, West Virginia – 1.8 hours

The following state are pending credit: Kansas, Ohio and Virginia

The following states either do not require/do not accept outside CLE Credit/or do not accept teleconference calls for CLE Credit: District of Columbia, Maryland, Massachusetts, Michigan & South Dakota
The following states have special circumstances:
Alaska-Attorneys can use this certificate to submit to Alaska State Bar
Arizona-On honor system
Connecticut-Attorneys can use this certificate to submit to Connecticut MCLE
Hawaii- Attorneys can use this certificate for Hawaii CLE for 1.5 General credits (Reciprocity Rule)
Indiana-Site Coordinators must apply for credit as the sponsor for participants to receive credit
New Hampshire- *NHMCLE does not approve or accredit CLE activities for the NH Minimum CLE requirement. NH attendees must self-determine whether a program is eligible for credit and self-report their attendance.*
New Jersey-Attorneys can use this certificate for New Jersey CLE for 1.5 General credits (Reciprocity Rule)
New York–Attorneys may use this certificate to report their attendance as it is accredited by Approved NY Jurisdictions: AL, AR, DE, GA, KY, LA, MS, NM, NC, ND, OK. Type of credit: Areas of Professional Practice 1.5 Credits
****As required by the following State Bars, Cannon will submit the mandatory attendance rosters for the attorneys seeking CLE credits **ONLY** in the following states: Alabama, Delaware, Georgia, Idaho, Illinois, Louisiana, Montana, Nebraska, Nevada, New Mexico, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Washington, and West Virginia. ****

Any questions regarding CE credit, please contact Laurie Sebestyen at (706) 353-3346.
Fax (706) 353-3994, Email lfrye@CannonFinancial.com
649-4 S. Milledge Ave., Athens, Georgia 30605

CERTIFICATE OF ATTENDANCE FOR CALIFORNIA MCLE

To be Completed by the Provider

Provider: Cannon Financial Institute (CA Provider #12179)

Subject Matter/Title: The Impact of 2020 on Estate Planning

Date and Time of Activity: January 19, 2021 1:00-2:30 PM ET, 12:00-1:30 PM CT, 11:00AM-12: 30 PM MT, 10:00AM- 11:30 AM PT

Location: Teleconference

Length of Presentation: 1.5 Hours

ELIGIBLE CALIFORNIA MCLE CREDIT:

TOTAL HOURS: 1.5

Legal Ethics:

Elimination of Bias in the Legal Profession:

Competence:

To Be Completed by the Attorney after Participation in the Above-Name Activity

By signing below, I certify that I participated in the activity described above and am entitled to claim the following California MCLE credit hours:

TOTAL HOURS: ________________________

(You may not claim credit for the following sub-fields unless the provider is granting credit in these areas as listed above.)

Legal Ethics:______________________________

Elimination of Bias in the Legal Profession:______________________________

Competence: ______________________________

Attorney Signature:

REMINDERS: Keep this record of attendance for four years. In the event that you are audited by the State Bar, you may be required to submit this record of attendance. Send this to the State Bar only if you are audited. You must sign in on the Official Record of Attendance for California MCLE maintained by this provider in order for these hours to qualify for California MCLE credit.

CANNON
FINANCIAL INSTITUTE

Certificate of Attendance

____
(Participant Name)

____
(Colorado Attorney Registration #)

Has successfully completed the Cannon Financial Institute, Inc. course:

The Impact of 2020 on Estate Planning
(792986)

January 19, 2021

CANNON FINANCIAL INSTITUTE, INC. CORPORATE SEAL GEORGIA

Laurie Frye
Laurie Frye
Professional Education Coordinator

<u>Continuing Legal Education Credits for this course are as follows:</u>

Colorado – 2.0 General Credits

****As required by the State of Colorado, attorneys must submit their own credits.

Any questions regarding CE credit, please contact Laurie Sebestyen at (706) 353-3346.
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