



Welcome Package

Personal and Professional
Estate Planning Online

PAULY LAW OFFICES, Inc.

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Proper legacy planning is doing whatever it takes to ensure that when you are gone family harmony is realized, and the inheritance you leave protects, improves and enhances the lives of your beneficiaries.

 **WealthCounsel** | FOUNDING MEMBER
Practice Excellence[®]



ARTHUR J. PAULY, JR.

Attorney at Law

Art Pauly obtained his **Juris Doctor degree** and was admitted to the California State Bar in 1987 after spending 18 years as an insurance claims professional. He holds degrees in **General Insurance** and **Associate in Claims** with the Insurance Institute of America.

He was a **Professor of Law** teaching contracts, trusts and ethics. He is a **former Board President** for the River Oak Center for Children, **former Board member** for San Jose Christian College (now William Jessup University in Rocklin, CA), **Former Member of the Advisory Panels** for Special Olympics, Youth for Christ, and the Experimental Aircraft Association.

Art Pauly is a **former chapter president** of Toastmasters International and holds the prestigious Accomplished Toastmaster designation.

Former Pro-Tem Settlement Conference Judge in Sacramento and Placer Counties.

After 8 years as a **Staff Trial Attorney** for CIGNA and then for Hartford Insurance Companies, Art opened his Estate Planning practice in 1995.

Art Pauly, recognized as an **outstanding communicator** and as an **authority** in estate planning, business continuity planning and asset protection, has been a **contributing speaker** at the Advanced Skills Workshops sponsored by the National Network of Estate Planning Attorneys, an international organization of Estate Planning Professionals.

He is a **CONTRIBUTING AUTHOR** of the book “GENERATIONS, Planning Your Legacy”, Practical Answers from Americas Foremost Estate Planning Attorneys”, 1999. Available through Borders and other fine booksellers.

He is a **CONTRIBUTING AUTHOR** of the new WealthCounsel book “**Estate Planning Strategies: Collective Wisdom, Proven Techniques**”. published in February 2022.

Art is one of the founding members of **The WealthCounsel, LLC**, who specialize in wealth transfer strategies for clients.

Art volunteers as a **Commissioner** on the City of Roseville Board of Appeals. He just retired after 27 years as a Volunteer **Law Enforcement Chaplain** in Placer County and He enjoys aviation, cars and dune buggies.

Prior to Your Appointment:

We will come to online meeting fully prepared, and we expect that you will also. Your time is valuable, and we believe ours is as well. Accordingly, we expect that you will complete the **Estate Planning Worksheet** as best as you can, and email the form to me. This will give us the opportunity to develop some familiarity with you and your situation. We can then use the appointment time to its most productive advantage.

We also ask that if you like what we have to say and our plan for your estate meets all your goals, that you be ready

to provide a credit card for the fee and move forward with implementing your plan. If you decide not to move forward with the plan, there is no charge for the first meeting.

At the initial meeting:

At our planning meeting, which can be a “Zoom” or “MS Teams” virtual meeting (your choice), we will invest as much time and effort as is necessary to design an estate plan that accomplishes all your planning objectives in the most effective way possible.

When we schedule an initial appointment with a prospective client, we try to allow sufficient time to fully explore all of the personal and financial issues that affect the development of your estate plan. Our rule of thumb is to set aside an 1 hour for that initial meeting. If you have special issues we need to discuss, we will usually allow an additional half hour for the initial meeting.

This initial meeting is our opportunity to learn about you, your family, your interests and your objectives. Usually, about half of our meeting time is spent getting to know you, learning about your family, your assets and getting a clear picture of your planning goals and objectives. We will design a plan for your estate at that first meeting and quote a fee for creating and implementing your plan. Once you have decided to get started on the planning, we will give you a list of additional documents you will need to provide for us.

In the Interim:

While working on all the documents I will email things to you from time to time, to review, correct or change. You will be able to review all the documents before signing. This will be the time to make those changes and corrections before we get to the final signing.

Signing Meeting:

We will FedEx the documents and binder to you with instructions about executing and notarizing the documents. If you are in our local area we will have a mobile notary who will bring the documents to you to sign and notarize. We, of course, will be available by phone or email to answer any questions.

Our Fees:

Any time you are looking at investing in goods and services, you need a clear understanding of why the goods or services are needed. What value do they bring to you and your family? What is involved in meeting your needs? To help you better understand Estate Planning, I have two Podcasts I would ask you to listen to that will help you better understand why Estate Planning is so important. You will find these on my website at www.paulylaw.com

We ask for payment of the fee at the time of engagement.

Each plan we create is unique, and the fee for each plan is based solely on the amount of work required to create and

implement the plan.

Please keep in mind that we always quote a fixed fee, and the fee is quoted only after you fully understand the scope and value of our work. We take seriously our commitment to ensure that every client is completely satisfied with our service and our fee. We rarely bill by the hour. We have heard from many clients that they did not call or email questions for fear of getting a bill from the Attorney. We want our clients to feel free to call or email with any question or problem. You will not get a bill from us unless additional work is needed. If additional work is needed, we will let you know the cost before starting any additional work.

Post-Death Administration:

Once a will or trust has been prepared, many people are left with the impression that there is nothing else to be done. They believe that upon death, the will or trust will administer itself. Unfortunately, that just isn't the case. Just as people have become familiar with the necessity of probate for a will to be effective, there must also be an administration of a trust. Accounts must be properly retitled, tax returns filed, if necessary, and various other administrative items must be taken care of for the trust to function in the way it was designed.

The legal fees we charge to administer a trust are based on an hourly fee because in many instances, the trustees are competent to handle some (often most) of the administrative tasks, rather than involving an attorney.

Our point is that there is work to be done after a death. The proper implementation and administration are absolutely critical in order for your plan to work properly.

We look forward to diligently working with you to achieve your goals, dreams, and aspirations for you and your family through your estate plan.

Sincerely,



Definitions of some of the terms you will hear:

Adopted and Afterborn Persons

A person in any generation who is legally adopted before reaching 18 years of age and his or her descendants, including adopted descendants, have the same rights and will be treated in the same manner under this trust as the natural children of the adopting parent. A person is considered legally adopted if adoption was legal at the time when and in the jurisdiction in which it occurred.

A fetus in utero later born alive will be considered a person in being during the period of gestation.

Descendants

The term descendants mean persons who directly descend from a person, such as children, grandchildren, or great-grandchildren. The term descendants do not include collateral descendants, such as nieces and nephews.

Good Faith

For the purposes of the trust, a Trustee has acted in good faith if:

- an action or inaction is not a result of intentional wrongdoing.
- the Trustee did not make the decision to act or not act with reckless indifference to the beneficiaries' interests; and
- an action or inaction does not result in an improper personal benefit to the Trustee.

Further, all parties subject to the provisions of this trust will treat any action or inaction made in reliance on information, consent, or directions received from the Personal Representative of each of our estates as made in good faith for the purposes of this Section, except for cases of willful misconduct or malfeasance on the Trustee's part.

Incapacity

Except as otherwise provided in the trust, a person is considered incapacitated in any of the following circumstances.

• **The Opinion of Two Licensed Physicians**

An individual is considered to be incapacitated whenever two licensed physicians give the opinion that the individual is unable to effectively manage his or her property or financial affairs, whether as a result of age; illness; use of prescription medications, drugs, or other substances; or any other cause. If an individual whose capacity is in question refuses to provide necessary documentation or otherwise submit to examination by licensed physicians, that individual will be considered incapacitated.

An individual is considered restored to capacity whenever the individual's personal or attending physician provides a written opinion that the individual is able to effectively manage his or her property and financial affairs.

• **Court Determination**

An individual is considered incapacitated if a court of competent jurisdiction has declared the individual to be disabled, incompetent, or legally incapacitated.

• **Detention, Disappearance, or Absence**

An individual is considered to be incapacitated whenever he or she cannot effectively manage his or her property or financial affairs due to the individual's unexplained disappearance or absence for more than 30 days, or whenever he or she is detained under duress.

An individual's disappearance, absence, or detention under duress may be established by an affidavit of our Trustee, or by the affidavit of any beneficiary if no Trustee is then serving. The affidavit must describe the circumstances of the individual's disappearance, absence, or detention, and may be relied upon by any third party dealing in good faith with our Trustee.

Certificate of Trust

When you transact business on behalf of your Revocable Living Trust, you will sometimes be asked to produce a copy of your Revocable Living Trust document. Financial institutions and others who deal with you will want proof that your Revocable Living Trust exists, that they are dealing with the true Trustee, and that your Revocable Living Trust gives your Trustee the power to do what your Trustee proposes to do.

Income Beneficiary

The term Income Beneficiary means any beneficiary who is then entitled to receive distributions of the trust's net income, whether mandatory or discretionary.

Independent Trustee

The term Independent Trustee means any Trustee who is not an Interested Trustee as defined in the Trust document.

Instrument

The term this instrument means the trust, and includes all trusts created under the terms of this trust.

Interested Trustee

The term Interested Trustee means a Trustee who:

- is a transferor or beneficiary.
- is related or subordinate to a transferor or beneficiary;
- can be removed and replaced by a transferor with either the transferor or a party who is related or subordinate to the transferor; or
- can be removed and replaced by a beneficiary with either the beneficiary or a party who is related or subordinate to the beneficiary.

For purposes of this Subsection, transferor means a person who transferred property to the trust, including a person whose disclaimer resulted in property passing to the trust. Beneficiary means a person who is or may become eligible to receive income or principal from the trust under the terms of the trust, even if this person has only a remote contingent remainder interest in the trust, but not if the person's only interest is as a potential appointee under a power of appointment. Related or subordinate is used as defined in Internal Revenue Code Section 672(c).

Internal Revenue Code and Treasury Regulations

Any references to a specific section of the Internal Revenue Code include subsequent versions of sections that replace the specific sections as a result of changes to the Internal Revenue Code after this date.

Legal Representative or Personal Representative

As used in a trust document, the term Legal Representative or Personal Representative means a person's guardian, conservator, executor, administrator, Trustee, attorney in fact under a Durable Power of Attorney, or any other person or entity representing a person or the person's estate. In the case of a minor beneficiary, the beneficiary's parent or another adult with custody of the beneficiary, except for any transferor to a trust created under this instrument, will be considered the beneficiary's Legal Representative for purposes of this trust.

Per Stirpes

Whenever a distribution is to be made to a person's descendants per stirpes, the distribution will be divided into as many equal shares as there are then-living children and deceased children who left then-living descendants. Each then-living child will receive one share, and the share of each deceased child will be divided among the deceased child's then-living descendants in the same manner.

Primary Beneficiary

The Primary Beneficiary of a trust created under this trust is that trust's oldest Income Beneficiary, unless some other individual is specifically designated as the Primary Beneficiary of that separate trust.

Pour Over Will

Upon your death, your Pour-Over Will leaves any property that was not transferred to your Revocable Living Trust before your death to your Revocable Living Trust. This is why it is named a Pour-Over Will. The Pour-Over Will functions as a safety net to ensure that the property owned in your individual name rather than in the name of your Revocable Living Trust at the time of your death is ultimately managed by your successor Trustees as provided in your Revocable Living Trust. This is a

second-best case scenario, though. Your goal is to avoid probate altogether by transferring all of your assets to your Revocable Living Trust during your life. This Pour-Over Will is merely a backup document to ensure that your Revocable Living Trust ultimately controls all your assets.

Trust

Your Revocable Living Trust is the foundation of your estate plan. It contains your instructions for your own care and the care of your family if you become disabled, as well as for the distribution of your assets upon your death. Your Revocable Living Trust allows you to keep your instructions and financial affairs private and ensures that your instructions are carried out efficiently without unnecessary judicial involvement.

Trustee

The person or persons who the Trustmakers have designated to follow the terms of the Trust and carry out the wishes of the Trustmakers as stated in the Trust.

Trustmaker

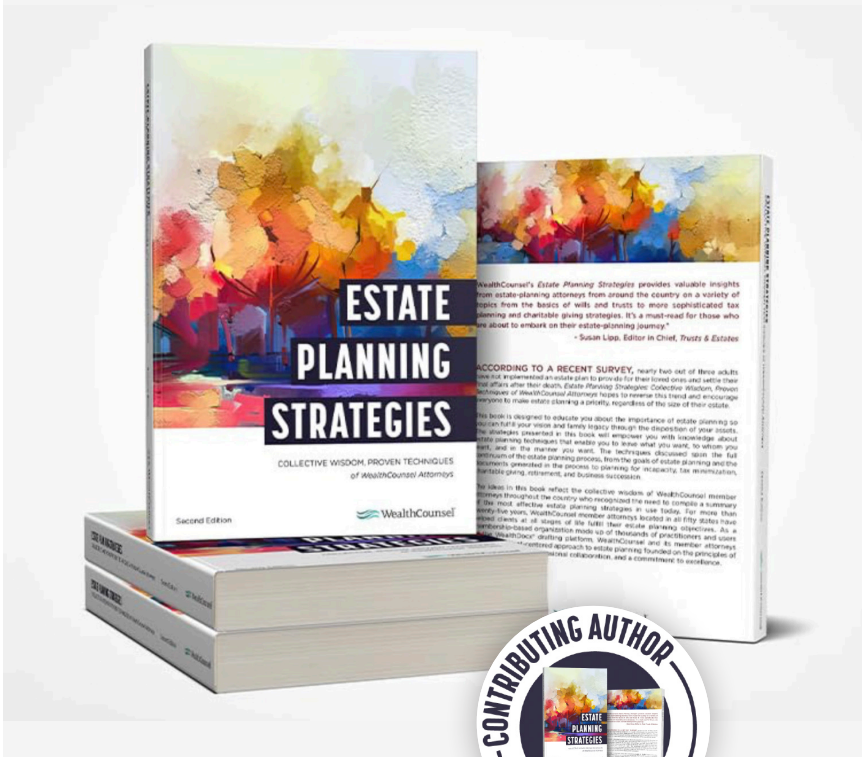
Trustmaker has the same legal meaning as Grantor, Settlor, Trustor or any other term referring to the maker of a trust.

Trust Property

The term trust property means all property acquired from any source and held by a Trustee under this trust.

Funding

The process of changing the title to assets from the individual to the name of the trust.



If you want to learn more about Estate Planning Strategies. I have co-authored a book on Estate Planning Strategies. It's available for sale at the link below. I make no royalties or income off this book. It's a collection of wisdom and proven Techniques of WealthCounsel Attorneys.

To find out more about the book and order a copy on Amazon,

<https://www.amazon.com/dp/0578399555>

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