Compliments of

Anderson, Dorn & Rader, Ltd.
Legacy & Wealth Planning Attorneys

(775)823-WILL (9455)
www.wealth-counselors.com

Are Your Bank Accounts Safe?

FDIC Insurance Can Cover You— With the Right Planning

ABOUT THE FIRM

Anderson, Dorn & Rader, Ltd. is dedicated to providing you with quality estate planning resources so you can become familiar with all of the existing options. When you visit or call our office, we want you to feel comfortable discussing such an important issue concerning both you and your family. We want to empower you with the information you need to make an informed decision about your family's future. In these turbulent times, if you or your loved ones would like a complimentary consultation to discuss your estate plan and financial strategy, visit our website at **www.wealth-counselors.com**, or call us today at **775-823-9455** to schedule an appointment and see why Martindale-Hubbell continues to recognize us as an AV Rated law firm. We present monthly seminars on estate planning; call us if you want to be on our seminar mailing list.

AV
AV® PREEMINENT™
Martindale-Hubbell®
Lawyer Ratings

Martindale-Hubbell®
CLIENT CHAMPION
SILVER

BAR REGISTER
PREEMINENT
LAWYERS

FOLLOW US ONLINE

www.facebook.com/probatebusters

www.googleplus.com/anderson dornraderltdreno

www.twitter.com/probatebusters

www.blogspot.com/ wealth-counselors.com

www.youtube.com/adrreno

CONTACT US

ADR
Anderson, Dorn & Rader, Ltd.
Legacy & Wealth Planning Attorneys

Anderson, Dorn & Rader, Ltd.
500 Damonte Ranch Pkwy, Suite
860 Reno, NV 89521

(775) 823-9455

www.wealth-counselors.com

info@wealth-counselors.com

IS IT TIME TO UPDATE YOUR ESTATE PLAN?

Are you concerned about the safety of your bank accounts? If so, your fears are justified. Early in 2008, the Federal Deposit Insurance Corporation ("FDIC"), which insures bank deposits, reported the biggest jump in "problem institutions" it had seen since the Savings and Loan Crisis of the late 1980s. The FDIC identified 76 banks in trouble, a 52% increase from the prior year.

But there's also good news. With proper planning you can protect your assets – even if you have considerable assets.

THE FDIC INSURES BANK ACCOUNTS

Each individual is covered for up to $250,000 in account assets. The limit is based on account ownership – if you own three different accounts totaling $500,000, at any one institution, only $250,000 is covered. One way to increase the amount of FDIC insurance at any one bank is to designate different ownership of the accounts at that bank. Say you own the $500,000 in your name alone; in that case, only $250,000 is covered. If you divide the accounts so you own $250,000 and your spouse owns $250,000, the full $500,000 is covered. While this is an easy way to get greater FDIC coverage for accounts at the same financial institution, it can lead to problems when the spouse whose name is not on an account needs to access the funds in that account.

Another option is to avoid placing more than $250,000 with any one financial institution. If you and your spouse place $1,250,000 in assets equally across five different banks, all the funds will be fully insured. To make the process easier, the Certificate of Deposit Account Registry Service (CDARS), a program which divides your assets across a network of institutions, can help you maintain insurance coverage on funds up to $50 million. For more information on CDARS visit www.cdars.com.

Arguably the best alternative is to place the accounts in the name of a Revocable Living Trust. Handled properly, the amount of FDIC insurance on bank accounts owned by a Revocable Living Trust can then be much greater. Why? Regulations now allow coverage to be calculated not just on ownership but also based on the number of beneficiaries identified in the trust agreement. If your trust names two beneficiaries in equal shares, the account is covered up to $500,000. Under the right circumstances, if you and your spouse set up a Joint Trust, that coverage could expand to $1,000,000!

Coverage is limited only to those individuals who receive assets upon your death. If your trust passes to your son Johnny and then, upon his death, to your daughter Suzie, Johnny is the only beneficiary considered.

FDIC insurance coverage rules can become much more complicated under certain circumstances: When there are more than two owners of a Revocable Trust, when the ownership of the trust is not in equal shares, or when the beneficiaries do not receive equal shares of the trust at the death of the owner. Plus, the regulations for calculating the amount of FDIC insurance coverage for an Irrevocable Trust are different than for a Revocable Living Trust.

Our office can help you ensure your assets are covered in the event of a bank failure, as well as help you take advantage of changes in state and federal regulations regarding your estate plan. Call us to find out how we can help you determine the best way to protect your assets and plan for your family's future.

ABOUT THE ACADEMY

This report reflects the opinion of the American Academy of Estate Planning Attorneys. It is based on our understanding of national trends and procedures, and is intended only as a simple overview of the basic estate planning issues. We recommend you do not base your own estate planning on the contents of this Academy Report alone. Review your estate planning goals with a qualified estate planning attorney.

The Academy is a national organization dedicated to promoting excellence in estate planning by providing its exclusive Membership of attorneys with up-to-date research on estate and tax planning, educational materials, and other important resources to empower them to provide superior estate planning services.

The Academy expects Members to have at least 36 hours of legal education each year specifically in estate, tax, probate and/or elder law subjects. To ensure this goal is met, the Academy provides over 40 hours of continuing legal education each year. The Academy has also been recognized as a consumer legal source by *Money Magazine, Consumer Reports Money Adviser* and Suze Orman in her book, *9 Steps to Financial Freedom*.

ADDITIONAL REPORTS

Request any reports of interest to you or your family. Simply call our office at **(775) 823-9455** or visit our website at **www.wealth-counselors.com.**

- A Child With Special Needs, Needs Special Planning
- Aid & Attendance: Special Care Pensions Wartime Veterans
- Are Your Bank Accounts Safe? FDIC Insurance Can Cover You – With the Right Planning
- Asset Protection: Reducing Risk, Promoting Peace of Mind
- Beware of Living Trust Scare Tactics
- Charity Begins at Home: The Charitable Remainder Trust
- Creating a Lasting Legacy: The Best Things in Life Aren't Things
- Dangers of Do-It-Yourself Wills and Living Trusts
- Estate Planning Basics For Families with Young Children
- Estate Planning with Individual Retirement Accounts (IRAs)
- Family Farm: The Next Generation
- Family Wealth Trust: Calculating the Benefits
- Fifteen Common Reasons to Do Estate Planning
- Finding the Right Estate Planning Firm
- Funeral Planning: Options for You and Your Family
- Getting the Most Out of Your Life Insurance: The Irrevocable Life Insurance Trust
- Grandparents' Guide to Second Generation Planning
- Keeping Up With the Ever Changing Estate Tax
- Living Trusts: Calculating the Benefits
- Paying for Nursing Home are: A Guide to Medicaid Planning
- Peace Of Mind: Planning For All Of Life's Contingencies
- Planning It Right The Second Time Around
- Probate: A Process, Not a Problem
- Probate: An Executor's Role and Responsibilities
- Protecting Your Assets with the Family Limited Partnership
- Protecting Your Assets with the Limited Liability Company
- Set the Stage for Medicaid Eligibility
- Should You Trust Your Estate Plan – Estate Plan Reviews Ensure Protection for Your Family and Assets
- Special Valuation Benefits for Farms and Other Business Real Property
- The Impact of Divorce on Your Estate Plan
- The Nightmare of Living Probate
- The Trouble with Joint Tenancy
- To My Dog Lucky I Leave $10,000
- Trust Administration: Prior Planning Prevents Problems
- What Every Senior Should Know About Probate
- Where There's a Will, There's Probate
- Your Life, Your Final Say