

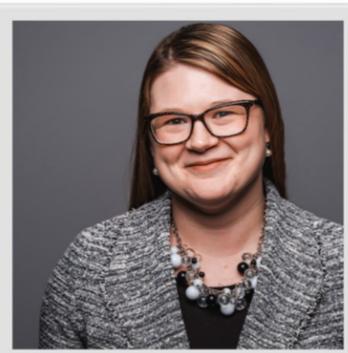


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Announcements

Welcome Krystal Morris!

We are pleased to announce our new team member, paralegal Krystal Morris. Krystal was born and raised in the Pocono Mountains of Pennsylvania and has made Anchorage her home for the past nine years. Prior to joining us here at Foley & Pearson, Krystal worked for an international law firm specializing in litigation and corporate law for four years. Krystal recently received her Paralegal Studies Certificate from the University of Fairbanks. She enjoys spending time with her family, especially her two daughters. When time permits, she also enjoys crocheting and reading. Welcome, Krystal!



Raine to Begin Law School

Chelsea Raine Phelps, known to many clients as “Raine,” will be departing Foley & Pearson to begin the Juris Doctorate program at the Gonzaga University School of Law. She received the Lita and Paul Luvera Scholarship, the Dean’s Honor Scholarship, and the President’s Excellence Award.

This is a bittersweet moment for Foley & Pearson. A true example of hard work and determination, Raine began her career at the firm in April of 2014 as the receptionist. Since then, she has been promoted to legal assistant, then to paralegal. We will dearly miss her, but we are certain that Raine’s love of learning, professional demeanor, and razor-sharp attention to detail will serve her not only in law school, but also in her future career.

Good luck, Raine!



Generations

FOLEY & PEARSON NEWSLETTER

Estate Planning Workshops



Foley & Pearson offers two workshops every month for people who want to know more about wills, insurance, trusts, children’s trusts, probate, estate taxes, and more.

There is no charge and no obligation.

Due to public safety concerns, our workshops are currently being held via videoconference.

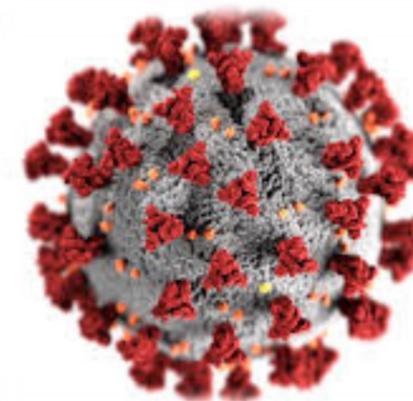
You can find more information and register online at foleypearson.com



Transitions in the Era of COVID-19

By William M. Pearson

I am writing this article in mid-April. It is likely that by the time this goes to publication, much of it will be out of date. Yet all I can do is put pen to paper and tell you what measures Foley & Pearson has taken to facilitate our clients’ estate planning needs and our experiences over the last few months in response to the COVID-19 pandemic.



Chelsea Ray Riekkola Becomes Firm Shareholder Effective May 1, 2020.

As I write this newsletter, I think back to our **Generations** event in early February. This event was a celebration of both our clients and Richard Foley’s

retirement. It shows how quickly the world can change. Just a few weeks later, stories of the emerging coronavirus became more pronounced. It quickly became apparent that the writing was on the wall. We had to adapt, and do so quickly. In three business days we were able to install a platform allowing our staff to work remotely. The Mayor’s *Hunker Down* order was issued 48 hours later, and again we had to adapt to a new landscape for the firm and our clients. With such change I knew it was vital that this law firm persevere through adversity. To be able to ensure that we will be there for our **Generations** clients for years to come, it is essential that the firm is more than just one stakeholder. Chelsea is committed to delivering quality estate planning and has been an invaluable employee. As my business partner and legal colleague, she will play a key role in the continued development of Alaska’s estate planning law and best practices. I am pleased to announce that she is a shareholder effective May 1st, and I look forward to collaborating with her

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COVID-19

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for years to come. The next time you see Chelsea, which we all hope will be sooner rather than later, feel free to congratulate her on her new role in the firm.

The Legislature Enacts Video Signing of Wills for the Duration of the COVID-19 Pandemic. In response to COVID-19, the legislature has enacted, and the governor has signed, SB 241. This is essential legislation that allows, for the first time in Alaska, witnessing of Wills by videoconference while emergency *Hunker Down* orders persist. Although temporary, this legislation allows us to meet with

For the first time in Alaska's history, the witnessing of Wills by videoconference is allowed by legislation.

clients remotely to execute their estate planning documents. We are in the process of fine-tuning our best practices in this area, including the most efficient way to deliver documents to our

clients for their review, whether it be by mail or electronically. The feedback of our *Generations* clients is important to us as we walk this uncertain and evolving path. Please let us know about your experience and what we can do to assist you during this time.



Legal Services Continue by Facilitating Remote Client Meetings. Estate planning services have been designated as an essential legal service under the Municipality of Anchorage *Hunker Down* order. However, it is vital that we prioritize the health and safety of our clients and staff. To this end, for the duration of the *Hunker Down* order, our office is open by appointment only, and only for these essential services. This means that for the time being, our reviews will be by phone or videoconference. We will only be meeting with you in person for signing appointments. At these signing appointments, we will require that all clients and staff wear masks or similar face-coverings. We will also be strictly imposing social distance protocol for these signing appointments. Your understanding is greatly appreciated as we navigate the

uncertainty of this new reality.

Estate Planning and Flexibility Remains Important. As a Foley & Pearson *Generations* client, you have already demonstrated the value you place in having your estate plan in place. One of the reasons that we offer the *Generations* program is to be able to communicate with our clients as we strive to make sure your documents meet your goals when the time comes. To this end, don't forget to review your Trust, Pour-Over Wills, Powers of Attorney, Health Care Directives, and other important estate planning documents. Also make

Don't forget to review your important estate planning documents.

sure to look for the paralegals' funding review letters, which are mailed out every three years.

Thank You. Our firm would not be in the position to continue to provide these legal services during this time without your support. Thank you for standing behind our firm and our staff. It matters.



The SECURE Act: What it is and How it Might Affect Your Planning

By Chelsea Riekkola

On December 20, 2019, the SECURE Act ("Setting Every Community Up for Retirement Enhancement") was signed into law. This Act changes the rules for IRAs and 401(k) plans, and became effective on January 1, 2020. The two most significant changes under the Act are:

- 1) Required Minimum Distributions ("RMDs") must now be taken starting at age 72, instead of age 70 ½; and
- 2) With some exceptions, inherited IRAs must now be paid out over ten years, instead of the life expectancy of the beneficiary.

What does this mean for your

estate planning? There are some steps you should take to ensure that your plan still accomplishes your goals given the recent changes to the law. First, review the beneficiary designations on your IRAs and 401(k) plans. Do they list your spouse? Your children? Charities? Other friends or family members? Next, schedule an appointment to review your estate plan with your attorney. These meetings are included at no additional charge for all levels of *Generations*.

In reviewing your beneficiary designations, you may find that your IRA or 401(k) lists your Trust as a beneficiary. If that is the case, it may be time to

update your beneficiaries. But do not make changes to these designations without talking to your attorney first! These assets are subject to complicated tax rules, so meeting with an attorney is well worth your time. Another possible revision to your plan is replacing "conduit" trust provisions with "accumulation" trust provisions. Or, if you are charitably inclined, this may be the perfect opportunity to leverage your estate planning to benefit a charity by creating a Charitable Remainder Trust as part of the plan.



Change in the Law: Workers' Compensation Insurance Coverage Requirements

By Chelsea Riekkola

HB 79, which went into effect on August 1, 2019, changes how owners, corporate officers, and LLC members are treated regarding workers' compensation insurance coverage. Under HB 79, any corporate officer or LLC member who owns less than 10% of the business must be

covered by the workers' compensation policy.

If your corporation or LLC is owned 100% by your Living Trust, but you would like to continue to exempt yourself and other officers or owners from these workers' compensation requirements, it may be time to reevaluate how the business is

owned. Contact us to schedule an appointment with one of the attorneys if you think this may apply to you. Should a change of officials be needed, this cost is included as a part of our Corporate/LLC Maintenance program.

