



eCommunique'

Trust Department Quarterly

AUGUST 6, 2010

VOLUME 1, NUMBER 1

In This Issue

- **Planning For The Future**
- **1st Bank Trust Department**
- **Annual Estate and Charitable Gift Planning Seminar**
- **Summertime Recipes**



Links to sites of interest

To access any one of these sites, simply point to the website address then click; the hyperlink will open.

1st Bank's Website
<http://www.1stncb.com>

Coin Appraisal Service
<http://www.hcc-coin.com>

Gateminder Corporation
<https://www.gatemindercorp.com/>

Planning For The Future?

Living Trusts can be a tremendous way to protect your estate. The popularity of the living trust has soared in recent years as more people discover its significant estate planning benefits. Like a last will, a living trust allows you to transfer property to beneficiaries—but with one key difference.



A living trust is not usually subject to probate, which can tie up your estate for a year or longer and consume a substantial portion of its value in court fees.

Trust vs. Will Comparison

The Living Trust or Joint Living Trust are often viewed as preferable alternatives to the Will. Some of the perceived advantages of the Living Trust are as follows:

- **Privacy.** A Living Trust is more private. Under state law, a will is admitted to probate after the Willmaker dies, so that the terms of the Will can be administered. (Under certain circumstances, families with very small estates may be able to use abbreviated probate procedures, or avoid probate entirely, in which case it is not necessary to admit the Will to probate.) "Probate" refers to the court procedures that:
 - determine the validity of the Will
 - deal with potential Will challenges,
 - resolve the claims of creditors of the decedent, and
 - ultimately distribute the decedent's assets to the beneficiaries.

As a result, the Will becomes part of the court records that can be inspected by the public upon request. In contrast, a Living Trust is administered by the Successor Trustee usually without court involvement, and normally does not become a public record. Thus, the terms of the Living Trust, including the identities of the beneficiaries and the manner in which the Grantor's assets will be distributed, remain private.

- **Reduced probate costs.** A Living Trust may avoid at least some of the perceived "evils" of the probate process. A Will is subject to a court administered process known as "probate." This process takes time (generally, six months to three years), and involves court costs, executor fees, and lawyer fees. The cost of probate can vary greatly, depending on state law; the cost may range from 2% of the amount of the decedent's gross assets to 10% or more in some states. However, the costs associated with administering the trust assets after a Grantor's death, including the obligation to prepare various tax returns, account for trust assets, pay the Grantor's debts, and make required distributions, may be similar in amount to the costs of probate. Therefore, it is difficult to predict whether the amount of savings that might result from the use of a Living Trust will be more than a minimal amount.
- **Management of property.** A Living Trust offers a mechanism for allowing another person or organization to manage all or some of your assets if you become unable to do so, or if you simply prefer to "have someone else do it." Thus, a Living Trust may serve as an alternative to a conservatorship or guardianship.



A Living Trust (also known as a "revocable trust") is a trust created by a person (known as the "Grantor") for use during that person's lifetime. It provides for payments of income for the Grantor and the distribution of the remaining assets of the Trust upon the Grantor's death. The Living Trust also includes an option which allows the Grantor to amend or revoke the Trust at any time. In order to amend the Trust, the Grantor must deliver to the Trustee an appropriate written amendment or restatement, signed by the Grantor.

Typically, a Living Trust includes provisions that allow the Grantor, who often serves as initial Trustee, to manage the assets of the Trust until such time as the Grantor:

- becomes "disabled" (unable to manage his or her financial affairs);
- simply prefers to have someone else (perhaps a bank's trust department) manage his or her affairs; or
- dies.

If that occurs, the Trust provides for a successor Trustee to take over the management of the Trust.

Payments

During the Grantor's lifetime, payments of the net income of the Trust are made to the Grantor at fixed intervals. The amount of the payments can be changed from time to time at the request of the Grantor.

When the Grantor dies, the Trust provisions designate the beneficiaries who will receive the Grantor's property, much in the same manner as a will. At the option of the Grantor, these provisions can include specific distributions and distributions of tangible personal property before the distributions of the remaining trust assets. The successor Trustee carries out these provisions in a role similar to that of an Executor. These provisions also allow the Grantor to include a trust share that will be maintained for the benefit of the Grantor's minor children through a trust for minor children.

Advantages of a Living Trust

The Living Trust is often viewed as a preferable alternative to the Will. Some of the perceived advantages of the Living Trust relate to privacy, reduced probate costs, and management of assets.

1st Bank Trust Department

We help our clients meet their specific needs for professional management of their financial affairs with our caring staff at the 1st National Community Bank Trust Department. We have local professionals with extensive experience in helping clients with all phases of the planning and administration process. We specialize in wealth building, wealth distribution and wealth preservation for the benefit of Trust donors, family members and other selected beneficiaries.

Our Trust Department offers a unique approach to providing Trust services to clients. Our staff teams up with other professionals in offering the investment and the record keeping functions while working with the local attorney and accountant of your choice. Our staff is then free to concentrate on the responsibility of administering the Trust and working with the donor and the beneficiaries of his or her benevolence.

Our staff will work with you and your attorney from the beginning in planning for the creation of a Plan that will meet your personal wishes and needs. We will follow through with implementation and administration of the Trust(s) and/or the Last Wills that will carry out the Plan that you have personally selected after careful consideration to the numerous tax considerations.





1st Bank Trust Department Contacts

St. Clair Avenue Service Center
16924 St. Clair Avenue
East Liverpool, OH 43920
Phone: 330/385-9200
Fax: 330/386/7452

Jeffrey W. Bail, CPA
Sr. Trust Officer

Rita David
Trust Assistant

1st National Community Bank and its affiliates do not render tax advice or legal advice. For specific tax advice you should consult a tax advisor. Estate planning requires legal assistance.



You can enjoy the advantages of:

- The convenience of a local counselor to assist the beneficiaries.
- High quality service provided by 1st Bank Trust Department through third party specialist with their extensive resources.
- Service from local persons known to you who can trust.
- Strict confidentiality in handling your personal affairs.

Contact a 1st Bank trust representative today to see how we can make your life more rewarding.

INVESTMENT ACCOUNTS ARE NOT DEPOSITS OF THE BANK. THESE ACCOUNTS ARE NOT FDIC INSURED, ARE NOT INSURED BY THE GOVERNMENT AND ARE NOT GUARANTEED BY THE BANK. THEY MAY DECREASE IN VALUE.

Annual Estate & Gift Planning Seminar

1st Bank is pleased to announce the Annual Estate & Charitable Gift Planning Seminar will be held this year on Thursday, September 23, 2010. This year marks the 6th consecutive year that the Trust Department of 1st National Community Bank will be the sponsor in conjunction with the East Liverpool Corp of the Salvation Army. We have a reputation for sponsoring one of the best attended seminars in the state.

This live nationally simulcast video conference features Attorney/Professor Roy M. Adams, noted lecturer, columnist and author with special guest Christopher Hoyt. This seminar is titled: "TO DO OR NOT TO DO ... THAT IS THE QUESTION" and promises once again to be delivered in a very learned and entertaining fashion. The specifics are:

Location: Kent State Mary Patterson Building, East Liverpool, Ohio

Date & Time: **Thursday, September 23rd** Seminar – 10 AM to 4 PM

Cost: Free – Materials, lunch and refreshment are provided by the Trust Department.

Continuing Education Hours: Ohio CLEs & CPE– 5 hours (pending final approval)

Registration: Preregister at www.MakeAPlanOhio.com

Summertime Recipes

It's that time of year - long, sunny days and warm summer nights. It's the perfect time to step up to the plate for the great taste of barbecue.

Almond Chicken Salad

Ingredients

- 4 green onions, thinly sliced
- 1 large carrot, shredded
- 1 red bell pepper, cut into ½ inch pieces
- ½ pound sugar snap peas, halved
- 2 cups chopped, cooked chicken breast
- ½ cup fresh cilantro leaves
- ½ cup blanched slivered almonds, toasted
- 2 tablespoons white sugar
- 2 tablespoons distilled white vinegar
- 1 ½ tablespoons sesame oil
- 1 tablespoon teriyaki sauce
- 1 tablespoon ground dry mustard



In large bowl, mix together the onions, carrot, red pepper, peas, chicken, cilantro and almonds. Set aside.

In a small bowl, whisk together the sugar, vinegar, sesame oil, teriyaki sauce and dry mustard until smooth. Pour over salad mixture and toss until coated. Serve in pita pockets or on a bed of lettuce.