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FROM THE DESK OF JOHN V. POLOMSKY II

END OF YEAR PLANNING

We reviewed our files and many of you (alarmingly) have not updated your estate planning documents (wills, trusts, medical and/or general powers of attorney) despite reminders in previous Client Alerts. COVID-19 showed the vital importance of having your medical and financial powers of attorney in place now. Have you had a change in marital status? Has your financial situation changed? Has your relationship with your chosen financial or medical agent changed, and you need to choose someone else? There are many reasons to update an estate plan. If you have not updated your documents since 2016, *we should meet to discuss your current estate planning needs.*

Call us to schedule an appointment to review your estate plan. Our Confidential Estate Planning Questionnaire is available on our website www.polomskylaw.com to prepare for your meeting.

TPP

Catch your attention? That is “Tangible Personal Property.” In your estate planning documents, there is a section in which you give your “TPP” to someone or several someones. TPP includes furniture, jewelry, clothing, collections.... you get the point. Good news! We are now specifically adding computers, hard drives, and PETS to the form which gives your TPP away. So, let’s get together to update your documents and protect Rover, Kitty or your computer hardware by making sure it is specifically mentioned in your estate plan.

ATTENTION ALL HOBBYISTS AND COLLECTORS

The current maximum allowance for the transfer of automobiles is \$65,000. Anyone with car collections or specialty items like airplanes should consider putting these in a special trust or in a special limited liability company for maximum asset protection. Also, a “transfer on death” form can be used for cars.

We can do that! Call for an appointment!

NEW BUSINESS DEVELOPMENT

Changes in workflow caused by COVID-19 have resulted in work-from-home ventures or new small business ventures. Is it a multiple partner situation? A partnership agreement will protect you in the event issues arise between you and your new partner. You should also consider

whether you want employees or independent contractors – laws will be different if you hire a contractor to work from home outside Michigan compared to having an employee in Michigan. And don't forget the possible security issues with virtual interviews. All these considerations are important to the success of your business.

Call us about for your business development needs.

SOMEBODY'S WATCHING ME (AND YOU, AND YOU AND YOU)

We all know the pain of having multiple passwords to remember and change every 60 days or so, and the PINs for the banks. It's hard for us average computer users to keep up! Just imagine having a cryptocurrency account which issues only ONE PIN and if you LOSE IT, you are out of luck.

The importance of keeping your passwords, PINS, and other codes safe using multi-factor authentication has never been more important. Real estate transactions are relatively new targets for fraudsters who access an email account illegally and then take your banking passwords. The number of losses jumped to 238% from 2014 to 2018. Free email accounts like Gmail and Hotmail do not have two-layer certification which makes those account especially susceptible to hacking. Users must be extremely careful not to open links or attachments or text messages from an unknown sender. *Never* give personal information over the phone to someone claiming to be a bank, credit card company or other financial institution (this is called vishing), or to anyone sending an email to obtain that information (this is called phishing.) And lastly, never answer personal questions on social media, even if it looks like a fun thing to do between friends.

Title companies are experiencing a rash of fraudulent wire transfers. If you are selling real estate, make sure your title company is SOC 1 and 2 certified when handling client funds and information. To ensure the third-party service provider is up to these standards, you can ask for a report showing proof that it has proper security controls in place, which has been verified by a third-party. This proof can come in the form of a SOC 1 report, which is the audit of a vendor's accounting and financial controls. A SOC 1 and 2 both report on the controls and processes at a service organization that may impact their user entities' internal control over financial reporting. The main difference is time: SOC 1 report attests to controls at a service organization at a specific point in time whereas a SOC 2 report is an attestation of controls at a service organization *over a minimum six-month period.*