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THE THREE LEVELS OF FAMILY BUSINESS SUCCESSION PLANNING

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One of the chief concerns facing family business owners is how to effect an orderly and affordable transfer of the business to the next generation and/or key employees. In other words, the concern is how to keep the family business in the family. Failure to properly plan for a smooth transition can result in monetary losses and even loss of the business itself. It is estimated that more than 70% of family owned businesses do not survive the transition from founder to second generation. However, given adequate time and proper planning, a business succession plan can be implemented easily and often profitably.

There are essentially three **levels** to a business succession plan. The first level of a business succession plan is **management**. It is important to recognize that management and ownership are not the same. The day-to-day management of the business may be left to one child, while ownership of the business is left to all of the children (whether or not they are active in the business). It is also possible that management may be left in the hands of key employees rather than family members.

The second level of a business succession plan is **ownership**. Most business owners would prefer to leave their businesses to those children that are active in the business, but would still like to treat all of their children fairly (if not equally). Yet, many business owners lack sufficient non-business assets to allow them to leave their inactive children an equal share of their estate. Thus, a business succession plan must provide a means of transferring wealth to the children who are not interested in, or not qualified for, continuing the business. Business owners must also assess the most effective means of transferring ownership and the most appropriate time for the transfer to occur. Two other issues concerning ownership must be addressed. The first is whether the business owner will have continued economic benefit from the business after the transfer of ownership. The second issue is whether the business owner will continue to control the business after the transfer of ownership is complete.

The third level of a business succession plan is **transfer taxes**. Estate taxes alone can claim up to 40% of the value of the business, frequently resulting in a business having to liquidate or take on debt to keep the business afloat. To avoid a forced liquidation or the need to incur debt to pay estate taxes, there are a number of lifetime gifting strategies that can be implemented by the business owner to minimize (or possibly eliminate) estate taxes.

This brochure summarizes the fundamentals of business succession planning to help family business owners assess their goals and consider the economic, legal and tax implications of various plans. It is by no means an exhaustive source on business succession planning. Business succession planning involves complex questions of law, tax and business planning. The only way to find the best business succession strategy for a particular family business is to work closely with a lawyer, accountant, and a licensed financial advisor experienced in business succession planning.

References to a "business" in this brochure include corporations, limited liability companies, and partnerships. References to "shares" include stock in a corporation, membership interests in a limited liability company, and partnership interests in a partnership.

LEVEL ONE MANAGEMENT

Whether management of the business will rest in the hands of the next generation, in the hands of key employees, or a combination of both, the business owner must learn to delegate and work on the business. It can take many years to train the successor management team so that the business owner can walk away from day-to-day operations. For many business owners, giving up such control can be difficult.

All too often, business owners focus more on the ownership and transfer tax issues involved in a business succession plan and ignore the people issues. In the typical family business, the future leader is likely to be one of the business owner's children. If so, steps must be taken to assure that the future leader has the support of the key employees and other family member owners. Generally, a gradual transfer of roles and responsibilities gives the successor time to grow into his new position and allows the business owner some time to get use to his diminishing role. Thus, lead-time is important for a smooth transition.

Many family businesses are dependent on one or two key employees who are critical to the success of the business. These key employees are often needed to manage the business (or assist in the management of the business) during the transition period. Therefore, the succession plan must address methods to guarantee that key employees remain with the business upon the death, disability or retirement of the business owner. Following are three techniques often used to assure that key employees remain with the business during the transition period:

- **Employment Agreements.** A written employment agreement will set forth the employee's duties, compensation and fringe benefits. The agreement can also provide for some form of profit sharing or incentive compensation, as well as a covenant-not-to compete. To protect the employee, the agreement can have a set term and can provide the employee with severance pay if his employment is terminated without cause (as defined in the agreement).
- **Nonqualified Deferred Compensation Plans.** A nonqualified deferred compensation plan (sometimes referred to as a "golden handcuff" plan) is an agreement whereby the business promises to pay the key employee a benefit at retirement, death, or disability in return for the employee's continued employment through the specified age for retirement. The benefit is usually paid in monthly installments for a set term of years, and can be based on a set dollar amount, on a specified percentage of the employee's average final pay, or on the future value of the business (a so-called phantom stock plan). In exchange, the employee promises not to voluntarily terminate employment prior to the retirement date and not to compete with the business after retirement. An employee's violation of either promise results in the forfeiture of all benefits promised to him under the agreement. The ideal way to fund a nonqualified deferred compensation plan is for the business to purchase a life insurance policy on each employee covered under the plan.
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- **Stock Option Plans.** A stock option plan is a contract between a company and one or more key employee that gives the employee(s) the right to purchase a specific number of the company's shares at a fixed price within a certain time period. The option usually has an exercise price set to the market price of the stock at the time the option is granted. If the underlying stock increases in value, the option becomes more valuable. If and when the option is exercised, the employee must pay income tax on the "spread" (the difference between the value of the stock and the amount paid for the option). At the time of exercise, the company receives an income tax deduction for the spread. To encourage a key employee to remain with the company following the owner's death, disability or retirement, the option can include a vesting period. Finally, to assure that the stock remains in the hands of insiders, the agreement can contain provisions that restrict the transfer of the option to outsiders.
- **Change of Control Agreements.** A change of control agreement generally provides that the employee's terms and conditions of employment (i.e., duties, compensation, benefits, etc.) will not be adversely changed for a set period (usually one to three years) following the transfer of the business to the next generation. Thus, if the new owners terminate the employee's employment for reasons other than death, disability, or termination for cause (as defined in the agreement), the employee will continue to receive his compensation and benefits for the remainder of the set period.

To assist the successor managers during the transition period, the business owner should consider establishing an advisory board. Upon the business owner's death, disability or retirement, the advisory board can provide counsel to the successor managers and suggest strategic policy. The advisory board can be comprised of key employees, customers, suppliers, the business's attorney, accountant, financial advisor, and/or other business owners. The advisory board can be established in the business's governing documents (i.e., the bylaws for a corporation or the operating agreement for a limited liability company) or as part of the business owner's estate plan. For example, a business owner's revocable living trust can establish an advisory board upon the business owner's death to manage the business during the transition period.

LEVEL TWO OWNERSHIP

Often, a major concern for family business owners with children who are active in the business is how to treat all of the children equally in the business succession process. Other concerns for the business owner include when to give up control of the business and how to guarantee sufficient retirement income. Following are ten techniques commonly used to resolve these concerns:

- Selling (as opposed to gifting) the business to the active children results in all children being treated equally. The sale price would be the fair market value of the business determined by an independent appraisal. Typically, the purchase price would be paid in installments with interest. An added advantage of a sale is that it provides an income stream for the business owner's retirement needs. The problem with a sale, however, is that it is not tax efficient. The purchasers must use after-tax dollars to make the principal payments, and the business owner must pay a capital gains tax on any gain realized on the sale plus ordinary income taxes on the interest payments.
- Gift and/or sell the business to all of the children, but deliver voting shares to the active children and non-voting shares to the inactive children. In addition, grant either the business and/or the active children the right to call (purchase) the nonvoting shares of the inactive children. Conversely, grant the inactive children the right to put (sell) their nonvoting shares to the business and/or the active children. The purchase price and payment terms for the puts and calls must be in writing.
- Gift and/or sell the business to the active children, and leave the inactive children non-business assets. If, as a result, the inactive children will not receive an equal (or fair) portion of the business owner's estate, make up the difference by establishing an irrevocable life insurance trust for their benefit.
- If the active children have been instrumental in the success of the business, give them credit for their involvement in the business, particularly if their salaries have been less than the going rate. This credit could be in the form of lifetime gifts of business interests and/or a larger portion of the business owner's estate (in the form of business interests) compared to the inactive children.
- Generally, it is not necessary to treat adult children equally under state law. Therefore, a business owner need not base his succession plan on treating the inactive children equally, or even fairly. Of course, treating one's children unequally can create acrimony between family members.
- For the active children, the most pressing need is likely the assurance (in writing) that they will eventually control the business upon the owner's death, disability or retirement. For the business owner, the need to control the business for the time being is likely to be of utmost importance. Therefore, the parties can enter into a buy-sell agreement (see below) that allows the business owner to retain the voting shares until his death, disability, or retirement.
- If more than one child is active in the business and the business owner is not certain which of the active children should have control over the business, the business owner can retain the voting shares until that decision is made. However, the business owner's revocable living trust should distribute the voting shares to one or more of the active children (or hold them in trust for such children) in the event the business owner dies before transferring the voting shares.
- When more than one child is active in the business, specific criteria that the children must meet in order to receive voting shares can be established. For example, earning a college degree or obtaining outside work experience are common requirements.
- If the decision is made to gift the business to the active children, a salary continuation agreement can be used to provide the business owner with retirement benefits. If properly designed, the benefits paid to the business owner will be deductible to the business but taxable as ordinary income to the business owner. Alternatively, the business owner can remain as a consultant to the business or serve as a board member in order to receive some compensation.
- Simultaneous with the gifting and/or selling of business interests, the new owners should enter into a buy-sell agreement. A buy-sell agreement is a legal arrangement providing for the redistribution of shares of the business following the death, disability, retirement or termination of employment (triggering events) of one of the owners. The buy-sell agreement would also set forth the purchase price formula and payment terms upon the

happening of a triggering event. If properly designed and drafted, a buy-sell agreement will create for the departing owner a market for what otherwise would be a non-marketable interest in a closely held business; will allow the original owners to maintain control over the business by preventing shares from passing to the departing owner's heirs; and will fix the value of a deceased owner's shares for estate-tax purposes.

LEVEL THREE
TRANSFER TAXES

The transfer tax component of business succession planning involves strategies to transfer ownership of the business while minimizing gift and estate taxes. The gift and estate-tax consequences deserve special attention. Unanticipated federal estate taxes can be so severe that the business may need to be liquidated to pay the tax.

The Federal estate and gift tax exemption is $5 million for individuals and $10 million for couples—indexed for inflation. Prior to the 2017 GOP Tax Act (the "Act"), with inflation adjustments, the exemption would have been $5.6 million for individuals and $11.2 million for couples in 2018. However, as a result of the Act, the amount that a person can exempt from federal estate taxes doubled to $11.2 million ($22.4 million for a married couple) indexed for inflation.

On January 1, 2026, absent further Congressional action, the exemption amounts are scheduled to revert to the $5 million/$10 million levels, adjusted for inflation. This significant and temporary increase in the exemption amounts presents a unique opportunity for high net worth business owners to make gifts of business interests to children and/or grandchildren either outright or to new or existing trusts.

Following is a description of a number of tools and techniques commonly used to transfer ownership of a family business. The factors to be considered in determining which techniques to use include the size of the business owner's taxable estate, the owner's need for retirement income, the owner's desire to control the business during the transition period, and the desire to treat the inactive children equally or fairly.

For lifetime gifts or sales of the business, nonvoting shares are usually used for two reasons. The first is to accomplish the business owner's desire to retain control of the business until a later date (i.e., the owner's death, disability or retirement). The second reason is to reduce the gift-tax value of the shares because of valuation discounts for lack of control and marketability.

Gifting Techniques

- **Annual Exclusion Gifts.** Gifts of business interests up to $15,000 ($30,000 for married couples) can be made annually to as many donees as the business owner desires (for 2018). This amount is adjusted for inflation in increments of $1,000. Such gifts not only remove the value of the gifts from the business owner's estate but also the income and future appreciation on the gifted property.
- **Gift Tax Exemption.** Beyond the $15,000 annual gift tax exclusion, the business owner can gift $11.2 million ($22.4 million for a married couple) during his lifetime. While the use of the gift tax exemption reduces (dollar for dollar) the estate tax exemption at death, such gifts remove the income and future appreciation on the gifted property from the business owner's estate.
- **Gifts of Family LLC Interests.** A family limited liability company (FLLC) is a standard LLC that only includes family members. It can be a valuable tool to transfer a business or business real estate to children. In the typical FLLC, there are two types of membership interests: voting and nonvoting. The business owner retains the voting interests (1%) and gifts and or sells the nonvoting interests (99%) to those children active in the business (or to trusts for their benefit). With the voting interests, the business owner names himself/herself as the manager of the FLLC, thereby retaining control over the FLLC. Because the nonvoting interests lack control and marketability, they are discounted for valuation purposes. These discounts can be as high as 45%, thereby allowing the business owner to gift and/or sell more of the business. The same results can be accomplished with a family limited partnership (FLP).
- **Gifts in Trust.** While a business owner can gift shares in the business outright, consideration should be given to making the gifts in trust. One advantage of making gifts in trust for the benefit of the active children is to protect them from their inability, disability, creditors and predators, including divorced spouses. Another advantage to making gifts in trust is that the assets in the trust at the children's deaths can (within limits) pass estate-tax free to the business owner's grandchildren. These are sometimes known as generation-skipping or dynasty trusts.

- **Gift to Charity and Corporate Repurchase.** Regular corporation business owners who are charitably inclined can gift some shares to children and the balance to charity. Several months later, the corporation can then redeem the charity's shares, leaving the charity with liquid assets and the children as the sole shareholders of the corporation. As long as the charity is a public charity, the repurchase may be achieved with either cash or a note. The net effect of using this technique is to reduce the number of shares that will eventually need to be transferred to the active children. This strategy saves income, gift and future estate taxes. The business owner receives a current charitable income tax deduction, avoids capital gains taxes and reduces his gift and estate taxes. It is important that there be no prearranged agreement that the charity's shares will be redeemed. Specifically, on the date of the gift to the charity, neither the corporation nor the charity may be bound to effect a repurchase.

Sales Strategies

- **Installment Sales.** An installment sale is an excellent way to provide a steady stream of cash flow to the business owner while transitioning ownership to the active children. The installment sale must bear interest at not less than the applicable federal rate published monthly by the IRS. To the extent that the purchase price is less than the fair market value of the shares, the business owner has made a gift to the purchaser (i.e., a bargain sale).
- **Private Annuities.** With a private annuity, the business owner (the annuitant) sells the business interest to the active children (the purchasers) for an unsecured promise to make periodic payments to the annuitant for the remainder of the annuitant's life (a single life annuity) or for the remainder of the lives of the annuitant and his spouse (a joint-and-survivor annuity). The size of the annuity payments is dependent on the business owner's life expectancy. Since the payments terminate upon the business owner's death, neither the business interest nor the annuity is included in the owner's estate. Because the private annuity is a sale and not a gift, it allows the business owner to remove the business interest (and the future income and appreciation thereon) from his estate without incurring gift or estate tax. Each annuity payment received is taxed as part capital gain, part ordinary income, and part tax-free return of basis. The annuity cannot be secured and the purchaser cannot deduct any portion of the payments.

  The IRS has issued proposed regulations that would eliminate the income tax advantages of selling appreciated property in exchange for a private annuity. The proposed regulations would do this by causing the seller's gain to be recognized in the year the transaction is effected rather than as payments are received. In the context being referred to herein, the proposed regulations generally would apply for private annuity transactions entered into after April 19, 2007.

  A private annuity is an excellent vehicle for a business owner who wants to sell his business during lifetime and receive income until he dies. Of course, there is always the possibility that the business owner will outlive his life expectancy, in which case the children purchasing the business will pay more than expected. Private annuities can be particularly helpful from an estate tax perspective when the business owner is in poor health and not likely to live out his life expectancy. The business owner could sell the business to the active children who would only make payments until the owner's death. Thus, the children could pay very little for the business. However, in order to rely on the IRS's actuarial tables to determine the amount of the annuity (as opposed to the owner's actual life expectancy), the business owner must have a 50% chance of living one year beyond the agreement. If the business owner lives for at least 18 months beyond the agreement, there is generally no challenge by the IRS. In any event, a medical assessment to document the business owner's health condition should be obtained.
- **Self-Canceling Installment Notes.** When a business owner decides to sell his business to a child on installments, the promissory note may be a self-canceling installment note ("SCIN"). With a SCIN, upon the seller's death, all remaining payments under the note are canceled, similar to a private annuity. The purchaser must pay a premium for this cancellation feature, in the form of either a higher interest rate or a larger purchase price. Like a private annuity, a SCIN avoids estate and gift taxes.

Freezing Techniques

- **Grantor Retained Annuity Trusts.** A grantor retained annuity trust (GRAT) is an irrevocable trust to which the business owner transfers shares in his business (typically Subchapter S stock or interests in an LLC or FLP) but retains the right to a fixed annuity (payable annually) for a stated term of years. At the end of the trust term, which must expire during the business owner's lifetime, the property remaining in the GRAT (i.e., the appreciation and income in excess of the annuity) will pass to the children active in the business. Only the value of the remainder interest (passing to the active children) is subject to gift tax. Thus, the larger the annuity, the longer the term, and the lower the IRS assumed interest rate, the smaller the gift. The catch is that if the business owner fails to survive the term, the property in the GRAT will be included in his estate. The freezing occurs because the future appreciation and income on the business interest (in excess of the annuity) is removed from the business owner's estate. The business owner's estate is also reduced by the income and capital gains taxes he must pay on the GRAT income. In other words, the business owner is not taxed separately on the annuity payments but instead is taxed on all of the capital gains and income incurred by the GRAT. The taxes paid by the business owner are effectively tax-free gifts to the remainder beneficiaries of the GRAT.

- **Installment Sales to Grantor Trusts.** The business owner can sell shares in his business (typically Subchapter S stock or interests in an LLC or FLP) to a grantor trust for the benefit of the active children. A grantor trust is an irrevocable trust that is valid for estate tax purposes, but "defective" for income tax purposes. This means the business owner (as the grantor) is the owner of the trust for income-tax purposes. Since the business interests are sold to the grantor trust, there are no gift taxes. Moreover, there are no capital gains taxes to the business owner because sales between a grantor and a grantor trust are disregarded for income tax purposes. The terms of the sale are usually zero down with annual interest payments at the lowest rate permitted by the IRS and a balloon payment in nine years. This technique is similar to a GRAT, but without the mortality risk. The freezing occurs because the future appreciation and income on the business interest (in excess of the interest rate) are outside the business owner's estate. The business owner's estate is also reduced by the income and capital gains taxes he must pay on the trust's income. In other words, the business owner is not taxed separately on the interest payments but instead is taxed on all of the capital gains and income realized by the trust. The taxes paid by the business owner are effectively tax-free gifts to the beneficiaries of the trust. Finally, the installment note from the grantor trust can be in the form of a SCIN or a private annuity (see above).

Statutory Relief

- **I.R.C. Section 303 Stock Redemption.** Generally, the redemption of stock in a closely held corporation is taxed as a dividend. IRC Section 303 makes an exception to the general rule for sales by an estate or heir (to the extent of the estate tax). This exception results in the taxation of the gain on the sale at capital gains rates. Since the stock receives a new basis equal to its value on the date of death, the estate or heir will recognize no gain on the sale. In order to qualify for IRC Section 303 treatment, the stock to be redeemed must be included in the deceased shareholder's estate and the value of the stock must exceed 35% of the deceased shareholder's adjusted gross estate. The primary benefit of IRC Section 303 is to permit the tax-free use of a closely held corporation's cash to pay a deceased shareholder's estate tax.
- **IRC Section 6166.** Generally, the federal estate tax is due and payable in cash within nine months of death. IRC Section 6166 provides a way for estates of closely held business owners to spread out their estate tax payments. If the value of the closely held business is more than 35% of the business owner's adjusted gross estate, then the estate taxes attributable to the business interest may be deferred for four years during which only interest on the tax is due. Thereafter, a maximum period of 10 years, over which annual payments of principal and interest must be made, is allowed. However, the number of qualifications and restrictions (including security requirements) that must be met in order to defer estate taxes under IRC Section 6166 often relegates its use to a planning technique of last resort.

Life Insurance Applications

Life insurance often plays an important role in a business succession plan. Following are some of the common ways in which life insurance can be integrated with many of the tools, techniques, and strategies discussed in this brochure.

- **Estate Liquidity.** Some business owners will wait until death to transfer all or most of their business interests to one or more of their children. If the business owner has a taxable estate, life insurance can provide the children receiving the business the cash necessary for them to pay estate taxes. Using life insurance to pay estate taxes is particularly useful to business owners because business interests cannot be readily liquidated. Life insurance is also a much easier (and less expensive) alternative to deferring estate taxes under IRC Section 6166. The children receiving the business may also need life insurance to pay estate taxes at their deaths. Typically, the insurance policy will be owned by an irrevocable life insurance trust so that the beneficiaries will receive the death proceeds both income and estate-tax free.

- **Estate Equalization.** A business owner can use life insurance to provide those children who are not involved in the business with equitable treatment. Leaving the business to the active children and life insurance to the inactive children equalizes the inheritances among all of the children. It also avoids the need for the active children to purchase the interests of the inactive children – perhaps at a time when the business may be unable to afford it. Depending on the particular facts and circumstances, the insurance may be owned by an irrevocable trust for the benefit of the inactive children, and the insured(s) may be the business owner or the business owner and his spouse.

- **Buy-Sell Agreements.** As mentioned above, a properly designed buy-sell agreement can guarantee a market and fair price for a deceased, disabled or withdrawing owner's business interest; ensure control over the business by the surviving or remaining owners; and set the value of the business interest for estate-tax purposes. Life insurance is the best way to provide the cash necessary for the business or the surviving owners to purchase a deceased owner's interest. In many instances, the cash surrender value in a life insurance policy can also be used tax free (by surrendering to basis and borrowing the excess) to help pay for a lifetime purchase of a business owner's interest.

- **Nonqualified Deferred Compensation Plans.**

  A nonqualified deferred compensation ("NQDC") plan can be used by a small business to provide members of the senior generation with death, disability, and/or retirement benefits. An NQDC plan may be particularly useful in those situations where the senior members have transitioned the business to the junior members and are no longer receiving any compensation from the business. An NQDC plan is also useful to ensure that key employees remain with the business during the transition period – a so-called golden handcuff. Because life insurance offers tax-deferred cash value growth and tax-free death benefits, it is the most popular vehicle for funding NQDC plan liabilities.

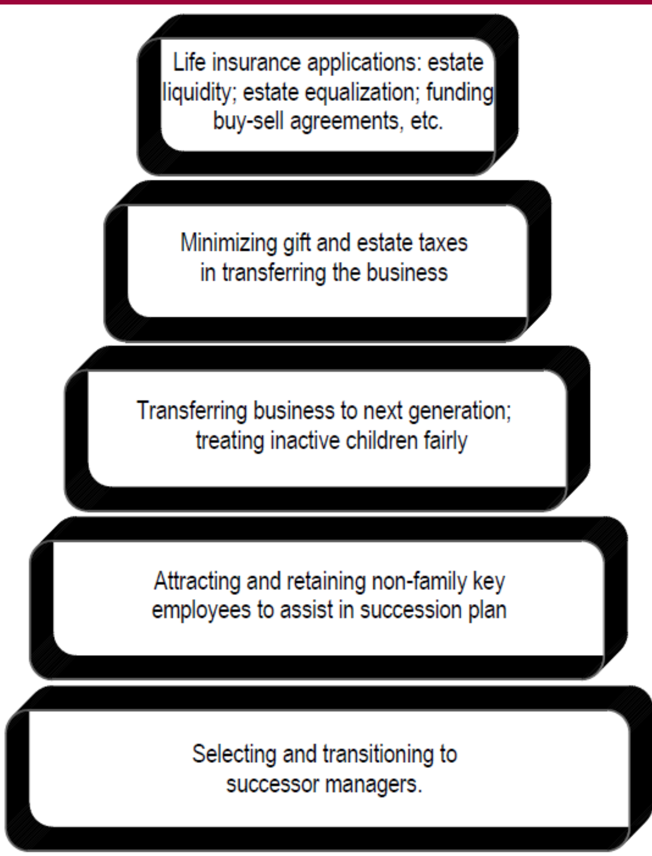
- **Key Man Insurance.** Many family businesses depend on nonfamily employees for the company's continued success. To guard against financial loss due to the absence of an indispensable key employee, many companies take out key person life insurance, disability insurance, or both.

- **Section 303 Redemptions.** As discussed above, Internal Revenue Code Section 303 allows the estate of a business owner to remove cash from a corporation with no tax cost. To ensure that the corporation has sufficient funds with which to accomplish the Section 303 redemption, the corporation can purchase a life insurance policy on the shareholder's life.

- **Hedge Strategy.** Life insurance can also be used to provide a "hedge" against the business owner's premature death in several of the techniques described in this brochure. For example, if the business owner established a grantor retained annuity trust and died before the end of the set term, the life insurance could be used to pay the estate taxes on the GRAT assets that would be included in the business owner's estate. In addition, if a sale with a private annuity is used, life insurance could provide funds for the business owner's spouse (and/or other family members) since the annuity payments would terminate on the business owner's death. Similarly, life insurance could provide funds for the business owner's spouse and other family members should he die prematurely after using a self-canceling installment note to sell the business interest. In all of these situations, it is advisable to have the life insurance owned by an irrevocable trust so that the insurance proceeds will escape estate taxes.

- **Family Bank.** When the decision is made to leave the business to both active and inactive children, it is usually advisable to leave the active children with voting interests and the inactive children with nonvoting interests in the business. In addition, put and call options should be given. Generally, a put option given to the inactive children allows them to require the active children (or the business itself) to purchase all or a portion of their interest in the business at a set price and terms. Without a put option, there may be no practical way for an inactive child to benefit from owning the business interest unless and until the business is sold. Conversely, a call option given to the active children (or the business itself) allows them to purchase the business interests of the inactive children upon a set price and terms. Without a call option, there may be no effective way for the active children to avoid the potential conflicts that can occur between the active children who are receiving salaries and bonuses, and the inactive children who are not. By having the active children own life insurance on the business owner's life, a "bank" is created to provide the funds to satisfy any such puts and calls. Typically, the policy will be owned outside of the business entity, such as in a trust for the benefit of the active children or by a limited liability company owned by the active children.

FAMILY BUSINESS SUCCESSION PLANNING PYRAMID



SUMMARY

Succession planning is critical to ensuring the continuation of any family owned business, particularly if the owner plans to retire in 10 years or less. An effectively developed succession plan provides for a smooth transition in **management** and **ownership** with a minimum of **transfer taxes**. Given the number and complexity of succession options available, effective succession planning requires time, the assistance of outside advisors, the input of family members, and the willingness to address interpersonal conflicts that can arise during the planning process. Once completed, the succession plan will provide peace of mind for the business owner and key employees, personal satisfaction for family members, and new opportunities for the business itself.

About the Author

Julius H. Giarmarco, J.D., LL.M., is chair of the firm's Trusts and Estates Practice Group. Julius received his law degree from Wayne State University, and his master of laws from New York University. He is licensed to practice law in both Michigan and New York. Julius' primary practice areas include estate planning, business succession planning, wealth transfer planning, and life insurance applications. He is a former instructor in both the Chartered Life Underwriter (CLU) and Certified Financial Planner (CFP) programs.

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Julius has been selected by his peers as a Michigan "Super Lawyer" in estate planning; "Leading Lawyers" in Trust, Will and Estate Planning Law; as one of the "Best Lawyers in America" in Trusts and Estates; and as a "Top Lawyer" by dbusiness magazine. He also enjoys the highest possible rating in both legal ability and ethical standards by Martindale-Hubbell.