anticipate: Individuals can now use CollegeAdvantage accounts simply as flow-through accounts, and thus obtain the State income tax deduction even though the contributed assets remain in the account for a short period of time. It was expected that increasing the available deduction from $2,000 to $4,000 would result in a decrease in income tax collected by the State, but the contemporaneous expansion by the Act of 529 accounts to include tuition for K-12 school may unexpectedly add to the anticipated decrease.

According to the CollegeAdvantage website www.collegeadvantage.com, there are currently more than 630,000 accounts, totaling more than $10.88 billion in assets. It will be interesting to see whether in the next couple of years the number of accounts increases but the amount of total assets in the accounts does not proportionately increase. An increased number of accounts being established may also add to an increase in the administrative costs to the State of Ohio associated with administering its CollegeAdvantage program.

The Act also permits rollovers of certain amounts from 529 accounts to ABLE accounts, the beneficiary of which is the beneficiary of the 529 account or a family member of the beneficiary of the 529 account. For these purposes, family member includes the 529 account beneficiary's (i) spouse, (ii) descendants, (iii) siblings (including step-siblings), (iv) ancestors (including step-ancestors), (v) nieces or nephews, (vi) aunts and uncles, and (vii) certain in-laws. The provisions of the Act permitting rollovers to ABLE accounts "sunset" at the end of 2025.

ABLE accounts are similar to 529 accounts, but are established to benefit certain individuals with blindness or other disabilities (who became blind or otherwise disabled before age 26) rather than to cover an individual's educational expenses. Like qualified tuition programs, States, or agencies or instrumentalities thereof, create programs (called qualified ABLE programs) under Internal Revenue Code Section 529A(b), which programs allow a person to establish and make contributions to an ABLE account. As with a 529 account, the assets in an ABLE account grow tax free and distributions from an ABLE account are also tax free so long as the distributions are for qualified disability expenses. Also, as with CollegeAdvantage accounts, contributions to an Ohio ABLE account (called a STABLE account) are subject to the same Ohio income tax deduction rules (thus preventing any "gamesmanship" in establishing a CollegeAdvantage account only to roll it over to a STABLE account if contributions to a CollegeAdvantage account were deductible at a level greater than contributions to a STABLE account). This rollover option could be useful if there is a blind or otherwise disabled individual in the family, and in that same family there is an overfunded 529 account.

PROACTIVE LIFE INSURANCE POLICY MANAGEMENT MITIGATES RISK FOR FIDUCIARIES

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Fiduciaries have long struggled with the challenges of monitoring the performance of their inforce life insurance policies. It's a process that can be overly complicated, time consuming, and costly. The result? Fiduciaries are often forced to be reactive, instead of proactive, in managing their policies, discovering too late that these policies are not performing as intended.

For fiduciaries, the stakes are high—when factors like cost, premium timing fluctuations and crediting rate adjustments are unmonitored, changes inside a contract can have serious consequences for fiduciaries. These include such changes as premium modifications, death benefit changes, coverage length adjustments, liability concerns and client dissatisfaction.

To overcome these challenges, many fiduciaries are turning to technology tools that can proactively monitor, manage and track client life insurance policies, ensuring that they're performing as intended and are protecting their businesses from unforeseen risk. Such platforms empower fiduciaries with critical information about their policies before it's too late.

WHY PROACTIVE LIFE INSURANCE POLICY MANAGEMENT IS A MUST-HAVE

While policy owners expect their insurance contracts to be proactively managed, fiduciaries often lack the tools and support for long-term monitoring and management commitments. As a result, these policies can be subject to such risks as lapse, degradation and asset erosion. With so much room for error, fiduciaries are at a much greater risk for potential liability for the decisions they make regarding their clients' policies. Clients can file lawsuits against their fiduciaries when errors are made, as demonstrated in cases such as *Bresler v. Wilmington* in which the plaintiff was awarded $23 million in damages for the trustee's failure to continue paying premiums on the trust (resulting in policy lapse) and overfunding the trust's life insurance policies.

The bottom line? Fiduciaries need a way to manage life insurance policies, both individually and comprehensively, to ensure they're performing as intended. Staying on top of policy performance is critical to maintaining confidence in their fiduciary-client relationship.

BENEFITS OF PROACTIVE LIFE INSURANCE POLICY MANAGEMENT

Proactive policy management solutions create big benefits for fiduciaries, turning potential liability into a competitive advantage. They put the power in a fiduciary's hands to reduce risk, improve practice management and deliver more value to clients.

Technology solutions like Proformex make ongoing management of life insurance policies easy for fiduciaries, ensuring that policies are given the attention they need before it's too late. Fiduciaries are empowered with the support necessary to streamline irrevocable life trust (ILIT) management responsibilities and consolidate individual policy data for powerful insight and analytics.

Proactive life insurance policy management platforms are a way for fiduciaries to simplify the complexities of ongoing policy management, putting technology to work for better portfolio oversight and control.

CASE SUMMARIES

First Merit Bank, N.A. v. Akron General Medical Center

Headnote: Charities

Citation: *First Merit Bank, N.A. v. Akron General Medical Center*, 2018-Ohio-2689, 2018 WL 3360647 (Ohio Ct. App. 5th Dist. Stark County 2018)

Decedent's revocable trust provided on her death for its residue to be divided among several charities, including a gift of 40% to Massillon Community Hospital. The hospital had since become Affinity Health Center, a for-profit institution. The trial court held that decedent's intent was charitable and the gift to the hospital failed because it was no longer a charity, applied cy pres as codified in RC 5804.13 and awarded the gift to Health Foundation of Greater Massillon and Massillon Rotary Foundation. The appellate court affirmed, approving the trial court's reference to extrinsic evidence in determining decedent's charitable intent.

Weinberg v. Weinberg

Headnote: Guardianship

Citation: *Weinberg v. Weinberg*, 2018-Ohio-2862, 2018 WL 3493136 (Ohio Ct. App. 2d Dist. Montgomery County 2018)

Ward created a revocable trust with himself as trustee and transferred various assets into it. Later a guardianship application was filed for him, and while it was pending ward assigned the interest of the trust in four limited partnerships to beneficiary to be effective at ward's death. Eventually the guardianship was established, ward died, and the assignments were challenged under RC 2111.04(D), that freezes the assets of a proposed ward while an application for establishment of a guardianship for him is pending. Both trial and appellate courts held the assignments were not blocked by the statute; they were of property of the trust, not of property of the ward, and the statute applies only to the latter.

Ward was trustee of the trust and had power to withdraw assets from it. The assignments were the