

NAFEP

The program described in this brochure is offered and supported by independent associates of The National Association of Financial and Estate Planning (NAFEP). NAFEP was created for the purpose of developing the best financial, estate and business planning tools available in the country today. It has a unique and prestigious Board of Advisors to guide the Association with expert advice and consulting in estate planning, business planning, the law, taxation, accounting and finance (see the "NAFEP" brochure for more details).

NAFEP develops various estate and business programs, and then teaches its associate members how to implement them for their clients. Associates who successfully complete NAFEP training and testing receive the NAFEP Certified Estate Advisor® (CEA®) designation and certificate. They also have the full research and consulting resources of NAFEP to support them as they implement their clients' special strategies and tools. The associates then work with a knowledgeable attorney for final client planning recommendations and legal document creation.

NAFEP handles more estate planning clients in one year than most estate planning attorneys see in a life time. And many NAFEP clients have their own attorneys and CPAs review their NAFEP estate plan. This independent evaluation has happened thousands of times, and provides an intensive level of peer review to help ensure no flaws are inherent in NAFEP programs. This broad client experience and peer review ensures the highest quality and service.

For More Info About NAFEP
Visit Us On The Web:
www.nafep.com

NAFEP Products & Services

- ✓ Premier I Living Trust. Basic Family Trust.
- ✓ Premier II Life Estate Trust. Asset Protection Family Trust.
- ✓ Premier III Childrens Trust. Irrevocable Fund For Heirs.
- ✓ Premier V Life Insurance Trust. Estate Tax Planning.
- ✓ Premier VI Private Annuity/Trust. Capital Gains Deferral.
- ✓ Premier VII Family Foundation Trust. Family Charity.
- ✓ Premier VIII Private Foundation. Family Charity.
- ✓ FLP Trust. Family Limited Partnership, Estate Tax Planning.
- ✓ Limited Liability Company. Business Entity For All 50 States.
- ✓ C And Sub S Corporations. Business Entity For All 50 States.
- ✓ Nevada Corporations. Special Limited Liability For All 50 States.
- ✓ Miscellaneous. Advanced Gift & Estate Tax Planning, Wills, Power Of Attorney, Medical Power Of Attorney, Advance Medical Directive And Guardianship Appointment For Minors.



NAFEP programs are offered in your area by:

Nevada Corporations & LLCs

● *America's*
●
● *Premier*
●
● *Business*
●
● *Entities*



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NOTE: The service described in this brochure was developed by the legal counsel for the National Association of Financial and Estate Planning (NAFEP), and is offered and supported by its Certified Estate AdvisorSM members.

NEVADA CORPORATIONS & LLCs

In earlier decades the state of Delaware was considered to be the best state to form corporations in. For several reasons the state of Nevada surpassed Delaware and has become the leading corporate and LLC haven of the U.S. This does not mean that you can automatically and easily gain the benefits of a Nevada entity when your business operation is in your home state (state other than Nevada). To the contrary, your home state business must jump thru extra hoops to benefit from a Nevada corporation or LLC. If you are able to handle the extra requirements, the added benefits of a Nevada entity are:

1. Better Limited Liability - An extra level of protection afforded by the Nevada corporate (or LLC) veil (better limited liability provisions in Nevada). Nevada state law and court precedence make the corporate veil very difficult to pierce (except for acts of criminal fraud or gross negligence carried out by corporate or LLC officers). In most instances your non-Nevada business will have to register its Nevada corporation or LLC in your home state in addition to a Nevada registration, but Nevada's tough laws prevail on matters of the limited liability which are applicable to corporate officers, directors and shareholders.

2. Choice of Governing Law - Choice of governing law means that on most contracts and legal transactions you can specify Nevada as the choice of state law to govern the contract or transaction. This creates additional legal hurdles and expense for a potential litigant. It forces a lawsuit to be heard under Nevada laws, which are much more protective of corporate and LLC officers than other state law.

3. Additional Privacy - Nevada has no requirement nor even a procedure to register or list stockholders in public records, thus assuring their privacy. Remember that shareholders control the company and receive its profits. Furthermore, the state of Nevada does not share information with the IRS (per state law).

4. Possible State Income Tax Savings - You may eliminate state income tax for C corporations only, and only in a few special situations. For full details on this topic, go to www.nafep.com, select "Public Info" and then select "Nevada Corp. Services".

If you form a Nevada entity to use in your home state, you must register the entity in both Nevada and in your home state. As a result, using a Nevada entity does increase your costs by a few hundred dollars each year. But these minimal added costs will give you peace of mind and added protection from business liabilities, which may be invaluable to you.

If you require the premier business entity in America, check out NAFEP's Nevada corporation and LLC formation services through a NAFEP member. These services are by far the most comprehensive for setting up your Nevada entity.

NOTE: Make sure you work closely with a tax advisor to resolve the many tax issues which surround your entity choice. Neither NAFEP nor its members can provide guidance to you in tax planning issues for your entity.

Some Precautions in Entity Formation. Many promoters of Nevada corporations and LLCs will leave you with half the paperwork unfinished or not provided to you at all, and will fail to provide all of the required services necessary to ensure that your entity is legal and operational. Most of the Nevada corporation/LLC promoters do not use attorneys to create the legal documents, to monitor their practices or to look out for your interests (NAFEP does).

In order for a Nevada entity to provide its special limited liability protections, the entity must have a "real" Nevada presence. Mere formation with the Nevada Secretary of State is not sufficient to establish your organization as a valid Nevada entity. Without specific legal, physical and financial connections to Nevada, in a lawsuit against you the court could (correctly) hold that your entity is not valid under Nevada law. You would then lose the added protection you thought you were getting from your Nevada entity. To prevent this problem, see the "Nevada Business Package" topic below for more info.

Providing the Best Nevada Entity Service. If you use

NAFEP to create your Nevada entity, all your needs, corporate/LLC documents and Nevada state filing will be reviewed and confirmed to be legal by a Nevada licensed attorney working specifically for you. Your corporate or LLC record book will be completed and customized for your specific organization.

Just sign, date and send a simple filing to your home state (NAFEP creates and furnishes this filing), and your entity formation records are finished thru the first year of operation (including the first year's meetings for corporations). Then add NAFEP's annual "Nevada Business Package" (see topic below) to provide your legal, financial and physical connections to Nevada. This will provide you with the most comprehensive and complete Nevada entity service available. NAFEP's level of customization, completeness and attorney support is unequalled by competitive Nevada entity formation services.

Nevada Business Package. Simply forming your Nevada entity with the Nevada Secretary of State is not enough to achieve the protections afforded by Nevada laws and courts. For either new or existing Nevada entities, NAFEP offers a comprehensive package of services to assure that you receive the special protections which Nevada offers. Without specific legal, physical and financial connections to Nevada, in a lawsuit a Nevada court could (correctly) hold that your entity is not valid under Nevada law. For a modest annual fee, NAFEP will create a "Nevada Business Package", providing you the necessary connections to Nevada. This package includes the following: Nevada physical and mailing address, mail forwarding, phone number, phone answering, assistance with bank account set up, Nevada registered agent and a Nevada state business license which is displayed at your Nevada address. Order this service either from your NAFEP member or directly from NAFEP on the web, by going to: www.nafep.com, select "Public Info" and then select "Nevada Corp. Services".

With the above arrangements in place you will have a solid basis for proving in court, if necessary, that your entity has a real Nevada presence. You can demonstrate that you are personally entitled to limited liability protections under Nevada law. Anything less than the above arrangements leaves you vulnerable to personal legal attacks that Nevada's courts and laws cannot help you with.