Spring 2017

StrongPoints

The Local Impact of Sport

It's Not Just the Dollars

Bret Strong *is the founder and Managing Shareholder of The Strong Firm P.C. His areas of practice include oil, gas, and energy; commercial real estate; mergers, acquisitions, and sales; and business law and contracts. He earned a Juris Doctorate, cum laude, from South Texas College of Law, and a B.S. in Business Finance from the University of Colorado at Boulder. He is admitted to practice law in Texas, Colorado and before The United States Supreme Court. Bret is a founding board member of The Woodlands Bar Association, former Chairman of The Woodland Area Chamber of Commerce and currently serves on the Board of Leadership Montgomery County.* **bstrong@thestrongfirm.com**

From professional franchises that are valued in the billions (the Dallas Cowboys are valued by Forbes at $4 billion) down to local youth sports, there is no arguing the major impact of sport on global, regional and local societies. The direct economic impact from just a single sporting event can be significant and easy to measure in the form of stadium construction and operational costs, player salaries, initial ticket sales, merchandising and concessions. As a business and real estate lawyer operating for nearly a quarter century in The Woodlands, an area that has grown to one hundred thousand plus, we have seen the ripple effect of sport on our community. The impact is often tough to quantify but the benefits are abundantly evident in our daily lives.

Let's start with the basic and obvious examples of the impact of sport in our local society. In the late 1980s, when I first arrived, The Woodlands, with a population of about 20,000, was already on the map with quality schools and competitive high school sports. State championships in swimming, cross county and golf began to stack up in the 1990s due in no small part to the investment in The Woodlands Athletic Center (WAC), quality golf courses and miles of running trails. Little League baseball (ORWALL) and football (SCFL) began building championship-caliber programs that became contenders for state titles. Parents, local government, businesses and the community invested in fields and facilities to foster involvement and a sense of community built around sports. More success brought more families, more businesses and more investment.

Over the decades, stadiums, natatoriums, convention centers and hotels were constructed to host visitors who want to come and be a part of this active community. Public amenities like The Woodlands Waterway, the Cynthia Woods Mitchell Pavilion, Lake Woodlands and the hundreds of restaurants and shops have continued to attract hundreds of companies and tens of thousands of workers. Events like Ironman Texas, The Woodlands Marathon, NCAA Swimming Championships and Pro Golf Tour Events sell hotel rooms, fill restaurants and bring families and shoppers.

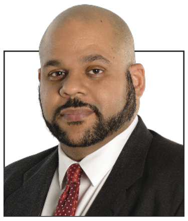
The ripple effect, which we see every day in our legal business, manifests itself in more real estate development, retail outlets, sports clubs, charities, sponsorships, trainers and coaches, sporting good shops, clothing stores and millions of dollars and hours poured into a healthy life style for all. The economics are obvious. The impact on health of individuals and the overall well-being of our community is immeasurable and invaluable, and we are so happy to be a small part of making a difference in the life of our home town.

Table of Contents

The Strong Firm P.C. Attorneys

www.thestrongfirm.com

Two Hughes Landing / 1790 Hughes Landing Blvd. / Suite 200 / The Woodlands, TX 77380
Phone (281) 367-1222 / bstrong@thestrongfirm.com



If You Kill Superman, Clark Kent Dies, Too

Understanding the Danger of an Alter Ego from a Legal Perspective

Eric R. Thiergood, Sr., *Income Shareholder, joined The Strong Firm P.C. in 2005. Eric graduated from South Texas College of Law and is licensed to practice in Texas and in the United States Federal District and Bankruptcy Court for the Southern District of Texas. He lived a large portion of his life in Asturias, Oropesa Del Mar and Madrid, Spain and is fluent in Spanish.* **ethiergood@thestrongfirm.com**

A conversation that happens far too often with new clients looking for legal help for their new business:

Client: "I've started a new business, and I'd like to have a lawyer handle the legal parts of the business."

Attorney: "Great, we would be glad to help you. When do you plan to start transacting business?"

Client: "Well, I have actually been in business for eight months already."

Attorney: "I understand. We need to make sure you are protected from personal liability to the extent permitted by law. Depending on the type and nature of business you are transacting, we may want to form an entity, typically an LLC or a corporation, and make sure you are transacting business only under that entity."

Client: "I've already done that."

Attorney: "OK great, did you form an LLC or a corporation?"

Client: "Neither. I went to the county office and filed a DBA/Assumed Name form."

Attorney: "A DBA/Assumed Name is not designed to, nor can it protect you from personal liability. It is simply an alter ego. An LLC or a corporation, on the other hand, is a separate legal entity. It can do most things from a legal perspective that a person can do, like buy and sell personal property and real estate, sue and be sued, hire and fire employees and even, when necessary, file bankruptcy, all wholly separate from you individually."

Client: "So how is that different from a DBA?"

Attorney: "It's the difference between Batman and Robin and Superman and Clark Kent."

Client: "Huh?"

Attorney: When you form an entity, that entity can stand on its own and transact business on its own, completely separate from you. You and your business are separate "people" like Batman and Robin. A DBA/assumed name on the other hand is like Superman and Clark Kent. Your business under the DBA/assumed name is like Superman and you individually are Clark Kent.

Client: "That doesn't seem like a bad idea if the business is Superman and I am Clark Kent."

Attorney: "It sounds OK until the villain hurts or kills Superman. You kill Superman and Clark Kent dies, too."

Client: "Oh, I get it now. So how quickly can we form an entity?"

Wendy Lambie Promoted

Bret L. Strong, founder and managing shareholder of The Strong Firm P.C., has announced the promotion of Wendy Lambie to Senior Associate Attorney. Wendy joined the firm in 2013 as Associate Attorney after several years of private practice in Houston.

The Strong Firm PC Awarded Best of The Woodlands for 8th Year

"Thank you for your vote! For the 8th consecutive year, The Strong Firm PC has been voted #1 First Place 'Best Attorney, Lawyer & Legal Services' by registered voters on Woodlands Online. I proudly commend our staff for their support and hard work, as this would not have happened without the high standard and commitment of each person at our firm." - Bret L. Strong

Probate: Five Tools for Avoiding Probate in Texas.

Royce Lanning, *Associate Attorney, joined The Strong Firm, P.C. in 2013. He received his Juris Doctorate from the University of Hawaii, William S. Richardson School of Law and obtained immediate trial experience as a Deputy Prosecuting Attorney with the Department of the Prosecuting Attorney, Maui. He is licensed to practice law in the State of Texas, the State of Hawaii and all Federal District Courts in Texas.*
rlanning@thestrongfirm.com

Texas has created a quick and (relatively speaking) inexpensive probate process that can be used in the majority of estates. While there is **no substitute** for the planning and protections that can be achieved with the proper will or trust, there are limited circumstances in which the value of those protections may be outweighed by the expense of using the probate process to implement those plans. Likewise, there are circumstances where the planning and protections built into your will or trust can be bolstered by taking actions to pass some (or all) of your assets outside of the probate process.

Probate is the legal process for transferring a deceased person's assets. However, with proper planning a number of assets can be passed to subsequent owners outside of the court's probate process. By avoiding the probate process, the decedent may be able to bypass the cost of opening a probate estate, pass certain property free from existing debts and protect certain transfers from disclosure in public records

Some of the available tools for transferring property outside of probate include:

- Living Trust(s)
- Beneficiary designations for life insurance proceeds and/or investment, retirement, or other financial accounts
- Pay on Death (POD) or Transfer on Death (TOD) designations on checking or savings accounts
- Owning land, vehicles and/or financial accounts as "Joint Tenants with Rights of Survivorship"
- Preparing and filing a Transfer on Death Deed, which transfers real property at the time of your death

Each of these tools and strategies has its own benefits and drawbacks and should only be used after careful consideration and planning. The ideal estate plan incorporates the benefits of these non-probate transfers into your overall estate plan with an eye toward maximizing the benefits while minimizing your risks. Take some time at the beginning of the year to discuss these ideas with your planning professional to make sure you have a plan in place that maximizes the benefits provided by these tools.

Signed, Sealed and Delivered:

Documents in the Information Age

Wendy Lambie, *Senior Associate Attorney, joined The Strong Firm, P.C. in 2013. Wendy received her Juris Doctorate from South Texas College of Law and is licensed to practice law in the State of Texas and in the United States Federal District Court for the Southern District of Texas. During her career, she has gained valuable experience with Houston area firms, focusing her practice on estate planning and probate. In addition, she has in-depth experience in oil and gas matters, with special emphasis on title issues.* **wlambie@thestrongfirm.com**

The world has been immersed in the Information Age (aka the Digital Age) for decades now. By way of example, the Texas Uniform Electronic Transactions Act governing electronic contracts passed legislation in 2001 (effective 2002) and received little attention at the time. The purpose of such legislation was to encourage and facilitate commerce by validating records and signatures between parties who agree to such methods. Some of the more revolutionary aspects of this development are acceptance of electronic signatures, electronic documents and emails. These new concepts are loved and hated, incredibly convenient and still widely misunderstood.

Oftentimes individuals consider emails to be informal, non-binding communications and therefore do not give proper consideration to what are easily considered offers, counteroffers or other agreements. If a rogue email never sees the inside of a courtroom then no harm, no foul. However, many of these communications are technically binding and enforceable against the sender and therefore, people should be cautious of casually negotiating deals over email.

continued on page 4

Estate Planning in the Digital Age

Katherine Wilcox, *Associate Attorney, joined The Strong Firm, P.C. as a new associate in 2016. Ms. Wilcox earned her J.D. from SMU School of Law in 2014, and is licensed to practice law in the state of Texas. Prior to joining The Strong Firm, Katherine worked as the Texas Director of Themis Bar Review.* **kwilcox@thestrongfirm.com**

Like many 20- and 30-somethings, my husband and I put off estate planning until I realized I was out of excuses and it was time to get drafting. While most people think to plan for their tangible and intangible property, digital assets are often overlooked. Due to our ever-growing web presence, failure to account for these can lead to a host of problems after we are gone. Here are a number of things to consider when making your digital estate plan:

1. Inventory Your Digital Assets
First, you should start by making a list of your digital assets. This can include social media accounts, financial and business accounts, hardware and personal electronic data. Without an inventory, your executor may not know what digital assets exist in the first place and could have trouble tracking everything down. This could result in assets being lost, or worse, it could put your estate at risk for identity theft and fraud. Creating and maintaining inventories of your electronic data, including login information, will save your executor the headache, as well as protect your estate from financial loss.

2. Decide What Should Be Done with Your Assets
Your estate planning documents should clearly indicate what you wish to happen to your digital assets. Even with access to your login credentials, your executor may have trouble showing they have the right to access your accounts. Make sure to review the terms of service agreements for each of your accounts to determine if they include a mechanism that allows you to dictate what happens to your account upon death. In the absence of such a mechanism, you need to clearly state that your executor should have complete access to your digital accounts, including access to content..

3. Name a Digital Executor
Finally, you should think carefully about who should act as executor. Make sure you choose someone with at least some technical knowledge and consider what information they will have access to. Remember, your digital assets include personal photos, emails, texts messages, online dating accounts, browser histories and social media accounts. Designating the appropriate person to take care of this material can prevent your friends and loved ones from discovering damaging or embarrassing private information after you are gone.

Take some time to think about your wishes and then meet with an estate planning attorney to finalize them.

Signed, Sealed and Delivered

continued from page 3

Some pertinent parts of the Texas Uniform Electronic Transactions Act include:

- It does not apply to certain transactions, such as wills, codicils, testamentary trusts and provisions of the Uniform Commercial Code (except sections related to sales and leasing to which it does apply).
- It applies only to transactions between parties who have agreed to conduct transactions by electronic means. This agreement does not have to be explicit and can be inferred by context and circumstances.
- An electronic signature can be "electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record."
- If a law requires only that an instrument is in writing and/or signed, then an electronic instrument or electronic signature satisfies that law.
- Courts have regularly interpreted the Act such that an email is "signed" if the person's name is typed at the bottom, included in the email address or has a header with the name of the sender.

In summary, it is good practice to ensure that if an email has any possible perception of being an offer, counteroffer or other agreement, the drafter should clearly disclaim if such communication is not meant to be the final form of the agreement and that no party should act in reliance on the email. Something this simple could potentially avoid a misunderstanding and unnecessary litigation.

Strong in ACTION

WINTER 2016

The Strong Firm defends client against demands for discovery and depositions issued by plaintiff in a separate lawsuit.

The Strong Firm obtains a settlement recovery for client following a commercial tenant's conversion of landlord property.

The Strong Firm represents client in $5.5 million purchase of a commercial building in The Woodlands.

The Strong Firm assists client in $10 million private placement regarding a commercial real estate acquisition.

The Strong Firm defends client in the settlement of a $300,000 real estate dispute and claim.

The Strong Firm represents buyer in the purchase of a $2 million commercial property in Harris County, Texas.

The Strong Firm defends client from collection efforts resulting in a final settlement that required a cash payment of less than 10% of the original judgment amount.

The Strong Firm recovers client's business property after landlord wrongfully tried to appropriate it to satisfy assertions of unpaid rent.

We provide legal services in all of the following areas:

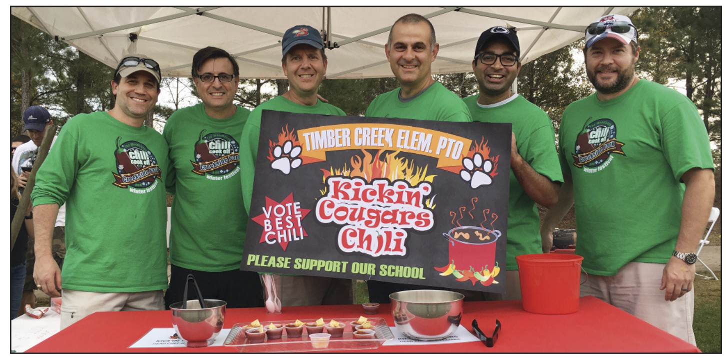
- Real Estate
- Mergers, Acquisitions, and Sales
- Business Law and Contracts
- Corporations, LLCs, and Partnerships
- Trusts and Estate Planning
- Business Disputes
- Commercial Disputes
- Lending and Borrowing
- Trademarks
- Oil, Gas and Energy
- Mediation

Bret L. Strong, Attorney, Founder, and Managing Shareholder; **Royce Lanning**, Associate Attorney; **Katherine Wilcox**, Associate Attorney; **Wendy Lambie**, Senior Associate Attorney; **Laura F. Dumas**, Of Counsel; **Eric R. Thiergood, Sr.**, Income Shareholder

Strong in the COMMUNITY

Creekside Chili Cookoff

Above. The Strong Firm PC participated as a sponsor for the **Creekside Park Village Chili Cook-Off** event held on Jan. 14.



Above. Head chef John Lambie (far right), husband of Wendy Lambie, Senior Associate Attorney, stands with his Kickin' Cougars team for **Timber Creek Elementar**y which won 1st place at the Creekside Park Village Chili Cook-Off event on Jan. 14, The Strong Firm PC was a sponsor.

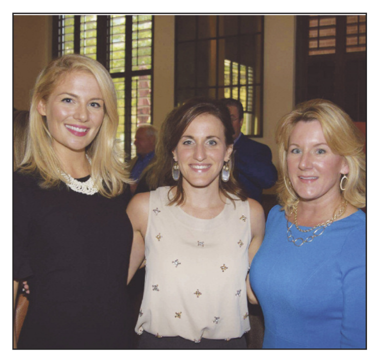
EOC Conference

Left. The Strong Firm PC sponsored and attended the **2017 Economic Outlook Conference** "Fully Charged: Moving Forward" hosted by The Woodlands Area Chamber of Commerce at The Woodlands Waterway Marriott on Jan. 26. Shown is Wendy Lambie, Senior Associate Attorney, with Royce Brooks of The Chamber gearing up for the big day.

Photography by Hello Woodlands and Kirk Surber Photography. Kirk Surber Photography

"The Book"

Right. Pictured from left are Katherine Wilcox, Associate Attorney, and Laura Davis, Office Manager, with Liz Grimm at **Interfaith of The Woodlands'** preview reception held Nov. 3 for the fall-winter issue of "The Book – The Woodlands" for which The Strong Firm PC was a premier advertiser.



C.R.E.A.M.

The Strong Firm PC's Managing Shareholder, Bret Strong, presented "Connecting with Clients in The Woodlands" at the **Commercial Real Estate of Montgomery County** (C.R.E.A.M.) luncheon, Jan. 10 at The Woodlands Country Club Palmer Course.