

The LifeSpan™ Courier: TLC Planning™ Client Newsletter

Winter, 2021-2022



CHOOSING DELIGHT

Sarah Rupe, Office Manager

Delightful Greetings this Christmas Season! This season I am choosing delight as my daily attitude. It's amazing how our decisions affect everything! I have some important reminders for you:

- You should always open your mail from us—immediately.
- When you make a reservation to attend a LifeSpan™ workshop (this doesn't include social events like the Client Banquet) you receive a confirmation letter in the mail about 10 days prior to the workshop.
- When we are having a workshop in Salem, but away from our office, we post a sign on our door with the workshop location. If you forgot your confirmation letter that was mailed to you go by our office and check the sign on the door.

• Docubank®. Do you remember what this is? It's a service we provide at no additional charge to you with your LifeSpan™ membership so your Advance Directives are available to you 24/7! Be sure you take advantage of this service any time you need your Advance Directives: *Health Care Power of Attorney* and/or *Living Will*. It's super easy and fast! First thing you have to do is *locate your card* (hopefully it's in your wallet). Be sure you know where it is so it will be handy when you are looking for it the next time you need your Health care directives. As a backup, take a picture of the front and back of the card and save it on your smartphone. If you cannot find your card, let me know and I'll get you a new one...if you promise to put it in your wallet as soon as it arrives in the mail.

• For our workshops, I'm always working with Curt and Sam to provide quality information to you in a structured format, but with a shorter presentation and better breaks. Hopefully you'll find the upcoming programs you attend are better than ever!

• Your black Client Organizer™ contains many tools for your reference. Open and peruse it occasionally. Not only does it have forms to help you with funding or to review your plan, but it also has educational pieces that help you remember why you did and continue to maintain and update the sort of planning you do!

We look forward to serving you even better in 2022. Have a delightful Christmas season!

Renewing Mutual Commitments

Your renewal packet includes your **Asset Review Report**, yellow renewal form, and 2022 invoice. To assure uninterrupted service from your LifeSpan™ Team, be sure to:

1. Select the best date and location for you to attend an **Annual Family Reunion™** (AFR), mark the **yellow renewal form** enclosed, and **return it immediately with your annual membership fee** shown on your enclosed INVOICE (you will soon thereafter receive a postcard confirming your reservation date). Please pay by the due date of January 20, 2022 (if you pay after January 31 go ahead and add the \$25 late fee).
2. Start working to update the **Asset Review Report™** (ARR) and return it to us by January 31, 2022. Add new assets; delete any you no longer have; update the dollar values; and send appropriate **Red Check Review™** (verification) paperwork for new assets you add to the report.

Farmers: Make your reservation ASAP to assure you get into one of the early AFRs...avoid field conflicts!

Snowbirds: Make your reservation ASAP to assure you get into one of the late AFRs...avoid travel and weather conflicts!

Everyone: Remember, the **Annual Family Reunion™** is the focal point of our standard updating process. If you miss it, you lose much of the value we provide. Make it a priority on *your* calendar!

“I believe that people don’t care how much you know until they know how much you care.”

Richard H. Ferguson
12/1/36 – 12/24/2008



They’re all ‘Perfect’ Kids?

Curt Ferguson

The design of an estate plan is always a sort of balancing act between giving beneficiaries **control** of their inheritance and providing **protection** for the inheritance.

On the beneficiary-control side, an overwhelming majority of clients tell us something like this: *“It should be theirs after I die. I don’t want to control from the grave.”* Giving the beneficiaries control is a high priority.

At the same time, leaving the inheritance in trust can provide a very high degree of protection from outside threats like lawsuits and divorce. The trust can insulate the inherited capital and all growth from future estate taxes for multiple generations. Does the priority of beneficiary-control conflict with providing protection?

The classic ‘School Bus Trust’ we describe is also sometimes called a **beneficiary controlled, third party created, asset protection trust**. The beneficiary has effective control of the inheritance, but the inheritance also remains generally safe. To most people this amounts to the best of both worlds: give the beneficiary control *and* provide protection for the inheritance. It is the *most flexible way to receive an inheritance* (see Sam’s article below). Broad control with strong protection.

As we interact with clients in updating, there is an interesting phenomenon that seems to take place. Once clients are comfortable with giving the kids the inheritance in beneficiary-controlled asset protection trusts, the mindset sometimes evolves. There is a subtle drift by some into what I would describe as, *“maybe not that much control!”*

You see, there is one threat the ‘School Bus Trust’ won’t protect against: the beneficiary’s own control. Maybe they don’t have good judgment? If you give a beneficiary broad management control of the inheritance, that also means it might be mismanaged and lost to the beneficiary’s own poor choices. For example, with broad control, your child might waste the trust on profligate living. Your child’s spouse might talk them into doing

unwise things with the trust. The child might just make lousy investments and blow the inheritance that way. Does that bother you?

As we review the ongoing protection of the trust at Client Update Programs™ and how laws evolve (*recent laws raised the issue: would your child who receives the trust be accountable to his or her children for what the child does with the inheritance? Trust language can assure that they don’t, but new law raised that issue!*) it seems that some clients might want to exert a little more control from the grave after all. It pops up in questions like these we are asked during or after a presentation:

They could waste the inheritance?

What if they just blow the trust?

You mean they could spend it all and leave nothing to my grandkids?

What if I don’t want them to be able to do that?

How can I stop them from doing that?

Who polices that?

If you are thinking these thoughts, they aren’t right or wrong, but just be clear on something: the classic ‘School Bus Trust’ is intended to *protect the assets for your beneficiary*, but *not to protect the assets from the beneficiary*.

Do you want them to have control, or do you want to tie their hands? You can’t give someone control and at the same time keep them from doing the wrong thing. The freedom to choose good necessarily includes the freedom not to.

Maybe you feel that you “ought to” avoid controlling from the grave. I think there is a natural instinct or even social pressure to avoid it. That isn’t a big problem, since most clients have beneficiaries who are responsible individuals who will be good stewards of what they are given. You can give them broad freedom and control, and it will work out well, and they will do the right thing for their heirs someday, too.

At the same time, be fair to yourself. It isn’t wrong or immoral to place some conditions on the inheritance. We help each client do what they want to do. It is your estate, and you absolutely can give

it to whomever you want and include whatever stipulations you wish.

For example, many clients include some modest stipulations such as, *“if you sell the land I leave to you, give your brothers and sisters first option before selling it outside of the family; I want any of my children who do appreciate land ownership to have reasonable opportunity to keep it.”*

Stipulations like those are capable of self-governance: your children won't sell their land without offering to the others...the others will see to that! Some clients include other stipulations that are consistent with broad control, like *“from your inheritance, don't spend any of the principal for the first five years. Get adjusted to spending the income it can make first.”* A typical beneficiary will feel bound by and will honor that, and will start seeing and appreciating the benefits of the trust during that period.

On the other hand, maybe you have a beneficiary or two who is not capable of managing any significant amount of money or property. If that is the case, by all means do the right thing and protect them from themselves! Don't let the inheritance become a curse. Make sure their trust is designed so they won't have much, or any, direct control.

Do you want your beneficiaries to have control, or do you want to tie their hands? It's ok either way. If you do want to control any one or more beneficiaries, *first* you must admit that to yourself, and *second*, you need to make sure we have implemented the right controlling mechanisms in their trust share. If you're not sure, call and schedule a Personal Counselling Review.

But if you don't want to control a beneficiary, please stop fretting about what they will do with their inheritance. *CWF*

Planning to Reflect

*Lauren Woodward,
Receptionist & Funding Assistant*

Christmas is almost here! I am so looking forward to spending time with my family and celebrating the birth of our Savior, Jesus!

I find each year that, for me, the week between Christmas and New Year's Day is a time for reflecting on the past year and setting goals for the new. And to be perfectly honest, I am sometimes a bit too ambitious. Ha ha! This next year I want to slow down and be more intentional. The little moments are really what make life exciting and if we are busy racing from one thing to the next, we can miss out on what really matters and the memories that can be made.

I have been assisting Sherry more in the Funding Department the past few months. She has been a great teacher and very patient with all of my questions. I am enjoying learning from her! One of the major projects I am working on is entering new assets, getting your Red Check Review™ documentation to the attorneys for review, and then sending the documents back to you to put in your Red Books under the Trust Transfer Documents tab.

As we head into the season of updating Asset Review Reports, I'm sure many of you will have new assets that will need to go through the Red Check Review™ process. Please refer to Tab 4 in your **Client Organizer**™ (black book) for a list of Red Check Review™ requirements. Also, please remember to send full account numbers and values for each new or changed asset.

I hope you all have a wonderful Christmas and a Happy New Year!



Merry Christmas!

Gayla Ball, Education & Settlement Coordinator

Merry Christmas LifeSpan™ Family! It seems we just finished up our Summer newsletter, and now the holidays are already upon us! This year we have so very much to be grateful for. On July 30, we welcomed Paisley June, granddaughter number two, to our family. I must admit being ‘Gigi’ is pretty awesome! 😊 Also our youngest daughter recently got engaged. Just like so many of you, my family continues to grow and change.

We found this year that many of our clients truly appreciate the convenience of attending our programs by Zoom, and we will continue to fine tune this process. Having access by Zoom or taking advantage of the opportunities available to you and your Helpers on our website is something we want to provide. The better educated and prepared you and your Helpers are, the less stress they will experience during times of disability or the loss of a loved one.

Reminder: access the recorded programs on our website: www.tlcplanning.com

Select **Client Resources** and use

Username: LSClient

Password: 1whocares

Don’t forget to complete and send to me a Certificate of Attendance for ‘credit’!

As I continue to assist Sam in the Settlement department, I know this year has been especially difficult for so many who lost a loved one. My hope is that we are able to provide some peace of mind as we carry out the final steps of a family member’s estate plan.

Please remember I am available to help you by phone or email at gayla@tlcplanning.com. I am always glad to assist or answer questions for you.

Even during these times that seem so chaotic, how wonderful that we can have hope and peace because of Jesus, the reason for the season. From my family to yours, Merry Christmas!

School Bus Trusts

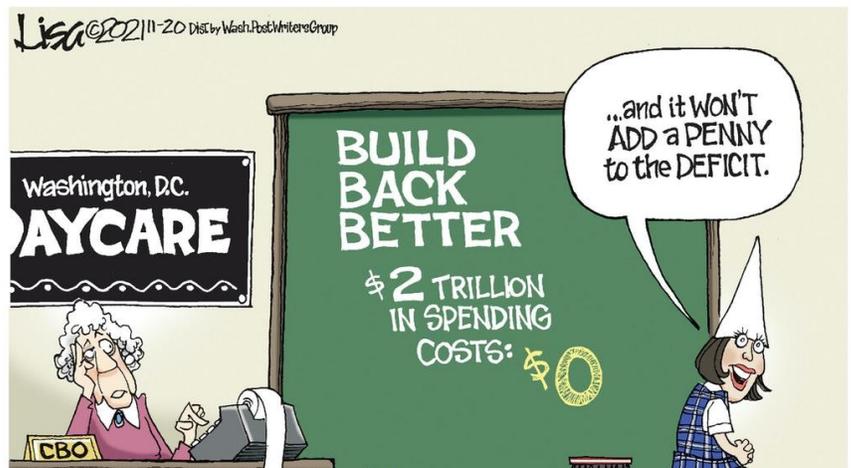
The Most Flexible Way to Receive an Inheritance

Sam Collins

The advantages to School Bus Trusts are clear—they enable your loved ones to inherit from you in a way that the assets are protected from lawsuits, divorces, future estate taxes, and other catastrophes that life can throw their way. At the same time, your loved ones can control the inheritance and make decisions in much the same way as if you left it to them outside of the trust. If they need, or want, access to their inheritance it is there for them. Of course, to keep these advantages there are modest formalities that the trustee-beneficiary must follow. At a minimum, your beneficiary must

1. involve a “distribution co-Trustee” in documenting distributions from the trust,
2. make sure the assets remain titled in the trust, and
3. file a tax return for the trust each year to account for trust income.

Naturally, when you first talk to someone about receiving a trust that person starts to perceive complication, unless they are familiar with how trusts work and what the advantages are. As human beings, our tendency is to resist anything we perceive as complicated. Just go into any coffee shop in the United States and start talking about how your estate plan will one day create trusts for your spouse and then will create trusts



for your children and you may get all kinds of advice on how to make things “simpler.” You may hear things like *“why tie things up in a trust?”* and *“oh, I don’t know about controlling from the grave,”* or, my favorite, *“when my parents died all we had to do was take a death certificate to the insurance agent.”* That’s what the person remembers anyway. What they don’t tell you about is all the hang-ups with title companies when they sell inherited real estate (often years after a death), all the follow up with newly discovered assets, and an endless parade of “small estate affidavits” to avoid probate.

While this type of advice is (presumably) well intended, coffee shop “lawyers” only tend to highlight the easy parts and tend to block out all the murkier bits that weren’t as simple. If it was easy to drop the death certificate off to the life insurance agent and get a big check, that’s what the person remembers. But all estates are more complicated than that—especially the badly planned ones.

Of course, you all know this and that’s why you created your estate plan the way you did after learning what is possible. But it is good to be reminded that the simple planning with outright (free of trust) distributions isn’t usually as simple as it is made out to be. It is also inflexible and, in its own way, one final definitive act of *“controlling from the grave.”*

Think of it this way – you have done something for your beneficiaries in terms of asset protection that they absolutely cannot do for themselves. It is impossible for them to have a high degree of access to and control over assets and have all the advantages that the trust offers, without receiving in trust in the first place. Many School Bus Trusts give the beneficiary enough practical control over the trust that if they wanted to dismantle it, they could—as inadvisable as that would be! People who leave an inheritance outright and free of trust make one final and irreversible decision that the beneficiary *can never have* the inheritance

protected from lawsuits, nursing home, divorce, and future estate taxes.

Maintaining the trust’s formalities is not hard but does require a little attention. And the effort is modest, especially when compared to the advantages a School Bus Trust has to offer. It truly is the most flexible way to receive an inheritance.

The assumption that spending more of taxpayer’s money will make things better has survived all kinds of evidence that it has made things worse.

Thomas Sowell

Receptionist or Violist?

Olivia Davis, Receptionist & Funding Support

Merry Christmas! I hope you and your family have had a wonderful Christmas season so far!

The answer to my title’s question is... I’m both! I’ve been a Receptionist at the Estate Planning Center for nearly three years now, which means we’ve most likely met or at least spoken on the phone. I’ve taken music lessons since I was 7, and specifically viola lessons for the past 5+ years.

The reason I mention my musician status is because I play with the string ensemble who performs at our annual Client Banquet. We play many of your Christmas favorites as well as some hymns and Classical pieces, so there’s something for everyone to enjoy. And let’s not forget about the amazing dinner you’ll get to experience! If you were unable to attend this year, you’ll want to make it a priority for next year. 😊 It really is a great way to get you and yours in the Christmas spirit! Remember, we announce this date at the Annual Family Reunion™ in the spring.

I so enjoyed seeing and visiting with those of you who were there this year, and to those who weren’t, I hope to see you there next year!

I wish you all a very Merry Christmas and pray many blessings for you and your family in this new year!

Funding Forum

Sherry French, Funding Coordinator

IRA updates for married couples

It has been a year since the **SECURE ACT** went into effect, and Curt and Sam decided that we need to make changes to most married couples' IRA beneficiaries. This is a major project for us, and we are gradually getting new Letters of Directions to all of our clients. Some married couples will not have to make changes to their IRAs. At the Client Update Program™ Curt and Sam reviewed why many of our clients are able to use a slightly simplified IRA beneficiary directives.

I'm in the process of gradually getting updated Letter of Direction forms to each client that needs to make corrections on their IRA beneficiaries. I will send you Letter of Directions to take to your Financial Advisor along with a Certification of Trust.

Remember as you make the changes we will need verification of the new beneficiaries.

Secure Portal Available

Over the last couple of years, we transitioned to a new internal office computer database system. With it we are now able to link you to a safe portal for sharing your confidential documents with us. If you are able to scan and are computer savvy this maybe a good option for you. Just let me know and we can get you set up with a link.

Asset Review Reports

As usual, with this winter newsletter mailing



THANKSGIVING 2021

snowman painting by Candia Patterson, Okeechobee, FL



you are getting Asset Review Reports (ARR) to update. Be sure to be as thorough as possible, to make sure we have a true and accurate picture of all assets that need to be managed, maintained, collected, cashed in, transferred, and so forth to carry out your plan someday. Anything missing from your report can be lost, at worst, and at best cause delays and extra costs.

(It's probably not you, but rumor has it that *some clients* leave an item *off* their reports if they think it is not titled properly...because they are embarrassed. Imagine that! If you happen to know anyone like that, please let them know that we are very nonjudgmental and *will help them fund* the asset if they will tell us about it by adding it to their ARR.)

May you have a Blessed Christmas, and a Prosperous New Year!

"We are a nation that has a government—not the other way around. And this makes us special among the nations of the Earth. Our government has no power except that granted it by the people. It is time to check and reverse the growth of government which shows signs of having grown beyond the consent of the governed."

Ronald Reagan

CUP Review

Brent LeClere, Legal Assistant

Another Client Update Program™ (CUP) season has come and gone. We recently finished our last in-person update meeting, and while there are still a few plans left to update, most of the work is now behind us. The Client Update Program™ is the busiest part of my year, so I am breathing a sigh of relief.

For me, each CUP season is different from the last. Of course, the biggest change is my own level of experience. Each year I learn more ways to assist Curt and Sam in the updating of your estate plan. This means there is less “word processing” work for our attorneys to do, so they have more time for client counselling.

Another change this year has been the Zoom option for Client Update Programs™. While we had this available last year, I think we have perfected the process. Essentially, instead of attending an in-person group meeting, you watch a recording then schedule a time to sign your new documents at our office. This means more flexibility in the schedule for you and less exposure to others during this pandemic. For us, it means that instead of producing large numbers of plans at the same time, our legal drafting work is

spread out, which is less stressful!

Remember whenever you are invited to a Client Update Program™ or you are requesting a personal change, fill out and send in the Estate Planning Review Worksheet (EPRW). Why? The EPRW is a quick but thorough summary of your estate plan. When you take the time to look it over and fill it out, we can be sure that you have no other changes to your estate plan. This way, we can be sure that everything in your plan that needs to be changed has been!

Next year, we will be updating our “Even Year” clients in the fall. If you are one, make sure to attend a CUP meeting, or reserve for our Zoom option. Curt and Sam are always looking for, and finding, ways to make our clients’ plans work more smoothly even as the law evolves for better or worse.

Have a Merry Christmas and Happy New Year.



Like us on Facebook!

Have you liked **The Estate Planning Center** on Facebook yet? We typically post three or four announcements each month: reminders of events coming up, articles our attorneys have written or programs they taught, that sort of thing. Feel free to befriend any of the

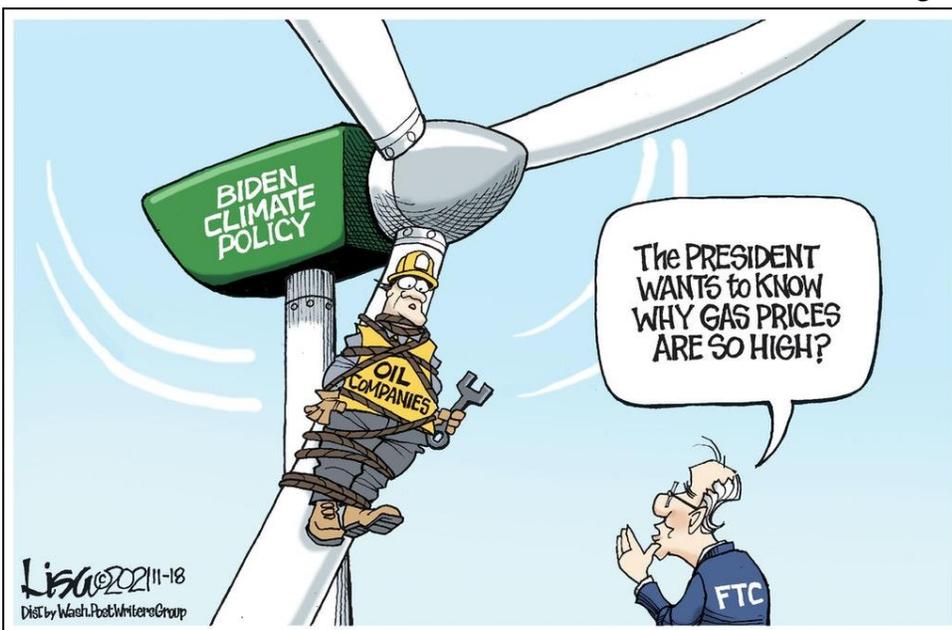
team as well!

“Government is the great fiction, through which everybody endeavors to live at the expense of everybody else.”

Frederic Bastiat, French Economist (1801-1850)
Author of “The Law”

“To prevent inquiry is among the worst of evils.”

Thomas Holcroft



Blow Your Retirement Account?

President Biden announced a few days ago he'll be authorizing the release from the Strategic Petroleum Reserve (SPR) of 50 million barrels, supposedly to ease some of the pain at the pump.

The SPR was proposed by President Truman in 1952, and again by President Eisenhower after the Suez Canal crisis in 1956. It was established after the Middle East oil-supply disruptions of the early 1970's. There are approximately 600 million barrels of oil in the Reserve. Only three times, according to Forbes magazine, has there been a sale from the SPR: during Operation Desert Storm in 1991, after Hurricane Katrina in 2005, and in 2011 following problems attached to the Libyan Civil War. The SPR exists for one purpose: to take care of military and other critical needs in the instance of an unforeseeable national emergency.

So, what preceded the current release of 50 million barrels? According to a recent article from The Hill (As gas prices soar, Americans can blame Joe Biden) on www.msn.com Americans should blame Biden for higher gasoline and home heating prices, and not simply for the obvious reasons:

"Biden's attack on U.S. energy producers, starting with his freeze on federal oil and gas leases, will assuredly take a toll on output down the road and cause prices at the pump to rise.

But today, Biden has pushed those prices, which were already rising because of severe weather, even higher by gratuitously alienating Saudi Arabia. The Gulf kingdom just surprised energy markets by announcing it would not raise oil output, despite developing supply constraints and rising prices. Oil prices jumped on the news, popping 4 percent to pre-pandemic levels for the first time in a year; the surge rattled markets already nervous about rising inflation.

The Saudis are reminding Biden that they can be a valuable ally or a formidable foe.

In his fever to undo every vestige of the Trump presidency, Biden has undermined the extraordinary progress made by the previous administration towards peace in the Middle East, including by "recalibrating" our relationship with Saudi Arabia. The signing of the Abraham Accords between Israel and the UAE, Bahrain, Sudan and Morocco marked an undisputed breakthrough in opening relations among bitter

enemies and also in ring-fencing a belligerent Iran.

Instead of attempting to build on that achievement, Biden has tried to bury it. Upon taking office President Biden immediately froze arms sales to the UAE, which had been promised as part of the deal. He next halted military aid to the Saudi war in Yemen and rescinded the terrorist organization designation applied to the Houthis by President Trump, emboldening that group to step up their attacks on Saudi Arabia.

Also, it took a full month for Biden to call Israeli Prime Minister Benjamin Netanyahu, finally speaking to the leader of one of our strongest allies only after reaching out to more than a dozen other heads of state.

All these gestures made it clear, not that "America is back," as Biden has proudly announced, but that America is going backward...fast. ...

The Abraham Accords shocked the world; even the New York Times's Tom Friedman recently hailed the "game-changing" breakthrough, writing that "something big seems to be stirring."

Many hoped that Saudi Arabia might also join the Accords, which would, Friedman concludes, make the agreement "one of the most significant realignments in modern Middle East history." Most likely, Biden has killed that possibility. Travelers this summer may get a preview of what Biden's anti-oil policies will come to mean for their pocketbooks. Right out of the gate, Biden curtsied to the climate warriors by canceling the Keystone Pipeline and, more consequentially, pausing the leasing of federal lands for oil and gas development. Federal lands account for about 22 percent of U.S. oil production.

It is clear those are just his opening moves; Biden's appointments of progressives to important Cabinet posts and insertion of climate issues into every agency's agenda will doubtless drive U.S. oil and gas investment and production down over time. Consequently, prices will increase."

After the above article was published, Biden called for a 50% increase in oil lease royalties on government land. But pretend we are serious about fuel prices by releasing from SPR about a half-day's volume of oil traded in the world market.

The SPR release has been likened to you or I voluntarily cutting our income by working less, going on a spending spree, blowing all our cash, and then spending our IRA despite the tax penalties for taking early withdrawals. **CWF**