

Season of Renewal

It's that time of year again. Time to renew our mutual commitments to the people who matter most to us. In a small way, we are grateful for the opportunity to participate in your commitment to your loved ones by helping assure that your estate plan will work.

We made great strides in 2005, gaining a better understanding of and better ways to communicate to clients' families the undeniable Wisdom that is being developed and delivered in our clients' plans. We're not just about passing **Dollars**, but working even harder to pass on **Sense!**

My favorite quote from a financial professional to his clients this year, talking about our **LifeSpan™** programs, was "Curt makes this stuff about as fun as it can be!" Frankly, *it has* been fun to find new ways of explaining things and seeing the mental 'light bulbs' go on in the faces of future heirs in the **Family Education Program™** (Nuts'N Bolts).

Fun aside, this is where we've seen some of the greatest progress in 2005. The 'kids' seem to be recognizing the power of protective trust planning...and they even seem receptive! If you hope that the heirs of your estate will choose to preserve and grow it instead of just 'blow it', we believe that these programs can make a difference in the way they think. Rather than dependent, maybe they'll become more like this:

"The self-sufficient man is the richest among humans." Menander

As you proceed through this letter, remember that we could just 'do' estate planning in the 'normal' way, like attorneys did for many decades: write documents and let people think it was 'done' until disaster occurred, then charge again for reparation work. But remember:

"Without deviation from the norm, progress is not possible." Frank Zappa

Estate plans as traditionally done don't work...they fail to live up to the expectations of the maker. But LifeSpan™ is progress, not normal! It may not even be 'reasonable.' That reminds me of another favorite:

"The reasonable man adapts himself to the world. The unreasonable man attempts to adapt the world to himself. Therefore, all progress depends upon the unreasonable man." George Bernard Shaw

We are not trying to fit in and let our clients get 'normal' results for their families. We are focused on making a positive difference, maximizing our clients' lives and legacies, helping **people who care** pass their

'family fortune' (whether LARGE or \$mall) with the protective wisdom of the older generation, safe from taxes, creditors, divorces, nursing homes and the like, as clients' desires dictate.

It is a special kind of challenge but that's what makes it exciting, even sort of fun at times. It is a constant process of learning, sharing and developing estate

PLANS THAT WORK for CLIENTS WHO CARE!

In This Issue:

The newsletter has three primary functions:

1. *Share ideas to help you continue to **DEVELOP** your plan*
2. *Re-COMMIT ourselves (both firm and clients) to continuously improved education, updating and maintenance*
3. *Highlight your progress in **SECURING** the success of your plan.*

Don't miss any of the following articles:

- **LifeSpan Learning Solution™** calendar preview, with events you should attend
- **Funding Review** by *Katie*
- **LifeSpan Meeting Tips**
- **Education Wrap Up** by *Gayla*
- **Life Insurance Tips:** whether you're keeping it or dropping it, don't miss this!
- **New IRS Notice Requirement**
- **Expand [Y]OUR Community** by *Sarah*
- **Other Legal Questions?** Call us first
- **Action Summary:** take action now to assure uninterrupted LifeSpan benefits!

and some great Wisdom and not-so-great Wit sprinkled throughout!

Special Gift Coupon Enclosed

Enclosed is a special gift for you to give someone you love. Many people described the way we do planning as "Loving Trusts." Please share this gift with someone you care about.

"He is a man of sense who does not grieve for what he has not, but rejoices in what he has."

Epictetus



“You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by destroying the rich. You cannot keep out of trouble by spending more than you earn. You cannot build character and courage by taking away a man’s initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves.” *A. Lincoln*

LifeSpan Learning Solution™

We will offer four **AFRs** this year, at least six **CUPs** (for “even year” clients) and no less than three **Nuts’N Bolts** (Family Education Program) meetings. Add a couple of **Technical Training** events, a **Community Builder™** or two this year. Take advantage of it!

Annual Family Reunion™ (AFR)

Every client sign up for one!

Look at the yellow sheet enclosed with this newsletter for the dates and locations of the four **AFRs** for this year. The seating space for the first one is limited, so if that is the date you want, sign up early.

At the **AFRs** we will be reviewing developments of the past year, previewing the 2006 technical training (see separate description, below) and reviewing the contents of your Red Book! Many clients have had questions about various tabs and contents of their estate planning portfolio (the Red Book) and so **this year, and this year only, you should bring the Red Books** to the AFR. Also, for clients interested in keeping assets in the bloodline, a ‘flexible future’ for couples, the brand-new ‘poorer spouse technique’ or a Medicaid planning update, you won’t want to miss the 2006 AFR! As always, **bring your LifeSpan Client Organizer**, too.

Family Education Program™ (Nuts’N Bolts)

Most clients should attend and/or send children to at least one!

As more plans mature and complete the process of actually transferring assets we learn more about the preparation needed by those who will inherit the wealth and those who must handle the process. In our tradition of stories and plain English teaching, we’ve learned new illustrations that seem to help clients and kids grasp the concepts better and appreciate the Wisdom more, perhaps even adopt the thinking! These illustrations found their way into NNB-I and made a big impact on the 2005 attendees.

We’ve developed a *whole body of new material* for **NNB-II**, so no one has yet attended the “transfer training” that we now offer. *All married couples need to attend this as soon as possible*, so the one of you who is surviving and dealing with the paperwork will be prepared.

The **Wealth Reception™** concepts that we have been developing and presenting are making a real difference in the families of those whose plans have matured. We even see a difference in the way our living clients interact with their loved ones, with the wisdom of the older generation starting to seep into the younger!

We had very low NNB attendance in 2005, which worked out fine for us to ‘try out’ and refine our new material. Now we’re fully primed to make the 2006 programs more valuable and meaningful than ever before. Help us **raise the attendance level for these new and improved** programs!

Nuts ‘N Bolts I: Estate Planning Overview

Who Should Attend? Successor Trustees, Beneficiaries, Heirs & Professional Advisors. *Any who did not attend NNB-I in 2005.* Married clients, note: You are a Successor Trustee and Beneficiary!

For a review or introduction to the (i) planning process and of (ii) benefits of a ‘protected wealth’ mindset.

When To Attend? Thursday, May 11, 6:00pm-9:00pm
Saturday, November 25, 9:00am to noon.
Each program in Salem, location to be announced.

NNB-II Nuts ‘N Bolts II: Transfer Process

Who Should Attend? Married Clients, Successor Trustees & Professional Advisors. *Don’t attend if you attended NNB-II in 2005.* This program is about **90% new and improved material** based on added years’ experience and collaboration of LifeSpan attorneys

If you will be the successor Trustee of a plan of one of our clients, then **NNB-II** takes you through the specific appointments and steps in settling a deceased person’s living trust. Sample documents, checklists and procedures are covered and distributed. For heirs who are not going to be trustees, they should attend to see what the named one will have to go through, so they won’t be impatient!

When to Attend? Saturday, June 24, 9:00am to noon, with the traditional hamburger cookout to follow!
We plan to schedule another NNB-II later in the year.



[NNB-II, Continued] Some clients have taken the position that their kids will surely get along, and only those who are actually going to be trustees need the NNB training. To which we reply:

“Say not you know another entirely, till you have divided an inheritance with him.” J.K. Lavater

Technical Training Program™

After seeing the preview at the AFR, each client decides whether to attend

There are at least two new technical training programs we plan to offer in summer or fall of 2006. Dates will be announced at the AFRs.

As we counsel new clients we are finding a very significant percentage who want to assure that assets ‘**stay in the bloodline**’ even a generation later. Having such provisions in your estate plan can also have tremendous **estate tax advantages** down the road. Had his parents looked ahead, for instance, the fortune of Bill Gates could have been protected for that family from creditors, divorces, lawsuits and estate taxes...forever!

Recent IRS rulings have endorsed an idea we’re calling the ‘poorer spouse technique,’ which can help married couples **protect a greater portion** of their combined assets at the first death from both estate taxes, creditors and remarriage, yet while both are living allow them to keep most assets in the name of the spouse who has the lower liability risks. We’re still examining the potential, but think a lot of clients would benefit from this so stay tuned!

“Take my instruction, and not my silver, and knowledge rather than choicest gold. For Wisdom is better than jewels; and all comparable things can not compare with her.” Solomon

Community Builder™

Clients, family, friends and advisors welcome!

Just fun and socialization, no lecture or estate planning work to do. We know for sure that we’ll have the **hamburger cookout** after the June 99 NNB-II.

We are also working on plans for another fall **Bluegrass BarBQ**, a tradition we had started in 2003 & ‘04 with our office neighbor Century 21, but missed in ‘05. We want to resume *something* like that in ‘06! Let us know what you think of the idea.

Client Update Program™ (CUP)

Even-year Clients only

2006 CUPs will be scheduled for August and September; just the even-year clients will be invited.

Funding Review

Katie Helm, Funding Coordinator

Merry Christmas! I hope your Christmas is filled with happy memories as we celebrate the birth of our Lord and Savior Jesus Christ.

I am pleased to announce that my two year project of recording all of our client’s assets on Funding Pro has been completed as you receive this letter.

Your **Asset Review Report** is included in the packet along with this newsletter. Please report any changes in values, cross out any asset that you no longer own, and add any new assets in the space provided at the end of the report by filling in all information (company, type of account, account number, which trust is owner, etc.) and return it to me so I can update your files. Please provide documentation for any new asset for our files and for Curt’s **Red Check Review**.

You are doing a *GREAT JOB* keeping us informed of new assets and proper funding. Please continue to mail copies of paperwork on any new assets *i.e.*, vehicle titles, bank account, investment account, life insurance, real estate, retirement accounts etc. for Curt’s **Red Check Review**. Also, any asset that does not have a check mark (✓) on the enclosed **Asset Review Report** indicates that we do not have a written verification for that particular asset; please try to find appropriate paperwork (a statement, title, or letter—see **TAB 5** of your **LifeSpan Client Organizer™**).

Remember, it’s always best to title assets correctly *at the time of purchase or when a new account is opened*. Please call me if you have questions regarding funding.

God’s Blessings to you and your family in 2006!

A Living Will Story: A man was sitting in the living room on Sunday afternoon when his wife walked through, and he said to her, "Just so you know, I never want to live in a vegetative state, dependent on some machine and living on fluids from some bottle. If that ever happens, just pull the plug, cut me off." His wife walked over to the TV and unplugged it, then proceeded to the kitchen and dumped all of his beer down the drain!

LifeSpan Meeting Reminders

Remember these tips when you are coming to a LifeSpan program:

- If Curt is teaching, the room will probably be cool. Bring a sweater if you’re cold-natured!
- We will serve light snacks only unless we specifically tell you there will be a meal.



- Bring **Red Books** *only to the CUP (but note the 2006 AFR exception)*; bring your **LifeSpan Client Organizer™** to all events.
- Helpers with a **Helper Handbook™** should bring it to any meeting they attend.

“He uses statistics as a drunken man uses lamp-posts...for support rather than illumination.”
Andrew Lang

Education Wrap Up

Gayla Ball, Education Coordinator

Seasons Greetings! I hope this finds you and yours healthy and happy. Our family is keeping busy with Christmas programs, parties and concerts. We love this time of year in our home, and the snow really put us in a holiday mood.

I thoroughly enjoyed catching up with many of our clients who attended the **Annual Family Reunions** and **Client Update Programs** this year. These programs proved to be very informative and successful due in part to great client participation.

This year we were disappointed with the attendance at our **Family Education Program (NNB)**; we had hoped to see more of you there. During 2005, Curt added new and different content, so you won't want to miss this opportunity for you and your helpers. Just a reminder, anytime you are planning to attend any of our meetings, please call and make a reservation at least a week or two in advance.

Earlier this year we had cancelled a workshop due to low reservations, then at the last minute we received calls from clients who were planning to attend. So to prevent this from happening, be sure to get your name on our reservation list well in advance.

Recently, I had a conversation with a client who told me he and his wife were starting to realize the value of the continuing education we offer to them and their helpers. I hope this is also true for you!

Also, if you are not sure where to keep this newsletter, place it behind see **TAB 7** of your **LifeSpan Client Organizer™** for future reference.

If you ever have any questions please do not hesitate to call or e-mail me!

“You can easily judge the character of others by how they treat those who can do nothing for them or to them.”
Malcolm Forbes

Life Insurance Tips

As you know, we believe life insurance is a great financial tool for a variety of reasons. Because of tax advantages given life insurance, it is generally the very best investment vehicle for passing maximum dollar value on to your heirs. Because of legal protection under Illinois law, it is also a wonderful place to have investment money (in the cash value of the insurance) in case you were ever sued. Following are a couple of other life insurance issues to consider.

1. Planning To Keep a Life Policy?

According to one industry source* 90% of the permanent life insurance policies sold in America over the last 25 years aren't performing as projected. If you bought the policy with illustrations projecting the cash value would grow at 8% per year, for instance, it probably isn't doing that well. If this is true, the results could be catastrophic! When policies fail, people will face huge and ongoing additional premiums, loss of cash value, loss of death benefit and even cancellation of coverage.

We urge all clients to *look at their permanent (usually universal life) policies with their current life insurance advisors* and analyze the performance and implications. You might be doing very well, or you might need to make some adjustments. Just be sure to let us know if you change from one policy to another, and let us **Red Check** the ownership and beneficiary information!

* InKnowVision, LLC, Naperville, IL

2. Thinking About Dropping a Life Policy?

Don't do it without talking to us first! As you move through life, some clients find that they don't want or need a particular life insurance policy any longer, and if they stop the premiums are faced with the choices of

- simply letting it lapse after it runs out of money, or
- surrendering the policy now and receiving the cash value.

There is another option available! There are companies that are *interested in buying life insurance policies like this*. They often will pay much more than the cash surrender value you would get by just dropping the policy. So if you're thinking about dropping an insurance policy, you should let us know anyway to update your **Funding Pro™** reports and before you make the final decision to cash the policy in, let us put you in contact with the firms who might pay you a lot more for your policy. Might as well get something back for the money you invested in that policy over the years!



IRS Circular 230

On December 20, 2004, the Treasury Department issued revised regulations under what it calls ‘Circular 230’—a notice circulated for tax professionals. It stated that changes in the rules for practice before the IRS were needed to ‘restore, promote and maintain’ the public’s confidence in their tax advisers. Pretty much any written letter, article, e-mail or other communication that *touches upon* tax law is regulated by the new rule.

In our practice much of the work we do—most of it, in fact—is motivated primarily by assuring that the right beneficiaries receive the right assets with the right balance of protection and control. Estate taxes, gift taxes and income taxes are in many cases almost an afterthought. Say you write Curt an email and ask "What is the maximum amount I can give each child this year without having to file a gift tax return?" Effective January 1, 2006, Curt’s email reply could be simply "\$12,000." You don’t want to pay us for the time it would take to compile a letter describing all of the possible facts and quoting the relevant laws to you. If we don’t go into all of the long legal analysis, then we have to tell you, in writing, that the email *"is not intended nor written to be used, and cannot be used, for the purposes of avoiding penalties."*

So if you see that disclaimer on any written correspondence from us, just remember, it is probably a routine item and Curt is trying to keep your costs down. If you want to rely on the written opinion for tax penalty avoidance, please let us know and we will prepare a detailed analysis for you, and charge appropriately. If you have questions, feel free to give us a call and we can explain Circular 230 in more detail. But meanwhile, note:

This newsletter is not intended nor written to be used, and cannot be used, for the purposes of avoiding penalties; but it can be used to cure insomnia! ☺

“Many wise words are spoken in jest, but they don’t compare with the number of stupid words spoken in earnest.”
Sam Levenson

Don’t Do It!

Absolutely do not write on the pages of your Living Trust! Use post-it notes if you have questions about something or want to make a note to change something on that page. Making hand-written changes in your Living Trust does not make the change legal! Call us for no-additional-charge word processing amendments.

“Failure is only postponed success as long as courage ‘coaches’ ambition. The habit of persistence is the habit of victory.”
Herbert Kaufman

Expand [Y]OUR Community

Sarah Graham, Client Services Coordinator

We still provide monthly **Truth About Estate Planning™** client orientation workshops for incoming clients. Our best referrals come from YOU and we’re honored when you recommend us!

As you probably know, a large portion of our firm revenue still must come from clients in **Step 1** of the **LifeSpan Planning Process™**: new clients coming in and *developing their plans*. In light of that, please consider this thought:

If we had more referrals from *you*, Curt could spend *less* time in ‘marketing’ activities and *more* time with those clients and with *you* in servicing all of their and your estate planning needs. When we don’t get such referrals, Curt has to spend a lot more of his time out looking for the new clients.

If each of our current clients referred each year just one client to us, and only a third of those decided to become **LifeSpan™** clients, Curt could dispense with all ‘marketing’ time and be devoted solely to service and counselling, growing and enhancing the package of LifeSpan™ services. If you refer your friends and family to us, you know we’ll take good care of them—*as we are you!* Besides, just think how much more fun the AFRs, CUPs and Family Education Program™ would be if more of your friends were there with you!

The first step for a new client is to attend one of our monthly **Truth About Estate Planning™** client orientation workshops. You can make the reservation and attend with them! If you prefer that we invite them, just call or email us their name and address and we’ll send them an invitation *letter* with your name mentioned as the referral. As you know, all we do is invite them by letter, *we do not call them*.

Our next Truth workshops are*

- Tuesday, January 17 6:00-9:00pm (in Salem)**
- Saturday, February 18 9:00am-noon (in Salem)**
- Tuesday, March 14 6:00-9:00pm (in Salem)**

**reservations are required, even if made the day of the workshop.*

“Bring your desires down to your present means. Increase them only when your increased means permit.”
Aristotle



Legal Advice on Other Matters?

We probably won't provide it ourselves, since estate planning is our area of expertise. But we encourage you to *call us first with any legal question*. We might be able to help you.

First, it might be so straightforward that "any attorney" could answer that, and we'll save you the expense and uncertainty of calling another attorney.

Second, we maintain enough contacts with other attorneys to have a good idea who else is best—and most trustworthy—at other areas of law. This is especially true in Southern Illinois and the St. Louis area, but may also hold true around the country. So if you or a family member wants a recommendation for

about any kind of case—personal injury, business litigation, environmental law, social security disability, workers' compensation, family law, you name it!—we can probably point you to someone who concentrates in that kind of work, usually someone we know personally and believe you can trust.

Having us as your "family attorney" can have fringe benefits! Thank you for the trust that you place in us.

Attention Farm Clients!

Did you see Curt's estate planning article in the **Prairie Farmer** magazine, December 2005 issue? They have agreed to start carrying a monthly article from him. We are pretty excited about this opportunity to spread the word about estate plans that work!

We hope you have a Blessed Christmas Season and enjoy the time with your family. Time with family is invaluable! Remember, your family is the reason you have done proper estate planning!

The Estate Planning Center Team: Curt, Sarah, Katie & Gayla

Action Summary: What to DO NOW:

As usual, here is an "action summary" to make sure you take appropriate action and get the most from your LifeSpan services agreement:

- Don't cheat! **Go back** to the beginning of the newsletter or wherever you left off and *finish reading it!* ☺
- **READ** the *yellow* **Renewal and Registration and Re-Commitment Form** (the 'RRR Form')
- **Sign** the **RRR Form** where provided, and *write in the name* of your most trusted advisor (investment, insurance, accounting, etc.) if you would like for us to invite them to the AFR.
- **DECIDE** the best date/location for you to attend an *Annual Family Reunion*, then
- **MARK** that date two places: **1.** on the *yellow* **RRR Form** and **2.** on *your calendar!*
- **MAIL** us your renewal fee *check* in the appropriate amount with the *yellow* **RRR Form**.

Do the above immediately. Then, as soon as you can,

- **REVIEW** your enclosed **Asset Review Report** and make corrections on it for Katie, then return it as soon as possible, but by no later than January 31, 2006
- **GIVE** the **Gift Certificate** to someone your care about, and tell them how *we take care* of you.

When we get your **RRR Form** and check, *we'll register you for the AFR of your choice* (assuming it isn't filled before you sign up) and look forward to seeing you and your family there!

Call Gayla or Sarah if you have any questions (except about the **Asset Review Report**, ask for Katie).