

What Is Normal?

Anyone want to be 'normal'? Estate plans as 'normally' done don't work...they fail to live up to the expectations of the maker.

Every month that passes provides more evidence to support the 'Truth About Estate Planning™' that we have been 'preaching' to our clients and prospects for the past several years. We continue to see it as people come in for our help with settlement of 'normally' planned estates (by other law firms following traditional methods) and we compare it to the settlement of a LifeSpan™ estate plan. Our LifeSpan Planning Process™ is producing *extraordinary results* for people who care about what happens to their loved ones and their stuff.

It's not magic. As we've said for years, your living trust is not a 'magic book.' Many 'normal' estate plans include living trusts but still fail miserably! The *process* only works to reduce the stress for families, to reduce your overall cost, and to deliver better results because we—you and the law firm, together as 'partners'—are working actively to keep things current, and preparing proactively for tasks to come.

Thank you for being part of our mission to make a positive difference not only in your own family but in the estate planning world at large.

Announcing:

We are very excited about our new Team Member.



We are pleased to announce that our new Funding Coordinator is **Debbie Robb!** She brings with her years of experience in working with the public. But more important are her pleasant approach and commitment to helping people. Help us welcome Debbie to our staff!

Congratulations!

We have a 'new' Office Manager and Client Services Coordinator. She brings years of experience in a LifeSpan Law Firm and we're sure you'll be pleased to meet ...**Sarah Rupe!** Please join the rest of our team in congratulating Sarah (yes our own, formerly Graham) on her April 21 wedding to Steven Rupe.

In This Issue:

Don't miss any of these articles:

- **2006 AFR in Review:** take a look at what we covered in the Annual Family Reunion, including:
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2006 AFR in Review

It was great to see so many of you at our **Annual Family Reunions™** (AFR) in March and April. By now we trust you are getting accustomed to the core elements of the AFR, and true to form we provided an update of the firm (personnel, services, etc.) and our annual fees for next year, a legal update (e.g. Deficit Reduction Act, changes in estate tax 'coupon', etc.) and our **LifeSpan Learning Solution™** calendar rollout.

The other two major AFR agenda items were important and detailed enough to deserve a short *substantive* review here. One was the totally new **Financial Opportunities Review** and the other was this year's **Educational Program/LifeSpan Update**. Please read the summaries of these which follow.

AFR: Financial Opportunities Review

Never before had we spent as much of our AFR on the things that your financial professionals can do for you. As we work with our clients and their counselling-oriented financial advisors we learn of new

opportunities for you. As those ideas have accumulated, we decided to roll them out to you in the AFR, to make sure you are aware of things that *might significantly help you protect your estate and achieve your goals*. We touched on eight key areas and mentioned new or evolving ways to address each one. The issues or concerns were:

1. How do I keep the nursing home from depleting my estate? (New law makes this more difficult!)
2. How do I keep health care costs from depleting my estate?
3. How to maximize the net amount passing to my heirs?
4. What if my income were interrupted or lost?
5. How could I reduce my income taxes?
6. Can I reduce my liability as an employer?
7. What about IRA 'required distributions'?
8. Who should I trust to take care of this!?

On each point we listed several possible solutions. In almost every case, you need to ask your trusted financial advisors for their recommendations. Explain your concern, make sure they are fully aware of your estate plan and your total financial picture, and get their advice.

On the last one in particular, we urge you to start by talking to your own trusted financial professionals, even if you don't think they provide the kind of service (insurance *or* investment *or* accounting, for example) you think you need. Many of these professionals are cross-licensed, or have trusted colleagues working with them who are licensed, and competent to provide the wider array of services you may need. The most important thing is to *start with the people you've learned to trust*; they won't point you the wrong way.

We also pointed out that our more recent clients have had the benefit of a **Financial Strategies Session™**: an appointment where Curt meets with the client *and* their financial advisor to review and discuss the estate plan and how their financial picture might need adjustments. Even though the creation of your plan may be long past, if you would like the benefit of such an appointment, Curt will meet with you and your financial advisor at *no additional fee*. Just call Sarah to schedule it.

"Poverty is uncomfortable; but nine times out of ten the best thing that can happen to a young man is to be tossed overboard and compelled to sink or swim."

James Garfield

Maybe not 100% of the time, but he has a point!

AFR: Educational Program/LifeSpan Update

One of the big-picture trends we sensed among our clients was the feeling that perhaps the **LifeSpan™ Planning Process** is too 'narrow' and doesn't apply to them. As we introduced concepts like **Wealth Reception™** and recommend training programs for the beneficiaries, or things like 'letters from Dad' or ethical wills or other matters of the heart, some clients just aren't interested. On the other hand, as we address basic 'legal updating' of living trusts, wills, etc. other clients may feel that is too mundane and they want more from us.

With **The Belonging Balancer™** we hope everyone sees that the law firm is walking down the middle, reaching both ways to provide *appropriate assistance* to all. Different clients are at different stages—in different 'camps' so to speak—of the **Scaling the LifeSpan Summit™** trek (another illustration in your AFR handouts). Depending on what *you want* to achieve with your estate plan, you may be comfortable staying where you are even though other clients continue climbing. That's OK with us! We will provide the level of *assistance you deem appropriate*. See where you fit in the following descriptions.

Camp 1: On one hand, we want to make sure that we don't overwhelm—or bore to death!—those who are in Camp 1 on the **LifeSpan Summit**. They see the LifeSpan process as a sort of 'legal insurance' to keep their living trusts up to date, to avoid probate and death taxes. Their focus is on passing financial wealth. If you're there, you know that the LifeSpan process is critical to achieving your goals because so many changes occur. Your assets, the laws and your family continue to evolve, and no legal document created many years prior to your death can possibly anticipate all those changes. Keep using our **Red Check Review™** process for assuring that new assets are properly titled and keep coming to the **Biennial Client Update Program™** so we can efficiently update your documents. Make sure your 'death trustees' will be prepared by bringing them to **Nuts 'N Bolts I & II™**.

Camp 2: Clients in Camp 2 on the **LifeSpan Summit** trek want us to keep them abreast of new ideas that could *enhance the results* they can get (tax and probate ideas, as well as more personal issues) from their estate plan. You recognize that opportunities will continue to arise even if you had a *great plan when it was first created*. We refer to this as the **Perpetual Progress Program™**—you are



continuing to develop your plan and we continue to bring you the latest and best ideas that might fit your family. We rolled out three **Technical Training Programs™** this year specifically to educate you about such opportunities at no additional charge (see more on these below). You may also be interested in communicating wisdom, heritage and values—‘sense’ along with the dollars! Since it is easier to edit than it is to create, you can use the personalization checklists we provide: blue **Letter of Instruction to My Health Care Representative** and the yellow **Letter of Instruction to My Trustee**, for example. You probably are more motivated to have your beneficiaries hear from an ‘expert’ (in case they still don’t listen to their parents!☺) *how to best receive, preserve and protect* their inherited estate; get them to a **Nuts ‘N Bolts I** as soon and often as you can!

Camp 3: Those of you who are in Camp 3 are our ‘pioneers’ in the **Wealth Reception Era™**. You are getting adult children to attend Nuts ‘N Bolts programs, for instance, so they can gain wisdom and understanding now, participating in the planning ‘with’ you. Rather than just filling in checklists to communicate your values, or merely including Protective Trust provisions in your living trust, we’ve convinced you to go deeper into matters of the heart. For instance: you are writing your own personal letters to each of your children; you’ve included specific ‘values’ that will figuratively ‘engrave’ the family wealth for future generations; you’ve put incentives-for-good-behavior in your estate plan; you’ve formed a family foundation and have the children and grandchildren participating in decisions about what causes to support; you’re making scrapbooks of letters to and from your children, piecing together their progress through life; you’re writing down the ‘family stories’ and identifying particular heirlooms or keepsakes that will carry meaning for many generations to come; and these are *just some* that we know about. What else are you doing? How can we help? Let us know and grow with you!

After reading this, you may realize that we are assisting you at more than one level. *That’s great!* Maybe you thought you were in Camp 1, yet you are doing *some* of the activities described as Camp 3. *We’re delighted* if you are getting the value you want. (If not, well, let us know what kind of assistance you seek!) Our goal is to provide you maximum service and assistance, included ‘at no additional charge’ in our lowest possible fee.

Whether you feel comfortable in Camp 1, 2 or 3, we are happy to learn from you, and share ideas with the rest of our clients, as we all strive to grow together in our quest:

PLANS THAT WORK. PEOPLE WHO CARE.™

LifeSpan Client Organizer™

aka your ‘**Operator’s Manual**’

Gayla Ball, Education Coordinator

For all of you who attended the **Annual Family Reunions**, I hope you have had a chance to review the changes we made to your **Client Organizer**. These changes were made so it would be more *user friendly*. Actually, some of these changes were suggested by our clients. For those who were unable to attend an AFR, here are some of the changes we made.

Tab 1 is now How We Work Together – this includes our contact information, commitments, etc.

Tab 2 has a new Client To Do List for each of our clients to review and do!

Tab 4 is now Owning Your Property: funding info, formerly Tab 5. Refer here any time you acquire a new asset!

Tab 5 is Education Programs - includes attorney roster and the LifeSpan Learning Solution™Calendar. This is also the tab to place education material for easy access.

Tab 9 is Correspondence - especially for the newsletters/mailings you receive from us.

If you were unable to attend one of the five Annual Family Reunions, you should still update your Client Organizer. Bring it by our office. It will only take a few minutes, but we do need to know in advance when you plan to come by. If you have any questions about your Client Organizer, or any of our Education Programs, please do not hesitate to call me.

Be Safe and HAVE A GREAT SUMMER!!!

Gayla

New Videos available! Check-out or purchase the 2006 AFR or 2006 Nuts ‘N Bolts-I for your family.

Health Savings Accounts:

An AFR Correction!

During the AFR we included a statement about Health Savings Accounts which we have since determined to be in error.

Our powerpoint said that if Health Savings Accounts were “unused for medical bills, can roll to IRAs.” Upon further research we’ve learned that this is *not* technically true unless you pay a penalty and possibly income taxes on the rollover. *However, you can use* the HSA money in your retirement years for many of the things you *would have used* IRA money for, like any conceivable medical, dental or optometric bill, long term care insurance and long term health care costs. Paying these from the HSA means you do not pay income tax on it—now or ever. (IRA money is taxed as income when you withdraw it.) So this effectively allows you to *use* your HSA money tax-free for things you *would have* spent taxable IRA money on.

Take a look at HSAs. Talk to your investment professionals and get more details if you would like to put more money into tax-advantaged accounts!

2006 Technical Training Program™

aka ‘Perpetual Progress Program’

As described in the 2006 AFRs, we have scheduled three separate **Technical Training Programs** so anyone interested can attend the one or more that they need. The **Reunion Review** handout (at the AFR) told you which of these programs you should attend, and we are very pleased to see that a very large number of clients already have reservations.

If you haven’t made your reservation yet, be sure to look again at your **Reunion Review** handout and see which, if any, programs are important for you. Any one (or more) with a check-mark is something that you have not had the opportunity to consider in your planning, but which Curt believes you *might want to include* in your next updated living trust. The three programs—a short hour each and scheduled on the four dates as back-to-back programs so you can attend one, two or all three—are:

1. GST (Generation ‘Skipping’ Trust) Planning—look ahead and plan so that when your heirs receive assets, they won’t have to pay tax again at their deaths. Can keep assets in the bloodline. Applies to single clients *and* couples.

2. ‘Poorer Spouse’ Technique—a totally new planning opportunity made available by recent tax court and IRS rulings, available to provide greater asset protection and estate tax avoidance *for couples*.
3. LPOA/Hit Parade—last year nearly every couple who attended the standalone program on this opted to add this flexibility to their plan; but many *married couples* still haven’t looked at it.

The dates for these are June 22 (evening) and July 22 (morning) in Salem; July 11 (evening) in Marshall; and July 13 (evening) in Bloomington. Call Gayla for details and to make or confirm your reservation.

“We all want progress, but if you’re on the wrong road, progress means doing an about-turn and walking back to the right road; in that case, the man who turns back soonest is the most progressive.” C.S. Lewis

2006 Family Education Program™

aka the ‘Nuts ‘N Bolts’ programs

To make a living trust plan work smoothly, the law firm needs to work with pre-trained successor trustees. To make ‘school bus trusts’ pass effectively and be appreciated by the beneficiaries, those beneficiaries need to see it coming before it arrives and honks at them! If you hope your beneficiaries will receive your ‘wealth and wisdom’—*perhaps growing their inheritance instead of blowing it*—we need to get them thinking about it well in advance.

Our **Nuts ‘N Bolts** workshops are here now to help your family understand what you are doing for them, so they’ll be ready to take full advantage of it! They are an opportunity for the family to participate ‘with’ you in planning, and to motivate more open communication about an important topic.

Remember, married couples: you need to get all the pre-training you can to help the one of you who has to settle the trust of the other! See **NNB-II** ...

Nuts ‘N Bolts I: The Werewolf Workshop™

November 25 (9am) in Salem

The **NNB-I** program now covers the **Personal Protections Planner™** material (you can see it in Tab 8 of your **Client Organizer**, as updated at the AFR this year). We’ve learned that beneficiaries and trustees appreciate and understand what you have if they learn about it before a ‘crisis’ time arrives. Much of the **Truth About Estate Planning™** workshop is included in **NNB-I**. The family can



learn the overall **LifeSpan Planning Process™** and **LifeSpan Three Step Strategy™**, plus concepts like “**School Bus Trusts**”, “**IRS Supermarket**” and the “**1-2-3 of Estate Planning**.” NNB-I makes a good refresher course for clients as well. Come just to learn why we call it the “Werewolf Workshop!”

Nuts ‘N Bolts II: Transfer Process (all new 2006!)

June 24 (9am) in Salem ... with lunch to follow!

No-one has attended this program! The **2006 NNB-II** program is based on the original trustee training we had done for years, but this year we are covering all new materials. We will review the *actual paperwork* needed to go through a disability determination, and the *paperwork involved* in settling the trust at death. This is more for Helpers (death or disability Trustees) and *not* so much for the Beneficiaries. However, Beneficiaries might learn from this that they should be patient with their brother or sister who is serving as Trustee! Married clients generally serve as Helpers for each other, so you should attend.

“If your ship doesn’t come in, swim out to it.”

Andy Tant

Client Update Program™ (CUP)

Even-year Clients only

The 2006 CUPs will be scheduled for August and September. Just the even-year clients will be invited. If you are an even-year client you will be getting a separate mailing to invite you and provide the dates, times and locations. Sign up early!

Funding Forum

Katie Helm, Funding Coordinator

It was good to see you all at the recent AFRs. As you recall, I announced my retirement on June 1 of this year. I am trying to complete the funding of as many clients trusts as I possibly can before I leave. Debbie Robb will be replacing me here at the office. I’ve known Debbie for a few years and feel confident that you will like her and that she will be able to do the job well.

The Reunion Review that was given to you at the AFR could be a great help for you and our office in keeping your records current and assets verified. Please take a few minutes to look at the Reunion Review to see if

there were any assets that I requested verification for then follow through by getting the necessary paperwork to our office for Curt’s “*red check review*”.

Also during the year if you open a new account, buy property, take out more life insurance, annuity, IRAs or purchase a new vehicle, etc., remember to set up the owner & beneficiaries correctly. Then send us a copy of the paperwork so we can record the information and have Curt review the titling/beneficiary for accuracy. Remember you have titling instructions in TAB 4 of your Client Organizer and our office is available to help you or your advisor as these accounts are opened.

I have met a lot of very nice people while working at The Estate Planning Center. Many of you assured me at the AFRs that I would love retirement. Thank you for the encouragement!

Katie

“We don’t have deficits because people are taxed too little. We have deficits because big government spends too much!”

Ronald Reagan

Illinois’ New ‘Series LLC’

Illinois recently joined Delaware as one of only five states permitting ‘Series’ Limited Liability Companies (LLCs). The Illinois Series LLC Act increases the attractiveness of the LLC form of doing business, particularly for real estate owners with multiple properties.

An LLC has been recognized as a good way for a person to hold property separate from his or her own personal assets, to limit the liability of the owner for claims (accidents, injuries, etc.) that occur on the property. However, if you had four rental properties in one LLC, and a claim arose on one of those properties, the claim could reach over and take the other three properties as well.

The new structure allows you to build ‘firewalls’ between the properties. If the series LLC has four ‘series’ and one property is placed in each, a claim on property A can’t reach over and place a lien against properties B, C & D.

This result could formerly be achieved only by creating four, separate, stand-alone LLCs, which is cumbersome. With one ‘master LLC’ and four series under it, some of the cumbersome-ness is eliminated.

Let us know if you think a Series LLC is something that might fit you. We’ll help you set it up and coordinate it with your estate plan.



www.TLCPlanning.com

As you know, we have a website to help keep our clients and the public informed of upcoming events, of planning ideas, and most of all, what it takes to make an estate plan WORK!

Our website received a comprehensive facelift early this year, as well as quite a few new pages. The menu works more like an outline, so start by clicking on a topic that interests you, and up will pop sub-menus of pages you might want to read.

Please give it a workout and let us know how you like the new design and articles, and let us know if you see any 'bugs' we should fix.

Did you know? DocuBank was specifically mentioned by U.S. News and World Report when recommending that readers consider a document registry service.

Get What You Deserve!

Sarah Rupe, Client Services Coordinator

Are you taking advantage of all of the services we provide to you? Occasionally we get a question from a client and realize that somehow we have failed to communicate to you all of what you get from us! Take a little quiz, here, and see if you're getting what you deserve!

1. Do you know what Docubank® is and do you carry your Docubank card with you in case of a medical emergency?
2. Do you know what is in your **LifeSpan Client Organizer™ (Operator's Manual)** and have you checked anything off the '**Client To Do**' list in Tab 2?
3. Have you filled out the Blue-Yellow-Purple instructional forms to help your Helpers?
4. Have you signed up for the extra educational programs provided this year (included at no additional fee)?
5. Do you have your Trust ID card with you in case you purchase something new or open a new account?
6. Have you given us your Helpers' names and addresses so we can invite them to the Family Education Programs?
7. Do your helpers know where to find your legal documents/Instructional forms?

If you're not familiar with all of these benefits of being a LifeSpan™ client, I urge you to do two things: read

through your LifeSpan Member Agreement (should be in the back of your Operator's Manual!) and call us to ask us about any benefits you're not getting!

Sarah

"The income tax has made liars out of more Americans than golf."
Will Rogers

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*; bring your **LifeSpan Client Organizer™** to all events.
- Helpers with a **Helper Handbook™** should bring it to any meeting they attend.
- Reservations are required. Be sure to let us know if you are coming!

"What is the difference between a taxidermist and a tax collector? The taxidermist takes only your skin."
Mark Twain

Expand [Y]OUR Community

Sarah Rupe, Client Services Coordinator

We continue to 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!

The first step for a new client is to attend one of our **Truth** 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*

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| Tuesday, June 13 | 6:00-9:00pm (in Salem) |
| Tuesday, July 18 | 6:00-9:00pm (in Salem) |
| Saturday, August 19 | 9:00am-noon (in Salem) |

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