

## **CONTRACT TRUST CALL #108**

**September 5, 2020**

### **RECORD**

**DISCLAIMER** Hello Everyone. Today is Saturday, September 5, 2020. Welcome to our Contract Trust Conference Call. We are not accountants, tax professionals, lawyers or currency dealers. We are not engaged in rendering legal, tax, accounting or other professional advice. Should you require those services, you should retain competent advice from a professional in that field.

**WELCOME** Thanks for joining us today. My name is Carol Werelius and my associate Jim Knox and I have these calls every 2<sup>nd</sup> and 4<sup>th</sup> Saturday of the month. These calls are recorded and available on our website, [www.indicator information.com](http://www.indicatorinformation.com), [iqdcalls.com](http://iqdcalls.com) and YouTube. As we get closer and closer to our expected event, we thought this would be a good time to review our Common Law Contract Trust, and why we think it is the best vehicle for you to protect your assets. As always, your questions are welcome. \*6 to raise your hand.

1. Most of you are aware that we offer and create Non-grantor Irrevocable Common Law Contract Business Trusts. For the sake of simplicity, we refer to it as a Contract Trust. It is technically a Business Trust, but we have opted to drop the word Business from the title as it sometimes causes confusion. If your trust says Business Trust, its ok and still very valid.
2. Prudent estate planning compels you to not own anything. Asset management, NOT ownership, is the best method available to reduce risk of loss. You can do this by utilizing the Contract Trust. No insurance at any cost can furnish the protection that the Contract Trust can provide. It provides protection for you, your family, your goals and objectives.
  - a. Remember, the secret of real wealth is not ownership, but control.

- b. Use of the Contract Trust that we offer totally eliminates probate and inheritance taxes.
  - c. Unlike a revocable grantor trust, the Contract Trust is irrevocable.
  - d. Irrevocable means no one can tell you to terminate the Trust to pay someone else, so your assets are protected from anyone trying to get money from you personally.
  - e. The Contract Trust is created in contemplation of life, not death. The most significant distinctions between revocable and irrevocable trusts are the estate tax considerations. Property that you place in an irrevocable trust is no longer considered part of your estate, meaning that the property typically isn't included in your estate's value when it comes to determining if you owe death taxes and, if so, how much.
3. There have been some questions lately about whether one needs a Trust at all. From a practical, thoughtful standpoint, you do need a trust to protect your assets. From what we have heard, from a banking perspective you **MUST** have a Trust (or other entity) if you are to receive more than one million dollars.
- a. On the practical side, having assets in your name can be reckless. Plus, it can wreak havoc on your estate plan when you die.
  - b. Trusts are used to create estate planning and anonymity. Most folks have a will. Upon death, their will gets probated. This means a judge determines the validity of the person's will. And here's the frustrating part: if anyone disagrees with anything in your will, that person can sue your estate. Oh, it gets even better. Did you know that once your will is probated that it becomes a public document? This means anyone – everyone – can read your will.
  - c. A trust works differently. If you have an irrevocable common law contract trust holding a property, the second you die, the management of the trust transfers to the successor Trustee. No muss, no fuss. Best of all, because a trust is a private document, no one can see behind the

curtain. As your net worth increases, privacy becomes more and more important!

4. One of the major benefits is that the Contract Trust contract allows you to be the Trustee of your own Trust. The management of any trust lies with the Trustee. You retain full management, control and benefit of the assets of the Trust. No manager, protector, outside trustee or anyone else telling you what you can and cannot do. There is no one between you and your money. Additionally;
  - a. There are no annual fees.
  - b. It is private, not required to be registered in any state (except Nevada), unless it is actively engaged in operating a business. That ensures your privacy and anonymity.
  - c. The Trust owns its assets in fee simple, meaning 100% of the asset belongs to the Trust, and is managed by one or more Trustees. The assets of the Trust will never be subject to probate or inheritance/estate taxes.
  - d. The assets of the Trust are protected from third party creditors who may have an issue with you personally.
  - e. You can name your spouse as co-Trustee.
  - f. One or both of you can become Executive Trustees, allowing one to act on behalf of the other.
  - g. You can name your children as Successor Trustees. When the Trust is created, you need to name one or more successor trustees. That's usually your kids. If they are minors, you can name an interim successor Trustee to manage the trust on their behalf until they are old enough and mature enough to handle it. If your kids are minors, I suggest the age at which they take over from the interim successor trustee to be at least 25.

- h. You can designate one or more Successor Trustees, specifying that they both become Trustees at the same time, or one goes before the other. You can change this designation at any time for any reason.
  - i. You can add a “bloodline” clause, to ensure that your family’s generational wealth does not fall into other’s hands. Many of us will be creating generational wealth when this event occurs. While you can't "rule from the grave", you can specify that all future Trustees be a part of your bloodline, to be proven by a DNA test. For instance, you could name your daughter as your Successor Trustee, and she can name her children, but not her husband.
  - j. We have added a “spendthrift” clause so no future Trustee, Successor Trustee or Certificate Holder shall have any right to alienate, encumber or hypothecate any interest in the Trust, or pledge his or her possible share of Trust income.
  - k. Record keeping is minimal, and you can do it yourself. We give you very specific directions on operating your Trust, as well as instruction on writing minutes that document your actions. This saves you time and money.
    - i. Our website, [www.indicatorinformation.com](http://www.indicatorinformation.com), is full of sample minutes for your use. The website is “members only” for your authorized use only.
  - l. The Contract Trust is a irrevocable common law contract trust, that is actually a contract in Trust format.
  - m. We are guaranteed the right to contract by the US Constitution.
5. A question we hear frequently, is how many trusts do I need. That of course, depends on your goals. We offer Real Estate Trusts, Vehicle or Vessel Trusts, Charitable Trusts, Investment Trusts and Management Trusts.
6. We have also been asked about different Trust for different currencies. Until recently, we were under the impression that one **Trust would** suffice for

your exchange, with multiple bank accounts under it for the different currencies. Recently, Fleming said we needed a different Trust for each currency. I believed that he mis-spoke at the time, but I have seen his suggestion posted by several others. They may just be repeating what he said, so unfortunately, I can't give you a real answer to that question.

7. While Jim and I can protect your assets from outsiders, we cannot protect you from yourself. That may sound a little strange, but it is and should be a concern for all of us. Most of us have the desire to help our friends and family. That is all well and good but we must be mindful of others desires and actions. For instance, paying off your brothers mortgage would be very generous, but he may be inclined to come back to you when he realizes your have more money. We all want to help, and give someone a leg up to empower them, but we must be careful about enabling poor behavior and bad decisions.
8. Very often lottery winners end up broke or bankrupt less than five years after winning. We need protect ourselves from lottery winners syndrome. While it may become obvious that you have some new financial resources, you don't need to advertise your new found wealth. I'm sure there will be a lot of retail therapy post RV. Most of us will probably buy new homes, cars, and lots of toys. That's to be expected. You don't need to buy new homes or cars for everyone you know.
9. Depending on how much you have, plan now for multi generational wealth. Work with professionals, wealth managers, family office clubs, CPAs, bank relationship managers, etc. Make sure they make money only when you do. Work with professionals experienced in managing large sums of money. Your local neighborhood tax preparer more than likely would be out of his element with your portfolio.
  - a. Invest wisely. You don't need a broker who makes money even when you lose it.
  - b. Instead of gifting cash, which may be a taxable event, consider creating and funding new Trusts for those you wish to help. You will be the first and Executive Trustee. They can be subsequent Trustees,

but cannot do anything without you. You can resign as Trustee when you feel they are competent/mature enough to manage it on their own.

- c. Don't be too generous. Kids may quit their jobs and lead a life of entitlement. This generosity at times may seem to actually harm relationships, with children demanding more and more.
- d. If someone asks for money, the best answer is "All of my resources are in Trust. I will have to ask the Board of Trustees." Then keep your mouth shut. No one needs to know that you are the Board of Trustees. You may or may not approve their request, or may choose to give/lend less than they asked for, with the provision that it's a one time deal.
- e. Don't forget that NDA. Keep it quiet, no one, not even your kids ever need to know how much you have or even where it came from.

10. So, Jim, what would you like to talk about today?

Most of us listen to or hear of the many dinar calls out there. Many believe this RV is about to happen, so it is time to be prepared. Having a complete, personalized Contract Trust at the time of your exchange proves you have done your homework and plan to make a big difference with the windfall you are about to receive. I've heard such preparation may even garner a higher exchange rate.

We are aware that many currency holders may be currency rich, but cash poor, right now. We have seriously reduced our prices for currency holders. Our Trusts are just \$1995 for your Motherlode Trust. Secondary or family Trusts are just \$1495. These prices will go up moderately post RV.

Many of you have asked if Jim and I will be around post RV. While we all are ready to retire, Jim and I will be here to take care of your Trust needs for 6 months post RV. Our staff will be on board considerably longer than that. We will all need about a week or so to take care of our own exchanges, setting up new bank accounts, interviewing wealth managers, etc.

So, if you haven't begun your Trust planning yet, I urge you to do so ASAP. Being prepared is far better than waiting to get prepared.

JIM, add your info here, please.

Thanks to all of you for your time and attention. My name is Carol Werelius. My number is 425-820-8090 or 877-333-5018. I am available between 10 and 6 Central time. I try not to work weekends. The best way to reach me is by email. [info@indicatorinformation.com](mailto:info@indicatorinformation.com). Have a happy and safe Labor Day weekend! Go RV!