

**CONTRACT TRUST CALL #110**  
**October 10, 2020**

**RECORD**

**DISCLAIMER** Hello Everyone. Today is Saturday, October 10, 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. As currency holders, we all have a common interest. We are expecting a windfall and wish to protect it from anyone who might want us to part with it and to make sure your family doesn't suffer from an estate tax haircut. That's where the Contract Trust comes in.
2. Title and ownership to property may be held in many different ways in the United States; by individuals, Trusts or other agencies of commerce. Since most people acquire their assets over a long period of time, ownership is quite often as varied as the property. The nature of the ownership you have to your property, or how you hold title to it, is the determining factor of how it will pass from you to your heirs. If the property owner holds the title the wrong way, the ultimate disposition of the assets and the tax consequences may cause the estate plan to fall far short of accomplishing its objectives.
3. If an unincorporated contract trust organization has ownership and title to assets, then eventual death would not affect the ownership and title of the assets. This legal entity is the Common Law Contract Trust which could be controlled and utilized by the family members for as long as desired.
4. You can die as a pauper with your family's blessing, because they get the maximum benefits from the estate which was intended for their enjoyment and welfare. If there are any particular benefits resulting from keeping the ownership and title of the assets in your own name, we have failed to discover them in the course of our research. The only need relating to property in this life is the

control and use of that property. That control can be accomplished through the Contract Trust, using simple operational procedures and relationships.

5. One of the goals in using a Trust is privacy. We suggest you choose a name that means something to you, but not one that others will associate with you. That's why we discourage you from using your surname or a name similar to a business you may have. You must remember at all times that the Contract Trust Organization you are accepting **is not your trust**. It is an entity unto itself. You are the Trustees only. When it is necessary to discuss the Contract Trust, simply say you are the Trustee, Manager, President, Treasurer, etc., of that Contract Trust, responsible only for managing the assets of the trust organization. The Trust Indenture itself is a Contract binding the parties involved to that contract agreement. The Trustees possess legal and equitable title to the Contract Trust's assets and are obligated to manage those assets as if they owned the assets in their own name. This means the Trustee will apply the same rules in the conduct of Contract Trust Organization business as he or she did when he or she owned the property outright.
6. The trustees will never be under the direction of anyone or anything other than the trust indenture and the minutes of the Contract Trust. Thus, there will never be anyone between you and the money.
7. It is important to keep in mind the fact that the Contract Trust, like an individual, is due absolute privacy. Therefore, none of the activity of the Contract Trust (through the trustees) should be made public. We strongly suggest that you should protect your privacy by using a mailing address other than your residence. Use of a private rental mailbox is a good, inexpensive solution.
8. Unlike a corporation or LLC, the Contract Trust need not be registered in your State unless you are conducting business. Because it is not recorded, we don't need to check for name availability when requesting the EIN. 99.9% of the names that are chosen are OK.
9. As currency holders, we all expect to be working with a host of professionals to help us manage the assets of the Trust. These professionals **MUST BE FAMILIAR** with the Contract Trust and the rules and regulations applicable to Contract Trusts in general. They must therefore apply themselves to the study of those rules and regulations, before they can do justice to the Contract Trust operation. They will have to do their homework. Be advised that most professionals are not interested in learning anything new, but if they want your business, and they will, they will have to learn it. No one attacking the Contract Trust with intent to distort it in any way can be successful if the Contract Trust Organization is

properly represented.

10. The Contract Trust was set up to protect your property. Some will claim that you and the Contract Trust are the same person. This happens when someone claims that you, as Trustee, are liable for actions of the Contract Trust Organization. The same is claimed when you, as Trustee, are blamed for actions of the Contract Trust Organization. **Trustees are not personally liable** on contracts they signed as Trustee for the Contract Trust. You must be sure to properly sign everything...**"Acting Strictly in the Capacity of Trustee, and Not Otherwise"**.
11. However, there are ways in which another person can attach Trust assets. For example, if you co-mingled your property or personal funds with trust property or funds, you may void the Trust. In other words, if it cannot be determined whether you or the Contract Trust is the owner of the property, then the court can declare that the trust is your "alter ego" (which is the same person) and the Trust veil can be pierced.
12. As in most situations, there's a right way and a wrong way to establish the Trust. Most of you are aware that we use a third party Creator to initiate the Trust. Note that I said third party. You CANNOT be the Creator of the Trust you wish to create. The Creator has only two functions, (a) he or she trades the Contract Trust Certificate Units for property of the Investor (you) , and (b) he or she appoints the First Trustee. This insures that the relationship between the Creator, Investor and Trustee will be kept at "arm's length" and in the ordinary course of business.
13. After the Creator has appointed the First Trustee to administer and manage the Contract Trust, he or she then steps away. You, the First Trustee are then charged with naming additional or co-Trustees who have equal duties, rights and responsibilities as you. This co-Trustee is generally the spouse.
14. The two of you then name your Successor Trustees. These Trustees have no duties, rights or responsibilities until some event, i.e., the death or absence of a Trustee. When choosing a successor, your criteria should include that such person be trustworthy, willing and capable of doing the job. You may choose as many successor trustees as you like, however, they have no rights as trustee until they succeed to the position of trustee. You can specify that the Successor Trustee be of your bloodline. YOU CANNOT BE YOUR OWN SUCCESSOR TRUSTEE. You MUST name a Successor Trustee.
15. Most couples name their children as Successor Trustees. The children also need to become thoroughly familiar with the Contract Trust's activities, and their

future responsibility to maintain it.

16. If the children are minors, you will need to name an Interim Successor Trustee to manage the Trust until such time as the children are mature enough to handle it. We suggest naming the children to an advisory board of trustees so they can gain valuable knowledge and experience in managing family activities.
17. The Contract Trust is set up to protect your family's assets. It is important that the family knows about the trust and its operation. One day your children will succeed you as Trustee, it's a good idea to educate them as you operate the Contract Trust.
18. We suggest that husband and wife participate jointly in the operation of the Contract Trust. As Trustees, your decisions must be unanimous. You both need to become thoroughly familiar with the Contract Trust's activities, and your responsibility to maintain it.
19. As a convenience, the Trustees may elect one or more Executive Trustees to have the authority to act for and on behalf of all the other trustees.
20. Once the Contract Trust has been established, it is important to remember that all business transactions are to be agreed upon and voted upon by the Board of Trustees. Then you must document all Trust activity with Minutes and have all Trustees sign and date the minutes. This action assures that the Contract Trust is kept in force and all trust assets are protected and represents authority for actions taken.
21. Begin a Minute with "At a regular meeting, with all Trustees present, it was decided . . .," or similar wording. We have provided hundreds of sample minutes on our website for your use.
22. You must write at least one Minute annually.
23. Your Motherlode Trust will more than likely be used to manage the bulk of funds, and probably not be making purchases, but you should record that you will be using the services of XXX Wealth Management Company, YYY Accounting firm, etc. We strongly suggest the use of a Management Trust as well.
24. We have spoken with many of you who wish to put your houses and even cars into the Motherlode Trust. We highly recommend against this practice. Real estate and vehicles are potentially high liability items. Putting them in the same

basket as the currency/money puts everything at risk.

25. We do provide Trusts for property other than currency. Book 4, which is on our website, suggests the right and wrong way to convey property, stocks, securities and other titled property.

Jim, what's on your mind today? (Annuity Trusts and special )

Close with: Our Trusts are currently priced at \$1995. We accept all four major credit/debit cards. We also pay a \$300 referral fee.

Thanks Jim, would you care to add your contact information?

Thanks to all for you for you time and attention. My name is Carol Werelius. My number is 877-333-5018. I am available between 10 and 6 Central time. The best way to reach me is by email. [info@indicatorinformation.com](mailto:info@indicatorinformation.com). Have happy and safe weekend! Go RV!