

CONTRACT TRUST CALL #172

RECORD

DISCLAIMER Hello Everyone. Today is Saturday, October 14, 2023. 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. We are Indicator Information Institute. My name is Carol Werelius and I have these calls every 2nd and 4th Saturday of the month. These calls are recorded and available on our websites, www.indicatorinformation.com, www.indicator-calls.com and www.iicalls.com. As we get closer and closer to our expected windfall 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.

We are happy to answer your Trust questions, that's why we're here. Many of you ask about the actual exchange and what to expect. That is NOT our area of expertise and we have been asked not to speculate about procedures, so please don't ask. As always, your Trust questions are welcome. *6 to raise your hand.

1. Many of us hold some foreign currency that is expected to revalue soon and we need a way to somehow protect the money. We have a great estate planning and asset protection tool that is known as a Common Law Contract Business Trust.
2. There are plenty of Trusts available but the Common Law Contract Business Trust is different than any statutory trust out there. Let me explain.
 - a. A trust is a fiduciary arrangement that allows a third party, or trustee, to hold assets on behalf of a beneficiary or beneficiaries. Trusts can be arranged in many ways and can specify exactly how and when the

- assets pass to the beneficiaries.
- b. There are Statutory Trusts and Common Law Trusts, they can be revocable or irrevocable.
 - c. Statutory Trusts are created by laws passed by some legislative body, usually a state.
 - d. Statutory Trusts are typically created by gifting or granting property into a Trust, to be managed by someone else.
 - e. A Contract Business Trust is created by Exchange.
 - f. A Contract Business Trust is recognized by the Internal Revenue Service and by the courts as a UBO. (or Unincorporated Business Organization).
 - g. The basis for the terminology "Common-law Trust" is that they are created under the common law of contracts and do not depend upon any statute for its existence. See the United States Constitution, Article 1 Sec. 10, Clause 1.
 - h. Over the years, we have found that the name "Business" Trust may cause a lot of confusion, especially among bankers who demand to see corporate documents and business licenses. We have decided to drop the word Business and refer to our Trusts as Contract Trusts.
3. There are many benefits of a Contract Trust over a regular statutory Trust.
- a. A statutory trust is a "privilege" granted by statute and is regulated by the laws of the states in which it was created. A Contract Trust is actually a contract in trust format. The "right" to contract is guaranteed by Article 1, Section 10 of the US Constitution, a common law contract itself. When researching the two, you won't even find the Contract Business Trust in the "T" as in Tom section of the Law Library, but in the "B" as in Boy section. We are guaranteed the Right to Contract by Article I Section 10 of the US Constitution, a common law instrument itself.
 - b. It is a matter of rights vs. privilege. Why should we restrict the operation of our businesses to the territory granted by legislative privilege when it is not really necessary? Also, the Contract Trust is totally private, and not required to be registered or filed in any state unless one is actively involved in a business.
 - c. One of the major benefits is that the Contract Trust allows you to be the Trustee of your own Trust. You retain full management, control and benefit of the assets of the Trust. There is no one between you and

- your money.
 - d. A statutory Trust assigns someone else to be the Trustee. You are NOT in total control of the Trust.
 - e. The Contract Trust is irrevocable, which means the terms of the Trust cannot be changed. No one can force you to revoke the Trust to pay someone else. It effectively gives you an “empty pockets” persona. A significant distinction 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. It also avoids probate issues.
 - f. The Contract Trust is the best asset protection vehicle for this RV. The Contract Business Trust is a common law document and is legal in all 50 states and common law countries. 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.
 - g. There are no annual fees.
 - h. Record keeping is minimal, and you can do it yourself.
 - i. You may name your spouse as co-Trustee.
 - j. One or both of you may become Executive Trustees, allowing one to act on behalf of the other.
 - k. You may name your children as Successor Trustees.
 - l. You may designate 1 or more Successor Trustees, specifying that they both become Trustees at the same time, or one goes before the other. You may change this designation at any time for any reason.
 - m. You may add a “bloodline” clause, to ensure that your family’s generational wealth does not fall into other’s hands.
 - n. There is a “spendthrift” clause so no one can hypothecate or pledge his or her possible share of Trust income.
4. Some attorneys and other professionals mistakenly deny the validity of the Common Law Contract Trust.
- a. These professions are likely more familiar with Statutory Law, Revocable Living Trusts and Family Trusts. For that reason, many attorneys have said that common law and common law Business Trusts are no longer valid. This is not true. Unfortunately, Common Law isn’t even taught by most major colleges and universities

- anymore.
- b. Some attorneys are aware of the Massachusetts Business Trust, but once in place, they make no money from them. It's been said that a file cabinet full of Revocable Living Trusts are the attorneys retirement!
5. You may be wondering how to get started.
- a. We have an online application that requests minimal information from you.
 - i. First off, you must name your Trust. Strangely enough this a bit of a stumbling block for many. Anything that sounds good to you is OK. Try for a strong sounding name. DO NOT use your surname or sequential numbering, e.g. My Trust #1, My Trust #2, etc. That would indicate there is more than one.
 - ii. You need an address for the Trust. One thing we strongly suggest is utilizing a common business practice of domiciling the Trust in one of the 7 states that do not have a state income tax.
 - (1) We recommend Washington or Florida, where it is easy to get a mailbox with a street address and there are no stringent laws about Trusts. We have negotiated favorable rates at 3 locations.
 - (2) As an aside, I personally recommend that regardless of where you live, get a mailbox near you to protect your privacy and anonymity.
 - iii. Name the Creator; a third party is necessary for the Creation of the Trust and Appointment of the First Trustee. This person has no further obligation, liability, responsibility or authority in the Trust.
 - (1) Although the Creator's role is very important, it is also very short lived. The Creator can be anyone; a sibling, adult child, or friend. It should be someone who lives near you, as you both need to sign several pages of the Trust before a Notary.
 - (2) Once the Creator has initiated the Trust and appointed the first Trustee, (you) he or she exits the contract.
 - (3) Many are concerned that the Creator will have too much information about their assets. This is one of the most common issues we hear. To paraphrase from the Trust

Preamble... “ the Exchanger (you) does hereby bargain, assign, convey, exchange and deliver to the Creator, who now temporarily takes and holds title thereto in the Trust Organization; all that certain property of the Exchanger as listed in Schedule A. This Exchange does not constitute a sale or gift.” The Exchange is on paper only. We prepare all the paperwork for you.

- iv. You are exchanging your assets with the Creator for \$21 and 100 Trust Certificate Units. We suggest purchase \$21 in Silver Certificates for this Exchange.
 - v. You both have to initial Schedule A, but no amounts or values of anything are written.
 - vi. You name yourself as Exchanger #1. If you are married, name your spouse as Exchanger #2.
 - vii. You are the First Trustee nominee. Your spouse may be the Second Trustee Nominee.
 - viii. You must name at least one Successor Trustee, typically your adult children.
 - ix. List the currencies you hold. Amounts are not necessary.
 - x. Add your SSN, so we can obtain an EIN for the Trust. Although some people have a previously assigned EIN, we always get a new one for every new Trust.
6. People have asked about taking care of their children and future generations.
- a. 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 or custodial 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 over from the interim successor trustee to be at least 25.
 - b. You can also add a bloodline clause, so all your successors will be from your family.
7. A big question is “how do I get money out of the Trust?”
- a. The Trust Indenture states:
The Trustees may fix and pay reasonable compensation for any or all officers, employees or agents in their discretion, and may pay themselves reasonable compensation for their services as Trustees.
 - b. We have created a Minute that covers most of your financial needs. It

is on the website. It states:

At a meeting of the Board of Trustees, it was suggested and agreed by the Trustees that the salaries of the Trustees shall be \$_____ per (annual, monthly, weekly) period.

It was also suggested and agreed that the Trustees compensation package shall include all business expenses, telecom expenses, utilities, automobile expenses, maintenance expenses, and insurance needs. Trustee business expenses such as dining as well as any Trust related travel expenses are included as well. The compensation shall also include personal Trustee expenses such as medical/dental costs, personal grooming and hygiene, groceries and daily living expenses.

The Trustees shall record all such expenditures in customary bookkeeping methods.

This minute can and should be edited by you for your specific needs.

- c. There are other ways of getting money of the Trust.
 - i. First off, pay yourself a Trustee salary. You can make the amount as much or as little as you choose. If you find you can't make it on 10 grand a month, give yourself a raise! This of course, would be taxable income.
 - ii. As Trustee, you may declare and pay yourself a distribution, similar to a shareholder payment, again it is taxable to you.
 - iii. For big ticket items we recommend simply funding another trust from the Motherlode to own that new house or boat. The initial exchange from one Trust to another is NOT a taxable event.

- 8. **Will I need more than one Contract Trust?**
 - a. At this point in time, no. But I believe you will probably want them at some point. We like to call this first trust your Motherlode and we strongly advise that you never purchase anything out of this Trust, or even have checks or a debit card! The Motherlode Trust can fund secondary Trusts directly, or the secondary, real estate or vehicle trusts can borrow from the Motherlode. At this level, your private banker or wealth manager can help you with those transfers. Remember, your Motherlode should be kept extremely private as only its trustees, (you) the signers of the account, the bank itself and your personal banker should have knowledge of this level of your business

dealings. Any transfers should be made with the special debit cards we expect to be issued. Be smart about this account folks, while we all like the convenience and ease of online banking, don't expose this account to the internet.

9. A lot of people ask "How do I get my currency into the Trust?"
 - a. When you owned your currency, you probably kept in a safe in your home or a safety deposit box at your bank. It will stay there. What the Creator did initially was exchange the TITLE to your assets into the Trust. So, when we prepare your Trust, your currency is already a part of it.

10. **What if I don't know anyone to be the Creator?**
 - a. As I said, the Creator can be anyone. While you don't want just anyone to know what you are doing, you can merely tell them you are doing some Estate Planning and need a third party (them) to complete the contract. Explain that they will have no liability or responsibility once they have signed off on a few pages. It's not necessary for the Creator to know what you are putting into the Trust.

11. **If I get a mailbox in Washington or Florida, as you suggest, will I have to go there to exchange or open a bank account?**
 - a. The answer is no on both counts. You will more than likely exchange in or near your own zip code. Just as you, as an individual, can open as many bank accounts as you want, wherever you want, the Trust can as well. The Trust may "live" in Washington or Florida, but as Trustee, you can open a bank account wherever its convenient to you.

12. **Do I have to contact you to write minutes or update my Trust?**
 - a. Several years ago, when my late husband Jay and I started in the Trust business, Jay said, "We can't just give people the keys to this F16 without giving them an owners manual", so we created several booklets about the Trust, including "How to Operate". Since then Jim Knox and I have created www.indicatorinformation.com which includes sample minutes for your use, as well as a host of legal back up, including Am Jur 2nd, on Business Trusts.
 - b. 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.
- c. Our website is full of sample minutes for your use. The website is “members only” for your authorized use only. You will receive an invite code when you purchase the Motherlode Trust.
13. Like many of you, we plan to retire after the RV. Our staff will continue to produce Trusts, as necessary. Our websites will archive all of these calls, as well as questions and answers as they arise.
14. Typical turnaround time to set up a Contract Trust has been less than a week, however we expect that to be longer post RV.
- a. Should you decide you need a Contract Trust now, we will send you the EIN and Abstract of Trust immediately by email. The completed Trust will be mailed to you soon after.
 - b. The pre RV cost is \$1995 for the Motherlode Trust. Management Trusts are on sale for \$1495 until the RV.
 - c. This is a one time charge and since it is not registered with the state, there are no annual fees to the state like there are with corps and LLCs.
 - d. We also offer a \$300 referral fee for new clients.
15. In addition to Trusts we offer many estate planning services, such as the Triple Play, which includes a Pour Over Will, Power of Attorney and Health care directive. The Triple Play is \$350 for a single and \$400 for a couple.

Initially, all you need is a Motherlode Trust, which holds your currency and will be the Trust you use at your exchange. You will probably want additional Trusts in the future such as Management Trusts, Real Estate, Vehicle, Annuity, Charitable Trusts, etc.

It appears that once again, we are very close, so I urge you to be prepared. Typical turnaround time is less than a week, but I expect that to be considerably longer post RV. Should you decide you need any additional Trusts immediately post RV, just go to our website, www.3itrustapp.com and complete the online application. All applications are time and date stamped and we will complete them on a first come first served basis.

Thanks for your time and attention. My name is Carol Werelius. My number is

877-333-5018 or 206-915-4236. I am available between 10 and 6 Eastern time, Monday through Friday. The best way to reach me is by email. info@indicatorinformation.com. Jim has asked that you do not call him with your Trust questions. Have a happy and safe weekend! Go RV and God Bless America!