

CONTRACT TRUST CALL #175 TOPICS
December 9, 2023

1. What are the advantages of the Contract Trust?
2. How does that differ from statutory grantor living trusts?
3. Where do Common Law Contract Trusts get their authority?
4. How is the Contract Trust created?
5. Who are the beneficiaries?
6. How do I get money out of the Contract Trust when I need it?
7. Do I have to contact you to write minutes or update my Trust?
8. Will you be available to answer my questions or prepare additional Trusts?
9. We have heard that we should have a separate account for the dinar, apart from other currencies. Does that mean another Trust?

CONTRACT TRUST CALL #175

RECORD

DISCLAIMER Hello Everyone. Today is Saturday, December 9, 2023. Welcome to our Contract Trust Conference Call #175. 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. Jim Knox and I have

these calls every 2nd and 4th Saturday of the month. These calls are recorded and available on our website, www.indicatorinformation.com, www.indicator-calls.com and www.iiicalls.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. Here we are, yet another month gone by. For those of us that are ready, good for us. For those who aren't, this is another opportunity to take a big step in preparation for your exchange. Some time ago, I read an article on the internet titled (I think) "Why take a non taxable event and turn it into a taxable one?" The author made it a point to say that although wealthy people use trusts and other entities to protect their assets, they did it AFTER they became wealthy, not before. He went on to suggest that none of us need these entities yet. Since he wrote that article, well over a few years ago, we have learned that the banks and redemption centers insist upon a Trust if we expect to receive more than one million dollars when exchanging our currency and Zim. That brings us back to being prepared. Any good plan requires a good foundation. We believe that our Common Law Contract Trust gives you the best possible foundation for the exciting new aspects in your future.
2. No doubt, you've all heard about all kinds of different trusts. Most other trusts are statutory in nature, meaning they get their power and strength from locally (usually state) enacted laws. They are often recorded in that state or county, thus no privacy. They are sometimes required to pay a state recording fee every year.
 - a. This is also true of most corporations and LLC's.

- b. The Contract Trust that we employ is a creature of common law. It gets its power and benefit from the US Constitution. Most states require recordation only if the Trust is actively involved in commerce. This guarantees your privacy and you don't have annual recording fees.
3. There are several advantages of the Contract Trust.
- a. At the creation of the Contract Trust, you irrevocably exchange your assets, in this case your currency, into the Contract Trust. You no longer own them, but as Trustee, you have complete autonomy in managing them. You don't own the assets, so no one can take them from you.
 - b. The Contract Trust owns and controls its assets through its Trustees, who keep controlling minutes of their actions.
 - c. As Trustee, you are in total control of the Trust and its assets. There is NO ONE between you and your money.
 - d. A person can transfer all of his or her property, real or personal, to a Contract Trust. Such property is thereby protected from personal liabilities, probate, inheritance and death taxes.
 - e. Use of the Contract Trust gives you an "empty pockets" persona. You no longer own the assets, no one can take them from you. You can be sued, but you don't have any assets in your name. You are not responsible for the liabilities of the Trust, nor is the Trust responsible for your liabilities. You own nothing but control everything.
 - f. The Contract Trusts that we prepare are irrevocable.
4. The biggest difference between a Common Law Contract Trust and grantor revocable living trusts is that grantor trusts are governed by statute. That means our legislators have passed laws that govern the operation and taxation of grantor trusts. This also means the courts have unlimited jurisdiction over grantor living trusts and whether or not they can be attached for payment of judgments or liens. Remember, with a living trust,

the assets are still considered the individual's and even if held by the trust, these assets can be attached. It also means they may be considered as the individual's at death, exposing them to probate and inheritance taxes. It is more difficult if the grantor living trust is irrevocable, but those assets can still be attached or seized to pay judgments. Historically, the courts have become more liberal with respect to judgment awards and have continued to erode our rights to our own property. The biggest difference is that most revocable grantor trusts offer little to no asset protection.

5. As I mentioned earlier, the Common Law Contract Trust gets its power and authority from Article I, Section 10 of the US Constitution, which says that no state can impair the obligation of a contract.
 - a. Case law on Common Law Trusts goes back hundreds of years. The first major decision was *Smith vs Anderson*, Chancery Division 247 in 1880. That decision upheld the validity of Common Law Trusts. This decision stands today and has not been modified by the courts. This means that so long as the Constitution guarantees our right to contract, the Common Law Contract Trust will remain valid.
 - b. The Trust that we use was validated by the US Supreme Court in a landmark 1983 decision as a valid, legal entity.
 - c. We have successfully protected the assets of hundreds of Americans, long before anyone heard of Dinars.
 - d. We are able to open bank accounts in the name and EIN of the Trust.
6. The Contract Trust is formed by the writing of the Trust Indenture. The Indenture specifies all of the main parameters of the Contract Trust. In that document the Trustees are named, the powers of the Trustees are specified, the Trust Certificates are issued and generally all items are addressed that are reasonably necessary to start a business. Upon the completion of the writing of the Trust Indenture, it is signed by the Creator and Investor/ Exchangers in front of a Notary and the Contract Trust becomes a legal operating entity.

- a. There are two parties that participate in the formation of the Contract Trust, that being the Creator and the Investor/Exchanger. Upon creation of the Contract Trust the Creator exchanges the assets, in this case, the currency of the Investor/Exchanger for \$21 and issues 100 Trust Certificates Units. The Trust Certificates have no value and since the assets are transferred to the Contract Trust by an exchange there is no tax consequence.
 - b. The Creator then appoints the First Trustee. The Creator has the fiduciary responsibility to appoint the person most likely to operate the Trust in a proper manner and see to best use and management of the assets. He or she can appoint anyone of his or her choosing. We feel that when the Creator considers who put the assets together and who has decided to put those assets into Trust, the Creator will realize that the original Investor/Exchanger is the most likely candidate to continue to responsibly manage the Trust as First Trustee. After these tasks are complete the Creator has no further duties or rights to the Contract Trust. This part is all complete when we send your personalized Contract Trust.
 - c. I have been asked the question about the Investor/Exchanger and the Trustee being the same person and the possibility of the problems created by that relationship. There are numerous court decisions on the issue of the Investor/Exchanger (Certificate Holder) being the same person. The following is a Supreme Court decision that addresses the issue directly:
 - i. “The legal title, possession and control of property may, by declaration of trust, be passed irrevocably from the grantor [investor] to himself as trustee with the same effect as if the trustee receiving the conveyance had been another person.” Becker, Collector of Internal Revenue vs St. Louis Union Trust Co., et al., Executors, 296 v. 48 (1935)).
7. So that means the Contract Trust now owns those assets, and you get Certificates in Exchange. That doesn't sound fair, does it?

- a. It's actually a pretty good deal. First of all, the Trust Certificates have no value and therefore, there is no inheritance tax at the time of death of the Certificate Holder. The Certificate grants the holder his or her pro-rata share of a distribution should the Trustee decide to make one. The Trust Indenture (Trust Document) we use has another built-in safeguard to further protect against Federal Estate Tax. The indenture contains the specific provision embodied in the text that renders the Trust Certificates Null and Void at the Certificate Holder's death.
 - b. Another important aspect of the Contract Trust is the lack of liability created for the Trustees. Corporations, partnerships, and sole proprietorships (individuals) are all governed by statute. The officers, general partners, managing partners, and individuals can all be held liable for their acts and those of their employees and agents under certain circumstances.
 - c. Regarding the Contract Trust, the Trustees shall, in their capacity as Trustees, NOT individually, have and assume only such liability as may attach to the Trust Organization's properties and assets.
 - d. The Trustee(s) shall have no tax liability on any earnings of the Trust Organization, and similarly the Trust Organization shall have no tax liability for the debts or earnings of the Trustee(s).
 - e. Another protection for the Trustee acting on behalf of the Trust is the statement of non-liability of the Trust embodied within the Contract Trust itself: "The Trustees, officers and agents are mere employees and are not personally liable when dealing with the Trust Organization's property or business matters."
8. People ask us about beneficiaries. Actually, there are no beneficiaries. The Contract Trust is created in contemplation of life, not death. So when you and your spouse pass away, the Contract Trust does not die with you. Instead of beneficiaries, you have Successor Trustees, person(s) previously named by you to take over the management of the Contract Trust when you die.
- a. You can name your adult children as Successor Trustees.

- b. You can add a “bloodline” clause, to ensure that your family’s generational wealth does not fall into other’s hands.
 - c. We have added a “spendthrift” clause so no one can hypothecate or pledge his or her possible share of Trust income.
 - d. 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.
9. A big question is how do I get money out of the Trust? I recently saw this post on Telegram. “The grantor can take assets out of a revocable trust at any time. The same is not true as to irrevocable trusts. Since the trust is not revocable by the grantor, when they convey assets to the trust, they become the trust's assets. That has always been the case.” First of all, the Contract Trust is NOT a grantor Trust. Nobody “gave” anything to anyone else.
- a. The initial investment of money or property by the Exchangers constitutes a fixed irrevocable investment.
 - b. The Trustees agree to conserve and improve the Trust Organization in such manner as may increase the value and financial rating of the Trust Organization, exercising their best judgment and discretion.
 - c. 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.
 - d. We have provided a Minute regarding Trustee compensation. It is available on our website for your use.
 - e. So, you can pay yourself a salary, have the Trust pay your expenses, have the Trust buy a house and car, etc. The Trustees can also lend money to others or to themselves, with fair security, like a Promissory Note.

- f. As Trustee, you have the authority to provide the Trust with operating funds through commercial loans, directly secured by assets or income of the Trust Organization.
 - g. The Trust can also declare and pay a “Distribution” to the Trust Certificate Holders of the Contract Trust.
 - h. Creating secondary Contract Trusts is another way to purchase big ticket items without creating a loan or a taxable event. The Trustees can choose to create and fund additional Trusts at any time, for any lawful purpose. This is NOT a taxable event, and an ideal way to purchase property etc. It is also an excellent method to create an endowment for your children or others.
 - i. Regardless of which method or combination of methods you choose, be sure to write minutes to support your actions. You must be diligent in keeping the Contract Trust legal and in compliance with Federal, State, County and City codes.
 - j. The above methods of paying for services, reimbursing expenses and making distributions and loans all fall within the guidelines of Internal Revenue Service Codes.
10. Whatever the Trust does should be documented by a Minute. Several years ago, when my husband Jay and I started in the Trust business, Jay said, “We can’t just give people the keys to this F16 jet without giving them an owners manual”, so we created several booklets about the Trust, including “How to Operate”. Your Trust package includes membership to our website www.indicatorinformation.com which has all those booklets, including sample minutes for your use, as well as a host of legal back up, including Am Jur 2nd, on Business Trusts. The website is “members only” for your authorized use only.
- a. We give you very specific directions on operating your Trust, as well as instructions on writing minutes that document your actions. This saves you time and money.
11. We have heard that we should have a separate account for the dinar, apart

from other currencies. That does not mean another Trust.

- a. The important word here is “account”. One Contract Trust can own several bank accounts, so the answer would be no. However, you can have additional Trusts if you feel you want to set it up that way.
 - b. The Trust can have as many bank accounts in as many banks and locations as you feel appropriate.
 - c. However, from what we’ve heard about QFS, that may not be necessary.
 - d. We have heard that we should consider working with a wealth manager or Trust management company post RV. They MAY be available at the exchange location. Do your due diligence and find the one with whom you are the most comfortable.
12. Now that we have gotten through the business part of this presentation, I’d like to turn it over to Jim Knox. Jim, what’s on your mind today?
13. Q & A Please no questions about login issues. If you are having difficulty logging in to the website, go to www.3itrustapp.com, login issues. Jim will respond shortly. Be sure you are not using a VPN for another country. You cannot change your password. The login does not work on all phones. Again, we strongly recommend you use Roboform or any other password manager.
14. Like many of you, Jim and I plan to retire after the RV. We are definitely taking a couple of weeks post exchange to attend to our own business. We will stay in business for about 6 months post RV. We do have staff that will continue to produce Trusts, if necessary. We archive all of these calls, as well as questions and answers as they arise on our websites. 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.

15. Typical turnaround time has been less than a week, until recently. With all the anticipation of the RV happening soon, we have been very busy.
 - a. The pre RV cost is \$1995 for the first or Motherlode Trust. Our prices are posted on the website and they will NOT go up post RV.
 - b. 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 corporations and LLCs.
 - c. We also offer a \$300 referral fee for any fully paid new Trust.

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.

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. Have a happy and safe weekend! Go RV and God Bless America!