CORNERSTONE FINANCIAL

Financially Harmful Estate Planning Mistakes + Strategies

Webinar Transcription

Eric Riggenbach:
Welcome to our webinar. This is an educational, informative webinar. We are not selling anything, so relax and learn.

So, I thought it would be a good idea to put together a webinar and talk about the concerns we hear from our retirees. Many retirees are concerned with passing their assets on to their children. Eliminating the government, eliminating taxes, and eliminating nursing homes from taking part of those assets. Passing on their home, their savings, and their investments to their children or charity. Of course, another great one is; what really is a trust? Keith will be here to talk about that. Losing my nest egg. Can I lose my nest egg? Are there things out there that could make me run out of money? Also, they're concerned about the high expenses of long-term care. What happens if I become disabled for a couple of years before I die? Can I lose my nest egg? Will my spouse have anything to live on? That's a big one. Is that big where you work?

Keith Vanover:
Definitely, especially nursing homes, Yes.

Eric Riggenbach:
Right! The high expenses of long-term care, is that real? We have people describe it as like a hole in the bucket, we lose our money so fast to long-term care nursing homes. What happens when I die? What's the process? And here's a big one; who can I trust to manage my estate? So, all these concerns are what we're going to talk about today. I'm sure you felt some of them, or at least you've heard of them or seen a family member go through them. Are those...

Keith Vanover:
Definitely! Same ones, yes, absolutely. We'll get into the solutions to all these as we go through today's webinar.

Eric Riggenbach:
Let me start off by introducing myself. Who am I? My name is Eric Riggenbach. I'm the Executive Director of Cornerstone Financial. I've been in practice for over 30 years, I stopped counting at 30. That's the gray hair showing up. With me today is Keith Vanover, an attorney, and he's going to introduce himself in detail later. We have so much more to share than we're covering our webinars and we share that content via emails. Matter of fact, you've already gotten a couple of emails from us already. We don't want the emails to go into your spam or junk folder, so please add my email address to your contact list. That email address is Eric@CornerstoneFinancialCoach.com. Again, Eric@CornerstoneFinancialCoach.com. All the emails are educational, they're not selling anything. At the bottom of the email is an unsubscribe button. So, if you want to unsubscribe, please click that.

Eric Riggenbach:
The outline for the webinars real simple. The first half is concerns, problems, financial issues, and all the things that our retirees deal with every day. The second half of the webinar is about the strategies to those concerns. So let's get down to it!

Keith Vanover:
Absolutely.

Eric Riggenbach:
I'll talk about insurance from my office and you talk about the concerns from your office.

Keith Vanover:
Let's do it.

Eric Riggenbach:
So, the biggest concern I have in my office, and I brought this up earlier, is how do I make sure that my spouse is taken care of financially when I die? How do I make sure I leave a legacy? Meaning I leave my home, my personal savings, and possibly my investments to my children or grandchildren, or even a charity? I hear that all the time. How can I do it *without loss*?

Keith Vanover:
Right.

Eric Riggenbach:
What other losses? Can the government take my money? This is a big issue. Another one I wrote down here is that I often hear, *I'm concerned about the high expenses of extended health care.* Are they really that expensive? Can they drain my savings? You know, these are some of the concerns I hear in my office.

I think I need to point out that when you're in your retirement years, from a financial perspective, you're in the Preservation Phase of life. When you're working, you're growing, you're depositing money in your investments, you're putting money in your 401(k), and you're in the Growth Phase. But when you reach "retirement age" or "financial independence age", you're in preservation so your highest focus is on preservation.

I often like to ask this question. If you took all your investments and your assets, your home, your IRA, your 401(k), your savings account, and your vacation property, are any of those at risk? Have you ever thought about that? What do you think?

Keith Vanover:
All of them! In certain circumstances, all of them!

Eric Riggenbach:
Yes, all of them are at risk. Thank you, Keith. So, they're at risk. We need to minimize that, you may lose them. I am often asked, you know what are the chances of being in an extended care long-term care setting? Well, I ran across some interesting statistics. What are the chances of your home being burglarized? Well, it's only .04% of one. But the chances of being in a long-term care facility are over 70%. So, first off, I don't want you to take my word for it. As you can see on the slide, Genworth did a study and showed that a person age 65 has a 70% chance. Another thing I read in 2020, statistics said that a woman aged 65 has a 74% chance of needing extended care for three years. A man aged 65 has a 51% chance. What's the big deal? I mean, why do we even need to talk about this? Well, remember the concern that we brought up about extended care costs? What did you say the other day about the cost that you ran across?

What Are the Probabilities?

Time in Extended Care	1 in 1.4 = 70%
Home Burglarized	1 in 214 = 0.46%
Home Damaged by Fire	1 in 286 = 0.35%
Vehicular Fatality	1 in 645 = 0.15%

https://longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html
https://www.cars.com/articles/are-the-odds-ever-in-your-favor-car-crashes-versus-other-fatalities-1420682154567/
https://ucr.fbi.gov/crime-in-the-u.s/2013/crime-in-the-u.s.-2013/tables/table-23/table_23_offense_analysis_number_and_percent_change_2012-2013.xls

U.S.News Health Care » Doctors Hospitals HEALTH HOME

HEALTH CARE / HEALTH INSURANCE MORE

You'll Likely Need Long-Term Care, But How Will You Pay for It?

Only 11 percent of Americans have a long-term care insurance policy.

By Elizabeth Renter , Contributor | Oct. 28, 2014, at 9:00 a.m.

In a recent study, Genworth found that despite the fact that roughly 70 percent of Americans reaching age 65 will one day depend on long-term care services, only 11 percent have a long-term care insurance policy.

Not affiliated nor endorsed by US News & World Report, Elizabeth Renter, Aaron Ball, Genworth Financial, Brian Kelly, or Mortimer Zuckerman

Not affiliated nor endorsed by US News & World Report, Elizabeth Renter, Aaron Ball, Genworth Financial, Brian Kelly, or Mortimer Zuckerm

Keith Vanover:
A monthly cost for a nursing home is going to cost between $8,000 and $20,000, depending on what area you live in. That is why the number one fiscal threat to your estate is a nursing home and you need to pre-plan to prepare for that.

Eric Riggenbach:
You can see how quickly that would drain in the state.

Keith Vanover:
That's a big bucket.

Eric Riggenbach:
So, that's a concern. We're covering concerns here. Another one is running out of money. How much can I spend? A lot of people have their money in the stock market, investments, mutual funds, and are taking an income, a monthly withdrawal, a fixed income amount. Often, if they take that withdrawal when the market is at a dip, or low, like we've seen in 2022, we saw it in 2020, And I could go back to all the other years. As you can see, when you withdraw money, when the market is down, you lose principle, therefore losing opportunity. That's a serious concern if that's your fixed income source. So, I'll tell you what, I've said enough. Keith, why don't you share some information, introduce yourself, you know, kind of tell us what you see in your office.

Keith Vanover:
Absolutely. My name is Keith Vanover. I am the President of the Vanover Law Firm. I'm an estate planning attorney and I do not work for Cornerstone Financial. I'm here...It's just purely educational...I love talking about this stuff, and when Eric approached me and said, *want to share the top three things that you see in your practice with people?* I jumped at the chance. What we're going to do is I'm going to go into the top three concerns that I see in my practice, and then towards the end of the webinar, we'll also give you the solutions to these concerns.

So, the first one is losing my nest egg, losing my assets, usually, this would involve some sort of liability. Could be a car accident, things like that. I had a client whose spouse was coming off the interstate and unfortunately, in a very dangerous intersection, pulled out in front of somebody and was at fault for the accident. And because of that, they ended up getting a ticket for fault and his spouse ended up injuring the victim in the other car. Then they were basically being sued for several hundred thousand dollars. That is the easiest way for you to be in a liability situation is to be involved in a car accident of some sort. That seems to be the most common way to go. You can use your estate plan to pre-plan to make sure that your assets are off-limits if you ever get into a car accident or any other kind of liability. So, that would be the first one. The second one that I see the most and we've already touched on this a little bit, is the outrageous cost of long-term care. You're looking at, like I said, nursing home costs are anywhere from $8,000 to $20,000. I want you to realize this is $8,000 to $20,000 *per month*, not per year, per month. You can see how if you have not prepared your assets ahead of time and if you start losing $8,000 to $20,000 a month to the nursing home, that can wipe out your estate; your kids and grandkids aren't going to see that. So, we're going to provide solutions on how to make sure that you can protect your assets if that were to ever happen. The other one that I see the most recently in the last few years is obviously we're all living longer. Because we're living longer, we're being disabled longer. So, a lot of people get become disabled before they pass and they're disabled for a very long time. What happens to your estate? What happens to your finances? What happens to your Health Care?

Eric Riggenbach:
I'm sorry to interrupt you. So, disability for a retired person is different from disability for a working person, right?

Keith Vanover:
Yes, yeah, we're talking about what happens with old age and you become disabled. Well, if you are so disabled that you cannot take care of your financial life, then you're in serious trouble. You're going to have to go to court and get guardianship unless you prepare ahead of time. We can basically set up your estate, where if you become disabled, your family could step in, and take over everything for you. So we'll be getting those solutions.

Eric Riggenbach:
So, thank you for those concerns. It's interesting how some of our concerns overlap.

Keith Vanover:
Yes, absolutely.

Eric Riggenbach:
Yeah. Again, today, we're talking about the concerns that we see from a financial perspective and the concerns we see from a legal perspective. So, can we...let's go into solutions. What do you think?

Keith Vanover:
Yes, absolutely.

Eric Riggenbach:
Let me start. Think of solutions to your concerns in our world as kind of lines of defense

Keith Vanover:
Right.

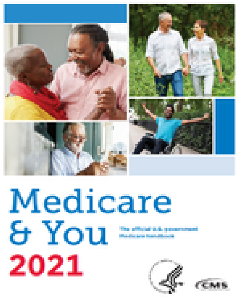
Eric Riggenbach:
Lines of protection? How do we protect our assets and our lives? The first and most important one is Medicare. Medicare combined with either TRICARE or Medicare Solutions, excuse me, Medicare Supplements, are your first line of defense. Now, a lot of people believe well, if I have Medicare, Medicare Supplements, can't that take care of my long-term care? No, that is a myth. TRICARE for life, for example, is for life for doctor visits, prescriptions, etc., but there's no insurance that through Medicare that covers care after the first 100 days. As you can see, there are some qualifications to make sure you get that coverage for the first 100 days.

Keith Vanover:
And also, I just want to make sure you understand, like, we're talking here that the maximum coverage you're looking at is 100 days. After that 100 days, you are responsible for $8,000 to $20,000 per month in expenses. So just keep that in mind. It's a very large hole in your estate,

Eric Riggenbach:
Okay, that can drain you.

Keith Vanover:
That can easily drain you.

Does Medicare / Tri-Care cover Extended Care Costs?



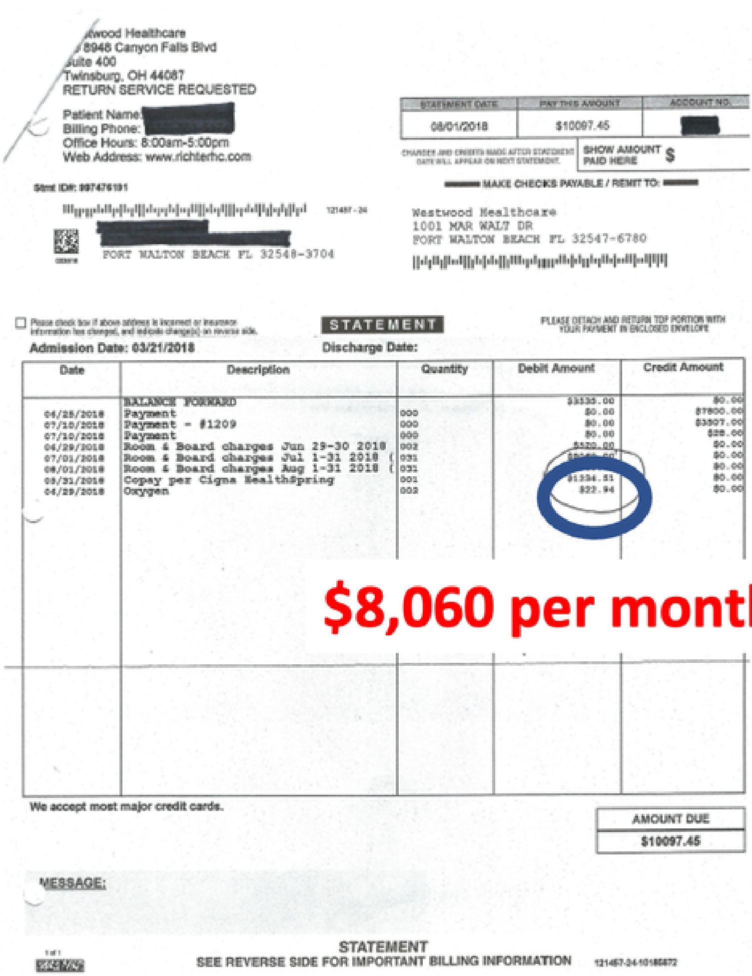
3-DAY MINIMUM (3 midnights)

YOUR DOCTOR MUST CERTIFY

- **No cost for the first 20 days of each benefit period**
- **You pay $200.00 per day for days 21–100**
- **You pay ALL the costs for each day after day 100**

Tri-Care for Life – different?

Bill



...twood Healthcare
...8948 Canyon Falls Blvd
...uite 400
Twinsburg, OH 44087
RETURN SERVICE REQUESTED

Patient Name: [redacted]
Billing Phone: [redacted]
Office Hours: 8:00am-5:00pm
Web Address: www.richterhc.com

Stmt ID#: 997476191

121487 - 24

[redacted]
FORT WALTON BEACH FL 32548-3704

STATEMENT DATE	PAY THIS AMOUNT	ACCOUNT NO.
08/01/2018	$10097.45	[redacted]

CHARGES AND CREDITS MADE AFTER STATEMENT DATE WILL APPEAR ON NEXT STATEMENT.

SHOW AMOUNT PAID HERE $

MAKE CHECKS PAYABLE / REMIT TO:

Westwood Healthcare
1001 MAR WALT DR
FORT WALTON BEACH FL 32547-6780

☐ Please check box if above address is incorrect or insurance information has changed, and indicate change(s) on reverse side.

STATEMENT

PLEASE DETACH AND RETURN TOP PORTION WITH YOUR PAYMENT IN ENCLOSED ENVELOPE

Admission Date: 03/21/2018

Discharge Date:

Date	Description	Quantity	Debit Amount	Credit Amount
	BALANCE FORWARD		$3535.00	$0.00
04/25/2018	Payment	000	$0.00	$7800.00
07/10/2018	Payment - #1209	000	$0.00	$3507.00
07/10/2018	Payment	000	$0.00	$28.00
06/29/2018	Room & Board charges Jun 29-30 2018	002	$520.00	$0.00
07/01/2018	Room & Board charges Jul 1-31 2018 (	031	[illegible]	$0.00
08/01/2018	Room & Board charges Aug 1-31 2018 (	031	[illegible]	$0.00
03/31/2018	Copay per Cigna HealthSpring	001	$1334.51	$0.00
04/29/2018	Oxygen	002	$22.94	$0.00

$8,060 per month

We accept most major credit cards.

AMOUNT DUE
$10097.45

MESSAGE:

1 of 1

STATEMENT
SEE REVERSE SIDE FOR IMPORTANT BILLING INFORMATION

121487-24-10186672

Eric Riggenbach:
Another line of defense and I hate to bring up the word insurance because everybody thinks we're trying to sell something, but it's a line of defense. You either own it, or you don't, or you want it. So, Long-Term Care Insurance is just that; it's for extended health care. There are three types, there's traditional, there's a life type of policy, and then there's a fixed annuity.

Let's talk about the traditional because that's the easiest to understand. That's built on the frame of a daily benefit. So, you buy this insurance policy, if you go on claim, they pay you X amount of dollars a day. There's a 90-day waiting period, usually, and over the years, that's become extremely unaffordable. It's very expensive now, and the underwriting is very strict.

The industry has developed another product, it's a life insurance product, but it's long-term care and they kind of work together. We call it a hybrid policy. It has long-term care benefits equal to or a portion of your death benefit. If you do go on long-term care claim, you could use your death benefit. If you don't go on long-term care planning, then you die with a death benefit. So it's kind of neat. They're more affordable and easy to underwrite.

The last one is the fixed annuity. A fixed annuity is a product. It's like an investment product. They have annuities that have long-term care benefit riders. So an example of that is let's say you put in $100,000, and you go on a long-term care claim, they can give you a benefit of up to $300,000. So that's another line of defense.

Ask your insurance agent if he has those available. You know, this is a funny one, right? Do y'all remember getting your paycheck? And in your paycheck, it had all these taxes and one of the taxes was FICA and you just paid it? Have you ever thought about what FICA stands for? So, the FICA stands for Federal Insurance Contribution Act. Back in the 30s, when Roosevelt was President, they developed the OASDI (Old Age Survivors and Disability Insurance Act). Believe it or not, since the first day that you got your first dollar and paycheck, you've been contributing to federal insurance for when you became old and disabled. It's called FICA.

So, the question is, as your third potential line of defense is, how do I access that money from the federal government? Well, of course, the government doesn't do anything easy. The regulations are this thick. So you have to guess what? Hire an attorney to help you understand it.

Keith Vanover:
What you can do is literally use your estate plan to make sure that if you ever need to go into the nursing home, you can take advantage of all those tax dollars that you paid in and let the state pay for your nursing home and not your estate. So, that's what we're talking about as another line of defense.

Eric Riggenbach:
Cool, thank you for that. So, remember how we talked about fixed income, you're pulling money out of the market to meet your bills. And when you pull your money out when the market has dipped, how that loses principle and it's very difficult to regain. Well, there's actually an investment strategy out there, that when the market drops the return is zero. You cannot have a negative performance in that type of strategy. So, that's another solution that we can get into and we could discuss. How to level the field, so to speak, and not take on that risk. I've talked about the concerns in the financial world and talked about some strategies, I'm going to kind of turn some of this over to you [Keith]. Yours is a little bit more detailed.

Keith Vanover:
Sure.

Eric Riggenbach:
And if you wouldn't mind, just go with the solutions on the legal side.

Keith Vanover:
Absolutely. So, what I want to emphasize today is that in estate planning, you have two choices, you can pre-plan or you can crisis-plan; I highly recommend you pre-plan. When you're crisis planning, you are in the middle of the crisis, and most likely you are losing a tremendous amount of money in the middle of that crisis. If you pre-plan, you can position your assets ahead of time, where if you go through any storm in the future, your assets are safe. So pre-planning offers you much more flexibility. What we're going to do today is I'm going to talk to you about the basics of estate planning and the basic documents that we use to set up your estate plan. So, first on the list would be...

Eric Riggenbach:
Do you have an example of a crisis plan? What does crisis mean? I'm kind of...

Keith Vanover:
Oh, yes! Absolutely. I'll tell you a quick story. I had a brother and sister come into my office in their 60s, their mother was in an Airmen assisted living facility. She was a widow, her husband was in the Air Force. And basically, her health was in great shape, but her mental faculties were dropping. And so they informed the brother and sister that were in my office, that she was going to have to go to a nursing home for mental health care. Those are super expensive, by the way, because they're locked-down facilities. They came to me to ask, *what's about to happen?*
It turns out that about six years ago, seven years ago, when she went into assisted living, she sold her homestead, and she got $250,000 from the sale of that home. And she went down to the credit union and bought $250,000 worth of CDs, for her grandkids. And unfortunately, I had to explain to them that under the rules, the state will not start paying for her nursing home until she is down to $2,000. That's all a widower is allowed

Eric Riggenbach:
Just $2,000?

Keith Vanover:
Just $2,000. I had to let them know that because those CDs were in her name, they were what we call an "available resource" for the nursing home. And she started losing $14,000 - $15,000 a month out of those CDs for her children and grandkids. And unfortunately, when it got down to $2,000, then the state stepped in and paid for everything.

Eric Riggenbach:
So, she could have pre-planned and avoided that. That's your point. Got it!

Keith Vanover:
If she would have pre-planned, she could have taken those CDs and put them into an estate plan, and then if she ever went to the nursing home, the state would have exempted those CDs. Okay, that's a classic. Yeah, that's probably the harshest example. I remember having to tell them, that their grandkids, their kids, were not going to get all that all those CDs. So that's an example of a crisis, right? We don't want that, we want to pre-plan. So, the four basic units that we use are the different estate plans, you just kind of pick and choose what you need, depending on your assets and what you're trying to protect. The first one is the Last will and Testament. Obviously, we all need a last will, for goodness sake, you definitely need a last will. The problem with a will, though, is that if you just have a will, it's going to have to go through probate court. And some people don't want that because it's expensive, it's time-consuming, and it's a real pain for your beneficiaries. So, you can avoid going through any kind of probate by basically having a trust, any trust will do, and I'll get to that last because that's where all the big choices are. But any trust with the Will, will avoid probate. So keep that in mind. So, you need a will, but you need an extra document with it to keep it out of probate.

Eric Riggenbach:
Why is probate so bad? I've heard that probate is not that big a deal or it's a big deal.

Keith Vanover:
It's...it's...it's bureaucratic heaven. If you like that sort of thing. First off, it is going to take 12...in Florida, it'll take 12 to 24 months if there's real estate involved before the deed is signed over to your beneficiaries. This means they're going to have to keep paying the insurance keep paying the taxes, and keep the upkeep, all while waiting for the bureaucracy to hand them the deed.

Eric Riggenbach:
I read. Is this correct? I read something the other day that it's public.

Keith Vanover:
It is. it's public. Yes, it is.

Eric Riggenbach:
Well, no wonder nobody likes probate!

Keith Vanover:
It's public. And oh, by the way, the state gets to take a percentage of the estate as a fee. So, your heirs will have to hire, they don't have to but most usually do, you usually have to hire a probate lawyer on top of all the other fees. These are the things you can avoid by set by pre-planning, right? You need a last will but just remember you need an extra document with it.

The next one would be the Financial Power of Attorney. We have two different types. We have a Financial Power of Attorney and we have A Durable Financial Power of Attorney. We only do the durables. "Durables" means that it survives your incapacity. So, what is it? It is basically a document that will allow anybody that you list in the document to be you for any financial transaction in your life. This is huge because if you become disabled and you can't sign checks or sell your assets or anything like that, your family is gonna have to go to court and get guardianship which takes several months and costs several thousand dollars. You can avoid that by having a Financial Durable Power of Attorney in place. If you become disabled, you're in a car accident, you have a stroke, whatever the situation is, your family can step in and be you on all of your financial transactions. So, that is a big one.

Eric Riggenbach:
Now, is the Financial Power of Attorney different than the medical one? I'm not clear on that either.

Keith Vanover:
Yes! That's it! Yes, the financial one is only for financial. And then we have a Medical Power of Attorney. I usually call it a healthcare surrogate. But basically, it covers healthcare. So you have the Durable Financial that covers all financial decisions and then you also have the health care surrogate, which covers all health care decisions.

Eric Riggenbach:
Okay.

Keith Vanover:
And it's sort of the same thing. You're listing people in your family, that you're giving them the legal right, if you are incapacitated, and can't speak to the doctor. It allows the doctor to legally rely on your family's choices, right? So, we want to get that done as well. Hopefully, you never need any of these, right? But if you ever do, pre-planning, that's what we're trying to accomplish here.

Let's get to the big one, the trust. This is where the big movements have happened, the big changes have happened in the last 15 years or so. Let me start off with the basics. What is a trust? Let's get really basic here. Imagine a trust is basically a family safe. Right? Or a safe deposit box. But it's made out of paper instead of steel. Right? All it is, is a box in which you can put assets and protect those assets from outside threats. Right?

Eric Riggenbach:
What would be an outside threat?

Keith Vanover:
Nursing home costs would be...if you were in a car accident, and you were sued...

Eric Riggenbach:
Lawsuit.

Keith Vanover:
Lawsuits. Things like that. Those are outside threats. So, what you're trying to do is you want to create a trust that can protect those assets from any outside threat.

Eric Riggenbach:
Well, what about the government can they break into the trust?

Keith Vanover:
They can if it's revocable! Remember we talked about if you have a trust, if you have a will, and then you have a revocable trust with it, you avoid probate. Right? Revocable trusts have been around forever, and they only do one thing and one thing only; they avoid probate. What they do not do is what he just said; they'd provide you zero protection for the nursing home costs and zero protection from lawsuits. So, what I have done is I have basically used the trust rules to put together what I call the F.A.P.I.T. trust (Florida Asset Preservation Irrevocable Trust). Now, the F.A.P.I.T. Trust is designed to do three things very, very specifically. Number one: It avoids probate because we still want to avoid probate. Number two: It gives you immediate asset protection. As soon as you place...

Eric Riggenbach:
Alright, pause for a minute...

Keith Vanover:
Yes,

Eric Riggenbach:
I got lost. So, we've talked about the two trusts here.

Keith Vanover:
Yes.

Eric Riggenbach:
The first was the revocable, living trust.

Keith Vanover:
In about 15...last 15-16 years, yes. Yes. Living Trust.

Eric Riggenbach:
Now, you're talking about the trust laws, you said the trust laws changed? You're talking about different types?

Keith Vanover:
Yes, it's an irrevocable trust.

Eric Riggenbach:
But that word kind of scares me, "irrevocable".

Keith Vanover:
It does. Let me explain. My mom did the same thing. My mom when she heard "irrevocable", responded with Ewwwww, you know, and by the way in the 80s, that was the correct response. You never wanted to use irrevocable trusts, because there was no flexibility involved. Now, under these rules for the last 15 years or so, the flexibility has now been transferred into the irrevocable trust. So, you could be the trustee of your own irrevocable trust. You control all the assets in and out of the trust, your name is on the checkbook, so, nothing happens without your permission. And also, it has your social security number on it so that you do not have to worry about having to file separate tax returns. It's an extension of you. But it is an irrevocable trust, but it has the flexibility of a revocable trust, but... So, if I had an irrevocable trust and I wanted to put my vacation property or my real estate in it...

Eric Riggenbach:
So, if I had an irrevocable trust and I wanted to put my vacation property or my real estate in it...

Keith Vanover:
That's excellent. Yes.

Eric Riggenbach:
And then one day, you know, I'm sick of managing that I want to sell it.

Keith Vanover:
Yes, you're the trustee.

Eric Riggenbach:
Oh, so no matter what, I own the trust and I manage the trust.

Keith Vanover:
Yes! You can sell that property, buy more property, leave it cash, CDs...

Eric Riggenbach:
Whatever I want to do?

Keith Vanover:
Whatever you want to do!

Eric Riggenbach:
Okay, WOW!

Keith Vanover:
And also too, the beneficiaries of this trust your children, grandchildren, charities, you can make charities as part of this as well...they get a stepped-up basis in all of the assets in the trust. So, it doesn't matter what you paid for that vacation home. So, let's say you paid $400,000 for the vacation home 20 years ago, and when you die that vacation home is worth $700,000...

Eric Riggenbach:
Ok...

Keith Vanover:
Well, your kids are going to inherit it at $700,000. They do not have to pay the capital gains between what you paid for the asset, and what it's worth when you pass. And that goes for everything in the trust; stocks, anything. So, imagine, if you have this trust for 20, 30 years, the amount of growth that you could pile into this thing, and you can also control, you know, the rules in which your children and grandchildren get the money and the assets. So, you are in total control of this thing. We always throw in, we want to make sure that the children's spouses are automatically excluded; which they are.

Eric Riggenbach:
Keith, let me ask you this...you know, we often have one child in the family who's either irresponsible or keeps getting in trouble...

Keith Vanover:
We all know, yeah...

Eric Riggenbach:
How to use that trust? I mean, what you're talking about, how would you use that Netconnect in that situation?

Keith Vanover:
But yes, basically, what we would do in that situation is we do not want to hand over several hundred thousand dollars to an irresponsible child...that is 40. Right? We don't want to do that. What we would do in that situation is we would normally get another family member involved either an Uncle, Aunt, or sibling, that's responsible, and you can basically just put them in charge of handing out the money as needed to the irresponsible child. That way it doesn't get wasted.

Eric Riggenbach:
So, you have some discretion there...

Keith Vanover:
Of course!

Eric Riggenbach:
after death.

Keith Vanover:
You can put rules in. Absolutely! Absolutely! You can tweak it.

Eric Riggenbach:
So, it's flexible, for management?

Keith Vanover:
Yes!

Eric Riggenbach:
So, Keith, you covered so much in the legal solutions. Can you kind of just like wrap it up for us?

Keith Vanover:
Absolutely. So, what we're looking at here is what are the primary benefits for you doing this for your plan? Number one: My recommendation is pre-plan, pre-plan, pre-plan. Do NOT be in crisis mode. That is critically important to getting the most protection out of your plan. Secondly, protect your assets. Make sure that you have their assets protected in a way that you can anticipate what is going to happen or what might happen in the future. Protection is critically important. The third one and probably in my opinion, the most important one, is maintaining control over your assets. You can set up your plan. Whenever you do that, make sure you're in control. That is my number one piece of advice. Then, of course, funding the trust. Right? When you create your trust, you got to remember you have to put things inside of it in order to protect it. That's what that legal lockbox is. That's what we talked about. Usually, Financial Planners take care of that. So, make sure to fund your client's trust.

Eric Riggenbach:
Thank you very much. pre-plan, protect, control, and fund.

Keith Vanover:
Fund, fund, fund. You got to do that to get the protection started.

Eric Riggenbach:
That's superb!

Keith Vanover:
Appreciate it!

Eric Riggenbach:
Thanks so much for coming today. I know that your time is very valuable. I personally want to thank you!

Keith Vanover:
Thanks, buddy! Appreciate it.

Eric Riggenbach:
So, it's flexible, for management?

Keith Vanover:
Yes!

Eric Riggenbach:
So, Keith, you covered so much in the legal solutions. Can you kind of just like wrap it up for us?

Keith Vanover:
Absolutely. So, what we're looking at here is what are the primary benefits for you doing this for your plan? Number one: My recommendation is pre-plan, pre-plan, pre-plan. Do NOT be in crisis mode. That is critically important to getting the most protection out of your plan. Secondly, protect your assets. Make sure that you have their assets protected in a way that you can anticipate what is going to happen or what might happen in the future. Protection is critically important. The third one and probably in my opinion, the most important one, is maintaining control over your assets. You can set up your plan. Whenever you do that, make sure you're in control. That is my number one piece of advice. Then, of course, funding the trust. Right? When you create your trust, you got to remember you have to put things inside of it in order to protect it. That's what that legal lockbox is. That's what we talked about. Usually, Financial Planners take care of that. So, make sure to fund your client's trust.

Eric Riggenbach:
Thank you very much. pre-plan, protect, control, and fund.

Keith Vanover:
Fund, fund, fund. You got to do that to get the protection started.

Eric Riggenbach:
That's superb!

Keith Vanover:
Appreciate it!

Eric Riggenbach:
Thanks so much for coming today. I know that your time is very valuable. I personally want to thank you!

Keith Vanover:
Thanks, buddy! Appreciate it.

Eric Riggenbach:
We've covered a lot of materials, we talked about a lot of benefits and a lot of strategies. So, I feel like there's so much information we got to kind of bring it in.

So, basically, here's the process in four easy steps. Step one is discovery. You meet with your financial professional and you just have a conversation about where you're at where you want to go, and what your financial picture looks like. Just the discovery. The second is to meet with the attorney and build a vision of where you want to go. Where you want to go with your hopes and dreams, your desires, your protection, and where you're currently located. The third step, of course, as you mentioned, is you fund the trust. Once the trust is built, the trust needs to own something. And a fourth, obviously, you implement the plan.

Estate planning or passing assets on to heirs is very complex. And it takes more than just one professional to handle that. We believe that it takes a group of independent professionals to handle your estate planning needs. We hear all the time*, my insurance agent told me I needed to trust*. Well, insurance agents don't do trusts. We hear all the time that my CPA thinks I should redo my trust or my will, or invest in this. So, I work with other independent professionals to make sure we cover all the needs of my client's estates and financial plans. For example, an estate planning attorney, CPA, an insurance agent, and a financial guy. We all look at each case from a different angle. Matter of fact, we often get together and discuss how to approach and what solutions are best for the client. We have a lot of educational information to share with you during this webinar. And you can take this information to your advisor, CPA, or attorney. I encourage you to make sure that you bring all the independent professionals together so you don't miss anything or leave any holes. I've noticed over the years that a lot of the people I've talked to have a really big challenge of getting their CPA, their attorney (if he's an Estate Attorney), their financial guy, and their insurance guy together. So, we've kind of created that. Made it easier. Takes less time, more efficient. More successful. Matter of fact, you know, I really do enjoy us getting together, discussing our cases. It's a lot easier when we're face to face and talking about these different cases. If you believe that we can add value we are offering to all attendees, a no-cost consultation. You can click the link below and set up a meeting time with me. I'll be more than happy to sit down and find out if this is valuable and if you could implement this process. You know, there's so much more that we could have covered and there's no way we can cover it [in one webinar]. So, we're gonna continue to send you some emails. And we don't want those emails going into your spam or junk box. So, if you would make sure you add my email to your contact list, it is Eric@CornerstoneFinancialCoach.com. That's Eric@CornerstoneFinancialCoach.com. These emails are not trying to sell anything. They're educational, informative, only. You could opt out of the emails at any time.

So, as you can see, you meet with a financial guy, meet with your attorney, meet with a CPA, and then your financial guy again. That group of independent professionals working together is what you need to meet those goals.

A Word From Our Legal Department

This seminar is designed to provide information on the subjects covered. It is not, however, intended to provide specific legal, tax, or other professional advice. Cornerstone Financial, Inc. and CreativeOne Securities, their employees, agents and/or affiliates do not provide tax or legal advice.

Any estate planning methods discussed here are GENERAL in nature and are not directed at any particular individual or situation. An attorney should be consulted to help you decide which type of estate plan will best fit your individual situation.

Any tax strategies discussed in this workshop are general in nature and not directed at any particular individual or situation. A CPA or tax planning specialist should be consulted before implementing any tax reduction or planning strategy.

Securities and Insurance products are:
*****Not insured by FDIC or any Federal Agency*****May Lose Value*****No Bank Guarantee*****Not a Bank Product
2018 Lewis Turner Blvd. / Suite A / Fort Walton Beach FL 32547/ ***(850) 862-8082**

Securities offered through CreativeOne Securities, LLC Member FINRA/SIPC.
Cornerstone Financial, Inc. and CreativeOne Securities, LLC are not affiliated.

Eric Riggenbach

Financial

CORNERSTONE FINANCIAL

2018 Lewis Turner Blvd / Suite A / Fort Walton Beach FL 32547
(850) 862-8082