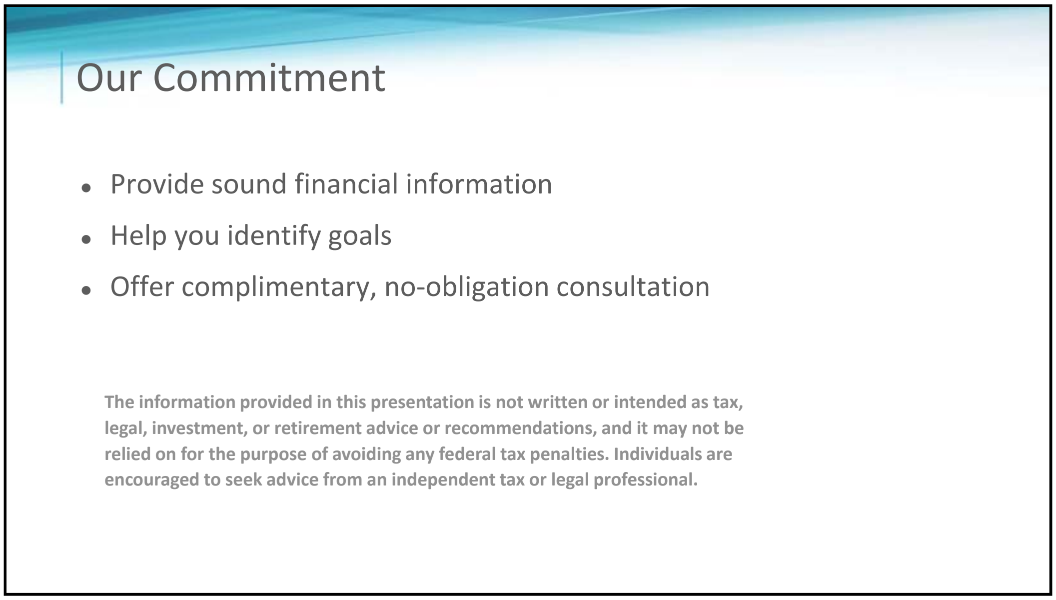
Welcome to our estate conservation seminar on preserving wealth for your heirs. I'm glad that you could join us today.

Before we get started, I'd like to introduce myself and my company.

[Note to presenter: Give a brief personal background, then talk about your organization and give its location. If appropriate, introduce other members of your organization who are in the room and discuss any housekeeping issues.]



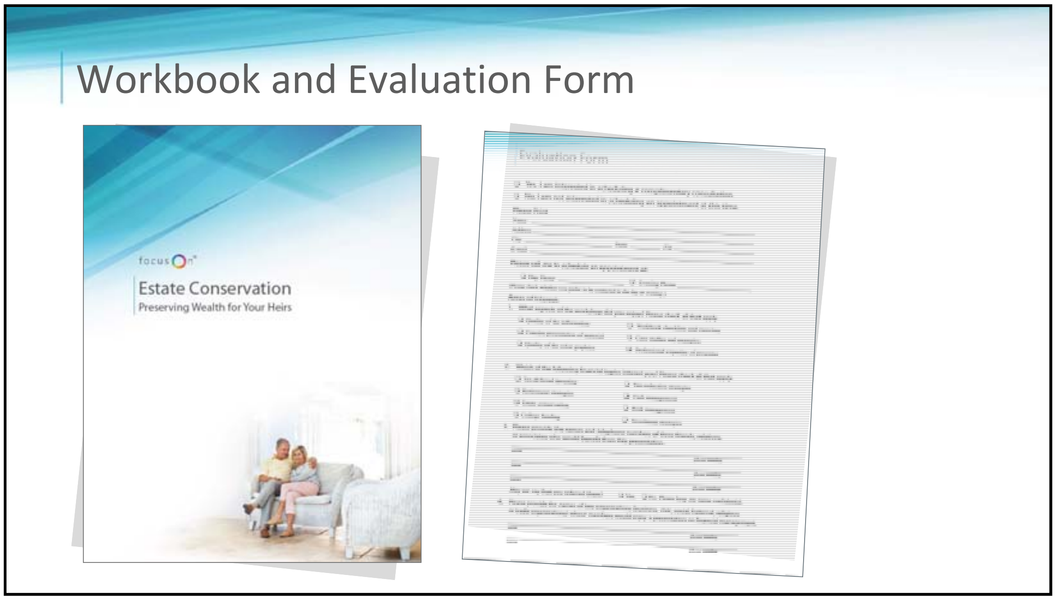
We use seminars like this one to introduce ourselves and to develop strong working relationships with members of the community like you.

Our commitment extends beyond simply offering financial services. We are committed to helping you evaluate your financial situation and giving you tools to help make informed decisions and pursue your financial goals.

We hope that after attending the seminar, you'll want to meet with us in our office. This is a complimentary, no-obligation consultation that we offer to everyone who attends our seminars. During that meeting, we can discuss any questions you have as a result of what we discuss here. If you prefer, we can use that time to examine your specific situation and begin the process of helping you formulate a financial strategy that will suit your needs.

We know that we'll establish a working relationship with you only when *you* are confident that we can be of service. We want you to understand your options and to know how you may benefit from working with us.

The information in this presentation is not written or intended as tax, legal, investment, or retirement advice or recommendations, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek advice from an independent tax or legal professional based on your individual circumstances.



Let's talk about the workbook you received as you entered.

We've found that people are more likely to remember something they act on rather than something they only hear about. That's why we designed this workbook so you can apply what you learn to your situation. In it you'll find helpful materials that reinforce the seminar's major points and will be a valuable resource for you.

Feel free to highlight, underline, or make notes in whatever way serves you best.

Inside your workbook, you'll find an evaluation form just like this one.

[Note to presenter: Pull out an evaluation form for your seminar participants to see.]

At the end of the presentation, please use this form to tell us whether you're interested in taking advantage of the complimentary consultation.

We'd like to make you two promises concerning this form. First, if you check "Yes, I am interested in scheduling a complimentary consultation," we'll call you in the next couple of days and set up an appointment. Second, if you check "No, I am not interested in scheduling an appointment at this time," we won't call you directly after the seminar.

In exchange for these two promises to you, please promise that you will fill out this form. Many seminar attendees do come in for a consultation, so we've set aside time just to meet with you.

When you do come to our office, feel free to leave your checkbook at home. We are very interested in developing working relationships with you, but that decision is yours.

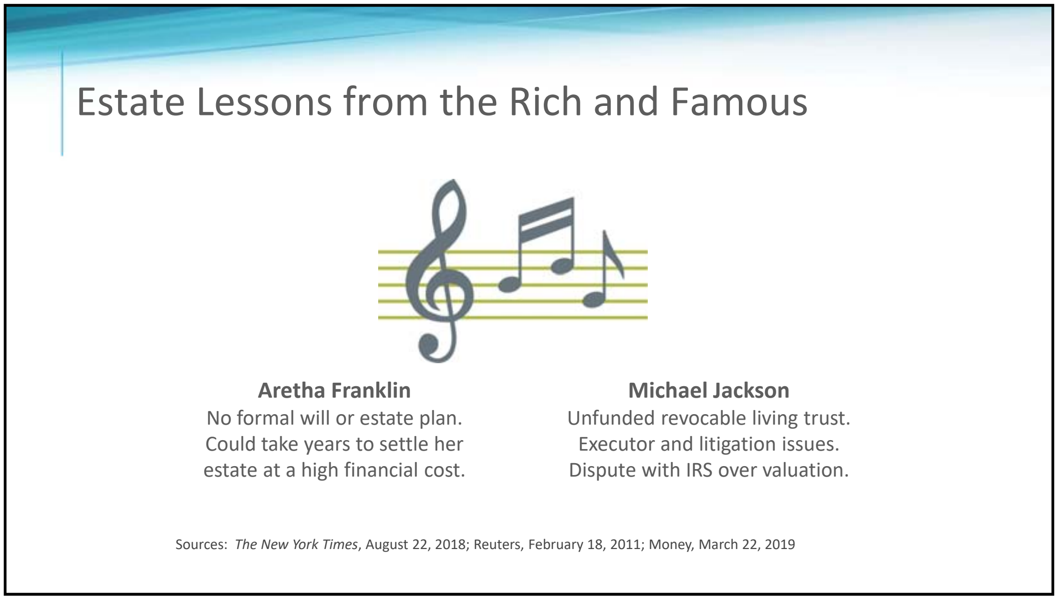
What is estate conservation and why is it important?

Estate conservation involves the preparations necessary to accomplish two goals.

First is managing your assets during your lifetime. Wealth management is at the heart of a sound financial program.

The second goal — and the one we'd like to focus on today — is helping you make arrangements for the prompt and intended distribution of your assets upon your death.

Without careful action, the estate you've spent a lifetime building could be significantly less by the time your heirs receive it. If you're anything like me, you haven't worked hard and saved your money just to turn half of it over to the government.



We'll begin our discussion with some estate lessons from the rich and famous. Any mistakes made by people with large estates could be significant, and this includes the failure to have a will and the importance of shielding an estate from excess tax liability.

Aretha Franklin, the Queen of Soul, died in 2018 at age 76, leaving behind a score of wonderful music but not a formal will (handwritten wills were discovered in 2019). Her four sons filed documents in the Oakland County, Michigan, Probate Court listing themselves as "interested parties" and nominated Ms. Franklin's niece to be the estate's personal representative. (The niece resigned that role in 2020 due to family tensions, and a Detroit lawyer was appointed interim estate manager.) Ms. Franklin's estate will be distributed according to the laws of Michigan, her state of residence.[1]

This example illustrates the importance of having a will and an estate plan in place. The settling of Aretha Franklin's estate could drag on for years at a potentially high financial cost. Had Ms. Franklin created a revocable trust for her estate, her personal finances would have remained private and her estate would have avoided probate.[2]

Of course, we've all heard about the drama associated with Michael Jackson's untimely death at age 50 in 2009. The King of Pop did have an estate plan, including a Last Will and Testament and a revocable living trust. However, he had not transferred all of his assets into his trust, and ongoing litigation issues and problems between members of Jackson's family and executors continued well into 2013, four years after his death.[3] It has been reported that a large share of his estate went to taxes, business licenses, and the lawyers and executors of his estate.[4] The IRS challenged the executors' value of the estate, which has been mired in ongoing tax court proceedings. Meanwhile, *Forbes* reported that the estate has raked in more than $2 billion since Jackson's death in 2009.[5]

One lesson from Michael Jackson's estate is the importance of naming trustworthy executors or trustees, as well as having a trust that is properly funded and clearly written to help reduce the potential for disagreements.

Sources: 1–2) *The New York Times*, August 22, 2018; ABC News, March 3, 2020; 3) Reuters, February 18, 2011, and onwallstreet.com, October 2, 2013; 4) Associated Press, June 21, 2014; 5) Money, March 22, 2019

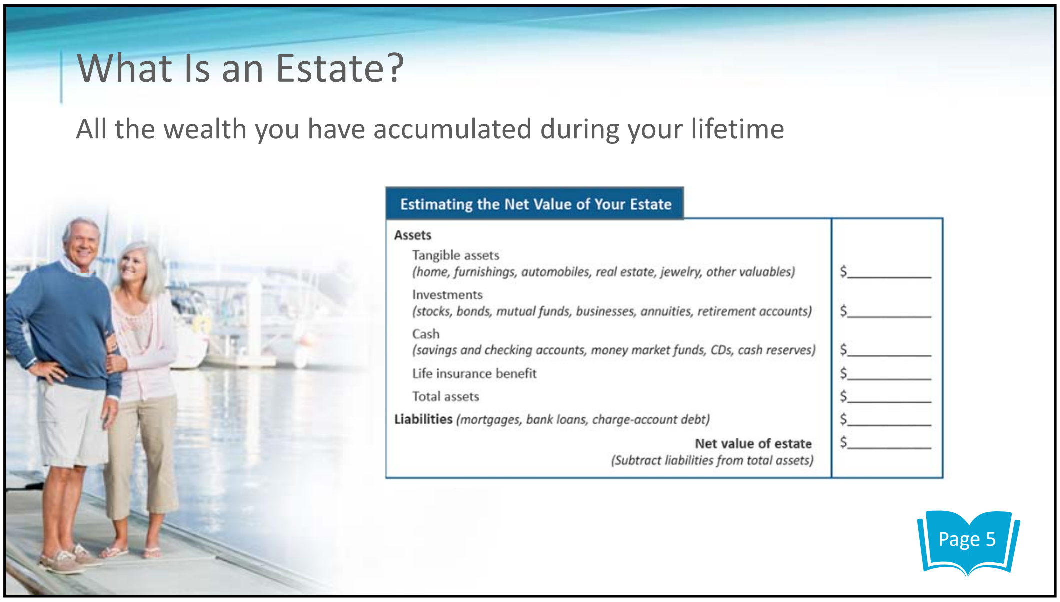
In today's seminar, we're going to discuss some estate conservation principles that can help you avoid the kind of confusion and discord that some estates, even those of the "not so rich and famous," may encounter.

First we'll discuss the key fundamentals of estate conservation.

Next we'll identify challenges you could face as you plan for your estate.

Then we'll run through a few basic distribution techniques that could be used for managing your estate and dividing your assets among heirs.

Finally, we'll talk about a number of trust strategies that can give you and your heirs additional privacy and protection and that can also be used for charitable giving.



First of all, what is an estate?

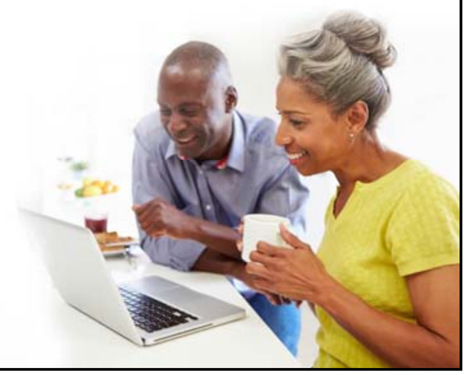
Your estate is simply all the wealth you have accumulated during your lifetime. This includes real estate, stocks, bonds, business interests, retirement plans, life insurance, personal effects, and anything else you own.

[Note to presenter: Allow time for participants to fill out the worksheet on page 5 in the workbook, or change the dialogue and ask them to complete the worksheet later.]

Please turn to page 5 in your workbook. The worksheet on this page will help you quickly evaluate the net value of your estate. Take a moment to fill it out. This information might be useful later in the presentation when you estimate potential estate taxes.

Benefits of Estate Conservation

- Select who will receive your assets
- Determine distribution of estate
- Choose individuals to manage estate
- Help reduce settlement costs
- Choose guardians for minor children
- Provide liquid capital for burial, settlement, and income tax costs



Effective estate conservation has several benefits for all people — not just those who are very wealthy.

Estate conservation enables you to select who will receive your assets.

It can help you determine the distribution of your estate, which means you decide if, how, and when your beneficiaries will receive their inheritance.

It will enable you to choose individuals who will manage your estate, after your passing, including an executor, a trustee, and others.

It can help reduce estate settlement costs, including probate expenses and taxes.

If your children are young, it enables you to choose guardians for them.

Finally, effective estate conservation can help provide liquid capital to cover burial, settlement, and income tax costs.

Now that we have reviewed some estate conservation fundamentals, let's focus on some challenges you may encounter as you develop your estate conservation strategy.

Most people face four main estate conservation challenges: finding the right attorney, probate, taxes, and long-term care.

Let's go through them one at a time.