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9	8	1	7	5	6	3	2	4
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# Inside

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This time of year, we all enjoy nestling up by a fire, cuddling under a blanket on the couch, or enjoying a warm cup of joe at the local coffee shop. If someone were to propose a winter picnic at the local park, you'd probably think they were crazy. But don't be so quick to dismiss the idea. With these four tips for hosting a winter picnic, you'll be up for having lunch outside in January any time.

**Keep Warm**  
Maintaining heat in winter is at the forefront of all concerns, and your winter picnic is no different. Be sure to pack hats, scarves, gloves, blankets, socks, and an extra set of clothing for unexpected changes in the weather. Believe it or not, a large beach umbrella is extremely helpful in protecting you from the

winter elements. You can even plan some active picnic games to keep your body moving and the heat flowing!

**Light a Bonfire**  
If the location of your picnic permits, light a fire to cozy up next to. Some beaches and campgrounds have designated firepit areas to start a fire while enjoying a warm winter meal. You can even cook your food over the fire! Remember to be careful when building a fire in the wilderness and take proper safety precautions.

**Pack Hot Meals**  
Picnics are all about ease and relaxation! Here are some toasty and hearty winter picnic meal ideas to help warm you up:

- Soup
- Stew
- Pot pie
- Toasted sandwich or panini
- Warm brownies
- Baked mac and cheese
- Loaded baked potatoes
- Quiche
- Chili

**Keep It Simple**  
Remember, it doesn't need to be complicated! Even just a thermos of hot chocolate; some warm, freshly baked cookies; a bunch of blankets; and hats and gloves are plenty for a winter picnic — ultimately, it's all about soaking up the beauty of the most wonderful time of the year!

## How to Lead a 'Tremendous' Life

### Wise Advice From an Insurance Salesman

When I was younger, I had the pleasure of seeing author Charlie "Tremendous" Jones speak in person. Jones was an insurance salesman by trade, so you might think his speech was boring — but it was the opposite! I was riveted by every word as he spoke about his philosophies on leadership and life.

I'll never forget that experience, and one quote in particular stays with me to this day: "You will be the same person you are today in five years — except for the people you meet and the books you read."

That quote helped me look at my own life in a new way. Upon reflection, I realized that without friends like my mentor and fellow attorney Dennis, my former boss Harvey, and my spiritual advisor Bill, I would be a far different person. I wouldn't have had the same life experiences or even run Preston Estate Planning in the same way!

The books I've read have changed me, too. Many years ago, I picked up a copy of Dale Carnegie's famous tome, "How to Win Friends and Influence People," and it taught me to be a better friend, coworker, and mentor. The only thing I don't love about that book is the title: The second half is quite misleading! There's nothing manipulative or inappropriate about Carnegie's lessons — he simply explains how to make change through friendship and lead by example.

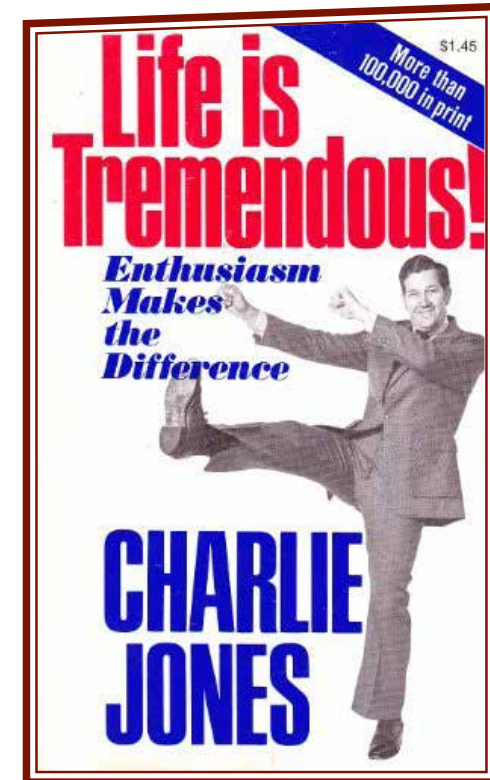
Since hearing Charlie "Tremendous" Jones speak, I've tried to live by his words and teach my family to do the same. Recently, my wife and I watched our young granddaughters for a week, and in that time, I encouraged them to make one new friend in school each day.

"But how?" my youngest granddaughter asked.

"It's easy!" I said, "Just introduce yourself and say, 'I'd like to be your friend. What can I do to help you today?'"

The girls were suspicious at first, but they agreed to try my method — and by the end of the day, they each happily reported that they'd made a new friend. They did the same thing the next day, and the next. By the time they left for home, they'd formed what I believe will be a lifelong positive habit.

Making a new friend each day may sound excessive to some people, but not to me. In fact, I consider myself one of the luckiest people in the world specifically because every single day I have the opportunity to meet 3–5 "friends." When I sit down with a new estate planning client, they tell me about their family, upbringing, desires, traditions, and skills while I help them through the planning process. I'm truly blessed to meet each of these people — you included! — and build precious relationships which often turn into friendships. I hope I've made an impact on you, just as you've made an impact on me.



My connections with my clients are the reason I can't imagine retiring, even though I'm on the verge of turning 70. When someone asks if my time is approaching, I always say, "Why would I retire when I get to meet wonderful people every day?" The new friends I make at work and beyond change me. They make me think, and over the years, they have shaped who I am — just as Charlie "Tremendous" Jones said they would.

This year, I encourage you to follow Jones's example. Try to meet new people, read good books (I recommend starting with "How to Win Friends and Influence People"), and make a difference in the lives of others. If we all do this each day, perhaps everyone will feel a little more blessed.

*- John Preston*

# What Is the Purpose of a Retirement Trust?

## Our Team Clears Up the Confusion

There are three distinguishing features of the Life Plan: to provide Disability Protection, Reduce Taxes, and Increase Asset Protection. Retirement accounts present unique challenges in accomplishing these goals due to some complicated withdrawal rules and the serious consequences of violating those rules.

Let's review some of these rules regarding the withdrawal requirements so you can get a better feel for the complexity involved. The IRS has divided the beneficiaries of an inherited retirement account into three categories:

- Non-Designated Beneficiaries
- Eligible Designated Beneficiaries
- Non-Eligible Designated Beneficiaries

**Non-Designated Beneficiaries** — are living trusts, estates, and charities. That portion of the retirement account that designates any of these three beneficiaries will trigger the "five-year rule" as it applies to the portion of the retirement account so designated. Consequently, that share must be withdrawn from the retirement account within five years of the decedent's death.

**Eligible Designated Beneficiaries** — EDBs include the spouse of the deceased retirement account owner, beneficiaries who are not more than 10 years younger than the deceased owner, chronically disabled beneficiaries, and children under the age of 21. However, once the child reaches age 21, the child becomes a non-EDB. EDBs have the option to withdraw the funds from the retirement account based on the beneficiary's life expectancy.

**Non-Eligible Designated Beneficiaries** — These are all other beneficiary designations, and they must withdraw the entire inherited retirement account within 10 years of the death of the original retirement account owner. However, the beneficiary is not required to take required minimum distributions during the 10-year period. The beneficiary can wait until the end of the 10-year period to withdraw the funds.



Of course, there is an exception if the deceased owner of the retirement account was taking (or should have been taking) the required minimum distributions. For the first nine years after the decedent's death, the beneficiary must withdraw at least the required minimum distribution as calculated using IRS tables and based on the beneficiary's current age. In year 10, the entire balance of the retirement account must be withdrawn by the beneficiary.

Naming a Retirement Trust as the beneficiary of a retirement account doesn't change those rules. Consistent with the Life Plan goals, the purpose of the Retirement Trust is to provide Disability Protection, Reduce Taxes, and Increase Asset Protection. As an example, if the beneficiary is chronically disabled, a minor, or an adult who needs a few more years of experience before they are ready to take charge of their inheritance, the IRS rules don't provide for the administration of the funds, the Retirement Trust does.

If the beneficiary is an adult, not disabled, and financially mature, there is always the risk that a lawsuit or divorce can put the retirement account at risk. Contrary to popular belief, the funds in an inherited retirement account are not immune from creditor claims (e.g., lawsuits, divorce, bankruptcy). To make matters worse, claims satisfied from a retirement account place the tax burden on the named beneficiary of the account, even though the beneficiary did not receive the funds from the retirement account. Let me repeat that, the beneficiary can lose the funds in the retirement account and end up paying the tax on funds that were never received. The IRS rules don't address that problem, the Retirement Trust does.

In a nutshell, *the Retirement Trust does not change the requirements for withdrawing funds* from a retirement account; the Retirement Trust *protects the funds withdrawn* from the retirement accounts.



# Happy New Year!

## A Thank-You From Our Founder

*"As we ring in the new year, I would like to take this opportunity to thank the staff members who make it possible for our firm to provide estate planning services every day. I'd also like to thank you — and all of our clients — for the trust and confidence you've placed in our firm.*

*"You have certainly improved our lives. My team and I wouldn't be the same people we are today without the close relationships we've built with you. I hope through our work, we've changed your life for the better as well.*

*"Cheers to another year of growth and evolution!"*

*- John Preston*

## Sudoku

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8			3	2		9	
			8	4	9	1	3
2	3	7				6	9
			9	3	2		8
9		1	7	5			2
		3	4	1		8	7
		8	2		3		6
							1

Solution on Pg. 4

## Slow Cooker Chicken and White Bean Stew

Inspired by EatingWell.com



### Ingredients

- 4 15-oz cans cannellini beans, drained and rinsed
- 6 cups chicken broth
- 1 cup chopped yellow onion
- 1 cup sliced carrots
- 1 tsp finely chopped fresh rosemary
- 1 4-oz Parmesan cheese rind
- 2 1-lb bone-in chicken breasts
- 4 cups chopped kale
- 1 tbsp lemon juice
- 1/2 tsp kosher salt
- 1/2 tsp ground pepper
- 2 tbsp extra-virgin olive oil
- 2/3 cup grated Parmesan cheese
- 1/4 cup parsley leaves

### Directions

1. In a 6-quart slow cooker, combine beans, broth, onion, carrots, rosemary, and Parmesan rind. Top with chicken. Cover and cook on low until the beans and vegetables are tender, about 7–8 hours.
2. Remove chicken from slow cooker. On a clean cutting board, let the chicken rest until cool enough to handle, about 10 minutes. Shred the chicken and discard bones.
3. Return chicken to slow cooker and stir in kale. Cover and cook on high until kale is tender, 20–30 minutes.
4. Stir in lemon juice, salt, and pepper. Discard the Parmesan rind. Serve the stew drizzled with oil and sprinkled with Parmesan cheese and parsley.