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Piece Of Mind

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we are giving you our piece of mind.*

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The Stocking That Changed Everything

A HOLIDAY REFLECTION

There's a special kind of magic in Christmas, the kind that lives in the glow of twinkling lights, the scent of cinnamon and pine, and the joy of giving from the heart. But for me, the most powerful Christmas moment didn't come wrapped in shiny paper or tied with a bow. It came in the form of a pencil, placed lovingly in my stocking by my 4-year-old daughter, Noa.

It was our first Christmas after my divorce. Noa and I had recently moved into a small condo, and I was determined to keep our traditions alive despite the changes. No fireplace? No problem! We hung our stockings over the TV stand. Our celebration was simple, but my goal was to make it feel special and familiar for her.

On Christmas morning, Noa dove into her stocking with pure joy, pulling out one small gift at a time. Her eyes lit up with each surprise, little treasures perfect for a 4-year-old heart. When she reached the bottom, she looked up at me and said with a grin, "Now your turn, Mommy!"

I gently explained that I didn't have any gifts in my stocking this year, but I'd be opening presents later at Grandma's house. "Besides," I told her, "Watching you open yours is my favorite part."

But then she gave me a mischievous smile, the kind that only a child plotting something wonderful can give, and said, "Are you suuuurrrre there's nothing in your stocking?"

Skeptical, I humored her. I picked up my stocking. It felt empty. But when I turned it upside down, a single item dropped to the floor: her favorite pencil. The one with her favorite character on it. The one she refused to even sharpen because she didn't want to ruin it.

The tears came instantly.

"You don't like it?" she asked, concerned.

"My love," I said, holding back sobs, "this might be the best gift I've ever received."



That moment, her tiny hand giving something so meaningful from her own collection, reminded me of the purest definition of generosity. She'd noticed, in her quiet little way, that my stocking remained empty while hers filled up. And she decided to do something about it. She gave me her best.

That was 8 years ago. Noa's older now, and our Christmases look different with a blended family. But that pencil, and the love behind it, still brings tears to my eyes.

The truth is, whether it's on holidays or in life, it's not about the size of the gift or the price tag. It's about the thought, the love, and the legacy we pass on to the people we care about most.

At Preston Estate Planning, we talk a lot about legacy — what we leave behind, how we protect the people we love, and how we prepare for the unexpected. But stories like this remind me that the most meaningful legacies are built in the little moments, in thoughtful acts, and in a child's selfless gift.

This season, may you be reminded that the greatest gifts often come in the smallest packages. And what we do for the people we love, no matter how simple, can last far beyond the season.

Wishing you and your family a heartfelt and meaningful holiday season.

-Jennifer Knight

A Hidden Clause in Your Subtrust Can Save Your Heirs Thousands in Taxes

When you created your Life Plan, one of your top goals was probably this: *Keep my assets in the family*. That's why one of your plan's key features is using **subtrusts** for your beneficiaries.

Subtrusts are a powerful tool because they allow your loved ones to enjoy the assets you leave behind, without making those assets vulnerable to divorce, lawsuits, bankruptcy, or other creditors. In short, they protect your family's inheritance from becoming someone else's payday.

In this month's cover article, I shared a personal story about a small but meaningful gift that reminded me how the most thoughtful acts can leave a lasting impact. That same principle applies to estate planning. A well-crafted plan is a gift of security, love, and intention, something your family will feel long after you're gone.

But if you take a close look at your Trust documents, you might notice a sentence that raises an eyebrow. It says your beneficiaries have the power to appoint their share of the trust to their creditors or their estate's creditors. That might seem confusing at first.



After all, if we're trying to *protect* the inheritance from creditors, why would we include language that allows them to leave assets to creditors?

Great question. And here's the answer: That clause is called a **Power of Appointment**, and while it might sound counterintuitive, it actually serves a critical tax purpose.

In the estate planning world, we sometimes call it a **phantom power**, because while it's technically there, it's never meant to be used. No reasonable person would intentionally leave their inheritance to their credit card company. But by including this phantom power, the IRS treats the assets as if they're included in your beneficiary's estate at death, which allows those assets to receive a step-up in cost basis. That step-up can significantly reduce or eliminate capital gains taxes for the next generation if they ever sell inherited property or investments.

Importantly, this phantom power doesn't override the **backup beneficiaries** you selected. If your child passes away, their remaining Trust assets will go exactly where you intended. Some clients have given their beneficiaries a true (broad) General Power of Appointment, allowing them to change those backup beneficiaries. But many of our clients opt *not* to give that power — and the phantom power for tax purposes is completely separate.

In short:

- Subtrusts keep your legacy protected.
- The "creditors" clause helps reduce taxes.
- Your beneficiaries won't use it (and can't change your plan unless you've given them that power).

We're always here to review these provisions with you. But rest assured: Your Life Plan has been carefully crafted to balance protection, flexibility, and long-term tax savings, all in one smart package.

-Jennifer Knight

FESTIVE FUN MADE EASY

Traditions That Won't Cost a Fortune

The holidays have a way of sneaking up on us. Suddenly, the calendar is full, stores are packed, and wallets feel too light. But here's the truth: The most memorable moments don't come from expensive gifts or elaborate trips. We spark them from laughter, creativity, and time spent together.

Whether you're looking for cozy nights in or adventures out in the crisp winter air, here are fun, low-cost holiday activities for the whole family.

Festive Fun at Home

Let's turn home into holiday central! You can wrap your front door like a giant present, or craft homemade ornaments from everyday supplies. Popcorn and cranberry garlands, paper chains with gratitude notes, and handmade snowflakes instantly transform your space into a festive wonderland. For extra coziness, plan a movie night complete with blankets, popcorn, and your family's favorite holiday classics.

Creative Crafts and Tasty Treats

You don't need to buy pricey kits when you can create your own fun. Build a gingerbread house from scratch, or whip up batches of cookies and let everyone go wild with frosting and sprinkles. If you're looking for something outdoorsy, make birdseed ornaments from pinecones and peanut butter, then watch the backyard come alive with feathered guests.

Outdoor Adventures

Bundle up and take a nighttime drive (or stroll) to admire the best light displays in your town. It's a free way to soak up the magic of the season together. If you're lucky enough to get snow, the options are endless: snowmen, forts, snow angels, or even a friendly snowball fight. And when it's too chilly to stay outside, warm up with hot cocoa by the fire.

Share the Holiday Spirit

The season feels even brighter when you spread joy beyond your own home. Go caroling in your neighborhood or at a local nursing home, attend a school holiday concert, or deliver handmade cards to friends and neighbors. These simple gestures leave lasting impressions and remind everyone what the holidays are truly about.

Cozy Traditions That Last

For a touch of nostalgia, start a new tradition like sleeping under the Christmas tree one night, creating a DIY advent calendar, or hosting a family game night with holiday music playing in the background. These small rituals are the ones kids and adults both look forward to each year.



Sudoku

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

Solution on Pg. 4

Roast Beef With Caramelized Onion Gravy



Ingredients

- 1 tbsp black peppercorns
 - 1 tbsp mustard powder
 - 1 tbsp dried thyme
 - 1 tsp celery seeds
 - 1 tbsp olive oil
 - 4 1/4 lbs topside joint
- Gravy**
- 4 tbsp flour
 - 2 beef stock cubes
 - 3 tbsp caramelized onion chutney
 - 2-3 tsp yeast extract of beef

Directions

1. With a pestle and mortar, crush peppercorns, mustard powder, thyme, and celery seeds together.
2. Stir in oil, then rub into beef.
3. Preheat oven to 375 F and set seasoned beef in a snug roasting pan. Roast for 1 hour.
4. Remove from the oven, lift onto a platter, and cover with foil to rest 30 minutes.
5. For gravy, pour juices from the pan into a large measuring cup.
6. Let the juices separate, then spoon 2 tbsp of fat back into the pan. Discard remaining fat.
7. Top juices in the cup with boiling water to make 3 cups total liquid.
8. Heat pan with fat over medium heat and stir in flour, stock cubes, onion chutney, and yeast extract.
9. Cook for 1 minute, stirring, and gradually add juices/water. Bubble to thicken and serve with the beef.

Inspired by BBCGoodFood.com

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

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The information provided in this newsletter does not, and is not intended to, constitute legal advice; instead, all content contained herein is for general informational purposes only.



Tracks and Treasures

SCENIC RAIL JOURNEYS WORTH RIDING

Flying over beautiful landscapes can be exhilarating, but what if you could experience those beautiful sights in a closer and more personal way? With railway vacations, you can. Whether you're a seasoned train traveler or curious about cruising on the tracks, here are three travel options you can only experience and appreciate on the rails.

A Euphoric European Escape

While there are plenty of thrilling sights to behold in America, the glamorous international excursion of the Venice Simplon-Orient-Express is incomparable. From its pristinely preserved 1920s/1930s-era carriages and stunning Art Deco interior to its remarkable gourmet food (including breakfast in bed!) and live entertainment, this world-renowned train will take you through Venice, Paris, Istanbul, and other legendary European destinations.

A Symphony of Swiss Scenes

For many travelers seeking some of the most breathtaking visuals imaginable, all rails lead to the Swiss Alps. The Glacier Express' 292-bridge/91-tunnel track from Zermatt to St. Moritz gives passengers a personal view of picturesque valleys, mountain streams, and alpine meadows. Often referred to as "the slowest express train in the world," it travels 24 miles per hour, allowing you to feast your eyes on the scenery through its panoramic windows. Boasting millions of passengers in its decades-long history, the Glacier Express has earned its rightful place as one of the most celebrated names in tourism.

An Alaskan Adventure

If you're looking for railway adventures closer to home, consider hitting the tracks in Alaska. Since 1903, the Alaska Railroad

has provided travelers an intimate way to explore what later became our 49th state. Getting a seat will guarantee a breathtaking journey through scenic landscapes, national parks, fjords, snow-capped peaks, and valleys brimming with wildlife.

For the ultimate Alaska experience, opt for the Alaska Railroad's GoldStar Service, which offers glass-dome ceilings for panoramic nature viewing, a full-service dining room, and a one-of-a-kind upper-level platform for additional sightseeing.

The next time your wanderlust inspires you to explore new wonders, skip the plane and take a train!