

April 10th, 2019	Randall's Trust Manual (2019)
Disclaimer:	The NLT trustee study group is not intended as legal or financial advice. I am not an Attorney or CPA and do not offer legal or financial advice. We all do research and share open source information. The private exchanges between us are for personal and educational purposes only and are under the protection of free speech. We may discuss ways to avoid taxes, but never suggest evading taxes. <b>The Art of Passing the Buck is copyrighted and we request for this study class you have your own copy of Vol 1.</b>
Trust Abstract	A shortened version of a <b>Trust</b> document, leaving out certain details (what is in the <b>trust</b> , the beneficiaries' identity). This is often used to provide proof that a <b>trust</b> has been established to a financial organization or other institution, without revealing specifics that you want to keep private.
Trust Creation Date:	What ever is earliest - getting your EIN number or signing your Trust indenture & Funding your trust.
Memorandum of Irrevocable Trust:	It provides important information, like the name of the <b>trust</b> , the trustees, and the date it was formed. It provides substantiation that property is being held in the <b>trust</b> .
Addendum Sch A:	Title of schedule, Personal Property (Including Foreign Currency), Trust name, list of additional personal property exchanged into the trust, delivered to the trust, all property listed above, dated, grantor signs, received into the trust, all property listed above, trustees sign - get notarized for anything that might "re-value".
Letter of Authority:	If you are attending a meeting related to trust asset management, attests to your authority to enter the trust into contract.
	<b>Full Trust:</b>
Trust Indenture	<b>Randall: "A trust indenture Is a contract that is evidence of the creation of a trust.</b> It is an agreement as a contract made between a grantor/settlor and a trustee that represents the settlor/grantor's interests by highlighting the rules and responsibilities that each party must adhere to.
Trust Indenture Acknowledgement	signed by Settlor/Grantor
Acceptance of Trust by First Trustee	Settlor/Grantor appoints First trustee, signs, and trustee signs as accepting
Acceptance of Trust by Second or Successor Trustee	Trustee appoints second trustee or successor trustee, and trustee signs as accepting

Relinquishment of Authority	signed by Settlor/Grantor
Sch A Personal Property	at least \$21 dollars - trust must be funded to exist. Personal property is movable property. It's anything that can be subject to ownership, except land.
Sch B Real Property	Real property is immovable property - it's land and anything attached to the land. <i>Normally, a piece of property can be easily classified as either personal property or real property</i>
Sch C Register of Beneficiaries	List with names & addresses
UofBI #001	Issue certificates - you keep - do not disperse unless you have a reason to do so. We will study more about this in future classes.
Deed of Transfer	If someone other than the settlor/grantor exchanges assets into the trust, they can be issued Units of Beneficial Interest in exchange. We can ask Randall to speak more regarding this special situation.
Protectors Agreement	Settlor/Grantor assigns someone this position. Can be assigned at a later date.
First Board Minutes	Details what the Settlor/Grantor has done and Trustee has agreed.
Trust Abstract (For Banking Purposes)	Lists documents included, and after the last page, a notary page can be added to notarize the signatures contained in the trust abstract.
Memorandum of Irrevocable Trust	see above
Banking Resolution Minute	explains the bank that an account will be opened at, with name and address of bank.
Executive Manager's Agreement Minute	Appoints an Executive Manager and details duties. The Exec Manager might or might not be a signer on the bank card.
Trust Certification Minute	Certifies the basic details of the trust, while keeping private the beneficiaries.
Addendum Sch A	see above

Trust Binder Sections:	Sec 1 (Trust Indenture) Sec 2 (Appointments & Schedules) Sec 3 (Bank Paperwork- Copies of Minutes & Add. Sch A) Sec 4 (Addendums to Schedules & Trust Amendments) Sec 5 (Board Minutes)
ILT from Randall:	Combination of an irrevocable trust, accumulation trust, complex trust, insurance trust, inter-vivos trust, private trust, modified-spendthrift trust, maintenance trust, and family trust.
<b>Spreadsheet</b>	<b>Trust Financial Ledger</b>
Accounting:	Assets = Liability + Equity
Schedule A	Personal Property
Schedule B	Real Property
Addendums	Sch A or B
Schedule C	List of UBI Names
Schedule D	Trust Income
Schedule E	Trust Expenses
Schedule F	UBI Disbursements
Schedule G	Liabilities
<b>May 8th, 2019</b>	<b>BIC - The Natural Law Trust - Asset Protection for Peaceful People</b>
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<b>Spreadsheet</b>	<b>Linked Financial Statement</b> <b>Natural law trusts don't have "income" as defined by tax agencies; they have "assets" and "increase".</b> <b>recording every significant transaction in a 3-ring paper binder notebook and in the computer files.</b>
<b>Mantra</b>	<b>Asset Protection.... through an ethical, lawful, life-supporting and noble purpose.</b> <i>Please note - Just because the trust is outside of statutory laws doesn't mean its transactions are.</i>
	1) Creator (also known as Settlor or Grantor) 2) Beneficiary [s] 3) Trustee (cannot be family-related to the Creator) 4) Second current Trustee or Successor Trustee [The 2 trustees can be 2 friends or 1 friend and 1 family member]

	<p>Optional additional officers can be:</p> <ol style="list-style-type: none"> <li>1) Manager [if settlor, you would be executive manager]</li> <li>2) Protector [non-related to settlor or trustee]</li> <li>3) Other titles (if lots of resources and people are involved)</li> </ol>
Benefits of Being the Creator (Settlor or Grantor), Beneficiary, and Manager	<p>stronger - This is because you, the person setting up the trust, are clearly NOT the trustee, and thus you have irrevocably turned over your assets legally to the trustee(s)... Disadvantage... Trustee must open bank account... but you can have 2 signatures and you can be on the bank account as manager...</p> <p>Normally a trustee is signatory on trust bank accounts, but as manager you can organize it so that the trust only authorizes you, not the trustee(s), to be signatory.</p>
Benefits of Being the Trustee	<p>You can sign on the bank account And give yourself manager title as well..... A spouse can be one of the trustees, but not First Trustee or Protector. And a couple cannot be co-trustees.</p>
How would you put a sole proprietorship business into a trust?	<p>Step 1: follow the instructions in the trust manual for adding assets into the trust. (See TRANSFERRING PROPERTY INTO TRUST in the Trust Manual.) Transfer the assets of the sole proprietorship into the trust via documents that you create and add into the trust notebook.</p> <p>In most cases, there is no wisdom in posting or recording these documents publicly. It is a private transaction.</p> <p>Step 2: begin having all monies that were previously paid to the sole proprietorship, now being paid to the trust.</p> <p>Step 3: likewise, begin paying all expenses and expenditures that were previously being paid by the sole proprietorship, now from the trust.</p>
	<p><i>The two most conventional methods for funding a trust are by gift or by assignment. One may exchange property into the trust. In some circumstances, it may be useful to combine both the use of gifts, as well as exchanges into trust. ...</i></p> <p><i>Another technique for placing property into trust is by sale or exchange. Whenever a person sells something or makes an exchange of property there is usually a taxable event. Like kind exchanges may have no adverse tax consequences. If the two pieces of property are not similar in nature, character or class, the exchange will not qualify. Nor will it qualify if the property is not used in a trade, business, or for investment.</i></p>

<p><i>Exchanges and assignments</i></p>	<p><i>We can accept any assets into the trust from anyone, but it's more common to "exchange" Units of Beneficial Interest for an asset. If it's a pure gift, you can have the donor write a gift letter, that simply says: (this is simply free sharing of info - not given as advice - you must do your own research) -</i></p> <p><i>I certify that this is a bona fide gift and there is no obligation, expressed or implied, to repay this sum in cash or other service of any kind now or in the future.</i></p> <p><i>I understand that this gift will may require documentation, including proof I have given the gift from my accounts, and proof that the funds have been received by the trust. I have attached my proof of purchase receipts to this Gift Letter.</i></p> <p><i>I certify that the assets given to the trust were not made available to me from any person or entity with an interest in the sale of the above assets. .... list the asset and date and sign...</i></p>
<p><i>Beneficial Interest Transferred</i></p>	<p><i>I re-did my Beneficiary Schedule, noting "revoked" and adding the new beneficiary, and I did a "deed of transfer" document noting the change, and in the Beneficial Interest Transfer table, I noted the changes and I had the trustees sign and this activity will be included in my next trust minutes.</i></p>
<p><i>House ownership into trust</i></p>	<p><i>The exchange of a house into a trust where you are the settlor and beneficiary should be a non-taxable event - you can ask before you do the paperwork.</i></p>
<p><i>Moving an LLC into the trust</i></p>	<p><i>Make the LLC a "multi-member", if it is not already, and the trust can own up to 98%... K-1 issued by the LLC will list you 2% and trust 98%</i></p>
<p><i>Can we make changes in the future?</i></p>	<p><i>The trust is irrevocable, however the settlor who has relinquished control, can act as manager, and so long as the trust maintains certain basic structural principles, the manager can make changes and perform actions in that role, assuming s/he has determined the rules written into the trust and follows them.</i></p>
<p><i>Perpetual Longevity Beyond the Present Global Changes</i></p>	<p><i>, Basel III-mandated... Gold: A Zero-Risk Monetary Asset... It is non-statutory... thus, no tax FILING requirements.... trust can go on being renewed generation after generation...</i></p>
	<p><i>Basel III is an international regulatory accord that introduced a set of reforms designed to improve the regulation, supervision and risk management within the banking sector. ... Largely in response to the credit crisis, banks are required to maintain proper leverage ratios and meet certain minimum capital requirements.</i></p> <p><i><a href="https://www.bis.org/bcbs/publ/d424_hlsummary.pdf">https://www.bis.org/bcbs/publ/d424_hlsummary.pdf</a></i></p>

Favored by Some of the World's Wealthiest Families -	<p>Kennedys, Mellons, Carnegies, Rockefellers, Hunts, and other rich families use. Works equally well in most countries worldwide... it embraces Kingdom Law, Canon Law, common law, the Uniform Commercial Code, and domestic state law....</p> <p><b>Question - Do you have a Co-Trustee or a Successor Trustee setup already - if not, you need to address this.</b></p>
Not Taught in Law Schools-	<p><i>it's like nutrition classes for doctors - very little of the art of setting up and managing trusts is taught in school. ...</i></p> <p>often cases are cited where the courts disallowed trusts... these "pure trusts" or "common law" trusts that have been "dishonored" are not our Natural Law Trust. So long as you are not wearing all three hats - you can not penetrate this trust and follow the directions of your trust indenture and engage in legal honorable life-affirming activities.</p>
Pure.	<p>According to Black's Law Dictionary, a "pure" trust is: "A trust situation that involves three parties. The parties are the creator of the trust, the trustee, and the beneficiary. This is a contractual trust and is different from a statutory trust and is a legal document."</p>
Irrevocable.	<p>Example of someone giving you 1 mil, giving a Revocable trust 1 mil, and finally Irrevocable - the trust is a legal separate entity.</p> <p><b>Question - some of you have other trust experiences. If your other trust was penetrated and you do not understand How it was penetrated, please give your details to Randall in an email and ask if he might know what happened - we learn from the body of wisdom we possess together and what we call in, from our collective studies.</b></p>
Common Law.	<p>According to Black's Law Dictionary, "common law" is synonymous with "contract law". Common Law: "Contract law regulates everything from buying a coffee to trading on the stock exchange. A contract is an agreement between two or more competent parties in which an offer is made and accepted, and each party benefits."</p> <p>Common law is the end result of thousands of years of human experience, culminating in countless case precedents. All American courts were common law until the early 1900s, when admiralty, maritime, commercial, and statutory legal procedures began taking precedent. However, even today, common law is still respected in the courts, and is often sufficient to prevail.</p>
COLATO	"Common Law Trust Organization"

UBO	<p>A "UBO" is an "Unincorporated Business Organization". This term could apply to our Natural Law Trust because it is not incorporated under any statutory jurisdiction.</p> <p>United States Constitution, Article I, Section 10.1: "No state shall... pass any law impairing the obligation of contracts..."</p>
Sovereign ... without subjects	<p>NLT - not subject to the jurisdiction of any particular legal body and is not subject to the authority of any particular government. Our trust indenture says "is created and executed in: &gt;&gt;&gt;&gt;" ... but, it is not "domiciled" in any particular state or province - not registered. Hence it can only ever be certain actions of the officers of the trust that could be subject to any enforcing authority. Otherwise no enforcing body can ever have general authority over the trust itself, and thus can never have the right to pass judgment on the validity of the trust.</p>
International	<p>The Natural Law Trust can thus operate internationally and equally in all countries worldwide for the reason of its sovereignty as explained above.</p>
Kingdom Law	<p>... "because I say so" ... we... freely choose to enter into the trust contract together, without consulting any higher human authority for the permission to do so.</p>
Canon Law	<p>speaker attributes his or her authority to God, or a Divine Source, as the reason for assuming a certain position.</p>
UCC	<p>The Uniform Commercial Code (UCC) became the highest body of law actually in force in trade, banking, and commerce worldwide, transcending national governments and treaties in the 1900s... international set of agreements.... Because a Natural Law Trust is a contract, it naturally operates according to principles elucidated in the UCC, even though doing so cedes nothing to the UCC in the way of jurisdiction or authority.</p>
Natural Law - Serves All Beings Perfectly & Equally	<p>is embedded in the Unified Field and operates evenly throughout the universe, with the most basic principle of it being that the vibration that one entity sends out always and invariably comes back to that entity. This is the law of karma or "as you sow, so shall you reap".</p>
Statutory Law	<p>body of law passed by statutes deriving from legislation of governments.</p>
What is a Natural Law Trust?	<p>Natural Law Trust incorporates the best of all the above systems of law and leaves out the impure and unfair elements. ... generally more attuned to common law and universal law.</p>

	In the USA, a 501(c)3 foundation or nonprofit corporation is a statutory entity that is tax exempt, but it has to file reports to the IRS each year to continually re-justify its tax exempt status. Its status can be revoked or challenged at any time.
	Limited Liability Companies (LLCs). Those who already have an LLC and a bank account for it can greatly reduce and minimize the taxes that it owes by establishing a natural law trust and having the trust be 98% owner of the LLC.
trust	Scott on Trusts, it is established the moment that legal and equitable titles are separated. ... Black's Law Dictionary defines a trust as a "right of property . . . held by one party for the benefit of another."
	<b>A trust is a contract based on the confidence that one person (the Creator), places in another (the Trustee), for the benefit of a third person (the Beneficiary), with respect to property (Corpus), that has been placed in trust.</b>
Passed the Test of Experience	100% success rate "since the 1980s - this is based I believe on Randall's experiences.... They quietly operate, keep their constituents out of trouble, and go on benefitting the world with their coherent and harmonizing influence.
A Financially Sovereign Estate	It controls its taxing process.... If your estate is in trust, it is free from probate and avoids inheritance tax.... Since a trust is a right and not a privilege, the government does not have the ability to have the same type of control over your estate as it does with a corporation, partnership, or sole proprietorship.
<b>Why we are doing this study group</b>	<b>Learning how to keep it productive, protected, and private.</b>
Your Right to Sovereignty	The Founding Fathers of America ... defined American Citizen as a "sovereign without subjects." ... six (6) U.S. Supreme Court cases support this... Chisholm versus Georgia, 2 Dallas, 1791.... one can use one's sovereignty to simply live free, and voluntarily allow everyone else to live free as well. Live and let live. They respected the freedom of all people.
<b>Mantra</b>	<b>True sovereignty doesn't rule; it serves.</b>
	the power is within the hands of each of us to simply realize it, and start living free.
Why the Natural Law Trust is Nontaxable	The reason the tax agencies don't consider the trust to be taxable is that they view it as a pass-through to the individuals or entities that are taxable.... The sole point here is that the trust itself is a nontaxable entity.

	<p><i>common law trusts are not created by legislative fiat, but are created in the realm of Equity and under a Citizen's unalienable right to contract . [SeeTheLawin this site.]</i></p> <p><i>"A pure Trust is non-statutory. The Court holds that the Trust is created under the realm of equity under common law and is not ... created by legislative authority."</i></p> <p><i>Croker v. MacCloy, 649 US Supp 39</i></p>
	<p>When a tax ID number (EIN – Employer Identification Number) is applied for, for banking purposes only, for a Natural Law Trust, the online letter that comes from the IRS providing the EIN states that "form 1041 must be filed".</p>
	<p>"If no information or return is filed, [the] Internal Revenue Service cannot assess you". - - Gary Makovski, Special IRS Agent, testifying under oath in US. v. Lloyd</p>
	<p>IRS It has no category for "non-statutory".... NLT constitute an exception, in the sense that the statutory filing requirements don't apply to them.</p>
	<p>The right of three or four human beings to enter into a private contract with each other, without interference from any outside authority, is universal. This is supported, for example, by a U.S. Supreme Court case called Hale vs. Henkle, 1905</p>
	<p>No government in any country has the right to interfere with the universal divine right of human beings to create private contracts with each other and operate accordingly.</p>
	<p><i>Side note, .... we are NOT involved with the manufacturing of Alcohol, Tobacco or Firearms or any other "trade or business" that might generate taxable excise income. The Parallel Tables of Authority for IRS enforcement rules strangely lead directly to the Bureau of Alcohol, Tobacco or Firearms (BATF), a foreign organization with which Affiant has no affiliation and there are no (law) enforcement statutes for the IRS.</i></p>
	<p>Burnett v. Smith, 240 SW 1007 (1922) (US. Supreme Court): "A Pure Trust is established by contract and any law or procedure in its operation, denying or obstructing contract rights impairs contract obligation and is therefore, in violation of the United States Constitution.</p>

	<p>"The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited. He owes no such duty [to submit his books and papers for an examination] to the State, since he receives nothing therefrom, beyond the protection of his life and property."  (See <a href="https://www.scribd.com/document/88506878/Most-Important-Supreme-Court-Case-Hale-v-Henkel">https://www.scribd.com/document/88506878/Most-Important-Supreme-Court-Case-Hale-v-Henkel</a>)</p>
MANTRA	<b>It is very important to understand that one is engaging in legal tax avoidance, NOT tax "evasion".</b>
Using Nontaxable Business Entities	Sovereign Natural Law Trusts are not "offshore" trusts .... Wealthy families and businesses have been using these trusts for tax benefits as well as protection from lawsuits, probate, and all kinds of other things for centuries.
Ideal Qualities to Look for in a Natural Law Trust	Simplicity, Politeness, Elegant use of language.
Uses and Applications of the Natural Law Trust	A trust can perform legal acts..... A trust can avoid unnecessary delays, manage personal and business affairs more efficiently, protect loved ones against others, protect property against unnecessary liability, provide for better documentation and bookkeeping, protect privacy, and accomplish many important objectives during one's life and beyond, in a most efficient manner.
	<ul style="list-style-type: none"> <li>... can be a foundation (receive grants or make grants)</li> <li>... can be a business</li> <li>... can be a scientific institute</li> <li>... can be a religious or spiritual organization</li> <li>... can be a holding company</li> <li>... can be a family estate planning instrument</li> <li>... can be a personal vehicle for commerce</li> <li>... can be a tax shelter</li> </ul>

The Origin and Uses of Trusts	<p>From 5000 BC until about 1250 AD - King/Emperor only individual with power.</p> <p>Creative people created trusts...</p> <p>Plato formed a trust to create the Sovereign University in Greece 400 BC.</p> <p>Romans used trusts</p> <p>England used trusts as early as 11th century</p> <p>1215 the Magna Carta, a trust, was created that for the first time would give man Sovereignty and ownership over his lands - King John signed.</p> <p>Knights were using Common Law Trusts - the church or a friend would hold the property rights for the benefit of his family.</p> <p>by 15th century the Courts of Chancery were enforcing them.</p> <p>Trust today come from 16th century England.</p> <p>Mayflower Contract was created by pilgrims and The North American Land Company</p>
	<p>We have much to protect, but nothing to hide. We walk into the bank with a few pages from the trust and open a bank account. We provide our SSN as the signatory, and the EIN for the trust. The bank has all the info about the trust in their computer records.</p>
Multiple Trusts...	<p>Speak with Randall when you are ready for this complexity... you never want to put All your assets into One trust...the traditional cardinal principle is, "have a different trust for each different asset"....</p> <p>Never put high-liability items like cars, trucks, boats, planes, or trains into the same trust with other valuable assets. Keep them all separate.</p>
Bylaws?	<p>The bylaws of the trust are in the indenture, in the corpus of it. They're not termed "bylaws", but that's basically what they are.</p> <p>Shares of the trust are called "units". These are all explained in the indenture and in the manual. However, the trust is not properly called a "corporation". A corporation is a public entity that is generally statutory. That's why these trusts are sometimes called "unincorporated business organizations".</p>
Attorney	<p>The word "Bar" derives from "British Accredited Registry", and the word "attorney" means "an agent of the court who attorns (turns over) the assets to the court". It is well known that in order to pass the Bar, attorneys must confess their loyalty - - NOT to the paying client - - but rather to the court.</p>

	<b>Additional notes from Randall via Dominique sharing the list of questions from May 8th group study class.</b>
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	Trustees want to walk through doing Trust Minutes at the end of the year.
	Q) How do we live anonymously with our trusts when we're the trustee?... <u>A) If you want to live anonymously, I would have a nominee grantor, professional trustee service, And just become a beneficiary...</u>
	Q) Is it better to have a professional trustee service rather than putting ourselves as the trustee?.... <u>A) Yes...</u>
	Q) The problem i see for assets protection with the trust, is when you go to the bank not only is trust name on the account, the trustee name is on the account as well, so that isn't anonymously... <u>A) Banks will require full identification of trustee names...</u>
	Q) Can the grantor trust EIN be used to establish the EIN of the other trust? <u>A) Typically, IRS wants a persons SS# for a responsible party, you can find a nominee grantor and use their #, if agreeable, otherwise, how anonymous do you want to be ?</u>
	Q) When we get the EIN number, we give the IRS The name of the Trustee and the person getting the EIN - they give their SS number <u>A) Yes, see above...</u>

	<p>Q) Is it appropriate for a Grantor to be the one to apply for an EIN (or Tax Fie Number in Australia) - therefore using their own personal TFN in the application process.</p> <p><u>A) I would say that typically that's how it's done...</u></p>
	<p>Q) If you wanted to send funds to a charity, how would you do that?</p> <p><u>A) Cut a check to that charity...</u></p>
	<p>Q) Sample of Trust Minutes?</p> <p><u>A) use the "memorandum of minutes" as an example... and also reference "A word about Sample Minutes" and "Minutes" from trust doc...</u></p>
	<p>Q) Trustees want to walk through making a beneficiary change - adding a new beneficiary (What specific "power" in the indenture gives the trustees the power to do this? and How to do it - walk through the forms.)</p> <p><u>A) Trust Indenture gives the power...</u></p> <p><u>A) 1st scenario: trustees decide to delete a deceased beneficiary and add 1 or more new beneficiaries...</u></p> <p><u>2nd scenario: Trustees are asked by beneficiaries to add the names of two new grandchildren and agree to do so...</u></p>
	<p>Q) Trustees want to walk through making a beneficiary change - deleting a beneficiary and replacing with someone else</p> <p><u>A) See above...trustees call a meeting, make a decision and agree, and it becomes a minute for the trust records...</u></p>
	<p>Q) Randal said that only one document need to be notarized to open a bank account. Which document is that?</p> <p><u>A) Notarize or have 2 Witnesses:</u></p> <p><u>Witness your signature on Schedule Addendum "A" for foreign currency... And, that document "doesn't" go to bank until the RV exchange...</u></p>

	<p>Q) Can a trust be the grantor of another trust?  A) <u>Yes...</u></p>
	<p>Q) Does layering trust help? have a "public bank trust" then layer the with private trusts only known to ourselves?  A) <u>It can, but not always necessary...</u></p>
	<p>UK Client Q) I believe i need a tax form in the UK but have a problem applying for one.  A) <u>I would check with the bank first and see what they require to open an account... I have a client in London, that only needed her personal ID license/passport and it opened...</u></p>
	<p>Q) By getting notarization, are we not taking the trust from the private realm into the Public?  A) <u>No...Notary/Witness is only for verification of your signature...</u></p>
	<p>Q) Is member of an LLC the same as being a LLC shareholder?  A) <u>Pretty much...</u></p>
	<p>Q) Describe the difference between a living trust and an irrevocable trust.  A) <u>Living Trust: grantor is trustee is beneficiary...only avoids probate...</u>  <u>Private Irrevocable Trust: separates owner from assets...much more protection and privacy...</u></p>
	<p>Q) Is a living trust a will then... and does it bypass succession taxation?  A) <u>Probably, it bypasses probate and assets go to beneficiaries, typically tax-exempt... Need to consult with a CPA or tax professional.</u></p>
	<p>Q) Is it true that a living trust has far less asset protection and is liable for taxation as it is an extension of the individual?  A) <u>Yes...</u></p>

	<p>Q) Is a trust is a charity and has to be registered as one? Is that correct. Would that would be the case for all country's?</p> <p><u>A) In order for a trust to be a charity is to create it so it is a 501c3 or 508 charity...</u>  <u>Lots of work involved...</u></p>
	<p>Q) If the trust earns interest (say, from a bank account), does it have to pay tax on the interest?</p> <p><u>A) If it chooses... Need to check with CPA or tax professional</u></p>
	<p>Q) So a trust is sort of like a 401(k), in that any interest and dividends it earns are tax deferred until they are distributed to the beneficiaries?</p> <p><u>A) Private irrevocable trusts... If trust decides to hold gaining assets until distribution and put any tax liability on beneficiaries. That's where liability goes... the parties involved must consult a CPA or tax professional</u></p>
	<p>Q) We are preparing gift letters for our loved ones. Should we have them all done before we go to the bank and should they be notarized beforehand?</p> <p><u>A) Yes, I would highly recommend that any assignments of foreign currency, gifting letters, or any shuffling of names on receipts, be signed and notarized before the RV exchange...</u></p>
	<p>Q) What is a private banker?</p> <p><u>A) Hard to find these days, typically you probably need more than \$10 mil to play...</u></p>
	<p>Q) Why show the bank a gift letter and Schedule A ?</p> <p><u>A) No... you don't show the banker "A" or gift letter until after RV..... You only show these to the banking institution you are doing your RV exchange meeting.</u></p>

	<p>Q) When we have the notary notarize the assets page do they need to see the assists in add sch a?  A) <u>I've covered the content and it's been ok here... And I have used this notary for a number of years, she doesn't question content, she just asks me if I understand the document, and I sign and she stamps...</u></p>
	<p><b>Additional notes re Foundations: An NLT can operate as a foundation if it wants to. A foundation is, in effect, a kind of trust anyway. The difference with most "foundations" is that they are statutory.</b></p>
<b>June 12th 4pm</b>	<b>BIC - Irrevocable Private Trust contract - Chapters 1 &amp; 2 of the book The Art of Passing The Buck ~ What is a Trust</b>
Trust Minutes	<p><u>Brilliance In Commence ~ Randall and Taansen did a seminar last month - on the importance of Trust Minutes.</u>  <a href="https://www.youtube.com/watch?v=yfXeWJ6ysII&amp;t=868s">https://www.youtube.com/watch?v=yfXeWJ6ysII&amp;t=868s</a></p>
Dominique's Spreadsheet Tab Trust Minutes	<p><b>I've added a tab to this month's updated spreadsheet for Trust Minutes - we'll review this first.</b></p>
Respect Copyright:	<p><b>Today we are discussing the first two chapters in The Art of Passing the Buck Vol I. The Art of Passing the Buck Vol 1 &amp; 2 are copyrighted. So what we are instructing our study group that everyone purchase your own copy of the book &amp; this group plans to discuss specific topics to make sure we all understand what is being shared in this book. We are engaged in this study group in Making a Life for ourselves - and sharing our most important capital - Human Capital.</b></p>
The Art of Passing The Buck	<p><u>Here is the link if you have not purchased your copy yet - we intend to study Vol I and then go on to Vol II - <a href="https://passingbucks.com/">https://passingbucks.com/</a></u></p>
Disclaimer:	<p>The NLT trustee study group is not intended as legal or financial advice. I am not an Attorney or CPA and do not offer legal or financial advice. We all do research and share open source information. The private exchanges between us are for personal and educational purposes only and are under the protection of free speech. We may discuss ways to avoid taxes, but never suggest evading taxes.</p>

eBook	<a href="https://passingbucks.com/gift/index.html">I also want to highly recommend a free gift the Charles Arthur Enterprise folks give you when you submit your email - Romance and Trust, An Educational Tale -  https://passingbucks.com/gift/index.html</a>
Mantra:	This is my idea of why I am a trustee - From the movie: Conversations with God: <b>If you want to create abundance for yourself, create it for someone else.</b>
Very Important for us to study and learn this art.	Per the court case USA v. Gwenn Wycoff and Frank C. Ozak, per the Permanent Injunction they are required to tell us: <b>"Under no circumstances should you rely on the content of either volume of The Art of Passing the Buck in determining a trust's federal income tax liability, whether that trust presently exists or is to be created in the future. For all such matters, you should instead seek appropriate professional assistance (e.g. from an attorney, certified public accountant, or otherwise properly licensed and reputable tax return preparer."</b>
	from page 2 of their letter - Victory for the First Amendment - <b>"It is nearly impossible to play the game of wealth without the rules of acquisition..."</b>
	There is no information regarding taxes in The Art of Passing the Buck, Volume I - Trusts are about the Beneficiaries - NOT about Taxes.... Setting up a proper Trust allows the legal tax benefit....
<b>Trust Mantras:</b>	An important issue for trusts is control of assets must be clearly relinquished by the grantor. And No one person can wear more than two hats! And keep Liabilities separate from Trust Assets.
	<b>Volume I covers the What and the Why...</b> Volume II distills decades of Trust experience to tell us how to: Structure our trusts, transfer assets into our trusts, educate heirs & beneficiaries in the proper use of our trust, make our trusts successful, create effective minutes, properly issue & exchange Trust Certificates (units of beneficial interest), avoid legal problems, includes sample formats and forms.
	Volume II - We will talk about three Policies & Procedures to keep our trusts updated and three Memos include commentary about Trust history... and misc. information about inheritance.
Look Ahead:	Next month we will be in Chapter 3 & 4 - what life might be like as a member of a strong trust group
	<b>What makes a good trustee - Highly recommend you have a premium subscription to PassingTheBuck newsletters -</b>
	<b>Some of these notes are from their April 2018 Newsletter - The Trick is the Trustee</b>

	"Anybody with a high school education and broad exposure to the intricacies of business can qualify to establish a Common Law Trust or to become a Trustee. You do not need to be a professional, and you do not need a license of any type."
	It is recommended to get beneficiaries involved in the trust management, to develop a cohesion that evolves as time passes.
	a Trustee is an uncommon combination of talents.
	<b>We will all be getting a law education by studying the art of being a trustee, and trustees are keepers of family history and traditions. We want to create leaders in the future - our greatest capital is Human Capital.</b>
Chapter 1	So, if you have all done your homework, the book "reads" well, but giving us concepts as real life examples.
Should have made both wives Co-Trustees - for Checks&Balance	Chapter 1 we have a Trust Grantor, has divorced wife and new wife when he died. New wife inherited estate as the sole trustee, and since the trust indenture had no restrictions on her, she didn't share any inheritance with the original beneficiaries, the children. The children by suing her, got a copy of the trust, which showed she had named her relatives as new beneficiaries and planned to pay the children a little bit, eventually.
	When the Grantor of a Revocable Living Trust dies, the trust turns into an Irrevocable Trust.
	Instead of a Living Revocable Trust, some people choose to set up a Testamentary Trust - their Will when they die, gives directions to place assets into a newly created Irrevocable Trust and assigns trustee(s) to care for listed beneficiaries
Chapter 2	A Trust is a collection of assets transferred into financial accounts under the name of a family trust and managed for the benefit of family members.
	The people who receive benefits are identified as a Beneficiary
	The collection of assets is the Trust Corpus (body)
	The Grantor does not have to die before beneficiaries receive benefits
	Note - some people have asked me about Express Trusts - an Express Trust is one that is created on purpose rather than mandated by a court. Express Trusts can be irrevocable or revocable - the name is simply referring to the trust being setup for a specific purpose.
	Trust Indenture is a contract - also called Declaration of Trust

	So that funds will pass through probate, we have to have a successor trustee if we are a sole trustee.
What's the difference between Figure 1 Revocable/Living Trust and Figure 2 Irrevocable Trust?	<p>Revocable: Grantor is Trustee and Beneficiary  Irrevocable: Trustee 2 people - the 2nd person has to be unrelated by blood or marriage or employment (Can do One Trustee &amp; Successor Trustee)  <i>Because of the RV - we don't recommend you having your family name on your trust to help you stay more private.</i></p> <p>Revocable: Grantor is Beneficiary and names contingent beneficiaries for after he dies  Irrevocable: Beneficiaries - can include you, but you can only wear two hats.</p>
	Beneficiaries receive distributions and pay taxes on what they receive.
	With an Irrevocable Trust - if it is family oriented, we encourage the education of the beneficiaries so they can participate in financial decisions and interact with Trustees to help take care of their needs.
	Grantor remains an advisor to the Board of Trustees, if he chooses.
Purpose of the Trust:	To increase assets and cash flow to care for beneficiaries. As an incentive, Trustees receive a percentage of distribution as an incentive. Profits are either distributed to beneficiaries and/or reinvested.
Divided Title:	Full Title = Legal Title & Equitable Title
Legal Title	technical ownership (Trustee)
Equitable Title	beneficial right to possess and use (Beneficiaries)
US Constitution	"no State shall ... pass any ... law impairing the obligation of contracts."
	The Grantor Voluntarily and Honestly contracts with Trustee(s) and establishes a lawful trust.
	This right to contract is guaranteed by the US Constitution
Dominique's Observation:	When an asset serves the benefit of many, it seems to be more protected.
Black's Law Dict.	A trust is "an equitable or beneficial right or title to land or other property, held for the Beneficiary by another person, in whom resides the legal title or ownership."
Chancery courts	courts of equity
Black's Law Dict.	Trust is "an obligation on a person, arising out of a confidence reposed in him, to apply property faithfully and according to such confidence."

	A trust can take advantage of passthrough accounting principles - increases pass on to beneficiaries when distributed, thus no tax liability for the trust.
	Trusts need their own income flow
	the term business is used because the authors of the book want to impress the importance of handling the trust matters as a business concern.
	Fundamental requirement is that the trust manages and controls assets, as a business using passthrough accounting.
	Entire reason for trust is to protect the interests of the beneficiaries.
Dominique's understanding of IRS Note:	Ordinary Trusts: ... because the beneficiaries do not share in the discharge of the responsibility of caring for trust assets... they are not considered as associates in a joint enterprise for the conduct of business for profit.
	<a href="https://casetext.com/case/darling-v-buddy">Darling v Buddy 1 S.W. 2d 163, 58 A.M.. 493 (1927) ... The trial court's ruling in favor of defendants, it is stated, was based upon a finding that the agreement created a common-law trust.</a> <a href="https://casetext.com/case/darling-v-buddy">https://casetext.com/case/darling-v-buddy</a>
	American Jurisprudence, Second Edition , Copyright © 2011 West Group, Lucas D. Martin, J.D. <b>Business Trusts</b> I. Definitions and Nature; Validity A. In General, 13 Am Jury 2d Business Trusts § 2
	Ultimately, in a business trust, the relationship of the grantor to the property transferred does not differ in any material aspect before and after the creation of the trust. <sup>n6</sup>
	<a href="https://casetext.com/case/ruby-mountain-trust-v-department-of-revenue">n6 Ruby Mountain Trust v. Department of Revenue of State of Montana, 2000 MT 166, 300 Mont. 297, 3 P.3d 654 (2000).</a> <a href="https://casetext.com/case/ruby-mountain-trust-v-department-of-revenue">https://casetext.com/case/ruby-mountain-trust-v-department-of-revenue</a>
	Rev. Cotton Mather: "Never entrust a man with more power than you are content for him to use; for use it he will."
	Edmund Burke: "The only thing necessary for the triumph of evil, is for good men to do nothing."
<b>July 10th 4pm</b>	<b>BIC - Irrevocable Private Trust contract - Chapters 3 &amp; 4 of the book The Art of Passing The Buck ~ Mentors, Money &amp; Trustees &amp; Rethinking Ownership</b>

Spreadsheet Overview:	So briefly in the spreadsheet that I keep issuing an updated edition, we have a <b>document log</b> so we can track the papers that make up our trust entity, we have a <b>trust financial ledger</b> to help us track the trust corpus, increases and decreases. We have a <b>Linked Statement of Financial Position</b> . I have put all my <b>Previous Month's NLT Study Notes</b> into a separate tab as some people said they like to print these notes out. Today's notes are here <b>2019.07.10 Notes</b> . And I've added some additional books to <b>Trust Education</b> Tab. And I have <b>renamed a tab to Tips&amp;Tricks</b> per the recommendation of fellow student.
Change to NLT Study Group Format	This month, I want to do knowledge sharing with you first, and then, I'll stop the recording and re-start the recording when we discuss my excel spreadsheet offering for this month. This way, for future reviews, we will have mini recordings of just the excel sheet tab discussions separate from our Trust study notes.
Respect Copyright:	<b>Today we are discussing chapters 3 &amp; 4 of The Art of Passing the Buck Vol I. The Art of Passing the Buck Vol 1 &amp; 2 are copyrighted. So what we are instructing our study group that everyone purchase your own copy of the book &amp; this group plans to discuss specific topics to make sure we all understand what is being shared in this book. We are engaged in this study group in Making a Life for ourselves - and sharing our most important capital - Human Capital.</b>
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Disclaimer:	The NLT trustee study group sessions are not intended as legal or financial advice. The host is not an Attorney or CPA and does not offer legal or financial advice. All of us as students do research and share open source information. The private exchanges between us are for personal and educational purposes only and are under the protection of free speech. We may discuss ways to avoid taxes, but never suggest evading taxes.
eBook	<a href="https://passingbucks.com/gift/index.html">I also want to highly recommend a free gift the Charles Arthur Enterprise folks give you when you submit your email - Romance and Trust, An Educational Tale - https://passingbucks.com/gift/index.html</a>
Romance and Trust	We all learn from Story Telling - so I'm going to briefly share the golden nuggets I found in the eBook Romance and Trust:
	Successful Business Man (Ed) with two ex-wives (Anne and Diane) both with children - 3 total - child support & alimony payments
	Ed getting ready for third marriage to woman (Mary) not as financially successful.

	Friends recommended a pre-nupt agreement and Mary said no.
	They talked to a minister and realized both of them had "trust" issues.
	Minister suggested a Trust might be the solution to their "trust" issues.
	To set up a proper Trust costs not only money but TIME.
	By Ed putting his assets in a Trust before the marriage, Ed would have nothing for Mary to take in the case of divorce, and Ed would not lose the use of the property and other assets. The Mary would have the assets she brought to the marriage & assets earned in the marriage would be half hers by right of community property.
	Ultimately, this is what the trust specialist suggested: 1) 1st Trust for 1st wife Anne 2) 2nd Trust for 2nd wife Diane 3) 3rd Trust for children - he ended up setting up separate trusts for each child. 4) 4th Trust for Ed's remaining premarriage assets 5) 5th Trust set up by Mary for her premarriage assets 6) 6th Trust setup by Ed for Ed&Mary for them to do humanitarian work together. and as the story evolves, other trusts are created as well...
	This set up required the ex-wives to agree that their alimony payments and child support and future children's college expenses/inheritance were now to be contained in trusts.
	Doing something this complex based on Ed's many financial holdings would take six to nine months to get all these trusts set up correctly and asset titled correctly.
	Ed was the settlor of all the trusts except Mary's premarriage asset trust.
	Trust specialist and other people a part of her company participated as trustees and also as business managers for Ed's three businesses, and were there to help train the other trustees in trust administration.

	<p>Mary's trust looks like this: Condo quick deed to Trust, Condo rent now paid to trust and trust pays mortgage on condo, left over profits pay trust admin expenses and beneficiaries. Mary listed Ed and her favorite non profits, including the public library, as beneficiaries. SubTrust set up for Mary's car with this trust being a beneficiary of the Main trust (thus having TCUs or UofBI-our NLTrust from main trust) thus income to cover maintenance, insurance and eventual replacement of the car.</p> <p>SubTrust set up for Mary's jewelry, artwork and other valuables with this trust being a beneficiary of the Main trust thus income to cover insurance.</p>
	<p><b>Quote from story" By naming the public libraries, the people become a beneficiary and it never hurts to have the attorney general on your side if someone challenges your trust in court.)</b></p>
	<p>Anne's trust has Anne's house which Ed still owns 50% and Ed added stocks and bonds to insure payments to cover Anne's alimony payments and trust admin, with Ed having 50% of the TCUs and Anne 50%.</p>
	<p>Diane's trust has Diane's house which Ed still owns 50% and Ed added stocks and bonds to insure payments to cover Diane's alimony payments and trust admin, with Ed having 50% of the TCUs and Diane 50%.</p>
	<p>Each child's trust received stocks and bonds from Ed as settlor to insure beneficial payments of child support and monies for college and cover trust admin. costs - with their mother set up as guardian until child reaches age of maturity.</p> <p>SubTrust - Ed decided to purchase a condo near a college on each child's first birthday, with a 15-year mortgage, thus the condo could be used to secure a loan to pay for college education and provide a place to live while in college. And the condo rent contributed income to child's main trust to help pay for educational expenses.</p> <p>And each child's trust had 15% UofBI (TCU) from their other sibling's trusts so each child is vested in their sibling's success.</p>
	<p>Ed had a fair amount of personal stock from his three companies (all C-Corps). He assigned these corporate stocks to various trusts with the stipulation that the trusts assign the chairman of the board for each C-Corp their voting proxies, which allows Ed to distribute some of his wealth to his children and ex-wives without giving them control of his companies.</p>
	<p><b>Quote from story (Had he had the proxies assigned to himself, he would have been seen as the owner of the stock for tax purposes under IRS Code 675(4)(A).</b></p>

	<p>Ed created separate Sub-business trusts under his children's three trusts, to buy cars and lease the cars to his three C-Corps - with each trust having only two or three cars each to limit possible liability. This this leasing of cars to his C-Corps. earned his children's trusts income. Ed created separate Sub-business trusts under his children's three trusts, to buy office equipment and lease the equipment to his three C-Corps - with each trust having limited office equipment assets each. This leasing of office equipment to his C-Corps earned his children's trusts income. By buying the office equipment from the C-Corps it gave them needed cash for R&amp;D, and then the C-Corp simply made monthly lease payments for the equipment now owned by the business trust under the children's trust.</p> <p>Ed controlled information flow to his competitors by having one of his children's trusts create DBAs and purchase a needed piece of equipment that cut his labor costs - as this child's trust equipment purchase hid that it was Ed's company using the equipment and thus gaining a financial edge in the market. (No Trustee could report who the equipment was being leased to - this is private information.)</p>
	<p>Quote (The car Ted Kennedy was driving at Chappaquiddick was owned by a trust that owned just one other car. The Kennedy family owned nothing and was not sued.)</p>
	<p>Ed purchased a building under another trust and his C-Corps leased the building from this trust.</p>
	<p>After the wedding Ed and Mary wanted to purchase a new home for themselves. They talked to the trustee of Ed's Trust holding his pre-marriage assets. They got three mortgage quotes to get an average best rate and borrowed the money for their new home from Ed's pre-marriage asset trust, thus Ed&amp;Mary got the interest write-off and Ed's trust realized profits from the loan.</p>
	<p>Quote (...quotes from three established lenders. This eliminated questions regarding the legitimacy of the loan.)</p>
	<p>Ed talked with his friend Rick, explaining the trust setups replaced the renuptial agreement as a better alternative as the trust protected his assets without subconsciously setting the marriage up to fail by saying what would happen if it did.</p>

	<p>Rick's experience of trusts did not work out well. Rick had a windfall of money and heard about trusts and had his lawyer draft a statutory trust, even though the lawyer didn't have any experience with trusts. The lawyer named Rick's banker the trustee and himself as the trust protector with a nice annual fee for doing do. Rick's account realized that the trust setup would have lost Rick his money within ten years. Luckily this trust was revocable and Rick was able to undo it.</p>
	<p>Rick then went and googled trusts and estate planning and ordered a "do-it-your-self" trust kit online... after asking many questions Rick realized the company was being investigated by the IRS and he sent a letter certified mail asking for a refund.</p>
	<p>Rick ended up working with a college buddy who helped him put his windfall into an IRA and manage stocks and bonds in this account... after listening to what Ed was doing with his many trusts, Rick asked for Ed's trust specialist to speak with them.</p>
	<p>Will and Marlene, a second couple with similar circumstances as Ed and Mary go into setting up trusts, with Will having a few more complications.</p>
	<p>Will was looking at paying alimony for another three years. His oldest daughter wanted all her money as soon as she turned 18.... The story lists lots of things Will does and says in his relationships that makes a trust Not work - good read. Finally the story shares Will working with his step-son's father Jim to set up a trust with Jim as one of the trustee and this helps to heal their relationship.</p>
	<p>Marlene is not trained for business and has inherited a lot of money and has a trust setup, with Marlene choosing her uncle Dave as her trustee with a co-trustee from the trust specialist company. Marlene wanted her assets to benefit humanitarian projects.</p>
	<p>Quote ( ... that the courts have held creation of a trust to lessen take liability is legal if the transfer of the property is permanent and made in good faith. Therefore, by placing her inheritance into a trust (i.e. giving it away) Marlene would no longer have the tax liability from the income generated by the assets.</p>
	<p>IRS Code 674(b) allows for exceptions: Power to apply income to support a dependent; Power to allocate amount charitable beneficiaries; Power to distribute corpus; Power to withhold income temporarily; Power to withhold income during disability of a beneficiary (if the beneficiary is under the age of 21 - the assets can grow); Power to allocate between corpus and income (trust expenses can be paid with trust asset income and corpus can be allocated - reduces beneficiary tax liability)</p>

	Marlene's uncle Dave suggested some of the trust income be saved for any future children who can become beneficiaries of the trust in the future.
	Note - in all these trusts, the trustees receive a % fee based on trust assets, thus the trustees have an incentive to make the trust assets grow.
Mentors, Money & Trustees	<b>Passing the Buck Chapter 3</b> (This summary DOES NOT IN ANY WAY replace you reading the book for yourself - to honor copyright laws, I insist you buy the book or borrow a copy from your library, but please - read this book for yourself to absorb the wisdom shared. My summary is to inspire us all to sincere inquiry, which will bring about more shared wisdom for our group.
NLT is a Private Irrevocable Trust	<b>Private Irrevocable Trusts (Common-Law-Trust) not dependent on court-appointed Trustees, not registered or recorded anywhere, the beneficial interest is more flexible.</b>
	Irrevocable Statutory Trusts are compared with Private Irrevocable Trusts as two asset-protection modalities.
	Windfalls - out of 300 people 299 lose it all within a short amount of time.
	We need mentors - read about JP Morgan and how his dad trained his children.
	Managing large sums of money is a full time job.
	Buying support - this consists of several people who have an interest in seeing that you are successful.
	Build your trust with built in mentors. Mentors have long range view in mind and these are people in your life who have helped you personally succeed.
Mantra	Quote from book (Contrary to popular opinion, the cash flow comes from people. It is other people who create money. Money does not happen by itself, so you need to hook up with people who know how to create money to get cash flow.
	Story example of Mentors: Dr. Stevens - his father guided him in taking college classes, and thus Dr. Steven became a surgeon.
	If we don't have a dad or mother mentor, we have to strategically build our own foundation by finding people interested in our goals.
	We have to find people who know how to create "cash flow".
	We need to take risks to try our hand with people and cash flow ideas.
	Knowing what to invest in and what to avoid takes experience.

What a perfect support structure might look like	Loving and attentive parents, trustworthy brothers and sisters, parents have business connections that you can work with/for and "learn the ropes", parents have international connections and you travel, your family shares stories of family history and family's interaction with various governments, you go to school with future heirs of fortunes making connections, in other words, you are born into a network that will likely provide you with many mentors.
	If we did not experience this kind of growing up, we can visualize this for our family's next generations.
	We need multiple mentors in our lives. We recognize their qualities: substantial life experiences; have the motivation to see you succeed.
	We need to be generous with our time and information and also mentor others - we learn from teaching.
	Take a survey of your current family and friends and see if you can determine what would help ;them move forward in their lives.
We must be willing to learn and change	Most mentors who are good teachers have lost something along the way. They understand overcoming hardships and can lovingly tell you - you must change.
Private Trust	More likely to have built in Mentors. To create a trust, the grantor needs two trustees - one related and one not related, thus two signatures are needed on financial documents which builds in safeguards,
	There is some "retained powers" allowed by the IRS code for grantors, such that grantors are allowed to advise Trustees.
	Trustees have to have beneficiaries, and if its family related, the beneficiaries can benefit from learning strategic investment planning. Beneficiaries are rewarded with their efforts as trust assets grow and their beneficial disbursement grows.
	Trustees should have at least bi-annual meetings, educating the other trustees and participating beneficiaries, sharing long term goals, so all learn trust accounting and the psychology to do well in business and personal relationships.
	Overtime, Trustees become "broad-based" persons who keep the best interest of the Trust and the Beneficiaries at heart.
	Whether the trust members are related by blood, marriage, or employment or are a gathering of like minded people, a family is formed, through your willingness to risk your assets to set up the trust, and your willingness to develop leadership qualities.

	Our Natural Law Trusts provide the frame work for families to evolve and grow, and as the "family" members have business ideas, the trust can help fund and participate in profits. This Private Irrevocable Trust is setup so everyone benefits when everyone succeeds.
Please Note:	It may take years or even generations before the trust has excellent built in mentors, but Human Capital is the most important capital of our trusts.
Life Example	Your family has a trust, your sister gets divorced, her inheritance is secure though as it is held in the family trust since she was born, and she had the trust legal counsel to help her and the emotional support of her family.
Life Examples	If two people getting married have unequal financial means, a separate Trust maybe set up for the wife so he receives a distribution whether she is married or not - this way she does not "stay" in a bad marriage for the money.
Glue	The glue in the private trust is a vested interest in the success of the group, which includes motive to stay together and enrich your shared Human Capital and the financial capital gains are secondary. If finances strangely evaporated, we would be doing bartering and trading and Still, this our private trust is Best.
Rethinking Ownership	<b>Passing the Buck Chapter 4</b> (This summary DOES NOT IN ANY WAY replace you reading the book for yourself - to honor copywrite laws, I insist you buy the book or borrow a copy from your library, but please - read this book for yourself to absorb the wisdom shared. My summary is to inspire us all to sincere inquiry, which will bring about more shared wisdom for our group.
Question?	Can I give up control?
	Sad facts of our current 3D world - the assets we own personally can be taken away from us if we do not obey.
Fee Simple	Sad fact - we do not own our homes- if we do not pay property taxes, it can be taken from us.... Property transferred in fee simple allows it to be inherited, but not owned.
Land held in a Allodial Title:	Free; not holden of any lord or superior, owned without obligation of vassalage or fealty; the opposite of feudal....
	Unless we can pay for all the benefits o county services, fee simple is the way we all have our homes currently.
History	Kings bribed ordinary people with titles and land, if you are a part of the King's army - noble slavery.
Use is Better than Ownership	With the Assets in our trust - Trustee has title in the name of the Trust and the Beneficiaries have equitable interest. - this is a "Divided" title and no One person/entity owns the asset. The Trust removed Direct Ownership.

	Politicians put their assets into Blind Trusts. High officials in our government cannot be sued for anything substantial, as they have little in their names.
	Need to verify - for IRS purposes - when your home has been in your trust for 18 months past an "event", it considered removed from you, and the transaction can not be reversed.
	Marriage - assets put into an Irrevocable trust before the wedding do not belong to the bride or groom. After the marriage the communal property gained in the marriage could be put into another trust.
Statutory Living Trusts	These are Revocable and do not protect the assets from you personally being sued.
<b>July 10th 4pm</b>	<p><b>BIC - Irrevocable Private Trust contract - Chapters 5 &amp; 6 of the book The Art of Passing The Buck ~ History of Trusts &amp; Wealth Retention</b></p> <p><b>(This summary DOES NOT IN ANY WAY replace you reading the book for yourself - to honor copywrite laws, I insist you buy the book or borrow a copy from your library, but please - read this book for yourself to absorb the wisdom shared. My summary is to inspire us all to sincere inquiry, which will bring about more shared wisdom for all.)</b></p>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/a4p26wgt9axfip4/trusts-divide-and-conquer.pdf?dl=0">Article "Divide and Conquer" - https://www.dropbox.com/s/a4p26wgt9axfip4/trusts-divide-and-conquer.pdf?dl=0</a>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/ufn33g95huls121/IRS.26%20CFR%20Sec.301.7701-4%20-%20Trusts.pdf?dl=0">You should look this up yourself, but here is a copy as of 8/2019 - IRS Code on Trusts - https://www.dropbox.com/s/ufn33g95huls121/IRS.26%20CFR%20Sec.301.7701-4%20-%20Trusts.pdf?dl=0</a>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/q16c0hy5ccn62v7/The%20Common%20Law%20of%20Business%20Trusts.pdf?dl=0">Article from 1961 on The Common Law of Business Trusts - interesting reading - link - https://www.dropbox.com/s/q16c0hy5ccn62v7/The%20Common%20Law%20of%20Business%20Trusts.pdf?dl=0</a>
Article referenced in the chapters:	<a href="https://www.amazon.com/Morgan-American-Financier-Jean-Strouse/dp/0812987047">Jean Strause, Morgan American Financier - Amazon link - https://www.amazon.com/Morgan-American-Financier-Jean-Strouse/dp/0812987047</a>
Article referenced in the chapters:	<a href="http://www.nfpcar.org/Archive/Blacks_Law/">A way to search 2nd Edition of Black's Law Dictionary http://www.nfpcar.org/Archive/Blacks_Law/</a>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/bffqfzmydgoxi3/Blacks_Law_Dictionary.2nd.pdf?dl=0">A copy of Black's Law Dict 2nd Edition https://www.dropbox.com/s/bffqfzmydgoxi3/Blacks_Law_Dictionary.2nd.pdf?dl=0</a>

Article referenced in the chapters:	<a href="https://books.google.com/books/about/Handbook_of_the_Law_of_Trusts.html?id=9lvEAAAIAAJ">George Gleason Bogert, The Law of Trusts and Trustees - Google - has this book as an eBook. - https://books.google.com/books/about/Handbook_of_the_Law_of_Trusts.html?id=9lvEAAAIAAJ</a>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/w5rnef286mdfym2/Brief">Article "Brief History of Pure Trusts" - https://www.dropbox.com/s/w5rnef286mdfym2/Brief</a>
Article referenced in the chapters:	<a href="https://www.pgpf.org/budget-basics/budget-explainer-what-are-federal-trust-funds">Comments regarding government Trusts - https://www.pgpf.org/budget-basics/budget-explainer-what-are-federal-trust-funds</a>
Article referenced in the chapters:	<a href="https://www.dropbox.com/s/4ayc6ywvey7ymum/Dostoevsky%20Grand%20Inquisitor.pdf?dl=0">Dostoevsky: The Grand Inquisitor - https://www.dropbox.com/s/4ayc6ywvey7ymum/Dostoevsky%20Grand%20Inquisitor.pdf?dl=0</a>
Disclaimer:	The NLT trustee study group sessions are not intended as legal or financial advice. The host is not an Attorney or CPA and does not offer legal or financial advice. All of us as students do research and share open source information. The private exchanges between us are for personal and educational purposes only and are under the protection of free speech. We may discuss ways to avoid taxes, but never suggest evading taxes.
<b>Side Note: Randall's Trust</b>	if you are making payments, you have the Trust Abstract - this is for the RV exchange meeting - not for opening bank accounts - Opening Bank Accounts, they usually want to see the entire trust indenture. Do not include the schedules (including DO NOT include the beneficiaries) - the schedules and minutes are private. Banks can have the Trust Abstract (do NOT include Any Addendums) and can SEE the indenture, but they don't need a copy of the indenture - the Trust Abstract contains the Certification of Trust which has the essentials of the Trust indenture - and ask that whatever copies you leave them with- that they mark the file PRIVATE.

<p><b>Side Note: Regarding Wills</b></p>	<p><b>Wills Require Probate</b> Property passing under the terms of a last will and testament requires probate to legally transfer to living beneficiaries. This includes property that's directed to a testamentary trust because the probate process essentially forms this trust.</p> <p><b>Wills become a matter of public record when they're submitted to the court for probate. The terms of a living trust remain private.</b></p> <p>Property passing under the terms of both revocable and irrevocable living trusts avoids probate. The trust's terms are the mechanism by which its assets can move into a new, living individual's ownership.</p> <p>A trust can continue to hold property for the benefit of certain beneficiaries after the grantor's death, such as minor children who cannot legally take ownership of their own property until they reach the age of majority or spendthrifts who might otherwise whip through their inheritances.</p> <p>The successor trustee would simply keep the trust up and operating and distribute money or property to beneficiaries under the terms you set when you created the trust.</p>
<p><b>July Trust Group Questions:</b></p>	<p>1) How are properties that are still under a mortgage arrangement moved over to a COLATO? I am interested in placing the property in question into a Trust and I realize the mortgage agreement will follow into the Trust itself. Can you please expound on that particular process?</p> <p>Note: COLATO - Common Law Trust Organization Mortgage/taxes will follow property... Many clients shift their property into trust: schedule "B" Now the trust owns it, and you get the benefit...</p>
<p>What a trust is (Black's Law Dict 6th Edition) (Also see page 5 of</p>	<p>"A legal entity created by a grantor for the benefit of designated beneficiaries under the laws of the state and the valid trust indenture."</p>

Page 11	In Chapter 1 we are reminded that US Constitution declares, "no State shall ... pass any ... law impairing the obligation of contracts" ... When a trust is created with out fraud by contract, not statutes, it holds a position in law superior to any state law. .. Therefore, Trust rules stand superior not only to state constitutional law; they form private law which operates legally outside the US Constitution - as guaranteed by that document.
Page 10 footnote:	<a href="https://www.dropbox.com/s/a4p26wgt9axfip4/trusts-divide-and-conquer.pdf?dl=0">There was a footnote on page 10 for an article "Divide and Conquer" and I found it and placed it in my drop box - if you are interested in reading - https://www.dropbox.com/s/a4p26wgt9axfip4/trusts-divide-and-conquer.pdf?dl=0</a>
Page 14 footnote:	<a href="https://www.dropbox.com/s/ufn33g95huls121/IRS.26%20CFR%20Sec.301.7701-4%20-%20Trusts.pdf?dl=0">You should look this up yourself, but here is a copy as of 8/2019 - IRS Code on Trusts - https://www.dropbox.com/s/ufn33g95huls121/IRS.26%20CFR%20Sec.301.7701-4%20-%20Trusts.pdf?dl=0</a>
Page 14 footnote:	<a href="https://www.dropbox.com/s/q16c0hy5ccn62v7/The%20Common%20Law%20of%20Business%20Trusts.pdf?dl=0">I could not find Darling V Buddy on my first search, but I did find this article 1961 on The Common Law of Business Trusts - interesting reading - link - https://www.dropbox.com/s/q16c0hy5ccn62v7/The%20Common%20Law%20of%20Business%20Trusts.pdf?dl=0</a>
Page 16 Footnote:	<a href="https://www.dropbox.com/s/c06t75644edca5s/Payday%20or%20Mayday.pdf?dl=0">Regarding the facts that most people who receive a win-fall of money lose it... and become quite distraught and unhappy - People Magazine, Payday or Mayday? May17, 1999 - link https://www.dropbox.com/s/c06t75644edca5s/Payday%20or%20Mayday.pdf?dl=0</a>
Page 17 Footnote:	<a href="https://www.amazon.com/Morgan-American-Financier-Jean-Strouse/dp/0812987047">Jean Strause, Morgan American Financier - Amazon link - https://www.amazon.com/Morgan-American-Financier-Jean-Strouse/dp/0812987047</a>
Link to Black's Law Dictionary 2nd Edition:	<a href="http://www.nfpca.org/Archive/Blacks_Law/">http://www.nfpca.org/Archive/Blacks_Law/</a>
pdf version	<a href="https://www.dropbox.com/s/bffqfzmydgoxi3/Blacks_Law_Dictionary.2nd.pdf?dl=0">https://www.dropbox.com/s/bffqfzmydgoxi3/Blacks_Law_Dictionary.2nd.pdf?dl=0</a>
Page 33 Footnote	<a href="https://books.google.com/books/about/Handbook_of_the_Law_of_Trusts.html?id=9lvEAAAAIAAJ">George Gleason Bogert, The Law of Trusts and Trustees - Google - has this book as an eBook. - https://books.google.com/books/about/Handbook_of_the_Law_of_Trusts.html?id=9lvEAAAAIAAJ</a>

How a trust works (Black's Law Dic 6th Edition) (Also see page 6 of chapter 1):	Any arrangement whereby property is transferred with intention that it be administrated by trustee for another's benefit.
Page8-9	Grantor places funds/property into Trust and now no longer owns them, and the funds are the responsibility of the Trustees and in the name of the Trust, and the grantor can continue to advise, and Beneficiaries are now eligible for distributions and have the tax liability to handle on what they receive, and Beneficiaries can also take part in the financial decisions of the Trust if the Trustees invite them to do so, and Beneficiaries interact with the Trustees chosen to ensure their welfare, and because the purpose of the Trust is to increase assets and especially cash flow, the Trustees receive a percentage of distribution as an incentive.
	Trusts are documented in Egyptian tax documents.
	Bible documents the issue of inheritance when Esau sold his birthright to Jacob.
	Plato used a Trust to form a sovereign university in Greece.
	Roman's used a fidei-commissum, similar to today's common-law trust, to pass property on to a foreigner.
	11th century English Knights used Trusts when they are away in the Crusades, using the Church as their Trustee, as emissary's from heaven were the only ones strong enough to stand against the King.
	The Royal Courts of Chancery enforced the laws of Trust, and this sophisticated legacy of case law governing the conduct and responsibilities of Trustees the we find in courts today...
	Those who wanted to give land to the Church could only do so through "use" as certain orders had taken vows of poverty. Thus a third party held the land title and served under bond to handle the land and this third-party is known as a Trustee.
	Holding (lease) title to land under English Common-Law carried with it many obligations. .. A "use" avoided these extractions while still letting the beneficiaries enjoy the benefits of the land.
	<b>Massachusetts Trust - a Business Trust.</b>
	By using Common-Law Trust and not a government granted charter, a Trust operates with greater freedom and far more privacy.
Mantra:	By providing a common vehicle for the self-interests of its Beneficiaries, a Trust teaches the lessons of interdependence, cooperation and working together for the common good.

	Queen Elizabeth is famous for "borrowing" merchant's profits with an agreement called "the privy seal".... Thus, she unintentionally contributed to developing Trusts among the rich, private citizens and to protecting assets by the clergy.
	The North American Land Company - set up by Robert Morris, governor of Pennsylvania, which is still in existence today.
Page 37 Footnote:	<a href="#">There is a Footnote on Page 37 for the "Brief History of Pure Trusts" and the link didn't work, so I did some research and found it posted elsewhere. Here is a link to my dropbox file where I created a pdf - https://www.dropbox.com/s/w5rnef286mdfym2/Brief</a>
	The Art of Passing the Buck favors 'Family Trusts" - where it's blood or adopted - to carefully train each successive generation to understand and apply sound legal and financial principles to Trust management.
	<a href="#">Comments regarding government Trusts - I found this article/website - https://www.pgpf.org/budget-basics/budget-explainer-what-are-federal-trust-funds</a>
the Dark Side	Trusts were used in the late 1800"s to concentrate increasing amounts of power in the hands of ever fewer men and corporations.... <b>Instead of consolidating their power in the private sector to stabilize families and provide better service to their customers and the community</b> , they abused their positions, crushing competitive initiative and reducing service quality to end users...
Light Side:	Trusts are about... encouraging those who care most about you to support your dreams and supplement your strengths with their own.
	The Knights of Old England used their Trusts defensively, as impenetrable shields against the king.
	The robber barons of Wall Street turned theirs though, into weapons to clobber the competition.
	Collective agreements are what controls the world.
Page 43	The Common-Law is based on shared resources.
	Without the support of the family, members do not have a firm foundation in life to carry them into new adventures and to give them courage to learn and take the necessary risks to grow.
	The idea of any Trust is to provide the financial bases so the family members can contribute to society from a position of security, instead of uncertainty.
	... families must set the foundation now to have enough leverage in the future to be of benefit to this world.
Page 47:	Wealth Retention: Tactics of the Rich... in-depth look at vested interest and the cohesiveness of the elite.

	First test to see if a trust is a scam... is there one Real Beneficiary who is Not the Grantor?
	No Contest Clause - You cause trouble as a beneficiary, you are disinherited.
	... 3% of the population control 95% of all the known wealth on Earth
	Super Rich families have been hoarding since before William the Conqueror ascended to the English throne in 1066 AD.
	Will having lots of money make us lazy and distort our character? ... If you still believe that giving our children financial support is harmful, we might want to examine how we formed that idea.
	<b>This book is to wake us up - to show what we have been previously taught and how the system works is not true.</b>
	Staying in the current rat race extracts as much as possible from us. We all must stop being victims.
	American Business is the Matrix.
	... it harvests the distilled essence, in the form of our money and property, time, energy and effort.
	Federal Reserve System created a private central bank which looks governmental but is not.
	"nonresident alien" - It means one who is a citizen of one of the several states and not a U.S. Citizen who is a taxable entity.
	Trying to take on the "system" needs a deep understanding and no Board of Trustees should try it.
	... the money being issued, contrary to the Constitution, is backed by neither gold nor silver, hence is called fiat money...
Page 55	... All of them profit by convincing you to invest your hard-earned money and property into a business.
	With a Family Trust - we pool our resources - The substantial backing thus engendered immediately acts to counter such major causes of business failure as undercapitalization, inadequate knowledge, poor accounting and internal theft.
	Relooking at the "entrepreneur"... through a group endeavor, the likelihood of success is greatly increased... hand picked Board of Trustees is highly likely to give sound advice... Further, when you operate through a properly structured Irrevocable Trust, you gain many astonishing tax advantages. This is one of the great keys to asset multiplication.
Mantra:	The Creation and Proper Administration of The Trust key.

	We may not be very effectual in the first generation of our trust, but the intention is, to educate and grow the next generations who have more resources from our good efforts and they will be able to do more and more.
Reincarnation & Trusts	There is a discussion on reincarnation - I'm going to highlight some ideas discussed here & I read Appendix H & there is a reference to Dostoevsky: The Grand Inquisitor - all of this has to do with our mind-set that we are using to approach our trust education and subsequent trust administration - If you don't enjoy discussions of philosophy, indulge me but for a few moments
	From Appendix H - Plato - Soul is older than body. Souls continuously born again into this life.
	Origen - a Roman Catholic Church Father explained that man needs successive lives to correct the apparent inequities of human condition.
	Greek Orthodox Church - When man is dead, he always lives; when our terrestrial existence ends, we must wait, because we will return to it again.
	The book The Phoenix Fire Mystery, - I know both the authors - and I have had an NDE
	The believers in reincarnation tend to be responsible for their own progress and respect each person to find their own internal authority - make their own relationship with their Creator - whatever way this looks like - from science to religious.
	<a href="https://www.dropbox.com/s/4ayc6ywvey7ymum/Dostoevsky%20Grand%20Inquisitor.pdf?dl=0">I highly recommend the chapter of Dostoevsky: The Grand Inquisitor - https://www.dropbox.com/s/4ayc6ywvey7ymum/Dostoevsky%20Grand%20Inquisitor.pdf?dl=0</a>
1st temptation - Miracle	Turn them into loaves and mankind will go trotting after you like a flock, grateful and obedient, though ever fearful that you may take away your hand and that your loaves may cease to come their way.' But you did not want to deprive man of freedom and rejected the offer, for what kind of freedom is it, you reasoned, if obedience is purchased with loaves?
	<i>It is written: 'Man shall not live by bread alone, but on every word that comes from the mouth of God.'"</i>
Mantra:	<b>For the secret of human existence does not consist in living, merely, but in what one lives for.</b>
	There are three powers, only three powers on the earth that are capable of eternally vanquishing and ensnaring the consciences of those feeble mutineers, for their happiness—those powers are: miracle, mystery and authority.

2nd temptation - Mystery	If you would know whether you are the Son of God, then cast yourself down from hence, for it is written that the angels will take charge of him and bear him up, and he will not fall and dash himself to pieces—and then you will know if you are the Son of God, and will prove how much faith you have in your Father.'
	Come down from the Cross and we will believe that it is You.' You did not come down because again you did not want to enslave man with a miracle and because you thirsted for a faith that was free, not miraculous. You thirsted for a love that was free, not for the servile ecstasies of the slave before the might that has inspired him with dread once and for all.
	<i>"It is also written: 'Do not put the Lord your God to the test.'"</i>
3rd temptation - authority	<i>"All this I will give you," he said, "if you will bow down and worship me."</i>
	<i>For it is written: 'Worship the Lord your God, and serve him only.'</i>
Mantra:	<b>Grand Inquisitor speaking to Jesus: "You desired that man's love should be free, that he should follow you freely, enticed and captivated by you. Henceforth, in place of the old, firm law, man was himself to decide with a freeheart what is good and what is evil, with only your image before him to guide him."</b>
	Job - If a man dies, shall he live again? All the days of my service I would wait, till my renewal should come.
	Jesus - That which we sow we shall reap.
Pag 59	from the story shared "So you think money is bad, or you worry about giving too much to your children - that is not the issue. Children need support, and money is only one avenue.... Teach leadership skills, and to value the people of the world, to help and assist others to succeed, and to create job opportunities,... all ways possible to expand the potential of our fellow citizens.
Mantra:	Encourage and support children's creative endeavors. You never know, You might have a potential Rembrandt or Einstein looking for you for help and mentorship.
Remoteness of Vesting or Rule Against Perpetuities	Ex. the Trust shall terminate twenty-one (21) years from the date hereof or at such maximum time as may be provided for by any applicable Rule against Perpetuities, whichever is later. This Trust shall also be renewable, if this is considered by the Trustees to be in the best interests of the Beneficiaries.

	<p>Ex. This trust indenture shall continue for the duration of lives-in-being plus twenty-one (21) years from the signing of this document. If it is in the best interest and to the advantage of the Beneficiaries, the Trustees, at their discretion, shall be empowered by unanimous decision, to terminate its operation earlier. A resolution of said termination shall be entered into the minutes. Upon final, complete discharge of obligations, distribution of the corpus and the termination of the trust, the Board of Trustees shall be discharged and automatically released from all responsibilities hereunder.</p> <p>At any time before the expiration of the term, the Board of Trustees shall be empowered by majority decision to renew its operation for an additional duration of twenty-one (21) years. A resolution of said renewal shall be entered into the minutes.</p> <p>In the event that this document has been filed or recorded the Trustees shall file a notice that this trust will terminate or renew.</p>
History notes	<p>Under the Common Law, the principle that no interest in property is valid unless it vests not later than twenty-one years, plus the period of gestation, after some life or lives in being which exist at the time of the creation of the interest.</p> <p>The courts developed the rule during the seventeenth century in order to restrict a person's power to control perpetually the ownership and possession of his or her property after death and to ensure the transferability of property. The rule includes the period of gestation to cover cases of posthumous birth (<i>he birth of a child after the death of a biological parent.</i>)</p>
Page 60	Working nine to five keeps us in "survival" mode... we are limited in realizing our true potentials.
	Highly recommend Rich Dad, Poor Dad - Robert T. Kiyosaki - to help change attitudes on possessing a paid 9 to 5 job.
Mantra:	Each person that lives is not only a miracle, but holds an unfathomable amount of unique knowledge.
	People are an unlimited resource.
	When setting up a Trust structure you hope will enhance the lives of many people yet unborn, you must also take care to build in it provisions for strong ethic and morals.

	You might even set up guidelines for the Trustees and certain tests for the successors within the Trust, to ensure as much as possible that only those with good intentions - and the willingness to gain and share knowledge - will wield the power the assets will provide.
	Now we can review my spreadsheet changes.
Sept 11th 4pm	Chapters 7 & 8 of the book <i>The Art of Passing The Buck ~ Wills &amp; Trusts</i>
p 63	Remember, Chapter 1 discussed where lack of foresight caused great grief... This was discussed on purpose to shatter our complacency and seize our attention.
	We are studying as Trustees what to do and what not to do.
	The Art of Passing the Buck, Volumes I and II is laid out to give the reader, researcher and student a healthy dose of reality, and a springboard to jump into the mechanics of how a Common Law Trust works.
From Charles Arthur Premium NewsLetter-Consulting Services	This is a Trust system that only gains power and respect when used properly, and when paperwork can produce evidence of substance of transaction to backup the decisions and action of the Trustees. Because this is not a statutory Trust put together with the blessing of the legal system, the construction and proper use are different than what a lawyer would create.
	there are many "glue pieces," necessary to link documents together properly, and to explain the deeper reason for the format used. None of this information is necessary unless one plans on establishing a Trust for long-term survival of the "family". Further, this information details certain decision making process that will apply only to your Trust system and none other.
	We are studying to teach the Board of Trustees how to handle the paperwork, how to address both financial and legal issues properly, and to feel confident.
	It is not recommended to believe <i>The Art of Passing the Buck Volumes I and II</i> are complete. The vast amount of information and experience could never be put into even 10 volumes. If you want to create a new future, and learn a new way of handling family, get help, ask for assistance. Moving into a Common Law setup is an extraordinary life change, with unlimited opportunities not available without the support of a Board of Trustees.

	Will deficiencies: per the book - 53% of Americans die without a will. Using my "Brave" Internet Browser, I "DuckDuckGo'd" (doing my part to get off the Google Train) it and found from AARP "a whopping 78 percent of millennials (ages 18-36) and 64 percent of Generation Xers (ages 37-52) do not have a will .... 6 in 10 U.S. adults do not have a will.
	No Will or Trust - your estate ends up in Probate Court. If you Will or Living Trust (statutory) is contested - your estate ends up in Probate Court. Payouts come after a great deal of time according to state-mandated, prioritized list of recipients.
DIVIDED TITLE	Remember from Chapter 2 P.10 - Divided Title and The US Constitution - we have Legal Title and Equitable Title. Legal Title - technical ownership - In the Name of the Trust signed by Trustee. Equitable Title - the beneficial right to possess and use the particular property.
Article 1, Section 10	US Constitution... "no State shall ... pass any ... law impairing the obligation of contracts."
P. 11	Why is this important?... Consider the ownership of residential property... In our Trust, several people have a vested interest and thus the government seizing the property becomes a greater consideration because it is unknown how many of the Beneficiaries will contest the matter and how much money is behind the Trust veil.... in the US Eminent-domain abuse is widespread... thus, the issue of divided title comes into play concerning whose property is well guarded and whose is not.
P. 64	A Trust is a legal entity created by the grantor/settlor when the grantor/settlor transfers ownership of personal property to a Trustee(s) for the benefit and support of a named Beneficiary(s) according to the terms set forth by the grantor/settlor in the legally binding Trust Indenture.
Ownership	Black Law - Collection of rights to use and enjoy property, including the right to transmit it to others.
Revocable Trust	You, the grantor/settlor are also the Trustee, and also the Beneficiary... you can make changes up to when you die, and then your trust becomes Irrevocable... your tax liability never changes...
<b>Mantra</b>	<b>Personal Control Equals Personal Tax Liability.</b>

Private Irrevocable Trust	You, the grantor/settlor appoint Trustee(s) - at least one "adverse" trustee who is unrelated by first generation blood or employment, and you list who you want as Beneficiaries - including yourself if you are NOT wearing the Trustee hat... Thus you have USE of some or many of the assets, but you no longer OWN them, and you can not be TAXED for them.
	Probate court has no jurisdiction over a Private Irrevocable Trust that is properly drawn.... Probate is about death, and an Irrevocable Trust lives much longer than you.
<b>Jurisdiction</b>	<b>... is presented to mean the place where one has sworn allegiance. In our current political atmosphere it generally means the place where one agrees to the laws.</b>
Appendix A	In all of history there has been but one successful protest against an income tax.... We need to go back about 400 years... It succeeded only because the term "jurisdiction" was still well understood at the time as meaning "oath spoken".
Jurisdiction	"Juris" in the original Latin meaning, is "oath".
	"Diction" Latin means "spoken".
	The tax protest occurred in England and is applicable to the US.
	The Bible had just recently been put into print.... Churches owned these books as paper was expensive.... It was cheaper to write books by hand then print them with movable type... Since books were expensive, they were owned by churches, crowns, and the nobility.
	The wealth of the nobility was attributable to feudalism.
Feud	"Feud" is Old English for "oath"
	The nobility held the land under the crown
	Land was rented out by the nobility to servant-farmers (tenant) and thus the nobility became wealthier.
	The servant was not a freeman - he had to kneel before the Lord(nobility) and swear an oath of allegiance and kiss his ring (thus the oath included the heirs of the noble's estate) - because this oath of the servant was for life.
Servant	The oath established a servitude.
	The servant-farmer-tenant now plowed the fields.
	Rent was variable - based on what was produced from the fields.
Subsistence Farmer	The tenant was a "subsistence farmer" - keeping only enough of the produce of his labors to just sustain him and his family.
Income Tax	Rent was Actually an "income tax."
	The nobleman could have demanded 100% of the productivity of his servant except... under the Common-Law, a servant was akin to livestock.

	A servant had to be fed - not well fed - just fed, the same as a horse or cow.
	Think of this as our present day "personal and dependent deductions."
Journeyman	Freemen of the realm - tradesmen - swore no oaths and thus did not owe fealty to any noble.
	They taught their sons their trades so their sons might also be free.
	Occasionally they took an apprentice, under sworn contract of indenture from his father, who was paid a little money, and this son learned a trade - he would never become a tenant farmer - thus he would keep what he earned. He only apprenticed for a term of years - frequently seven. Journeyman didn't take anyone under age 13 - thus by 21 you would have learned enough to practice your craft.
	Thus, a Jur-nee-man - means he was a man formally bound by an oath (jur) who can now work for a "mastercraftsman".
	400 years ago, these men were the exception, not the rule. He could ask for the pay he wanted and was free to quit when he wanted.
	If the journeyman was really good, the people recognized him as a "master craftsman" and begged him to take their children as apprentice.
Oath	Oath of the tenant ran for life. Oath of the apprentice's father lasted for seven or so years. Tradesmen later established guilds (means "gold") as protection against the potential government's attempt to bind them into servitude by compelled oaths.
	When an apprentice became a journeyman, he was allowed membership to the guild by swearing a secret oath... He literally swore to "serve gold" and only gold.
	He bound himself for life never to be a servant, except to the very benevolent master: gold.... Free Masons - the G in the middle of their logo might be God or could mean Gold.
	Now the Bible came to print. The wealthy already had a hand-written copy. The tenants could not afford anything. It was marketed to the tradesmen (who as part of their apprenticeship were taught to read), who had to combine money with siblings to buy a Family Bible for the home.
	Matt 5:33-37 - Jesus commands against swearing oaths.

	<p>“Again, you have heard that it was said to the people long ago, ‘Do not break your oath, but fulfill to the Lord the vows you have made.’  34 But I tell you, do not swear an oath at all: either by heaven, for it is God’s throne; 35 or by the earth, for it is his footstool; or by Jerusalem, for it is the city of the Great King. 36 And do not swear by your head, for you cannot make even one hair white or black. 37 All you need to say is simply ‘Yes’ or ‘No’; anything beyond this comes from the evil one.</p>
	<p>Real eye opener for the Journeyman Tradesman -  well over a millennium they had been trusting the Church of Rome including the Church of England  and now they find out Jesus said, "Swear no oaths."</p>
	<p>Imagine seeing a conspiracy revealed that went back over 1000 years without oaths there would be no tenants laboring for nobility  the whole society was premised on oaths  And the whole society claimed it was Christian  yet it violated a simple command of Christ.  And the Tradesmen had done it too, to their guild.</p>
	<p>The Tradesmen were angry  The governments had seen this coming  can't ban the Bible... here comes the Reformation.</p>
	<p>The governments of Europe adopted a treaty  This treaty would allow anyone the State-right of founding a church  The church would be granted a charter  It just had to do one thing, agree to the terms of the treaty.</p>
	<p>Buried in these provisions.... was a statement the church would never oppose the swearing of lawful oaths.</p>
	<p>Jesus had said None  The Church said None, except...</p>
	<p>Tradesmen got even angrier.</p>
	<p>For history buffs - I went looking for the treaty... here's one link to an old treaty 1494 - <a href="https://aaregistry.org/story/treaty-of-tordesillasor-signed/">https://aaregistry.org/story/treaty-of-tordesillasor-signed/</a></p>
	<p>List of treaties ...  <a href="https://en.wikipedia.org/wiki/List_of_treaties#Before_AD_1200">https://en.wikipedia.org/wiki/List_of_treaties#Before_AD_1200</a></p>
	<p>Tradesmen exercised the right of assembly to discuss the Bible  Some preached on street corners using the right of freedom of speech  But they could not establish a church because of the oath problem  To show their displeasure at having this secret kept from them for so long, Tradesmen refused to give anyone in Church or State any respect.</p>

	Instead of "doffing" one's hat, they took to wearing big, ugly black hats so their "superiors" could see they were NOT doffing their hats.
	Back they "you" was formal English, reserved for use when speaking to a superior. "Thee" was familiar pronoun used with family and friends. So Tradesmen started using "Thee" and their Christian names - George, Peter, Robert, etc. when speaking to anyone.
	We call these folks "Quakers"
	A judge so nicknamed them, as one had said "Quake before the Lord, God Almighty."... the judge responded "Thee are the Quaker here."
	The Anglican Church lost membership... and money... technically bankrupt.
	Roman Church had more resources to weather this storm.
	But the Anglican Church was an agency of the State, and cannot go bankrupt. It became the duty of the State to support it in hard times, which Parliament did.
	Parliament enacted a religious tax.. Only 10%...
	Quakers recognized this an income tax "without jurisdiction" Despite laws making it a crime to willfully refuse to make a return and pay a tax, NONE were charged or arrested.
	The rest of society took notice. Anglican Church Membership fell some more.
	Quakers began to use the term "anarchy" But England was a monarchy ... The British Crown issued a Crown command to end the tax objection movement. The Crown ordered every man shall swear an oath of allegiance to the Crown!
	Now the Quakers who refused were brought to court for High Treason. Jails became full.... Of children (as Stand-in)... this meant the youngest usually daughter, thus the prisons were filled with adolescent females serving the life sentences of their fathers.... these facts are usually completely ignored in history books - a Christian holocaust... Jails were filled up so other prisoners had to be released - High Treason was the highest crime, so murders, thieves, arsonists, rapists were let go.... This had a profound effect on commerce - It Stopped.

	There were Highway men afoot on every road... in this chaos (anarchy "No Crown") ... the wealthy started to talk of overthrowing the Crown... The Crown soon saw revolution coming and ordered the release of the children and the recapture of the real felons.
	The courts came up with the odd concept of an 'affirmation in lieu of oath.'... Jesus also prohibited affirmations, calling the practice an oath "by they head."
	Quakers fled to America... they pushed for the definition of treason, the only crime defined in the Constitution...
	<a href="http://www.chrononhotonthologos.com/lawnotes/index.html">www.chrononhotonthologos.com/lawnotes/index.html</a>
	<a href="https://www.1215.org/lawnotes/index.html">https://www.1215.org/lawnotes/index.html</a>
Breaking it Down	Trustee administers the corpus and must:
	Increase the value of the Trust
	Follow the terms of your Trust Indenture
	Determine Investments
	Administer distributions
	Handle accounting to retain enough funds to: cover expected admin expenses & keep funds to increase investments.
	Meet and converse with the Beneficiaries to ensure their needs are re met in accordance with the grantor's wishes.
	Trustee - grows the assets - the more corpus, the more they make
	Commonly Trustees are paid a percentage of distribution.
	Trust indenture includes comments about what is an acceptable investment.

	<p>From Randall's trust indenture: "To conserve the property, commercialize the resources and extend any established line of investment for the benefit of the trust, to deposit and hold trust funds in both interest bearing and non-interest bearing accounts offered by any bank, to buy, sell, continue, operate, manage, or liquidate any business interest of the trust;</p> <p>To buy, sell, lease, receive, exchange, convey, or pledge for security any/all trust property and assets and exercise any/all rights, powers, privileges and authority that any absolute owner of such property can do, to receive and collect gifts, contributions and endowments, to give to any charitable purpose harmonious with the intent of this trust;</p> <p>To create new trusts, organizations, or corporations, to enter into and engage in any lawful contracts with, including, but not limited to, natural or legal persons, trusts, corporations, partnerships, associations or other joint ventures under the name of this trust or any other alias or assumed name, and to operate, distribute, diversify, change, liquidate, or otherwise run the trust..."</p>
P. 69	Trusts - Not for Everyone
	The Irrevocable Trust is by far the most demanding and restrictive (of trusts), but in such rigors lie benefits attainable nowhere else.
Irrevocable Statutory Trust	List in Appendix B.... (Living Revocable Trusts become Irrevocable Statutory Trusts)...
Private Irrevocable Trust	<p>until 100 years ago, this was the most common form of trust used (based on Common Law)</p> <p>Funds coming into the Trust must be solely under the control of the Trustees.</p> <p>Government wages can not be assigned to an Irrevocable Trust - based on your contract with the government, they must write the check to you and an individual...</p> <p>Federal Government some people feel is a Trust and the People are the Beneficiaries, thus you as Beneficiary must receive the funds...</p>
	We will learn how to fill out the proper assignment documents to put assets into our trusts - such as Addendum to Schedule A...
	Independent and Private contracts can not be assigned to an Irrevocable Trust - you would have to rewrite the contract to a company and the grantor could not be a part of the company.
	IRAs , other retirement programs, can not be assigned to an Irrevocable Trust...
	W2 wages can not be assigned to an Irrevocable Trust.
<b>Mantra</b>	<b>An Irrevocable Trust must produce its own funds and the Trustees need to be solely in control of these funds.</b>

Proper way to fund a Trust:	Mary, school teacher wants to put money in a trust She assigns her stock portfolio to the Trust The profit of the stock portfolio flow into the Trust
No stocks - another way:	Mary uses her paycheck to loan a friend money at 10% APR... The friend then pays the Trust.
	Since the Grantor cannot control the trustees, the Grantor can not put W2 wages directly into the Trust.
	Another example - if children want to buy a home, the Trust can fund a min-trust that purchases it outright, then the children pay off the mortgage to the main Trust. This builds the main Trust's future, and creates gains for any grandchildren.
Licensed Professionals	When licensed professionals, using an LLC or partnership of which the Trust is a member, the Trust receives monies and then the tax is born by the Beneficiary when they receive the benefits.
	We must stay organized and not get confused to operate our Private Irrevocable Trusts.
	People who live hand-to-mouth and do not have any savings are not candidates for any Trust - but they make great Beneficiaries.
Privacy	Learn to say NO.
	Keep your composure and guard your tongue.
	IT IS IMPORTANT TO RESIST UNWARRANTED SEARCHES AND INQUIRIES.
	1ST, this is a violation of your person, your space and displays a lack of trust.
	2nd, your own paperwork can be used against you... trained in trickery, agents can make you feel guilty even if you have done nothing wrong.
	MAKE THEM GET A SEARCH WARRANT.
	PRIVACY IS A MAJOR ISSUE.
	If you do not know your rights, you do not have any.
	What others do not know you have, they cannot covet.
	Identity theft is a big problem.
	"The White Man's Disease"... the inability to trust others.
	What makes an Irrevocable Trust work is "Passthrough accounting" - discussed in later chapters and Vol 2.... Passing to Beneficiaries and other Trusts...
	Con artists feed on the fear of trusting.
	The one used most for a con is an Irrevocable Common-Law Trust....
Mantra	A Trust is a sacred document. It is used to make wealth for a group of people and share material goods - a true tribal situation.
	recommends The Trust Bible for more understanding of Trusts and Taxes. I put a link in Tips&Tricks tab

	Married people need to separate joint property BEFORE it is put into an Irrevocable Trust, since community property law supersedes an Irrevocable Trust agreement.
	Also, if one member of the marriage had wealthy parents who object to assets being put in a trust, be careful, as they have money enough to sue.
	It is best to tell those who will be affected (family members) about what you want to do BEFORE putting assets in the trust.
	Only clear, conscious intent with the support of family allows the smooth transition of assets into an Irrevocable Trust of any type.
	Now - I'll end the recording and restart - I want to discuss the paperwork we take to the bank.
	<a href="#"><u>James 5:12, "Above all, my brothers, do not swear—not by heaven or by earth or by anything else. Let your 'Yes' be yes, and your 'No', no, or you will be condemned."</u></a>
	<p>Legal reforms from the 18th century onwards mean that everyone in the United Kingdom now has the right to make a solemn affirmation instead of an oath. The United States has permitted affirmations since it was founded; it is explicitly mentioned in the Constitution. Only President Franklin Pierce has chosen to affirm rather than swear at his inauguration.</p> <p>As late as 1880, Charles Bradlaugh was denied a seat as an MP in the Parliament of the United Kingdom because of his professed atheism as he was judged unable to swear the Oath of Allegiance in spite of his proposal to swear the oath as a "matter of form".</p>
<b>Oct 9th 4pm</b>	<b>Brilliance In Commerce - Trustee Study Group - Irrevocable Private Trust contract - Chapters 9 &amp; 10 of the book The Art of Passing The Buck ~ Perpetual Wealth &amp; Distribution</b>

<p>Notes from Randall:</p>	<p>We will be studying in depth what is Principle and what see Income. Randall offered these notes for anyone who wants to do more advanced reading.</p> <p>Law of Trusts, George Bogert - Trust Corpus &amp; Income, chapter 21, page 408+...          PassingBuck Vol 2 - page 249          American Law Institute, Restatement of the Law, Trusts vol 4.sec 109-111, p115+</p> <p>I'm working on studying the first book Law of Trusts (6th Edition) and I'll share where am at with you after we do our Chapter 9 &amp; 10 review</p> <p>From "google" -          "The principal of an estate or trust is the amount originally received, plus capital gains and less debts, expenses, and capital losses. The principal is sometimes called the "corpus" (or body) of the estate or trust.          The income is the interest, dividends, and other income earned by the principal."  <i>tax law can be tricky, and if you did set up houses for relatives/friends, consider having them pay a reasonable rent, or, it may be considered a gift and possible gift tax...</i></p> <p>If you need answers regarding the difference between allocating a receipt as Principle or Income, don't hesitate to send Randall a direct question AND Get Vol 2 - it has Wh chapters on helping us understand this Most Important topic - and if you cc' me, I'll share what we are learning with every one in the following month's meeting.</p>
<p>Notes from Randall:</p>	<p>The trust is a common law contract between 2 to 4 people...          Trusts use a court of Equity...</p> <p>The Trust is designed to operate in the world of standard commerce. To walk between the corporate and financial representatives, it is crucial to know which jurisdiction applies and how to handle the rules and regulations pertaining to a Common Law Trust, which if handled with knowledge stays outside of federal jurisdiction.</p> <p>In some trusts the grantor can decide between income and corpus...          In the trust I write, It belongs to the powers of the trustee(s)...          Income, as far as IRC is concerned can be a taxable event.  <b>Corpus is not considered taxable because the grantor or trustee is assigning the property to the trust in exchange for beneficial interest, a non-taxable event.</b></p>

<p>Passing The Buck website Note:</p>	<p>Additional Trustee Training is available from PassingBuck.com - essential304@gmail.com, from their newsletter - The Trick is the Trustee, By Zee Faire, Administrative Assistant -</p> <p>If you are interesting in the complexities we will be studying together, I Highly recommend you take their website's Advance Quiz before contacting the people at PassingBuck.com - they expect you have studied both vol 1 &amp; 2 of The Art of Passing the Buck. (FYI - I have NOT passed this quiz yet!)</p>
<p><b>From Passing the Buck - We will be studying this - I don't have the answer yet!!!</b></p>	<p>This seems like a “no-brainer.”</p> <p>Not so, for reasons more complex than one thinks.</p> <p>The difference between what are federal laws and state laws and how they apply to a Common Law Trust can be the difference of losing the Trust’s wealth and status, or being free under the Republic of the state.</p> <p>This difference specifically refers to taxation, and here’s a test for you:</p> <p><b>Under IRC 674, Paragraph B, subparagraph 8, the Grantor can determine what is income and Corpus.</b></p> <p><b>This is a key to something most people have no clue about, including CPAs and those legally trained. How does one use this provision? Why is it in the tax code?</b></p>
<p>Regarding Banking Notes - We will Re-record today as I made some changes per Randall's Suggestions</p>	<p>Students sent wonderful questions to Randall regarding banking &amp; I've decided to re-record the review of banking notes - We'll do that at the end of today's session.</p>
<p> Dominique Note</p>	<p><i>General principles - I am looking for Anonymity as much as possible and money insurance. If you speak the lingo "Sustainable, Responsible, and Impact (SRI) investment consulting advisory and portfolio ESG factor analysis - this will be what I am looking in an advisor for to manage millions.</i></p> <p><i>(Environmental, Social, and Governance (ESG) Criteria)</i></p> <p><i><a href="https://www.investopedia.com/terms/e/environmental-social-and-governance-esg-criteria.asp">https://www.investopedia.com/terms/e/environmental-social-and-governance-esg-criteria.asp</a></i></p>

<p>Law of Trusts, George Bogert and UFIPA</p>	<p>We will eventually be studying Uniform Principal and Income Act UPI or UPIA - 1931, updated most recently 2018-enacted 2019. Uniform Prudent Investor Act is also UPIA UNIFORM FIDUCIARY INCOME AND PRINCIPAL ACT - 2018-2019 UFIPA - so it's not confused with the Uniform Prudent Investor Act (UPIA).</p> <p>Sections 401 through 415, and 501 through 503 - most important sections</p> <p>Section 103(2) of the 2018 Act fills a potential gap by making the act explicitly applicable to <b>“a life estate or other term interest in which the interest of one or more persons will be succeeded by the interest of one or more other persons.”</b></p> <p>Section 104 clarifies that the income and principal rules of the state that is the principal place of administration of the trust from time to time will be the governing law.</p>
<p>UFIPA</p>	<p><b>A “rule of construction”</b> is typically governed by the law of the place where the trust was created or deemed created.</p> <p>For the purposes of the choice of the applicable law, it is generally held that it is a question of construction and that the local law of the testator’s domicile is applicable.</p>
<p>UFIPA</p>	<p><b>A “rule of administration”</b> is typically governed by the law of the situs of the trust from time to time, often with appropriate savings provisions for tax benefits, etc. if the situs is changed.</p> <p>New Section 104 of the 2018 Act specifies that the Uniform Fiduciary Income and Principal Act, like a rule of administration, is governed by the <b>law of the situs, or principal place of administration</b> of the trust, which is not necessarily the place where all or most or any of the trust assets are located.</p>
<p>Law of Trusts, George Bogert</p>	<p>Perhaps the biggest burden of a rule of construction is determining the governing law not only where the trust was originally created but also when the trust was originally created, a burden that gets greater as longer-term trusts become more common and existing trusts therefore become older.</p>
<p>Random Knowledge - Definition:</p>	<p>UNITRUST Trust where certain percentage of the yearly assessed market value is paid to the beneficiary of the trust.</p>

9-Oct-19	Chapter 9 & 10 - Perpetual Wealth & Distribution
Chapter 9	Parenting and Perpetual Wealth - goes hand in hand - whether it's our self that we are adjusting our personal belief system, or our kids, or adopted family, we have to adjust our mind set to thinking in terms of perpetual wealth.
	We are either Seeding the Future or Ceding the Future - there is no sitting on the fence.
	Confusion, suspicion and fear come from not being able to handle all the emotional, legal, financial and tax aspects of an estate, especially when it is passing to another due to death.... Frequently people are overwhelmed.
	Private Irrevocable Trust - we can get to know the wishes of the Grantor BEFORE they pass on.
	If you have kids... talk to them - I'm working with my son who just purchased property and intends to sell it to his brother... and their Dad is trustee of his father's living trust and he needs to decide how he's going to set things up - this is an on-going concern that should be openly talked about with family and adopted family members.
Command Emphasis	In raising children, this can NOT be farmed off to others, if you want to have a successful family that can carry on perpetual wealth - Command Emphasis - the direct continuing involvement of whomever is responsible for the physical, emotional, financial and spiritual support of the child or children.
	We are seeking to have beneficiaries who grow up in loving, stable, supportive, and properly disciplined environments.
	Beneficiaries with real self-esteem gained by doing something, by striving for the mark and either falling short and trying again or hitting it by dint of hard work, belief in self and sheer dogged persistence.
	Many top leaders start at the bottom, working in the mail room and working their way up, or failing many times before making it.
	PAY OUR CHILDREN IN THE RIGHT COIN, THE COIN OF LOVE.
Chapter 10	The Power of Distribution - how to include rewards and incentives in a shared wealth environment.
	Communism... sharing equally when not everyone puts in the same effort... The family unit is based on shared wealth.
	Government programs - benefits have strings attached... Footnote of court case Sanchez v County of San Diego... If you accept welfare, then a warrantless search can be used against you.
	When accepting payments from any source, there may be conditions.

Mantra	We want to build an army of people around us whose vested interest protects the Trust.
Impoverished Relatives	We suggest that people take a different look at the potential of family members and perhaps use them as assets.... Even if the only talent is housekeeping
	Private Irrevocable Trust creates a more gentler situation at the death of a family member - there is no adjustment to who has and who has not to the family.
	Distribution Procedures - we will learn more about this... we could give only a few Units of Beneficial Interest and as the beneficiaries prove themselves, they can receive more.
kind of harsh...	If kids are not behaving responsibly... IRS Publication 17... current income required to be distributed... you must report your share of the distributable net income whether or not you have actually received it... could give them a tax liability to pay without any cash to pay it.
	Chapter 25 covers distributions more. Appendix D shows a diagram - and Book 2 has the Trust Certificate Register and TCU (trust capital units) process found only in the Common-Law Trust structure.
	With distribution comes control of the beneficiaries.
	Inviting beneficiaries to board meetings is much to everyone's advantage.
	The inability to self-actualize may stem from a dysfunctional family.
BIC Notes	Here is the list of reasons for working with a natural law trust - these are the things we will be learning - though it would be good to review together. Excel sheet tab "BIC NLT notes".
Want to review some of our Trust Clauses	We will review the excel tab "LawOfTrustsBogert", Cases and Text on the Law of Trusts, Sixth Edition, George G. Bogert
You need to look up the local laws governing Trusts where you are located.	We will review briefly the excel tab "CAProbateCodeOnTrusts" - this is where California's Trust Law is found - mainly dealing with Revocable Trusts that become Irrevocable upon the death of the Grantor.
Banking	We will stop and re-recording reviewing going to the bank and setting up an account
13-Nov	Brilliance In Commerce - Trustee Study Group - Irrevocable Private Trust contract - Chapters 11 & 12 of the book The Art of Passing The Buck ~ What can you put in a Trust & Types of Trusts

Dominique note	<a href="https://www.reference.com/business-finance/tier-one-bank-47d4fbaec74df2e1">https://www.reference.com/business-finance/tier-one-bank-47d4fbaec74df2e1</a>
re Tier 1 Banks	<p>Tier 1 Bank... A tier 1 bank refers to a bank's core capital, and a tier 2 bank refers to a bank's supplementary capital, explains Investopedia. A bank's retained earnings and shareholders' equity determines tier 1 capital.</p> <p>Analysts use tier 1 capital to determine the financial health of banks, according to Investopedia. The minimum ratio for tier 1 capital is 6 percent, and the formula used to calculate the ratio is to divide the total tier 1 capital by the bank's total risk-based assets. The ratio for tier 1 capital falls under the Basel Accord, which is an agreement set forth by the Basel Committee on Bank Supervision. The BCBS provides recommendations regarding capital risk.</p>
Dominique Questions to Randall	<p>Assigning foreign current value is what you paid for it, And therefor a wash... [example: you pay \$100 for a 1 T [trillian] zim, it's still only worth \$100 now...]</p> <p>I'm suggesting the on addendum schedule "A", client only puts down the total of a particular currency - They only have paid value now...Yes...what you paid, backed by receipt...</p> <p>Yes there will be a new value at exchange, but lots of different things will be happening[banking]</p> <p>potential gain is only at selling end...</p> <p>when the RV occurs, can we the Trustees call the revaluation of the asset (foreign currency) principle? <b>Yes, because an asset is assigned to trust at minimal value, then I would consider it principle...</b> <b>Now, if that re-evaluated asset produces profit/interest, I would consider that income...</b></p>
Question:	<b>Case One</b>
	Jim has a piece of land that cost him \$30,000.
	He owns this property in his name and there is no mortgage.
	Jim wants to sell his land to his brother BJ.
	Jim wants to get paid \$35,000, with BJ paying \$500 per month, and will take about six years.
	Frist contemplated setup:

	Jim be the Settlor and Trustee on a Trust he creates for his brother BJ benefit.
	<i>Randall Comment: Yes, that works, but banks will probably want him to have a co-, or, successor trustee...</i>
	For the adverse unrelated trustee - can Jon be trustee with Jim?
	Jon works for Jim's father Jonathan and sometimes for Jim but never for BJ.
	<i>Randall Comment: Yes, Jon could be a co-, or successor trustee...but someone with more distance would be better... Someone that's not living on property or working for that family...</i>
	BJ will pay the Trust \$500 a month for use of the property - he has a trailer on it.
	Jon Long will pay will pay the Trust \$400 a month for use of the property - he has a trailer on it too - and Jon's monthly payment is less as Jon is getting paid something for being a trustee.
	<i>Randall: OK, as long as Jon is not a beneficiary....</i>
	Jim will be the Executive Manager and care for the Trust checking account and make sure bills are paid and oversee that he personally is getting paid by the Trust by having a promissory note with the Trust and putting a lien on the property till the Trust pays in full.
	<i>Randall: OK, that would work..., but also, if he is a trustee, he won't need to be EM...</i>
	BJ has a bit of trouble with the law right now (a few tickets and a misdemeanor charge for drug possession), and we want to make sure BJ is set up so that BJ has "use" but no belongings that could be taken from him.
	<i>Randall: As long as everything is in trust, and he doesn't have a say in the trust,</i>
	<i>I would suggest a non-related co-trustee [Jon], or even less relationship with</i>
	<b>Summary:</b>
	Settlor Jim Colbert
	Trustee Jim Colbert
	Trustee Jon Long
	Executive Manager Jim Colbert [not needed]
	Beneficiary BJ Colbert
	Schedule A - \$108 Cash
	Board Minutes - Jim sell [assigns] property to Trust, BJ pay rent \$500, Jon pay rent \$400
	Add Sch A - Paradise property with promissory note to Jim \$35,000

	[property and promissory note would be recorded on schedule "B"]
Question:	Question - are these relationships too "close" - could this Trust setup be "penetrated" - is this a good setup? I am looking forward to sharing this situation with my fellow trustees which I get your input and suggestions.
	<i>Randall: It will work as long as Jon and Jim keep the books straight, and their focus is keeping the trust clean...</i>
Question:	<b>Case 2</b>
	What do you do when you have given up all 100 units?
	So, Jon and Jim have to decide how many units to give to new investor/beneficiary
	No more than 100 units total, they would have to decide how much the new asset is worth to them...
Question:	<p>while we await the RV - if we have opened a small bank account, should we put small monies - as a disbursement from an LLC that the trust is a member - into our trust banking account, so it has activity - and we can label it principle?</p> <p><b>If small sums of money are distributed to trust, to just sit there and keep the account active, a I would consider it principle...</b></p> <p><b>If larger sums are distributed to trust from any investments, either from LLC/Corp, then I would consider it interest...</b></p>
Question:	<p>when the RV occurs, can we the Trustees call the revaluation of the asset (foreign currency) principle?</p> <p><b>Yes, because an asset is assigned to trust at minimal value, then I would consider it principle...</b></p> <p><b>Now, if that re-evaluated asset produces profit/interest, I would consider that income...</b></p>
Question:	<p>what if a Grantor or Trustee has exchanged into the trust an asset, but has not received any beneficial interest (Units of Beneficial Interest) units - could this be looked upon as a gift and possibly subject to a gift tax?</p> <p><b>It could be considered a gift, so I would recommend that if there is an exchange then produce a minute that funds are exchanged into trust for certain benefit...</b></p> <p><b>And best to give a UBI certificate for that exchange.</b></p> <p><b>But that's typically done as the trust is being set up, and any beneficiary would be noted on schedule "C"</b></p>

Passign the Buck Ch 11	What can you put into your Trust... any lawful item may be put into a Private Trust....
Mantra	just because you can, doesn't mean you should
1st	Deos it have intrinsic value?
2nd	Definition of value - is it useful to the Trust can can you convert it to cash?
	Will it keep it's value or even increase in value?
	Copyrights
	Patents
	Trademarks
	Assets can and do come in forms well beyone what many people think of,... look for treasure beneath your feet.
3rd	Do I want to sell it before I die?
	Asset accepted into the trust is accepted at Fair Market Value
	what are the tax consequences of selling and then placing money into trust vs placing in trust and then selling?
Page 102	Does anyone understand this sentence - " <b>Further, if the Trust gains the asset and sells it, the Grantor will not get the cash, but a portion of the gain</b> . Trust profit is shared with the Beneficiaries
	Is there a place for the Trustee to keep the asset?
	Will the Beneficiaries fight over the asset?
	How will the Trustees divide up the asset to give to the Beneficiaries?
	Beneficiaries will need to pay any tax due...
4th	Does the asset generate a positive cash flow?
5th	Is it a valuable collectible?
	Assertain fair market value - The first corpus is essential to maintain correct accounting procedure.
	Getty Museum... is a Trust
	The cash flow in the Trust must be able to care for the asset.
6th	Do my beneficiaries want to use it?
7th	Can the asset be converted to cash, or does the asset produce a cash flow?
	Good Art, though, be it paintings, sculpture, drawings, folk primitive, tribal or what-have-you, belongs in Trust, to be enjoyed by your successors or, if needed, sold to care for your Beneficiaries and their needs.
Registration of Assets	In the name of the Trust, then you sign with comma TTEE - showing you are trustee

	if you plan to re-finance a home, do not place it in the Trust - as usually you have to take it out of the Trust - do the mortgage papers - and then place back into the Trust - book recommends against it...
Ch 12	Types of Trusts
	Sixth Edition of Black Law Dictionary has 90 different trusts - I copied the pages for us to review together
The Motive for a Trust	All Trusts shift the issue of Title
	This must be done before a person dies, or you will need a Judge's approval... why doesn't everyone do this?... Because the other person has to be trustworthy.
	This is why we have a Trust Indenture... it's a Contract - limits what a trustee can do with the funds/assets.
Appendix B	The Trusts in Appendix B all involved Legal Documents.
	The trust indenture is only 25% of what is needed to make your trust work... Paper does not equal success.... Trust will succeed based on the day to day decisions of the people involved.... What you want to buy is backup support comprised of knowledgeable people.
Statutory Trusts	are created or managed by individuals LICENSED by the state - lawyers, banks, CPAs, and others - who are subject to state-imposed limits on their operations..... They owe their loyalty to the state, and at times there can be a conflict between what the Trust needs and their priorities.
Testamentary Trust	A Will can set up a Trust.
Living Trusts - Run by the Grantor	inter vivos - "between the living"
	unlike a Testamentary Trust - this trust happens while the Grantor is alive.
	Unusually the Grantor is the Trustee and the Beneficiary
	No need to go to Probate court...
	After the Grantor dies
	The Successor Trustee gets the trust an EIN number
	or a Trust Identification Number TIN -
	At this point the Revocable Living Trust is now Irrevocable.
	Does not protect the Grantor from any tax liability - not separate from the Grantor till the Grantor dies.
	Page 111 - Summary of Revocable Living Trust
	no asset protection

	Beneficiaries can be liable for income taxes on distributions.. Unless final beneficiary is a state approved charity.
	Protects from the costs of probate court so long as the beneficiaries do not challenge
	Not considered a business and Can Not operate one
	Assets from a business can be put into this trust to be sold at the death of the grantor.
	All Public Record - target of con artists... as it is Filed in the county, description of its assets and identification of Beneficiaries...
Revocable or Simple Trust - Run by Trustees	The grantor may be a trustee or co-trustee, and retains the right to terminate the Trustee and change the Indenture.
	Beneficiary may petition the courts of equity for redress, if after the death of the grantor the Trustees fail to perform as needed.
	Some revocable trusts are written that the Beneficiary(s) must agree to termination before the trust can be ended.
	This Revocable Trust does allow the owner of real or personal property to pass legal title to someone else before they die.
	Beneficiaies are able to ask for the accounting records of the Trust from the very beginning.
Irrevocable Statutory Trust - Term Trust	Tax benefits can be impressive, and asset liability protction is noteworthy for any Irrevocable Trust
	IRS Code section 672 - there are strick rules concerning who can and cannot be a Trustee.
	Volume 2 addresses where close relationships can be allowed in certain circumstances...
	Term Trust - can be used for 10 years to divert income from you to your child... your child is at a lower tax bracket
	All Irrevocable Statutory Trusts can allow other family members to put their assets into the same Trust.... Example - Grandparent has Mfunds set up in their son-in-law's trust to provide for grandchildren.
	Issues with Taxation and Gifts - that need to be checked into...
Irrevocable Common Law Trust	When you exchange goods into the Trust, we receive Trust Certificates identifying the number of Trust Captial Units received in exchange (we are using Units of Beneficial Interest)
	Ex - Exchange Mfunds into a corporation for corporate shares, and taxes are paid when corporate shares are cashed out...
	When properly done - Taxes are due when the Trust Certificates are cashed out... exchange constitutes a tax-free ttrade and exchange for an unknown realized gain or loss....
	See case law footnoted Page 114

Tax Exempt Status	Charitable Trust - must be reconized as Tax Exempt
	Page 115 speaks to a Family Trust can act as a passthrough organization, and then not need the tax-exempt status...
	Charitable Remainder Trusts
2 Types	Annuity
	Unitrust
	Both cases - Grantor is Beneficiary, and on his death, the icnome from the principle goes first to the named Benefiaries and then to charitable organizaitons.
	Considered a Grantor Trust - no income tax benefit is derived from their use...
	A Charitable Remainder Trust is the only trust that Must contain a charitable element to quqlity for tax advantage.
	Simply doe the basics well and you benefit your self, your family , your community and your planet
Mantra	Create a self-sufficient Trust cash flow to support your Trust staff and Beneficiaries.
Educational Trusts	Beneficiaries are responsbile for any taxes due on the funds they receive
	Funds can be given just just for tuition and books for also to support living on campus.
	Page 117 lists ample room for creativity on how this trust is setup... stops at a certain age, grade point average,...beneficiary can contriubt to trust to support future generations...
1-Dec	Brilliance In Commerce - Trustee Study Group - Irrevocable Private Trust contract - 2019-12-11 Passing the Buck Vol 1 Chapter 13 & 14 Trustee Differences & "Trusting"
Shameless Plug for my Nonprofit: 2020 Almanac for the Modern Age - nets \$35 dollars to Santa Barbara Wellness Center	<a href="https://www.amazon.com/2020-Almanac-Modern-Age-Appointment/dp/1947580558/ref=sr_1_2?keywords=2020+almanac+for+the+modern+age&amp;qid=1575907312&amp;sr=8-2">https://www.amazon.com/2020-Almanac-Modern-Age-Appointment/dp/1947580558/ref=sr_1_2?keywords=2020+almanac+for+the+modern+age&amp;qid=1575907312&amp;sr=8-2</a>
	If anyone in our class would like a pdf copy to print for themselves, send me an email and any donation amount you can ~ paypal to santabarbarawellnesscenterinc@gmail.com - Much appreciated and I'll give you the drop box link for the print ready pdf.

How to sign documents as Trustee:	__your full legal name_____, Trustee for __your full trust name - ending with Trust & your Trust Date - ex. John Thomas Doe, Trustee for The Future Is Bright Trust (12/12/2012)
Chapter 13 Trustee Differences - Grantor Trustee	Grantor Trustee: Frequently Grantor & Spouse, in Living Revocable Trusts ~ Who are the Main Beneficiaries, grows assets & assumes consideration for contingent Beneficiaries. PAYS INCOME TAX ON TRUST PROFITS.
Independent Trustee	Independent Trustee: frequently lawyers working as trustees for banks, or individuals working for a trust that are paid a percentage or remuneration for services. Example Santa Barbara Bank & Trust - Independent Trustees are Lawyers, and SBB&Trust receives a percentage of the Trust Distributions to Beneficiaries - you deposit money, you become a beneficiary based on your deposit amounts.... P. 123 Independent Trustee, chiefly interested in ensuring the accounting and legalities of the Trust, is not attentive to the personal interests of the Beneficiaries.
Adverse Trustee	Adverse Trustee: We All Need at least ONE.... The Adverse Trustee has a greater interest in the Trust and the Grantor can not remove them. Has more Powers than an Independent Trustee. Adverse means, the Trustee can go Against the wishes of the Grantor if this is in the best interest of the Trust and the Beneficiaries.... this distinction came about because of John D. Rockefeller and Standard Oil.
Adverse Trustee Test:	In our trusts, the Grantor relinquishes all responsibility, so the "adverse" trustee possess a greater percentage of the Trust than the Grantor.....P.123 - when the trustee is "adverse" aggressive investment activity (to make the trust assets grow) is more likely.
<b>DEEP DIVE... INTO VOL 2 AND BLACK LAW'S DICTIONARY...</b>	
Pause... dive into Vol 2	Let's get an understanding of Trust Capital Units (TCUs) and Units of Beneficial Interest (UBIs)
	Randall choose NOT to use Trust Capital Units (TCUs) which are found in both Private Common-Law Trusts and Irrevocable Statutory Trusts - found in both the Management Trust and the Business Trust. And Asset Holding Trusts have both TCUs and UBIs.
UBIs in our Trusts	Why did Randall choose UBIs?.... Passing the Buck feels that unless Beneficiaries express and interest in the Trust, or demonstrate maturity, they should hold UBIs instead of TCUs.
Adding Complexity:	By Management or Business Trust giving Asset Holding Trusts TCUs, they become Beneficiaries and pass the distribution on to the holders of UBIs.

	We can put a friend on a UBI, and further Grantor can specify that only direct descendants can hold TCUs and TCUs can not be assigned outside of the family, while UBIs may be more broadly applied.
	Capital = trust corpus
	Interest = profit
	The corpus becomes principle and generates profit.
TCU	TCU gets both interest and part of the corpus when trust is dissolved or when trustees decide to distribute some of the corpus.
UBI	UBI usually gets only profit - But since our trusts only have UBI - the UBI % based on 100 units would be used when the trustees dissolve the trust.
Example of TCU & UBI	<p>Asset Holding Trust has asset of residential property. Residential property sold, corpus is thus liquidated and <i>profit is generated (in this example)</i>.</p> <p>The Management Trust is Trustee for Asset Holding Trust, holding 51% TCU.</p> <p>Asset Holding Trust remaining 49% TCU can be distributed or reinvested.</p> <p>Majority of funds pass to The Management Trust.</p> <p>The Management Trust uses the funds to put in a stock portfolio to generate a cash flow for the Management Trust TCU holders.</p>
<b>Irrevocable Statutory Trusts - Gift Tax</b>	There are No Certificates for asset exchanged into an Irrevocable Statutory Trust - when people put assets into this kind of a trust they frequently pay a Gift Tax
PASS THROUGH ACCOUNTING	If you are given a TCU in exchange for an asset you put into a trust, then when the TCU is "cashed out" any profit you receive back would have a tax due.
UBIs in our Trusts	UBIs do NOT Require an exchange and May or May Not have a cash value. This depends on the circumstances stated in the Indenture & what the Board of Trustees decides.
	TCUs are not trade-able - the only "buyer" is the Board of Trustees.
	TCUs are frequently not allocated properly.
	The Administration of the Certificate Register requires expertise and dedication
Fair Market Value	At the time the asset is put into a Trust: per court case noted on Vol 2 Page 102 - Fair Market Value, for the purposes of the internal revenue law, is the price at which a seller is willing to sell at a fair price and a buyer willing to buy at a fair price, both having reasonable knowledge of the facts in the trade.

On the Grantor's Side - exchange has no "fair market value" to be reported	When the asset is placed in a Trust - there is no reportable or determinable value to be declared. per court case noted on Vol 2 Page 102 - Property received in exchange for other property has no "fair market value" for the purpose of determining gain or loss resulting from such exchange when owing to the condition of the market, there can be no reasonable expectation that the owner of the property, through wishing to sell and any person wishing to buy will agree upon a price at which to trade unless one or the other is under some particular compulsion.
	When TCU are cashed out, then the value can be ascertained.
	IRC recognizes that a taxable status exists when transferred into the Trust Organization, but any tax payment is deferred until distribution from Trust Organization to the Beneficiaries.
	Another court case on Page 103: No tax is assessed on the conveyance of property into a corporation [or a Trust] because the exchange constitutes a tax-free trade and exchange for an unknown realized gain or loss.
<b>UBIs &amp; TCUs - deferred tax</b>	Trust Certificates which have only a contingent future interest of indeterminable value are not taxable. The tax is not evaded or avoided, it is merely deferred.
	Generally speaking, the income tax law is concerned only with realized losses, as with realized gains.
	Taking an asset back out of a Trust will have tax consequences, so why remove it, if you can use it while it's in the Trust? This is why the Trust gets renewed by the Trustees, once every 21 years... or so...
from Vol 2 - Page 104	If a Beneficiary has received trust payments, and the Beneficiary is a taxpayer, they need a K-1 from the trust. Our Private Irrevocable Trust is a passthrough accounting system. Choose your counselors wisely, for this mater a mentor is needed.
<b>From Vol2 - Page 46</b>	<b>...the IRS recognizes that any two Trusts are separate and distinct if they have different Grantors and Beneficiaries.</b>
From Vol2 - Page 47	If... for example, a young couple planning to buy a home and agreeing to place it in a Trust immediately upon closing, would be wise to set up a Trust one or two years before the planned acquisition.... Even having a with minimum activity is more beneficial than no trust at all.
TCUs and UBIs	reflect units given in exchange for assets or given to "officers" - Executive Manager - and Beneficiaries who have not joined in the exchange transaction.

Audit of Trust	Beneficiaries have the right to see the Trust books and ask for an audit. We suggest those who hold UBIs are only on the Asset Holding Trust. This limits their ability to get into the Management or Business Trust where substantial cash flow occurs.
<b>For the Trust to have it's own identity</b>	<b>Recommend the Trust have it's own rented private mail box - at something like a UPS Store - which can accept any kind of package and sign for deliveries. (Do NOT recommend a PO Box)</b>
the meaning of Indenture	"a contract binding a person to work for another person during a given time."
Black Law's Dictionary - Indenture	A deed to which two or more persons are parties, and in which these enter into reciprocal and corresponding grants or obligations towards each other; whereas a deed-poll is properly one in which only the party making it executes it, or binds himself by it as a deed, though the grantors or grantees therein may be several in number. 3 Washb. Real Prop. 311; Scott v. Mills, 10 N. Y. St. Rep. 35S; Bowen v. Beck, 94 X. Y. 89. 40 Am. Rep. 124; Hopewell Tp. v. Am- well Tp., 0 N. J. Law, 175.
Black Law's Dictionary - Organization	A group of people, structured in a specific way to achieve a series of shared goals. Relationships within an organization are determined by its structure and are typically based upon role and function. As the external environment can affect and be affected by organizations, they are considered open systems. 6th Edition As term is used in commercial law, includes a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a common interest, or any other legal or commercial entity. UCC Section 1-201(28).

<p>Black Law's Dictionary - Natural Law</p>	<p>A rule of conduct arising out of the natural relations of human beings, established by the Creator, and existing prior to any positive precept Webster. The foundation of this law is placed by the best writers in the will of God, discovered by right reason, and aided by divine revelation ; and its principles, when applicable, apply with equal obligation to individuals and to nations. 1 Kent, Comm. 2, note; Id 4, note. See Jus NATURALE.</p> <p>The rule and dictate of right reason, showing the moral deformity or moral necessity there is in any act, according to its suitableness or unsuitableness to a reasonable nature. Tayl. Civil Law, 99.</p> <p>This expression, "natural law," or jus naturale, was largely used in the philosophical speculations of the Roman jurists of the Antonine age, and was intended to denote a system of rules and principles for the guidance of human conduct which, independently of enacted law or of the systems peculiar to any one people, might be discovered by the rational intelligence of man, and would be found to grow out of and conform to his nature, meaning by that word his whole mental, moral, and physical constitution. The point of departure for this conception was the Stoic doctrine of a life ordered "according to nature," which in its turn rested upon the purely supposititious existence, in primitive times, of a "state of nature;" that is, a condition of society in which men universally were governed solely by a rational and consistent obedience to the needs, impulses, and promptings of their true nature, such nature being as yet undefaced by dishonesty, falsehood, or indulgence of the baser passions. See Maine, Anc. Law, 50, et seq.</p>
<p>Black Law's Dictionary - Natural Law cont.</p>	<p>We understand all laws to be either human or divine, according as they have man or God for their author; and divine laws are of two kinds, that is to say:</p> <p>(1) Natural laws;</p> <p>(2) positive or revealed laws.</p> <p>A natural law is defined by Burlamaqui to be "a rule which so necessarily agrees with the nature and state of man that, without observing its maxims, the peace and happiness of society can never be preserved." And he says that these are called "natural NATURALE EST QUIDLIBET 805</p>
	<p>LOOK AT VOL2Notes Tab</p>
	<p>Now... a Quick look at Our Trust</p>
<p>Look at Trustee "Powers" In Randall's Trust P.3</p>	<p>Any natural person, domestic or foreign person, corporation, limited liability company, trust company, trust, bank, or trustee of another trust, may be a Trustee appointed and/or succeeding at any time no matter the nature, scope, or intent of the person's functions, powers, or activities with respect to the trust.</p>

P.4	8.5 The Trustees are not required to obtain authority, or approval, of any government agency or any court in the exercise of any power conferred hereunder, nor make any reports or accounting thereto.
P.5	9.1 The Trustees shall regard this indenture as their complete and sufficient guide and governing instrument in the performance of their duties to administer this trust. The Trustees shall have only such authority, powers and duties as conferred herein and hereunder. If any court of competent jurisdiction becomes the administrator of this trust, it too shall use this indenture as its governing instrument.
P.5	10.1 No Trustee shall be required to furnish any bond or other security, nor obtain authority from, or approval of, any court in the exercise of any power conferred upon him.
	<b>Trustee Powers</b>
11.1	The Trustees shall not have any general powers, but shall have any/all power to carry out the intent and purpose of this indenture and the following specific powers;
11.2	To conserve the property, commercializethe resources and extend any established line of investment for the benefit of the trust, to deposit and hold trust funds in both interest bearing and non-interest bearing accounts offered by any bank, to buy, sell, continue, operate, manage, or liquidate any business interest of the trust;
11.3	To buy, sell, lease, receive, exchange, convey, or pledge for security any/all trust property and assets and exercise any/all rights, powers, privileges and authority that any absolute owner of such property can do, to receive and collect gifts, contributions and endowments, to give to any charitable purpose harmonious with the intent of this trust;
11.4	To create new trusts, organizations, or corporations, to enter into and engage in any lawful contracts with, including, but not limited to, natural or legal persons, trusts, corporations, partnerships, associations or other joint ventures under the name of this trust or any other alias or assumed name, and to operate, distribute, diversify, change, liquidate, or otherwise run the trust;
11.5	To buy, sell, underwrite, invest and reinvest in, exchange or otherwise acquire, and to hold, manage, develop, trade, sell "short", deal with and turn to account, either in cash or on margin, any securities of any kind, including but not limitedto, stocks, bonds, commodities, mutual funds, in common trust funds established by any bank or trust company, and/or stocks, bonds, debentures, shares, options, commodities, futures, forward contracts, notes, or any other securities of any government, state, municipality, public authority, public or private limited or unlimited company anywhere in the world;

11.6	To buy, sell, underwrite, invest in, exchange or otherwise acquire, and to hold, manage, develop, deal with and turn to account any gold, silver, diamonds, and other precious or semiprecious gems or metals, gas, oil or mineral rights, patents, copyrights or trademarks, works of art and other articles of value, and whether on cash or margin basis and including short sales, and to borrow or lend money against the security of any of this property;
11.7	To hold, manage, acquire, buy, sell, lease, rent, mortgage, exchange, deed, convey, assign, encumber, hypothecate, invest, loan, borrow, grant options, pledge to secure loans, make improvements, modifications, and alterations, demolish productive or unproductive property, to execute covenants, agreements, contracts or credits, to create servitude's, grant easements and rights of way, impose conditions and restrictions, and to release the same, to seek zoning, re-zoning, variance, or non-conforming use permits on any productive or unproductive property;
11.8	To sue and be sued;
11.9	To carry insurance of all kinds deemed necessary, including but not limited to, life, health and disability insurance, personal liability and property damage, fire, casualty and extended coverage insurance, income protection insurance, to receive and hold any insurance policies on the life of any person, if after the transfer of such policy or policies to the trust, the trust is the sole owner of the policy and the designated beneficiary;
11.10	To employ and pay reasonable compensation to trustees, consultants, caretakers, employees, managers, agents and/or any other third parties for services rendered, to determine the authority and responsibility of each, and to designate any/all of the them to hold funds for specific purposes;
11.11	To make distributions, either from income and/or corpus, that provides for the care, maintenance, support, protection, education, medical expenses and general welfare of the Beneficiaries.
Now back to Chapter 13 & 14	
P.124	After the Grantor dies, the sticky issue of an adverse Trustee is moot. Any blood relation can become the Trustee as long as the person named qualifies under the Trust Indenture.
	Grantor might want to include in the trust indenture or in a letter to the trustees, what qualifications are needed to be a trustee.
P. 125	An Adverse Trustee proves to be one of the greatest assets of the Trust.
Adverse Trustee Test - from the IRS:	This Trustee cannot be subservient to the Grantor; that is, not blood related, not an employee, and there are no conditions under which the Grantor can dominate the Trustee.

An Adverse Party	any person having a substantial beneficial interest in the trust which would be adversely affected by the exercise or nonexercise of the power which he possesses respecting the trust.
Dummy Trustee	If the IRS asks you "What do you do?" and you answer "I just do what I am told." - You are the DUMMY TRUSTEE.
	ADVERSE TRUSTEES CAN NOT RECEIVE A BEQUEST FROM THE GRANTOR'S WILL.
	An adverse Trustee has the authority to stop the Grantor from giving away assets belonging to the Beneficiaries.
Chapter 14	On Trusting... "White Man's Dis-Ease"
	Nature intended us to work together - we can NOT do it alone.
	Trustee - choose at least two people, who are willing to learn.
	Once signed, the trust indenture is Set In Stone... and subsequent Minutes can expand and further define the Indenture, but can't change the original intention of the Grantor.
	Forming any Trust is the single furthest- reaching decision most people will make in a lifetime.
	Beneficiaries can be added by a majority vote of the Board of Trustees; provided the Beneficiary qualifies under the rules of the Indenture. This decision is recorded in the Minutes.
IRS Seven Powers of a Trustee of a Irrevocable Statutory Trust	<ol style="list-style-type: none"> <li>1) How the income of the trust may be applied to support a dependent</li> <li>2) At termination of the Trust, the corpus reverts back to the Grantor - (Our Trust NO)</li> <li>3) How the income of the Trust is to be accumulated</li> <li>4) How the corpus is to be distributed</li> <li>5) Temporary power to withhold income from a Beneficiary</li> <li>6) Power to withhold income during the disability of a Beneficiary to accumulate and add to the income corpus</li> <li>7) Power to allocate between corpus and income.</li> </ol>
	Grantor remains an advisor
	Our Private Irrevocable Trust is a creative process.
	Main responsibility of the Trustees are to increase and protect the assets of the Trust, so they must have some grasp of finances and some legal knowledge, or be interested enough to learn.
	Lack of Trust and Abuse of Power.... Health Care Agent
	stop and review Health Care Directive - an other lists of information we need to leave to people and we need to gather, if someone will be passing on soon.

Link to a Health Care Directive	<a href="https://www.dropbox.com/s/jxx0nyyndprnv25/Advance%20Health%20Care%20Directive%20Form.pdf?dl=0">Here is a California form, if you do not have one... you should check your local hospital's website and see if they have a version they like people to use.</a> <a href="https://www.dropbox.com/s/jxx0nyyndprnv25/Advance%20Health%20Care%20Directive%20Form.pdf?dl=0">https://www.dropbox.com/s/jxx0nyyndprnv25/Advance%20Health%20Care%20Directive%20Form.pdf?dl=0</a>
AARP version	<a href="https://www.dropbox.com/s/xgbsol9q8ygr17o/AARP%20California%20HEALTH%20DIRECTIVE.pdf?dl=0">https://www.dropbox.com/s/xgbsol9q8ygr17o/AARP%20California%20HEALTH%20DIRECTIVE.pdf?dl=0</a>
Here is information we all need to leave to our Heirs	<a href="https://www.dropbox.com/s/hz5hx6abx75scl/Executor%20Information%20Digital%20Diary%202019.03.docx?dl=0">https://www.dropbox.com/s/hz5hx6abx75scl/Executor%20Information%20Digital%20Diary%202019.03.docx?dl=0</a>
5 Wishes	<a href="https://www.dropbox.com/s/3k5npmyfxglz2xz/5-Wishes-Advanced-Planning-Guide1.pdf?dl=0">https://www.dropbox.com/s/3k5npmyfxglz2xz/5-Wishes-Advanced-Planning-Guide1.pdf?dl=0</a>
<b>4pm</b>	<b>Brilliance In Commerce - Trustee Study Group</b> <b>Private Irrevocable Trust contract</b> <b>2020-01-08 The Art of Passing the Buck Vol 1</b> <b>Chapter 15 &amp; 16 - Trustees and the Law &amp; Privacy (Legal &amp; Lawful Def)</b>
<b>*6 to unmute</b>	<b>Agenda for 1-2 hour Study Group</b>
16:00	1) Greetings - This is a Brilliance In Commerce NLT Study Group Meeting for all of us who have purchased a trust or made a down payment for a trust & our co-trustees. It is <b>Wonderful if you can please type your questions to the chat window as this is downloadable after the meeting and I can make sure to re-ask the questions to Randall to get additional clarification for us.</b> This takes the place of taking notes on questions asked, so I deeply appreciate all of you who are asking questions in the chat window.
Disclaimer:	The NLT trustee study group is not intended as legal or financial advice. I am not an Attorney or CPA and do not offer legal or financial advice. We all do research and share open source information. The private exchanges between us are for personal and educational purposes only and are under the protection of free speech. We may discuss ways to avoid taxes, but never suggest evading taxes.
16:10	2) Hot Topics anyone? Trust Issues/Problems anyone is currently trying to solve - please share in the chat window and we can address these topics first.

16:20	3) Any questions from previous study group meetings?
16:30	4) Questions from this month's reading Chapters of Passing the Buck?
16:40	5) Quickly organize topics & get a quick input from everyone on priority & start working through the list of topics
15 minutes before ending	6) Quick summary of what could not be covered & ask for volunteer to summarize questions for emailing to Randall - for future BIC seminar topics .....
Thank you Randall & Taansen & Thanks to Peter for posting!	<i>In Fellowship and Cosmic Communion – Deep appreciation to Randall and Taansen and Also a thanks to Peter for posting the links BIC "myaccount" page</i>
Previous Recordings of NLT Study Group	<a href="https://brillianceincommerce.com/my-account">The previous recordings of our study group should be in everyone's BIC account login page, https://brillianceincommerce.com/my-account ... you put in your username &amp; password to enter.</a>
Dominique's Main Mantra Regarding Trusts	<i>"There is no greatness where there is no simplicity." ~ Leo Tolstoy</i>

<p>Dominique manages - Simply Soulful Service Ltd. LC</p>	<p>Link for Spread sheet - I will add to chat window so you can click on it. <b>2020.01 NLT Trustee Study Group Notes.xlsx</b> - I recommend downloading into excel or any other spreadsheet program you use.</p> <p>If you are currently using a previous month's spreadsheet, simply drag into your active excel sheet the tabs you want to Add to your existing master excel sheet.</p> <p>My plan is for Every month's new edition to contains all the tabs.</p> <p><b>My company is Simply Soulful Service Ltd. LC - I accept FreeWill donations @ dominiquehacketttrustee@protonmail.com PayPal account. You can also send me a text - I am on "Telegram" as SSSLtdLC. If you don't see me when you login - send me an email and I'll make sure to connect on Telegram with you.</b></p>
<p>Dominique's Spreadsheet added tab</p>	<p><a href="https://www.dropbox.com/s/ceu2g5f60pkguh/2020.01%20NLT%20Trustee%20Study%20Group%20Notes.xlsx?dl=0">https://www.dropbox.com/s/ceu2g5f60pkguh/2020.01%20NLT%20Trustee%20Study%20Group%20Notes.xlsx?dl=0</a></p>
<p>PDF version</p>	<p><a href="https://www.dropbox.com/s/d8zzy6jginpikmt/2020.01%20NLT%20Trustee%20Study%20Group%20Notes.pdf?dl=0">https://www.dropbox.com/s/d8zzy6jginpikmt/2020.01%20NLT%20Trustee%20Study%20Group%20Notes.pdf?dl=0</a></p>
<p>Black Law's Dictionary - Trusts</p>	<p><a href="https://www.dropbox.com/s/hvprgzg4kaoelwd/Trusts%20Black%20Law%20Dict.pdf?dl=0">https://www.dropbox.com/s/hvprgzg4kaoelwd/Trusts%20Black%20Law%20Dict.pdf?dl=0</a></p>
<p>Black Law's Dictionary - Lawful</p>	<p><a href="https://www.dropbox.com/s/3rfxh4khfzmlhhy/Lawful%20def.pdf?dl=0">https://www.dropbox.com/s/3rfxh4khfzmlhhy/Lawful%20def.pdf?dl=0</a></p>
<p>Black Law's Dictionary - Legal</p>	<p><a href="https://www.dropbox.com/s/utlg4yr9d16wqq1/Legal.pdf?dl=0">https://www.dropbox.com/s/utlg4yr9d16wqq1/Legal.pdf?dl=0</a></p>
<p>Black Law's Dictionary - Statute &amp; Statutory</p>	<p><a href="https://www.dropbox.com/s/cyuvjo0smbo12pc/Statute%20%26%20Statutory%20def.pdf?dl=0">https://www.dropbox.com/s/cyuvjo0smbo12pc/Statute%20%26%20Statutory%20def.pdf?dl=0</a></p>
<p>Black Law's Dictionary - Statute &amp; Statutory</p>	<p><a href="https://www.dropbox.com/s/zdr34rtc3dhbip8/Natural%20Law.pdf?dl=0">https://www.dropbox.com/s/zdr34rtc3dhbip8/Natural%20Law.pdf?dl=0</a></p>
	<p>Please email me dominiquehacketttrustee@protonmail.com after class, ff you are not able to download this excel sheet - please email me, and I'll send you the drop box link.</p>

<p>Spreadsheet Overview:</p>	<p>So briefly in the spreadsheet that I keep issuing an updated edition, we have:</p> <p>Instructions: general notes how to use this excel sheet</p> <p>2020.01.08 Notes: Today's talking points</p> <p>StudyGroup Schedule: Links to past Randall Seminars &amp; NOT PUBLIC NLT Study Group classes</p> <p>PreviousMonthNotes: Starting from April-2019 forward</p> <p>Document log: so we can track the papers that make up our trust entity</p> <p>Trust financial ledger: to help us track the trust corpus, Charges and Credits</p> <p>Linked Statement of Financial Position</p> <p>FinStatForBenn: Financial Statement for Beneficiaries</p> <p>Trust Minutes: has questions on left side &amp; right side set to print</p> <p>Trust Mintes2: sample</p> <p>Cont.Education: list of books to read</p> <p>Tips&amp;Tricks: per the recommendation of Fellow Student</p> <p>CA Probate Code On Trusts: California (2019 internet clips)</p> <p>LawOfTrusts: Bogert 6th Edition - beginning study notes</p> <p>BIC NLT Notes: What we will be learning how to do as trustees</p> <p>Banking: Combined Randall &amp; PassTheBuck &amp; Dominique's notes</p> <p>Modifying Trusts: Beginning study notes - not done yet...</p> <p>SpellCheck: Fellow Student notes on how to use Spell Checker to help with Documents</p> <p>CommPrefer: To help with working with a team &amp; Pet Peeves list</p>
<p>NLT Study Group Format - 2 Parts - Book, then stop &amp; review extras</p>	<p>This month, I will do the same as last month, we'll talk and discuss the book, and then, I'll stop the recording and re-start the recording when we discuss my excel spreadsheet offering for this month. This way, for future reviews, we will have mini recordings of just the excel sheet tab discussions separate from our Trust study notes.</p> <p><i>This month - review of examples of trustee exchanging assets into the trust - after we review, email me if you want a sample - I must know you have Randall's full trust.</i></p>

<p><b>Respect Copyright: Please purchase your own copy</b></p>	<p>Today we are discussing <b>chapters 15 &amp; 16 of The Art of Passing the Buck Vol I.</b></p> <p>The Art of Passing the Buck Vol 1 &amp; 2 are copyrighted.</p> <p>So what we are instructing our study group that everyone purchase your own copy of the book &amp; this group plans to discuss specific topics to make sure we all understand what is being shared in this book.</p> <p>We are engaged in this study group in Making a Life for ourselves - and sharing our most important capital - Human Capital.</p>
<p><b>The Art of Passing The Buck - They are having a Yule Sale right now</b></p>	<p><a href="https://passingbucks.com/">Here is the link if you have not purchased your copy yet - we intend to study Vol I and then go on to Vol II - https://passingbucks.com/</a></p>
	<p><b>DEEP DIVE... INTO VOL 2 AND BLACK LAW'S DICTIONARY...</b></p>
	<p>Legal and Lawful and Statutory definitions - Lawful - Ethics, Legal - the form</p>
<p>Chapters</p>	<p>Chapter 15 &amp; 16 - Trustees and the Law &amp; Privacy</p>
<p>Quote from George Bogert</p>	<p>What is needed to be a Trustee ~ " Only ordinary care, skill and prudence are normally required of Trustees." .... We trustees are to act in good faith and employ such vigilance, sagacity, diligence and prudence as, in general, prudent men of discretion and intelligence employ in their own affairs.</p>
	<p>Our guideline as Trustees is our Trust Indenture.</p> <p>If you have not fully paid for your trust, you have a Trust Abstract and that document contains the outline of the Trust Indenture in the MEMORANDUM OF IRREVOCABLE TRUST MINUTE and in the TRUST CERTIFICATION MINUTE</p>
<p>Append F: Reasonable Skill</p>	<p>Such skill as in ordinarily possessed and exercised by persons of common capacity engaged in the same busienss or employment.</p>
	<p>So long as we show resonable skill, even if we make a mistake, the law will generally not hold us liable. But if we do not demonstrate Resasonable Skill - we could be held liable for a mistake....</p>
<p>Quote from George Bogert</p>	<p>" Good Intent will not relieve him from liability for negligent or improvident conduct."</p>
<p>Quote from George Bogert</p>	<p>"One of the most important duties of a trustee is that of undivided loyalty to the beneficiaries....</p>
	<p>Beware of Conflicts of Interest.</p>
	<p>There are nice conflict of interest clauses that Nonprofits use, that could be reviewed and considered as additional guidelines, if needed.</p>

	According to the courts, the beneficiaries stand as guardians of the Trust's well-being, as they will be the first to take notice that they are not receiving payments.
	A Trust without Beneficiaries is NO TRUST.
	Courts assume the trustee has everything written down and documented, thus if a beneficiary accuses a trustee of not acting properly, the courts assume the trustee will have documents showing that they have acted ethically and dilligently.
	If a court were to find that a Trustee had NOT acted correctly, the trustee must prove themselves blameless.... If the Trustee Willfully violates the Trust Indenture - they are personally liable.
Can the Grantor be a Trustee?... Yes	"Ordinary" people must educate themselves and gain experience in how their Trust works. Grantors frequently become Executive Managers of their trusts since they are most familiar with the daily workings of their trust ... they then train the Trustees - or professional trustees are hired as well...
Three cases:	Once the trust has been in operation for several years and has made consistent Beneficiary distributions; The ebb and flow of cash and assets have significantly changed the original corpus; The Grantor has become thoroughly indoctrinated with Trust procedures.  don't be Sole Trustee... possible tax liability... (alter-ego) If Grantor is a trustee - any monies received from the trust, the grantor-trustee must declare and pay taxes due. MUST keep trust accounts SEPERATE from Grantor's personal checking accounts. More information on this in chapter 22
<a href="https://passingbucks.com/">https://passingbucks.com/</a>	Introduction: The subject of Trusts is complex and mysterious. An ancient system used to pass wealth has gone through a metamorphosis that only time can produce. Despite this, though, the basics of setting up assets for Beneficiaries remains. Keeping this one thought in mind, the variety of ways to do this becomes simpler, and the complexity drops away. We realize that some of even the rudimentary legal jargon is initially confusing.
Passing the Buck Website	In reality, the average person with a high school education can understand the basic concept of a Trust. Within this knowledge is the art of wealth build-up and management—a subject that everyone should know, at least at a working level.

Passing the Buck Website	Those matters considered technical, or that seem more suitable for professionals, appear in Volume II where we have included court cases and the more intricate details of Trust structuring. Other matters, some controversial, are in the Appendices.
Passing the Buck Website	So, even if you feel inadequate to the task of sorting out wealth and inheritance, feel free to charge right in. We wrote this book for you.
Passing the Buck Website	Even to those fully familiar with the legal protocols, Trusts and Trustees can be as foreign as falling into the middle of a Brazilian jungle. Just because someone is a defense attorney, or specializes in real estate law, does not mean he or she is familiar with Trust documentation and procedures. Therefore, no one is to assume that a law degree creates a brilliant Trustee. Again, as pointed out in Volume I of The Art of Passing the Buck, all Trustees need mentors and teachers.
Passing the Buck Website	Although a lawyer has a distinct advantage when it comes to dealing with the courts, he or she is not necessarily skillful with investments, accounting or handling Beneficiaries. This is why those with a good business sense, are just as qualified to become Trustees.
Specific Duties of a Trustee - From Our Trust Abstract:	The trust indenture includes the following clauses, which give the trustees the authority and power to deal with the trust;
	The Trustees, exercising collectively as the Board of Trustees, shall have absolute, full and sole authority over the control, management and administration of trust property and its affairs, for the benefit of the Beneficiaries. They have full authority to make amendments, resolutions and by-laws that shall be consistent with the intent and purpose of this indenture. All significant decisions and actions for the trust shall be by the Trustees acting unanimously;
	The Trustees shall have full authority to hold an undivided interest in, and to determine, at their discretion, what is principal and income, what, if any, is distributed to Beneficiaries, what is allocated as income, principal, and expense, and what, if any, is established and/or maintained as reserves for depreciation;
	The Trustees shall not have any general powers, but shall have any/all power to carry out the intent and purpose of this indenture and the following specific powers;

	To conserve the property, commercialize the resources and extend any established line of investment for the benefit of the trust, to deposit and hold trust funds in both interest bearing and non-interest bearing accounts offered by any bank, to buy, sell, continue, operate, manage, or liquidate any business interest of the trust;
	To buy, sell, lease, receive, exchange, convey, or pledge for security any/all trust property and assets and exercise any/all rights, powers, privileges and authority that any absolute owner of such property can do, to receive and collect gifts, contributions and endowments, to give to any charitable purpose harmonious with the intent of this trust;
	To create new trusts, organizations, or corporations, to enter into and engage in any lawful contracts with, including, but not limited to, natural or legal persons, trusts, corporations, partnerships, associations or other joint ventures under the name of this trust or any other alias or assumed name, and to operate, distribute, diversify, change, liquidate, or otherwise run the trust;
	To buy, sell, underwrite, invest and reinvest in, exchange or otherwise acquire, and to hold, manage, develop, trade, sell "short", deal with and turn to account, either in cash or on margin, any securities of any kind, including but not limited to, stocks, bonds, commodities, mutual funds, in common trust funds established by any bank or trust company, and/or stocks, bonds, debentures, shares, options, commodities, futures, forward contracts, notes, or any other securities of any government, state, municipality, public authority, public or private limited or unlimited company anywhere in the world;
	To buy, sell, underwrite, invest in, exchange or otherwise acquire, and to hold, manage, develop, deal with and turn to account any gold, silver, diamonds, and other precious or semiprecious gems or metals, gas, oil or mineral rights, patents, copyrights or trademarks, works of art and other articles of value, and whether on cash or margin basis and including short sales, and to borrow or lend money against the security of any of this property;
	To hold, manage, acquire, buy, sell, lease, rent, mortgage, exchange, deed, convey, assign, encumber, hypothecate, invest, loan, borrow, grant options, pledge to secure loans, make improvements, modifications, and alterations, demolish productive or unproductive property, to execute covenants, agreements, contracts or credits, to create servitude's, grant easements and rights of way, impose conditions and restrictions, and to release the same, to seek zoning, re-zoning, variance, or non-conforming use permits on any productive or unproductive property;
	To sue and be sued;

	To carry insurance of all kinds deemed necessary, including but not limited to, life, health and disability insurance, personal liability and property damage, fire, casualty and extended coverage insurance, income protection insurance, to receive and hold any insurance policies on the life of any person, if after the transfer of such policy or policies to the trust, the trust is the sole owner of the policy and the designated beneficiary;
	To employ and pay reasonable compensation to trustees, consultants, caretakers, employees, managers, agents and/or any other third parties for services rendered, to determine the authority and responsibility of each, and to designate any/all of the them to hold funds for specific purposes;
	To make distributions, either from income and/or corpus, that provides for the care, maintenance, support, protection, education, medical expenses and general welfare of the Beneficiaries.
	The Trustees of this Trust represent, agree, and declare that:
	1. The undersigned Trustees are all the current Trustees of this Trust.
The courts deals with Trusts under laws of Property and Laws of Contract	2. The Trust is a private irrevocable personal trust, in existence under the right to contract.
	3. Any Trustee of this Trust can bind the Trust by their signature. Any Trustee can request the Bank to stop payment on any Trust check or transaction, but only if the request is in writing and before the Bank suffers any monetary losses.
	4. In addition to any other powers conferred by law or by the Trust Indenture, the Trustees have the following powers, without any restriction or limitation contained in the Trust Indenture or any amendments:
	A. To deposit and hold Trust funds in both interest bearing and non-interest bearing accounts offered by the Bank.
	B. To enter into electronic fund transfers, safe deposit boxes and cash management arrangements with the Bank.
	C. To deposit funds and maintain Trust property with the Bank in amounts greater than the maximum FDIC coverage, without collateralization by the Bank.
	5. The Trust Indenture authorizes the Trustees to appoint managers or agents to establish, administer and be a signature on deposit accounts and safe deposit boxes on behalf of the Trust.

	<p>6. Notices to the Bank. The Trustees will give the Bank at least ten (10) days prior written notice of any change or amendment to the Trust that might affect any right, duty, authority, account, service, or arrangement involving the Bank. They shall also give the Bank written notice promptly upon the death, resignation or incapacity of any Trustee, Manager, Agent or Beneficiary. Notice shall be delivered to each Bank office where a Trust bank account or safe deposit box is located. At the Bank's request, all the then Trustees and the new Trustees must sign the notice before it becomes effective as to the Bank accounts and services.</p>
	<p>7. The Bank shall not have the responsibility to know or interpret the terms of the Trust Indenture or any amendments to it even if the Bank has received a copy of the Trust Indenture and/or its amendments. The Bank may disregard any inconsistencies between the terms of this document and those found in the Trust Indenture and its amendments.</p>
	<p>8. To the extent the Trust Indenture is inconsistent with the provisions of this document, the Trustees can amend the Trust Indenture to conform herewith, but only insofar as it applies to any Bank account or service involving the Trust.</p>
	<p>9. We have not relied on any representation or advice by the Bank or its employees regarding the legal or tax effects of this certification.</p>
	<p>10. We declare that the above forgoing minutes: Memorandum of Irrevocable Trust Minute, Banking Resolution Minute, Executive Manager's Agreement Minute, Trust Certification Minute, are true and correct and that we have received and understand the terms of this document.</p>
Common Law Trusts	<p>Once created, the Trust Indenture can be Expanded through Trust Minutes, but not "changed".... Created under the Right to Contract Trust has an End Date  can be renewed by the Grantor  can be renewed by the Beneficiaries -  Assets moved into a New Trust with an updated Trust Indenture...</p>
duration - Our Trust Indenture says:	<p>This trust indenture shall continue for the duration of lives-in-being plus twenty-one (21) years from the signing of this document. If it is in the best interest and to the advantage of the Beneficiaries, the Trustees, at their discretion, shall be empowered by unanimous decision, to terminate its operation earlier. A resolution of said termination shall be entered into the minutes. Upon final, complete discharge of obligations, distribution of the corpus and the termination of the trust, the Board of Trustees shall be discharged and automatically released from all responsibilities hereunder.</p>

	DID SOME INTERNET STUDY.... <b>PLEASE DON'T FOLLOW ALL THAT YOU READ ON THE INTERNET REGARDING COMMON LAW TRUSTS</b>
Common Law Trusts	<b>Per the Internet - WHAT LAWYERS ARE SAYING....</b> Common law trusts are used when a statutory trust does not make sense because of state regulations or tax concerns. <b>For this reason, it is sometimes referred to as a pass-through trust agreement....</b> Common law trusts are created without public officials. The individuals of the trust are eligible to legally sue, or be sued, for violating the terms of the common law trust. However, they must do so in their own name.
Passing the Buck Website - Common Law	<b>The U.S. Constitution is setup under Common-Law; therefore the information given on the passingbucks.com website and in The Art of Passing the Buck Volumes I and II, are applicable to all countries setup under Common-Law.</b>
Statutory Trust	This is from various internet sites - a trust created or authorized by statute ..... This process is regulated by the Uniform Statutory Trust Entity Act (USTEA). is considered to be a juridical category. It is separated from the trusts parties and a legal lawsuit can be initiated in the name of the trust. The statutory trust is often regarded as a type of business organization. <b>Statutory Trust include articles of incorporation.</b>
From our Trust UofBI:	Our Private Irrevocable Trust is "An Unincorporated Trust Organization" - NOT STATUTORY
IMPORTANT NOTE - Some States in the US have a Statutory Common Law:	I AM NOT GIVING THE WEBISTES I LOOKED AT BECAUSE MANY OF THEM SAY - <b>"Register your trust documents with &gt;&gt;&gt;&gt;&gt;&gt;&gt;." - this is A RED FLAG. WE DO NOT REGISTER OUR TRUST</b> - Our Trust is created under the law of contracts - it does Not need to be registered - If you "Register" your trust you have now made your trust statutory.
Statutory Trusts... Found this on the internet - have not confirmed	<b>A statutory trust cannot have a donative purpose. -</b>
We All have Natural Law Trusts	Our trust is formed based on the law of contracts - we have in our trust indenture the right to donate. Under Trustee Powers : "to give to any charitable purpose harmonious with the intent of this trust".

Back to the Chapter	You want someone who is organized, has a business background, some knowledge of accounting and some interest in the law, and willing to learn and think and ask questions and find mentors - also, capable to deal with Beneficiaries, government officials, even the Grantor - and foremost - TRUSTWORTHY.
Two Most Important Duties	1) Protecting Assets - by holding to a minimum the potential for legal challenges. 2) Defend the Trust - if necessary, the trust hires lawyers or other professionals as needed.
	there is a Huge body of case law supporting the legality of Trusts - so few are ever challenged.
	create your trust BEFORE the possible events you hope avoid
	first year or so the Trust will be a trial-and- error period for all involved.
	simply find "a few good men or women" who can follow a program and think on their feet when a new situation arises.
	the longer they work with the proven structure, the more comfortable they get.
	Trustee Training Program would include, how to prevent audits, lawsuits and seizure of assets - prevention is the key, and this is done through reporting accurately and timely required information.
How Trustees are Controlled	1) In the Trust Indenture the Grantor has clearly divested themselves of all legal and equitable interest in the assets 2) Grantor can be involved as Executive Manager or CoTrustee with an Adverse Trustee 3) Educate Beneficiaries in reference to their potential involvement - we will learn how to do this... this means, if we expect a Beneficiary to eventually become a CoTrustee - we need them to read the Trust Indenture - this encourages them to keep watch over their own interests. 4) Your choice of Trustee(s) - as this is the person(s) who you have a "meeting of the minds" and the written contact Trust Indenture is the history of this.
	Beneficiaries first recourse is to the protector if the Trustee has deviated from the Trust Indenture.
	Grantor - if you want to pass on your spiritual values to your heirs, write it down and take time to educate your Trustees and your Beneficiaries.
when can a common law trust become statutory?	If a common law trust loses it's Trustees - Successor not available, Protector fails to appoint, the trust indenture does not allow the grantor to appoint someone else... there is no place to turn but to the courts... and now your trust becomes Statutory.

Trust Capital Units	are for "Exchangers" different from Beneficiaries who give nothing Right now, we are only working with UofBI - and we shuffle these units when a trustee exchanges additional assets into the trust - yes, they do need to receive UofBI for this to be an Exchange - and it's an Exchange because it's not a taxable event - it's not a sale and it's not a gift.
	Grantor appoints First Trustee... Frist Trustee appoints next Trustee... having an adverse trustee squashes in advance the possible allegation that there is any undue influence exerted on Trustees.
	Trustee is Legally Responsible
	Want a deeper Dive... Manual On Commercial Law by Lavine...
Manual On Commercial Law Lavine 1948	<a href="https://www.dropbox.com/s/z3svhkvc8r76rxz/Manual%20On%20Commercial%20Law%20Lavine%201948.pdf?dl=0">Page 17 has a whole chapter on Law and the Evolution of Law https://www.dropbox.com/s/z3svhkvc8r76rxz/Manual%20On%20Commercial%20Law%20Lavine%201948.pdf?dl=0</a>
Manual On Commercial Law Lavine 1948	Unwritten law embraces four subdivisions: (a) Common law. (b) Equity. (c) International law. (d) The Law Merchant.
Manual On Commercial Law Lavine 1948	Common law. Common law is the earliest branch of un-written law founded on ancient English usage and custom. As reflected in judicial decisions, modified to suit the changing needs of changing times, and adapted to our own needs and institutions, it continues to serve as a fundamental branch of our law. Its keystone is stare decisis: the doctrine that con- strains judges to stand by former decisions as far as possible, without following too slavishly the outworn dogma of the past.
Manual On Commercial Law Lavine 1948	<b>Equity is that branch of unwritten law, founded in justice and fair dealing, which seeks to supply a more ade- quate remedy than that available at (common) law.</b> Ordi- nary law actions, as stated, have for their object the assessment of damages for wrongs done, but a court of equity reaches be- yond mere damages: It seeks to prevent the wrong itself, or, if it has already been committed, to requite it more fully than would be possible by a mere payment of money damages. Among the more common equity actions, which provide reme- dies not available "at law," are the following:
Manual On Commercial Law Lavine 1948	<b>Actions involving a trust</b> , wherein one person has legal title to property which equitably belongs to another.

Manual On Commercial Law Lavine 1948	<i>Equity will not suffer a wrong without a remedy.(Maxium)</i> Unlike remedies at law, which are fixed and rigid, remedies in equity are flexible and are de- signed to tolerate no situation where one has a right without a remedy. Subject to statutory limitations, equity has jurisdiction "in the whole do- main of conscience." It can mold its remedies to meet any conditions. It is not dependent on precedent alone: If a party has a right which should be enforced in equity but no precedent for a remedy, equity will invent a remedy to protect the right.
Trustee Summary Chp 15	The powers and participation of the Trustee for an Irrevocable Trust are greater than other kinds of trusts.
	No trustee should be an employee of a grantor
Chapter 16	Privacy - art form... 4th Amendment The right of the people to secure in their person, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue but upon probable cause, supported by Oath or Affirmation, and particularly describing the place to be searched, and the persons or items to be seized.
	Because a Private trust does not exist by permission of the state, without a cort order or search warrant, its books are not open to the state for inspection.
	Beneficiaries are kept confidential.
	Simple fact - if someone does not know how much belongs to you, they can not know how to get at it.... Why be a target
	We need to Guard a Right to Have It.
	Lawyers might not make good trustees (their loyalty is to the court) but they might make great protectors - covered in another chapter -
	Stop being Naively open about your affairs.
	When we use lawyers to re-present us, we become "wards of the court"... "infants and persons of unsound mind placed by the court under the care of a guardian"
	This chapter discusses the pros and cons of having a lawyer as a trustee.
Hale v Henkel	"Power to conract is unlimited, and the Citizen may refuse to open his books to the State."
	A corporation is not a contract... it is a licensing agreement between the citizen and the state.
	Who can see the Trust Documents?..... Anyone can see them if you want him to... in our Trusts - there must be express permission of the Board of Trustees.
	We are becoming educated in Trust Administration

	Cayman Island... 1990 treaty, now will release confidential bank information...
	Privacy... mmm... the words we choose, and the way we type on a keyboard, gives others a clue to our identity.... Dispite encryption, you can be tracked and identified to 70% accuracy just by how you express yourself...
	Why Privacy?.... Con Artists go through county records to discover beneficiaries and target them.
	Privacy ensures the Beneficiaries cannot be readily discovered and the information about their fortune is unavailable.