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"Get Busy Living!"

Welcome to the first publication of the "Get Busy Living" newsletter. The newsletter is just one method of communicating what has an impact on your daily living and financial affairs.

What We Plan To Accomplish

Listening
Anyone can produce a newsletter. How the information assists a person determines its value. This starts by ***listening*** to what is important to you. From there we can add content. Submit your questions to us via email and we will make sure your questions are answered in future months. If the need is more urgent, we will respond immediately with an email and/or direction to the answer in the Client Reference Center.

Real World Stories
We will share personal client stories, with permission of course, so that we can all learn from other's. We will talk about solutions to the issues these stories bring.

Direct Answers to Questions
We all want, in simplest terms, answers to our questions. We will do the best we can to answer your questions. However, be advised that we may pass on a topic due to regulatory compliance restrictions. When available, we will obtain regulatory approval or direct you to that answer.

Education
The path to obtaining financial goals is the ability to make well informed decisions. We will cover issues that many clients might not be aware of such as Board meetings and minutes, how to read your tax return and financial statements.

Our newsletter will help you recall a topic and urge you to seek more information before consummating a transaction.

Interaction & Feedback
We will use this newsletter to inform you of upcoming events where we will make presentations in person or seminars through Go To Webinar.

We believe in frequent contact with our clients. Having your feedback is important so that so that we can always exceed your expectations.

What We Will Cover

In conjunction with our Client Reference Center, or CRC for short, we will concentrate on topics in the following areas:

Accounting
Finances
Human Resources
Legal
Taxation
Technology
Business Management

We may cover all areas above, concentrate on one, or a combination of the topics. We will also cover other issues such as family dynamics, concierge, eldercare and other issues important to you, our clients.

Taxation

In this year, three issues override the thoughts of many who have accumulated wealth.

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- Healthcare Reform Legislation
- The Direction of Estate Tax Law
- Taxation of Conversions to ROTH Account

So let us cover each of these topics individually.

Healthcare Legislation

Get ready for more taxation and compliance as a result of the enacted the 2010 Healthcare Act. With regards to taxes:

- For tax years 2013 and beyond, an unearned income surtax of 3.8% will be assessed to those with modified adjusted gross incomes greater than $250,000 for joint filers and $200,000 for single filers. This includes interest income, but not tax-free income. Also included are dividends, capital gains, royalties, rents and other passive investment income. T a x - deferred and tax-exempt accounts are not affected.

- For tax years 2013 and beyond, an increase in Medicare taxes by 0.9%. This is for both employee and self-employed alike where income thresholds exceed $250,000/$200,000. Computation and reporting will become more complex.

- Reporting of annual payments of $600 or more to corporations using Form 1099-MISC begins in 2013. This will increase compliance costs and time.

Direction of the Estate Tax

Back in 2001, President George W. Bush signed into law changes to the income tax code, including major changes to the estate tax. These changes were set to expire, or "sunset" in 2009 and temporarily repeal the estate tax for 2010.

2010 affectionately became known as the year for "throwing mama from the train." Because in 2011 as the law reverts back to pre-2001 law, estates over $1 million, instead of $3.5 million, become taxable again with rates as high as 55%.

For a number of people with no estate tax issue, estate planning is now in their future. To further add to the confusion, there is not much guidance from Congress if the estate tax law is going to be re-written, made retroactive, etc.

Also disconcerting is the need to re-write wills and trusts, but without a law this can be placed in limbo.

Since this is an issue that bears close watch, visit with your estate planning team and stay abreast of the issue. We will issue alerts on the web site, on the Client Reference Center, via email or via a Webinar as information becomes available.

Taxation of Conversions to ROTH Accounts

Many people are considering converting IRA's, SEP's and other retirement accounts into ROTH IRA's. Congress has paved the way to do this to generate needed tax revenues. The benefit of doing so is ROTH's accumulated earnings are tax-free and required minimum distributions at age 70-1/2 are not necessary. 50% of the taxes can be paid in 2011 and the remainder in 2012.

Several issues should be considered:

1. Financial Aid Loss
2. New Beneficiary Forms
3. Proper Rollover Procedures
4. Increase in Medicare Premiums and Social Security Benefits becoming taxable.
5. You must pay for the taxes with other funds, not from the retirement account itself.
6. Other issues as reported on the CRC

The largest benefit of converting is the tax rates for 2010 may be the lowest for many years to come, as Congress grapples with ever growing deficits. Taxes are destined to rise. This provision was specifically engineered to increase tax collections. Many individuals are fearful of increased taxes and may jump too soon.

Consider the following:

If you are in the 35% tax bracket and your investments are earning only 5%, you will need 7 years for the recovery of lost taxes. If you are age 70 or older, this might not fit into the time horizon for when you will need the money.

If you are young, you have time to recoup the impact of the additional taxes.

Technology

We utilize various forms of technology to serve our clients. We cannot be everywhere all the time, so technology allows us the next best thing.

Each of our clients have a Personal Extranet Site (PES) so that they can review our recommendations, but also important documents and data 24/7 worldwide. Each PES has a FREE and direct link to the Client Reference Center (CRC).

The Client Reference Center (CRC) is a FREE decision support tool for our clients. It was also designed as a low cost subscription tool for individuals, employees and other business colleagues of our clients. Send us an email if you want a complimentary 30-day trial.

We use Go To Webinar to cover topics that affect all our clients. With this technology, we can host interactive presentations and respond to changes more timely for families whose are geographically dispersed. We supply our clients with a FREE Plantronics microphone headset for these Webinars.

We supply Adobe Acrobat Professional and a Hewlett-Packard scanner FREE to our clients and provide training on Adobe Acrobat Professional for document collaboration. All this provides timely and paperless coordination of documents.

We use Go To Assist so that we can access your computer and provide interactive training or support.

We create *e*-learning guides that present audio/visual presentation in Microsoft Windows media format. Some are general and cover all clients, some we can embed in your Personal Extranet Site. We can attach these guides to emails for immediate attention.

Eldercare

Serving the elderly family members of our affluent clients is one of our top priorities. As baby-boomers retire and move into eldercare, the probability of scams against senior scams increase.

We want to report to you a real-world situation and provide numerous solutions for consideration.

Situation

One of our elderly relatives (age 81) had a fire breakout in their home while cooking. Thankfully, no injury resulted. However, a nationally known fire & water restoration company was contracted by this relative's insurance company. In the process of performing their duties the relative entered her bedroom and found one of the employee's there.

When confronted, the employee stated that she was just checking the room. The relative had previously stated that the kitchen was the only affected room.

Several weeks later the relative's bank account was drained as numerous checks were written from the account. The relative had to borrow money to cover the over-drafted account. Now the relative has to obtain evidence and submit to the Texas Attorney General's consumer protection department.

It is highly probable that the relative will not recuperate

the lost money.

Solution

In our Multi-Family Office we guard our elderly clients carefully from such fraud. The elderly are an increasing target and we assist greatly by:

- We attend the client's home when outside contractors are required.
- We perform all due diligence in advance on subcontractors.
- We reconcile bank accounts and verify automatic charges. We review the signature and endorsement sections of a check (when available) for proper signatures.
- We review all invoices prior to the approval for payment and obtain verification from our clients that the charges are valid and that the work was completed satisfactorily.
- We make sure the contractors understand that we act as the family financial controller.
- Since we have control over the checks and we require either the client, or an authorized representative through a durable power of attorney to sign the checks.
- Finally, we report all financial transactions to the family so that the process is equipped with enough internal controls, transparency and communication.

If you have encountered an issue involving a senior, please send us the story and we can provide some controls to put into place to protect them and others in the future.

We love to hear from our clients and others, just call of

Coming July

- **The Balance Sheet**
- **“S” Corporate Shareholder Issues**
- **Exchange Traded Funds (ETF’s)**
- **What is a Value Added Tax (VAT)?**
- **Are you sure you want to be a Trustee?**
- **Investment Custodians**
- **Universal Life & Accelerated Death Benefits**
- **Answers to June questions**
- **Get Busy Living Tips**

Get Busy Living!

Well enough of all the legal, tax and financial news. We work hard for you so that you can leave much of this behind and get busy enjoying your life with family and friends. We want to share uplifting news on living better and longer. So here is where you can share information with others on secrets you want others to know.

Do you have a secret place you like to vacation? What are your hobbies? What charities do you like working for and which one’s need financial support? Have you read a good book that is worthy of sharing with others?

Executive Retreat

We practice our own philosophy. We offer our Corporate Retreat to you, your family and friends. In South Central New Mexico is Ruidoso, a place we discovered many years ago. Nestled high in the Lincoln National Forest one can find piece of mind and plenty of activities in the land of Enchantment.

Ruidoso Area Activities include:

- Skiing and snowboarding at Ski Apache
- Shopping
- Hiking
- Caving at Fort Stanton
- Trout Fishing
- Golf
- Horse Racing
- Casino Action
- Mountain Biking
- Art Shows and Galleries
- Star Gazing
- Wildlife Watching, Bears, Dear, Bird Watching
- Cool & Dry Summers and No Mosquitoes

Our Retreat

Our retreat is located at an elevation of 7,200 feet in the “Cool Pines” of Alto Lakes Golf and Country Club in Alto, New Mexico.

Relax
Sit on our deck and view the almost 12,000 foot sacred peck of Sierra Blanca. Gaze at stars on our party deck. Ease your aches and pains in our spa.

Play
Play on our pool table, table tennis, darts, horseshoes or your favorite video game. Stretch out on our chase lounges and hammocks.

Available to our guests are the following Club Amenities:

- Golfing on 36 holes
- Tennis
- Restaurant and Lounge
- Swimming Pool
- Fitness Center

If interested, we will send you a brochure on our executive home, full amenities and pricing.

Ruidoso, NM & Sierra Blanca