

April 2021

“At our Firm,
Your Estate Plan
is Not Business,
it’s Personal...”



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“There is nothing either
good or bad but thinking
makes it so”

- William Shakespeare

THE STRUGGLE WITH TIME

The nation continues to make do working around this virus. Every month, each state attempts to figure out what its best course of action is to let life get back to normal. Texas Governor Greg Abbott decided to do away with the mask mandate. Naturally, individual businesses can still require their patrons to wear one, but as far as he was concerned, no general policy was going to enforce it across the state. Truth be told, only time will tell whether this is a good decision or not. For the rest of us who do not live in TX, we are stuck in no-man’s land waiting for our turn and the vaccine shot.

While all this is taking place, we, as individuals, must struggle to find our place back to our ‘normal routine’. Every day, life seems to pick its pace back up. For the majority of us, no matter what industry we are in, the hustle of our daily demands had slowed down significantly. Many took advantage of that time to re-think their priorities. Not rushing from one spot to another felt quite nice. As it turns out, spending more time with family provided a certain fulfillment no amount of money could replace. It was one thing to know it, but quite another to live it.

Today, we are faced with that reality, and truly find ourselves at a crossroad.

Warren Buffet had famously said “the difference between successful people and very successful people is that very successful people say no to almost everything”. Think about that for a moment. The outliers of our society find a way to focus on a few things and discard the rest. The ability to steer away from “the shiny object” (a syndrome many entrepreneurs struggle with daily!) and focus on a few, yet meaningful tasks.

If 2020 provided you the ability to regain control of your time, hopefully you were also able to notice



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SPECIAL ANNOUNCEMENT

Spring is finally upon us, and we hope the weather helps to fare what has continued to be a tough year for many due to the virus. April is the *fourth month* of the year based on the Latin word “*aperio*”, or “*Aprillis* in roman, which means “to open (bud)”. This month is often associated with the birth of life, plants and nature begin to blossom and show its beauty. With some luck, some of your kids may start reporting sighting of the Easter Bunny, and if not, at least warmer weather should start to appear. All things considered, CA has once again benefited from a mild winter, which has not been the case for our neighbors on the East Coast.

April is also considered the most ‘humorous month’, if there is such a thing, as it starts with April Fools’ Day. This is the day when people all over the world play practical jokes and pranks with their loved ones, family, and friends. No one knows for certain the exact origin of this tradition. Some folklorists believe it may have its origin from 16th Century in France. Back then, the calendar was comprised of ten months. Something even stranger for us to understand, New Year used to be celebrated from March 25th to April 1st, which many considered too long. And by the end of the celebration, many would start playing practical jokes on one another as fatigue made people more gullible. In 1582, the Gregorian calendar moved New Year’s Day to January 1st, and April Fool remained as tradition.

Some great personalities born on April are *Leonardo da Vinci* a painter and a scientist, who made the great portrait of the Mona Lisa. *Shakespeare* one of the most famous writers in history also born in April 1564. Shakespeare is known as England’s national poet as well as the “Bard of Avon”. *Queen Elizabeth II* was also born in April (21 April 1926). She is the queen of the United Kingdom and 15 other Commonwealth realms like Canada, Australia, New Zealand, and others. A man who would forever change the face of history was also born on this month; *Adolf Hitler* born in Austria. He was a most depraved leader and his brand of crazy involved world domination and extreme mass murder. So that/s a little bit of background history to start the month off. Here is to the continued health of your family! May Spring sunshine to you and your loved ones, both literally and figuratively!

THE FINER POINTS OF DECANTING A TRUST

Setting up an Irrevocable Trust, despite the many advantages it can bring forth, is a scary proposition to many clients. There is an array of reason why an irrevocable trust is beneficial. Among those benefits are – better tax planning, protection from litigation, removing ‘litigious’ assets out of one’s estates, and the list goes on.

However, simply put, clients get intimidated by that term. After all, when you’ve worked so many years accumulating a particular asset, it is unnerving to know that you will part with it ‘forever’. Even weighing the pros and cons, the notion of irreversibility is a concept that does not bring comfort to the Grantor.

This is where the notion of decanting a trust comes into play.

In order to dive into the subject, let us define the term of art. When one decants a wine, the party removes the wine from one container to the next. I can only imagine that is a desirable thing to do for wine drinkers, but not being one, I am unclear why a drinker would do that 😊. But going back to our subject matter, the point is to remove the assets of one trust and transfer it to another, which in theory, would have more favorable terms. Some of the benefits may include – adding flexibility to the verbiage. Of course, decanting could be used to correct a scrivener’s errors, clarifying certain clauses, or simply to resolve ambiguities.

With this in mind, this usually brings a lot of confidence to a Grantor (person creating the trust). However, that is no excuse to become reckless. Remember, a trustee is bound by fiduciary duties and must act in good-faith. Thus, it is imperative that there is a justified reason for doing so. Some go as far as getting the beneficiaries’ consent but doing so could lead to tax repercussions. However, that is outside the scope of this article.

The most ‘formal’ way of decanting a trust, is by going to the court and get approval. As you can imagine, that is rather troublesome for many reasons, the first being that it could simply get denied. It may involve the actions of many parties in the suit, and require an appearance in front of a judge, something many people consider intimidating.

A much simpler approach to change trust instructions is to have such option available in the original verbiage of the trust, or a restatement. At the very least, draft a clause to allow changing the forum of a trust. Thus, one could move to a friendlier situs in order to make distribution changes.

There are also some things you want to stay clear from, which as mentioned earlier, could trigger certain unwanted tax consequences. For one, do not add new general power of appointments. Do not add new beneficiaries unless all parties understand and agree to the potential tax exposure.

Decanting is a very powerful tool that is available to the knowledgeable estate planning practitioner. Some steer away from it because it has been known to cause unwanted consequences we have discussed. However, once you are well versed and understand the pitfalls, sky is the limit. You could literally get the best of both worlds, one that provides you asset protection and tax planning; yet still provide you with the wanted flexibility.

2021 has been a year of change. It could be that your family situation and estate planning needs have changed with it, don’t hesitate to call us!

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and pinpoint the few activities that provided you the most mileage. Sometimes, the ability to cut out the fat from your day-to-day, the skill of ‘not doing’ the many chores that take the bulk of your time is a skill that should be focused upon. Though it runs counter-intuitive to our culture, aka the ‘woke culture’, it may be wise to go against the grain on this one and find a truer purpose by doing less. There are many books written on this subject, but the best solution to your situation sometimes lies within you. Meaning, it could be helpful to simply sit down with a pen and paper and just map out what you envision your ideal life to be.

We are really back in the swing of things at this point, and 2021 can be the year where the opportunity to truly pivot your life will no longer be available as we seem to near the end of this pandemic. Talk about taking advantage of a negative scenario and turning it into a positive!

As far as we are concerned, it has enabled us to spend more time with our clients, taking on more complex tax planning cases; and overall grow in the quality of the work we put out. We have always taken pride in putting the required time and effort to produce outstanding results for our clients, and now, we can actually take a moment, reflect, and enjoy the final result. Sounds like a good deal to us!

As always, think of us for all your legal needs, we are here for you whether you are in a rush or not!





“Be Our Guest”

If you’ve seen the cartoon Beauty and the Beast... Disney’s best cartoon to date in our humble opinion, there is a song with a catchy tune called “Be Our Guest”. Well, as fate would have it, this is not only a mantra for the Beast’s enchanted castle, but a core philosophy that is run through the Disney Empire and its theme parks across the globe.

In this book, we are going to study some of Disney’s core business principles applied throughout its famous parks, and we will see how this philosophy has helped shatter any records from other parks such as Knott’s Berry Farm and Magic Mountains to name a few.

When you look at the beginning of the Disney Park, you will notice that it has successfully changed with its time and the needs of its base customer – children. The sense of magic it brings to the kids causes them to stay loyal well into their adulthood. Within its parks, Disney has absolutely mastered the art of catering to its customer, how to deal with people’s expectations, and often time, exceed their demands. That is no small feat, so let’s jump right in and see what we can learn from this close to a century old company.

The first thing about Disney’s business strategy is they keep “the needs and wants of guests” on top of mind. The objective is to provide the best customer service possible for optimum satisfaction. In order to do that, each employee is empowered to go the extra mile to satisfy a client’s ask, thus giving each employee a great deal of latitude. Disney focuses on quality standards, and defines the basic parameters to keep those standards as high in the closing hours as they are when you first enter the park. If you take a close look at any of the Disney park, we challenge you to find one single piece of gum anywhere, be it on the floor or by a trash can. Every single detail has been thought of ahead of time, and radical cleanliness is on top of that list. Therefore, every crew member of the Disney team keeps in mind the importance of high standards and aims to provide the best service while performing.

The second core tenet told by Disney is to make a strong integrated quality system for the customers from the moment they enter the Disney universe. No details are too small. From the moment a guest enters the parking lot, that car / guest is easily directed to its parking spot, thus feeling minimal effort from the get-go. The overall objective is to create a stress-free environment. Once the family gets out of the car, they are easily shuttled to the main entrance of the park. And this ‘easy feeling’ is felt throughout the day whether you attend a show, a ride, or eat at one of their facility.

The third principle, which circles back to the “customer first” concept, is to empower each employee to not only do what it takes, but to make them understand that they are an integral part of making the client’s customer unforgettable. That is why though some may start working there as a simple summer job, many end up with lifetime careers because they become so dedicated to the mission. After all, there aren’t too many jobs that will give you such a fulfilling mission on a day-to-day basis than allowing you to do your absolute best to bring joy to children.

Lastly, Disney constantly surveys its clientele to see how it can improve on itself. Constantly at the ear of its client base, it will continually look for suggestions and ideas to broaden the Disney experience. Hence why it has successfully transcended the countless generational changes from the baby boomers to now its Z-Generation.

These are some good practices and lessons described in the book “Be Our Guest” which we encourage you to apply in your service-centric business.



Customer Satisfaction:

Continuing on the Disney theme, no matter what industry you find yourself in, it is imperative for you to have a pulse on your customer satisfaction. A company is only as successful as its customers / end-users’ reflection of their experience with your service / product. In order to do that, it is imperative that you go above and beyond the generic one-page survey asking about your customer’s satisfaction. Very much like Disney, you must think of the client’s experience from the moment he / she walks into your office, to the moment they leave.

To help you in the process, it helps to categorize the experience your client may undergo. For example, for our office, we want the client to feel welcomed the moment he / she dials our number. Then, we make sure that the person is heard! When dealing with a legal issue, it is imperative that the client is given an opportunity to clearly articulate the particular issue being faced. Now granted, some sure do take longer than others to verbalize that, and we’ve never been quite clear why the traumatic loss of your first puppy needs to be articulated 😊, but you get the point! But no matter what, the client is always heard, and no detail is too trivial.

With the competition being what it is today, we consider a ‘job well done’ to be nothing more than the ticket to entry in terms of being able to compete. What we mean is, that is the minimum standard you should provide. At our office, a ‘job well done’ sets the foundation, everything else is intended to exceed.

Customer satisfaction is an indicator of the loyalty and repurchase intentions of the consumer. Therefore, Thus, when looking at setting your business apart, too many seek to add the latest software or technology into their businesses. Often times, it is that simple, direct phone call to the client. It can be as simple as a handwritten note to say, “we took the time because we are thinking about you!”. Keep that constant drive at the core of your business, and you will thrive beyond your expectations! And don’t be too hard on yourself! Expect to make mistakes along the way, that is how you will improve over time. Owning your own business, a lifelong journey, and keeping customer satisfaction a top priority is a sure way to success.



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April is the month of happiness for all creatures. After winter, the first rays of sunshine start to appear... Well, in CA it may be a bit sooner than that, but you get the point!

As 2021 continues to unfold, as covid starts to play a smaller part in our lives, be prepared to start getting back on the horse and putting in the necessary hours to make your business a success. Basic systems in place, being incorporated, laser focus on customer satisfaction are a few keys to ensure you thrive in this new economy.

With any luck, traveling restrictions will be lifted, and you may start to envision preparing a trip with the kids by summertime. Imagine that, a world going back to normal, isn't that a lovely sight to thrive for in the coming months?

