

WHERE TO INVEST

When we started the firm in 2004, times were tough. I mean, really tough. We're talking about working for being broke kind of tough. As my partner would often remind me "I'd rather be broke and at home, then broke and go to work every day." Unfortunately, that's how it felt for both of us. Every. Single. Day. This went on for years. Why talk about such a positive time in our lives you may ask? Read on and you will see...

Back then, we were much younger and the thrill of what we were doing and the changes we made in our clients' lives were a game changer! Heck, I won't lie, I miss those times in a strange way. However, unbeknownst to me, I was doing something at the time that would end up paying great dividends over time. The reason I want to share this experience is if you happen to live a similar experience, let me reassure you, there is not only light at the end of that tunnel, but a greater future than you could possibly imagine.

See, back then, our savings were... scarce to say the least. I knew and understood the importance of savings, yet it felt like it made such a little dent in the big picture. Any stock tips you could suggest? How about real estate? We were so desperately looking for a 'homerun.' I felt opened to everything, yet so lost in what to do.

But I tried, and I tried it all... to a detriment. See, it didn't take too long to realize that I was no stock trader expert, nor a real estate guru. However, just like most of us, the appeal for a bigger tomorrow loomed large, and it appeared everyone else was succeeding. Prior to 2008, everyone getting into real estate appeared to be getting rich. Naturally, things did not turn out that way, but no one knew that at the time. So I did what any ambitious individual would do, took some savings and put it into real estate. I won't bore you with details, but suffice it to say that condo is no longer in my portfolio 📉

However, that was not all I was doing. Professionally, I was / am still incredibly inspired by the field of estate planning itself. I would attend seminars upon seminars, I would get my hands on the latest strategies and review all the cases I could find. It felt like a complete immersion. At the time, I felt like everyone else was doing it. However, that wasn't the case at all. To the contrary, many of my peers would often discuss the minimum amount of courses they would have to go to per year to satisfy their legal professional obligation. I thought my enthusiasm may have been a bit over the top, but I continued because I genuinely enjoyed the subject matter.

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SPECIAL ANNOUNCEMENT

How is the second month of the year treating you? If you want to stick to your resolutions, stay focused on your desired outcome. Here is an idea to keep you on track while the year is still young and fresh – get a coach! Though often associated with sports only, coaches / mentors are a great addition for your business, finances, and other endeavors and they may even help you lean toward achieving greatness.

Valentine's Day is right around the corner too, so we hope you are preparing something special for your loved one. Of course, nothing says I love you like a solid estate plan, but we might be biased in saying that! 😊 Heck, if he / she doesn't think that is romantic, you are in for an uphill battle!

This month, let us look at "The Art of Possibility" by Benjamin Zander and Rosamund Stone Zander. The authors offer a different way for you to get new results from your life, by shifting the perspective in which you are looking at it. It does give some great suggestions you can try. What may appear as 'problems' may no longer take on such a dreadful image. We'll also take a look at an invaluable asset we hold in our possession – time. More importantly, that finite space we spend with our kids and often take for granted.

Here is to a great February together!

February 2019

**"At our Firm,
Your Estate Plan
is Not Business,
it's Personal..."**



Patrick P. Phancao

*Asset Protection, Estate Planning,
Medi-Cal Planning and Business Planning*

Shadi Ala'i Shaffer

*Estate Planning, Probate Administration, and
Trustee Administration*

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*"What you do has far greater
impact than what you say."*

*– Stephen Covey,
author and educator*

SO YOU WANT AN OFFSHORE ACCOUNT?

There was a time, in a place far, far away, when all a U.S. person had to do to open an account was provide a passport, a utility bill, and some funds. That person would be off to the races, and all would be fine.

We are not in such a time. And this is no such place.

When undertaking offshore planning, one can easily be overwhelmed by the terminology, term of arts and regulations that come with such a process. It is often imperative to have legal counsel to help navigate such waters. In the coming months, let us look at some fundamental concepts that could assist you in understanding the landscape.

One of the first acronyms you will run into is OFAC, which stands for Office of Foreign Asset Control. It is a department of the U.S. Treasury that enforces economic and trade sanctions against countries and groups of individuals involved in terrorism, narcotics and other disreputable activities.

What does that have to do with banking you may wonder? Well, a lot actually. Essentially, the reason is all U.S. persons (permanent citizens included) must abide by OFAC regulations. Such compliance is applicable irrespective of where the individual resides. Assuming you are a U.S. person wanting to open an account in Switzerland, a Swiss Bank is now incredibly motivated to make sure Big Brother is happy with their due diligence of your background. Should this financial institution have allowed any type of suspicious banking activity to happen on their watch, the financial penalties would be so detrimental, it could put the bank out of business.

Thus, OFAC provides banks with what is called a list of SDN – Specially Designated Nationals. These are groups or a list of individuals / companies owned, controlled or acting on behalf of targeted countries. It also lists individuals that are not country specific. These help banks navigate the type of individuals, businesses and countries they must steer away from. In case it isn't clear, the goal is to never make it onto that list.

So one of the first formality you will run into as a U.S. citizen wanting to open an offshore account will be the need to comply with OFAC. Quite frankly, the intended purpose is great. After all, who wants drug trafficking or terrorist activity to take place in any form? However, the unintended consequence of that compliance is an incredible delay when opening something as simple as a bank account.

Having been in the arena for a bit of time now, we have seen our fair share of regulations come and go. Truth be told, this formalities is here to stay, and this will now be considered our new normal. Thus, we can either complain about it, or simply prepare our file better when dealing with offshore banking. If you look at it from a philosophical perspective, it is a small price to pay for the goal of achieving a peaceful(ish) planet.

In the coming months, if this is of interest to you, I will continue elaborating and explaining some of the formalities you must abide by in order to have offshore business activities. Believe it or not, though complex, the offshore world is actually quite interesting and enables you to meet people from all over the world. Might as well make it fun! 😊

The Art of Possibility

by Benjamin Zander and Rosamund Stone Zander

Here is the book's first suggestion: Stop comparing your results to other people's; because everything in life is first and foremost, an invention. Choose to look at your life from a different angle and eventually notice your problems fade away, according to the Zanders. At a very early age, despite our parents' best intentions, we grow accustomed to being compared. The fact that our grades didn't compare to our sister, or that we didn't excel in sports like our brother; all this started a comparative frame of mind at a very early age. However, you could greatly benefit instead by focusing on possibilities; rather than dwelling or measuring your outcomes to others.

The Art of Possibility also teaches that life is how you look at it – based on what is coined 'reference frame.' With an objective view on facts and events, your problem can fade, or at the very least greatly diminish by welcoming a different view. As the saying goes: "Facts don't care about your feelings." In other words, focus on the reality, not the perception of reality.

Why? The authors note that all things in life are nothing more than a person's figment of their imagination, an invention if you will. Everything has its basis. The way we compete, measure things, see things and judge ourselves.

So if all things are invented, looking at your life or rather inventing a new way to look at it will benefit you; thus, and therein lies the art of possibility.

To achieve it, you shouldn't play the measurement game, but the possibility game by living in the positivity world.

The authors encourage us to focus on how we can contribute to our world, not on how we measure up to others.

The Art of Possibility achieves its mission of opening our eyes to be with the way things are – distinguishing and recognizing our feelings and thoughts about an event from the way the events actually are.

We shouldn't be so occupied in things that aren't the way we wish they should be because it prevents our capabilities from shining through and ourselves from moving forward.

Overall, the book teaches us not to focus on being the best in the world – but being the best for it. We can shine if we don't play the measurement but the positivity game – that will make our problems fade away.

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Well, years later, I can't even begin to tell you the dividends that it has provided. Stocks and real estate have come and gone, but self-education has stayed with me. If there is one thing you must remember, it is that self-education simply cannot be taken away from you. It will bring your game to another level, even when you can't feel it right away. You may not understand how it will all play out in the end, but believe me, those few hundred dollars, few thousands you put into seminars and books will never go to waste.

Sometimes, all it takes is one single strategy to lift you off your current state.

That is my recommendation for the year! Stay motivated my friend!

This One Important Detail Can Turn Little Quality Time Into Big Impact For Kids

Admit it or not, we, modern parents, struggle to find time for our children. We often see ourselves trapped in a cobweb of a schedule full of to do tasks and appointments. Thinking that by adding longer working hours, technology to facilitate our lives, healthier diets to improve our performances; none of these tricks seem to have alleviated our sense of overwhelm. Outside our professional lives, juggling personal and family time can be a challenge.

But here is the cold, hard fact - there is no excuse for not spending quality time when it comes to our children. We lay the foundation for them on how they will develop psychologically and socially. Those fleeting moments at the beginning of their lives lays a foundation that will stay with them for the rest of their lives. Thus, the time we spend on them eventually hones their behavior, understanding and individuality later in life.

First thing, we must accept that we cannot always control time, even if we have the best laid out plan. What's the saying? "Life is what happens to you when you are busy making other plans." So the right attitude and philosophy will go a long way when dealing with this struggle. By acknowledging this, we can manage our time without unnecessary stress and feel more relaxed in the process.

Here is an imperative approach - we should be present - not being pre-occupied - when we're with our children. It won't matter if you're physically present but not really there.

After all, our children can notice even our slightest absent-minded presence. Acknowledgment of their accomplishments and conversations, lets them know they are important. So whenever you are having quality time with your children, be sure that you are not on your phone, or thinking about some other place you could be. In short, you must be in the moment - and be present.

At the end of the day, spending time with kids, despite a busy schedule isn't about quantity but about quality that makes the big difference. If you would like to find out more on this subject, try out "Eckart Tolle: The Power Of Now." It is quite powerful!

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Celebrating Relationships on Valentine's Day

Across the United States and other countries, we celebrate Valentine's Day on February 14. It is officially the month of love, and we cannot run away from it! For many, it is a fun and cool holiday to celebrate different kinds of relationships – family, friendships and romantic relationships... Contrary to what we see on social media where people complain about being single on Valentine's Day. The reality is that most people are quite all right with this holiday. So, whether your way of celebrating it is ordering in, watching a movie, having a dinner for two or being one of the 150 million sending a Valentine's Day card; on this day, have fun and enjoy!