

# PROTECTING YOU AND YOURS

17702 Mitchell North Suite 101, Irvine, CA 92614 • tel: 714-966-2646 • fax 714-966-1646 • www.assetprotectioncenter.com

## A NEW START

What an obvious title for January 2019 you may say to yourself! And you would be right! But before we begin, may I be one of the first to wish you a Happy New Year, and usher you into what will be a (dare I say it) kick ass year! As the great Winston Churchill once said, “However beautiful the strategy, you should occasionally look at the results.” And so this shall be our philosophy for the next 12 months. Great marketing offer? Fail proof investment strategy being offered? No matter, this is the year where you will do one simple task – test everything!

Before I continue and on a more somber note – it is with great sadness that I must announce the departure of one of our longest standing employees, Ruth Brissenden. Many of you have had the opportunity to work with Ruth directly in the last several years, especially during my pregnancy. Though quiet in nature, Ruth has always been an extremely detailed-oriented person, and expressed her caring for you via the time dedicated to your file. She has always had an impressive work ethic, so it is with a bit of sadness that the firm must say goodbye.

Ruth has always had an interest in social justice, environmental more precisely. Personally, I am at home in the field I have chosen, and that calling is the drive that gets me out of bed every morning (... that and the fact that Kai and Shae jump on my bed too! ). However, there comes a time when someone feels the pull towards another arena, and that time has come for Ruth.

As selfish as we would want to be and keep her, we would never stand in the way of another person's dream. Thus, we wish her the best of luck! Luckily, we are very, very lucky to bring on-board another member whose name you will quickly become familiar with – Jason Fuller.

Jason has over a decade of experience in all things estate planning, so we will not lose a beat on that end. Furthermore, Jason actually enjoys dealing with clients face-to-face regularly, so don't be shocked if he takes the initiative to call you directly! He has great family values and likewise seems to have the gift for attention to details.

So, as I stated from the title of this article, this is a 'new start,' and in more ways than one!

There you have it, growth and change. How's that for living up to what we preach? But remember, growth happens when you have a strong foundation, and if you do not have your estate planning documents in order, now is the time. 2019 is the year! So stop dragging your feet. From your family's well-being, to your business health, and getting all your legal documents in order; let us assist you with those formalities once and for all.

## SPECIAL ANNOUNCEMENT

We are 19 years into the 21st Century... Let's take a moment to think about that now. Though 19 years is no small amount of time, we feel it has gone by in a blink. This goes to show how fragile and precious life is. Let us not take it for granted. This is how we will start this year together, with gratitude.

Truth be told, these years have taught us what only time can teach – experience. Do something long enough, you will become proficient at it. Get enough “deals of a lifetime,” and you understand that opportunities are abound. If you have played your cards right, you will have picked up some wisdom along the way. So let's make 2019 a year of contemplation and exponential growth. Now that knowledge is ingrained, let us put it to use!

For this month's book review, we thought it appropriate to have an interesting read on history and what can be learned from our past. We will have an article on how to get your 2019 year going and maintaining a successful track. As usual, our partners will chime in with their perspective for 2019.

To kick off the year, stay committed to getting your legal and financial affairs in order. When is the time to do your estate plan you ask? Now! Who should handle the legal drafting for you? How dare you ask that question! 😊 We continue to be here to serve you and your family. Happy 2019!

January 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

## HIGHLIGHTS IN THIS ISSUE

- 01 A New Start
- 02 Preparation
- 03 Book Review
- 03 Business/Health/Wealth
- 04 When Did New Year's Day Celebration Start?

“It's fine to celebrate  
success but it is more  
important to heed the  
lessons of failure.”

– Bill Gates

## PREPARATION

The end of 2018 was closed off nicely, and the overall year ended on a great note. After an exhaustive yet fulfilling year, the last few weeks enabled us to gather as a group and get ready for a fresh start.

New Year, new challenges! Here we go!

As usual, we will provide you throughout the year with helpful legal and financial tips you can use in your personal life. As of the writing of this article, we do not yet know what the final estate planning numbers will be for 2019. Whatever the government decides, I suggest we stick to our plans. That is the great thing about principles. When applied in the right context, the fundamentals never change. So for this month, we will again get an overview of what every responsible adult should have in their possession.

To start things off, much to your surprise I'm sure, is the Revocable Living Trust (RLT). Yes, health-care directives, durable power of attorney, guardianship nomination; these should all be at your disposal! You have heard us preach about it for years. How many times have I had clients come in ready to execute the most elaborate asset protection plan, not once even thinking about the basic RLT. Can you do an asset protection plan without an RLT? Yes.

Should you? No!

One can theoretically bypass steps in many endeavors in life, but estate planning isn't one of them. So an RLT is the foundation, and it will remain so for the foreseeable future.

Do you own a business? Then, incorporation is your next step. The reality is, a limited liability company (LLC) is often times the most recommended one, but by far is it not the only option. There are several factors that come into play when making such a decision. This, for whatever it is worth, should be determined with legal counsel (yours truly 😊), as he / she may offer you insights you may never have even thought about.

There is this old fable about a plumber who was called in to fix an overwhelming problem that this big outfit was having in its building. After many failed attempts by various companies and countless hours in finding a solution, no one was able to figure it out. This old gentleman comes in, looks at a few pipes, knocks it around in various spots, then ends up turning a few screw. Voila, problem solved.

The plumber then hands over his \$10,000 invoice, much to the outfit's outrage. "But you were only here for 10 minutes to solve the problem. The gentleman replies "It took me 10 years to be able to resolve a problem in 10 minutes!" So, there is something to be said about experience.

... And no, this is not my way of saying we charge high fees by the way! 😊 I just say it directly! 😊

In the coming months, we will elaborate on asset protection strategies, retirement funds, and investment tools you can use as you accumulate years of wisdom. As always, it is with great pleasure to be back and servicing you and your family.

See you this calendar year!

### The Fourth Turning

by William Strauss and Neil Howe

The Fourth Turning: What the Cycles of History Tell Us about America's Next Rendez-vous with Destiny. That is a mouthful all right! 🤯 This is a very interesting read because of the astonishing predictions the authors make. However much of a skeptic you may be when questioning individuals who predict the future, one thing cannot be denied. These authors have done their homework. In the writing of this book, they have gone back five hundred years to uncover what they have classified as a pattern. In short, they claim that modern history moves in cycles, each one lasting about the length of a lifetime, and each composed of a 20 (approximately) year cycle. As if this was not incredible enough, they demonstrate that of these cycles, aka turnings, last about twenty years... And in the same order!

First is what is called the High. This is a time when confidence sweeps the nation, and a new expansion takes place of the old regime. This is usually a time of growth and vision for a nation. Then, comes what is called an Awakening. As with everything, the new then becomes old. This is a time when the people begin a phase of rebellion. In search for greater meaning, spirituality is often drawn upon for answers.

Then, the Unravelling. This is an increasingly troubled era when individualism takes over crumbling institutions. This is the time when economic crisis comes to the mind of many. Which then leads to the last turning, known as the Crisis. Maybe we should end there, the name says it all!

Just like nature's winter, the fourth turning is unstoppable. So you must be prepared for it no matter how much you think it can be prevented. For better or for worse, guess what the authors predict the time we are in? This phase can be brief but severe, mild, or long and difficult. Looking at the way the U.S. has prevented a recession by printing more money, it appears we will be facing a rather... lengthy cycle ahead of us. By no means should you look at it as a downer. Much like Marcus Aurelius, we may not always be able to prevent what happens to us, but we are 100% in control of what we can do and think about it.

Are you up for the challenge? We want 2019 to be your greatest year yet. This doesn't mean that it will all be rosy. What we do want you to focus on is your learning curve, and to become free of outcome. Focus on the journey. Good luck to us all!

### Make Your Bed!

*The title is not typo, and more importantly, we mean it literally. Let us look at what most of us entrepreneurs look like on an average day ☐ we wake up to screaming kids, we immediately feel the result of our sleep deprivation, we hurry to get the kids ready to go to school, we answer the urgent e-mails before heading out the door, and the list goes on. That's not even the first 2-3 hours of the day for most of us.*

*Something has to change!*

*It begins with the belief and desire that things do not have to be that way. Yes, we all want a more lucrative business. We all want a better business, but it's also about being a better human. Thus, you need to start on the right footing. Why would something as insignificant as making your bed have any bearing you may wonder?*

*First, it sets the tone for the day. One simple task ahead of you, and one you have completed. Psychologically, it puts you in the right frame of mind. No bright blue lit screen staring at you, no halitosis kids breathing in your face. Just one simple task, make your bed.*

*Second, it engrains good habit formation. People often associate success with some type of massive action or overhaul of some horrible habits. The reality is much simpler than that, but therein lies the hidden danger. Due to the simplicity of it all, most people simply don't bother doing anything about it. The secret is this ☐ simply change your bad daily routines with small healthy habits. Making your bed is a starter. Eating a healthier breakfast is another. Not looking at your phone first thing when you wake up is yet another step.*

*Start to approach life in small, achievable increments, and before you know it, you will have achieved a radical change in lifestyle for the better. For 2019, do not let yourself be overwhelmed by your lofty aspirations. Quite the contrary, you want them to be your driving force! How you think about it daily however can make the whole difference between success or failure.*

*Take the time to slow down just a bit, get an attitude readjustment, and 2019 will be yours! This is a journey we will travel together on, so let us know how you progress along. We want you to start the year strong, so call us at 714-966-2646 to get your plan started or updated.*

*As always, we are happy and humbled to be at your service. See you soon!*

Continued from page 1

I myself am back with a new sense of rejuvenation. Not simply because we are in January, but the goal is to keep growing outside your comfort zone. For those of you who know me, change was always something I would steer away from if I could, but not anymore! I welcome it with open arms. And I want to encourage you to do the same this year.

See you soon! Call us to schedule your estate planning meeting at 714-966-2646!



Patrick P. Phancao  
&  
Shadi Ala'i Shaffer

## PHANCAO & SHAFFER, LLP

*Attorneys and Counselors-at-Law*



### When Did New Year's Day Celebration Start?

The first time New Year's Day was celebrated on January 1st was when people started using the Julian calendar. However, it became obsolete and unpracticed in the "Middle Ages" even by those who had used the new calendar.

They didn't celebrate it on the first day of January because the Sosigenes and Julius Caesar failed calculating the right value for the solar year being 365.242199 and not 365.25 days. What followed was an 11 minute per year error adding seven days each year by the year 1000, and then 10 days by the mid part of the 15th century.

To address the problem, Christopher Clavius was commissioned by Pope Gregory XIII of the Roman Church to create a new calendar.

The Gregorian calendar was then implemented in 1582. It created a new rule that only one of every four centennial years must be a leap year. Since then, New Year's Day was once again being celebrated on January 1st. How's that for a little history? Make 2019 be your best year yet!