

OCTOBER 2026

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



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“Without music, life would
be a mistake.”

Friedrich Nietzsche

THE ROLE OF GRATITUDE IN LEADERSHIP

Gratitude may seem like a soft skill, but in leadership, trust me – it’s a hard asset. A sincere expression of appreciation tells employees that their work matters and that they are valued as people, not merely as producers of results. Recognition is most meaningful when it is specific: thanking a colleague for staying late to solve a problem, mentoring a new employee, or remaining calm with a difficult client shows that the leader has truly noticed the effort behind the outcome. Opening up the curtain for you our valued reader, we are very much a small ‘boutique’ firm. We do not have the ability to pay our employees what we truly believe they deserve at times. Yes, after years of success, we have definitely ensured that the financial rewards were there. However, when I started the firm, I had to rely on truly giving each employee a sense of purpose behind our work. Because of what we do, this wasn’t the hardest challenge, estate planning documents have an amazing impact in and of themselves. What I needed (and wanted) for every employee to feel, was the heart behind every. Single. One (grammar was never my strong point 😊) of our action towards the client. From the way we answered calls, the efforts we put in to help resolve an issue; even if it wasn’t ‘estate planning related’. We wanted the mission to be heart felt by each of our representative. That couldn’t simply be preached, it had to be demonstrated.



Gratitude can also deepen motivation. To reiterate what I previously mentioned, compensation is essential, but a paycheck alone cannot communicate belonging or purpose. When people feel that their contributions are seen, they may be more willing to share ideas, help one another, and persevere through setbacks. Appreciation should never replace fair pay or reasonable expectations; it is most credible when a leader’s actions reflect the respect expressed in words.

Equally important, gratitude keeps success in perspective. Leaders may be tempted to credit their own vision for every achievement, forgetting the colleagues, mentors, clients, and families who made that achievement possible. Recognizing this interdependence cultivates humility without weakening authority. It encourages a culture in which people celebrate shared accomplishments rather than compete for every ounce of credit.

Gratitude matters most when circumstances are difficult. A leader confronting missed targets or uncertainty need not pretend that everything is fine. Acknowledging both the challenge and the team’s continued commitment creates room for candor and solidarity. One can hold people accountable, address mistakes, and still express genuine appreciation for their dedication.

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INTRODUCTION

To be completely upfront, we were putting the newsletter content as usual (not going to lie, some articles later than others 😊), and it dawned on us all – there are only two newsletters before year’s end!... Read that again, is that ‘scary’ or what? And ... yes, we are using this metaphor because it is Halloween, but you get the point nevertheless People! Can someone make time slow down just a bit! Sorry, a little bit of venting before we start. Deep breath... back to our regular scheduled programming!

October brings a sense of turning inward (We just did!). The pace of summer fades, and autumn routines invite us to gather energy for the year’s close. In business, October is often the beginning of serious year-end planning. In families, it is the season of gratitude and preparation. This month’s newsletter highlights how gratitude transforms leadership, why year-end tax planning matters more than ever in 2026, and how simple seasonal practices refresh both mind and body. It is a time to lead with perspective, plan with foresight, and live with balance.

Before you start the newsletter content, do take advantage of this month and November! After so many years of experience, for businesses in any industries, December is wildly unpredictable. At the Asset Protection Center, we prefer to stash all the cards on our side, and treat December as a ‘bonus’. Just some parting thoughts...

YEAR-END TAX PLANNING FOR 2026

As 2026 closes, tax planning carries unusual weight. The sun setting of prior tax provisions has reshaped brackets, deductions, and estate exemptions. For individuals and families, October is the last practical window to make moves before the calendar locks them in. 2026 has seen an uprise in advanced tax planning for some reason. Well, we do live in Southern California I suppose, and 6-figure salaries are considered, as the youngsters say these days, rather... "mid". The unfortunate behavior I have noticed is that many of these clients 1) Do not fully grasp the amount of time and energy it takes to plan for such an undertaking. After all, avoiding the 40% estate tax does take deep thought and intentional engineering of advanced legal documents. Also however 2) Because it is a time-consuming endeavor, people mean well by starting out strong, but unfortunately 'disappear' when work is required. In any event, I may be digressing a bit, let's discuss in broader terms.



Income tax strategies begin with timing. Deferring income into 2027 or accelerating deductions into 2026 can tilt outcomes, particularly for those on the margin of higher brackets. Charitable giving offers leverage: donor-advised funds allow bunching of deductions, while appreciated stock gifts avoid capital gains altogether. For business owners, equipment purchases and retirement plan contributions remain powerful tools for lowering taxable income.

Estate tax planning is urgent. With exemptions lower than in prior years, more estates face potential taxation. Lifetime gifting strategies, such as using the annual exclusion per recipient, allow significant transfers before December 31. Intrafamily loans, sales to grantor trusts, and GRATs (grantor retained annuity trusts) remain sophisticated vehicles for moving appreciation out of estates while rates remain favorable.

Retirement accounts also deserve review. Maximizing 401(k), IRA, and HSA contributions before year-end builds long-term tax efficiency. Roth conversions may be especially strategic in 2026 for those in temporarily lower brackets. Coordinating conversions with charitable giving can smooth tax impacts.

Capital gains require attention, particularly for those considering real estate or investment sales. Harvesting losses in portfolios can offset gains, while installment sales spread recognition over time. Families who ignore capital gains until April discover too late that opportunities were seasonal.

October is the time to meet advisors. Waiting until December often leaves too little runway. Proactive planning now, before holidays and year-end rushes, ensures that opportunities are captured. The close of the tax year is not simply about compliance; it is about stewardship. October reminds us to finish wisely.

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The practice need not be elaborate. Begin a meeting by naming a colleague's helpful contribution. Write a brief, personal note after a demanding project. At home, thank a spouse for an ordinary kindness or invite children to name something they appreciated that day. Repeated small acts teach everyone to notice what is present instead of dwelling only on what is missing.

As October invites reflection, gratitude offers a useful question: Who helped make this season of life possible, and have I told them? Ambition drives us forward; gratitude reminds us that the journey is shared. The legacy of a leader is measured not only by goals achieved, but also by the people who felt respected, encouraged, and valued along the way. Let me share an African quote some of you may have seen in my office "Want to go fast? Go alone. Want to far? Go together!"

FAMILY SPOTLIGHT

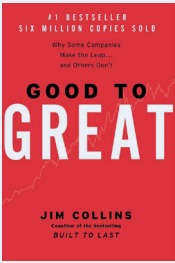


Introducing our reigning "Little Queen Bee," Cassidy Carranza! As the daughter of our Office Manager, Carol Carranza, Cassidy is a bundle of energy with an impressive appetite for snacks. She might be a bit young to officially join the legal field, but based on her current flair for arguments and negotiation, she'd make a fierce litigator.

When she isn't debating, her passions include arts and crafts, science experiments, and her specialty: handmade squishies, which she happily gifts to spark new friendships. As the only human child in a house full of pets, Cassidy thrives outdoors—whether she's climbing trees, inventing new games, or watching over her furry siblings. Indoors, her imagination takes over as she builds forts, redecorates the living room, and plays with her new favorite kitten.

Cassidy's endless energy has fueled her through a massive roster of hobbies: cheerleading, swimming, Tae-Kwon-Do, baseball, hip-hop, and hula. She hasn't picked a permanent favorite just yet. Next up on the docket? Gymnastics. In the classroom, she naturally prefers recess over all other subjects, though she has recently found a love for Español. She frequently comes home with new phrases and loves dancing to Spanish music—proving a good beat has no language barrier.

The verdict is in: Cassidy is unstoppable. Join us in wishing her a very Happy 7th Birthday this month!



Good to Great — Jim Collins

Jim Collins' **Good to Great** remains one of the most influential business books of the past two decades. That's what the general public says at least. As for us, it is one of those books that had such a powerful impact that we use it as a standard for our office. The reason is that its message seems overtly simple, yet so efficient! The following is its philosophy at its core: some companies leap from mediocrity to sustained excellence, while others languish. What separates them? Collins and his team identified patterns — disciplined people, disciplined thought, and disciplined action — that apply not only to corporations but to any endeavor.

Among the memorable insights is the concept of Level 5 Leadership: leaders who blend personal humility with professional will. These leaders credit success to their teams while taking personal responsibility for failures. They are ambitious, but for the institution, not themselves. Another key concept is the Hedgehog Principle: focus on the intersection of what you are deeply passionate about, what drives your economic engine, and what you can be best at. Collins contrasts this with companies that scatter efforts widely and dilute impact.

Readers also remember the Flywheel Effect: the idea that momentum builds gradually through consistent effort, then suddenly compounds into visible breakthroughs. In October, with the year's final quarter ahead, this metaphor is apt. Progress may feel slow, but persistence creates compounding returns.

For families, **Good to Great** underscores the value of values. Success is not accidental but structured. When we clarify priorities, pursue them consistently, and lead with humility, we create legacies that endure beyond one fiscal year.



Autumn Routines that Refresh the Mind

Autumn carries a rhythm of renewal. Cooler air sharpens focus, shorter days encourage earlier rest, and seasonal foods nourish differently than summer's abundance. Embracing autumn routines can refresh both body and mind.

Consider starting with mornings. A brisk walk in crisp air invigorates more than coffee alone. Journaling for five minutes anchors intention before distractions arrive. Even lighting a candle while reviewing the day's schedule can turn routine into ritual.

Nutrition shifts, too. Root vegetables, squash, and apples bring fiber and grounding energy. Cooking soups or roasting trays of vegetables warms kitchens and schedules. Family meals become easier as evenings draw people indoors. Shared dinners, even two nights a week, reduce stress and increase connection.

Rest deserves attention. Autumn's darker evenings invite earlier bedtimes. Honoring that natural rhythm supports restorative sleep and helps prepare the body for winter. Tech curfews, quiet reading, or reflective prayer align the mind with the season's slowing pace.

Autumn also offers an opportunity to reconnect with activities that often get overlooked during the busy summer months. Consider dedicating a weekend afternoon to organizing your home, visiting a local farmers' market, or enjoying a scenic walk with family or friends. Small seasonal traditions, such as preparing a favorite family recipe or spending an evening playing board games, create moments of connection and lasting memories. These simple activities encourage us to slow down, appreciate our surroundings, and find enjoyment in experiences that require little more than our time and attention.

Finally, build in gratitude. A simple weekly list of three things going well shifts attention from pressures to provisions. In October, routines become more than tasks. They become anchors — small choices that refresh, prepare, and remind us that flourishing is found not in frantic pace, but in steady renewal.



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Well Dear Reader, in case we don't say it enough, we are sincerely grateful for your continued loyalty and trust in us! For many of you, our relationship started over 20 years ago, think about that for a moment! Even though November is usually associated with gratitude, we couldn't wait and thought we'd share the thought... now! 😊

But for this month, we used it as a reminder that October invites us to practice gratitude as strategy, not sentiment. To close the year with wisdom, not haste. To embrace routines that refresh rather than exhaust. As you plan taxes, read for insight, or savor autumn meals, remember that leadership and life alike are sustained not by frantic effort but by grounded gratitude. This month, may your planning be prudent, your routines restorative, and your perspective generous. Remember, next month will officially be our last newsletter of the year. You will get a small break from us... until January 2027 😊

SO VERY
Thankful
INCREDIBLY
grateful
UNBELIEVABLY
blessed