THE IRA INHERITANCE PROTECTION TRUST™

"But, I have good children."

We hear this a lot. Remember, bad things can happen to good children.

Even a good child can put the IRA you left them at risk by:

- Going bankrupt.
- Getting divorced.
- Getting sued. (For example, they get into a car accident and injure others and are now being sued for more than their insurance covers.)
- Having their business go bankrupt.

Why not protect the next generation's future and your legacy by using an **IRA Inheritance Protection Trust™**?

This is a highly specialized new Creditor Protection Trust developed after the *Clark v. Rameker* case, where the Supreme Court of the United States ruled that an *inherited* IRA payable to your children is reachable by their creditors. Your existing Revocable Living Trust cannot do the job to protect your IRA.

Not every attorney can draft this kind of trust, but we have. It is a perfect solution to protect the IRA you want to pass to your children but don't want to lose to their creditors.

SO, REMEMBER, BAD THINGS CAN HAPPEN TO GOOD CHILDREN, BUT WE CAN HELP.

THE TOP 5 REASONS YOU NEED AN IRA INHERITANCE PROTECTION TRUST™

1. **BANKRUPTCY AND CREDITOR PROTECTION:** This is one of the main reasons we get hired to do these specialized trusts. We can protect your IRA so a child who gets divorced or goes bankrupt can keep the inheritance you left them and creditors and a divorcing spouse don't get them.

2. **PENSION-LESS GENERATION:** Your IRA may be the only pension for a pension-less generation, so when your child gets it, in many cases, it is all they have for their retirement. So, why not protect it?

3. **STRETCH OUT:** You want your children to "stretch out" the IRA and *not* yank out all the money at once, paying a huge tax bill. But without this trust, they will almost certainly "blow out" the IRA rather than stretch it, ignoring the wishes of their parents or grandparents who gave them the inheritance.

4. **DIVORCING SPOUSE:** Over 50% of all marriages end in divorce. Even an IRA that is inherited can be lost, and often an inherited IRA is the reason for the divorce! That's because it can be split or taken in divorce and now the ex-spouse gets a nice tax-deferred retirement account for themselves!

5. **YOU'RE NOT GOING TO SPEND ALL OF YOUR IRA**: You may think you will spend down your IRA until it is $0, but the reason you have it in the first place is you're a saver, not a spender. A leopard doesn't change its spots, and just because you're retired (or will be) doesn't mean you will suddenly start spending.

THE IRA INHERITANCE PROTECTION TRUST™	THE REVOCABLE LIVING TRUST
Protects inherited IRAs from bankruptcy.	Absolutely no protection in bankruptcy.
Protects inherited IRAs from divorcing spouses.	Unlikely to offer much, if any, protection from divorcing spouses.
Ability to "stretch out" the inherited IRA over the life expectancy of each child so each child can maximize tax deferral and wealth accumulation.	No ability to stretch under the terms of the trust.

A PENSION FOR A PENSIONLESS GENERATION:

The Problem, the Solution, and the Math

Many of our clients are supporting children who are struggling with finances. And many children who aren't severely struggling with finances still don't have enough money to adequately fund their own retirement. Furthermore, even those children who are fortunate enough to be economically stable and paying their bills on time still rarely have enough to also pay for their children's college educations. You leaving them your IRA protected from creditors can help solve all of these problems.

Let's review the basic math on tax deferral. Remember, one of the reasons for doing an IRA INHERITANCE PROTECTION TRUST™ is so your children or beneficiaries "stretch out" the IRA, rather than "blow out" the IRA by taking the money out in one lump sum and paying a lot in taxes as a result.

So, here is some math on $50,000 of your IRA that your child inherits from you with tax deferred growth at 7 or 8%:

(Years After Your Death)

Growth Rate	15 years	20 years	30 years
7%	**$ 142,447.34**	**$ 201,936.94**	**$ 405,824.87**
8%	**$ 165,346.07**	**$ 246,340.14**	**$ 546,786.48**

These calculations do not take into account any distributions taken out, but it is clear to see the increasing value of an inherited IRA and the value of protecting it.

Help guarantee your loved ones get a retirement and protect your legacy with the IRA INHERITANCE PROTECTION TRUST™.

This Trust can protect any and all retirement plans that you intend to leave to your children – not just IRAs.