

My communication with Security Bank and Trust - A trust Administrator

From: Simi Antony (simi_27@yahoo.com)

To: apederson@eagancounseling.com

Date: Thursday, March 26, 2020, 08:10 PM CDT

F.Y.I.

Smeeta Antony simi_27@yahoo.com (952) 403-9283(R) (952) 239-9643 (C)

----- Forwarded Message -----

From: Simi Antony <simi_27@yahoo.com>

To: Tina Rosckes <tinar@securitybanks-trust.com>

Sent: Tuesday, February 4, 2020, 04:11:45 PM CST

Subject: Re: Smeeta Antony - Tina I would like to get an understanding of what my annual costs would look like

Tina,

My apologies for not responding yet. I guess what I had in mind with the trust document is taking longer than I expected. I am still in the process of figuring out the completion to the trust document along with crafting the pour over will, the advanced health directive etc... I had a few unexpected curve balls thrown at me. Anyways long story short I should hopefully be able to accomplish what I have in mind with the trust document revisions and circle back to you in a few weeks.

Thanks so much for your detailed response. It helped a ton!

Thanking You,

Smeeta Antony simi_27@yahoo.com (952) 403-9283(R) (952) 239-9643 (C)

On Thursday, January 2, 2020, 04:07:02 PM CST, Tina Rosckes <tinar@securitybanks-trust.com> wrote:

Smeeta,

So during life if you'd like us to be the trustee, I see your trust having a value of \$750,000(3 Properties) as the life insurance and the IRA wouldn't pay into the trust until death. So annual fee of 7500.00 based on the personal trust fee schedule.

Upon death, total trust assets of \$3.5 million. So a one-time fee of \$55,000 based on the estate settlement fee schedule.

Then the trust would split into 2 separate trust accounts for your daughter's and their trust account fees would be based on the personal trust fee schedule.

If we, as the trustee need to sell real estate we take a one-time fee based on the sale of real estate fee schedule.

Have a great evening.

Tina Rosckes, CISP, CTFA

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From: Simi Antony [mailto:simi_27@yahoo.com]

Sent: Thursday, December 26, 2019 3:06 PM

To: Tina Rosckes

Subject: Smeeta Antony - Tina I would like to get an understanding of what my annual costs would look like

My trust assets :

1) 3 properties - \$250,000 each - managed by Property Manager - Renters Warehouse that will place tenants and collect rent. The properties will be paid out at the end of the 15 years. The rent is used to pay down the mortgage on 2 properties. One property is owner occupied and will be paid out by me in 15 years. I also have a life insurance 15 year term policy in the amount of \$250,000 that will pay out the remainder mortgage of the owner occupied property in case something happens to me in the next 15 years.

2) Life Insurance Policy - \$800,000 - managed by Eric Wegner

3) IRA - \$500,000 today managed by a financial advisor Eric Wegner whom u met and estimated to grow to \$2 million over the next 17 - 18 years.

Scenario 1 - I die before the 15 years are up

Your duties as the Trust Manager

- 1) Manage the 2 rental properties by working with renters warehouse till fully paid out. if the girls have produced their certificates gift the 2 rental properties to my 2 daughters.
- 2) Sell the owner occupied property whose value should be a minimum of \$250,000
- 3) Invest the \$250,000 to grow to maximum capacity
- 4) Eric continues to manage the IRA and the Life Insurance Policy
- 5) File the taxes annually
- 6) Once my ex-husband passes, and the \$800,000 is brought into the trust and if all 3 properties are paid out and if the girls have produced the certificates of their degrees as required by the trust documentation, the trust can be shut down and money dispersed to the girls.

What should I estimate my annual fees to be in this scenario?

Scenario 2 - I die before the 15 years are up

Your duties as a Trust Manager

- 1) Manage the 2 rental properties by working with renters warehouse till fully paid out. Once paid out these properties will continue to generate income. Once my daughters produce the certificates of a law degree and a Masters in Cyber Security Management, 2 properties of the 3 need to be gifted to my daughters. They will be responsible for either the sale or make the decision to rent. That asset will be theirs to own and manage.
- 2) Hand over the owner occupied property that will be paid out by the life insurance she owns on herself in the amount of \$250K to Renters Warehouse to rent which will generate income as the property is fully paid out
- 3) Eric continues to manage the IRA with the goal to grow it to the 2 million estimate.
- 4) Eric continues to manage the life insurance policy of the \$800K. At some point the policy will have enough cash value to be able to pay for its own premiums in the amount of \$1120 which is what I pay monthly today. You will need to work with Eric to determine that day where the policy becomes self sufficient. This policy need to be managed by Eric till my ex-husband passes away upon which the \$800,000 will be brought into the trust. If the girls have their degrees by then the trust can be shut down and the money dispersed with whatever value the IRA is at that point.
- 5) File taxes annually

What should I estimate my annual fees to be in this scenario?

Scenario 3 - I die after the 15 years are up and the girls are not yet 35

As the Trust manager and the successor trustee :

- 1) All 3 properties are paid out whose value are upto \$750,000 and are generating income today. You will need to manage these properties with renters warehouse till the girls are either 35 or have produced their degrees as per the terms of the trust.
- 2) The life insurance policy on my ex-husbands life is self sufficient and paying for itself and Eric is managing it. if he passes the 800,000 will be brought into the Trust
- 3) The IRA continues to be managed by Eric
- 4) File taxes annually

Scenario 4 - I die after the 15 years are up and the girls are 35 and have produced their certificates

As Trust Manager and successor trustee :

- 1) 1 rental property each gifted to each daughter
- 2) Owner occupied property will need to be sold and brought into the trust
- 3) Assuming ex-husband has passed \$800,000 will be brought into the trust
- 4) IRA would have grown to whatever value it could grow.
- 5) Trust is irrevocable
- 6) Trust shuts down and everything is split 50% between the 2 girls and everything dispersed after my funeral expenses are met from the trust funds
- 7) Final Taxes are filed.

What should I estimate my costs to be in this scenario ?

Scenario 5 - I die after 15 years, the girls are 35 and not produced their certificates

As Trust Manager and successor trustee :

- 1) Both rental properties sold and brought into the trust

- 2) Owner occupied property will need to be sold and brought into the trust
- 3) Assuming ex-husband has passed \$800,000 will be brought into the trust
- 4) IRA would have grown to whatever value it could grow.
- 5) Trust is irrevocable
- 6) Trust shuts down and everything is donated to charity after my funeral expenses are met from the trust funds
- 7) Final Taxes are filed.

What should I estimate my costs to be in this scenario ?

Scenario 6 - I die after 15 years, the girls are 35 and have produced their certificates and ex-husband has not passed away.

As Trust Manager and successor trustee :

- 1) Both rental properties sold and brought into the trust
- 2) Owner occupied property will need to be sold and brought into the trust
- 3) IRA would have grown to whatever value it could grow.
- 4) Trust is irrevocable
- 5) Funeral expenses are met from the trust
- 6) Everything the trust owns except for the \$800,000 is split at 50% each daughter and is handed out to both my daughters
- 7) Final Taxes are filed.

The beneficiary of the life insurance policy of \$800,000 is the trust. Does the trust need to stay open till he passes and those funds are brought into the trust and split between my girls.

What will be my costs in this scenario?

I realize it is a lot of detail but your insight will really help me know what to plan for....

Thanking You,

Smeeta Antony simi_27@yahoo.com (952) 403-9283(R) (952) 239-9643 (C)