Alden CAPITAL MANAGEMENT LLC
An Independent Registered Investment Advisor
Securities offered through **Raymond James Financial Services, Inc.** Member FINRA/SIPC

Matt B. Wigren, CFP® Laura N. Christofferson, CFP® Scott A. Wigren, CFP®

FALL 2019

Investment Advisory Services offered through **Raymond James Financial Services Advisors, Inc.**

Financial *focus*

WHAT MATTERS MOST TO YOUR FAMILY, MATTERS MOST TO OURS.

Laura Named to Two Forbes Lists

Laura Christofferson was recently named to two prestigious Forbes Lists: 2019 ranking of Best-In-State Next-Generation Advisors* and 2019 Top Wealth Advisor Moms**.

These achievements would not have been possible without your continued trust and support. Milestones like these serve to reinforce our belief that always placing our clients' interests first is still the best way to do business.

As always, please contact me if you have any questions or would just like to discuss your portfolio.

***2019 Next-Gen Best-In-State Wealth Advisors** SHOOK Research considered advisors born in 1980 or later with a minimum 4 years relevant experience. Advisors have built their own practices and lead their teams; joined teams and are viewed as future leadership; or a combination of both. Ranking algorithm is based on qualitative measures derived from telephone and in-person interviews and surveys: service models, investing process, client retention, industry experience, review of compliance records, firm nominations, etc.; and quantitative criteria, such as assets under management and revenue generated for their firms. Investment performance is not a criteria because client objectives and risk tolerances vary, and advisors rarely have audited performance reports. Rankings are based on the opinions of SHOOK Research, LLC. Neither SHOOK nor Forbes receives compensation from the advisors or their firms in exchange for placement on a ranking. Raymond James is not affiliated with Forbes or Shook Research, LLC. This ranking is not indicative of advisor's future performance, is not an endorsement, and may not be representative of individual clients' experience. Out of 6,389 advisors considered, 1,489 made the final list in 2019. For more information see www.SHOOKresearch.com. This ranking is not indicative of advisor's future performance, is not an endorsement, and may not be representative of individual clients' experience. Neither Raymond James nor any of its Financial Advisors or RIA firms pay a fee in exchange for this award/rating.

****2019 Top Wealth Adviser Moms** Data provided by SHOOKTM Research, LLC as of October, 2018. The Working Mother and SHOOK research ranking is based on an algorithm of qualitative and quantitative data. SHOOK Research considered wealth advisers who are mothers with at least one child living at home and under the age of 18 with a minimum 5 years of industry experience. Ranking algorithm is based on qualitative measures derived from telephone and in-person interviews and surveys: service models, investing process, client retention, industry experience, review of compliance records, firm nominations, etc.; and quantitative criteria, such as assets under management and revenue generated for their firms. Investment performance is not a criterion because client objectives and risk tolerances vary, and advisers rarely have audited performance reports. Rankings are based on the opinions of SHOOK Research LLC. Research Summary (as of 10/2018): From a total universe of 300,000 advisors, based on our thresholds we received 26,000 nominations, of which approximately 20% (5,200) were women and less than half (< 2,600) at the time were mothers with children under the age of 18 and living at home. A final list of the top 300 Advisors was then compiled based upon the quantitative criteria. Raymond James is not affiliated with Working Mother or Shook Research, LLC. This ranking is not indicative of advisor's future performance, is not an endorsement, and may not be representative of individual clients' experience. Neither Raymond James nor any of its Financial Advisors or RIA firms pay a fee in exchange for this award/rating.

Trust as Beneficiary of Traditional IRA or Retirement Plan

A trust is a legal entity used to hold property for the benefit of one or more individuals (the trust beneficiaries). Every trust has one or more trustees charged with the responsibility of (1) managing the trust property, and (2) distributing trust income and/or principal to the trust beneficiaries according to the terms of the trust. (A trustee can be an individual or institution, such as a bank.) Many different types of trusts can be used to achieve a variety of objectives.

You may be able to designate a trust as beneficiary of your Traditional IRA or employer-sponsored retirement plan (if allowed by custodian/plan). If the trust meets certain requirements, the beneficiaries of the trust can be treated as the **designated beneficiaries** for purposes of calculating the distributions that must be taken following your death (required post-death distributions). As a designated beneficiary, better tax deferral opportunities are available.

(over»)

Trust as Beneficiary *(cont.)*

What rules must be followed for a trust beneficiary to qualify as a designated beneficiary?

The trust beneficiaries can be **designated beneficiaries** under IRS distribution rules only if the following **four requirements** are met:

1) The trust beneficiaries must be individuals clearly identifiable (from the trust document) as designated beneficiaries as of September 30 following the year of your death. *Caution: You may need to establish separate trusts for each beneficiary to satisfy IRS "separate account" rules. Consult an estate planning attorney.*
2) The trust must be valid under state law.
3) The trust must be irrevocable, or become irrevocable upon the death of the IRA owner or plan participant.
4) The trust document, all amendments, and the list of trust beneficiaries (including contingent and remainder beneficiaries) must be provided to the IRA custodian or plan administrator by the October 31 following the year of your death.

Advantages of naming a trust as beneficiary

- **A trust beneficiary can be treated as the IRA or retirement plan designated beneficiary.** This is significant because these individuals will generally have the opportunity to calculate post-death distributions using the life expectancy method (provided that the IRA custodian or plan administrator permits this method).
- **Naming a trust can allow you to retain control after your death.** Your beneficiaries will still receive the IRA or plan funds after you die, but according to your wishes as spelled out in the trust . This often gives you the ability to control the timing and amounts of distributions, preventing your children or trust beneficiaries from squandering the funds.
- **Assets held in a trust may be protected from creditors.** IRA or retirement plan funds left to a properly drafted trust for the benefit of your beneficiaries may enjoy protection against creditors, as long as those funds remain in the trust.
- **A QTIP trust for your spouse may be beneficial.** A qualified terminable interest property (QTIP) trust is a type of marital trust that allows you to provide for your surviving spouse during his or her lifetime, defer estate tax at your death, and control who the ultimate beneficiaries will be. After your death, the remaining assets will be included in your spouse's taxable estate at his or her death.

Disadvantages of naming a trust as beneficiary

- **Naming a trust for the benefit of your spouse may limit post-death options.** For example, under the minimum required distribution rules, your spouse would lose the right to treat an inherited IRA as his or her own account. If you want your spouse to ultimately receive your IRA or plan assets, the best way to achieve this goal is typically to directly name your spouse as primary beneficiary of those assets (unless there are specific reasons for using a trust instead).
- **Trusts can be complicated and costly to set up.** Setting up a trust can be expensive, and maintaining it from year to year can be burdensome and complicated. So, the cost of establishing the trust and the effort involved in properly administering the trust should be weighed against the perceived advantages of using a trust as an IRA or retirement plan beneficiary. In addition, remember that if the trust is not properly drafted, you may be treated as if you died without a designated beneficiary for your IRA or plan.
- **You may not need a trust.** Depending on the size of your estate and the amount of the estate tax exemption in the year of your death, using a trust for estate tax purposes may or may not make sense. Consult an estate planning attorney for further guidance.

Alden
CAPITAL MANAGEMENT LLC
An Independent Registered Investment Advisor
310 120th Avenue NE, Suite 200
Bellevue, WA 98005 T: 425.451.8508
#AldenCapital