DICKERSON DIGEST

MARCH 2022
ISSUE NO.28

DOWNTOWN NEW BRAUNFELS, TEXAS

REVISING YOUR ESTATE PLAN

Your estate plan is in place. Congratulations! You have given a tremendous gift to your loved ones and to yourself. Your plan will ensure your assets pass to the people you want to benefit and to the causes and organizations that matter to you. It will protect you if you are incapacitated, ease the emotional burdens on your family, and give you great peace of mind. Many families have been destroyed by bickering over what a departed loved one would have wanted when he or she left no estate plan or a defective one. Yours should not be one of them.

You played a crucial role in developing your plan. You took the initiative to find the right estate planning professional to work with. And you engaged in the planning process every step of the way. But your estate planning is not done. You must monitor your plan to make sure it accomplishes your goals and revise it when changed circumstances mean it no longer does.

The Risks of Trying to Be a Do It Yourselfer If it becomes necessary to revise your estate planning documents, the best choice is to work with your estate planning lawyer. For the same reasons that you hired a qualified estate planning attorney to draft your initial also hire a qualified estate planning attorney to revise or amend your estate plan. There are rules about how documents can be revised. If revisions are done improperly, your efforts to update your documents can invalidate not only the changes you wish to make, but even the original documents.

Changing your Will You can make changes to your will two ways: with a codicil or by making a new will and revoking the old one. Never attempt to change your will by crossing out provisions you no longer want and handwriting in your changes. After you make the handwritten changes, the will would need to be re-executed in front of witnesses, which rarely happens. The net effect may be that the deletions invalidate your entire will. Alternatively, the deletions could be accepted by a court, while the additions are not. You either end up with no will or a will that you never intended to make.

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Codicils A codicil is a formal amendment to a will. It is a document that allows you to partially modify or revoke portions of a will. With a codicil, you can make simple changes to a will while leaving all the other provisions the same. It must be executed in accordance with the rules pertaining to wills in your state. Usually that means you must sign it before two witnesses who must also sign the codicil. Then it is attached to your will.

Revoking Your Will and Replacing It with a New One Since a codicil must be executed with the same formalities as a will, often it is easier to write a new will altogether and revoke your original will. A new will is the best choice if you want to make significant changes. The difficulty with using a codicil is that the codicil and the will need to be consistent with each other. The more complex the codicil, the greater the risk you face of inconsistencies between the two documents. These can lead to conflict between your heirs, will contests, and a court interpretation of the documents that is contrary to your wishes. The new will should state that it revokes all previous wills and codicils. To avoid confusion, you should also destroy the old will. Personal Property Memoranda If you disposed of personal property with a personal property memorandum that you referenced in your will, you can make changes to the memorandum without having to redo the entire will. Simply redo the memorandum and sign and date it. It does not have to be witnessed, like a will, but it must be referenced in your will. Then destroy the original memorandum to prevent any possibility of confusion.

And finally, never attempt to change your will by crossing out provisions you no longer want and handwriting in your changes. After you make the handwritten changes, the will would need to be re-executed in front of witnesses, which rarely happens.

If you have questions about revising your will or if your parents need to revise their will, we can provide skilled counsel and advice to help you through the process. Give our office a call at and contact us today to discuss further by calling 956-791-5422 in Laredo, 830-302-4577 in New Braunfels or 956-267-5112 in the Rio Grande Valley.

WHAT TITANIC SIZED FACTS YOU ARE DENYING

By Catalina Dickerson, Editor of Dickerson Digest

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I had the opportunity, recently, to attend one of the Laredo Chamber of Commerce's Business Development seminars last month. The speakers, Chris and Elizabeth Sterling, illustrated the importance or identifying your computer and office assets and make a plan to safeguard against the threats of cyberattacks and ensuring the protection of your business. To illustrate their points, they used one of my favorite historical and factual occurrences to really bring the concept of planning home to their audience of fellow chamber members...the Titanic. But let's start with the "perception" of the time of the Titanic. At that time, it was inconceivable that the greatest ship of all time would sink because they thought that they had reached the pinnacle of modernity and innovation. You may be familiar with the saying, "Your perception is your reality". The creators of the Titanic could not even fathom the luxury liner to ever go down, so that was the realty they lived in which ultimately determined how they prepared and reacted during the journey from Ireland to the middle of the Atlantic. However, let's review the facts, shall we?

The Sterlings outlined some key facts about the Titanic and I have drawn parallels to what Mike and I witness here at the law firm all the time. As I list the facts, I will also offer a current life fact that might be in front of you right now and how it may resemble what the passengers faced over 110 years ago.

Titanic Fact #1 was that the ship was equipped with only 20 life boats. Well, since it was inconceivable of it ever going down, why add more and clutter the aesthetic, right?! Well, the fact of the matter is that less than 50% of Americans have anything written down, like a Will or guardians named for their minor children, or any type of succession plan for their business. The fact that so many in 2022 are not equipped at all for the future, or ill-equipped, with a will that hasn't been reviewed and updated in years, is hardly deniable.

Titanic Fact #2 was that the ship was travelling on the Atlantic Ocean at a speed faster than usual. No one really knows why, but can we say the same thing for ourselves? I know I can. On this ship we call "Life", does it not feel like we are on a speedboat just launching through, leaving our kids and loved ones to manage through bumpy wake of our ride? Some of us are going through life phases in the blink of an eye. I was a young parent with kiddos and now Mike and I have a blended family with even more kids to plan for. Before I knew it, Mike and I not only have teenagers and young adults still on the payroll, but also baby girls in kindergarten! Not too long from now, we might find ourselves "sandwiched" between our kids and our aging parents. Then, we have our own retirement years to think about. God willing, right?! When you get down to it, our

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lives are moving fast. Not sure why we have to go, go, go sometimes, but here we are, holding on tight for the "how are we going to get through it", and speeding through life like it was a race to the finish. And for all the planning we do, like the Titanic, it can all come to a very abrupt halt.

Titanic Fact # 3 was that the Captain and his crew failed to heed the iceberg warnings. Now this fact is really hard for me to believe, but it's true. You would think that they would know, traveling in such cold waters of the Atlantic, knowing that the ship was so huge, that they would have taken heed to any and all warnings of impending danger, so as to more carefully maneuver the ship through such well documented icy waters. But are we not guilty of the same? How many of you have heard the saying about death and taxes? "In this world, nothing can be said to be certain, except death and taxes," is what Benjamin Franklin wrote in a letter to Jean-Baptiste Le Roy. And you have got to love Ben Franklin, of course, but I certainly don't need to be reminded that we are all going to die! Or do we? We live in a world that masks this undeniable fact at every opportunity. We live lives held down by the gravity of denial. Failing to heed the warning

that we will not escape death is like putting ourselves in the shoes of the Captain of the Titanic, who ignored safety protocols and warning signs. The iceberg was inevitable, but his unresponsiveness was unforgivable.

Like the Titanic, our mindset can look like a triangle, with our "Planning" at the top, the "Life Incident" in the middle and "Damage Control" at the bottom.

Changing our mindset can make all of the difference. When we invert the triangle and give more room for planning at the top, we are better prepared for any life incidences that come expectedly and unexpectedly, leaving the damage control to a minimum.

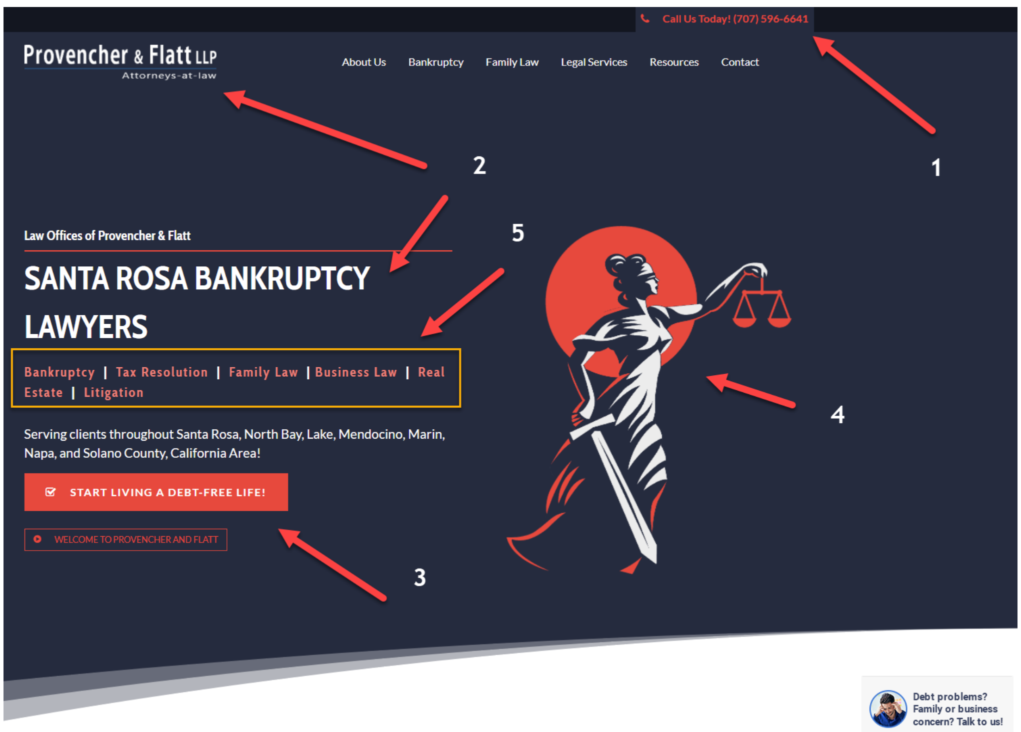
If we can be ready to perceive what can and will happen in our lives and accept it as our reality, if we can heed the warnings and take action to mitigate disaster and subsequent burden to our families when we are gone, we can leave a reality for our children and grandchildren to flourish from, not sink, like the Titanic, at the bottom of the Atlantic.

If you would like to take some time to find out how our firm can help you be prepared, ready and responsible with the future of your family and business, contact us today to discuss further by calling 956-791-5422 in Laredo, 830-302-4577 in New Braunfels or 956-267-5112 in the Rio Grande Valley and click on the QR code here for more information.

FINE TUNING YOUR WEBSITE'S MAIN PAGE

Written by Richard James, Founder and President of Your Practice Mastered

Editor's Note: Richard's focus in this article is marketing for entrepreneurial attorneys, however, anyone in business can benefit from his sage advice and marketing wisdom. We greatly appreciate Richard's contribution and hope you find his article to be useful and actionable.



Let's talk about the main page of your website. Before we get to that topic, though, you should be aware of some key differences between landing pages and websites. Landing pages are the number one way to convert traffic. Landing pages are also the fastest and easiest way to go about testing various images. That being said, landing pages and websites require different actions. A website is not a landing page, but it should attract the types of cases you want and repel the types of cases you don't necessarily want. **None of your landing pages should be part of your primary website.** Nor should your landing pages include opportunities for the visitor to leave the landing page in order to check out the rest of your website. **Our goal is always to create a website that converts at the highest possible rate.** Take a look at the landing page reproduced here with the permission of Partners Club Member Douglas Provencher. As you can see, I've pointed out five different "above the fold" items that I would change. (Douglas has already implemented various changes.) Before implementing any such changes, you need to meet with your website company to review the data. And you should review the data with your website company on a monthly basis. Focus on the numbers regarding:

- **1. Unique visitors**
- **2. Time on site**
- **3. Bounce rate**
- **4. Heat map**
- **5. Total New Lead Count**

The above numbers will provide you with a baseline to determine whether the changes you made were effective. Remember to obtain the data above in advance of any changes to your landing page. The section I chose to review is the website segment appearing "above the fold," which is a long-standing newspaper term describing the top half of the front page. On the printed newspaper, it's the first thing a reader sees when grabbing the daily off the front porch. (A famous story above the fold was the Chicago Daily Tribune's 1948 early edition, "Dewey Defeats Truman," a huge error the Chicago Tribune will likely never live down.) For our purposes today, "above the fold" refers to the first thing your website visitor sees on their computer or mobile device. One quick comment about color schemes. While the colors used here are appealing, I have abundant data showing that this kind of reverse print (where white letters are on a dark background) does not convert leads as well as the black letters on a white background converts.

These are my suggestions in a move toward mastery.

1. Primary call to action: Having the visitor "call us today" makes it very clear what we want them to do. My suggestion would be to add "24 Hours/7 Days" so people know they can call the firm at 2:00 a.m. and com-

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municate with someone. Yes, at 2:00 a.m. they will get the answering service, but that is ok. The answering service can set an appointment and your team can call back later in the morning during business hours.

2. About the firm: This section is all about the law firm ("us"), but it takes up valuable real estate above the fold. I would like much of this section to pay attention to "them." What pain point can be written as a headline? For example, "Are creditors keeping you up at night?" Viewers want to know you understand how the situation is affecting their lives.

3. Secondary call to action: We want only a single call to action above the fold, but there are two here. I would remove the second option (#3). For one, it takes the visitor away from the primary site. Secondly, it doesn't tell the visitor what we want them to do. We do not want to create a situation where we have to explain, "Click Here To Start Living A Debt-Free Life." (Originally #3 took the visitor to Facebook, but now it opens a contact form which is great).

4. Lady Liberty: While Lady Liberty is great, it really isn't what interests our ideal target market. The market here wants the attorney to say just how much he or she cares about the visitor. This is the perfect spot for a video. Not everyone is gifted on camera, so you can always have a voice-over video created by a professional.

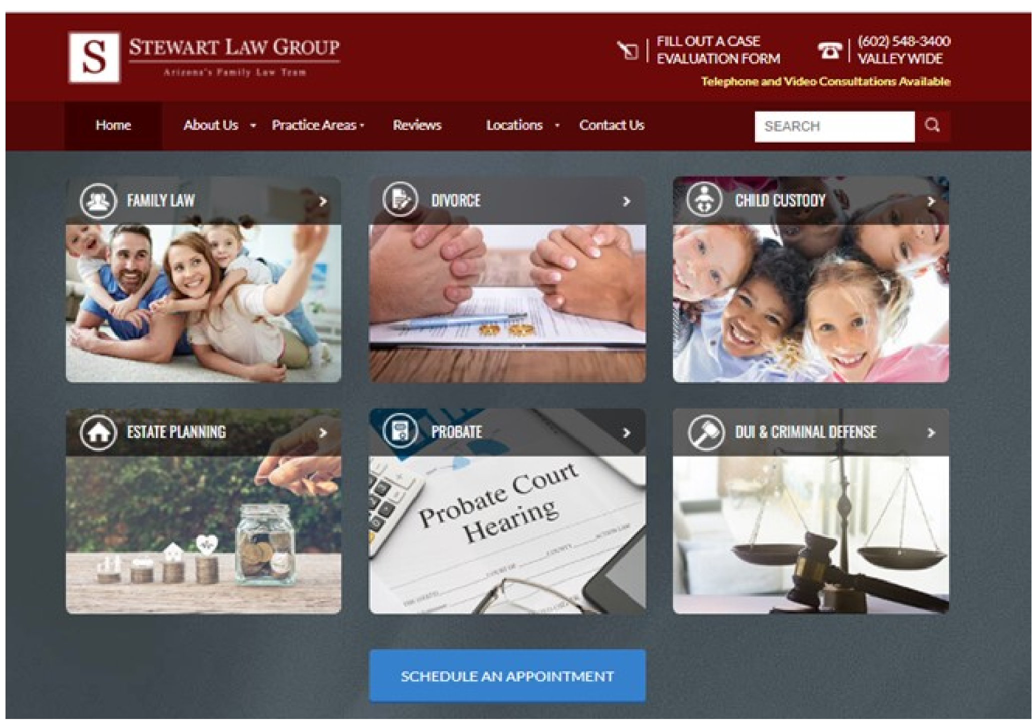
5. Practice areas: Although the focus of this landing page is bankruptcy and family law, there are six total practice areas listed. Putting up six practice areas makes this attorney, this law firm, appear to be a "generalist." Unless all six practice areas equally represent the law firm's income and growing all six is a goal, better to winnow the list down to two or three primary practice areas. Plus, in my experience these six practice areas do not necessarily go hand-in-hand. Bankruptcy and Tax Resolution do go hand-in-hand and should be marketed together. A word about generalists. Generalists are paid the least and generate fewer leads than specialists (No, I don't mean board-certified specialists). Presenting many areas of practice can be done, but it gets tricky. Scott David Stewart does a good job of it with his site: https://www.arizonalawgroup.com/

Two points about Scott's main page. One, the family law items are at the top (this is the law firm's core practice area). Two, each practice area generates a significant flow of revenue to the firm, which means they've "earned" a spot on his main page. Again, a website is not a landing page. But the website should attract the types of cases you want and repel the cases you don't want. Great job with your website, Douglas!

About Richard James

Founder and President of Your Practice Mastered, Richard James, has earned a reputation as a national "Legal Systems Expert." He took a consumer law firm in Arizona from $0 to over $3.5 million in annual sales in just two years using his secret ingredient: systems. Since that time, he's personally taken 879+ attorneys, like you, through this same process and helped them build practices they love; practices that support their lifestyle and give them more time and financial prosperity so they do the work they love and help more people. For more information, go to :

https://therichardjames.com



MAKE YOUR CHILD A TAX-FREE MILLIONAIRE

Want to jump start your child's retirement with a million dollar tax-free account? Consider this!

The million dollar idea As soon as your child begins to earn income, open a Roth IRA and set a contribution goal to reach before they graduate from high school. Assuming an 8% expected rate of return, the investments made by age 19 will grow to FORTY times its value by the time they reach 67 (current full retirement age). For example, $2,500 invested before graduation will be $100,000 at retirement. If you can bump that up to a $25,000 investment before graduation, at retirement it will be worth $1 million!

Why it works Compounding interest occurs when interest is earned on the interest generated from the initial contribution. The more time the investment has to grow, the more exponential growth will occur. By starting to save prior to graduating from high school, the investment will have almost fifty years of compounding growth.

Even better, while contributions to Roth IRA's must be after-tax contributions, any earnings are TAX-FREE as long as the rules are followed! Simple to say, but how do you get $25,000 into a child's Roth IRA? Here are some tips.

Tips to achieve the goal

Hire your child. Roth IRA contributions are limited to the amount of income your child earns, so earned income is key. If you own a business or even make some money on the side, consider hiring your child to help with cleaning the office, filing or other tasks they can handle.

Look for acceptable young-age work ideas. Babysitting, yard work, walking pets, shoveling, and lawn work are all good ideas to get your child earning income at a younger age. Cash-based income is harder to prove, so don't forget to keep track of the income and consider filing a tax return, even if not required.

Leverage high school years. Ages 15 through 18 will be when your child has their highest earning potential before graduation. Summer jobs, internships and part-time jobs during the school year can produce a consistent income flow to contribute to their Roth IRA and still provide spending money.

Parent or grandparent matching idea. The income earned by your child doesn't have to be directly contributed by them to the Roth IRA – it simply sets the contribution limit. Make a deal that for every dollar of income your child saves for college, a parent or grandparent contributes a matching amount to their Roth account. It can be a college and retirement savings in one!

By helping your child get a head start on saving, it should ease any anxiety regarding retirement and help them focus on school, starting their career, and other personal development goals.

Thank you to Juan Pablo Gonzalez of JP & A Tax Services for his "Top Tip". You can reach JP at 956-725-0044.

JP&A Tax Services

6 BEST ASSETS TO INHERIT IN 2022

This article was written by David Rodeck, Contributing Writer for Kiplinger's Retirement Report (written Dec. 9, 2021) and can be found here: https://www.kiplinger.com/retirement/inheritance/603880/6-of-the-best-assets-to-inherit

If you're planning to leave your heirs any sort of inheritance, you're already giving them a valuable financial leg up. However, if you want to help them even more, there are some assets that make much better inheritances than others. "Thinking ahead, it's a way to do your family some good by streamlining your accounts and simplifying what you own at death," says Michael Romero, relationship manager at Argent Financial Group, a full-service wealth and trust management firm. "Otherwise, someone else is going to have to take care of the more complicated property when you die, and during a very emotional period too." Over the next 30 years, there will be a massive transfer of wealth from one generation to the next, a transfer that has already begun. The median inheritance in 2019 was $92,700 for those whose parents had a college degree and $76,200 for those whose parents didn't have a college degree, according to the Federal Reserve. Some assets you could leave your heirs are more effective for tax and financial purposes. But most importantly, with careful planning, you can prevent the emotional and even family-destroying fights that happen with some of the worst assets to inherit. "Failing to look ahead can be especially harmful when it comes to estate planning, the reason being that the problems often arise only after you are no longer around to fix them or to express your own wishes," says Neil V. Carbone, trusts and estates partner at Farrell Fritz in New York. If you're able and willing to do this type of advance planning for your heirs, here are the six best assets to leave behind as an inheritance.

1) Cash Cash is by far the best and easiest inheritance. It transfers quickly, and it is easily valued. "Cash is king when it comes to leaving an inheritance," says Carbone. "It's the simplest asset to deal with in terms of a transfer." Your heirs also know exactly what it's worth, can easily divide it according to the terms in your will, and they don't have to do any hard work to access it, versus something like real estate which can take months to sell. Romero advises that if you have cash spread throughout multiple different banks, you could make life even easier for your heirs by consolidating, especially in your later retirement years. "Every bank could have different rules for distributing an account, so reducing the number could speed up the transfer." He warns though to stay within the FDIC limits, where your account balance is only insured up to $250,000 per bank per ownership category, such as single, joint and retirement. Carbone also says to let your children know that they could be receiving a sizable amount of cash, and they should consider speaking with an advisor about what to do with it. "Chances are, they will have different long-term financial needs and goals than what their 80-year-old parent was doing by holding onto cash."

2) Cash Substitutes Bank products like money market accounts or CDs and insurance products like life insurance policies are almost as liquid as cash. These products often have beneficiaries named on them, making the payout fast and easy.

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Besides cash, Romero describes a few types of accounts that are almost as effective as an inheritance. First, life insurance on yourself. When you pass away, the life insurance company will pay your heirs the death benefit in cash, according to the beneficiary instructions you list in the contract. This bypasses probate so your heirs don't have to wait on the courts to verify your will before receiving the money. It's a simple process as your heirs typically just need to present your death certificate to the insurer and fill out a short form. Your heirs also receive the payment income-tax free, though the death benefit is added to the value of your estate and could be charged estate taxes. Bank products like money market accounts and CDs are also liquid inheritances which your heirs can easily divide and cash out right away (though they may forfeit some interest for cashing in a CD ahead of-schedule.) You can set up a "payable upon death," or POD, instructions for bank accounts, which also bypass probate. "This is safer than making your heir a joint owner on the account, because otherwise they'd be able to drain the funds while you're still alive," says Romero. If you use either of these assets, Romero cautions that you should carefully plan and review the instructions. "Life insurance beneficiary and POD instructions pass by contract, not by will," he says. In other words, even if you list something different in your will, the bank or insurance company will still pay out according to what you listed in your beneficiary and POD terms. One situation where people get in trouble is after a divorce. "It's not uncommon to have an ex-spouse still listed, and then they inherit the money," says Romero. You should also watch out for changes in your family, like an heir passes away or a new grandchild is born who you'd like to add. Romero recommends reviewing these instructions every year or two, to make sure they're correct.

3) Brokerage Accounts Investment accounts containing stocks, bonds, and mutual funds make for easy transfer, valuation, and division among beneficiaries. Investments made through a taxable brokerage account,
like stocks, bonds and mutual funds, also make for attractive inheritances. They are easy to divide and value because your heirs can see the market price of these publicly traded investments. In addition, publicly traded investments are easy to sell and convert to cash. On top of it all, your heirs could receive a significant tax benefit on these inheritances. "Perhaps Dad has been investing all his life and has held shares of Apple, IBM, Microsoft for years. If he sold during his lifetime, he'd owe considerable capital gains taxes," says Romero. For example, someone who bought IBM in 1990 would have a cost basis of roughly $28 per share. If they sold at today's price of about $128, that would be a taxable gain of $100 per share. However, if you hold these investments until you die, you receive something called a step-up-in-basis, which means the investment basis goes up to the market value on the day you die. "If your heirs sell soon after you pass away, they could sell these appreciated assets owing little to no taxes," says Romero. This step-up-in-basis treatment also applies to real estate, an appealing tax break if you've owned your home or other property for many years. However, real estate can be a more complicated and expensive asset for your heirs to deal with, and more likely to lead to arguments around how to handle it. One way around this problem is to direct the executor of your will to sell the property immediately after you pass away. Your heirs then receive the cash from the sale without owing capital gains taxes.

4) Assets that Quickly Decrease in Value This isn't a strategy for everyone and should be considered in more limited circumstances. If it looks like you might owe estate taxes at death, Carbone has a clever strategy that can help reduce the tax hit. "This strategy works if you know your heir plans on using the inheritance to buy an expensive new toy, like a Porsche or a boat. These assets lose value immediately after the purchase." A new car loses about 10% in value within the first month it's driven off the lot, according to Carfax, while other valuable assets like boats and jewelry can depreciate even more quickly, even when they are still practically good as new. Rather than leaving your heirs cash, you could buy these valuable assets yourself towards the end of your life and then leave them as an inheritance. Since these assets lose value immediately, it reduces your total net worth and your taxable estate. For example, if you buy a $500,000 boat and it loses 20% in value before you die, that means your heirs only owe estate taxes on $400,000, not $500,000. Spread over many heirs and many purchases, this can significantly reduce the estate tax hit. While the federal estate tax threshold is currently very high, $12.06 million per person for 2022, Carbone notes that Congress could lower it in the future, and, even if lawmakers don't do so, the current law will sunset in 2026, reducing the exemption by more than half. Seventeen states also charge estate or inheritance taxes, so this strategy could also come in-handy if you live in one of those states.

5) Roth IRA The Roth IRA makes for a good inheritance because the tax benefits pass from the original owner to the heir that inherits the IRA. A Roth IRA is a retirement account which you fund with after-tax dollars. In exchange, your retirement withdrawals are income-tax-free, including your investment gains. This tax-free treatment continues when your heirs inherit the Roth IRA, making this another effective

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asset to leave behind. On the other hand, if you leave behind a 401(k) or traditional IRA, your heirs would owe taxes for taking the money out. Anyone receiving an inherited retirement plan (except a spouse) must also withdraw everything within 10 years of your death whether they need the money or not, which can push them into higher tax bracket. If you have both types of retirement plans, consider spending down your taxable accounts or using them for charitable donations while keeping your Roth IRA balance for a future inheritance. Another option if you have money in taxable retirement plans is to consider a conversion to a Roth IRA. You pay income tax upfront on the amount you convert, but after that, the IRA assets and future growth will not be subject to income tax when withdrawn. Carbone warns when considering a Roth conversion, it is important to consider the overall income tax impact. "It may be that it's less tax efficient overall for a parent in a higher tax bracket to pay the income taxes necessary to make a Roth conversion than it would be for a child in a lower tax bracket to pay the income taxes on withdrawals from a traditional IRA," says Carbone. Especially since your heirs can spread the taxable withdrawals over 10 years whereas with a conversion you owe taxes on the entire balance at once.

6) Assets in a Trust Fund Leaving assets in a trust fund for your loved ones can help protect their inheritance from creditors, judgments, garnishments, as well as help, save taxes. This final suggestion is less about a type of asset you may leave and more about the way you leave that asset: in a trust fund versus leaving the property directly to your heirs. A trust fund can help protect the inheritance for your loved ones. "If you leave property to your heirs outright, it's subject to the claims of their creditors and predators," says Carbone, with predators being other people who might seek to have your family members part with their inheritance, such as a spouse who has plans on how to spend that money or who files for divorce soon after the inheritance is received and commingled with marital assets. A trust fund can also protect your loved ones against themselves. If you worry they might spend the money too quickly, you could set up a trust which limits how much goes out over time, including passing wealth on between generations, like first payments go to your kids and then continue to your grandkids. Last, you could use trust funds as part of an overall estate plan strategy to reduce how much you owe in taxes. For example, you transfer assets that you think will increase in value to a trust now so that growth isn't part of your taxable estate later.

David is a financial freelance writer based out of Delaware. He specializes in making investing, insurance and retirement planning understandable. He has been published in Kiplinger, Forbes and U.S. News, and also writes for clients like American Express, LendingTree and Prudential. He is currently Treasurer for the Financial Writers Society.

WHAT INVESTORS SHOULD KNOW ABOUT THE RUSSIA-UKRAINE CONFLICT

Oakwell Private Wealth Management

Thank you Richard Robbins, Audrey Westfall and Jacob Yaklin of **Oakwell Private Wealth Management,** for sharing this article with our DD readers. It can be found on their blog: https://oakwellpwm.com/blog/what-investors-should-know-about-the-russia-ukraine-conflict; (written Feb. 24, 2022). You can contact them by calling 800.556.2593.

A new dimension of risk has entered the financial markets with Russia invading Ukraine. It's not something the markets needed when they were already dealing with heightened inflation and preparing for an expected cycle of interest rate hikes from most of the world's central banks. We know this, however, about equity markets in the context of geopolitical risks: they've been resilient, much as markets have always been resilient in the face of various risks. We expect the markets to work themselves out, reaching new heights over time and at varying paces. These rises will sometimes be punctuated by sharp declines. This is how it works. So now is not the time to give up your fortitude. Now is the time to take it all in with a deep breath, knowing that this day would come—and knowing that it will pass, even if we don't know exactly when that will happen. Resilience, balance, and diversification continue to help you as an investor to achieve steady growth and absorb the blows of declines when they happen. Meanwhile, if the markets throw your accounts out of balance or if you have cash on the sidelines, it can be a good time to add to your positions and rebalance.

Geopolitical Events And Stock Market Reactions

		S&P 500 Index		Calendar Days To	
Market Shock Events	Event Date	One-Day	Total Drawdown	Bottom	Recovery
Iranian General Killed In Airstrike	1/3/2020	-0.7%	?	?	?
Saudi Aramco Drone Strike	9/14/2019	-0.3%	-4.0%	19	41
North Korea Missile Crisis	7/28/2017	-0.1%	-1.5%	14	36
Bombing of Syria	4/7/2017	-0.1%	-1.2%	7	18
Boston Marathon Bombing	4/15/2013	-2.3%	-3.0%	4	15
London Subway Bombing	7/5/2005	0.9%	0.0%	1	4
Madrid Bombing	3/11/2004	-1.5%	-2.9%	14	20
U.S. Terrorist Attacks	9/11/2001	-4.9%	-11.6%	11	31
Iraq's Invasion of Kuwait	8/2/1990	-1.1%	-16.9%	71	189
Reagan Shooting	3/30/1981	-0.3%	-0.3%	1	2
Yom Kippur War	10/6/1973	0.3%	-0.6%	5	6
Munich Olympics	9/5/1972	-0.3%	-4.3%	42	57
Tet Offensive	1/30/1968	-0.5%	-6.0%	36	65
Six-Day War	6/5/1967	-1.5%	-1.5%	1	2
Gulf of Tonkin Incident	8/2/1964	-0.2%	-2.2%	25	41
Kennedy Assassination	11/22/1963	-2.8%	-2.8%	1	1
Cuban Missile Crisis	10/16/1962	-0.3%	-6.6%	8	18
Suez Crisis	10/29/1956	0.3%	-1.5%	3	4
Hungarian Uprising	10/23/1956	-0.2%	-0.8%	3	4
N. Korean Invades S. Korea	6/25/1950	-5.4%	-12.9%	23	82
Pearl Harbor Attack	12/7/1941	-3.8%	-19.8%	143	307
Average		-1.2%	-5.0%	22	47

Source: LPL Research, S&P Dow Jones Indices, CFRA, 01/06/20. Past performance is no guarantee of future results.

Past patterns: How war and conflict typically affect markets

The common historical pattern has been that global markets weaken as wars approach and strengthen long before they end. For the most part, the markets have been holding to this pattern during Russia's recent aggressive movements:

- President Putin of Russia has already rattled stock, bond, and commodity markets worldwide.
- This morning with the Russian invasion of Ukraine, U.S. stocks stumbled, with the S&P 500 falling over 1 percent, furthering Wall Street into a market correction.

Geopolitical risks have always been a part of investing in both global and domestic markets. But as we have already men-

WHAT INVESTORS SHOULD KNOW ABOUT THE RUSSIA-UKRAINE CONFLICT

Capital Market Performance During Times of War

	Large-Cap Stocks	Small-Cap Stocks	Long-Term Bonds	Five-Year Notes	Long-Term Credit	Cash	Inflation
1926-2013							
Return	10.0%	11.6%	5.6%	5.3%	5.9%	3.5%	3.0%
Risk	19.0%	27.2%	8.4%	4.4%	7.6%	0.9%	
All Wars							
Return	11.4%	13.8%	2.2%	3.7%	2.8%	3.3%	4.4%
Risk	12.8%	20.1%	6.4%	3.5%	5.5%	0.7%	
World War II							
Return	16.9%	32.8%	3.2%	1.8%	3.0%	0.3%	5.2%
Risk	13.8%	21.0%	1.9%	0.8%	1.1%	0.0%	
Korean War							
Return	18.7%	15.4%	-1.1%	0.7%	0.3%	1.5%	3.8%
Risk	11.1%	12.7%	3.0%	1.7%	3.2%	0.1%	
Vietnam War							
Return	6.4%	7.3%	1.9%	4.7%	2.7%	4.9%	4.1%
Risk	12.1%	21.1%	8.1%	4.4%	6.9%	0.3%	
Gulf War							
Return	11.7%	-1.2%	12.5%	12.5%	12.1%	7.0%	4.7%
Risk	19.4%	27.5%	8.4%	3.8%	6.7%	0.2%	

Source: Mark Armbruster/CFA Institute. Past performance is no guarantee of future results.

tioned, the markets largely tend to shrug these conflicts off over time. This LPL Financial research demonstrates how some major geopolitical events in recent history have affected markets and how quickly those markets tend to recover on average. As LPL Financial Chief Investment Strategist John Lynch stated, "As serious as this escalation is, previous experiences have indicated it may be unlikely to have a material impact on U.S. economic fundamentals or corporate profits. We would not be sellers of stocks into weakness related to this event, given stocks have weathered heightened geopolitical tensions in the past."

Expected long-term market implications It is natural to expect geopolitical instability to affect the stock market. But Ben Carlson, Director of Institutional Asset Management at Ritholtz Wealth Management, pointed out that "during two of the worst wars in modern history, the U.S. stock market was up a combined 115%." If anything, market performance during times of war in the past has shown us that the market tends to be fairly indifferent to human conflict and calamity. In many cases, the S&P 500 stock index rose again just one year after stock-market-shattering crises. History shows that it is typically best for investors to hold their course.

Expected short-term market implications While patience and sticking to the plan have proven to be successful strategies in the past, the escalation of Russia's aggression in this crisis is not without possible short-term effects and potential unintended consequences:

- Restrictions on investors' ability to trade in specific stocks or on certain exchanges
- Potential additional sanctions imposed on Russia
- Temporary market closures impacting all stocks in a certain market for some time
- Equities may continue to fall
- Ongoing supply-chain bottlenecks because of continuing rising prices or shortages of various commodities, including:
  - ⇒ The energy sector, including oil and gas
  - ⇒ Minerals and metals like platinum, nickel, aluminum cobalt, copper, gold, and diamonds

However, there is still reason for calm. In the case of spiking energy prices, many analysts predict they will also decline quickly based on fundamental supply and demand. Cutting off the flow of Russian exports is not in the interest of either Russia, European consumers, or the U.S. Additionally, the structure of global oil markets has been changing, and the U.S. economy has become less vulnerable to energy price swings in recent years. Edward L. Morse, global head of commodities research at Citigroup and a former deputy assistant secretary of state for international energy policy, projects a decline in oil prices by the end of 2022.

Key takeaways for you as an investor Investors in global equity portfolios inevitably face periods of geopolitical tensions and market volatility. While the market appears to be going further down in the short term, history has conditioned markets not to overreact to these kinds of shocks. We cannot predict when or what kind of market-shaking events will occur, but we can plan for them by staying disciplined and steady. Long-term investors with well-diversified portfolios of stocks and high-quality bonds, whether held directly or through low-cost mutual funds and exchange-traded funds, can expect to ride out this crisis as they have so many others. These types of market events are not new. As long as we stay the course, we can weather the storm and come out ahead and still on track for your financial goals.

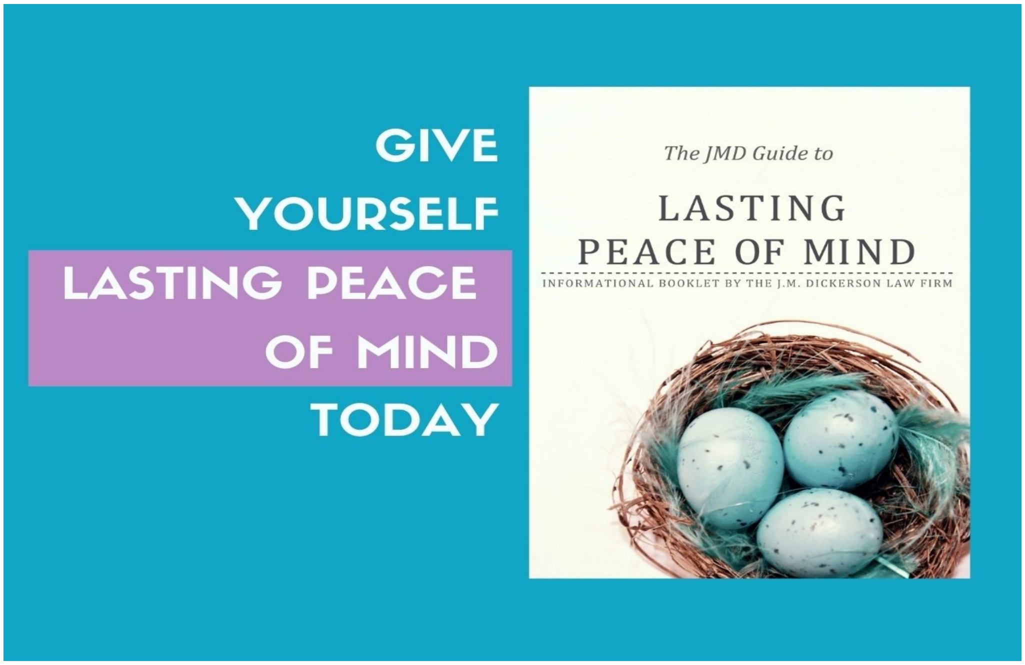
The information contained in this article represents the opinion of Oakwell Private Wealth Management and should not be construed as personalized or individualized investment advice.

8 WEIRD LAWS THAT WILL SHOCK YOU

1. Don't Cut the Cactus: At least in Arizona, because it is illegal to do so. Offenders can be sentenced to 25-year long prison time. Ain't no poking fun at this one.
2. No Shirtless Driving in Thailand: Driving a car shirtless is considered offensive in Thailand. Motorists need to ensure they are wearing a shirt no matter how hot the weather or their abs are.

3. Let the Homing Pigeons Be: Homing pigeons are protected by law in Australia. This bird can travel long distances and can find its place miles away. It was once used for sending messages and racing. The bird has earned a prominent position in the country, so according to these weird laws, it is considered illegal to capture, injure or kill homing pigeons. Those found guilty are made to pay a whopping $250 penalty.
4. Flush before 10:00 p.m.: The curfew on flushing toilets after 10:00 PM is quite a strict regulation of Switzerland. Everybody, better finish their business before the clock strikes ten.
5. The Ban on Skirts in Italy: Well, not for everyone, but in Italy, men wearing skirts in public is a serious issue and could lead to an arrest. Guess they have never heard of a Gentleman's Kilt, Izaar, Kaunakes, Lungi or Mundu.
6. Offensive Gestures and Swearing: Kenya and UAE have stringent rules when it comes to offensive gestures and swearing. It is considered illegal to use swear words and make insulting/ rude gestures in public. Hold your tongue when angry or be ready for some prison time or deportation.
7. Kissing in French Trains: Kissing is prohibited on trains in France but allowed on railway stations only if it is done before the train arrives. Mostly, the locals would request lovers to use the designated area near the parking space. Taking a bus? Go for it!

Selfie and Tattoo Rule in Sri Lanka: Taking Selfies in front of idols of Lord Buddha or wearing Buddha tattoos in Sri Lanka is illegal. Doing so is considered mistreatment of Buddhist images and is quite a serious offence in the island country. Several tourists have been denied entry for having tattoos. Covering them at all times during their visit is the best one can do, but if it is not possible, they may want to reconsider their visit.



Friends,

I always say, It's never too late to get your estate plan done, but don't put it off. I want to take this opportunity to tell you a story about my good friend and client Miguel. Miguel is a contractor, he owns his home, has his own business and has investments in real estate. I met him more than 20 years ago, when we were both "real estate-aholics". This is how we met and we did several real estate deals together. It was way back then that I first brought up the importance of estate planning to him. He had his daughter about 16 years ago, and I really started to emphasize the importance of having an estate plan. I continued reminding him of the responsibility we have to take care of our kids, even when we are not around anymore. He agreed with me wholeheartedly and insisted that he would set up an appointment. Unfortunately, he procrastinated for a few years. Some time passed and he finally came in and we got the intake information filled out, but never pulled the trigger to get the documents going. He then had his second child and I reminded him again of the importance of the estate plan. Over the years, at social gatherings and birthday parties, we have touched on the need get the estate plan done. The answer was always, "Yes! Next week", but next week would never happen. Until, a trip out-of-the-country recently triggered his desire the "GET IT DONE" and now it was urgent. He called me on a Wednesday for us to meet about moving forward with his estate plan. "And by the way, our flight leaves on Friday," he says. We were able to put the documents together and we got the documents signed Friday morning in time for him to make his flight. He had a great trip with his family, knowing that his estate plan was completed and if anything happened to him, there would be a smooth transfer. He now wonders why he waited so long, but nevertheless, is glad he got it done. I don't relay this story to suggest that you put off your estate plan, but rather to suggest that its not to late nor too early to get it done. On the other side of this story and as a word of caution, I share another story about a client early in my career. We met on a Friday morning to discuss his estate planning and asset protection needs. He said, "Let me think about it over the weekend and I'll let you know on Monday if I want to proceed". Sadly, he passed away that Saturday night. With that said, I can't stress enough, it is important not to put this off. I invite you to take action today. Contact us or go to our website and download our Guide to Lasting Peace of Mind*, to help you learn about estate planning and start putting together the information for your estate plan. I invite you to schedule an appointment with our office. Remember don't procrastinate about estate planning, you never know when it will be too late.

Best Regards,

Joseph Michael Dickerson

The JM Dickerson Law Firm

Wills, Trusts, Business & Real Estate

Official Newsletter

2 Lindenwood Drive Laredo, Texas 78045

Special Delivery to:

MARCH 2022| VOL. 28

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