

THE COMMUNIQUE

October 2024

| MAJOR INDICIES | LAST | MTD | QTD | YTD |
|-------------------------|----------|--------|--------|--------|
| S&P 500 | 5751.13 | -0.20% | -0.20% | 20.57% |
| Dow Jones Industrials | 42080.37 | -0.59% | -0.59% | 11.65% |
| NASDAQ Composite | 18182.92 | -0.03% | -0.03% | 21.13% |
| New York Stock Exchange | 19445.53 | -0.36% | -0.36% | 15.38% |

| U.S. TREASURIES | YIELD |
|---------------------|-------|
| 2-yr Treasury Note | 3.97% |
| 10-yr Treasury Bond | 4.02% |
| 30-yr Treasury Bond | 4.31% |

Information as of October 8, 2024 Source: FactSet

MARKET COMMENT

Transition

October is high on my list of favorite months. With cooler temperatures, changing leaves and the doorway to autumn, it is truly a time of transition. Financial markets are very familiar with transitions, but this month instead of discussing the markets, we will map a different course towards life's transition as we grow older. It's no secret that my odometer just turned over 70. It should be a well-known fact due to my wife, Judy, having frequent friendly conversations with everyone that we meet that I've reached the "golden" age! I prefer a quieter approach. Maybe if I ignore my age it will disappear? (wishful thinking!) As I transition into this stage of life there has been much reflection, pondering, and planning – as many of you, our clients, are doing or have done with our assistance. I thought in the coming months that sharing some of my personal experiences from time to time may help others in their own planning process and help us wrap our minds around growing older. We will look at areas of retiring, career changes, leisure (one of my favorites), volunteering, managing time, health, avocations, budgeting, estate planning and maybe a few areas not yet discovered.

This month let's look at retirement, and particularly, my retirement - in which you may have some interest. At age 70 I have passed the normal retirement age, and some clients thought my exit would be forthcoming. However, current plans are that I remain working full-time behind the scenes managing some of our portfolios. Hunter and Vickie will continue to handle most of the client service work. Hunter has done a wonderful job transitioning into managing our business, and I will be

available to assist whenever needed by him or our clients. I believe most clients will not notice any difference. My goal is to continue working until age 75 and, at that point, re-evaluate if my health and mind are still in working order. If so, I will likely continue. We do have plans in place to add staff to our team soon as well. I continue to enjoy my profession, and helping our clients is important to me, as many have been with us for decades. With over 40 years of investment experience, my desire is to use it wisely for our client's benefit.

So, how did I come to transitioning from pending retirement to continuing to work? Everyone's situation will be different and must weigh their variables, but for me it was realizing that my work was a large part of who I am. I enjoy the challenge of managing portfolios (in a not so certain world). I also enjoy helping clients reach their financial goals and creating a legacy for our client's families – in several scenarios serving four generations of some of the same family. Lastly, my work allows me to be engaged, stimulated, and have a daily purpose. Even if I eventually choose to retire from my current profession, I will need to create a purposeful retirement with some structure and goals to make for a more satisfying retirement – even if it's a goal to become a better golfer! It seems a bit scary to retire and not know what to do the next morning, so planning not only our financial goals, but mental goals, is as important.

If I struck a personal retirement note to you, please feel free to call me to discuss. As always, we highly value your trust and confidence.

PLANNING STRATEGY

Raymond James "Commentary & Insights" – raymondjames.com

Trusted IRA: Where Retirement and Estate Planning Meet

Retirement assets totaled \$35.7 trillion at the end of September 2023. Of those total assets, \$12.6 trillion were in IRAs. IRAs play an important role in retirement, and if yours has a large balance or if it constitutes a considerable portion of your wealth, you'll want to preserve it for the future and well-being of your loved ones.

A trusted IRA can help address larger wealth transfer goals – one of which is having greater control over how your assets are distributed to your heirs – while retaining the function of a traditional or Roth IRA and keeping you in control when the unexpected happens. After all, the more complex your estate, the more control you'll want to carry out your wishes.

The best of both worlds

Most IRAs are held in a simple custodial account. When the owner dies, the beneficiary has unlimited access, meaning your heir – usually a spouse, child or grandchild – can withdraw assets at any time. This may be acceptable for smaller accounts, but if you have a significant balance in your IRA, you may want to put some rules in place.

A trust can serve as a much more comprehensive and effective vehicle for distributing your assets and carrying out your wishes. While appointing an executor is still common practice for small or simple estates, a trustee – especially a professional one – is better equipped to manage estates of significant complexity or size.

Who it's for

A trustee IRA gives the heightened control and option for professional management of a trust to your retirement account – allowing your IRA to become a strategic part of your estate plan. You might find a trustee IRA beneficial if you:

- Want greater control over how your assets are distributed to heirs, such as who, how much and when
- Have a blended family with heirs from a previous marriage that you want to receive benefits from your IRA account
- Are concerned for heirs who may suffer from addiction or are otherwise incapable of managing their finances responsibly
- Need to ensure the continuity of your investments, distributions and bill payments in the event of your incapacitation

SECURE Act considerations

The SECURE Act of 2019 has widespread impact on all sorts of factors relating to retirement – and IRAs are no different. Even when inheriting a trustee IRA, your non-spousal beneficiaries will likely be subject to the 10-year rule, requiring them to empty the account within 10 years. Your advisor can help you understand exceptions to this rule and how they might affect your plan.

The bottom line

For those who want to add control, confidence and continuity to their retirement and estate plans, setting up a trustee IRA is simple. Talk to your advisor to determine if it's the right choice for you. They can also connect you with a trust manager to get started.

Raymond James does not provide tax or legal advice. Please discuss these matters with the appropriate professional. Prior to making an investment decision, please consult with your financial advisor about your individual situation.

Sources: Bank of America; FSKS; HBKS Wealth Advisors; Merrill Lynch

LIFE & LEISURE

Raymond James "Commentary & Insights" – raymondjames.com

Make Your Files Findable When You Leave Them to Your Heirs

Depending on the source, about half of Americans know they should have a will but don't. And a National Library of Medicine study found that in 2017 only a third of us had completed end-of-life forms that outline our wishes for comfort and care during that final transition. Not surprising, maybe, since the process can be confusing and perhaps distressing when considering our own mortality. What may be surprising is the fact that the unpredictable pandemic may have shifted Americans' attitudes toward codifying our wishes in a very practical sense.

The why

It seems, despite living through a once-in-a-century pandemic, our interest in actually completing the task still wavers. However, top of the list of benefits is peace of mind – saving cost, time and heartache. Doing the work to have everything in place means medical professionals will be guided by your voice, your loved ones won't have to bear the burden of guessing what you would want, and you'll know that your heirs will receive the accounts and assets that you intended for them. It may not make it easier to say goodbye but should make the aftermath a lot easier.

Another beautiful potential benefit, perhaps even the most important one? Quelling the potential for intra-family strife during an already stressful time. Proper planning could help protect sibling and family relationships, which can get ugly when it comes to medical and financial matters. Experts recommend making your wishes clear and communicating them well before your passing, particularly if you're part of a blended family.

The what

You'll want to put some strong safeguards in place. Ask your medical and financial professionals if you need any or all of these documents. Don't be intimidated. You don't have to codify everything at once, and many are fairly straightforward. The more emotional tasks like writing letters of love or an ethical will, which outlines your values, may actually be the hardest.

Financial power of attorney. Durable powers of attorney give someone permission to make decisions on your behalf – anything from communicating with your cable company to dealing with banking, real estate, business and legal matters.

POLST forms outline physician orders for life-sustaining treatment for those with serious conditions, indicating things like whether you'd like CPR, mechanical ventilation, feeding tubes or ICU treatment.

Medical power of attorney. Sometimes called a living will or advanced directive, this outlines medical treatments you want and those you don't and authorizes a proxy to make decisions for you.

A last will and testament.

Beneficiary forms. For insurance policies, retirement accounts and some other assets, the beneficiary form prevails over the will.

A declaration of guardian appoints someone to look after your minor children.

A trust. In many states, a living trust can be used to transfer assets and personal property in an orderly and more private manner than a will and can even stipulate special provisions such as age-based distribution so young adults don't inherit all at once.

The where and how

If you need help getting started, first get organized.

Discover what you already have. For example, you may already have a healthcare proxy. From there, make an appointment with an attorney who specializes in estate or elder care law to review what you have and help you fill any gaps. Include your financial advisor to ensure you've made a plan for all relevant assets.

You may want to also make an advanced care planning appointment with your doctor. Often this can be done remotely (two 30-minute appointments are covered by Medicare, as is advanced planning for a cognitively impaired patient). Be sure to ask so you'll know what your financial liability may be.

Once gathered, store all relevant paperwork in one place. Some prefer a binder in a safe deposit box, but another secure way may be an online vault that allows you to grant differing levels of access to those you trust most. Just make sure your family members and righthand professionals know where to find these important documents and how to access them.

The who

Last, but certainly not least, make time to share your decisions with those they'll affect. Talk to your loved ones about your healthcare and financial plans and preferences, where important documents live and how to access them. Your advisor can help you set up regular family meetings to address who inherits what and why, as well as other details. Of course, the most important thing is to take the time to tell your family just how much you love them.

Raymond James is not affiliated with any organizations mentioned. Raymond James does not provide legal services. Please discuss these matters with the appropriate professional.

Sources: vox.com; theatlantic.com; compassionandchoices.org; Centers for Disease Control and Prevention; Health Affairs; nytimes.com; time.com

Quote of the Month: "Transitions are a time for reflection, and a time for looking forward" – Roy Cooper

For questions or additional information please contact:
Raymond James & Associates
9900 Clayton Road, Saint Louis, Missouri 63124
314-214-2100



Hunter Martiniere, J.D.
Senior Vice President, Investments
hunter.martiniere@raymondjames.com
T 314-214-2152

Jim Pohlman
Senior Vice President, Investments
james.pohlman@raymondjames.com
T 314-214-2122

Vickie Bollinger
Senior Registered Sales Assistant
vickie.bollinger@raymondjames.com
T 314-214-2175

Planning - <https://www.raymondjames.com/commentary-and-insights/estate-giving/2024/06/18/trusteed-ira-where-retirement-and-estate-planning-meet>

Life & Leisure - <https://www.raymondjames.com/commentary-and-insights/estate-giving/2024/09/24/make-your-files-findable-when-you-leave-them-to-your-heirs>

Disclaimers & Disclosures

Raymond James is not affiliated with and does not endorse the opinions or services of independent third parties named. The information contained in this report does not purport to be a complete description of the securities, markets, or developments referred to in this material. Any information is not a complete summary or statement of all available data necessary for making an investment decision and does not constitute a recommendation.

Views expressed in this newsletter are the current opinion of the author, but not necessarily those of Raymond James & Associates. The author's opinions are subject to change without notice. There is no assurance that the statements, opinions, or forecasts included in this material will prove to be correct. Information contained in this report was received from sources believed to be reliable, but accuracy is not guaranteed. Investing always involves risk and you may incur a profit or loss. No investment strategy can guarantee success. The S&P 500 is an unmanaged index of 500 widely held stocks. The Dow Jones Industrial Average is an unmanaged index of 30 widely held securities. The NASDAQ Composite Index is an unmanaged index of all stocks traded on the NASDAQ over-the-counter market. U.S. Treasury securities are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return, and guaranteed principal value. The NYSE Composite index is an unmanaged index of all stocks traded on the New York Stock Exchange.

Keep in mind that indexes are unmanaged, and individuals cannot invest directly in any index. Index performance does not include transaction costs or other fees, which will affect the actual investment performance. Individual investor results will vary. Gross Domestic Product (GDP) is the annual market value of all goods and services produced domestically by the US. The Consumer Price Index (CPI) is a measure of the average change in consumer prices over time of goods and services purchased by households; it is determined monthly by the U.S. Bureau of Labor Statistics.

Changes in tax laws may occur at any time and could have a substantial impact upon each person's situation. While we are familiar with the tax provisions of the issues presented herein, as Financial Advisors of Raymond James & Associates we are not qualified to render advice on tax or legal matters.

Past performance may not be indicative of future results.

Some material was prepared by Raymond James for use by James Pohlman, Senior Vice President, Investments, of Raymond James & Associates, Member New York Stock Exchange/SIPC.

Links are being provided for information purposes only. Raymond James is not affiliated with and does not endorse, authorize or sponsor any of the listed websites or their respective sponsors. Raymond James is not responsible for the content of any website or the collection or use of information regarding any website's users and / or members.

Investing in commodities is generally considered speculative because of the significant potential for investment loss. Their markets are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.

RMD's are generally subject to federal income tax and may be subject to state taxes. Consult your tax advisor to assess your situation. Unless certain criteria are met, Roth IRA owners must be 59 ½ or older and have held the IRA for five years before tax-free withdrawals are permitted. Additionally, each converted amount may be subject to its own five-year holding period. Converting a traditional IRA into a Roth IRA has tax implications. Investors should consult a tax advisor before deciding to do a conversion.