

Search

Scratchpad

v1.0.2960 - Release Notes (1 new)

Announcements

AI@MS Assistant for Red Oak - Oct 4, 2024, 4:00:00 PM [🔗](#)

[<< Back To Submission Listing](#)

Submission

4230387 - March News Letter Completed

Approved

✓ Approved For Use

Overview	Details	Comments (1)	Documents (1)	Status History (7)	Activity Log (16)	Workflow Diagram	Emails (1)	Rules (27)
----------	---------	--------------	---------------	--------------------	-------------------	------------------	------------	------------

Submission ID:	4230387 Clone
Submission Type:	Field Workflow
Last Status Date/Time:	Feb 12, 2025, 2:28:09 PM
Created:	Feb 10, 2025, 9:38:26 AM
Submitted By:	Patrick Berry (5N986) 🔗 CRG - Submitters
On Behalf Of:	Patrick Berry (5N986) 🔗
First Approval Date/Time:	Feb 12, 2025, 2:28:09 PM Daniel Farrell (90FBG) 🔗
Company(s)/ Department(s):	MSWM / MSWM Field - Region 7 - Northeast - New York - MKT066 BR011
Need By Date:	Feb 24, 2025, 11:59:00 PM
Expiration Date:	Aug 13, 2026, 3:28:09 PM
First Transition Date/Time:	Feb 10, 2025, 9:41:02 AM
CC Users:	None
Assigned Verifiers: (Advertising)	None
Assigned Verifiers: (Brand Marketing)	None
Assigned Verifiers: (Compliance)	None
Assigned Verifiers: (Corp Comm)	None
Assigned Verifiers: (Digital Marketing)	None
Assigned Verifiers: (ETRADE Team)	None
Assigned Verifiers: (Legal)	None
Assigned Verifiers: (MAC Risk)	None
Assigned Verifiers: (PBG Team)	None
Assigned Verifiers: (RP24)	None
Assigned Verifiers: (SME)	None
Assigned Verifiers: (WM Risk)	None
Assigned Checkpoints:	CRG - Re-Opened - Not Met
Involved Users:	Daniel Farrell (90FBG) 🔗 · Patrick Berry (5N986) 🔗 · Sae Moon (21LHM) 🔗

Last Comment
Feb 12, 2025, 2:27:00 PM

Sae Moon (21LHM) [🔗](#)

This appears to be pre-approved material and therefore only subject to branch review and approval.

Custom Fields

Type of Format

Other Materials

FROM THE DESK OF THE LEV ROURK GROUP

U P D A T E



JUDITH WILKENS LEV
Senior Vice President
Investment Management Consultant
Financial Advisor
NMLS# 1252284

COREY D. LEV, CFP®, CRPC®
Senior Vice President
Financial Planning Specialist
Financial Advisor
NMLS# 1261752

RONALD L. ROURK, CFP®
First Vice President
Financial Advisor
NMLS# 1255573

1200 Franklin Avenue
Garden City, New York 11530
516-227-2899
800-645-8600
516-248-8630 Fax

judy.w.lev@morganstanley.com
corey.d.lev@morganstanley.com
ronald.l.rourk@morganstanley.com

Morgan Stanley

8 Questions Financial Plans Should Answer

You may have a financial plan, but is it really working for you? The fact is, not all financial plans are created equal. To make sure your financial plan is going to help you achieve your financial goals, make sure it answers these eight questions.

How much do I have, and how much do I owe? Before you complete any other financial planning tasks, you need to take stock of where you currently stand. That means taking a complete inventory of your assets as well as assessing how much you owe. Subtracting the second from the first will tell you your net worth. Your financial plan should make it easy to determine your net worth at a glance.

What do I want to achieve with my money? We all have personal and financial goals. Perhaps you want to buy a bigger house in a nicer neighborhood. Maybe you want to be able to send your kids to college debt-free. You might be dreaming of owning a second home someday, retiring at 55, or starting your own business. Your financial plan should specifically identify your financial goals and outline steps you need to take to turn those dreams into reality.

Are my investments appropri-

ate for my goals? You know what your goals are, but is your money invested in a way that will help you get there? Your financial plan should point you toward investments that are appropriate for both your goals and your risk tolerance. That means carefully balancing the risk you need

to take to achieve acceptable investment returns with the amount of risk you're comfortable taking based on your personality (some of us are natural risk takers, while some are more risk averse).

Am I protected in case of a
Continued on page 2

Straighten Out Your Financial Accounts

It's not uncommon to accumulate things over the years, when you don't take time to straighten them out periodically. This applies to our finances as well as our possessions. How many credit cards do you carry? How many stocks and bonds, brokerage accounts, and individual retirement accounts (IRAs) do you own? It's not just a matter of finding time to keep track of all these different financial assets. Often these assets are acquired without a clear-cut strategy, so you may own assets with similar investment objectives or that are not compatible with your financial goals. If you feel it's time to straighten out your finances, consider these:

- ✓ Make a list of all your assets and debts. List each one individually, so you have a sense of how many different accounts you're dealing with.
- ✓ Go through each one of your investments. Make sure you understand why you own each one. Are you really adding diversification to your portfolio, or do you have overlapping investments? Assess the prospects of each investment and decide whether you should continue to own it.
- ✓ Look for ways to consolidate accounts. Try to get down to one bank account, one brokerage account, and one IRA. This can significantly reduce the time needed to review and reconcile accounts.
- ✓ Assess your outstanding debts. Do you really need all those credit cards? Consider keeping only one or two cards, so it'll be easier to monitor balances. Look for ways to reduce the cost of your borrowing. Is it time to take another look at refinancing your mortgage? ✓✓✓

8 Questions

continued from page 1

disaster or emergency? One of the main reasons to have a financial plan is to protect yourself and your family in the event that the unexpected happens. Part of being prepared is having an emergency fund, and your financial plan will tell you how much savings you should have. But that's just the beginning. You'll also want to protect your income with disability insurance and have proper insurance to safeguard your assets.

Am I paying the right amount in taxes? Thinking about taxes is no fun, but what's a real drag is realizing you've been paying the government more than you needed to. A comprehensive financial plan will include an evaluation of your tax situation. If necessary, your advisor will make suggestions for steps you can take to better manage your tax burden and keep more of the money you earn.

What's my plan for retirement? Whether you're a few years or a few decades away from retirement, your financial plan should include a plan for what will happen after you stop working full time. Your financial plan should address how much you need to be saving for retirement and how to invest that money.

What will happen to my money when I die? Your financial plan and your estate plan go hand in hand. Part of comprehensive financial planning involves checking to make sure the beneficiaries on your retirement accounts and insurance policies match with your overall estate planning goals. A financial planner can also work with your estate planning attorney to make sure your assets aren't lost to unnecessary

taxes and address other issues related to how your wealth is distributed after your death.

Who is in charge of helping me achieve my money goals? Finally, your financial plan should clearly identify who is in charge of helping you achieve your most important

money goals. Your financial advisor is a critical partner in your financial life, guiding you to make smart decisions that will put you on the path to achieving your goals.

Please call if you'd like to discuss this in more detail. ✓✓✓

How to Raise Financially Responsible Kids

Although you'll have to wait a good while before they'll thank you for it, teaching your children to be financially responsible is one of the best gifts you can give. Fortunately, most of the lessons can begin while they are still very young.

Lesson #1: Appreciation for the value of money — Prices are just abstract numbers until time and effort has been spent to generate those coins and bills. Consider forming an allowance-for-chores policy to teach your children about money management early on. You pay for the basics, but if they want the extras, they will have to save up and use their own money.

Lesson #2: Saving the money they earn — Teach them to save a portion of what they earn from the get-go. This habit will make it much easier for them to not spend their entire paycheck as well as leave their savings intact when they are on their own. You may need to encourage them firmly at first, with a fixed percentage or minimum amount. As they grow older and their savings increase, they will need less guidance.

Lesson #3: Setting goals and staying on track — Helping your children set short- and long-term goals is a key part of getting them to stick to a savings strategy. Most children are not that excited by

slowly rising dollar amounts, but when a certain dollar amount represents a desperately-desired new toy, their focus sharpens considerably.

Lesson #4: The nitty-gritty of a balanced budget — Show your children the day-to-day workings of adult finances. Go through the line items on your budget and reveal your own percentage of savings for short- and long-term goals. You can explain the benefits of autopay, managing a bank account online, minimum balances and fees, and even how to fill out a check (some landlords and city utilities still require checks for bill payment). It may seem mundane to you, but depending on the child's age, the desire to be grown up could increase their interest level and make abstract concepts more understandable.

Lesson #5: Understanding debt and loans — When a young adult is first exposed to credit cards, they may not understand that purchasing things on credit or taking out a loan ends up costing more money. Explaining how interest can work for you (in a savings account) and against you (in a loan or on credit) can keep them from making bad decisions. Above all, modelling financial responsibility in your own life can help them form the basis for a lifetime of good money habits.

✓✓✓

Should You Consider Incentive Trusts?

You're looking for an effective way to get your heirs to do what you think is best for them, for the family, and for the world. Is an incentive trust the right vehicle to accomplish that?

An incentive trust is much like a traditional irrevocable trust, except that it sets specific conditions on trust distributions. Some people establish incentive trusts to make sure beneficiaries stay in the family business. Others want to encourage higher education or public service. Some want to discourage behavior — laziness, reckless spending, or drug use. Still others want to encourage beneficiaries to get married and raise a family.

Incentive Trusts Have Advantages and Disadvantages

If you think an incentive trust may be a useful part of your estate plan, consider the advantages and disadvantages. The advantages of incentive trusts include:

- ✓ If you write the conditions for disbursement properly, they provide objective criteria for when and how to make these disbursements.
- ✓ They encourage beneficiaries to behave in ways that are important to you.



- ✓ They allow you to condition disbursement on your beneficiary's age, so you can decide when he/she is old enough to responsibly manage the inheritance.

- ✓ They can help you accomplish goals through your beneficiaries.

But there are also disadvantages:

- ✓ While incentive trusts allow you to specify conditions for distributions, they restrict the ability of trustees to make different decisions if new circumstances arise.

- ✓ Incentive trusts can cause resentment among beneficiaries.

- ✓ Encouraging goals you think are important may cause beneficiaries to neglect other good opportunities that may arise.

- ✓ Incentive trusts may be plagued by the law of unintended consequences. How can you foresee the future long after you've died?

- ✓ Because incentive trusts are often more complicated than traditional irrevocable trusts, they may be more expensive to establish.

What to Think About

There are a number of issues that could affect the design and implementation of an incentive trust. Consider these points carefully:

- ✓ **Goals** — What behaviors do you want to promote? Think about what matters to you and your beneficiaries. What goals are fair and reasonable for you to expect your beneficiaries to achieve?

- ✓ **Coordination with your estate plan** — Incentive trusts are just one component of an estate plan. Decide whether you want to create a separate incentive trust or

build incentive clauses into a trust designed for another purpose.

- ✓ **Duration** — How long do you want the incentive trust to last? For grantors with substantial wealth, a trust may span many generations.

- ✓ **Beneficiaries** — Who will benefit from the monies disbursed from the incentive trust?

- ✓ **Trustee designation** — Make that job easier by writing conditions that are both objective and easily measured.

How to Prepare an Incentive Trust

If you decide an incentive trust may be right for you, you should:

- ✓ Sit down with your beneficiaries and trustee to discuss your goals for the incentive trust. The likelihood that your beneficiaries will later resent the incentives is greater without this discussion.

- ✓ Build flexibility into the trust to accommodate changes in circumstances.

- ✓ Ensure that the conditions you want to include comply with state and federal laws.

If you don't want to establish an incentive trust, you can limit each beneficiary's inheritance to an amount that isn't likely to encourage reckless consumption and unproductive behavior. Another alternative, if your interest lies in philanthropy, is to establish a private foundation and name your beneficiaries as board members. That way, your money is still controlled by your beneficiaries, but it is put to charitable use.

Please call if you'd like this in more detail. ✓✓✓

Protect Your Family's Security

One of your first financial goals should be to protect your family's financial security from major catastrophes. To do so, consider these four items:



Market Data



	MONTH END			% CHANGE	
	JAN 25	DEC 24	NOV 24	YTD	12-MON.
STOCKS:					
Dow Jones Ind.	44544.66	42544.22	44910.65	4.7%	16.8%
S&P 500	6040.53	5881.63	6032.38	2.7	24.7
Nasdaq Comp.	19627.44	19310.79	19218.17	1.6	29.4
Total Stock Market	60144.00	58399.25	60287.01	3.0	24.6
PRECIOUS METALS:					
Gold	2812.05	2616.45	2640.85	7.5	37.0
Silver	31.45	29.44	30.08	6.8	36.0
INTEREST RATES:	JAN 25	DEC 24	NOV 24	DEC 23	JAN 24
Prime rate	7.50	7.50	7.75	8.50	8.50
Money market rate	0.40	0.42	0.43	0.48	0.50
3-month T-bill rate	4.20	4.23	4.42	5.26	5.21
20-year T-bond rate	4.88	4.86	4.45	4.20	5.34
Dow Jones Corp.	5.37	5.45	5.23	5.17	5.31
Bond Buyer Muni	4.44	4.46	4.26	4.48	4.84

Sources: Barron's, Wall Street Journal. An investor may not invest directly in an index.

✓ **A cash reserve for short-term emergencies, such as a temporary job loss, major home repair, or large medical bill.** A common rule of thumb states that your cash reserve should equal two to six months of living expenses. However, how much you'll need depends on your age, health, job outlook, and borrowing capacity.

✓ **Adequate insurance in all major areas.** Your insurance needs will change over the years, so you may find yourself with too much or too little coverage. Thus, periodically review your life, disability, medical, and homeowner's insurance.

✓ **Umbrella liability insurance to protect against major lawsuits.** Umbrella policies are purchased in \$1 million increments and kick in once limits of your homeowner's and automobile policies are exceeded. In addition to the items covered by those policies, an umbrella policy typically covers damages from use of non-owned property in your possession and from lawsuits for libel, slander, defamation of character, and invasion of privacy.

✓ **A power of attorney.** A power of attorney gives an individual you designate the power to act on your behalf when you are incapacitated, allowing him/her to take over your finances and make investment decisions.



FR2024-1018-0177

Morgan Stanley Smith Barney LLC offers a wide array of brokerage and advisory services to its clients, each of which may create a different type of relationship with different obligations to you. Please visit us at <http://www.morganstanleyindividual.com> or consult with your Financial Advisor to understand these differences.

This newsletter was produced by Integrated Concepts Group, Inc. on behalf of Morgan Stanley Financial Advisor Judith Wilkens Lev, Corey D. Lev, CFP® Ronald R. Rourke, CFP®. The opinions expressed in this newsletter are solely those of the author and do not necessarily reflect those of Morgan Stanley. Morgan Stanley can offer no assurance as to its accuracy or completeness and the giving of the same is not deemed an offer or solicitation on Morgan Stanley's part with respect to the sale or purchase of any securities or commodities.

Tax laws are complex and subject to change. This information is based on current federal tax laws in effect at the time this was written. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates, and Morgan Stanley Financial Advisors do not provide tax or legal advice. Individuals should consult their personal tax advisor for matters involving taxation and tax planning and their attorney for matters involving personal trusts, estate planning, and other legal matters.

Investments and services offered by Morgan Stanley Smith Barney LLC, Member SIPC.

2024-PS-458

1200 Franklin Avenue
Garden City, New York 11530

Morgan Stanley

THE LEV ROURK GROUP AT
MORGAN STANLEY WEALTH MANAGEMENT