

Three Threshold Questions for Mediation

Karl Stiefvater | Date: 2026-03-26 | Status: Working mediation memo

Introduction

Karl is 56 years old. He has not held a genuine non-self-employed position since his time at Linden Lab in 2010. He has no meaningful retirement savings and no realistic path to rebuilding long-term security from scratch at this stage. His background is in visual effects, computer graphics, and software engineering — fields now undergoing major disruption.

He and Lisa were married for more than twenty years. During the marriage they built and operated Snow Day, a custom 3D snow globe business, as part of a fully integrated economic partnership. After that long partnership, Karl is now facing significant financial exposure without comparable security on his side.

Before this mediation can reach numbers, it needs to settle three factual premises. These are not rhetorical questions. They are threshold issues that determine whether the later financial discussion is solving the right problem or quietly solving a different one.

The three questions build on each other:

1. **Frame.** Are the parties mediating toward genuine fairness, or negotiating around the Missouri legal floor?
2. **Fact.** Did the marriage plan to use Lisa's inheritance as its retirement backstop?
3. **Premise.** Is San Francisco the most realistic place for Karl to rebuild his life?

If these premises are not addressed clearly at the beginning, the mediation risks drifting into a narrower exercise — trimming budgets and imputing income — without ever confronting the structural questions underneath.

Each question is designed so that agreement advances the conversation honestly, while disagreement surfaces the real dispute rather than burying it.

Question 1 — A Fairness-First Mediation Frame

Question

Do we agree that we should strive for genuine fairness, not merely what protection MO law provides?

Core Position

Missouri law is the fallback if mediation fails. Mediation exists to reach a result that is more thoughtful, more tailored, and more genuinely fair than a bare litigation floor. That is the issue raised by this question.

Argument

If this threshold question is not answered clearly at the start, the mediation quietly collapses into a narrower exercise: how little support one side can survive on, how aggressively a budget can be trimmed, how much income can be imputed, and how close the result can be pushed toward the Missouri minimum.

The proper frame asks different questions: what is actually fair, what reflects the marriage as it was really lived, what addresses the real long-term problem, and what both sides can agree exceeds a fallback litigation number.

Why Fairness Is the Proper Mediation Frame

1. Mediation exists for more than legal minimums

If the only serious question were what a Missouri judge would probably order, there would be much less point in mediating. Mediation exists because the parties can reach solutions a court could not easily impose. That structural point makes mediation the right place to ask what is actually fair, not merely what the narrowest fallback rule might produce.

2. Lisa has already used fairness language

Lisa has said:

I don't think this is about me deciding what to give you or hiding behind what the law might say. I'm trying to understand what would actually be fair...

The fairness frame is not being imposed from one side. Lisa has already acknowledged that the question is not simply what the law might say.

3. Legality is not the same thing as justice

The legal system does not always produce the fairest or most humane result. That is visible right now in public situations like the failure to protect Epstein's victims and the killing of Renée Good by an ICE officer in Minneapolis. The point is not to relitigate those events. The point is that law and justice can diverge, sometimes badly, and a legal floor is not automatically actual justice.

The better mediation question is not what a Missouri court might minimally require. It is what is genuinely fair given the actual reality of this marriage and its ending.

4. Missouri's minimum is not the full measure of fairness

Different mainstream states handle long-term support differently, with some giving much more weight to preserving marital standard of living than Missouri's narrower baseline. That does not mean another state's law governs here. It means Missouri's minimum should not automatically be treated as the full measure of justice.

Why Fairness Matters in This Case

This was a long integrated marriage that ended with a real long-term economic imbalance and a real retirement-security problem on Karl's side. The detailed factual proof for that imbalance belongs in the later questions. For Question 1, the point is narrower: if the mediation adopts the wrong frame at the start, the rest of the discussion will be distorted from the beginning.

What Fairness Should Mean Here

1. **Based on the marriage as actually lived** — not a rewritten version built around the narrowest post-divorce litigation posture.
2. **Addressing long-term security, not only short-term monthly support** — a result that covers immediate expenses while leaving the larger problem untouched is not a complete solution.
3. **Symmetrical** — if Karl's budget is examined, Lisa's should be too. If Karl's work expectations are examined, Lisa's should be too. If Karl must justify his future needs in detail, Lisa should not be exempt from equivalent scrutiny.
4. **Accounting for the real consequences of the marriage** — the end of a long marriage can leave one spouse in a structurally weaker position even when a narrow legal framework does not fully capture that imbalance. That is exactly why a fairness frame matters.
5. **Still concrete** — this is not an argument for vagueness. A fair result still has to be translated into real numbers, a real structure, and real assumptions. The frame comes first so the later numbers solve the right problem.

What This Position Is Not

This is not a claim that Missouri law should be ignored, that legal questions do not exist, or that fairness means fairness only from Karl's point of view.

Missouri law remains the fallback. Numbers still matter. Symmetry still matters. But the mediation should stay open to an outcome that is fairer than the narrowest legal minimum.

Conclusion

Question 1 determines whether the mediation is a genuine fairness inquiry or merely a softer way of negotiating around the Missouri floor. Karl's position is that it should be a genuine fairness inquiry — coherent, symmetrical, concrete, and well suited to mediation.

Lisa is free to insist on the narrower Missouri framework. But if that is her position, it should be stated plainly. Fairness language should not be used rhetorically if the actual operative standard is simply what Missouri law is most likely to require. If Lisa is unwilling to go beyond that framework, she is entitled to take that position — but the choice should be explicit, because it goes to the heart of the mediation: are the parties trying to reach a genuinely fair outcome, or are they negotiating around the legal floor?

The narrow question is whether the parties will treat Missouri law as a fallback if mediation fails, or as the effective ceiling from the beginning. Karl's position is that mediation should remain open to an outcome that is fairer than the narrowest Missouri baseline if the facts support it.

Question 2 — The Inheritance as the Retirement Backstop

If the parties agree that the mediation frame should be fairness rather than the Missouri floor, the next question is factual: what was the marriage actually relying on for long-term security?

Question

Do you contest that we planned to use your inheritance for retirement security?

Core Position

The argument is not that there was a formal written contract saying Lisa's inheritance belonged equally to both spouses.

The argument is narrower and stronger: the marriage operated on the shared understanding that Lisa's inheritance and its income stream would provide long-term security, major financial decisions were made in reliance on that understanding, and the practical role of the inheritance in the marriage was that of a retirement backstop.

This is an argument about shared expectation, reliance, conduct, and fairness consequences — not a disguised claim of legal title to the trust.

Argument

If Lisa does not contest this premise, a large part of the retirement-security issue becomes easier to address honestly. If she does contest it, the disagreement is not merely about numbers — it is

about the actual structure of the marriage and what the parties were relying on.

That is why this question matters. It requires clarity about the central factual premise rather than allowing the discussion to drift immediately into budgets and support targets.

Why The Inheritance Functioned As The Retirement Backstop

1. The marriage did not build separate retirement security elsewhere

For most of the marriage, Karl was the primary income provider. But the marriage did not produce meaningful conventional retirement savings outside the inheritance expectation. If the parties were not building retirement security elsewhere, the most obvious question is: what were they expecting to rely on?

The answer is clear. The marriage was operating on the understanding that Lisa's inheritance and its income stream would provide the long-term backstop.

2. Other retirement-positioned resources were consumed

The marriage did not merely fail to create separate retirement reserves — it consumed other resources that could have become part of Karl's long-term security. That includes approximately 300 BTC purchased with marital funds and later liquidated into approximately \$320,713.98 in February 2026 dollars to support the household and sustain Snow Day, as well as other personal reserves that were drawn down for the same purposes.

That conduct is coherent if the marriage was relying on the inheritance for long-term security. It is much less coherent if no such understanding existed.

3. Karl actively helped create the usable allowance structure

Karl was not a passive observer of Lisa's separate financial world. He argued and negotiated to change the trust allowance from a dividends-only structure to a 4% total return unitrust structure.

That shows direct participation in shaping the usable support stream itself — strong evidence that the income stream was being treated as part of the marriage's practical long-term plan rather than as a sealed-off asset on Lisa's side.

4. The couple's behavior changed when the inheritance arrived

Lisa's mother died in 2022, and the inheritance arrived. After that, Snow Day entered a transition and then a sustained contraction. 2022 was the last fully active year. The full allowance payments did not begin until April 2023, which helps explain why the business remained fully active through 2022. But from 2023 forward, the business contracted sharply and consistently.

That pattern is strong behavioral evidence that the couple's economic posture changed once the inheritance-backed income structure came fully into place.

5. The trust distributions entered the marital cash-flow system

The SLCCU statements show recurring `Deposit ACH PERSHING` entries landing in the credit union

account ending in 245, an account Karl was on. The allowance stream was entering the marital banking system and becoming part of ordinary household life — not being kept at arm's length as an isolated personal resource.

6. The marital standard of living after the inheritance was funded by the distributions

From 2022 forward, and especially once the full allowance payments began in April 2023, the household was effectively moving into a retirement structure built around Lisa's trust-related distributions. That was not an abstract future possibility. It was the actual operating economic structure of the marriage.

7. Lisa herself treated the distributions as a concrete support baseline

Lisa described the gross trust disbursement as approximately \$19,500 per month and stated that she did not have a problem using her distributions to help support both parties if that became part of an agreement.

Those statements do not by themselves prove the historical retirement understanding. But they are consistent with Karl's position that the distribution stream was concrete, central, and understood as the real source available for long-term support.

8. The locked trust structure came as a disruptive surprise

When it became clear in 2022 that the trust principal could not simply be converted into marital retirement protection, Karl treated that as a serious problem that needed to be fixed.

That reaction matters. The marriage had not been operating on the assumption that the trust was Lisa's sealed-off financial island. The locked trust structure felt like the disruption of an existing shared expectation.

Why A Narrower Alternative Explanation Does Not Fit The Facts

Lisa may try to narrow the premise by saying that the inheritance was merely part of general family security, but not specifically the retirement backstop. That narrower description does not adequately explain the pattern of conduct.

If the inheritance was not the practical long-term backstop, then several basic facts become difficult to explain: why the marriage did not build meaningful separate retirement reserves, why other retirement-positioned resources were consumed, why Karl helped shape the allowance into a usable 4% total return unitrust, why Snow Day was wound down once the inheritance-backed structure came into place, and why the trust distributions became central to household life.

The narrow alternative does not fit the record as well as the shared-retirement-understanding explanation does.

What This Position Is Not

This is not a claim that the trust principal became marital property, that there was a formal contract guaranteeing a fixed percentage, or that commingling magically changed legal ownership.

It is a narrower and more defensible position: the marriage relied on Lisa's inheritance and its income stream as the long-term backstop, Karl made financial decisions in reliance on that structure, and the fairness consequences of removing that structure now have to be addressed.

Conclusion

Question 2 identifies the central factual premise beneath the retirement-security dispute.

Karl's position is that the marriage planned to use Lisa's inheritance for retirement security in the practical sense that matters here: not as a matter of title, but as a matter of shared expectation, reliance, and conduct.

If Lisa contests that premise, she should be required to state what different understanding she believes the parties were actually living under. If the inheritance was not the long-term backstop, then what, exactly, was?

Question 3 — San Francisco as the Realistic Rebuild Location

If the parties agree on the fairness frame and the retirement-backstop premise, the remaining threshold question is practical: where does Karl actually rebuild?

Question

Do you contest that San Francisco is the most realistic place for me to rebuild my life?

Core Position

This question is not about personal preference or lifestyle branding. It is about the location premise on which any honest discussion of budget, rebuilding, and earning capacity must rest.

If the location premise is left vague, the financial discussion can be quietly distorted from the start by substituting a cheaper hypothetical city for the place that is actually most realistic.

Argument

The support discussion cannot be modeled honestly until the rebuilding location is identified honestly. A budget is not location-neutral. Neither is earning capacity. Neither is social or professional rebuilding.

If San Francisco is the most realistic place for Karl to rebuild, the numbers have to be based on San Francisco. If some other location is claimed to be more realistic, that claim should be stated clearly and defended concretely.

Why San Francisco Is The Most Realistic Rebuild Location

1. San Francisco is where Karl's adult life with Lisa began

San Francisco is where Karl and Lisa met and married. Juno was born in the Bay Area. That makes San Francisco a real life anchor rather than a tactical invention.

2. Karl's community remains strongest there

Most of Karl's social and professional contacts remain in the Bay Area. Rebuilding a life is not just a matter of occupying an apartment somewhere — it depends on actual human connection, professional familiarity, and the remaining structure of a lived life.

3. San Francisco is tied to Karl's remaining professional footing

Karl's background is in computer graphics, visual effects, software, and adjacent technical fields. His professional network in those fields remains concentrated in the Bay Area. San Francisco was also the location of his last non-self-employed position, at Linden Lab.

The question is not where Karl could theoretically exist most cheaply. The question is where he has the strongest real-world basis for re-establishing stability and any remaining professional footing.

4. San Francisco remains professionally relevant to Karl's field

San Francisco remains one of the most active hubs for AI and related technical industries, and is home to the Game Developers Conference, one of the most important annual gatherings in Karl's field. San Francisco is not being chosen for atmosphere — it is being identified as a place where Karl still has real professional relevance and real opportunity to re-enter if re-entry is possible at all.

5. Lisa herself has treated San Francisco as a real premise

Lisa has not treated San Francisco as a fantasy or a random preference. In the message record, she acknowledged the practical difficulty of finding housing there. San Francisco was already being treated as the real place under discussion, not something invented for mediation.

6. The budget discussion depends on a realistic location assumption

If Karl is expected to rebuild in San Francisco, the budget has to reflect San Francisco costs. If

another city is going to be proposed instead, that proposal should be explicit — not smuggled into the conversation through lower numbers, lower housing assumptions, or generic claims that Karl can live somewhere cheaper.

A lower-cost city is not automatically a more realistic rebuilding location. Cheapest is not the same thing as most realistic.

Why A Cheaper-City Theory Is Not Enough

It may be argued that Karl could move to St. Louis or some other lower-cost city. That does not answer the actual question.

The real question is not where Karl could theoretically survive most cheaply. It is where he can most realistically rebuild stability, community, and any remaining professional footing. A cheaper city may reduce expense on paper while simultaneously stripping away the strongest remaining basis for social continuity and work connection. That is not a neutral change — it would alter the entire practical premise of the support analysis.

If San Francisco is to be rejected as the realistic rebuild location, a specific alternative should be identified and its realism explained.

What This Position Is Not

This is not a claim that Karl is morally entitled to live anywhere he wants, that San Francisco is ideal in every respect, or that cost does not matter.

It is a narrower position: support analysis must be grounded in a realistic location premise, San Francisco is the most realistic location given Karl's history, community, and remaining professional footing, and the numbers should not be artificially minimized by quietly substituting a cheaper hypothetical city.

Conclusion

Question 3 identifies a factual premise that directly affects every later discussion of budget, support, and earning capacity.

Karl's position is that San Francisco is the most realistic place for him to rebuild his life — a conclusion that follows from family history, community ties, professional continuity, and the practical realities of where rebuilding is most likely to succeed.

If that premise is contested, then the opposing position should be stated clearly: what location is supposedly more realistic, and why?

Closing Note

These three questions are designed to be settled before the mediation moves to numbers. If the parties can agree on the frame (fairness, not the Missouri floor), the central factual premise (the inheritance as retirement backstop), and the practical premise (San Francisco as rebuild location), then the later financial discussion has an honest foundation to work from.

If any of these premises is contested, the disagreement should be surfaced and addressed directly — not papered over by jumping to budgets and monthly figures that quietly assume a different set of answers.

As Karl would state it:

I want a fair approximation of the long-term financial security I reasonably expected to have if the marriage had continued. That expectation was built around Lisa's inheritance and the income stream from it, and the mediation needs to grapple with that reality directly.

This is a working mediation memo for discussion and preparation. It is not legal advice.