



## *Wealth Design Summary*

Analysis of Alternative Planning Scenarios  
**A COMPARISON OF KEY VALUES**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**Jack & Jill Flash**

*Current Allocations vs. Recommended Allocations & Advanced Planning*

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## Disclaimer

This financial plan is designed to provide educational and/or general information and is not intended to provide specific legal, accounting and/or tax advice. Any comparisons and projections including expected rates of return are presented for purposes of illustration only. Nevertheless, we believe that the comparisons as well as the other projections shown provide an important and valid basis for consideration when planning for your financial future.

**IMPORTANT: *The projections or other information generated by this financial plan regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results herein may vary with each use of the software tool(s) used to generate this financial plan and over time.***

The financial plan may contain ideas for your consideration concerning aspects of your life such as tax, retirement and estate planning, but these are not presented as, and must not be taken for, legal or tax advice. It is your responsibility to determine if, and how, the suggestions contained in the financial plan should be implemented or otherwise followed. You must carefully consider all relevant factors in making these types of decisions. For specific advice on these aspects of your overall financial plan, you should consult your professional tax and legal advisors. The report that follows is based upon:

- information and assumptions that you have provided or reviewed;
- current tax laws;
- appropriate financial planning concepts;
- historic asset class characteristics;
- additional assumptions and information discussed with your advisor.

The outcome of the analysis will be dependent to a significant extent upon the information and the reasonableness of the planning assumptions. It is your responsibility to provide accurate and complete information. Please contact your advisor with any changes to your information and/or planning assumptions. Inaccurate information and/or unreasonable planning assumptions can materially impact the results of this financial plan.

The simulation of returns at the individual asset, account and/or portfolio level drives the investment projections and proposed financial plan. In all cases investment projections are not to be considered definitive estimates of how the individual assets you own now or in the future will perform. Therefore, it is important that you recognize that the comparisons shown may include comparisons of two asset allocation models—the asset allocation of your current portfolio and the asset allocation projected in our proposed plan—and not comparisons of the individual securities you own. Model comparisons and the projected rates of return are based on past performance of the relevant asset classes. Past performance is not a guarantee of future results. No future rate of return can be predicted with certainty.

The report that follows does not make specific investment recommendations or analyze particular securities. Rather, the report typically contains a proposed asset allocation model based upon your stated risk tolerance, age, current asset allocation and value of your assets. The asset allocation models we use are continuously re-evaluated and are periodically changed as a result. We are under no obligation to revise any financial planning report already prepared if an allocation model is changed after it is issued to you.

Actual results are influenced by events that are both within and outside of your control. The rates actually returned by asset classes will differ from our projections. The rates actually returned by any allocation model noted within the financial plan will likely differ from those returned by any individual portfolio of securities constructed to follow a specific allocation model. Any rate of return shown or used in the financial plan is not intended to predict nor guarantee the actual results of an investment product.



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## Disclaimer

**IMPORTANT: *Investments in stocks, bonds, mutual funds, and other securities are not bank products, are not FDIC insured, and may be subject to loss of principal.***

We have read and understand the above information and disclosures. We understand the basis upon which the report that follows was prepared. We recognize the nature of the asset allocation comparisons and estimated returns as illustrations only. We acknowledge that the report may contain a recommendation for adjusting the asset allocation of our current investment portfolio(s), but it does not provide any guaranteed rates of return, advice on particular securities or any specific legal, tax or accounting advice.

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Customer Signature



## Estate Analysis Summary

Jack & Jill Flash

Jack's Estate Analysis	Scenario 1	Scenario 2
Year	2051	2051
Combined net worth plus the value of estate planning vehicles	96,008,690	289,017,636
Net worth includible in Jack's gross estate	61,888,854	29,513,052
Gross estate	61,888,854	29,513,052
Less: nontax estate settlement costs	-1,262,777	-615,261
<b>Adjusted gross estate</b>	<b>60,626,077</b>	<b>28,897,791</b>
Specific outright bequests to Jill	6,305,344	9,623,685
Residuary bequests to Jill in trust	43,420,732	8,390,872
<b>Total marital bequests</b>	<b>49,726,076</b>	<b>18,014,558</b>
Residuary charitable bequests	0	500,000
<b>Total charitable bequests</b>	<b>0</b>	<b>500,000</b>
Federal taxable estate	10,900,001	10,383,234
Post-1976 adjusted taxable gifts	0	516,767
<b>Federal estate tax base</b>	<b>10,900,001</b>	<b>10,900,001</b>
<b>State taxable estate</b>	<b>10,900,001</b>	<b>10,383,234</b>
Federal estate tax	0	0
State death taxes	0	0
<b>Total Death Taxes</b>	<b>0</b>	<b>0</b>



## Estate Analysis Summary

Jack & Jill Flash

Jill's Estate Analysis	Scenario 1	Scenario 2
Year	2052	2052
Personal net worth plus the value of estate planning vehicles	100,732,948	315,256,492
Net worth includible in gross estate plus value of marital trust	89,043,046	49,693,762
Gross estate	89,043,046	49,693,762
Less: nontax estate settlement costs	-1,805,861	-1,018,875
<b>Adjusted gross estate</b>	<b>87,237,185</b>	<b>48,674,887</b>
Residuary charitable bequests	0	10,000,000
<b>Total charitable bequests</b>	<b>0</b>	<b>10,000,000</b>
Taxable estate before state death tax deduction	87,237,185	38,674,887
Less: state death tax deduction	11,559,150	3,789,182
Federal taxable estate	75,678,035	34,885,705
Post-1976 adjusted taxable gifts	0	516,750
<b>Federal estate tax base</b>	<b>75,678,035</b>	<b>35,402,455</b>
<b>State taxable estate</b>	<b>87,237,185</b>	<b>38,674,887</b>
Federal estate tax	25,823,213	9,712,981
State death taxes	11,559,150	3,789,182
<b>Total Death Taxes</b>	<b>37,382,363</b>	<b>13,502,163</b>
Income in respect of a decedent bequeathed to heirs	7,991,881	8,737,269
Less: allocable 691(c) deduction	-2,685,272	-3,924,983
Amount subject to income taxes	5,306,609	4,812,287
<b>Income Taxes on Income in Respect of a Decedent</b>	<b>2,260,615</b>	<b>2,050,034</b>



**Wealth Transfer Summary as of the End of the Senior Generation***Jack & Jill Flash*

<b>Net to Heirs Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2052	2052
Fund 4 Children & testamentary trust remainder interests	1,026,861	14,123,748
Family Trust	11,689,902	11,135,686
Marital Trust	46,567,345	8,998,942
Annual Gift Fund & ShopRight LP Gift 1	0	42,655,299
ShopRight LP Gift 2	0	14,190,674
ShopRight IDGT 1 & ShopRight IDGT 2	0	90,489,954
GRATs	0	67,417,917
T-CLAT	0	1
<b>Net to Heirs</b>	<b>59,284,108</b>	<b>249,012,220</b>
<b>Settlement Costs &amp; Taxes</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Federal & state death taxes	37,382,363	13,502,163
Estate settlement costs	3,068,638	1,634,136
Income taxes on income in respect of a decedent	2,260,615	2,050,034
Deferred capital gains & Medicare taxes	0	39,673,199
<b>Total Settlement Costs &amp; Taxes</b>	<b>42,711,616</b>	<b>56,859,532</b>
<b>Value of Cumulative Transfers to Charity</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2052	2052
Aggregate bequests from Jack's & Jill's estates	0	500,000
Other charitable transfers	0	1,444,685
Cumulative income & growth on charitable transfers	0	5,374,624
<b>Total Value of Charitable Transfers</b>	<b>0</b>	<b>7,319,308</b>
<b>Net to 3rd Generation Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2072	2072
Net to heirs	59,284,108	249,012,220
Aggregate growth following death of senior generation	125,748,332	1,328,521,830
Total transferable family wealth	185,032,440	1,577,534,050
Amount subject to second generation death taxes	185,032,440	548,170,015
Less: second generation federal & state death taxes	-74,012,976	-219,268,006
<b>Net to 3rd Generation</b>	<b>111,019,464</b>	<b>1,358,266,044</b>
Net transfer as a percentage of wealth - 2nd generation	58.1%	79.5%
Net transfer as a percentage of wealth - 3rd generation	48.7%	71.1%



## Wealth Transfer Summary as of the End of the 2nd Generation

Jack & Jill Flash

<b>Net to Heirs Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2072	2072
Fund 4 Children & testamentary trust remainder interests	185,032,440	199,092,972
Annual Gift Fund & ShopRight LP Gift 1	0	247,551,007
ShopRight LP Gift 2	0	60,196,738
ShopRight IDGT 1 & ShopRight IDGT 2	0	595,246,494
GRATs	0	442,872,550
T-CLAT	0	32,574,290
<b>Net to Heirs</b>	<b>185,032,440</b>	<b>1,577,534,050</b>

<b>Settlement Costs &amp; Taxes</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Federal & state death taxes	37,382,363	13,502,163
Estate settlement costs	3,068,638	1,634,136
Income taxes on income in respect of a decedent	2,260,615	2,050,034
Deferred capital gains & Medicare taxes	0	254,205,186
<b>Total Settlement Costs &amp; Taxes</b>	<b>42,711,616</b>	<b>271,391,519</b>

<b>Value of Cumulative Transfers to Charity</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2072	2072
Aggregate bequests from Jack's & Jill's estates	0	500,000
Cumulative payments from charitable lead trusts	0	12,468,672
Other charitable transfers	0	1,444,685
Cumulative income & growth on charitable transfers	0	48,231,172
<b>Total Value of Charitable Transfers</b>	<b>0</b>	<b>62,644,529</b>

<b>Net to 3rd Generation Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>
Year	2072	2072
Net to heirs	59,284,108	249,012,220
Aggregate growth following death of senior generation	125,748,332	1,328,521,830
Total transferable family wealth	185,032,440	1,577,534,050
Amount subject to second generation death taxes	185,032,440	548,170,015
Less: second generation federal & state death taxes	-74,012,976	-219,268,006
<b>Net to 3rd Generation</b>	<b>111,019,464</b>	<b>1,358,266,044</b>

Net transfer as a percentage of wealth - 2nd generation	58.1%	79.5%
Net transfer as a percentage of wealth - 3rd generation	48.7%	71.1%



**Annual Cash Flows, Financial Assets & Family Wealth Comparison**

Jack &amp; Jill Flash

Year	After-Tax Cash Inflows			Cash Flow Surplus/-Deficit			Personal Financial Assets			Net Worth + Estate Planning Vehicles		
	Current Allocations	Recommended Allocations & Advanced Planning	Difference	Current Allocations	Recommended Allocations & Advanced Planning	Difference	Current Allocations	Recommended Allocations & Advanced Planning	Difference	Current Allocations	Recommended Allocations & Advanced Planning	Difference
Start							3,241,595	3,241,595	0	15,534,580	15,534,580	0
2014	723,196	534,041	-189,155	316,732	107,577	-209,155	3,913,914	3,736,481	-177,433	16,951,171	16,775,195	-175,977
2015	654,703	458,103	-196,600	238,734	-90,466	-329,200	4,532,309	4,070,845	-461,464	18,443,555	18,309,762	-133,793
2016	680,087	471,155	-208,932	261,313	-80,837	-342,150	5,222,104	4,456,125	-765,979	20,065,579	20,001,440	-64,139
2017	714,930	493,452	-221,477	286,994	-68,338	-355,332	5,988,766	4,890,695	-1,098,071	21,826,490	21,858,610	32,120
2018	749,552	757,267	7,715	312,188	185,393	-126,795	6,838,547	5,622,171	-1,216,376	23,739,817	24,143,162	403,345
2019	783,069	777,938	-5,131	335,505	195,188	-140,316	7,776,261	6,411,415	-1,364,846	25,819,169	26,378,822	559,653
2020	827,635	807,778	-19,857	370,087	206,349	-163,738	8,813,918	7,275,742	-1,538,176	28,074,366	28,820,787	746,420
2021	869,869	834,258	-35,611	402,047	221,839	-180,209	9,963,518	8,233,972	-1,729,546	30,522,455	31,491,082	968,627
2022	1,639,410	6,540,969	-9,853,134	15,386,948	5,388,479	-9,998,469	25,891,607	14,223,227	-11,668,380	29,280,760	32,893,146	3,612,386
2023	1,155,674	1,415,293	259,619	764,483	870,007	105,523	25,881,625	15,059,109	-10,822,517	28,275,295	34,282,724	6,007,429
2024	626,801	407,672	-219,129	-345,790	-719,798	-374,008	26,239,417	14,886,939	-11,352,478	29,340,162	36,595,950	7,255,788
2025	661,384	406,475	-254,909	249,415	-161,179	-410,594	27,300,141	15,387,987	-11,912,154	30,542,692	39,215,540	8,672,848
2026	704,473	405,262	-299,211	281,643	-182,083	-463,726	28,418,667	15,903,523	-12,515,144	31,809,125	42,084,764	10,275,639
2027	724,944	378,059	-346,885	290,930	-221,326	-512,256	29,595,305	16,416,334	-13,178,970	33,139,997	45,203,001	12,063,004
2028	746,422	346,950	-399,471	326,627	-239,096	-565,723	30,861,859	16,949,816	-13,912,043	34,541,607	48,595,189	14,053,582
2029	839,889	426,761	-413,127	408,228	-180,058	-588,287	32,174,451	17,449,211	-14,725,240	35,994,527	52,266,641	16,272,115
2030	869,362	3,342,561	2,473,199	425,479	2,722,584	2,297,105	33,551,489	20,883,591	-12,667,898	37,517,336	56,271,678	18,754,342
2031	900,270	691,367	-208,903	443,799	57,838	-385,960	35,003,327	21,544,248	-13,459,079	39,120,574	60,270,739	21,150,165
2032	981,889	756,271	-225,618	512,451	100,784	-411,667	36,498,421	22,451,252	-14,047,169	40,772,891	64,837,111	24,064,220
2033	1,021,775	787,465	-234,310	538,981	117,601	-421,380	38,064,461	23,401,982	-14,662,480	42,502,181	69,789,953	27,287,772
2034	966,419	721,626	-244,793	469,869	36,954	-432,915	39,781,700	24,471,513	-15,310,187	44,388,912	75,236,990	30,848,078
2035	1,009,368	756,456	-252,912	498,649	48,531	-450,118	41,596,120	25,597,093	-15,999,027	46,379,290	81,159,993	34,780,703
2036	1,054,769	792,973	-261,796	529,456	69,338	-460,118	43,504,172	26,780,725	-16,723,447	48,470,005	87,592,270	39,122,266
2037	1,103,311	832,098	-271,214	562,967	84,281	-478,685	45,510,454	28,014,681	-17,495,773	50,665,900	94,577,917	43,912,017
2038	1,154,414	873,273	-281,142	598,587	108,789	-489,798	47,620,279	29,309,964	-18,310,315	52,972,548	102,167,243	49,194,695
2039	1,208,210	916,994	-291,216	636,435	127,343	-509,091	49,839,303	30,660,252	-19,179,051	55,395,875	110,414,529	55,018,653
2040	1,265,735	964,219	-301,516	677,535	156,887	-520,648	52,172,803	32,075,764	-20,097,039	57,941,443	119,378,924	61,437,482
2041	1,326,245	1,014,414	-311,831	721,126	188,869	-532,257	54,626,865	33,558,076	-21,068,789	60,615,631	129,124,427	68,508,796
2042	1,390,411	1,068,104	-322,306	767,866	215,801	-552,065	57,207,592	35,101,092	-22,106,499	63,424,852	139,722,118	76,297,266
2043	1,458,474	1,125,569	-332,904	837,232	273,196	-564,036	59,940,532	36,734,272	-23,206,260	66,375,725	151,249,317	84,873,591
2044	1,530,738	1,186,084	-344,654	891,009	305,809	-585,199	62,813,131	38,432,458	-24,380,673	69,474,130	163,790,059	94,315,929
2045	1,607,314	1,250,519	-356,796	948,543	349,746	-598,797	65,834,029	40,207,862	-25,626,168	72,728,986	177,438,864	104,709,878
2046	1,688,504	1,319,107	-369,397	1,010,120	389,221	-620,899	69,010,404	42,053,651	-26,956,753	76,147,765	192,296,667	116,148,902
2047	1,773,295	1,391,041	-382,253	1,074,709	439,409	-635,300	72,350,606	43,980,792	-28,369,814	79,739,122	208,475,102	128,735,981
2048	1,862,970	1,467,336	-395,634	1,143,577	485,305	-658,272	75,862,736	45,982,512	-29,880,224	83,511,474	226,095,301	142,583,827
2049	1,956,587	1,544,854	-411,733	1,215,762	539,752	-676,011	79,555,987	48,071,490	-31,484,497	87,474,342	245,292,697	157,818,356
2050	2,055,479	1,626,454	-429,024	1,292,579	589,589	-702,990	83,439,226	50,241,692	-33,197,534	91,636,933	266,213,392	174,576,459
2051	2,159,902	1,712,223	-447,679	1,374,265	650,882	-723,384	87,521,541	52,504,033	-35,017,508	96,008,690	289,017,636	193,008,946
2052	2,554,474	1,810,948	-743,526	1,745,418	828,396	-917,022	37,327,455	35,510,513	-1,816,942	100,732,948	315,256,492	214,523,544





## Planning Assumptions

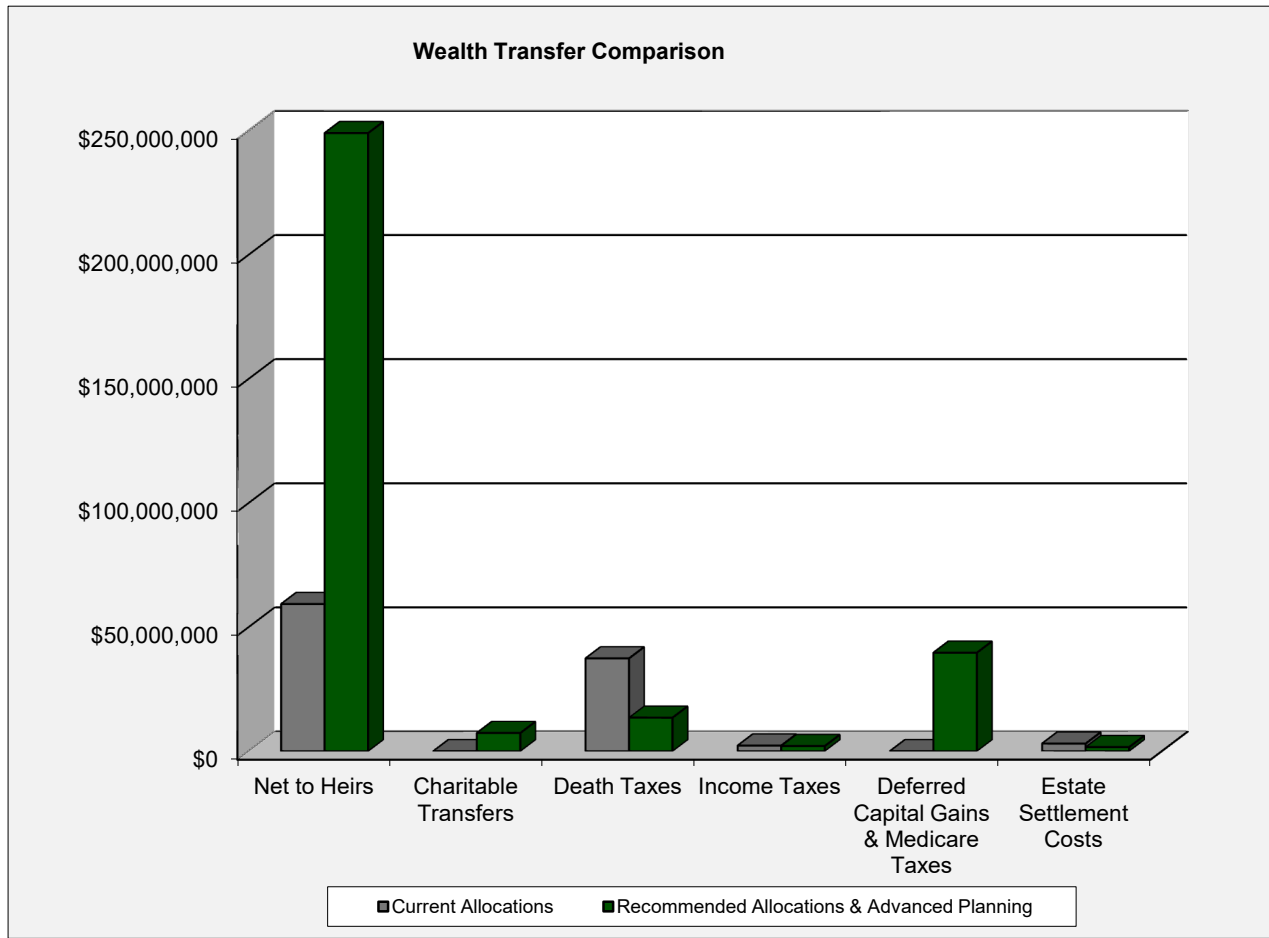
Jack & Jill Flash

Planning Assumptions	Scenario 1	Scenario 2
1. Jack retires at age 62 and Jill retires at age 60.	X	X
2. Projections are based on current asset allocations.	X	
3. Projections are based on recommended asset allocations.		X
4. Jill divests herself of SoftCo. stock between now and retirement.	X	X
5. Jack sells ShopRight, Inc. outright at retirement.	X	
6. Jack sells 50% of ShopRight's office building at retirement.	X	
7. Family home is sold at Jill's retirement; new home is 50% of sales value.	X	X
8. \$14K (indexed) annual gifts made to the kids starting at Jack's retirement.	X	
9. \$14K (indexed) annual gifts made to the kids starting in 2015.		X
10. Credit shelter bypass trusts are established by each estate at death.	X	X
11. Jack's estate bequeathes \$500K to charity at death.	X	X
12. Jill's estate bequeathes \$1 million to charity at death.	X	
13. Jill's estate bequeathes \$10 million to 20-year zero-out T-CLAT at death.		X
14. Generation-skipping exemptions are allocated to lifetime gifts and at death.		X
15. ShopRight's office building is transferred to a FLP; FLP interests are gifted.		X
16. Jack transfers 25% of ShopRight, Inc. to a series of 10-year rolling GRATs.		X
17. Jack gifts 1% of ShopRight, Inc. to IDGT #1 in 2014.		X
18. Jack sells 9% of ShopRight, Inc. to IDGT #1 in 2014 for 9-year note.		X
19. IDGT #1 buys \$2MM 2nd-to-die life insurance in 2014.		X
20. Jack gifts & sells \$5MM of ShopRight, Inc. to IDGT #2 in 2022.		X
Scenario 1 - Current Allocations		
Scenario 2 - Recommended Allocations & Advanced Planning		



## Wealth Transfer Illustration as of the End of the Senior Generation

Jack & Jill Flash

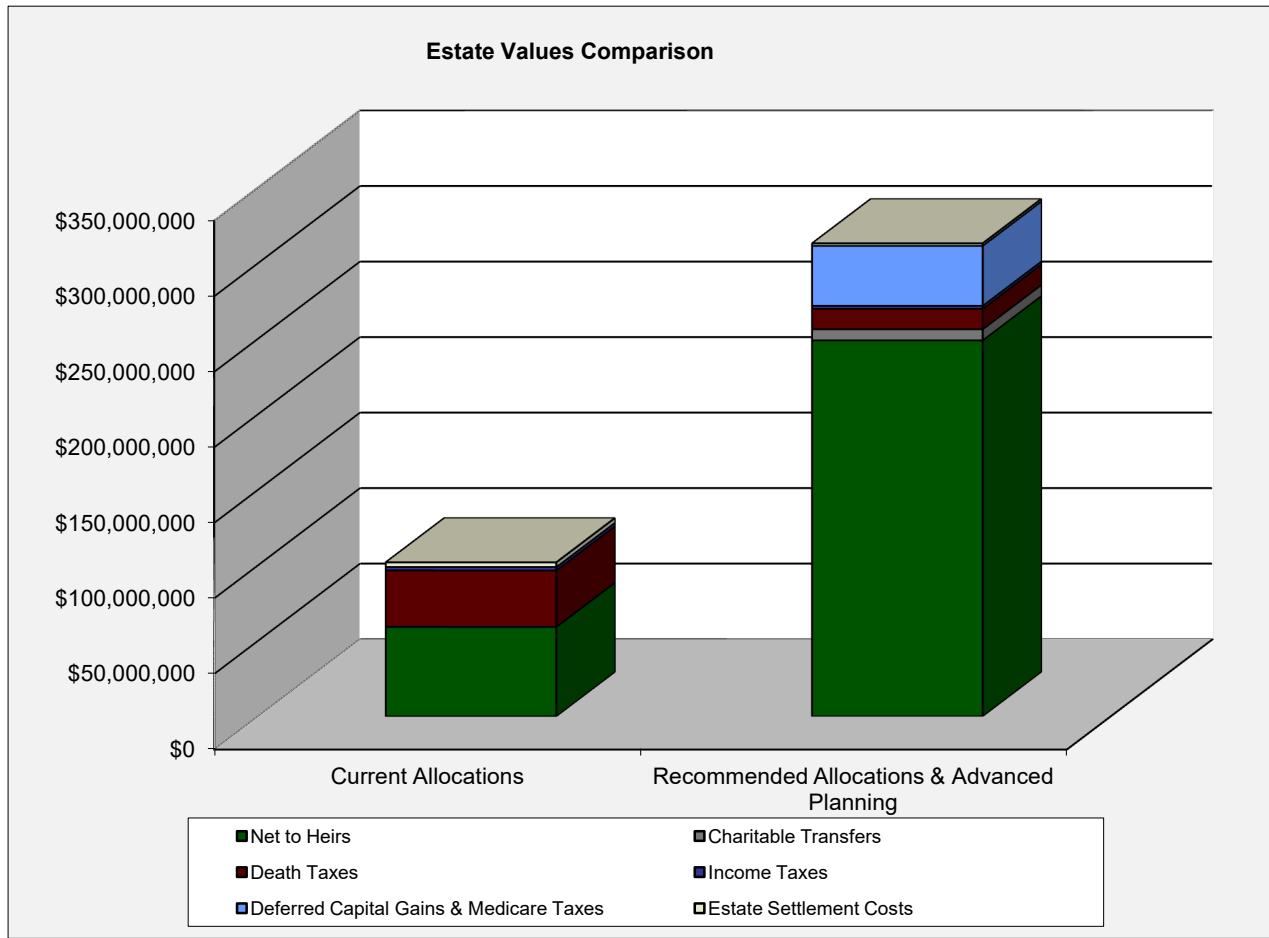


The chart above compares the wealth transferred to heirs and charity, along with federal and state death and income taxes.



## Summary of Estate Values as of the End of the Senior Generation

Jack & Jill Flash

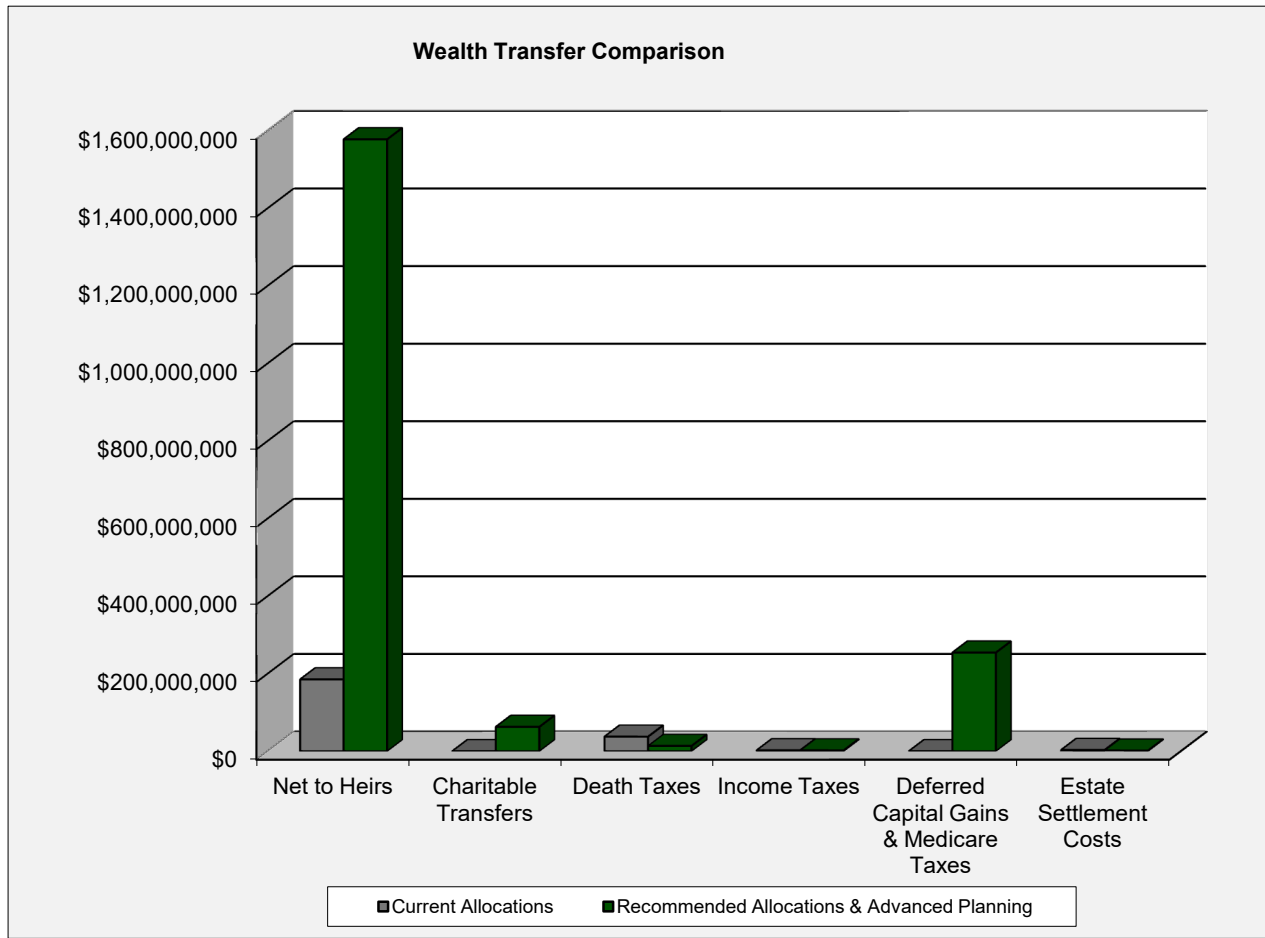


The chart above compares the wealth transferred to heirs and charity, along with federal and state death and income taxes.



## Wealth Transfer Illustration as of the End of the 2nd Generation

Jack & Jill Flash

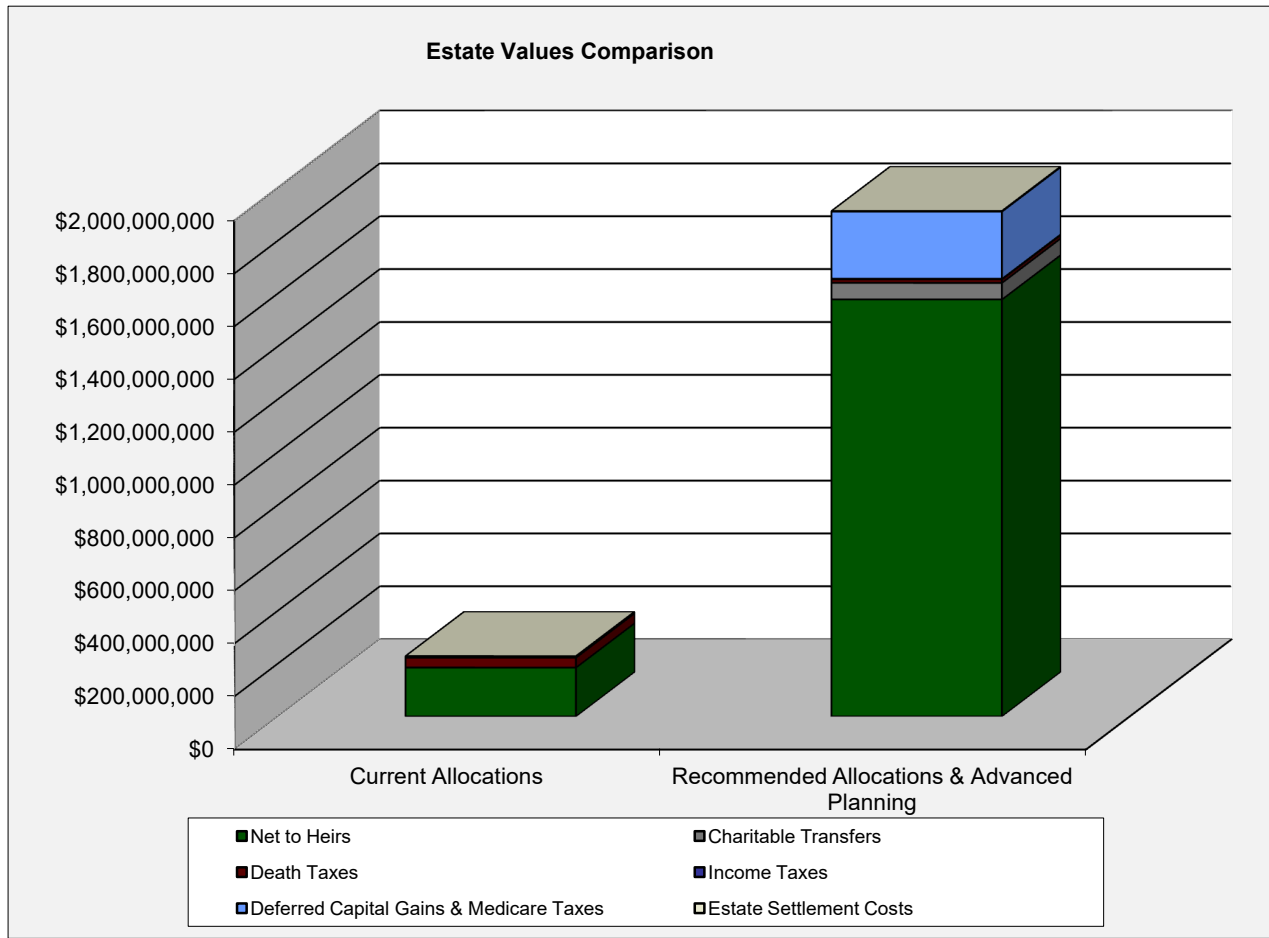


The chart above compares the wealth transferred to heirs and charity, along with federal and state death and income taxes.



## Summary of Estate Values as of the End of the 2nd Generation

Jack & Jill Flash

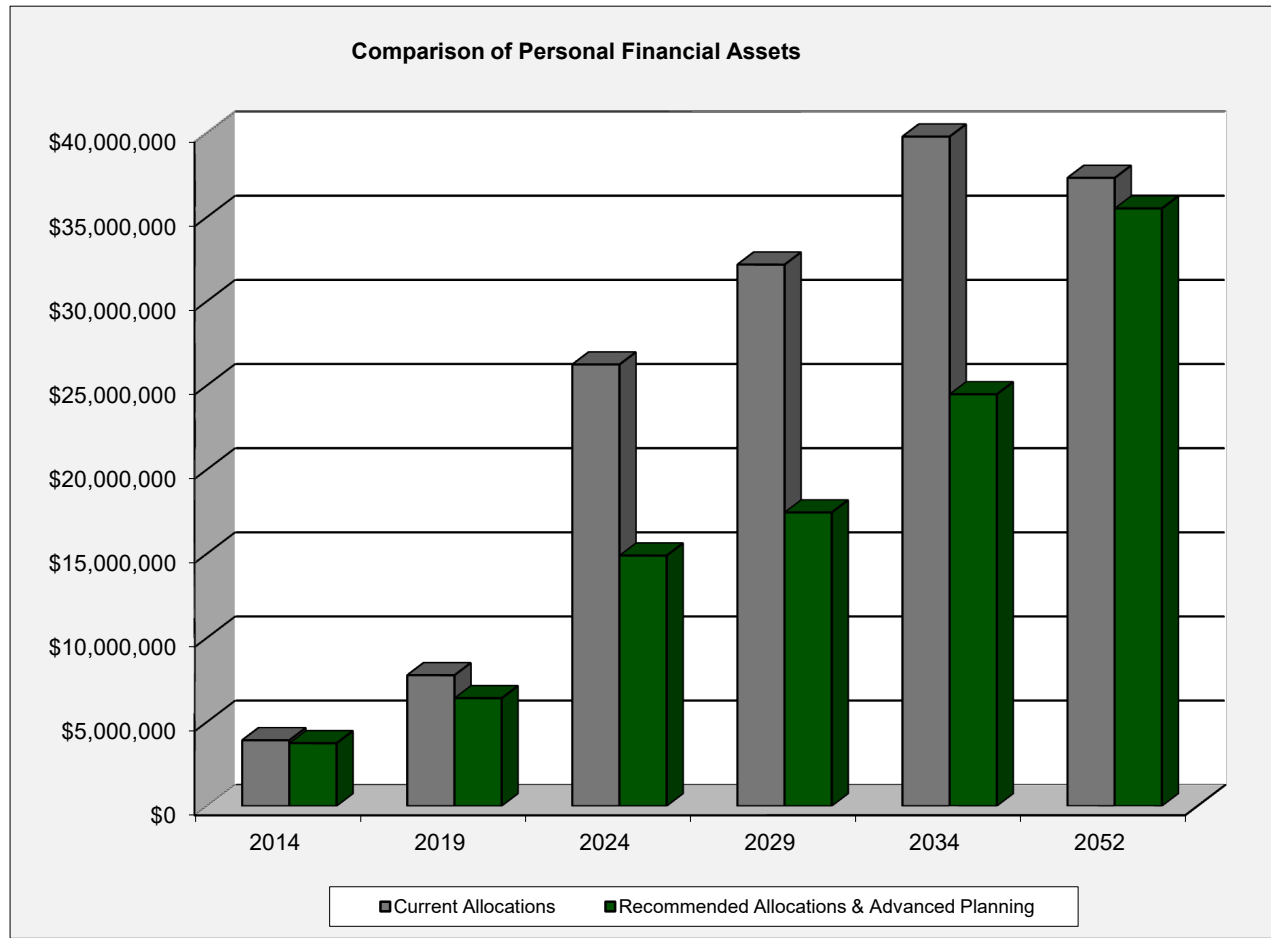


The chart above compares the wealth transferred to heirs and charity, along with federal and state death and income taxes.



## Personal Financial Assets Comparison

Jack & Jill Flash

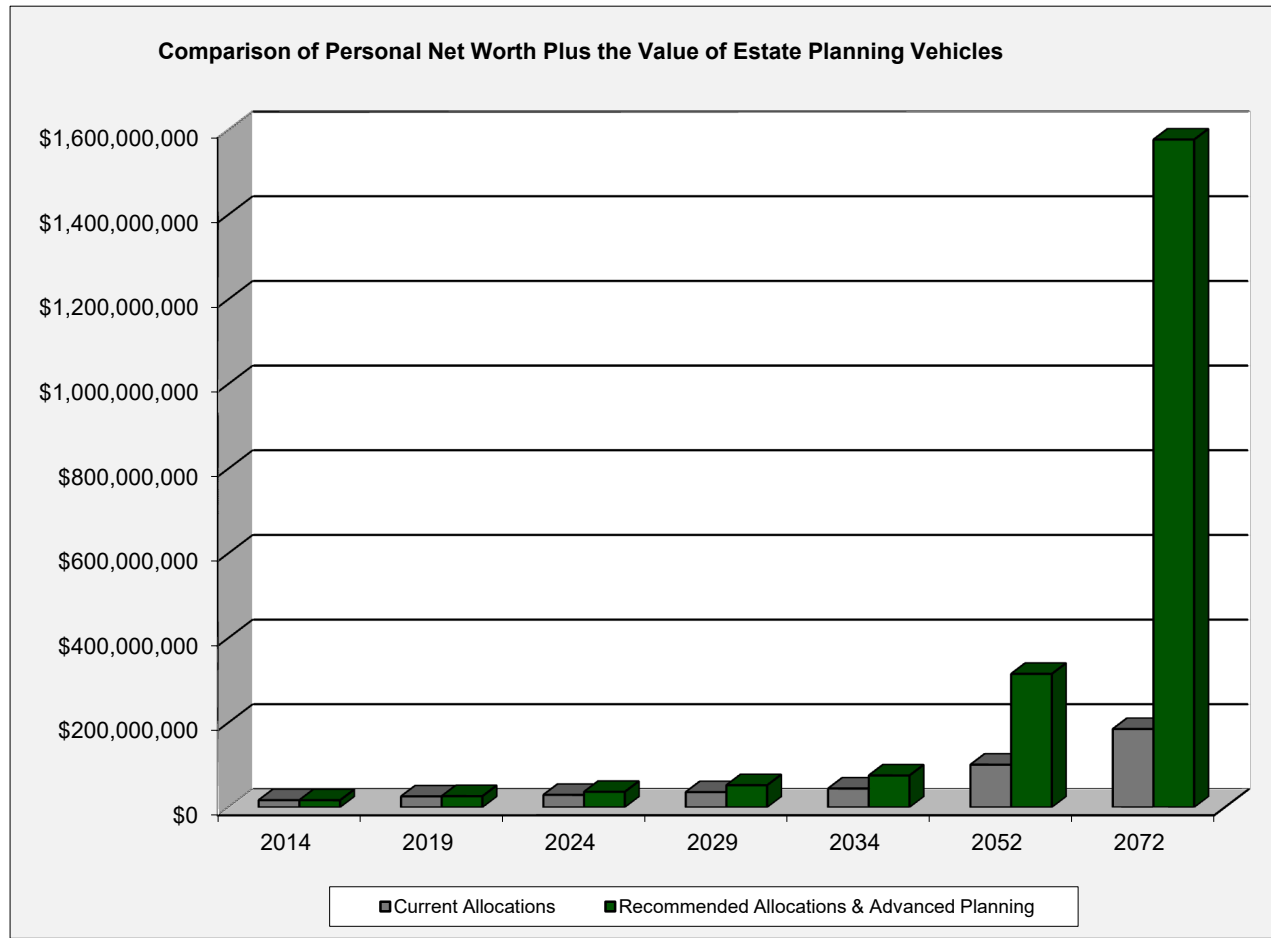


The chart above compares the personal financial assets under alternative planning scenarios.



## Family Wealth Comparison

Jack & Jill Flash



The chart above compares total family wealth under alternative planning scenarios.





## *Wealth Design Summary*

Analysis of Alternative Planning Scenarios

**GRAPHIC ILLUSTRATIONS**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

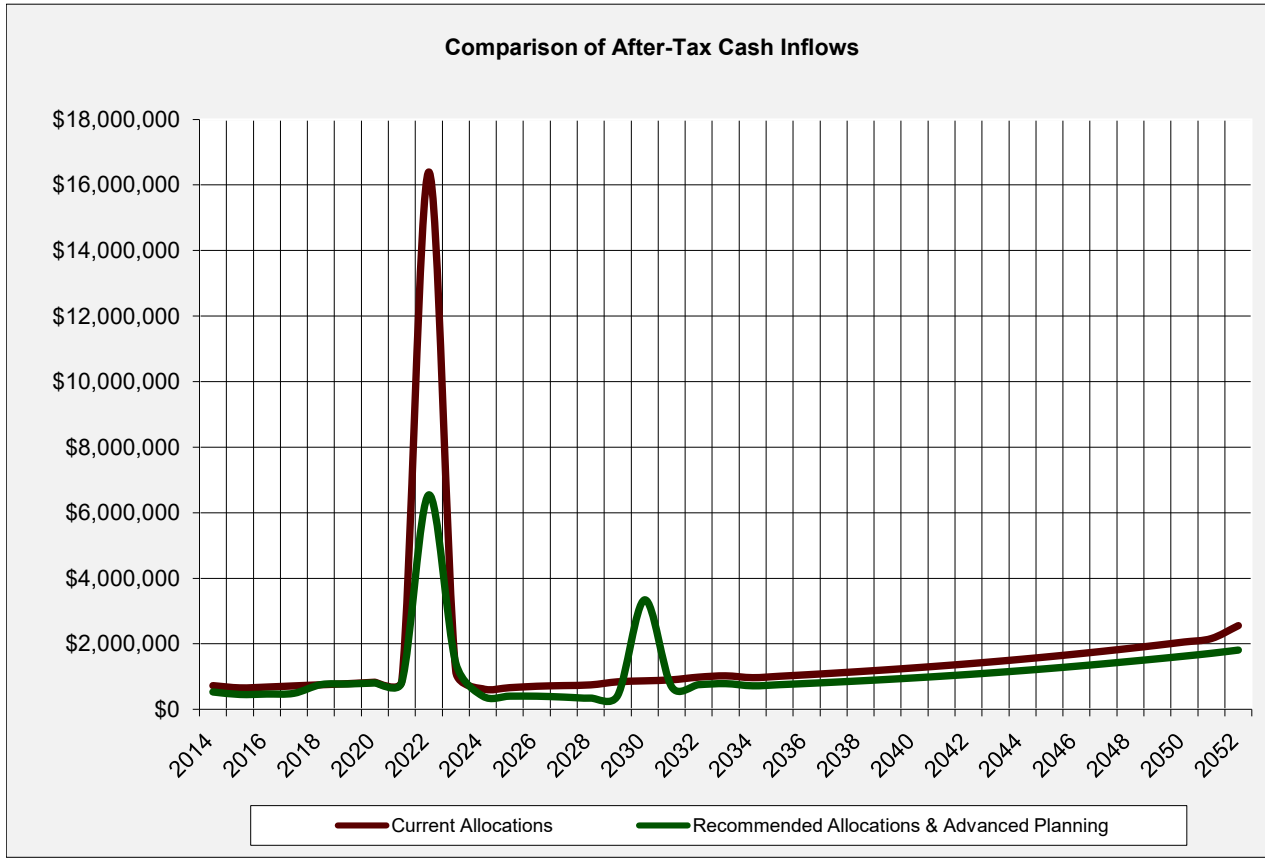
**Jack & Jill Flash**

*Current Allocations vs. Recommended Allocations & Advanced Planning*



## After-Tax Cash Inflows Illustration

Jack & Jill Flash

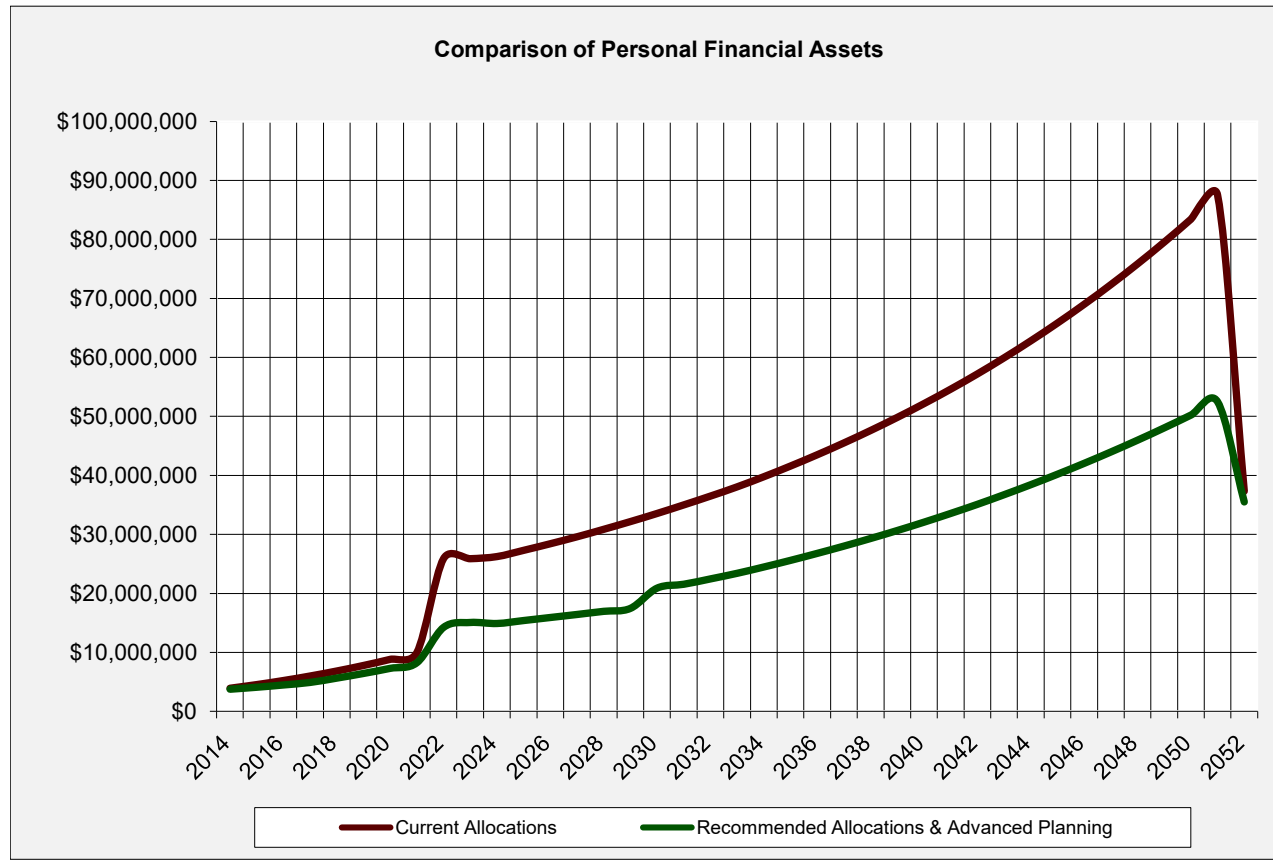


The chart above compares the after-tax cash inflows under alternative planning scenarios.



## Personal Financial Assets Illustration

Jack & Jill Flash

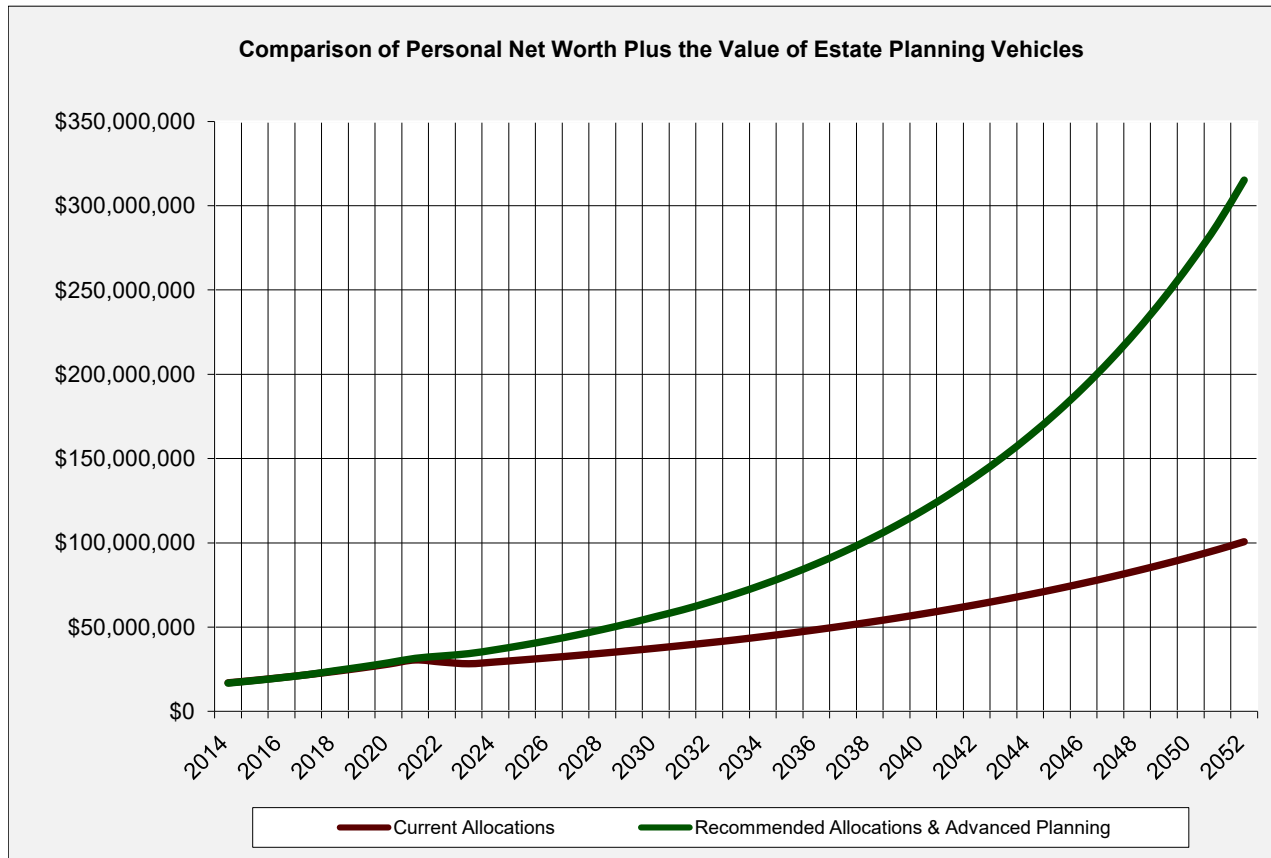


The chart above compares the personal financial assets under alternative planning scenarios.



## Family Wealth Illustration

Jack & Jill Flash



The chart above compares total family wealth under alternative planning scenarios.

