



## *Grantor Retained Annuity Trust*

An Illustration of the Use of a Grantor Retained Annuity Trust

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

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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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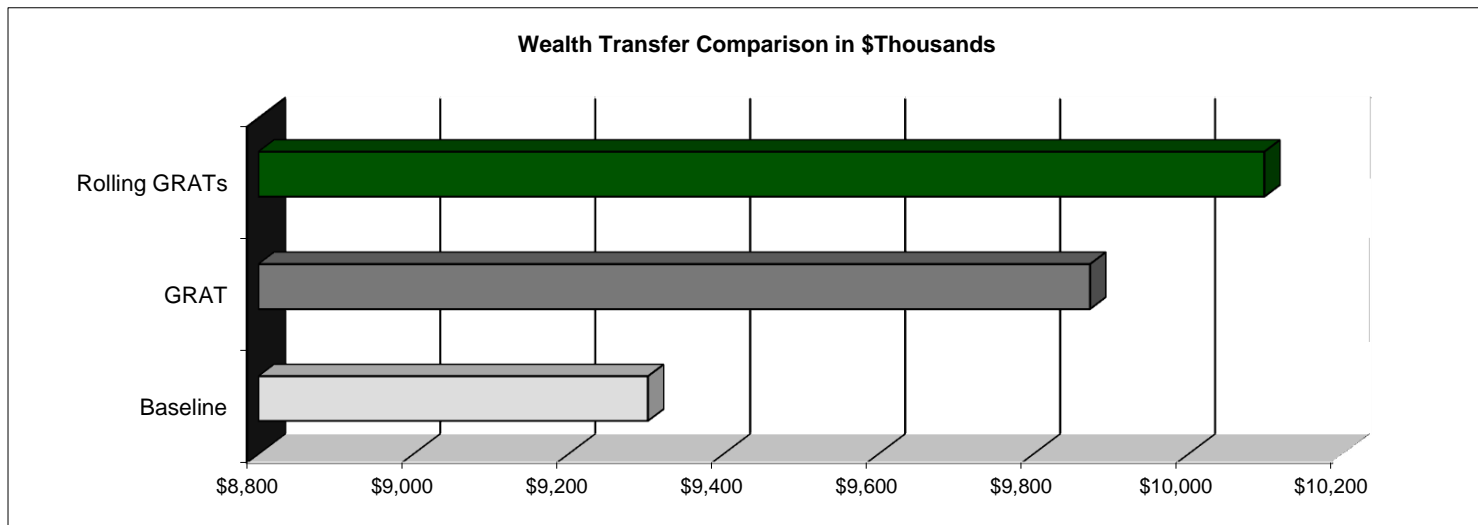
Customer Signature



## Summary

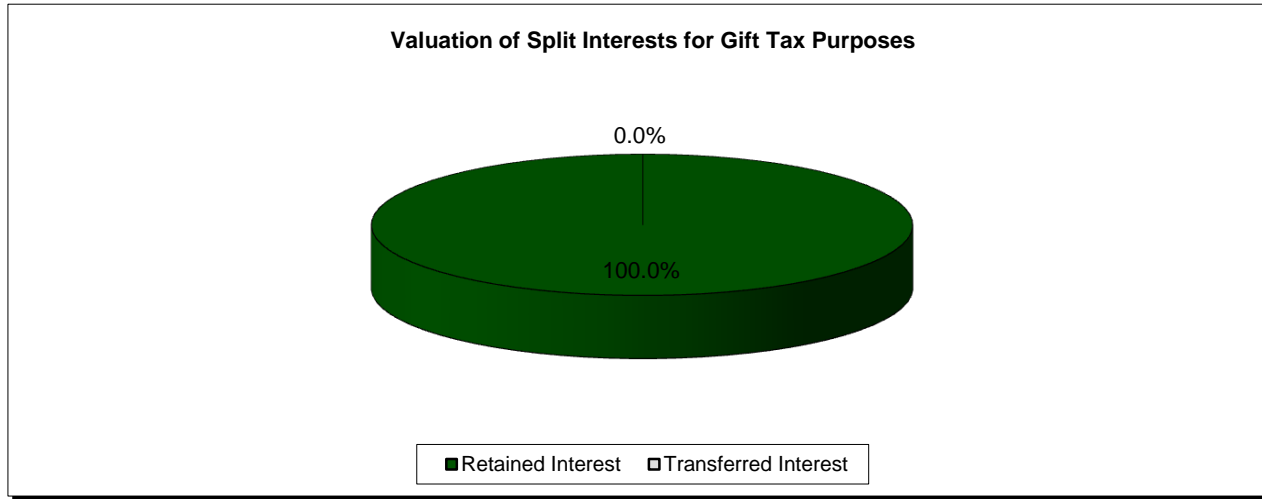
Jack & Jill Flash

In 2023	Baseline	6-Year GRAT	Five Rolling 2-Year GRATs
Taxable gift	NA	23	37
<b>Value of GRATs at the end of 6 years in 2019</b>	<b>NA</b>	<b>3,575,109</b>	<b>4,271,782</b>
Grantor's GRAT-related accumulations/-estate depletion	13,209,286	7,859,319	6,896,710
Total transferable value in 2023	13,209,286	13,209,287	13,209,278
Estate taxes or tax savings	-3,906,708	-2,422,804	-2,104,703
Deferred capital gains and Medicare taxes	0	-913,460	-1,006,656
<b>Net to heirs</b>	<b>9,302,578</b>	<b>9,873,023</b>	<b>10,097,919</b>
<b>Planning advantage/-disadvantage over baseline</b>		<b>570,445</b>	<b>795,341</b>
Present value of advantage/-disadvantage @ 3.0%		424,465	591,808



## Actuarial Summary

Jack & Jill Flash



Relevant Actuarial Calculations & Applicable Tests	
Retained interest factor	99.9993%
Transferred interest factor	0.0007%
Annuity exhaustion test of the Sec. 7520 Regs & Rev. Rul. 77-454	Passed
<b>Taxable gift</b>	<b>23</b>

Rolling GRATs	Retained Interest Factor	Annuity Exhaustion Test	Taxable Gift
Rolling GRAT 1	99.9997%	Passed	10
Rolling GRAT 2	99.9997%	Passed	5
Rolling GRAT 3	99.9997%	Passed	8
Rolling GRAT 4	99.9997%	Passed	7
Rolling GRAT 5	99.9997%	Passed	7



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

**Assumptions**

Jack & Jill Flash

<b>Personal</b>	<b>Jack</b>	<b>Jill</b>
Age	55.0	52.0
Calculated life expectancy	84.6	84.3
Life expectancy override	90.0	90.0
Year of death	2048	2051
<b>Planning Illustration</b>		
Transfer date		01-Jan-2014
Planning term		10 years
<b>Transfer of Property</b>		
Transferor		Jack
Gift-splitting election		No
<b>Trust Assumptions</b>		
Type of trust		Fixed term
Annuity is valued as an interest for a term certain		Yes
Trust term		6 years
Rolling GRATs trust term		2 years
Number of GRATs in rolling GRAT sequence		5
<b>Annuity Valuation</b>		
Method for determining annuity payments	<b>Single GRAT</b>	<b>Rolling GRATs</b>
GRAT annuity factor	Target remainder	Target remainder
First-year annuity payout rate	5.5638	5.5638
Annual increase in annuity rate	17.97320%	51.65540%
Annuity payment frequency	0.0%	0.0%
Contingent spousal annuity	Annual	Annual
Section 7520 rate	No	No
Section 7520 mortality table	3.0%	2.2%
	2000CM	2000CM
<b>Estate &amp; Gift Tax</b>		
DSUE amount inherited	<b>Jack</b>	<b>Jill</b>
Post-1976 adjusted taxable gifts	0	0
Unified credit used	0	0



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

## Assumptions

Jack & Jill Flash

### Property Transferred

Undiscounted value of property	5,000,000
Basis of property	1,500,000
Type of property transferred	S corporation stock
Gift tax valuation discount	35.0%
Estate tax valuation discount	35.0%
Apply estate tax valuation discount in baseline scenario	Yes

### Sale of GRAT Property

GRAT sale during trust term	No
Grantor tax reimbursement	NA

### Tax Rates

	Jack	Transferee
Federal tax bracket	See schedule	See schedule
Federal capital gains tax rate	See schedule	See schedule
State income tax rate	5.0%	5.0%
Estate tax rate	See schedule	NA

### Investment Rates

	S corp	Other
Current cash yield	5.0%	2.0%
Inc/dec rate of cash yield	0.0%	NA
Tax yield multiple	100.0%	NA
Qualified dividend percentage	100.0%	100.0%
Base growth rate	7.0%	6.0%
Percentage of taxable income and realized gains subject to Medicare surtax	0.0%	100.0%
Present value discount rate	NA	3.0%

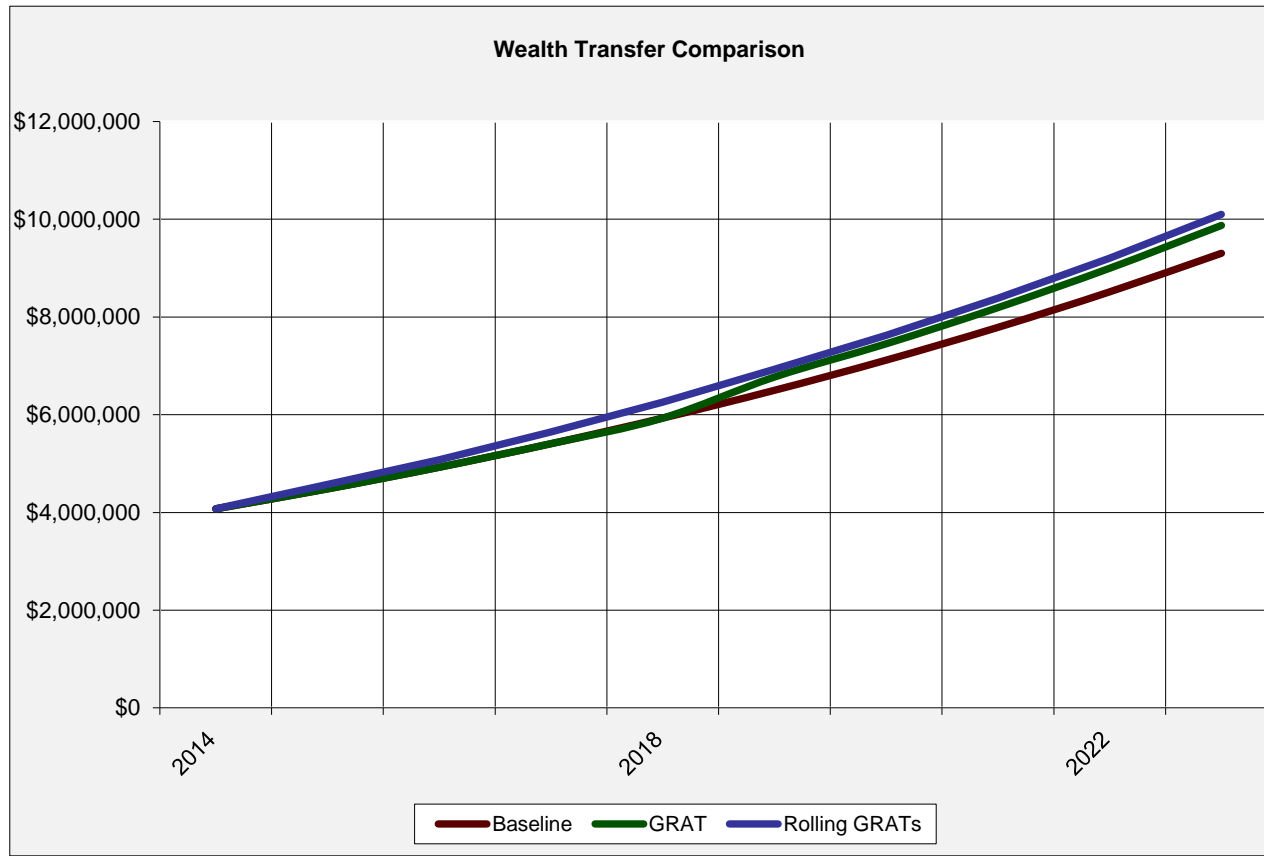
### Other

Property distributions from the trust are grossed up for valuation discounts	Yes
Distribute corpus to grantor trust after GRAT term	No
Summary results are shown net of deferred capital gains and Medicare taxes	Yes
Inflation rate	3.0%



## Annual Net to Heirs Comparison

Jack & Jill Flash



The chart above compares a GRAT and a series of rolling GRATs to the baseline over the planning horizon.





## Annual Net to Heirs Comparison

Jack & Jill Flash

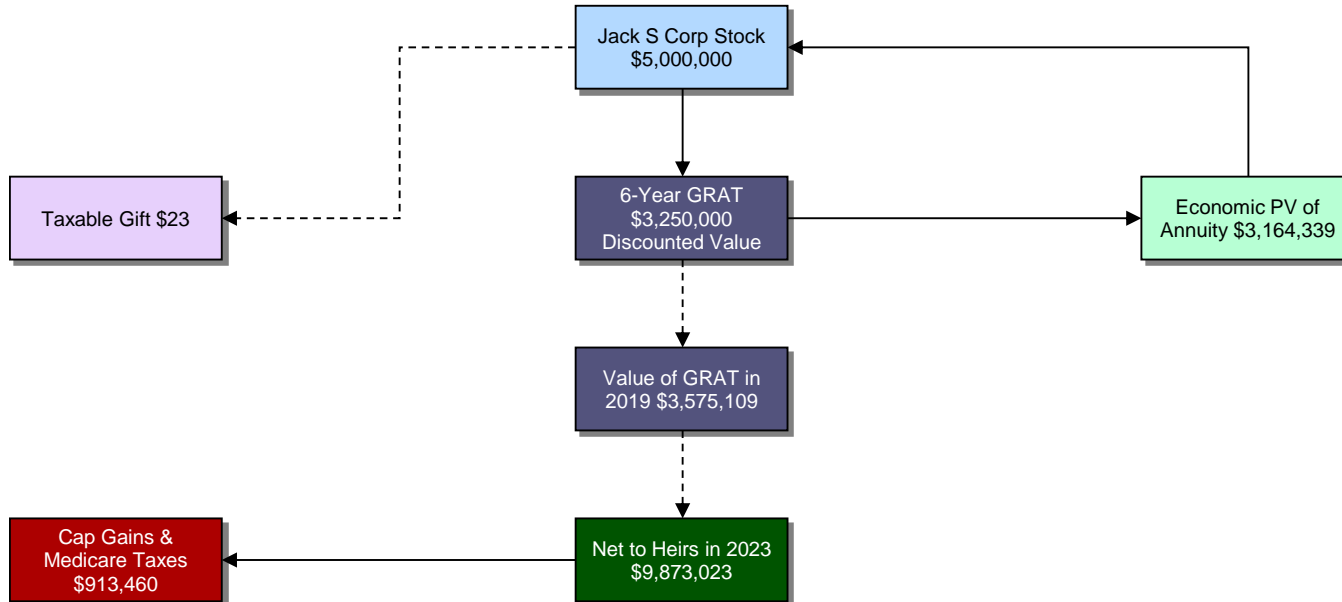
Year Ending In	Net to Heirs			Comparison			
	Baseline	GRAT	Rolling GRATs	Projected GRAT Adv-/Disadv	Present Value GRAT Adv-/Disadv 3.0%	Projected Rolling GRATs Adv-/Disadv	Present Value Rolling GRATs Adv-/Disadv 3.0%
2014	4,074,500	4,074,500	4,074,500	0	0	0	0
2015	4,481,979	4,481,979	4,575,144	0	0	93,166	87,818
2016	4,925,141	4,925,141	5,076,950	0	0	151,809	138,927
2017	5,406,903	5,406,903	5,644,816	0	0	237,913	211,383
2018	5,930,412	5,930,412	6,256,953	0	0	326,541	281,677
2019	6,499,058	6,770,677	6,931,151	271,619	227,477	432,093	361,871
2020	7,116,501	7,450,684	7,625,315	334,184	271,722	508,814	413,712
2021	7,786,681	8,191,033	8,381,049	404,352	319,199	594,368	469,200
2022	8,513,847	8,996,692	9,203,429	482,845	370,060	689,582	528,507
2023	9,302,578	9,873,023	10,097,919	570,445	424,465	795,341	591,808



## Grantor Retained Annuity Trust Illustration

Jack & Jill Flash

Assumes a Level Annuity and No Sale of Transferred Property during the GRAT Term



Assuming the transferred property is sold following Jack's death, the use of a GRAT in this manner is projected to produce a net after-tax benefit of \$570,445, or \$424,465 in today's dollars.

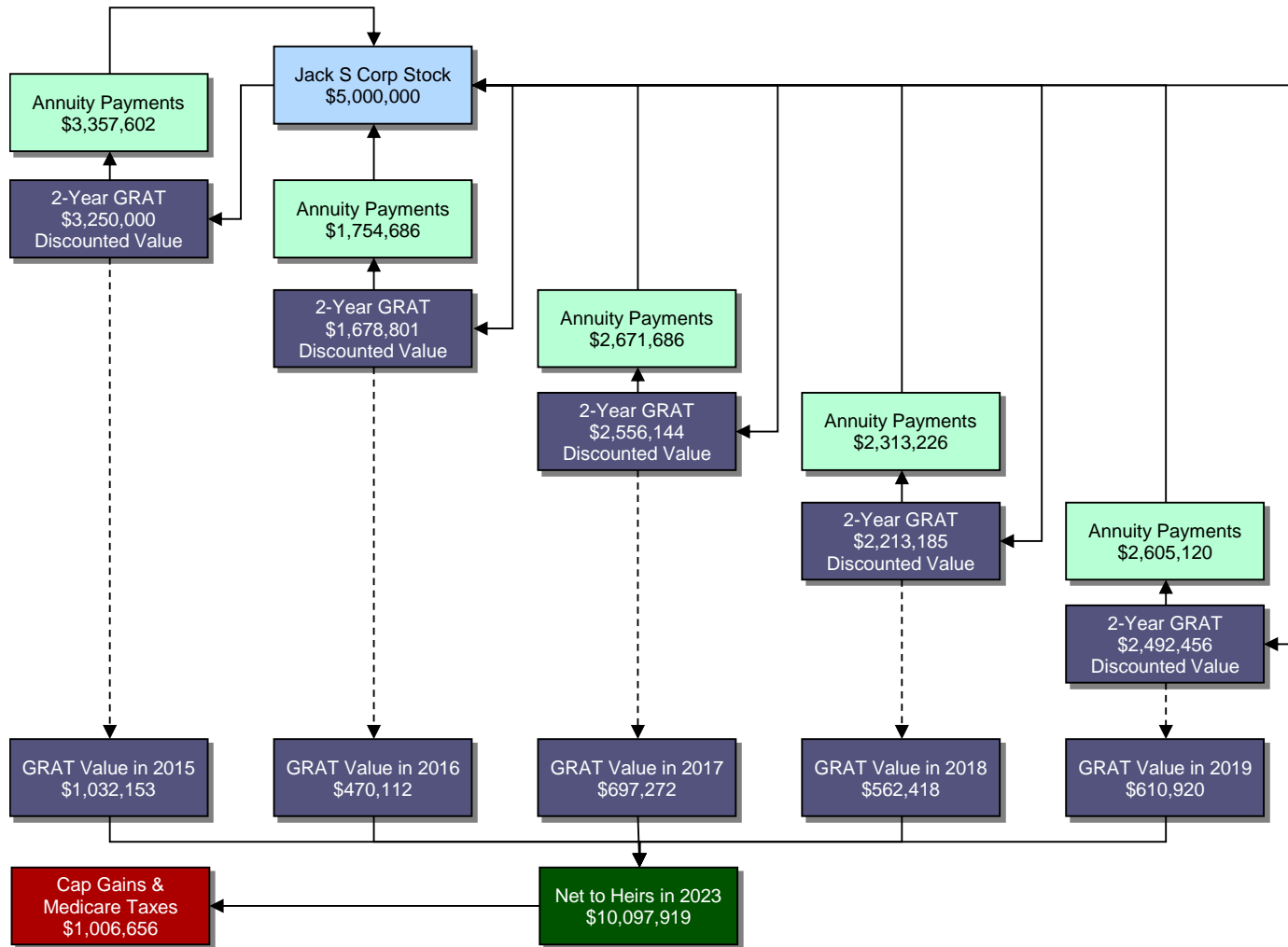
If, however, the property is not sold, the projected benefit of a GRAT would be 1,483,905, or 1,104,165 in today's dollars.



## Rolling GRATs Illustration

Jack & Jill Flash

Assumes a Level Annuity, Five Rolling 2-Year GRATs and No Sale of Transferred Property during the GRAT Term





## *Grantor Retained Annuity Trust*

Sensitivity Analyses

AN ANALYSIS PREPARED EXCLUSIVELY FOR

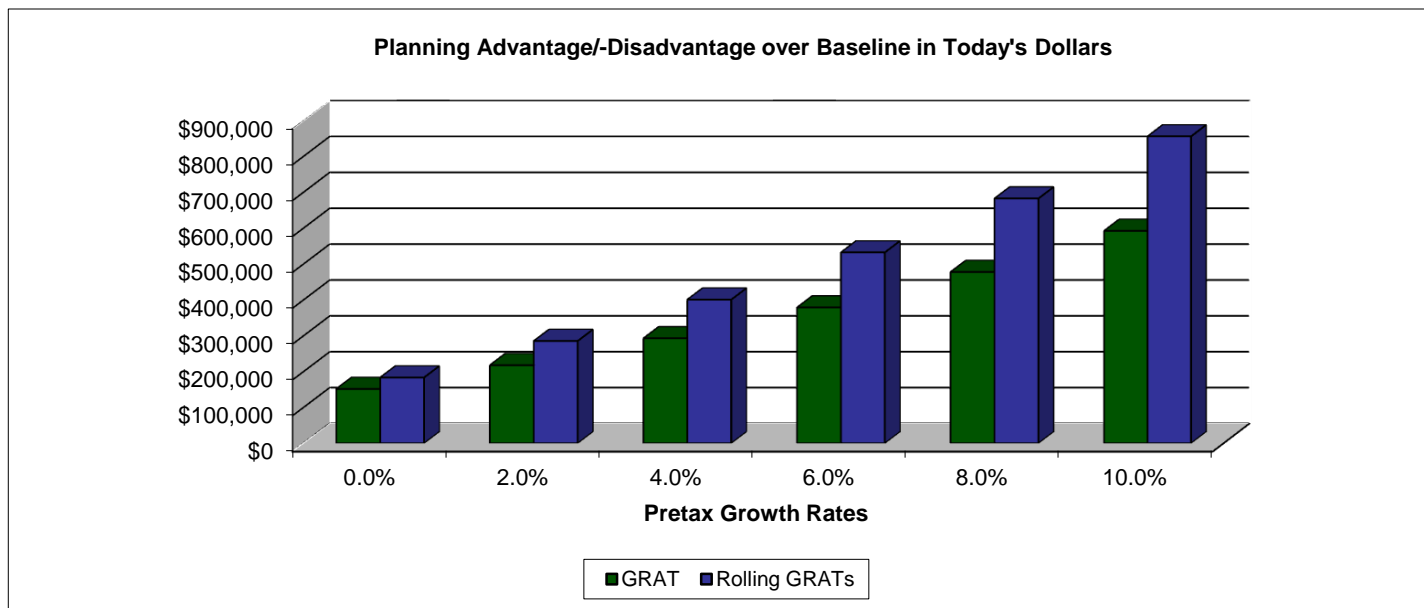
**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

## Sensitivity Analysis - Growth Rates

Jack & Jill Flash

2023 Growth	Net to Heirs		Projected Adv-/Disadv		PV of Adv-/Disadv	
	6-Year GRAT	Five Rolling 2-Year GRATs	6-Year GRAT	Five Rolling 2-Year GRATs	6-Year GRAT	Five Rolling 2-Year GRATs
0.0%	5,137,908	5,180,763	203,769	246,623	151,623	183,511
2.0%	6,241,343	6,332,168	292,826	383,652	217,890	285,473
4.0%	7,542,674	7,687,536	393,679	538,541	292,934	400,725
6.0%	9,074,685	9,280,837	509,086	715,238	378,808	532,204
8.0%	10,874,626	11,149,689	642,083	917,145	477,770	682,442
10.0%	12,984,755	13,338,412	796,038	1,149,696	592,327	855,482



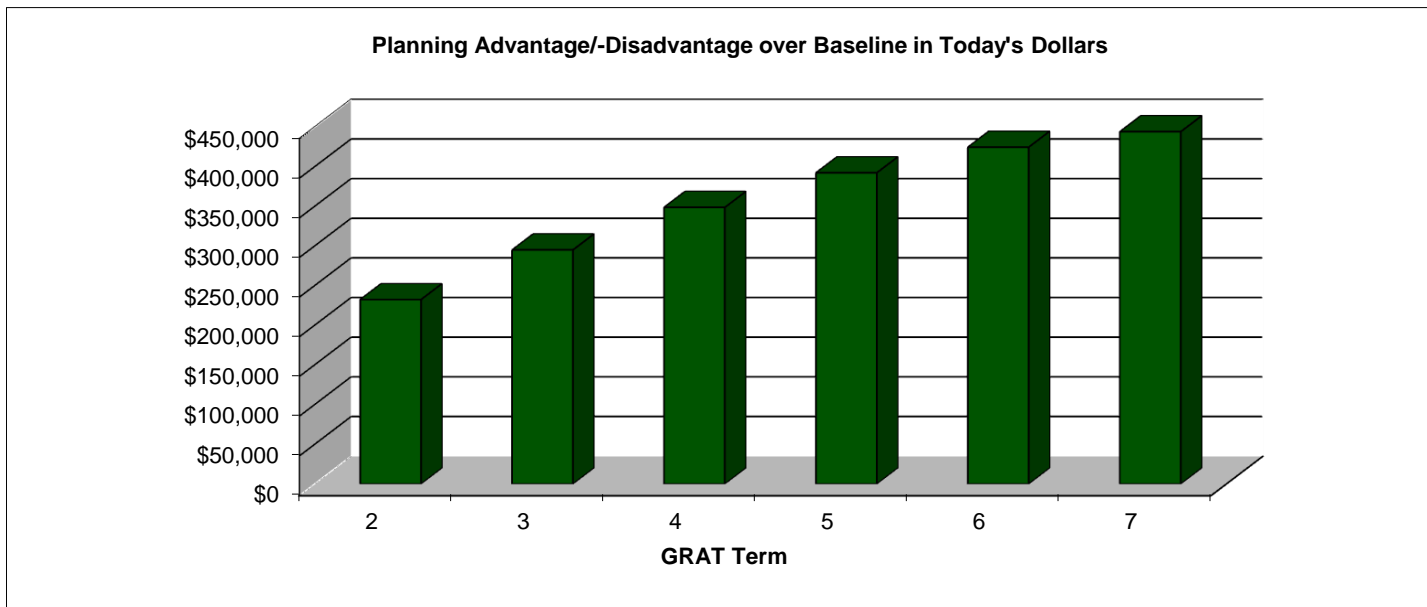
The illustration above shows the impact of pretax growth rate assumptions on the projected results. The graph shows the advantages or disadvantages of a single GRAT, as well as a series of rolling GRATs, as compared to the baseline scenario, in today's dollars. Note that all other assumptions are the same as those listed on the Assumptions schedule.



## Sensitivity Analysis - GRAT Term

Jack & Jill Flash

Varies GRAT Term	GRAT Summary		Comparison to Baseline	
	Annuity	Net to Heirs	Projected Adv/-Disadv	PV of Adv/-Disadv
2	1,678,801	9,614,695	312,117	232,244
3	1,131,335	9,698,836	396,258	294,853
4	857,675	9,770,961	468,384	348,522
5	693,524	9,829,601	527,023	392,155
6	584,129	9,873,023	570,445	424,465
7	506,032	9,899,290	596,712	444,010



The illustration above shows the impact of the GRAT term (in years) on the projected results. The graph shows the advantages or disadvantages of a GRAT, as compared to the baseline scenario, in today's dollars. All other assumptions are the same as those listed on the Assumptions schedule.





## *Grantor Retained Annuity Trust*

Supporting Schedules for  
BASELINE SCENARIO

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**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

**Baseline Illustration**

Jack & Jill Flash

Part 1 of 3

Year Ending In	S Corp Stock					Ending Property Value	Gross Estate Value 65.0%
	Beginning Property Value	Cash Yield	Growth	Unrealized Gains			
2014	5,000,000	250,000	350,000	3,850,000	5,350,000	3,477,500	
2015	5,350,000	267,500	374,500	4,224,500	5,724,500	3,720,925	
2016	5,724,500	286,225	400,715	4,625,215	6,125,215	3,981,390	
2017	6,125,215	306,261	428,765	5,053,980	6,553,980	4,260,087	
2018	6,553,980	327,699	458,779	5,512,759	7,012,759	4,558,293	
2019	7,012,759	350,638	490,893	6,003,652	7,503,652	4,877,374	
2020	7,503,652	375,183	525,256	6,528,907	8,028,908	5,218,790	
2021	8,028,908	401,445	562,024	7,090,931	8,590,932	5,584,106	
2022	8,590,932	429,547	601,365	7,692,296	9,192,297	5,974,993	
2023	9,192,297	459,615	643,461	8,335,757	9,835,758	6,393,243	





**Baseline Illustration**

Jack & Jill Flash

Part 2 of 3

Year Ending In	Investments							
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance
2014	0	0	0	250,000	250,000	0	57,500	192,500
2015	192,500	3,850	11,550	267,500	271,350	585	65,067	409,748
2016	409,748	8,195	24,585	286,225	294,420	1,246	73,371	654,136
2017	654,136	13,083	39,248	306,261	319,343	1,989	82,476	928,263
2018	928,263	18,565	55,696	327,699	346,264	2,822	92,451	1,234,950
2019	1,234,950	24,699	74,097	350,638	375,337	3,754	103,370	1,577,260
2020	1,577,260	31,545	94,636	375,183	406,728	4,795	115,314	1,958,515
2021	1,958,515	39,170	117,511	401,445	440,616	5,954	128,369	2,382,319
2022	2,382,319	47,646	142,939	429,547	477,193	7,242	142,630	2,852,578
2023	2,852,578	57,052	171,155	459,615	516,666	8,672	158,199	3,373,528



### Baseline Illustration

Jack & Jill Flash

Part 3 of 3

Year Ending In	Net to Heirs		
	Gross Estate Value	Estate Taxes	Net to Heirs
2014	3,670,000	1,468,000	4,074,500
2015	4,130,673	1,652,269	4,481,979
2016	4,635,526	1,854,210	4,925,141
2017	5,188,350	2,075,340	5,406,903
2018	5,793,243	2,317,297	5,930,412
2019	6,454,634	2,581,854	6,499,058
2020	7,177,305	2,870,922	7,116,501
2021	7,966,425	3,186,570	7,786,681
2022	8,827,571	3,531,028	8,513,847
2023	9,766,771	3,906,708	9,302,578





## *Grantor Retained Annuity Trust*

Supporting Schedules for  
**GRANTOR RETAINED ANNUITY TRUST SCENARIO**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

## GRAT Illustration - Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/-Defunding
2014	4,835,955	3,143,371	0	0	3,480,080	514,045	334,129	192,500
2015	4,647,809	3,021,076	0	0	3,429,936	1,076,691	699,849	409,748
2016	4,432,020	2,880,813	0	0	3,346,665	1,693,195	1,100,577	654,136
2017	4,184,526	2,719,942	0	0	3,226,820	2,369,454	1,540,145	928,263
2018	3,900,670	2,535,436	0	0	3,066,333	3,112,089	2,022,858	1,234,950
2019	3,575,109	0	0	0	2,860,435	3,928,543	2,553,553	1,577,260
2020	3,825,367	0	137,642	0	3,110,693	4,203,541	2,732,302	1,820,873
2021	4,093,143	0	292,979	0	3,378,469	4,497,789	2,923,563	2,089,340
2022	4,379,663	0	467,722	0	3,664,989	4,812,634	3,128,212	2,384,857
2023	4,686,239	0	663,729	0	3,971,565	5,149,518	3,347,187	2,709,801



## GRAT Illustration - Wealth Transfer Summary

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	5,542,500	3,670,000	0	3,670,000	1,468,000	0	4,074,500
2015	6,134,248	4,130,673	0	4,130,673	1,652,269	0	4,481,979
2016	6,779,351	4,635,526	0	4,635,526	1,854,210	0	4,925,141
2017	7,482,243	5,188,350	0	5,188,350	2,075,340	0	5,406,903
2018	8,247,709	5,793,243	0	5,793,243	2,317,297	0	5,930,412
2019	9,080,912	4,130,813	23	4,130,836	1,652,334	657,900	6,770,677
2020	9,987,423	4,553,175	23	4,553,198	1,821,279	715,459	7,450,684
2021	10,973,251	5,012,903	23	5,012,926	2,005,170	777,048	8,191,033
2022	12,044,876	5,513,069	23	5,513,092	2,205,237	842,947	8,996,692
2023	13,209,287	6,056,988	23	6,057,011	2,422,804	913,460	9,873,023



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

## GRAT Illustration - Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	17.97320%	584,129	250,000	0	334,129	514,045	567,116
2015	17.97320%	584,129	241,798	0	342,331	526,663	550,598
2016	17.97320%	584,129	232,390	0	351,739	541,136	534,561
2017	17.97320%	584,129	221,601	0	362,528	557,735	518,991
2018	17.97320%	584,129	209,226	0	374,903	576,773	503,875
2019	17.97320%	584,129	195,034	0	389,096	598,608	489,199



**GRAT Illustration - Trust Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock						
	Beginning Property Value	Cash Yield	Growth	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	5,000,000	250,000	350,000	369,920	3,480,080	514,045	4,835,955
2015	4,835,955	241,798	338,517	388,661	3,429,936	526,663	4,647,809
2016	4,647,809	232,390	325,347	408,618	3,346,665	541,136	4,432,020
2017	4,432,020	221,601	310,241	430,087	3,226,820	557,735	4,184,526
2018	4,184,526	209,226	292,917	453,404	3,066,333	576,773	3,900,670
2019	3,900,670	195,034	273,047	478,945	2,860,435	598,608	3,575,109
2020	3,575,109	178,755	250,258	0	3,110,693	0	3,825,367
2021	3,825,367	191,268	267,776	0	3,378,469	0	4,093,143
2022	4,093,143	204,657	286,520	0	3,664,989	0	4,379,663
2023	4,379,663	218,983	306,576	0	3,971,565	0	4,686,239



**GRAT Illustration - Trust Flows**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	250,000	250,000	250,000	0	0	0	4,835,955
2015	0	0	0	241,798	241,798	241,798	0	0	0	4,647,809
2016	0	0	0	232,390	232,390	232,390	0	0	0	4,432,020
2017	0	0	0	221,601	221,601	221,601	0	0	0	4,184,526
2018	0	0	0	209,226	209,226	209,226	0	0	0	3,900,670
2019	0	0	0	195,034	195,034	195,034	0	0	0	3,575,109
2020	0	0	0	178,755	0	178,755	0	41,114	137,642	3,963,009
2021	137,642	2,753	8,259	191,268	0	194,021	418	46,524	292,979	4,386,122
2022	292,979	5,860	17,579	204,657	0	210,517	891	52,462	467,722	4,847,385
2023	467,722	9,354	28,063	218,983	0	228,338	1,422	58,972	663,729	5,349,968





**GRAT Illustration - Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock						
	Beginning Property Value	Cash Yield	Growth	Gains Transferred In	Unrealized Gains	GRAT Annuity Payment	Ending Property Value
2014	0	0	0	369,920	369,920	514,045	514,045
2015	514,045	25,702	35,983	388,661	794,564	526,663	1,076,691
2016	1,076,691	53,835	75,368	408,618	1,278,550	541,136	1,693,195
2017	1,693,195	84,660	118,524	430,087	1,827,161	557,735	2,369,454
2018	2,369,454	118,473	165,862	453,404	2,446,426	576,773	3,112,089
2019	3,112,089	155,604	217,846	478,945	3,143,217	598,608	3,928,543
2020	3,928,543	196,427	274,998	0	3,418,215	0	4,203,541
2021	4,203,541	210,177	294,248	0	3,712,463	0	4,497,789
2022	4,497,789	224,889	314,845	0	4,027,308	0	4,812,634
2023	4,812,634	240,632	336,884	0	4,364,192	0	5,149,518



**GRAT Illustration - Grantor**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding									Total Combined Value
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	250,000	250,000	0	57,500	192,500	706,545
2015	192,500	3,850	11,550	25,702	241,798	271,350	585	65,067	409,748	1,486,439
2016	409,748	8,195	24,585	53,835	232,390	294,420	1,246	73,371	654,136	2,347,331
2017	654,136	13,083	39,248	84,660	221,601	319,343	1,989	82,476	928,263	3,297,717
2018	928,263	18,565	55,696	118,473	209,226	346,264	2,822	92,451	1,234,950	4,347,039
2019	1,234,950	24,699	74,097	155,604	195,034	375,337	3,754	103,370	1,577,260	5,505,803
2020	1,577,260	31,545	94,636	196,427	0	227,972	4,795	74,200	1,820,873	6,024,414
2021	1,820,873	36,417	109,252	210,177	0	246,595	5,535	81,845	2,089,340	6,587,129
2022	2,089,340	41,787	125,360	224,889	0	266,676	6,352	90,168	2,384,857	7,197,491
2023	2,384,857	47,697	143,091	240,632	0	288,329	7,250	99,227	2,709,801	7,859,319



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling

### GRAT Illustration - Basis of Transferred Property

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property				
	Beginning Basis	Net Basis Adjustments	Ending Basis	Beginning Value	Ending Value
2014	1,500,000	0	1,500,000	5,000,000	5,350,000
2015	1,500,000	0	1,500,000	5,350,000	5,724,500
2016	1,500,000	0	1,500,000	5,724,500	6,125,215
2017	1,500,000	0	1,500,000	6,125,215	6,553,980
2018	1,500,000	0	1,500,000	6,553,980	7,012,759
2019	1,500,000	0	1,500,000	7,012,759	7,503,652
2020	1,500,000	0	1,500,000	7,503,652	8,028,908
2021	1,500,000	0	1,500,000	8,028,908	8,590,932
2022	1,500,000	0	1,500,000	8,590,932	9,192,297
2023	1,500,000	0	1,500,000	9,192,297	9,835,758



## GRAT Illustration - Basis of Transferred Property

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	5,000,000	1,500,000	4,835,955	1,355,875	3,480,080	0	0	514,045	144,125	369,920
2015	4,835,955	1,355,875	4,647,809	1,217,873	3,429,936	514,045	144,125	1,076,691	282,127	794,564
2016	4,647,809	1,217,873	4,432,020	1,085,355	3,346,665	1,076,691	282,127	1,693,195	414,645	1,278,550
2017	4,432,020	1,085,355	4,184,526	957,706	3,226,820	1,693,195	414,645	2,369,454	542,294	1,827,160
2018	4,184,526	957,706	3,900,670	834,337	3,066,333	2,369,454	542,294	3,112,089	665,663	2,446,426
2019	3,900,670	834,337	3,575,109	714,674	2,860,435	3,112,089	665,663	3,928,543	785,326	3,143,217
2020	3,575,109	714,674	3,825,367	714,674	3,110,693	3,928,543	785,326	4,203,541	785,326	3,418,215
2021	3,825,367	714,674	4,093,143	714,674	3,378,469	4,203,541	785,326	4,497,789	785,326	3,712,463
2022	4,093,143	714,674	4,379,663	714,674	3,664,989	4,497,789	785,326	4,812,634	785,326	4,027,308
2023	4,379,663	714,674	4,686,239	714,674	3,971,565	4,812,634	785,326	5,149,518	785,326	4,364,192





## *Grantor Retained Annuity Trust*

Supporting Schedules for  
**ROLLING GRATs SCENARIO**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

## Rolling GRATs Illustration - Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding
2014	3,151,845	2,048,699	0	0	2,268,150	2,198,155	1,428,801	192,500
2015	2,618,894	1,031,382	0	0	1,932,661	3,105,606	2,018,644	409,748
2016	3,974,341	1,559,886	39,738	0	3,001,067	2,150,874	1,398,068	614,399
2017	4,423,835	1,327,190	102,684	0	3,411,358	2,130,145	1,384,594	825,580
2018	5,390,417	1,481,516	200,842	438	4,237,429	1,622,341	1,054,522	1,034,109
2019	3,939,863	0	331,919	0	3,152,274	3,563,788	2,316,462	1,245,340
2020	4,215,652	0	503,041	0	3,428,063	3,813,253	2,478,614	1,455,473
2021	4,510,747	0	694,801	0	3,723,158	4,080,180	2,652,117	1,687,515
2022	4,826,500	0	909,153	0	4,038,911	4,365,793	2,837,765	1,943,422
2023	5,164,355	0	1,148,213	0	4,376,766	4,671,398	3,036,409	2,225,312



## Rolling GRATs Illustration - Wealth Transfer Summary

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	5,542,500	3,670,000	0	3,670,000	1,468,000	0	4,074,500
2015	6,134,248	3,459,774	10	3,459,784	1,383,913	175,190	4,575,144
2016	6,779,352	3,572,353	15	3,572,368	1,428,947	273,455	5,076,950
2017	7,482,244	3,537,364	23	3,537,387	1,414,955	422,473	5,644,816
2018	8,247,709	3,570,584	29	3,570,614	1,428,246	562,510	6,256,953
2019	9,080,910	3,561,802	37	3,561,839	1,424,736	725,023	6,931,151
2020	9,987,419	3,934,087	37	3,934,124	1,573,650	788,454	7,625,315
2021	10,973,243	4,339,632	37	4,339,669	1,735,868	856,326	8,381,049
2022	12,044,868	4,781,187	37	4,781,224	1,912,490	928,949	9,203,429
2023	13,209,278	5,261,721	37	5,261,758	2,104,703	1,006,656	10,097,919



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

### Rolling GRATs Summary Illustration - Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment	Source of Annuity Payment			Undiscounted Value of Property Distribution	Present Value of Annuity Payments 3.0%
		Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution		
2014	1,678,801	250,000	0	1,428,801	2,198,155	1,629,904
2015	2,556,144	267,500	270,000	2,018,644	3,105,606	2,409,411
2016	2,213,186	234,617	580,500	1,398,069	2,150,874	2,025,379
2017	2,492,456	227,535	880,327	1,384,594	2,130,145	2,214,515
2018	2,459,173	208,599	1,196,053	1,054,521	1,622,341	2,121,304
2019	1,302,560	113,963	473	1,188,124	1,827,883	1,090,873





**Rolling GRATs Summary Illustration - Trust Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	5,000,000	250,000	350,000	0	1,581,850	2,268,150	2,198,155	3,151,845
2015	5,350,000	267,500	374,500	0	2,291,839	1,932,661	3,105,606	2,618,894
2016	5,724,500	286,225	400,715	0	1,624,148	3,001,067	2,150,874	3,974,341
2017	6,125,215	306,261	428,765	0	1,642,622	3,411,358	2,130,145	4,423,835
2018	6,553,980	327,699	458,779	0	1,275,329	4,237,429	1,622,341	5,390,417
2019	5,390,417	269,521	377,329	0	1,462,484	3,152,274	1,827,883	3,939,863
2020	3,939,863	196,993	275,790	0	0	3,428,063	0	4,215,652
2021	4,215,652	210,783	295,096	0	0	3,723,158	0	4,510,747
2022	4,510,747	225,537	315,752	0	0	4,038,911	0	4,826,500
2023	4,826,500	241,325	337,855	0	0	4,376,766	0	5,164,355



**Rolling GRATs Summary Illustration - Trust Flows**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value
	Beginning Investment Balance	Current Income	Growth	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	0	250,000	0	0	0	3,151,845
2015	250,000	5,000	15,000	0	270,000	272,500	0	0	0	2,618,894
2016	537,500	10,750	32,250	51,608	580,500	296,975	0	11,870	39,738	4,014,079
2017	854,855	17,097	51,291	78,726	880,327	323,358	121	18,838	102,684	4,526,519
2018	1,210,546	24,211	72,633	119,100	1,196,053	351,910	312	29,282	200,842	5,591,259
2019	200,842	4,017	12,051	155,558	473	273,538	609	39,466	331,919	4,271,782
2020	331,919	6,638	19,915	196,993	0	203,632	1,009	51,416	503,041	4,718,693
2021	503,041	10,061	30,182	210,783	0	220,843	1,529	57,736	694,801	5,205,548
2022	694,801	13,896	41,688	225,537	0	239,433	2,112	64,658	909,153	5,735,653
2023	909,153	18,183	54,549	241,325	0	259,508	2,764	72,233	1,148,213	6,312,568



**Rolling GRATs Summary Illustration - Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock						
	Beginning Property Value	Cash Yield	Growth	Gains Transferred In	Unrealized Gains	GRAT Annuity Payment	Ending Property Value
2014	0	0	0	1,581,850	1,581,850	2,198,155	2,198,155
2015	2,198,155	0	0	2,291,839	2,291,839	3,105,606	3,105,606
2016	3,105,606	0	0	1,624,148	1,624,148	2,150,874	2,150,874
2017	2,150,874	0	0	1,642,622	1,642,622	2,130,145	2,130,145
2018	2,130,145	0	0	1,275,329	1,275,329	1,622,341	1,622,341
2019	1,622,341	81,117	113,564	1,462,484	2,851,377	1,827,883	3,563,788
2020	3,563,788	178,189	249,465	0	3,100,842	0	3,813,253
2021	3,813,253	190,663	266,928	0	3,367,770	0	4,080,180
2022	4,080,180	204,009	285,613	0	3,653,383	0	4,365,793
2023	4,365,793	218,290	305,606	0	3,958,988	0	4,671,398



## Rolling GRATs Summary Illustration - Grantor

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding									Total Combined Value
	Beginning Investment Balance	Current Income	Growth	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	250,000	250,000	0	57,500	192,500	2,390,655
2015	-57,500	-1,150	-3,450	0	537,500	271,350	585	65,067	409,748	3,515,354
2016	-127,752	-2,555	-7,665	0	815,117	242,812	1,246	61,501	614,399	2,765,273
2017	-200,718	-4,014	-12,043	0	1,107,862	239,823	1,868	63,638	825,580	2,955,725
2018	-282,282	-5,646	-16,937	0	1,404,652	225,110	2,510	63,168	1,034,109	2,656,450
2019	1,034,109	20,682	62,047	81,117	114,436	215,771	3,145	63,904	1,245,340	4,809,128
2020	1,245,340	24,907	74,720	178,189	0	203,096	3,786	63,898	1,455,473	5,268,726
2021	1,455,473	29,109	87,328	190,663	0	219,772	4,425	70,633	1,687,515	5,767,695
2022	1,687,515	33,750	101,251	204,009	0	237,759	5,130	77,972	1,943,422	6,309,215
2023	1,943,422	38,868	116,605	218,290	0	257,158	5,908	85,966	2,225,312	6,896,710



**Rolling GRATs Summary - Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property							Beginning Value	Ending Value
	Beginning Basis	Basis Transferred In	Basis Transferred Out	Other Basis Adjustments	Net Basis Adjustments	Ending Basis			
2014	0	1,500,000	0	0	1,500,000	1,500,000	5,000,000	5,350,000	
2015	1,500,000	616,305	616,305	0	0	1,500,000	5,350,000	5,724,500	
2016	1,500,000	813,767	813,767	0	0	1,500,000	5,724,500	6,125,215	
2017	1,500,000	526,726	526,726	0	0	1,500,000	6,125,215	6,553,980	
2018	1,500,000	487,523	487,523	0	0	1,500,000	6,553,980	7,012,758	
2019	1,500,000	0	0	0	0	1,500,000	7,012,758	7,503,651	
2020	1,500,000	0	0	0	0	1,500,000	7,503,651	8,028,905	
2021	1,500,000	0	0	0	0	1,500,000	8,028,905	8,590,927	
2022	1,500,000	0	0	0	0	1,500,000	8,590,927	9,192,293	
2023	1,500,000	0	0	0	0	1,500,000	9,192,293	9,835,753	



**Rolling GRATs Summary - Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	5,000,000	1,500,000	3,151,845	883,695	2,268,150	0	0	2,198,155	616,305	1,581,850
2015	5,350,000	1,500,000	2,618,894	686,233	1,932,661	0	0	3,105,606	813,767	2,291,839
2016	5,724,500	1,500,000	3,974,341	973,274	3,001,067	0	0	2,150,874	526,726	1,624,148
2017	6,125,215	1,500,000	4,423,835	1,012,477	3,411,358	0	0	2,130,145	487,523	1,642,622
2018	6,553,980	1,500,000	5,390,417	1,152,988	4,237,429	0	0	1,622,341	347,012	1,275,329
2019	5,390,417	1,152,988	3,939,863	787,589	3,152,274	1,622,341	347,012	3,563,788	712,411	2,851,377
2020	3,939,863	787,589	4,215,652	787,589	3,428,063	3,563,788	712,411	3,813,253	712,411	3,100,842
2021	4,215,652	787,589	4,510,747	787,589	3,723,158	3,813,253	712,411	4,080,180	712,411	3,367,769
2022	4,510,747	787,589	4,826,500	787,589	4,038,911	4,080,180	712,411	4,365,793	712,411	3,653,382
2023	4,826,500	787,589	5,164,355	787,589	4,376,766	4,365,793	712,411	4,671,398	712,411	3,958,987



## Rolling GRAT Illustration - Trust 1 Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding
2014	3,151,845	2,048,699	0	0	2,268,150	2,198,155	1,428,801	192,500
2015	1,032,153	0	0	0	761,696	2,340,321	1,521,209	60,479
2016	1,104,404	0	39,738	0	833,947	0	0	-102,800
2017	1,181,712	0	84,585	0	911,255	0	0	-108,820
2018	1,264,432	0	135,034	0	993,975	0	0	-115,192
2019	1,352,942	0	191,622	0	1,082,485	0	0	-121,938
2020	1,447,648	0	254,932	0	1,177,191	0	0	-129,079
2021	1,548,983	0	325,595	0	1,278,526	0	0	-136,638
2022	1,657,412	0	404,298	0	1,386,955	0	0	-144,640
2023	1,773,431	0	491,784	0	1,502,974	0	0	-153,110



## Rolling GRAT Illustration - Trust 1 Wealth Transfer Summary

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	5,542,500	3,670,000	0	3,670,000	1,468,000	0	4,074,500
2015	3,432,953	1,581,688	10	1,581,698	632,679	175,190	2,625,084
2016	1,041,342	-102,800	10	-102,790	-41,116	191,808	890,650
2017	1,157,477	-108,820	10	-108,810	-43,524	209,589	991,412
2018	1,284,274	-115,192	10	-115,182	-46,073	228,614	1,101,732
2019	1,422,626	-121,938	10	-121,928	-48,771	248,972	1,222,426
2020	1,573,501	-129,079	10	-129,069	-51,628	270,754	1,354,375
2021	1,737,940	-136,638	10	-136,628	-54,651	294,061	1,498,530
2022	1,917,070	-144,640	10	-144,630	-57,852	319,000	1,655,922
2023	2,112,105	-153,110	10	-153,100	-61,240	345,684	1,827,661





Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

## Rolling GRAT Illustration - Trust 1 Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	51.65540%	1,678,801	250,000	0	1,428,801	2,198,155	1,629,904
2015	51.65540%	1,678,801	157,592	0	1,521,209	2,340,321	1,582,431
2016	0.00000%	0	0	0	0	0	0
2017	0.00000%	0	0	0	0	0	0
2018	0.00000%	0	0	0	0	0	0
2019	0.00000%	0	0	0	0	0	0



**Rolling GRAT Illustration - Trust 1 Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	5,000,000	250,000	350,000	0	1,581,850	2,268,150	2,198,155	3,151,845
2015	3,151,845	157,592	220,629	0	1,727,083	761,696	2,340,321	1,032,153
2016	1,032,153	51,608	72,251	0	0	833,947	0	1,104,404
2017	1,104,404	55,220	77,308	0	0	911,255	0	1,181,712
2018	1,181,712	59,086	82,720	0	0	993,975	0	1,264,432
2019	1,264,432	63,222	88,510	0	0	1,082,485	0	1,352,942
2020	1,352,942	67,647	94,706	0	0	1,177,191	0	1,447,648
2021	1,447,648	72,382	101,335	0	0	1,278,526	0	1,548,983
2022	1,548,983	77,449	108,429	0	0	1,386,955	0	1,657,412
2023	1,657,412	82,871	116,019	0	0	1,502,974	0	1,773,431



## Rolling GRAT Illustration - Trust 1 Flows

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	0	250,000	0	0	0	3,151,845
2015	0	0	0	0	0	157,592	0	0	0	1,032,153
2016	0	0	0	51,608	0	51,608	0	11,870	39,738	1,144,142
2017	39,738	795	2,384	55,220	0	56,015	121	13,432	84,585	1,266,297
2018	84,585	1,692	5,075	59,086	0	60,777	257	15,146	135,034	1,399,466
2019	135,034	2,701	8,102	63,222	0	65,922	411	17,026	191,622	1,544,564
2020	191,622	3,832	11,497	67,647	0	71,480	583	19,085	254,932	1,702,580
2021	254,932	5,099	15,296	72,382	0	77,481	775	21,339	325,595	1,874,578
2022	325,595	6,512	19,536	77,449	0	83,961	990	23,804	404,298	2,061,710
2023	404,298	8,086	24,258	82,871	0	90,957	1,229	26,499	491,784	2,265,215



**Rolling GRAT Illustration - Trust 1 Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock									
	Beginning Property Value	Transfer to New GRAT	Cash Yield	Growth	Gains Transferred In	Gains Transferred Out	Unrealized Gains	GRAT Annuity Payment	Ending Property Value	
2014	0	0	0	0	1,581,850	0	1,581,850	2,198,155	2,198,155	
2015	2,198,155	2,198,155	0	0	1,727,083	1,581,850	1,727,083	2,340,321	2,340,321	
2016	2,340,321	2,340,321	0	0	0	1,727,083	0	0	0	
2017	0	0	0	0	0	0	0	0	0	
2018	0	0	0	0	0	0	0	0	0	
2019	0	0	0	0	0	0	0	0	0	
2020	0	0	0	0	0	0	0	0	0	
2021	0	0	0	0	0	0	0	0	0	
2022	0	0	0	0	0	0	0	0	0	
2023	0	0	0	0	0	0	0	0	0	



## Rolling GRAT Illustration - Trust 1 Grantor

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding										Total Combined Value
	Beginning Investment Balance	Transfer to New GRAT	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	0	250,000	250,000	0	57,500	192,500	2,390,655
2015	192,500	250,000	-1,150	-3,450	0	157,592	156,442	-175	35,188	60,479	2,400,800
2016	60,479	157,592	-1,942	-5,827	0	0	-1,942	-295	-1,787	-102,800	-102,800
2017	-102,800	0	-2,056	-6,168	0	0	-2,056	-313	-1,892	-108,820	-108,820
2018	-108,820	0	-2,176	-6,529	0	0	-2,176	-331	-2,002	-115,192	-115,192
2019	-115,192	0	-2,304	-6,912	0	0	-2,304	-350	-2,120	-121,938	-121,938
2020	-121,938	0	-2,439	-7,316	0	0	-2,439	-371	-2,244	-129,079	-129,079
2021	-129,079	0	-2,582	-7,745	0	0	-2,582	-392	-2,375	-136,638	-136,638
2022	-136,638	0	-2,733	-8,198	0	0	-2,733	-415	-2,514	-144,640	-144,640
2023	-144,640	0	-2,893	-8,678	0	0	-2,893	-440	-2,661	-153,110	-153,110



**Rolling GRAT Illustration - Trust 1 Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property							Beginning Value	Ending Value
	Beginning Basis	Basis Transferred In	Basis Transferred Out	Other Basis Adjustments	Net Basis Adjustments	Ending Basis			
2014	0	1,500,000	0	0	1,500,000	1,500,000	5,000,000	5,350,000	
2015	1,500,000	0	616,305	0	-616,305	883,695	3,151,845	3,372,474	
2016	883,695	0	613,238	0	-613,238	270,457	1,032,153	1,104,404	
2017	270,457	0	0	0	0	270,457	1,104,404	1,181,712	
2018	270,457	0	0	0	0	270,457	1,181,712	1,264,432	
2019	270,457	0	0	0	0	270,457	1,264,432	1,352,942	
2020	270,457	0	0	0	0	270,457	1,352,942	1,447,648	
2021	270,457	0	0	0	0	270,457	1,447,648	1,548,983	
2022	270,457	0	0	0	0	270,457	1,548,983	1,657,412	
2023	270,457	0	0	0	0	270,457	1,657,412	1,773,431	



**Rolling GRAT Illustration - Trust 1 Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	5,000,000	1,500,000	3,151,845	883,695	2,268,150	0	0	2,198,155	616,305	1,581,850
2015	3,151,845	883,695	1,032,153	270,457	761,696	0	0	2,340,321	613,238	1,727,083
2016	1,032,153	270,457	1,104,404	270,457	833,947	0	0	0	0	0
2017	1,104,404	270,457	1,181,712	270,457	911,255	0	0	0	0	0
2018	1,181,712	270,457	1,264,432	270,457	993,975	0	0	0	0	0
2019	1,264,432	270,457	1,352,942	270,457	1,082,485	0	0	0	0	0
2020	1,352,942	270,457	1,447,648	270,457	1,177,191	0	0	0	0	0
2021	1,447,648	270,457	1,548,983	270,457	1,278,526	0	0	0	0	0
2022	1,548,983	270,457	1,657,412	270,457	1,386,955	0	0	0	0	0
2023	1,657,412	270,457	1,773,431	270,457	1,502,974	0	0	0	0	0



## Rolling GRAT Illustration - Trust 2 Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding
2014	0	0	0	0	0	0	0	0
2015	1,586,741	1,031,382	0	0	1,170,965	765,285	497,435	349,269
2016	470,112	0	0	0	354,987	1,227,701	798,006	28,657
2017	503,020	0	18,099	0	387,895	0	0	-53,648
2018	538,231	0	38,525	0	423,106	0	0	-56,790
2019	575,907	0	61,503	0	460,782	0	0	-60,116
2020	616,220	0	87,277	0	501,095	0	0	-63,636
2021	659,355	0	116,112	0	544,230	0	0	-67,363
2022	705,510	0	148,297	0	590,385	0	0	-71,308
2023	754,896	0	184,143	0	639,771	0	0	-75,484





**Rolling GRAT Illustration - Trust 2 Wealth Transfer Summary**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	0	0	0	0	0	0	0
2015	2,701,295	1,878,086	0	1,878,086	751,234	0	1,950,061
2016	1,726,470	826,663	5	826,668	330,667	81,647	1,314,156
2017	467,471	-53,648	5	-53,643	-21,457	89,216	399,712
2018	519,966	-56,790	5	-56,785	-22,714	97,314	445,366
2019	577,294	-60,116	5	-60,111	-24,044	105,980	495,359
2020	639,861	-63,636	5	-63,631	-25,452	115,252	550,062
2021	708,104	-67,363	5	-67,358	-26,943	125,173	609,874
2022	782,499	-71,308	5	-71,303	-28,521	135,788	675,232
2023	863,555	-75,484	5	-75,479	-30,192	147,147	746,599



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

## Rolling GRAT Illustration - Trust 2 Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	0.00000%	0	0	0	0	0	0
2015	52.26010%	877,343	109,908	270,000	497,435	765,285	826,980
2016	52.26010%	877,343	79,337	0	798,006	1,227,701	802,893
2017	0.00000%	0	0	0	0	0	0
2018	0.00000%	0	0	0	0	0	0
2019	0.00000%	0	0	0	0	0	0



**Rolling GRAT Illustration - Trust 2 Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	0	0	0	0	0	0	0	0
2015	2,198,155	109,908	153,871	0	564,756	1,170,965	765,285	1,586,741
2016	1,586,741	79,337	111,072	0	927,050	354,987	1,227,701	470,112
2017	470,112	23,506	32,908	0	0	387,895	0	503,020
2018	503,020	25,151	35,211	0	0	423,106	0	538,231
2019	538,231	26,912	37,676	0	0	460,782	0	575,907
2020	575,907	28,795	40,313	0	0	501,095	0	616,220
2021	616,220	30,811	43,135	0	0	544,230	0	659,355
2022	659,355	32,968	46,155	0	0	590,385	0	705,510
2023	705,510	35,276	49,386	0	0	639,771	0	754,896



## Rolling GRAT Illustration - Trust 2 Flows

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance	
2014	0	0	0	0	0	0	0	0	0	0
2015	250,000	5,000	15,000	0	270,000	114,908	0	0	0	1,586,741
2016	0	0	0	0	0	79,337	0	0	0	470,112
2017	0	0	0	23,506	0	23,506	0	5,406	18,099	521,119
2018	18,099	362	1,086	25,151	0	25,513	55	6,118	38,525	576,756
2019	38,525	771	2,312	26,912	0	27,682	117	6,899	61,503	637,410
2020	61,503	1,230	3,690	28,795	0	30,025	187	7,755	87,277	703,497
2021	87,277	1,746	5,237	30,811	0	32,557	265	8,692	116,112	775,467
2022	116,112	2,322	6,967	32,968	0	35,290	353	9,719	148,297	853,807
2023	148,297	2,966	8,898	35,276	0	38,241	451	10,842	184,143	939,039



**Rolling GRAT Illustration - Trust 2 Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock									
	Beginning Property Value	Transfer to New GRAT	Cash Yield	Growth	Gains Transferred In	Gains Transferred Out	Unrealized Gains	GRAT Annuity Payment	Ending Property Value	
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	564,756	0	564,756	765,285	765,285	765,285
2016	765,285	765,285	0	0	927,050	564,756	927,050	1,227,701	1,227,701	1,227,701
2017	1,227,701	1,227,701	0	0	0	927,050	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0



## Rolling GRAT Illustration - Trust 2 Grantor

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding										Total Combined Value	
	Beginning Investment Balance	Transfer to New GRAT	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	379,908	114,908	760	29,879	349,269	1,114,554	
2016	349,269	379,908	-613	-1,838	0	79,337	78,724	-93	17,684	28,657	1,256,358	
2017	28,657	79,337	-1,014	-3,041	0	0	-1,014	-154	-933	-53,648	-53,648	
2018	-53,648	0	-1,073	-3,219	0	0	-1,073	-163	-987	-56,790	-56,790	
2019	-56,790	0	-1,136	-3,407	0	0	-1,136	-173	-1,045	-60,116	-60,116	
2020	-60,116	0	-1,202	-3,607	0	0	-1,202	-183	-1,106	-63,636	-63,636	
2021	-63,636	0	-1,273	-3,818	0	0	-1,273	-193	-1,171	-67,363	-67,363	
2022	-67,363	0	-1,347	-4,042	0	0	-1,347	-205	-1,239	-71,308	-71,308	
2023	-71,308	0	-1,426	-4,278	0	0	-1,426	-217	-1,312	-75,484	-75,484	



**Rolling GRAT Illustration - Trust 2 Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property							
	Beginning Basis	Basis Transferred In	Basis Transferred Out	Other Basis Adjustments	Net Basis Adjustments	Ending Basis	Beginning Value	Ending Value
2014	0	0	0	0	0	0	0	0
2015	0	616,305	0	0	616,305	616,305	2,198,155	2,352,026
2016	616,305	0	200,529	0	-200,529	415,776	1,586,741	1,697,813
2017	415,776	0	300,651	0	-300,651	115,125	470,112	503,020
2018	115,125	0	0	0	0	115,125	503,020	538,231
2019	115,125	0	0	0	0	115,125	538,231	575,907
2020	115,125	0	0	0	0	115,125	575,907	616,220
2021	115,125	0	0	0	0	115,125	616,220	659,355
2022	115,125	0	0	0	0	115,125	659,355	705,510
2023	115,125	0	0	0	0	115,125	705,510	754,896



**Rolling GRAT Illustration - Trust 2 Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	0	0	0	0	0	0	0	0	0	0
2015	2,198,155	616,305	1,586,741	415,776	1,170,965	0	0	765,285	200,529	564,756
2016	1,586,741	415,776	470,112	115,125	354,987	0	0	1,227,701	300,651	927,050
2017	470,112	115,125	503,020	115,125	387,895	0	0	0	0	0
2018	503,020	115,125	538,231	115,125	423,106	0	0	0	0	0
2019	538,231	115,125	575,907	115,125	460,782	0	0	0	0	0
2020	575,907	115,125	616,220	115,125	501,095	0	0	0	0	0
2021	616,220	115,125	659,355	115,125	544,230	0	0	0	0	0
2022	659,355	115,125	705,510	115,125	590,385	0	0	0	0	0
2023	705,510	115,125	754,896	115,125	639,771	0	0	0	0	0





## Rolling GRAT Illustration - Trust 3 Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	2,399,825	1,559,886	0	0	1,812,133	923,173	600,062	688,542
2017	697,272	0	0	0	537,688	1,870,541	1,215,852	42,389
2018	746,081	0	26,845	0	586,497	0	0	-82,147
2019	798,307	0	57,141	0	638,723	0	0	-86,958
2020	854,188	0	91,222	0	694,604	0	0	-92,050
2021	913,981	0	129,450	0	754,397	0	0	-97,440
2022	977,960	0	172,219	0	818,376	0	0	-103,146
2023	1,046,417	0	219,956	0	886,833	0	0	-109,186



## Rolling GRAT Illustration - Trust 3 Wealth Transfer Summary

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0
2016	4,011,540	2,848,491	0	2,848,491	1,139,396	0	2,872,144
2017	2,610,202	1,258,241	8	1,258,248	503,299	123,668	1,983,234
2018	690,779	-82,147	8	-82,139	-32,856	134,894	588,740
2019	768,490	-86,958	8	-86,950	-34,780	146,906	656,364
2020	853,360	-92,050	8	-92,042	-36,817	159,759	730,418
2021	945,991	-97,440	8	-97,432	-38,973	173,511	811,453
2022	1,047,033	-103,146	8	-103,138	-41,255	188,227	900,062
2023	1,157,187	-109,186	8	-109,178	-43,671	203,972	996,887



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

### Rolling GRAT Illustration - Trust 3 Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	0.00000%	0	0	0	0	0	0
2015	0.00000%	0	0	0	0	0	0
2016	52.26010%	1,335,843	155,280	580,500	600,063	923,173	1,222,486
2017	52.26010%	1,335,843	119,991	0	1,215,852	1,870,541	1,186,879
2018	0.00000%	0	0	0	0	0	0
2019	0.00000%	0	0	0	0	0	0



**Rolling GRAT Illustration - Trust 3 Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	3,105,606	155,280	217,392	0	697,098	1,812,133	923,173	2,399,825
2017	2,399,825	119,991	167,988	0	1,442,433	537,688	1,870,541	697,272
2018	697,272	34,864	48,809	0	0	586,497	0	746,081
2019	746,081	37,304	52,226	0	0	638,723	0	798,307
2020	798,307	39,915	55,881	0	0	694,604	0	854,188
2021	854,188	42,709	59,793	0	0	754,397	0	913,981
2022	913,981	45,699	63,979	0	0	818,376	0	977,960
2023	977,960	48,898	68,457	0	0	886,833	0	1,046,417



**Rolling GRAT Illustration - Trust 3 Flows**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value	
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0
2016	537,500	10,750	32,250	0	580,500	166,030	0	0	0	0	2,399,825
2017	0	0	0	0	0	119,991	0	0	0	0	697,272
2018	0	0	0	34,864	0	34,864	0	8,019	26,845	772,926	
2019	26,845	537	1,611	37,304	0	37,841	82	9,074	57,141	855,448	
2020	57,141	1,143	3,428	39,915	0	41,058	174	10,232	91,222	945,410	
2021	91,222	1,824	5,473	42,709	0	44,534	277	11,502	129,450	1,043,431	
2022	129,450	2,589	7,767	45,699	0	48,288	394	12,893	172,219	1,150,179	
2023	172,219	3,444	10,333	48,898	0	52,342	524	14,415	219,956	1,266,373	



**Rolling GRAT Illustration - Trust 3 Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock									
	Beginning Property Value	Transfer to New GRAT	Cash Yield	Growth	Gains Transferred In	Gains Transferred Out	Unrealized Gains	GRAT Annuity Payment	Ending Property Value	
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	697,098	0	697,098	923,173	923,173	923,173
2017	923,173	923,173	0	0	1,442,433	697,098	1,442,433	1,870,541	1,870,541	1,870,541
2018	1,870,541	1,870,541	0	0	0	1,442,433	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0



## Rolling GRAT Illustration - Trust 3 Grantor

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding										Total Combined Value	
	Beginning Investment Balance	Transfer to New GRAT	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	735,780	166,030	1,634	45,604	688,542	1,611,715	
2017	688,542	735,780	-945	-2,834	0	119,991	119,046	-144	26,729	42,389	1,912,930	
2018	42,389	119,991	-1,552	-4,656	0	0	-1,552	-236	-1,428	-82,147	-82,147	
2019	-82,147	0	-1,643	-4,929	0	0	-1,643	-250	-1,512	-86,958	-86,958	
2020	-86,958	0	-1,739	-5,217	0	0	-1,739	-264	-1,600	-92,050	-92,050	
2021	-92,050	0	-1,841	-5,523	0	0	-1,841	-280	-1,694	-97,440	-97,440	
2022	-97,440	0	-1,949	-5,846	0	0	-1,949	-296	-1,793	-103,146	-103,146	
2023	-103,146	0	-2,063	-6,189	0	0	-2,063	-314	-1,898	-109,186	-109,186	



**Rolling GRAT Illustration - Trust 3 Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property							Beginning Value	Ending Value
	Beginning Basis	Basis Transferred In	Basis Transferred Out	Other Basis Adjustments	Net Basis Adjustments	Ending Basis			
2014	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0
2016	0	813,767	0	0	813,767	813,767	3,105,606	3,322,998	
2017	813,767	0	226,075	0	-226,075	587,692	2,399,825	2,567,813	
2018	587,692	0	428,108	0	-428,108	159,584	697,272	746,081	
2019	159,584	0	0	0	0	159,584	746,081	798,307	
2020	159,584	0	0	0	0	159,584	798,307	854,188	
2021	159,584	0	0	0	0	159,584	854,188	913,981	
2022	159,584	0	0	0	0	159,584	913,981	977,960	
2023	159,584	0	0	0	0	159,584	977,960	1,046,417	





**Rolling GRAT Illustration - Trust 3 Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	3,105,606	813,767	2,399,825	587,692	1,812,133	0	0	923,173	226,075	697,098
2017	2,399,825	587,692	697,272	159,584	537,688	0	0	1,870,541	428,108	1,442,433
2018	697,272	159,584	746,081	159,584	586,497	0	0	0	0	0
2019	746,081	159,584	798,307	159,584	638,723	0	0	0	0	0
2020	798,307	159,584	854,188	159,584	694,604	0	0	0	0	0
2021	854,188	159,584	913,981	159,584	754,397	0	0	0	0	0
2022	913,981	159,584	977,960	159,584	818,376	0	0	0	0	0
2023	977,960	159,584	1,046,417	159,584	886,833	0	0	0	0	0



## Rolling GRAT Illustration - Trust 4 Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations			
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding	
2014	0	0	0	0	0	0	0	0	
2015	0	0	0	0	0	0	0	0	
2016	0	0	0	0	0	0	0	0	
2017	2,041,831	1,327,190	0	0	1,574,520	259,604	168,743	945,659	
2018	562,418	0	0	0	442,119	1,622,341	1,054,522	33,927	
2019	601,787	0	21,653	0	481,488	1,735,905	1,128,338	98,374	
2020	643,912	0	46,090	0	523,613	1,857,418	1,207,322	170,967	
2021	688,986	0	73,580	0	568,687	1,987,437	1,291,834	252,489	
2022	737,215	0	104,415	0	616,916	2,126,558	1,382,263	343,791	
2023	788,820	0	138,912	0	668,521	2,275,417	1,479,021	445,796	



**Rolling GRAT Illustration - Trust 4 Wealth Transfer Summary**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0
2017	3,247,094	2,441,592	0	2,441,592	976,637	0	2,270,457
2018	2,218,686	1,088,449	7	1,088,455	435,382	101,687	1,681,617
2019	2,457,719	1,226,712	7	1,226,719	490,688	110,742	1,856,289
2020	2,718,387	1,378,289	7	1,378,295	551,318	120,431	2,046,638
2021	3,002,492	1,544,323	7	1,544,330	617,732	130,798	2,253,962
2022	3,311,979	1,726,054	7	1,726,060	690,424	141,891	2,479,664
2023	3,648,945	1,924,817	7	1,924,824	769,929	153,760	2,725,256



## Rolling GRAT Illustration - Trust 4 Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	0.00000%	0	0	0	0	0	0
2015	0.00000%	0	0	0	0	0	0
2016	0.00000%	0	0	0	0	0	0
2017	52.26010%	1,156,613	107,544	880,327	168,743	259,604	1,027,636
2018	52.26010%	1,156,613	102,092	0	1,054,521	1,622,341	997,705
2019	0.00000%	0	0	0	0	0	0



**Rolling GRAT Illustration - Trust 4 Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0
2017	2,150,874	107,544	150,561	0	200,189	1,574,520	259,604	2,041,831
2018	2,041,831	102,092	142,928	0	1,275,329	442,119	1,622,341	562,418
2019	562,418	28,121	39,369	0	0	481,488	0	601,787
2020	601,787	30,089	42,125	0	0	523,613	0	643,912
2021	643,912	32,196	45,074	0	0	568,687	0	688,986
2022	688,986	34,449	48,229	0	0	616,916	0	737,215
2023	737,215	36,861	51,605	0	0	668,521	0	788,820



**Rolling GRAT Illustration - Trust 4 Flows**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value	
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	0
2017	815,117	16,302	48,907	0	880,327	123,846	0	0	0	0	2,041,831
2018	0	0	0	0	0	102,092	0	0	0	0	562,418
2019	0	0	0	28,121	0	28,121	0	6,468	21,653	623,440	
2020	21,653	433	1,299	30,089	0	30,522	66	7,319	46,090	690,002	
2021	46,090	922	2,765	32,196	0	33,117	140	8,253	73,580	762,566	
2022	73,580	1,472	4,415	34,449	0	35,921	224	9,277	104,415	841,630	
2023	104,415	2,088	6,265	36,861	0	38,949	317	10,399	138,912	927,732	



**Rolling GRAT Illustration - Trust 4 Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock								
	Beginning Property Value	Transfer to New GRAT	Cash Yield	Growth	Gains Transferred In	Gains Transferred Out	Unrealized Gains	GRAT Annuity Payment	Ending Property Value
2014	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	200,189	0	200,189	259,604	259,604
2018	259,604	259,604	0	0	1,275,329	200,189	1,275,329	1,622,341	1,622,341
2019	1,622,341	0	81,117	113,564	0	0	1,388,893	0	1,735,905
2020	1,735,905	0	86,795	121,513	0	0	1,510,406	0	1,857,418
2021	1,857,418	0	92,871	130,019	0	0	1,640,425	0	1,987,437
2022	1,987,437	0	99,372	139,121	0	0	1,779,546	0	2,126,558
2023	2,126,558	0	106,328	148,859	0	0	1,928,405	0	2,275,417



## Rolling GRAT Illustration - Trust 4 Grantor

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding										Total Combined Value	
	Beginning Investment Balance	Transfer to New GRAT	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	987,870	123,846	2,478	39,733	945,659	1,205,263	
2018	945,659	987,870	-844	-2,533	0	102,092	101,247	-128	22,704	33,927	1,656,268	
2019	33,927	0	679	2,036	81,117	0	81,796	103	19,281	98,374	1,834,279	
2020	98,374	0	1,967	5,902	86,795	0	88,763	299	21,773	170,967	2,028,385	
2021	170,967	0	3,419	10,258	92,871	0	96,290	520	24,506	252,489	2,239,926	
2022	252,489	0	5,050	15,149	99,372	0	104,422	768	27,501	343,791	2,470,349	
2023	343,791	0	6,876	20,627	106,328	0	113,204	1,045	30,781	445,796	2,721,213	





**Rolling GRAT Illustration - Trust 4 Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property							
	Beginning Basis	Basis Transferred In	Basis Transferred Out	Other Basis Adjustments	Net Basis Adjustments	Ending Basis	Beginning Value	Ending Value
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0
2017	0	526,726	0	0	526,726	526,726	2,150,874	2,301,435
2018	526,726	0	59,415	0	-59,415	467,311	2,041,831	2,184,759
2019	467,311	0	0	0	0	467,311	2,184,759	2,337,692
2020	467,311	0	0	0	0	467,311	2,337,692	2,501,330
2021	467,311	0	0	0	0	467,311	2,501,330	2,676,423
2022	467,311	0	0	0	0	467,311	2,676,423	2,863,773
2023	467,311	0	0	0	0	467,311	2,863,773	3,064,237



**Rolling GRAT Illustration - Trust 4 Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0
2017	2,150,874	526,726	2,041,831	467,311	1,574,520	0	0	259,604	59,415	200,189
2018	2,041,831	467,311	562,418	120,299	442,119	0	0	1,622,341	347,012	1,275,329
2019	562,418	120,299	601,787	120,299	481,488	1,622,341	347,012	1,735,905	347,012	1,388,893
2020	601,787	120,299	643,912	120,299	523,613	1,735,905	347,012	1,857,418	347,012	1,510,406
2021	643,912	120,299	688,986	120,299	568,687	1,857,418	347,012	1,987,437	347,012	1,640,425
2022	688,986	120,299	737,215	120,299	616,916	1,987,437	347,012	2,126,558	347,012	1,779,546
2023	737,215	120,299	788,820	120,299	668,521	2,126,558	347,012	2,275,417	347,012	1,928,405



## Rolling GRAT Illustration - Trust 5 Wealth Transfer Summary

Jack & Jill Flash

Part 1 of 2

Year Ending In	GRAT Property & Investments					Grantor GRAT-Derived Accumulations		
	GRAT S Corp Stock	Gross Estate Value 65.0%	GRAT Investments	Gross Estate Value	GRAT Unrealized Gains	Grantor S Corp Stock	Gross Estate Value 65.0%	Grantor Investments/ -Defunding
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0
2018	2,279,255	1,481,516	438	438	1,791,732	0	0	1,254,311
2019	610,920	0	0	0	488,795	1,827,883	1,188,124	1,415,978
2020	653,684	0	23,520	0	531,560	1,955,835	1,271,293	1,569,271
2021	699,442	0	50,064	0	577,317	2,092,743	1,360,283	1,736,467
2022	748,403	0	79,924	0	626,278	2,239,235	1,455,503	1,918,725
2023	800,791	0	113,418	0	678,666	2,395,981	1,557,388	2,117,296



**Rolling GRAT Illustration - Trust 5 Wealth Transfer Summary**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Net to Heirs						
	GRAT Value +/- Grantor Investments/ -Defunding	Gross Estate	GRAT Taxable Gift	Estate Tax Base	Estate Taxes	Capital Gains & Medicare Taxes on Trust Property	Net to Heirs
2014	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0
2018	3,534,004	2,736,265	0	2,736,265	1,094,506	0	2,439,498
2019	3,854,781	2,604,102	7	2,604,109	1,041,644	112,423	2,700,714
2020	4,202,310	2,840,564	7	2,840,571	1,136,228	122,259	2,943,823
2021	4,578,716	3,096,750	7	3,096,757	1,238,703	132,783	3,207,230
2022	4,986,287	3,374,228	7	3,374,235	1,349,694	144,044	3,492,549
2023	5,427,486	3,674,684	7	3,674,691	1,469,876	156,093	3,801,516



Grantor Retained Annuity Trust - Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs

## Rolling GRAT Illustration - Trust 5 Annuity Payments

Jack & Jill Flash

Year Ending In	Required Annuity Payment		Source of Annuity Payment				Present Value of Annuity Payments 3.0%
	Annuity Rate	Annuity Payment	Cash from S Corp Stock	GRAT Investment Distribution	GRAT Property Distribution	Undiscounted Value of Property Distribution	
2014	0.00000%	0	0	0	0	0	0
2015	0.00000%	0	0	0	0	0	0
2016	0.00000%	0	0	0	0	0	0
2017	0.00000%	0	0	0	0	0	0
2018	52.26010%	1,302,560	106,507	1,196,053	0	0	1,123,600
2019	52.26010%	1,302,560	113,963	473	1,188,124	1,827,883	1,090,873



**Rolling GRAT Illustration - Trust 5 Flows**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Capital Gains Triggered	Unrealized Gains Distributed	Ending Unrealized Gains	Distribution to Satisfy Annuity	Ending Property Value
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0
2018	2,130,145	106,507	149,110	0	0	1,791,732	0	2,279,255
2019	2,279,255	113,963	159,548	0	1,462,484	488,795	1,827,883	610,920
2020	610,920	30,546	42,764	0	0	531,560	0	653,684
2021	653,684	32,684	45,758	0	0	577,317	0	699,442
2022	699,442	34,972	48,961	0	0	626,278	0	748,403
2023	748,403	37,420	52,388	0	0	678,666	0	800,791



**Rolling GRAT Illustration - Trust 5 Flows**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments									Total Ending GRAT Value	
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	Distribution to Satisfy Annuity	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0
2018	1,107,862	22,157	66,472	0	1,196,053	128,664	0	0	438	2,279,693	
2019	438	9	26	0	473	113,972	0	0	0	610,920	
2020	0	0	0	30,546	0	30,546	0	7,026	23,520	677,204	
2021	23,520	470	1,411	32,684	0	33,155	72	7,950	50,064	749,506	
2022	50,064	1,001	3,004	34,972	0	35,973	152	8,965	79,924	828,327	
2023	79,924	1,598	4,795	37,420	0	39,019	243	10,077	113,418	914,209	



**Rolling GRAT Illustration - Trust 5 Grantor**

Jack & Jill Flash

Part 1 of 2

Year Ending In	S Corp Stock							
	Beginning Property Value	Cash Yield	Growth	Gains Transferred In	Gains Transferred Out	Unrealized Gains	GRAT Annuity Payment	Ending Property Value
2014	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0
2019	0	0	0	1,462,484	0	1,462,484	1,827,883	1,827,883
2020	1,827,883	91,394	127,952	0	0	1,590,436	0	1,955,835
2021	1,955,835	97,792	136,908	0	0	1,727,345	0	2,092,743
2022	2,092,743	104,637	146,492	0	0	1,873,837	0	2,239,235
2023	2,239,235	111,962	156,746	0	0	2,030,583	0	2,395,981





**Rolling GRAT Illustration - Trust 5 Grantor**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Investments and/or Estate Defunding									Total Combined Value	
	Beginning Investment Balance	Current Income 2.0%	Growth 6.0%	Cash from S Corp Stock	GRAT Annuity Payment	Qualified Dividends + Ordinary Income	Income & Medicare Taxes	Capital Gains Taxes	Ending Investment Balance		
2014	0	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	1,302,560	128,664	3,368	44,881	1,254,311	1,254,311	1,254,311
2019	1,254,311	25,086	75,259	0	114,436	139,058	3,814	49,299	1,415,978	3,243,861	3,243,861
2020	1,415,978	28,320	84,959	91,394	0	119,714	4,305	47,075	1,569,271	3,525,106	3,525,106
2021	1,569,271	31,385	94,156	97,792	0	129,177	4,771	51,367	1,736,467	3,829,210	3,829,210
2022	1,736,467	34,729	104,188	104,637	0	139,366	5,279	56,018	1,918,725	4,157,960	4,157,960
2023	1,918,725	38,375	115,124	111,962	0	150,336	5,833	61,056	2,117,296	4,513,277	4,513,277



**Rolling GRAT Illustration - Trust 5 Basis of Transferred Property**

Jack & Jill Flash

Part 1 of 2

Year Ending In	Total Adjusted Basis of Property						
	Beginning Basis	Basis Transferred In	Other Basis Adjustments	Net Basis Adjustments	Ending Basis	Beginning Value	Ending Value
2014	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0
2018	0	487,523	0	487,523	487,523	2,130,145	2,279,255
2019	487,523	0	0	0	487,523	2,279,255	2,438,803
2020	487,523	0	0	0	487,523	2,438,803	2,609,519
2021	487,523	0	0	0	487,523	2,609,519	2,792,185
2022	487,523	0	0	0	487,523	2,792,185	2,987,638
2023	487,523	0	0	0	487,523	2,987,638	3,196,772



**Rolling GRAT Illustration - Trust 5 Basis of Transferred Property**

Jack & Jill Flash

Part 2 of 2

Year Ending In	Adjusted Basis & Unrealized Gains Apportioned to GRAT					Adjusted Basis & Unrealized Gains Apportioned to Grantor				
	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains	Beginning Value	Beginning Basis	Ending Value	Ending Basis	Ending Unrealized Gains
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0
2018	2,130,145	487,523	2,279,255	487,523	1,791,732	0	0	0	0	0
2019	2,279,255	487,523	610,920	122,125	488,795	0	0	1,827,883	365,399	1,462,484
2020	610,920	122,125	653,684	122,124	531,560	1,827,883	365,399	1,955,835	365,399	1,590,436
2021	653,684	122,124	699,442	122,125	577,317	1,955,835	365,399	2,092,743	365,399	1,727,344
2022	699,442	122,125	748,403	122,125	626,278	2,092,743	365,399	2,239,235	365,399	1,873,836
2023	748,403	122,125	800,791	122,125	678,666	2,239,235	365,399	2,395,981	365,399	2,030,582





## *Grantor Retained Annuity Trust*

Supporting Schedules for  
**TAX RATES**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**Jack & Jill Flash**

*Transfer \$5MM ShopRight, Inc. to 6-Year GRAT or Five Rolling GRATs*

## Tax Rates

Jack & Jill Flash

Year Ending In	Jack					Transferee			
	Federal Ordinary Income Tax Rate	Effective State Income Tax Rate 5.0%	Combined Ordinary Income Tax Rate	Combined Capital Gains Tax Rate	Estate Tax Rate	Federal Ordinary Income Tax Rate	Effective State Income Tax Rate 5.0%	Combined Ordinary Income Tax Rate	Combined Capital Gains Tax Rate
2014	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2015	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2016	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2017	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2018	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2019	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2020	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2021	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2022	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%
2023	39.6%	3.0%	42.6%	23.0%	40.0%	39.6%	3.0%	42.6%	23.0%

