



## *Wealth Design Summary*

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

AN ANALYSIS PREPARED EXCLUSIVELY FOR

**John & Mary Sample**

*Baseline vs. Basic Planning vs. 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.***

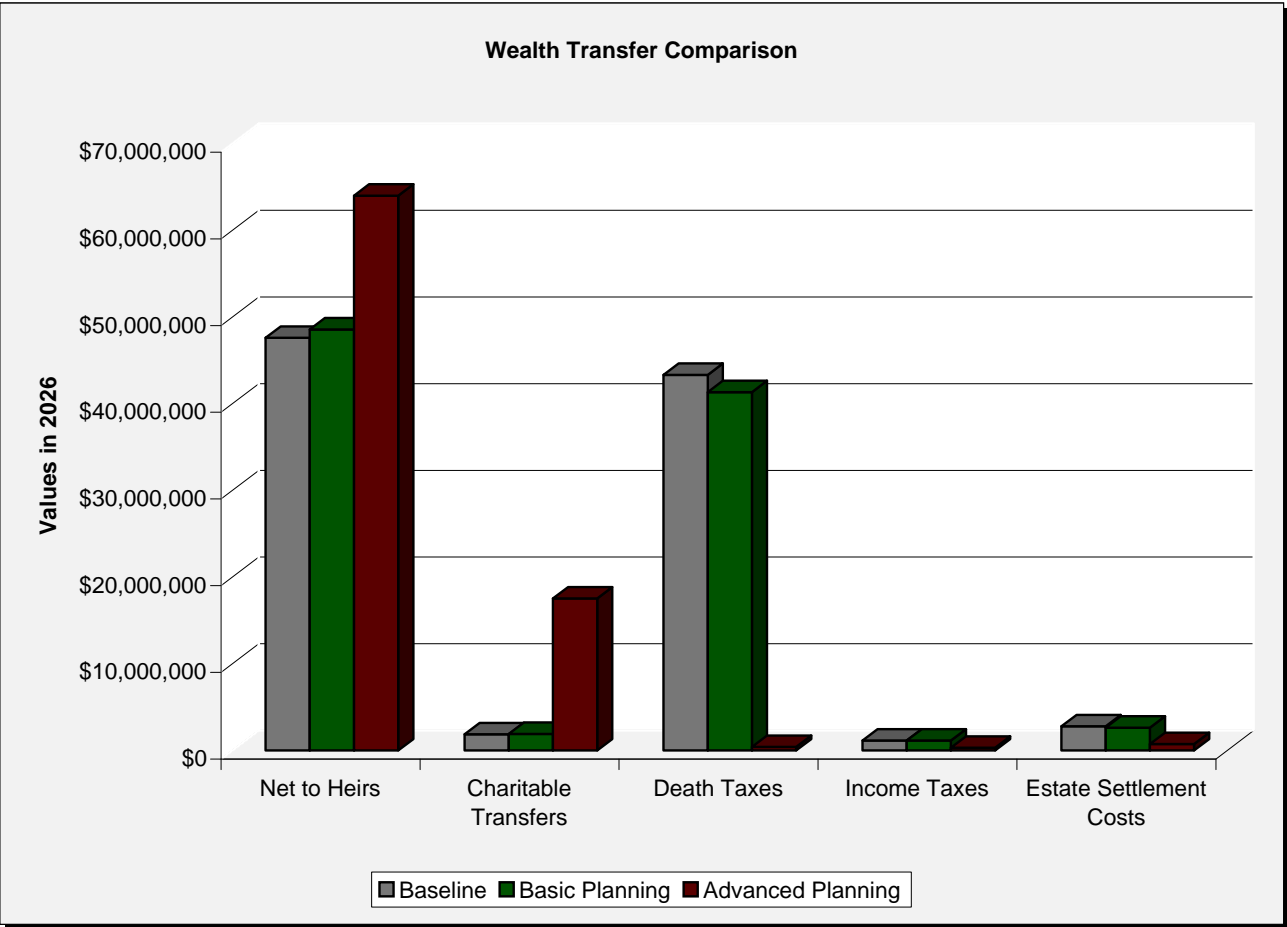
We have read and understand the above information and disclosures. We understand the basis upon which the report that follows was prepared. We recognize the nature of the asset allocation comparisons and estimated returns as illustrations only. We acknowledge that the report may contain a recommendation 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

## Wealth Transfer Illustration

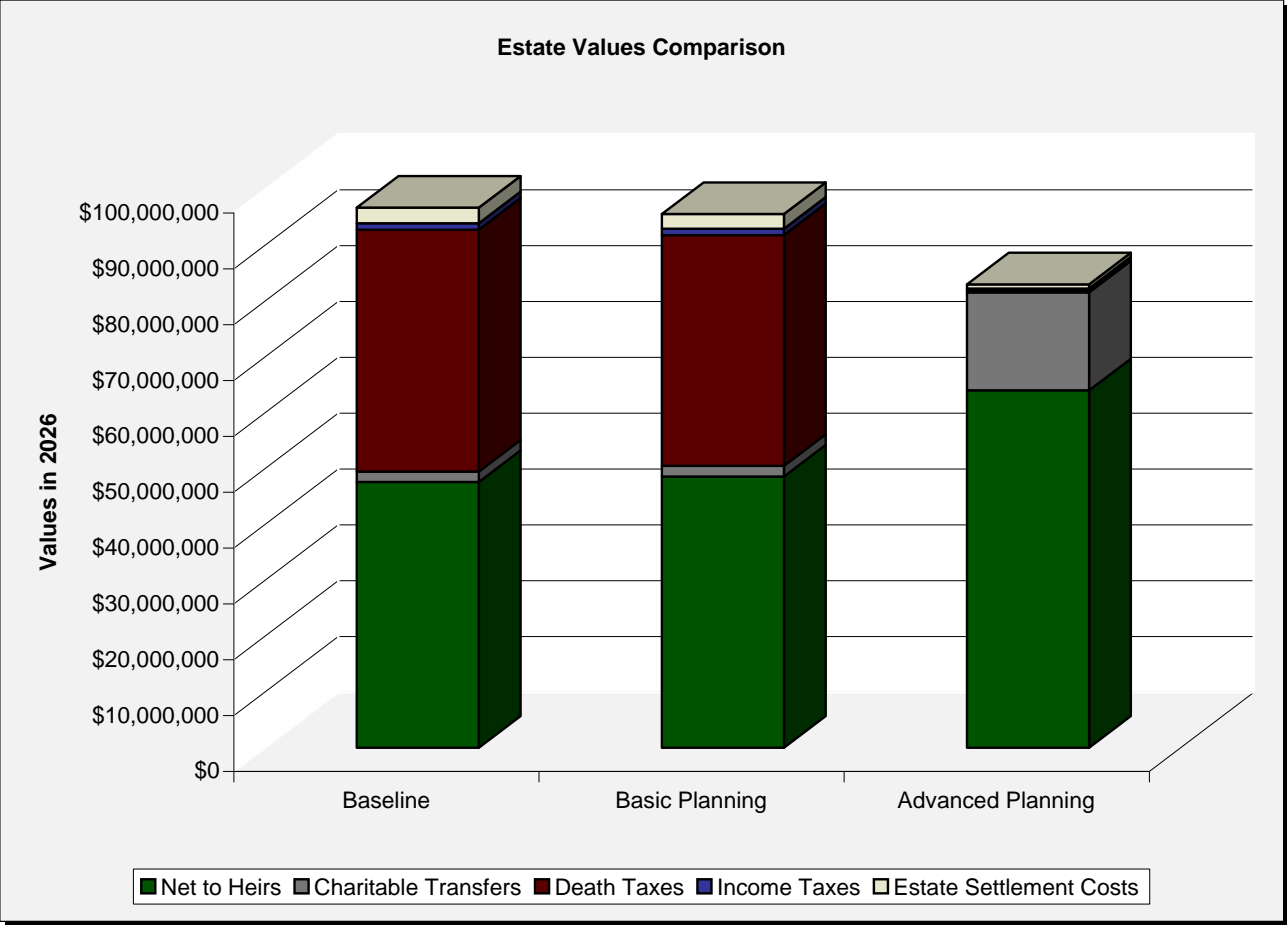
John & Mary Sample



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

### Summary of Estate Values

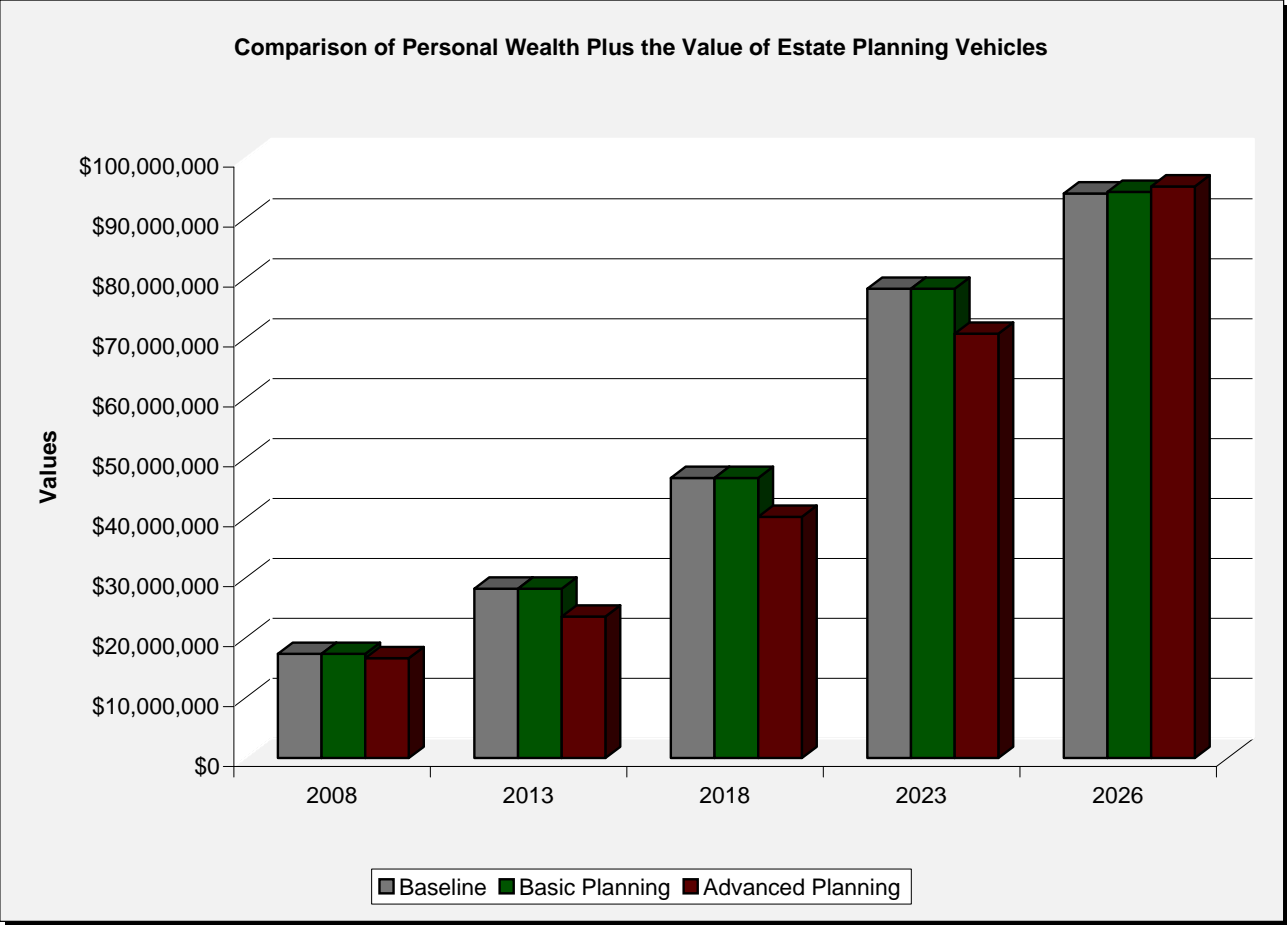
John & Mary Sample



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

## Family Wealth Comparison

John & Mary Sample



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

**Estate Analysis Summary***John & Mary Sample*

<b>John's Estate Analysis</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Year	2023	2023	2023
Combined assets plus value of estate planning vehicles	78,299,193	78,299,193	70,797,144
Personal wealth includible in John's gross estate	49,646,160	45,675,854	12,575,489
Gross estate	49,646,160	45,675,854	12,575,489
Less: nontax estate settlement costs	-1,031,872	-952,466	-290,459
<b>Adjusted gross estate</b>	<b>48,614,288</b>	<b>44,723,388</b>	<b>12,285,030</b>
Specific outright bequests to Mary	3,685,802	3,685,802	8,464,482
Residuary bequests to Mary in trust	40,394,591	37,058,160	0
<b>Total marital bequests</b>	<b>44,080,393</b>	<b>40,743,962</b>	<b>8,464,482</b>
Residuary charitable bequests	778,984	778,984	615,156
<b>Total charitable bequests</b>	<b>778,984</b>	<b>778,984</b>	<b>615,156</b>
Taxable estate before state death tax deduction	3,754,911	3,200,442	3,205,392
Less: state death tax deduction	254,911	200,442	200,918
Taxable estate	3,500,000	3,000,000	3,004,475
Post-1976 adjusted taxable gifts	0	500,000	495,525
<b>Estate Tax Base</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>3,500,000</b>
Federal estate tax	0	0	0
State death tax	254,911	200,442	200,918
<b>Total Death Taxes</b>	<b>254,911</b>	<b>200,442</b>	<b>200,918</b>

**Estate Analysis Summary***John & Mary Sample*

<b>Mary's Estate Analysis</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Year	2026	2026	2026
Total assets plus value of estate planning vehicles	94,197,673	94,467,282	95,364,623
Personal wealth includible in gross estate	85,701,417	81,607,335	20,106,634
Gross estate	85,701,417	81,607,335	20,106,634
Less: nontax estate settlement costs	-1,756,589	-1,674,708	-444,694
<b>Adjusted gross estate</b>	<b>83,944,828</b>	<b>79,932,628</b>	<b>19,661,940</b>
Residuary charitable bequests	425,608	425,608	16,456,548
<b>Total charitable bequests</b>	<b>425,608</b>	<b>425,608</b>	<b>16,456,548</b>
Taxable estate before state death tax deduction	83,519,219	79,507,019	3,205,392
Less: state death tax deduction	12,829,875	12,187,923	200,918
Taxable estate	70,689,344	67,319,096	3,004,475
Post-1976 adjusted taxable gifts	0	500,000	495,525
<b>Estate Tax Base</b>	<b>70,689,344</b>	<b>67,819,096</b>	<b>3,500,000</b>
Federal estate tax	30,235,205	28,943,593	0
State death tax	12,829,875	12,187,923	200,918
<b>Total Death Taxes</b>	<b>43,065,080</b>	<b>41,131,516</b>	<b>200,918</b>
Income in respect of a decedent bequeathed to heirs	4,782,759	4,781,197	805,339
Less: allocable 691(c) deduction	-1,807,883	-1,807,292	0
Amount subject to income taxes	2,974,876	2,973,904	805,339
<b>Income Taxes on Income in Respect of a Decedent</b>	<b>1,139,378</b>	<b>1,139,005</b>	<b>308,445</b>

**Wealth Transfer Summary***John & Mary Sample*

<b>Net to Heirs Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Year	2026	2026	2026
Outright bequests	0	0	2,696,030
Family Trust	6,617,220	5,839,250	5,365,372
Marital Trust	39,314,762	37,236,498	0
Annual Gift Fund & ShopRight LP Gift 1	1,664,434	1,441,220	3,177,082
Irrevocable life insurance trusts	0	0	4,245,443
ShopRight LP Gift 2	0	4,048,504	4,008,019
ShopRight IDGT	0	0	18,884,960
GRATs	0	0	25,613,717
<b>Net to Heirs</b>	<b>47,596,416</b>	<b>48,565,472</b>	<b>63,990,623</b>

<b>Settlement Costs &amp; Taxes</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Federal & state death taxes	43,319,991	41,331,959	401,835
Estate settlement costs	2,788,462	2,627,174	735,152
Income taxes on income in respect of a decedent	1,139,378	1,139,005	308,445
<b>Total Settlement Costs &amp; Taxes</b>	<b>47,247,830</b>	<b>45,098,138</b>	<b>1,445,433</b>

<b>Value of Cumulative Transfers to Charity</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Year	2026	2026	2026
Aggregate bequests from John's & Mary's estates	1,568,257	1,602,643	17,312,504
Cumulative growth on charitable transfers	296,760	305,690	222,302
<b>Total Value of Charitable Transfers</b>	<b>1,865,016</b>	<b>1,908,333</b>	<b>17,534,805</b>

<b>Net to 3rd Generation Summary</b>	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
Year	2051	2051	2051
Net to heirs	47,596,416	48,565,472	63,990,623
Aggregate growth following death of senior generation	52,059,909	53,119,842	69,991,532
Total transferable wealth	99,656,325	101,685,314	133,982,155
Amount subject to second generation death taxes	99,656,325	75,056,538	57,986,907
Less: second generation federal & state death taxes	<b>-44,845,346</b>	<b>-33,775,442</b>	<b>-26,094,108</b>
<b>Net to 3rd Generation</b>	<b>54,810,979</b>	<b>67,909,872</b>	<b>107,888,047</b>

Net transfer as a percentage of wealth - 2nd generation	49.2%	50.8%	77.1%
Net transfer as a percentage of wealth - 3rd generation	27.1%	33.9%	62.1%

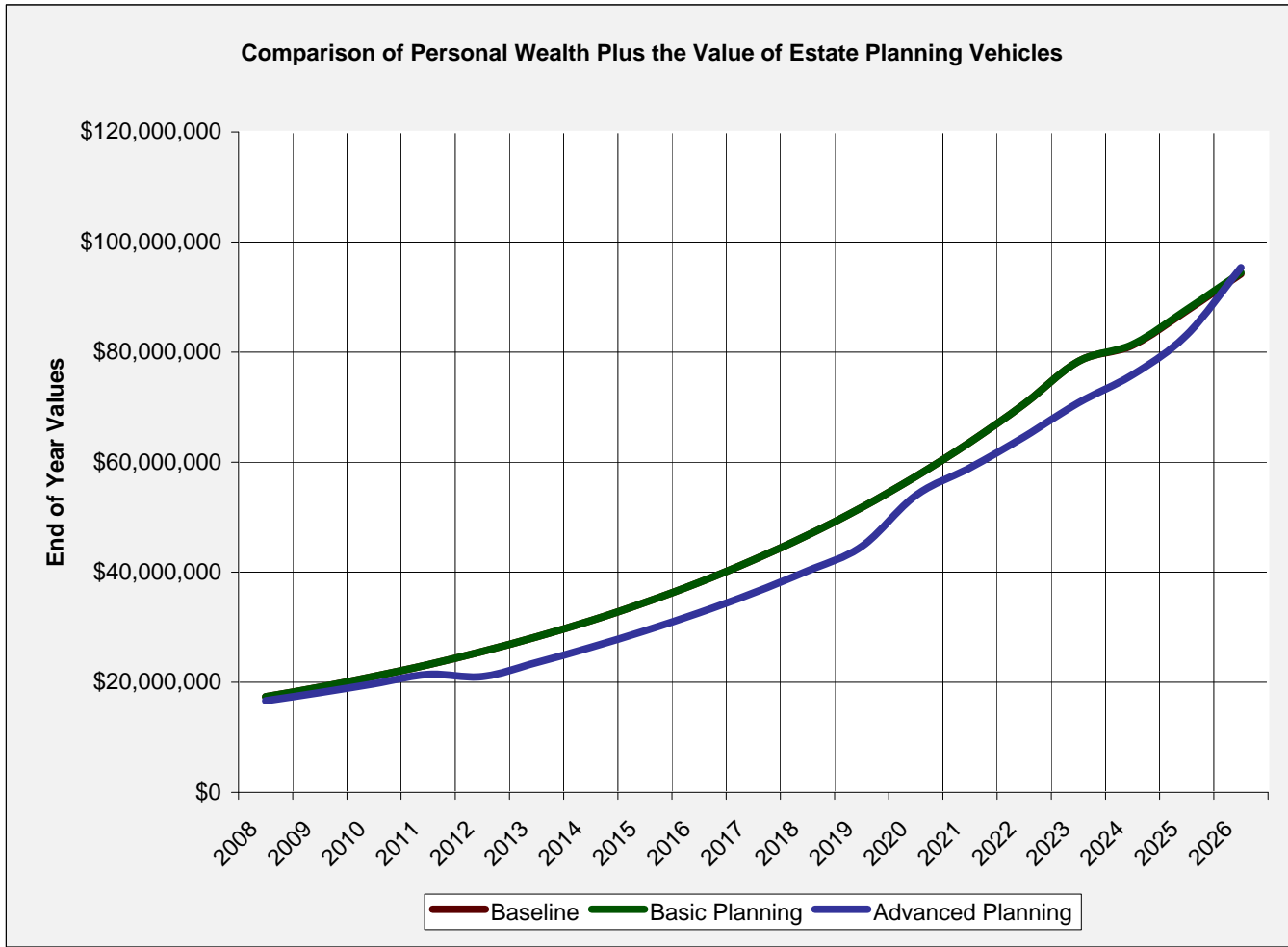
## Planning Assumptions

*John & Mary Sample*

Planning Assumptions	Scenario 1	Scenario 2	Scenario 3
1. Credit shelter bypass trusts are established by each estate at death.	x	x	x
2. John's estate bequeathes \$500K (indexed) to charity at death.	x	x	x
3. Mary's estate bequeathes \$250K (indexed) to charity at death.	x	x	
4. Mary's estate bequeathes \$10MM (indexed) to charity at death.			x
5. Generation-skipping exemptions are allocated to lifetime gifts and at death.		x	x
6. ShopRight's office building is gifted outright to a trust FBO heirs in 2008.		x	
7. ShopRight's office building is transferred to a FLP; FLP interests are gifted.			x
8. \$12K (indexed) annual gifts of investments made to the kids.	x	x	x
9. John transfers 50% of ShopRight to a series of 4-year cascading GRATs.			x
10. Mary gifts \$235K of investments to dynasty trust in 2008.			x
11. Dynasty trust buys \$2MM of 2nd-to-die life insurance in 2008.			x
12. John gifts \$100K & sells 85% of ShopRight to IDGT in 2012 for 9-year note.			x
Scenario 1 - Baseline			
Scenario 2 - Basic Planning			
Scenario 3 - Advanced Planning			

## Family Wealth Illustration

John & Mary Sample



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