



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

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.



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.

Customer Signature



Estate Analysis Summary

Jack & Jill Flash

Jack's Estate Analysis	Scenario 1	Scenario 2
Year	2055	2055
Combined net worth plus the value of estate planning vehicles	163,567,625	333,022,535
Net worth includible in Jack's gross estate	111,661,422	75,110,394
Gross estate	111,661,422	75,110,394
Less: nontax estate settlement costs	-2,258,228	-1,527,208
Adjusted gross estate	109,403,194	73,583,186
Specific outright bequests to Jill	18,450,560	23,719,024
Residuary bequests to Jill in trust	74,562,634	33,436,769
Total marital bequests	93,013,194	57,155,793
Residuary charitable bequests	0	500,000
Total charitable bequests	0	500,000
Taxable estate before state death tax deduction	16,390,000	15,927,393
Less: state death tax deduction	1,289,200	1,215,183
Federal taxable estate	15,100,800	14,712,210
Post-1976 adjusted taxable gifts	0	462,607
Federal estate tax base	15,100,800	15,174,817
State taxable estate	16,390,000	15,927,393
Federal estate tax	0	0
State death taxes	1,289,200	1,215,183
Total Death Taxes	1,289,200	1,215,183



Estate Analysis Summary

Jack & Jill Flash

Jill's Estate Analysis	Scenario 1	Scenario 2
Year	2056	2056
Personal net worth plus the value of estate planning vehicles	170,396,776	362,157,010
Net worth includible in gross estate plus value of marital trust	154,204,642	124,792,510
Gross estate	154,204,642	124,792,510
Less: nontax estate settlement costs	-3,109,093	-2,520,850
Adjusted gross estate	151,095,549	122,271,660
Residuary charitable bequests	0	10,000,000
Total charitable bequests	0	10,000,000
Taxable estate before state death tax deduction	151,095,549	112,271,660
Less: state death tax deduction	22,842,088	16,630,266
Federal taxable estate	128,253,461	95,641,394
Post-1976 adjusted taxable gifts	0	462,583
Federal estate tax base	128,253,461	96,103,977
State taxable estate	151,095,549	112,271,660
Federal estate tax	44,549,384	31,689,591
State death taxes	22,842,088	16,630,266
Total Death Taxes	67,391,472	48,319,856
Income in respect of a decedent bequeathed to heirs	12,224,453	14,067,685
Less: allocable 691(c) deduction	-4,107,416	-5,345,277
Amount subject to income taxes	8,117,037	8,722,409
Income Taxes on Income in Respect of a Decedent	3,457,858	3,715,746



Wealth Transfer Summary as of the End of the Senior Generation

Jack & Jill Flash

Net to Heirs Summary	Scenario 1	Scenario 2
Year	2056	2056
Fund 4 Children & testamentary trust remainder interests	294,944	24,382,813
Family Trust	16,192,135	15,775,461
Marital Trust	79,951,275	35,853,245
Annual Gift Fund & ShopRight LP Gift 1	0	13,546,715
Irrevocable life insurance trusts	0	7,792,910
ShopRight LP Gift 2	0	17,054,800
ShopRight IDGT 1 & ShopRight IDGT 2	0	93,476,844
GRATs	0	89,717,770
T-CLAT	0	1
Net to Heirs	96,438,354	297,600,558

Settlement Costs & Taxes	Scenario 1	Scenario 2
Federal & state death taxes	68,680,672	49,535,039
Estate settlement costs	5,367,321	4,048,058
Income taxes on income in respect of a decedent	3,457,858	3,715,746
Total Settlement Costs & Taxes	77,505,851	57,298,843

Value of Cumulative Transfers to Charity	Scenario 1	Scenario 2
Year	2056	2056
Aggregate bequests from Jack's & Jill's estates	0	500,000
Remainder interests in charitable remainder trusts	0	21,957,448
Other charitable transfers	0	2,444,685
Cumulative income & growth on charitable transfers	0	24,075,430
Total Value of Charitable Transfers	0	48,977,563

Net to 3rd Generation Summary	Scenario 1	Scenario 2
Year	2076	2076
Net to heirs	96,438,354	297,600,558
Aggregate growth following death of senior generation	204,556,708	1,601,420,494
Total transferable family wealth	300,995,062	1,899,021,052
Amount subject to second generation death taxes	300,995,062	924,883,433
Less: second generation federal & state death taxes	-120,398,025	-369,953,373
Net to 3rd Generation	180,597,037	1,529,067,679

Net transfer as a percentage of wealth - 2nd generation	55.4%	73.7%
Net transfer as a percentage of wealth - 3rd generation	47.7%	69.1%



Wealth Transfer Summary as of the End of the 2nd Generation*Jack & Jill Flash*

Net to Heirs Summary	Scenario 1	Scenario 2
Year	2076	2076
Fund 4 Children & testamentary trust remainder interests	300,995,062	441,741,883
Annual Gift Fund & ShopRight LP Gift 1	0	78,518,190
Irrevocable life insurance trusts	0	42,546,006
ShopRight LP Gift 2	0	73,417,775
ShopRight IDGT 1 & ShopRight IDGT 2	0	628,008,473
GRATs	0	602,753,764
T-CLAT	0	32,034,961
Net to Heirs	300,995,062	1,899,021,052

Settlement Costs & Taxes	Scenario 1	Scenario 2
Federal & state death taxes	68,680,672	49,535,039
Estate settlement costs	5,367,321	4,048,058
Income taxes on income in respect of a decedent	3,457,858	3,715,746
Total Settlement Costs & Taxes	77,505,851	57,298,843

Value of Cumulative Transfers to Charity	Scenario 1	Scenario 2
Year	2076	2076
Aggregate bequests from Jack's & Jill's estates	0	500,000
Cumulative payments from charitable lead trusts	0	12,950,935
Remainder interests in charitable remainder trusts	0	21,957,448
Other charitable transfers	0	2,444,685
Cumulative income & growth on charitable transfers	0	219,983,474
Total Value of Charitable Transfers	0	257,783,307

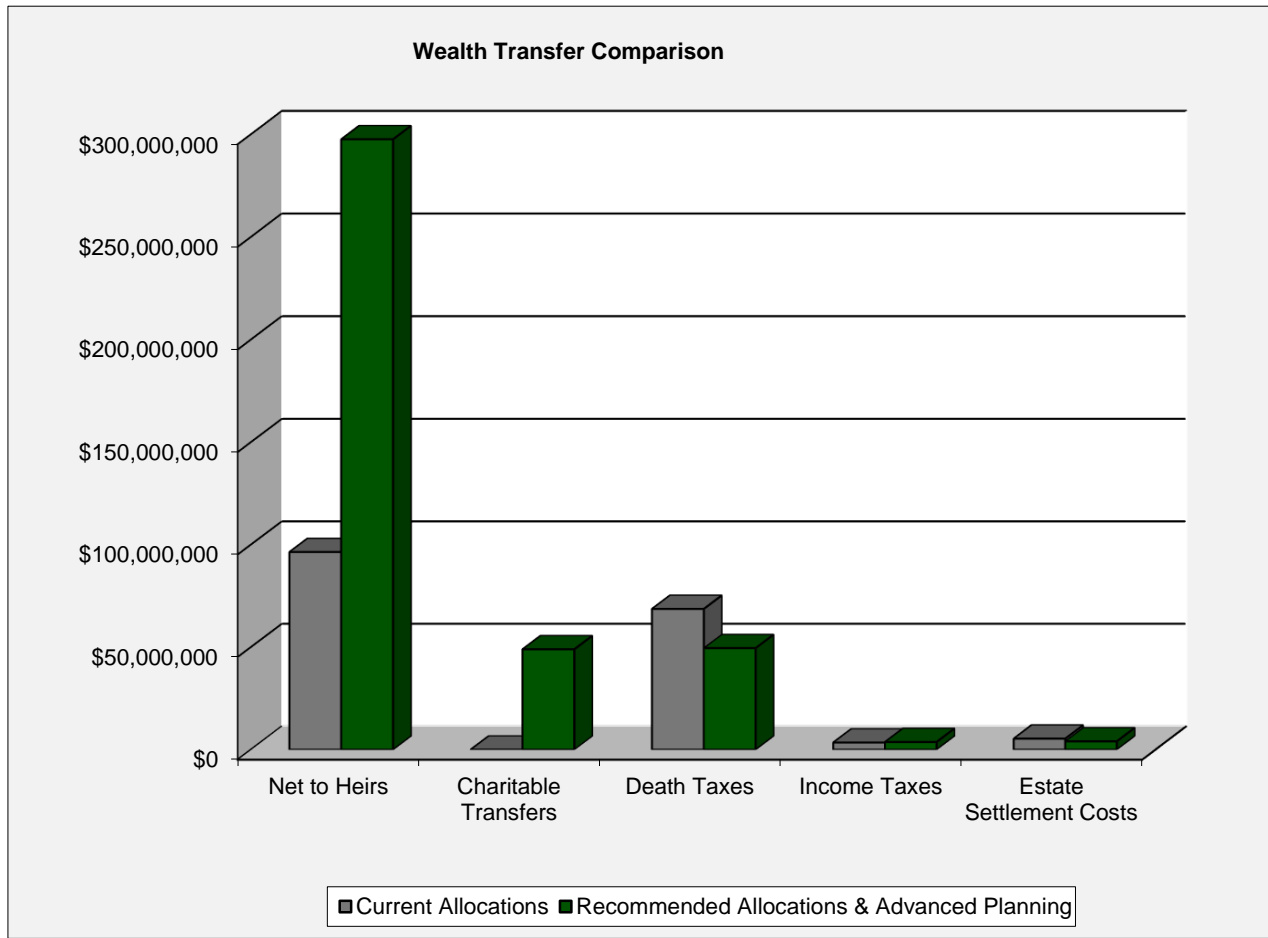
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Net transfer as a percentage of wealth - 2nd generation	55.4%	73.7%
Net transfer as a percentage of wealth - 3rd generation	47.7%	69.1%



Wealth Transfer Illustration as of the End of the Senior Generation

Jack & Jill Flash

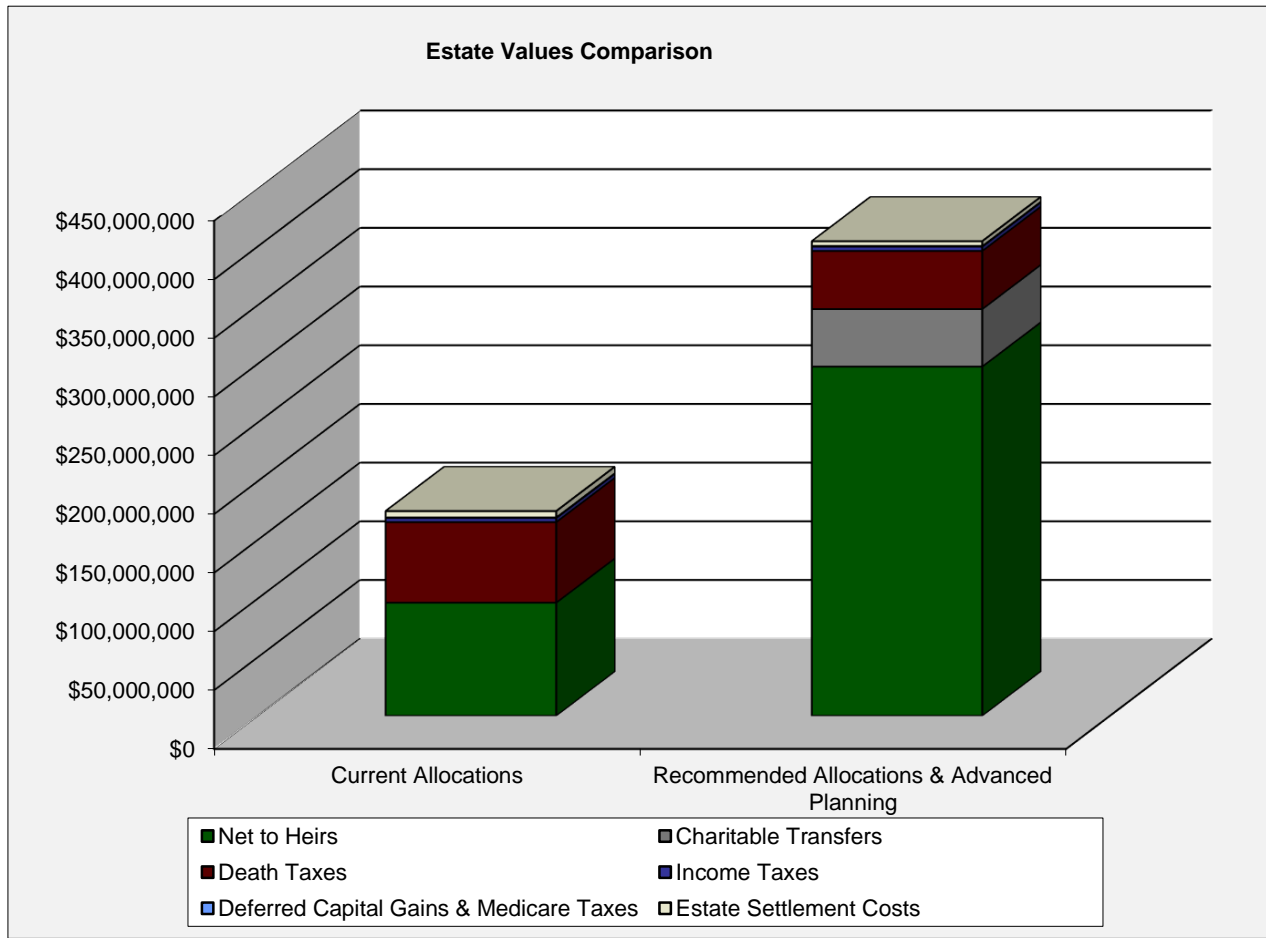


The chart above compares the wealth transferred to heirs and charity, along with federal and state death and income taxes.



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

Jack & Jill Flash

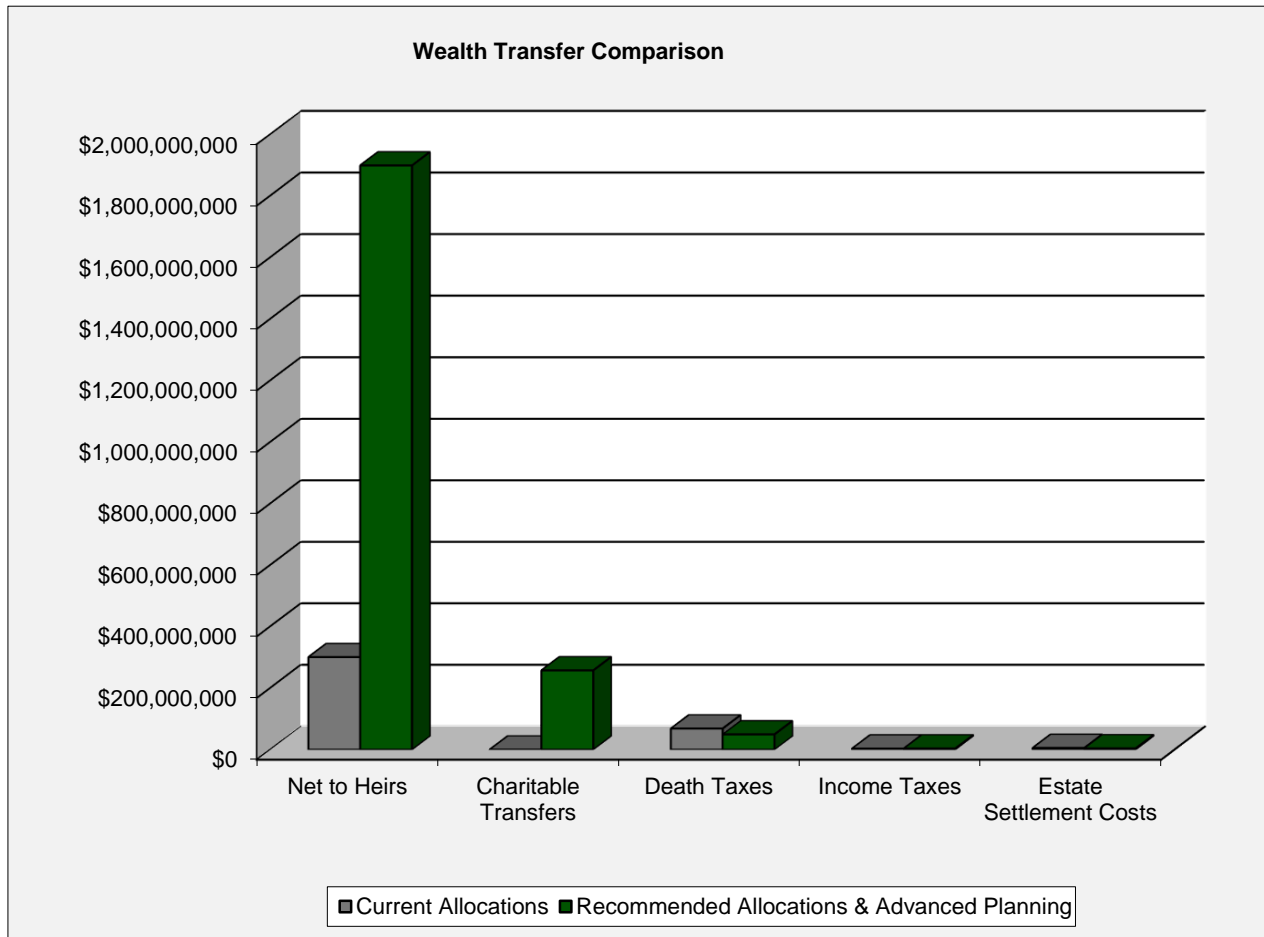


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Wealth Transfer Illustration as of the End of the 2nd Generation

Jack & Jill Flash

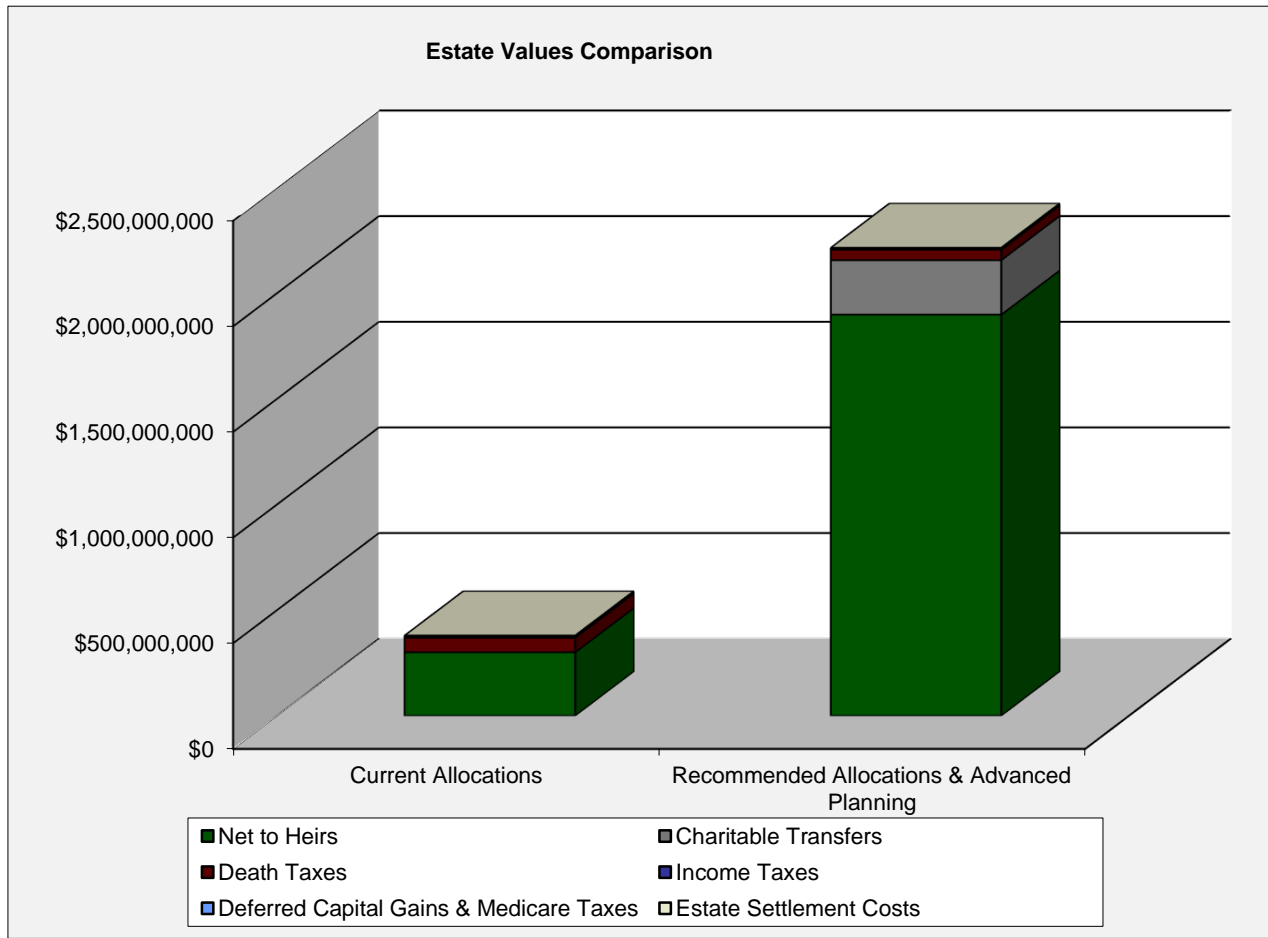


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Summary of Estate Values as of the End of the 2nd Generation

Jack & Jill Flash

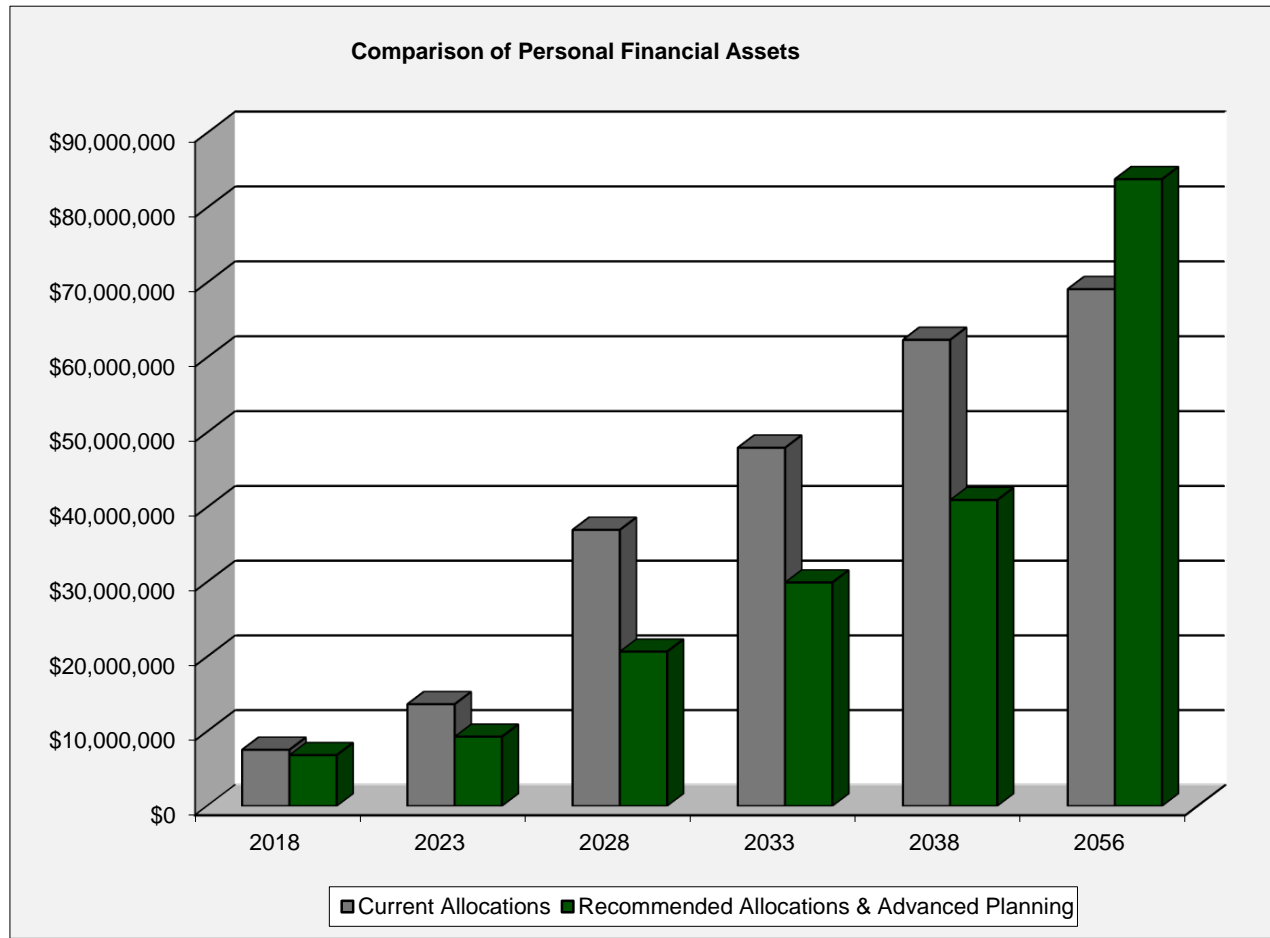


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Personal Financial Assets Comparison

Jack & Jill Flash

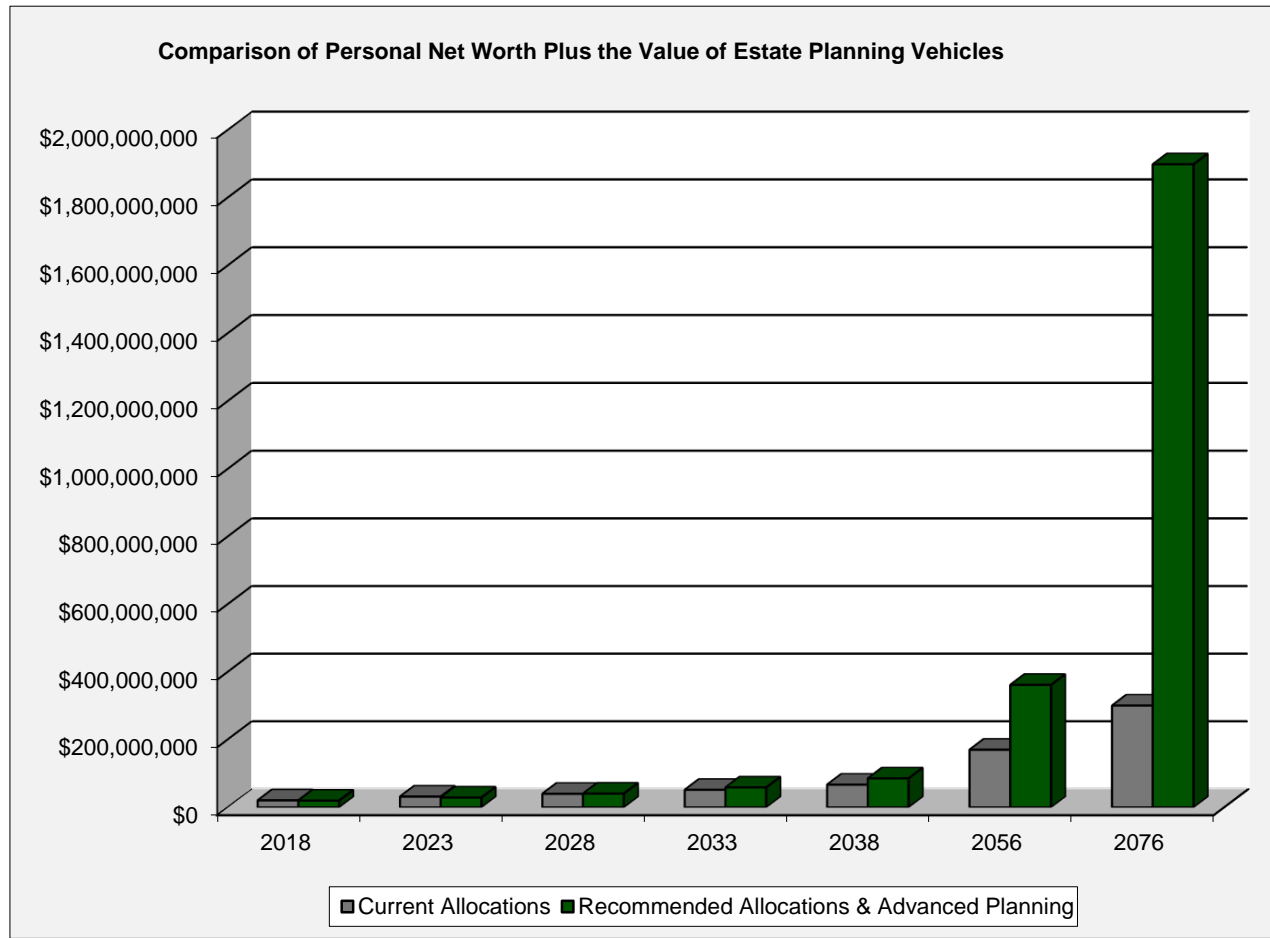


The chart above compares the personal financial assets under alternative planning scenarios.



Family Wealth Comparison

Jack & Jill Flash



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



Annual Cash Flows, Financial Assets & Family Wealth Comparison

Jack & 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							4,076,595	4,076,595	0	16,410,580	16,344,580	-66,000
2018	731,991	583,815	-148,175	307,776	-160,399	-468,175	7,547,150	6,821,515	-725,635	20,670,144	19,906,664	-763,480
2019	645,580	534,513	-111,067	243,904	-217,763	-461,667	8,536,474	7,041,909	-1,494,566	22,546,007	21,289,357	-1,256,650
2020	676,725	563,005	-113,720	264,827	-178,488	-443,315	9,624,425	7,318,640	-2,305,785	24,584,996	22,828,502	-1,756,494
2021	710,653	591,841	-118,812	300,310	-161,320	-461,630	10,839,639	7,640,637	-3,199,002	26,813,597	24,524,741	-2,288,856
2022	743,563	758,555	14,992	323,738	-4,056	-327,794	12,178,031	8,425,806	-3,752,225	29,235,160	26,807,725	-2,427,435
2023	775,161	781,819	6,657	345,539	7,466	-338,073	13,649,130	9,290,600	-4,358,530	31,854,788	29,055,678	-2,799,110
2024	818,376	691,227	-127,148	390,861	-94,168	-485,029	15,283,016	10,128,340	-5,154,676	34,690,763	31,510,566	-3,180,197
2025	857,085	714,122	-142,962	422,337	-81,223	-503,560	17,085,042	11,057,641	-6,027,400	37,757,076	34,209,771	-3,547,305
2026	16,534,371	7,804,167	-8,730,204	15,544,952	6,705,859	-8,839,093	33,615,112	18,243,495	-15,371,617	37,092,895	35,748,731	-1,344,164
2027	1,385,223	1,628,802	243,579	1,019,250	1,193,726	174,476	35,751,883	20,146,413	-15,605,470	38,216,505	37,951,272	-265,233
2028	875,194	663,925	-211,269	663,925	-84,052	-367,207	36,986,941	20,685,922	-16,301,019	40,149,443	40,744,993	595,550
2029	913,709	673,278	-240,430	500,256	237,133	-263,122	38,874,419	21,883,263	-16,991,156	42,181,551	43,746,355	1,564,804
2030	972,947	710,591	-262,356	607,149	319,270	-287,879	40,957,169	23,234,659	-17,722,510	44,414,751	47,092,931	2,678,180
2031	1,010,391	722,111	-288,280	635,118	318,460	-316,658	43,164,725	24,665,588	-18,499,137	46,778,828	50,730,281	3,951,453
2032	1,049,858	2,683,564	1,633,706	690,567	2,269,273	1,578,706	45,530,930	28,133,062	-17,397,868	49,282,148	54,685,413	5,403,265
2033	1,229,252	1,100,617	-128,635	859,910	673,367	-186,542	47,970,732	29,938,586	-18,032,145	51,864,130	58,866,529	7,002,399
2034	1,287,006	1,160,903	-126,103	907,312	720,367	-186,945	50,549,603	31,866,178	-18,683,424	54,590,440	63,393,899	8,803,459
2035	1,348,142	1,229,335	-118,807	957,784	777,172	-180,612	53,275,473	33,929,844	-19,345,630	57,469,212	68,300,852	10,831,640
2036	1,457,101	1,347,043	-110,058	1,055,760	880,906	-174,854	56,124,280	36,104,496	-20,019,784	60,476,592	73,587,877	13,111,285
2037	1,530,943	1,431,294	-99,649	1,118,290	950,823	-167,467	59,130,773	38,426,435	-20,704,338	63,647,551	79,317,147	15,669,596
2038	1,512,608	1,425,134	-87,475	1,088,303	929,958	-158,345	62,375,367	40,977,325	-21,398,042	67,062,731	85,598,713	18,535,982
2039	1,594,006	1,520,455	-73,551	1,157,699	1,012,194	-145,505	65,799,407	43,700,716	-22,098,690	70,663,714	92,405,090	21,741,376
2040	1,680,010	1,622,369	-57,640	1,231,341	1,098,630	-132,710	69,413,350	46,606,917	-22,806,433	74,461,206	99,782,756	25,321,550
2041	1,772,537	1,733,411	-39,127	1,311,136	1,193,789	-117,346	73,226,633	49,706,993	-23,519,639	78,464,899	107,780,273	29,315,374
2042	1,869,976	1,851,714	-18,262	1,395,460	1,295,795	-99,666	77,250,567	53,014,504	-24,236,063	82,686,375	116,452,354	33,765,979
2043	1,973,271	1,978,733	5,462	1,485,247	1,406,085	-79,162	81,496,568	56,543,228	-24,953,341	87,137,326	125,857,945	38,720,619
2044	2,083,521	2,115,861	32,340	1,581,584	1,526,045	-55,540	85,976,065	60,307,259	-25,668,806	91,829,472	136,060,719	44,231,247
2045	2,200,341	2,263,037	62,696	1,684,074	1,655,596	-28,478	90,701,570	64,322,114	-26,379,456	96,775,626	147,130,609	50,354,983
2046	2,324,544	2,421,420	96,877	1,793,516	1,795,886	2,370	95,685,897	68,603,968	-27,081,929	101,988,918	159,143,527	57,154,609
2047	2,456,571	2,591,834	135,263	1,929,592	1,947,723	18,131	100,961,671	73,169,955	-27,791,716	107,483,050	172,182,182	64,699,132
2048	2,595,577	2,772,118	176,541	2,052,938	2,108,934	55,996	106,526,857	78,040,506	-28,486,351	113,274,421	186,338,993	73,064,572
2049	2,742,963	2,965,603	222,639	2,184,195	2,282,833	98,638	112,396,573	83,235,543	-29,161,031	119,378,440	201,712,912	82,334,472
2050	2,899,232	3,173,192	273,959	2,323,851	2,470,309	146,458	118,586,703	88,776,275	-29,810,428	125,811,283	218,411,915	92,600,632
2051	3,063,907	3,394,876	330,969	2,471,415	2,671,337	199,922	125,114,628	94,686,028	-30,428,600	132,590,641	236,554,591	103,963,950
2052	3,238,218	3,632,384	394,166	2,628,101	2,887,629	259,527	131,998,026	100,989,091	-31,008,935	139,734,511	256,269,824	116,535,313
2053	3,418,730	3,881,251	462,520	2,790,460	3,112,703	322,243	139,258,372	107,713,456	-31,544,916	147,264,700	277,702,636	130,437,936
2054	3,609,186	4,146,938	537,752	2,962,217	3,356,003	393,787	146,915,935	114,889,795	-32,026,139	155,201,817	301,007,822	145,806,005
2055	3,809,978	11,098,181	7,288,203	3,143,750	10,284,249	7,140,499	154,992,118	129,216,770	-25,775,348	163,567,625	333,022,535	169,454,910
2056	3,562,628	3,001,909	-560,719	2,876,564	2,208,349	-668,215	69,147,787	83,827,822	14,680,035	170,396,776	362,157,010	191,760,234



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. \$15K (indexed) annual gifts made to the kids starting at Jack's retirement.	X	
9. \$15K (indexed) annual gifts made to the kids starting in 2019.		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 2018.		X
18. Jack sells 9% of ShopRight, Inc. to IDGT #1 in 2018 for 9-year note.		X
19. IDGT #1 buys \$2MM 2nd-to-die life insurance in 2018.		X
20. Jack gifts & sells \$3MM of ShopRight, Inc. to IDGT #2 in 2024.		X
21. Jack funds a NIMCRUT annually with distributions starting at retirement.		X
22. Jack and Jill fund a private foundation with \$250K/annually over four years.		X
Scenario 1 - Current Allocations		
Scenario 2 - Recommended Allocations & Advanced Planning		





Wealth Design Summary

Analysis of Alternative Planning Scenarios

GRAPHIC ILLUSTRATIONS

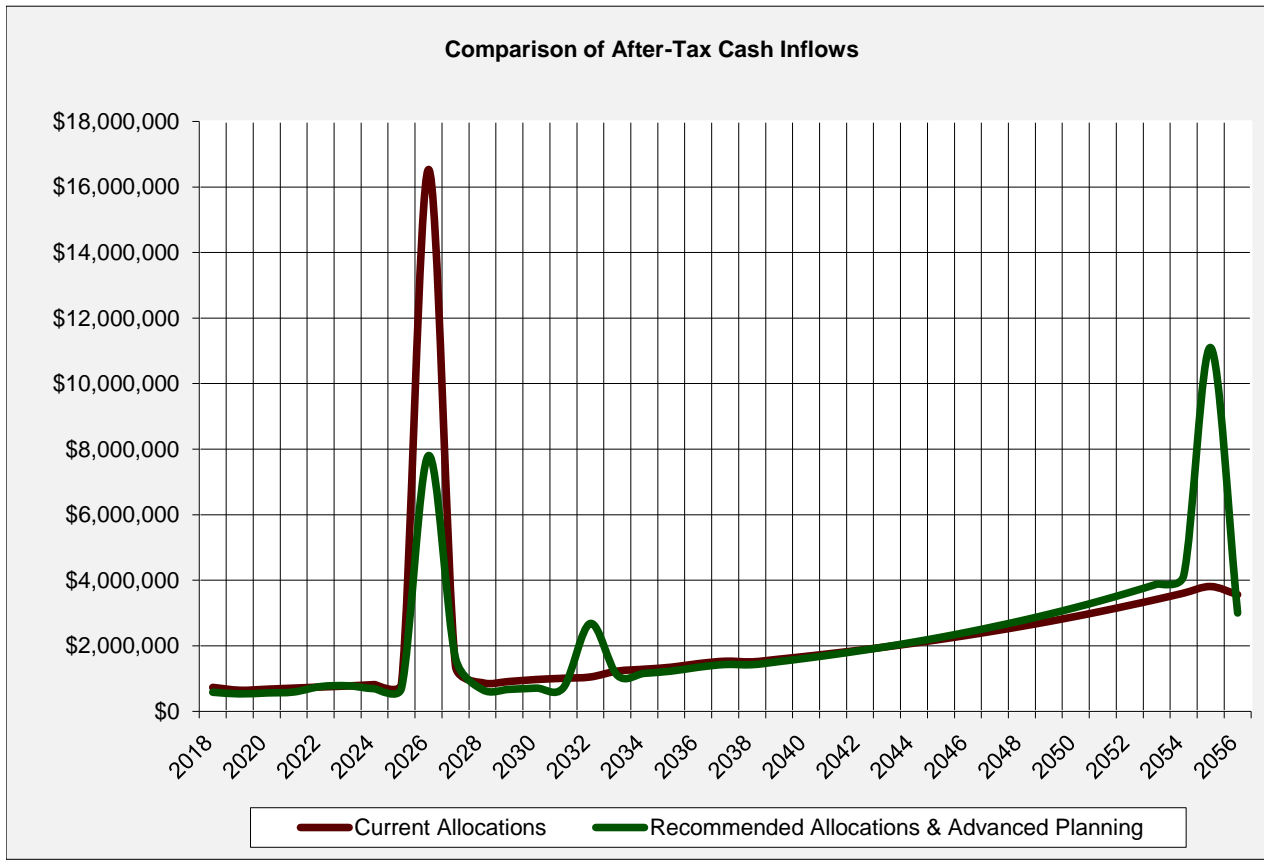
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Current Allocations vs. Recommended Allocations & Advanced Planning

After-Tax Cash Inflows Illustration

Jack & Jill Flash

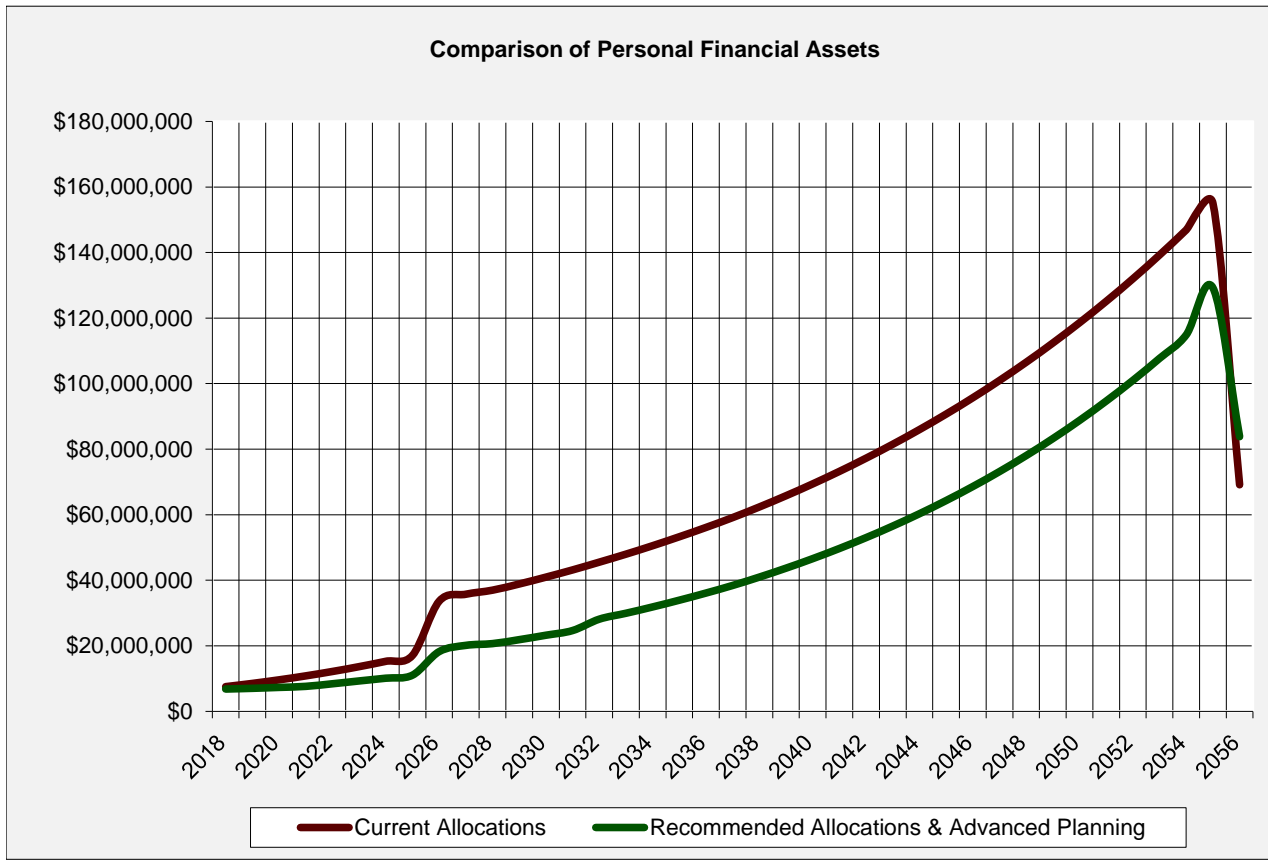


The chart above compares the after-tax cash inflows under alternative planning scenarios.



Personal Financial Assets Illustration

Jack & Jill Flash

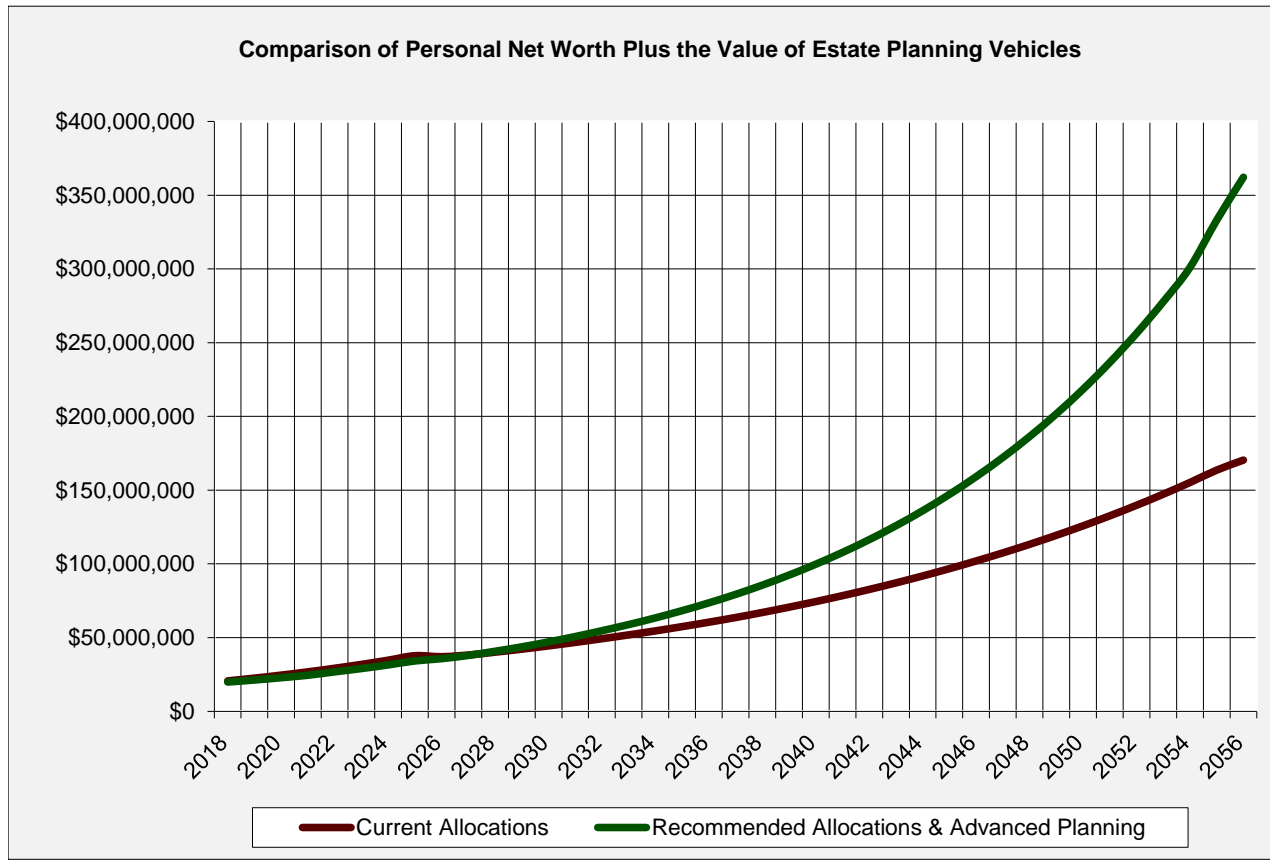


The chart above compares the personal financial assets under alternative planning scenarios.



Family Wealth Illustration

Jack & Jill Flash



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

