



IRA to CRUT Illustration

**An Illustration of Distributing Qualified Retirement Plans & IRAs
to a Charitable Remainder Unitrust**

AN ANALYSIS PREPARED EXCLUSIVELY FOR

Jack Flash

Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

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



IRA to CRUT Illustration - Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

Summary

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At the End of the Senior Generation's Lifetime in 2023	IRA to Heirs	IRA to CRUT
Cumulative IRA distributions to senior generation	0	0
IRA balance	2,158,925	2,158,925
Actuarial value of CRUT remainder interest	NA	-791,898
IRA subject to estate tax	2,158,925	1,367,027
Taxable investment balance	0	0
Combined balances	2,158,925	1,367,027
Estate taxes	-863,570	-546,811
IRD deduction	647,677	410,108
Income tax assuming total IRA distribution	-643,791	0
Discounted value of future after-tax CRUT payouts	NA	1,234,348
Net to heirs	651,564	687,537

IRA-to-CRUT advantage	35,974
Present value of planning advantage @ 3.0%	26,771

At the End of the Heir's Lifetime in 2043	IRA to Heirs	IRA to CRUT
Cumulative IRA/CRUT payouts to heirs	2,127,610	2,900,556
IRA balance	6,069,654	0
Income tax assuming total IRA distribution	-2,581,670	0
After-tax IRA funds	3,487,983	0
Taxable investment balance	-614,108	1,228,413
Net amount available to heirs before 2nd generation death taxes	2,873,875	1,228,413
Projected value to charity		3,899,259

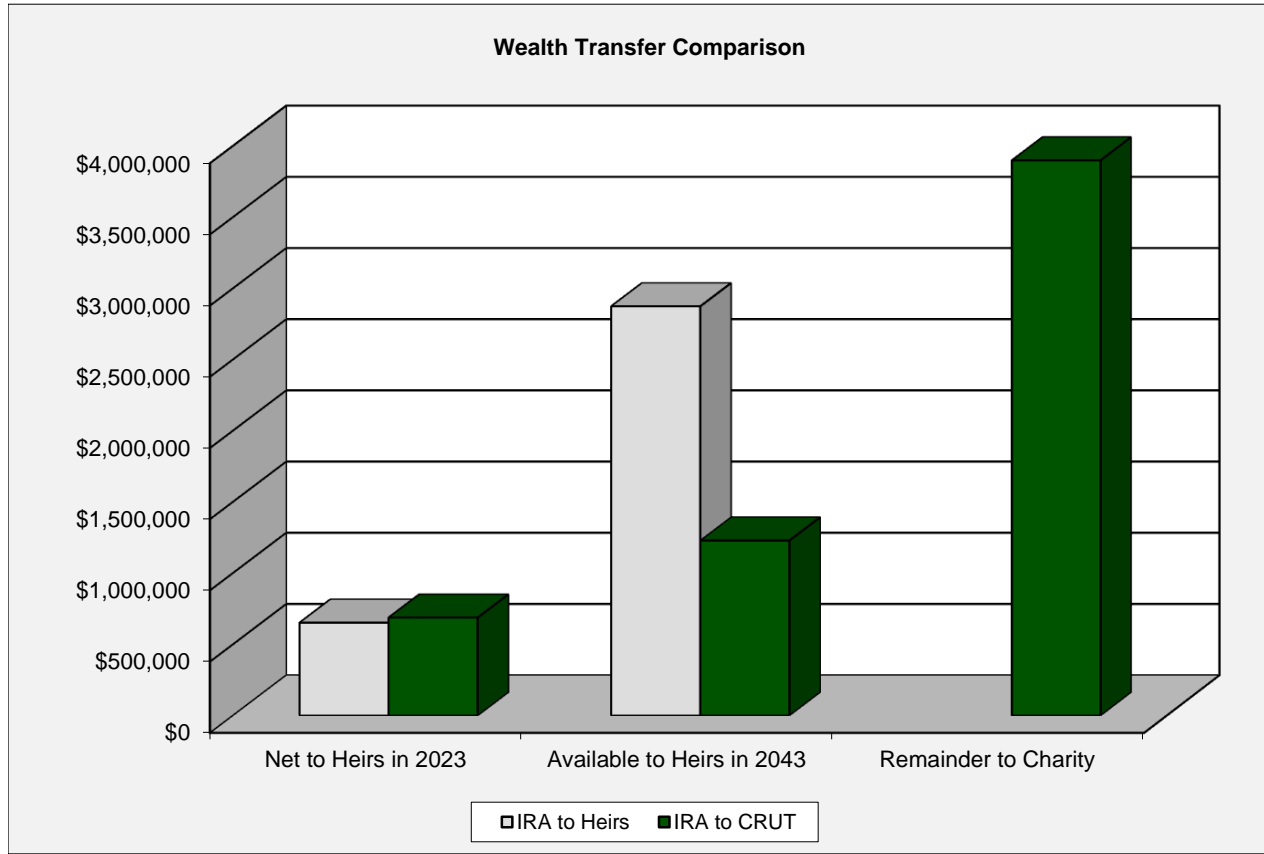
IRA-to-heirs advantage exclusive of charitable gift	1,645,462
Present value of planning advantage @ 3.0%	677,991

This analysis assumes that retirement plans are either bequeathed outright to heirs after the senior generation's interest terminates or to a CRUT for their benefit.



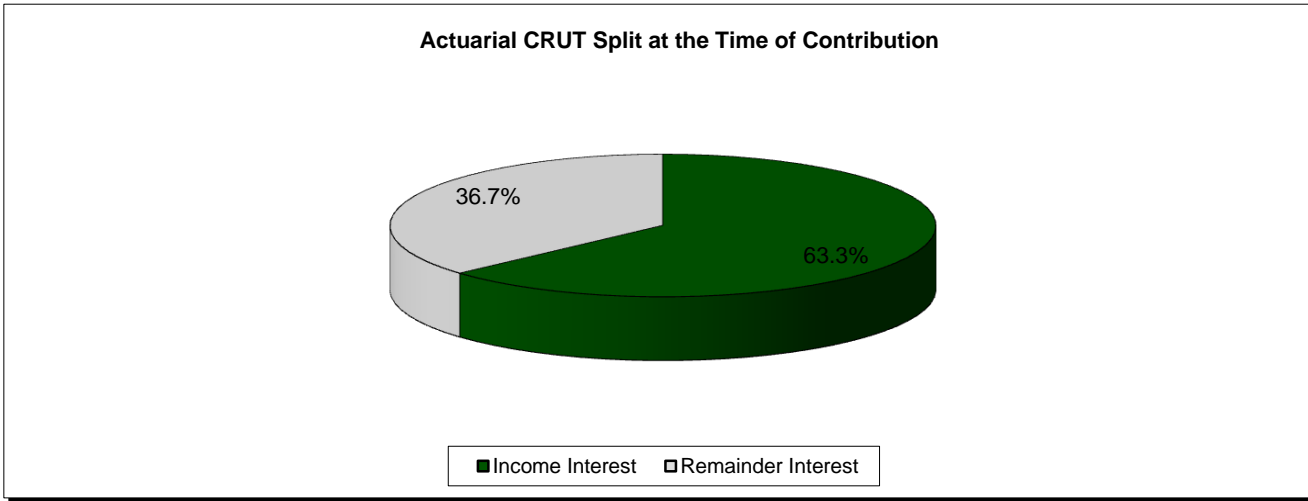
Summary

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Actuarial Summary

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Relevant Actuarial Calculations & Applicable Tests	
CRUT payout rate	5.000%
Income factor	63.320%
Remainder factor	36.680%
10% actuarial remainder test under IRC sec. 664(d)	Passed
IRA-to-CRUT Bequest	
IRA transferred	2,158,925
Actuarial value of CRUT remainder interest	791,898
Net estate tax savings	316,759
Taxable investments includible in the gross estate	0
Total estate taxes payable in IRA-to-CRUT scenario	-546,811
Estate taxes paid from other estate assets	546,811



Assumptions

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Personal		
Age		55.0
Attained age at year-end		55.9
Calculated life expectancy		84.6
Life expectancy override		65.0
Year of death		2023
Next Generation Beneficiary		
Age		26.0
Attained age at year-end		26.9
Year of death		2077
Planning Illustration		
Analysis date		01-Jan-2014
Beneficiary		Heirs
Beneficiary qualifies as designated beneficiary		Yes
First required distribution = April 1 in post-70 1/2 yr		Yes
IRAs		
Current IRA balance		1,000,000
Current IRA basis		0
Tax Rates		
	Jack	Heirs
Federal ordinary income tax rate	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
IRD deduction rate	See schedule	NA



Assumptions

Jack Flash

IRA Investment Rates	Jack	Heirs
Current income rate	2.0%	2.0%
Growth rate	6.0%	6.0%

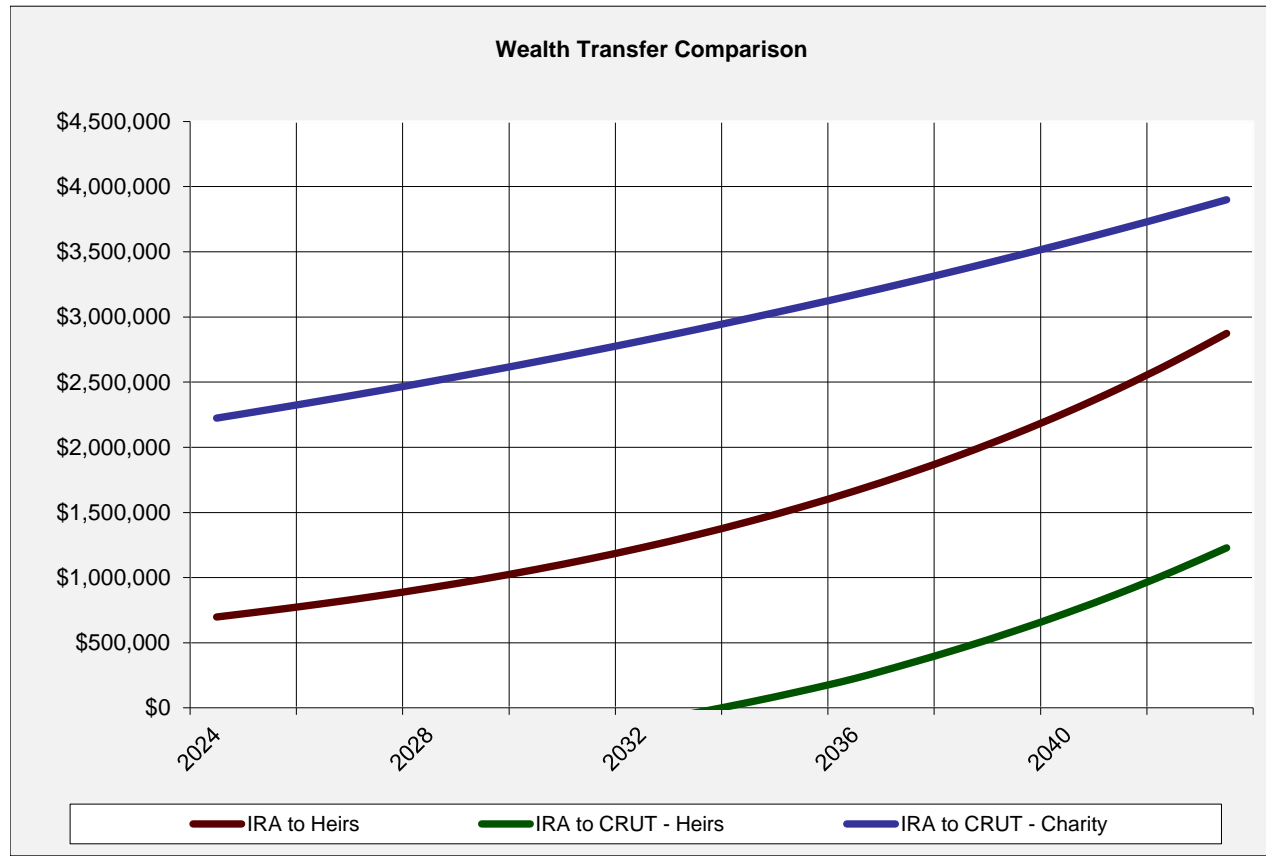
Taxable Investment Rates	Jack	Heirs
Current income rate	2.0%	2.0%
Qualified dividend percentage	100.0%	100.0%
Growth rate	6.0%	6.0%
Portfolio turnover rate	25.0%	25.0%
Percentage of income and capital gains subject to Medicare surtax	25.0%	25.0%
Present value discount rate	3.0%	NA

Charitable Remainder Unitrust	
Type of trust	Term
Trust term	20 years
CRUT payout rate	5.000%
CRUT valuation date	Start of year
Months valuation date precedes payout	12
CRUT payout frequency	Annual
Section 7520 rate	2.2%
Section 7520 mortality table	2000CM
Taxable income rate	2.0%
Qualified dividend percentage	100.0%
Growth rate	6.0%
Portfolio turnover rate	25.0%
Percentage of income and capital gains subject to Medicare surtax	25.0%
Discount rate for remainder interest	8.0%



Annual Net to Heirs and Charity Comparison

Jack Flash



The chart above illustrates the advantages or disadvantages of naming a charitable remainder unitrust (for the benefit of heirs) as IRA beneficiary, as opposed to bequeathing the IRA directly to heirs. For purposes of this illustration, it is assumed that only required minimum distributions are received. Amounts shown represent the after-tax assets available to heirs, assuming death taxes were paid in 2023--net of the estate tax charitable deduction equal to value of the remainder interest transferred.



IRA to CRUT Illustration - Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

Annual Snapshot Comparison

Jack Flash

Year	Net to Heirs		Remainder Interest to Charity	Comparison without Charity		Comparison with Charity	
	IRA to Heirs Scenario	IRA to CRUT Scenario		IRA to CRUT Adv-/Disadv	Present Value Adv-/Disadv 3.0%	IRA to CRUT Adv-/Disadv	Present Value Adv-/Disadv Blended
2024	697,834	-514,727	2,223,693	-1,212,561	-876,033	1,011,132	77,821
2025	747,288	-479,392	2,290,404	-1,226,680	-860,439	1,063,723	49,304
2026	800,514	-440,466	2,359,116	-1,240,980	-845,132	1,118,136	22,538
2027	858,070	-397,610	2,429,889	-1,255,680	-830,253	1,174,209	-2,709
2028	920,501	-350,485	2,502,786	-1,270,986	-815,847	1,231,800	-26,740
2029	988,351	-298,743	2,577,869	-1,287,095	-802,140	1,290,775	-49,526
2030	1,062,172	-242,028	2,655,205	-1,304,200	-789,142	1,351,005	-71,334
2031	1,142,534	-179,966	2,734,862	-1,322,500	-776,924	1,412,362	-92,311
2032	1,230,032	-112,167	2,816,907	-1,342,199	-765,484	1,474,708	-112,669
2033	1,325,291	-38,224	2,901,415	-1,363,515	-755,006	1,537,900	-132,382
2034	1,428,971	42,295	2,988,457	-1,386,676	-745,482	1,601,781	-151,652
2035	1,541,775	129,972	3,078,111	-1,411,803	-736,899	1,666,308	-170,531
2036	1,664,450	225,521	3,170,454	-1,438,928	-729,137	1,731,526	-189,075
2037	1,797,791	338,300	3,265,568	-1,459,491	-718,031	1,806,077	-202,945
2038	1,942,652	458,424	3,363,535	-1,484,228	-708,947	1,879,307	-217,682
2039	2,099,941	588,832	3,464,441	-1,511,109	-700,778	1,953,332	-232,232
2040	2,270,632	730,245	3,568,374	-1,540,387	-693,507	2,027,987	-246,723
2041	2,455,763	883,428	3,675,425	-1,572,336	-687,287	2,103,090	-261,165
2042	2,656,448	1,049,195	3,785,688	-1,607,253	-682,101	2,178,435	-275,686
2043	2,873,875	1,228,413	3,899,259	-1,645,462	-677,991	2,253,796	-290,371





IRA to CRUT Illustration

Sensitivity Analyses

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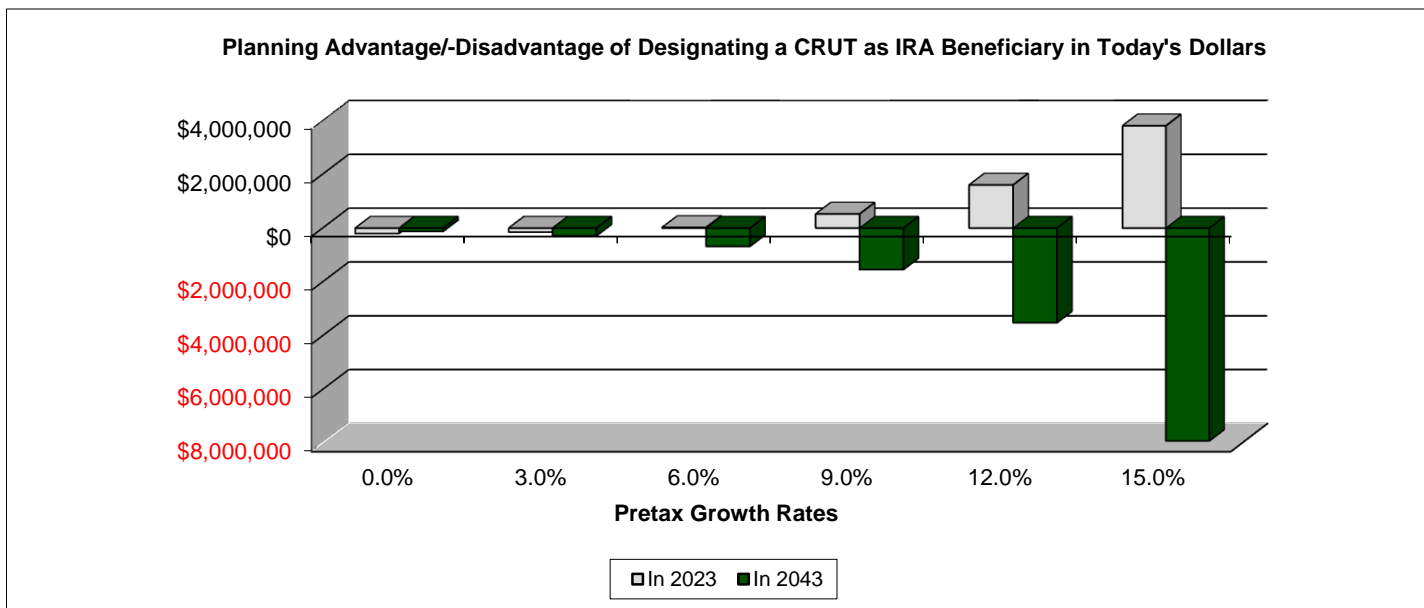
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Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

Sensitivity Analysis - Growth Rates

Jack Flash

Beneficiary = Heirs Growth	Net to Heirs in 2023		Available to Heirs in 2043		Planning Adv-/Disadv	
	IRA to Heirs	IRA to CRUT	IRA to Heirs	IRA to CRUT	In 2023	In 2043
0.0%	367,893	98,781	521,125	217,717	-269,112	-303,407
3.0%	491,600	290,944	1,220,162	527,027	-200,657	-693,134
6.0%	651,564	687,537	2,873,875	1,228,413	35,974	-1,645,462
9.0%	856,937	1,561,953	6,682,765	2,941,194	705,016	-3,741,571
12.0%	1,118,839	3,273,832	15,203,578	6,670,185	2,154,993	-8,533,392
15.0%	1,450,701	6,557,028	33,823,971	14,611,058	5,106,327	-19,212,912



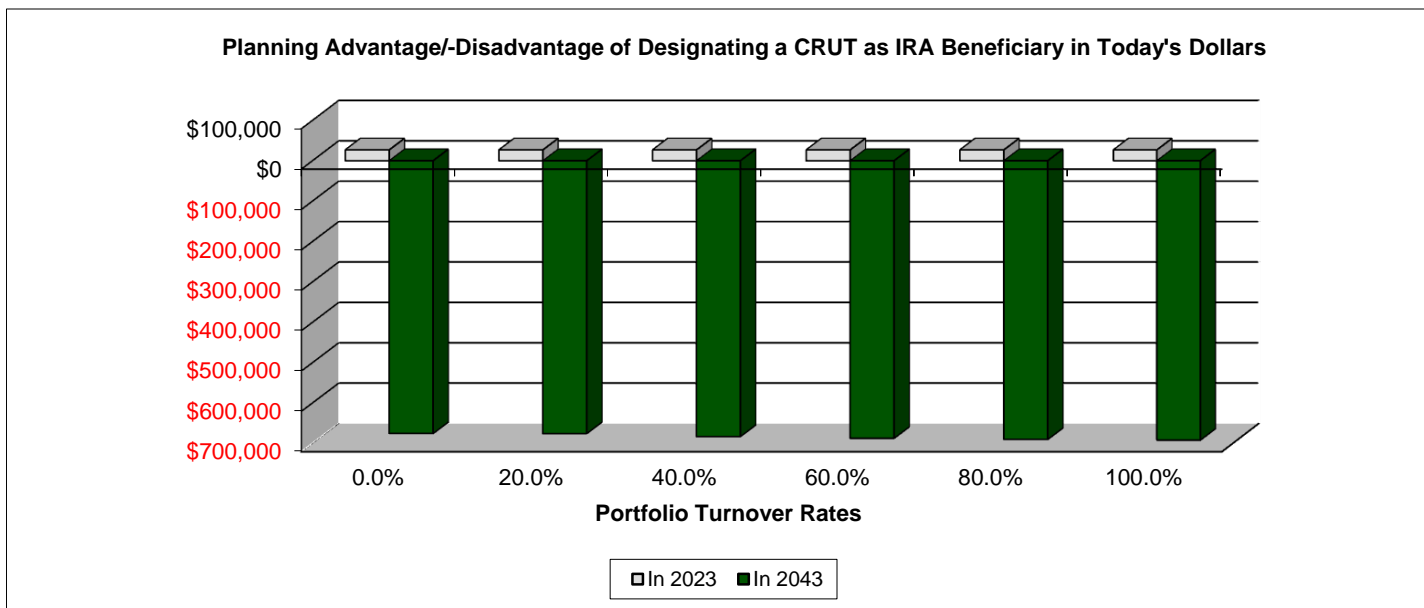
The illustration above shows the impact of pretax growth rate assumptions on the projected results. The graph shows the advantages or disadvantages of naming a CRUT as 2nd generation beneficiary, as compared to bequeathing benefits directly to heirs, in today's dollars. All other assumptions are the same as those listed on the Assumptions schedule.



Sensitivity Analysis - Portfolio Turnover Rates

Jack Flash

Beneficiary = Heirs Turnover	Net to Heirs in 2023		Available to Heirs in 2043		Planning Adv/Disadv	
	IRA to Heirs	IRA to CRUT	IRA to Heirs	IRA to CRUT	In 2023	In 2043
0.0%	651,564	687,537	2,802,041	1,162,150	35,974	-1,639,891
20.0%	651,564	687,537	2,863,932	1,223,724	35,974	-1,640,208
40.0%	651,564	687,537	2,893,959	1,235,745	35,974	-1,658,214
60.0%	651,564	687,537	2,908,456	1,239,534	35,974	-1,668,922
80.0%	651,564	687,537	2,916,725	1,241,199	35,974	-1,675,525
100.0%	651,564	687,537	2,922,031	1,242,091	35,974	-1,679,940



The illustration above shows the impact of portfolio turnover rate assumptions on the projected results. The graph shows the advantages or disadvantages of naming a CRUT as 2nd generation beneficiary, as compared to bequeathing benefits directly to heirs, in today's dollars. All other assumptions are the same as those listed on the Assumptions schedule.

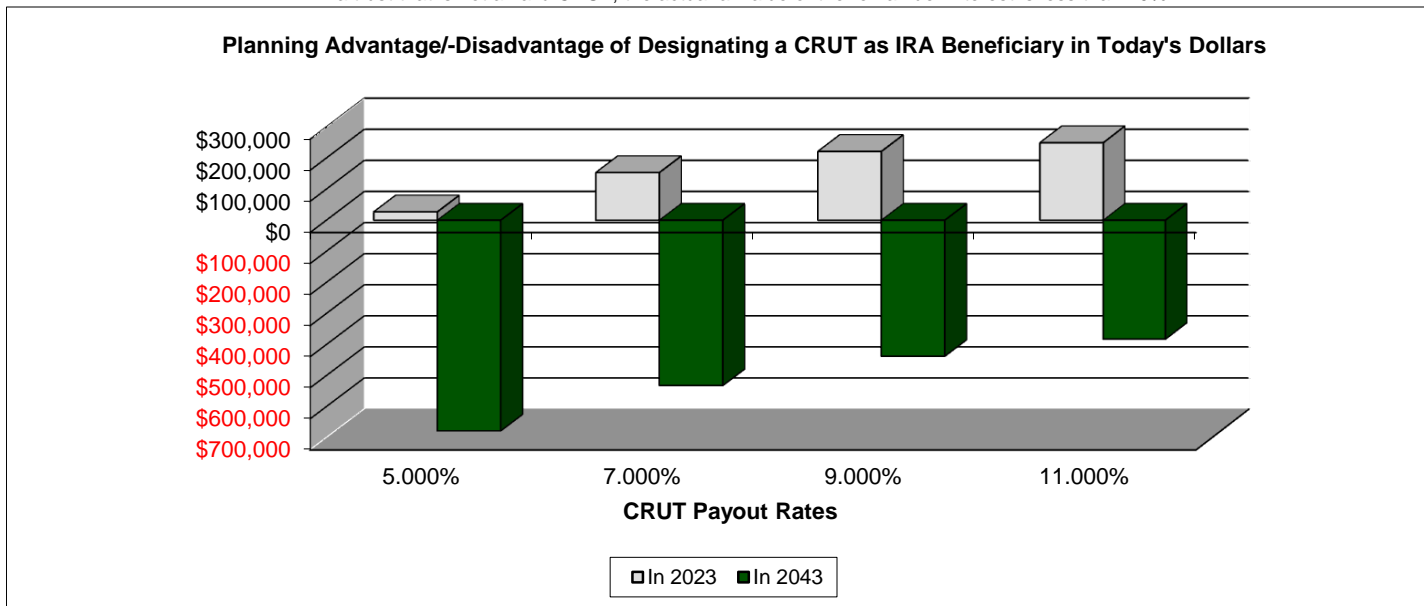


Sensitivity Analysis - CRUT Payout Rates

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Beneficiary = Heirs Payout	Net to Heirs in 2023		Available to Heirs in 2043		Planning Adv-/Disadv	
	IRA to Heirs	IRA to CRUT	IRA to Heirs	IRA to CRUT	In 2023	In 2043
5.000%	651,564	687,537	2,873,875	1,228,413	35,974	-1,645,462
7.000%	651,564	857,143	2,873,875	1,582,617	205,580	-1,291,258
9.000%	651,564	948,605	2,873,875	1,812,288	297,041	-1,061,587
11.000%	651,564	986,373	2,873,875	1,945,396	334,810	-928,479
13.000%	651,564	NA	2,873,875	NA	NA	NA
15.000%	651,564	NA	2,873,875	NA	NA	NA

NA = a trust that is not a valid CRUT; the actuarial value of the remainder interest is less than 10%.



The illustration above shows the impact of CRUT payout rate assumptions on the projected results. The graph shows the advantages or disadvantages of naming a CRUT as 2nd generation beneficiary, as compared to bequeathing the IRA directly to heirs, in today's dollars. All other assumptions are the same as those listed on the Assumptions schedule.





IRA to CRUT Illustration

Supporting Schedules for
SENIOR GENERATION ESTATE ANALYSIS

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Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

Senior Generation Estate Analysis

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Year	Pretax Transfer			Net to Heirs			
	IRA Balance	Taxable Investment Balance	Combined Balances	Estate Tax	IRD Deduction	Income Tax	Net to Heirs
2014	1,080,000	0	1,080,000	432,000	324,000	322,056	325,944
2015	1,166,400	0	1,166,400	466,560	349,920	347,820	352,020
2016	1,259,712	0	1,259,712	503,885	377,914	375,646	380,181
2017	1,360,489	0	1,360,489	544,196	408,147	405,698	410,596
2018	1,469,328	0	1,469,328	587,731	440,798	438,154	443,443
2019	1,586,874	0	1,586,874	634,750	476,062	473,206	478,919
2020	1,713,824	0	1,713,824	685,530	514,147	511,062	517,232
2021	1,850,930	0	1,850,930	740,372	555,279	551,947	558,611
2022	1,999,005	0	1,999,005	799,602	599,701	596,103	603,300
2023	2,158,925	0	2,158,925	863,570	647,677	643,791	651,564





IRA to CRUT Illustration

Supporting Schedules for
IRA TO HEIRS SCENARIO

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Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

IRA to Heirs Scenario - IRA Illustration

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Year	Year-End Attained Ages		Beginning Balance	Growth	Required Distributions		Ending Balance
	Jack's Age	Heir's Age			Applicable Divisor	Minimum Distribution	
2014	55.9	26.9	1,000,000	80,000	0.0	0	1,080,000
2015	56.9	27.9	1,080,000	86,400	0.0	0	1,166,400
2016	57.9	28.9	1,166,400	93,312	0.0	0	1,259,712
2017	58.9	29.9	1,259,712	100,777	0.0	0	1,360,489
2018	59.9	30.9	1,360,489	108,839	0.0	0	1,469,328
2019	60.9	31.9	1,469,328	117,546	0.0	0	1,586,874
2020	61.9	32.9	1,586,874	126,950	0.0	0	1,713,824
2021	62.9	33.9	1,713,824	137,106	0.0	0	1,850,930
2022	63.9	34.9	1,850,930	148,074	0.0	0	1,999,005
2023	64.9	35.9	1,999,005	159,920	0.0	0	2,158,925
2024	0.0	36.9	2,158,925	172,714	47.5	45,451	2,286,188
2025	0.0	37.9	2,286,188	182,895	46.5	49,165	2,419,918
2026	0.0	38.9	2,419,918	193,593	45.5	53,185	2,560,326
2027	0.0	39.9	2,560,326	204,826	44.5	57,535	2,707,617
2028	0.0	40.9	2,707,617	216,609	43.5	62,244	2,861,982
2029	0.0	41.9	2,861,982	228,959	42.5	67,341	3,023,600
2030	0.0	42.9	3,023,600	241,888	41.5	72,858	3,192,630
2031	0.0	43.9	3,192,630	255,410	40.5	78,830	3,369,210
2032	0.0	44.9	3,369,210	269,537	39.5	85,296	3,553,450
2033	0.0	45.9	3,553,450	284,276	38.5	92,297	3,745,429
2034	0.0	46.9	3,745,429	299,634	37.5	99,878	3,945,185
2035	0.0	47.9	3,945,185	315,615	36.5	108,087	4,152,713
2036	0.0	48.9	4,152,713	332,217	35.5	116,978	4,367,952
2037	0.0	49.9	4,367,952	349,436	34.5	126,607	4,590,781
2038	0.0	50.9	4,590,781	367,262	33.5	137,038	4,821,005
2039	0.0	51.9	4,821,005	385,680	32.5	148,339	5,058,347
2040	0.0	52.9	5,058,347	404,668	31.5	160,582	5,302,432
2041	0.0	53.9	5,302,432	424,195	30.5	173,850	5,552,776
2042	0.0	54.9	5,552,776	444,222	29.5	188,230	5,808,769
2043	0.0	55.9	5,808,769	464,702	28.5	203,816	6,069,654



IRA to Heirs Scenario - Taxable Investments Illustration

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Part 1 of 2

Year	Beginning Balance	Current-Year Returns		Realized Gains	Unrealized Gains	IRA Distributions		
		Current Income	Growth			Gross Distributions	Current-Year IRD Deduction	Taxable Distributions
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	0	0	0	0	0
2020	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0
2024	-863,570	-17,271	-51,814	-12,954	-38,861	45,451	13,635	31,816
2025	-894,955	-17,899	-53,697	-23,139	-69,418	49,165	14,750	34,416
2026	-924,168	-18,483	-55,450	-31,217	-93,651	53,185	15,956	37,230
2027	-951,233	-19,025	-57,074	-37,681	-113,044	57,535	17,261	40,275
2028	-976,066	-19,521	-58,564	-42,902	-128,706	62,244	18,673	43,571
2029	-998,483	-19,970	-59,909	-47,154	-141,461	67,341	20,202	47,139
2030	-1,018,214	-20,364	-61,093	-50,639	-151,916	72,858	21,857	51,000
2031	-1,034,907	-20,698	-62,094	-53,503	-160,508	78,830	23,649	55,181
2032	-1,048,130	-20,963	-62,888	-55,849	-167,546	85,296	25,589	59,708
2033	-1,057,372	-21,147	-63,442	-57,747	-173,242	92,297	27,689	64,608
2034	-1,062,040	-21,241	-63,722	-59,241	-177,723	99,878	29,963	69,915
2035	-1,061,456	-21,229	-63,687	-60,353	-181,058	108,087	32,426	75,661
2036	-1,054,853	-21,097	-63,291	-61,087	-183,262	116,978	35,093	81,884
2037	-1,041,367	-20,827	-62,482	-61,436	-184,308	126,607	37,982	88,625
2038	-1,020,028	-20,401	-61,202	-61,377	-184,132	137,038	41,111	95,927
2039	-989,756	-19,795	-59,385	-60,879	-182,638	148,339	44,502	103,837
2040	-949,343	-18,987	-56,961	-59,900	-179,699	160,582	48,175	112,408
2041	-897,447	-17,949	-53,847	-58,386	-175,159	173,850	52,155	121,695
2042	-832,579	-16,652	-49,955	-56,279	-168,836	188,230	56,469	131,761
2043	-753,083	-15,062	-45,185	-53,505	-160,515	203,816	61,145	142,672



IRA to Heirs Scenario - Taxable Investments Illustration

Jack Flash

Part 2 of 2

Year	Taxes			After-Tax Investments		
	Ordinary Income Tax	Unearned Income Medicare Surtax	Capital Gains Tax	Ending Balance	Deferred Capital Gains & Medicare Taxes	After-Tax Balance
2014	0	0	0	0	0	0
2015	0	0	0	0	0	0
2016	0	0	0	0	0	0
2017	0	0	0	0	0	0
2018	0	0	0	0	0	0
2019	0	0	0	0	0	0
2020	0	0	0	0	0	0
2021	0	0	0	0	0	0
2022	0	0	0	0	0	0
2023	0	0	0	0	0	0
2024	13,554	-1,149	-6,952	-894,955	-10,415	-884,540
2025	14,661	-1,559	-9,439	-924,168	-18,604	-905,563
2026	15,860	-1,889	-11,431	-951,233	-25,099	-926,135
2027	17,157	-2,155	-13,042	-976,066	-30,296	-945,770
2028	18,561	-2,372	-14,357	-998,483	-34,493	-963,990
2029	20,081	-2,551	-15,438	-1,018,214	-37,912	-980,303
2030	21,726	-2,698	-16,331	-1,034,907	-40,713	-994,194
2031	23,507	-2,820	-17,066	-1,048,130	-43,016	-1,005,114
2032	25,435	-2,919	-17,667	-1,057,372	-44,902	-1,012,469
2033	27,523	-2,998	-18,146	-1,062,040	-46,429	-1,015,611
2034	29,784	-3,058	-18,511	-1,061,456	-47,630	-1,013,826
2035	32,232	-3,100	-18,764	-1,054,853	-48,523	-1,006,329
2036	34,883	-3,123	-18,902	-1,041,367	-49,114	-992,253
2037	37,754	-3,126	-18,921	-1,020,028	-49,394	-970,634
2038	40,865	-3,108	-18,809	-989,756	-49,347	-940,409
2039	44,235	-3,066	-18,555	-949,343	-48,947	-900,396
2040	47,886	-2,998	-18,144	-897,447	-48,159	-849,288
2041	51,842	-2,901	-17,557	-832,579	-46,943	-785,636
2042	56,130	-2,771	-16,774	-753,083	-45,248	-707,835
2043	60,778	-2,606	-15,770	-657,126	-43,018	-614,108





IRA to CRUT Illustration

Supporting Schedules for
IRA TO CRUT SCENARIO

AN ANALYSIS PREPARED EXCLUSIVELY FOR

Jack Flash

Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

IRA to CRUT Scenario - CRUT Illustration

Jack Flash

Part 1 of 2

Year	Beginning Balance	Current-Year Returns		Realized Gains 25.0%	Unrealized Gains	Valuation for Payout	End of Year Payout 5.000%
		Taxable Income 2.0%	Growth 6.0%				
2024	2,158,925	43,178	129,535	32,384	97,152	2,158,925	107,946
2025	2,223,693	44,474	133,422	57,643	172,930	2,223,693	111,185
2026	2,290,404	45,808	137,424	77,589	232,766	2,290,404	114,520
2027	2,359,116	47,182	141,547	93,578	280,734	2,359,116	117,956
2028	2,429,889	48,598	145,793	106,632	319,896	2,429,889	121,494
2029	2,502,786	50,056	150,167	117,516	352,547	2,502,786	125,139
2030	2,577,869	51,557	154,672	126,805	380,415	2,577,869	128,893
2031	2,655,205	53,104	159,312	134,932	404,795	2,655,205	132,760
2032	2,734,862	54,697	164,092	142,222	426,665	2,734,862	136,743
2033	2,816,907	56,338	169,014	148,920	446,760	2,816,907	140,845
2034	2,901,415	58,028	174,085	155,211	465,633	2,901,415	145,071
2035	2,988,457	59,769	179,307	161,235	483,706	2,988,457	149,423
2036	3,078,111	61,562	184,687	167,098	501,294	3,078,111	153,906
2037	3,170,454	63,409	190,227	172,880	518,641	3,170,454	158,523
2038	3,265,568	65,311	195,934	178,644	535,931	3,265,568	163,278
2039	3,363,535	67,271	201,812	184,436	553,308	3,363,535	168,177
2040	3,464,441	69,289	207,866	190,294	570,881	3,464,441	173,222
2041	3,568,374	71,367	214,102	196,246	588,737	3,568,374	178,419
2042	3,675,425	73,509	220,526	202,316	606,947	3,675,425	183,771
2043	3,785,688	75,714	227,141	208,522	625,566	3,785,688	189,284



IRA to CRUT Scenario - CRUT Illustration

Jack Flash

Part 2 of 2

Year	Character of CRUT Payouts					Undistributed Baskets		Ending Balance
	Qualified Dividends + Ordinary Income	Qualified Dividends	Planned Capital Gains	Triggered Capital Gains	Corpus	Qualified Dividends + Ordinary Income	Capital Gains	
2024	107,946	0	0	0	0	1,684,049	32,384	2,223,693
2025	111,185	0	0	0	0	1,617,338	90,027	2,290,404
2026	114,520	0	0	0	0	1,548,626	167,616	2,359,116
2027	117,956	0	0	0	0	1,477,853	261,194	2,429,889
2028	121,494	0	0	0	0	1,404,956	367,826	2,502,786
2029	125,139	0	0	0	0	1,329,873	485,341	2,577,869
2030	128,893	0	0	0	0	1,252,536	612,146	2,655,205
2031	132,760	0	0	0	0	1,172,880	747,078	2,734,862
2032	136,743	0	0	0	0	1,090,834	889,300	2,816,907
2033	140,845	0	0	0	0	1,006,327	1,038,220	2,901,415
2034	145,071	0	0	0	0	919,285	1,193,431	2,988,457
2035	149,423	0	0	0	0	829,631	1,354,666	3,078,111
2036	153,906	0	0	0	0	737,288	1,521,764	3,170,454
2037	158,523	63,409	0	0	0	642,174	1,694,644	3,265,568
2038	163,278	65,311	0	0	0	544,207	1,873,288	3,363,535
2039	168,177	67,271	0	0	0	443,301	2,057,724	3,464,441
2040	173,222	69,289	0	0	0	339,368	2,248,018	3,568,374
2041	178,419	71,367	0	0	0	232,317	2,444,263	3,675,425
2042	183,771	73,509	0	0	0	122,054	2,646,579	3,785,688
2043	189,284	75,714	0	0	0	8,483	2,855,101	3,899,259



IRA to CRUT Scenario - Income Beneficiary Illustration

Jack Flash

Part 1 of 2

Year	Beginning Balance	Current-Year Returns		Realized Gains 25.0%	Unrealized Gains
		Taxable Income 2.0%	Growth 6.0%		
2024	-546,811	-10,936	-32,809	-8,202	-24,606
2025	-521,322	-10,426	-31,279	-13,971	-41,914
2026	-490,625	-9,813	-29,438	-17,838	-53,514
2027	-454,807	-9,096	-27,288	-20,201	-60,602
2028	-413,851	-8,277	-24,831	-21,358	-64,075
2029	-367,657	-7,353	-22,059	-21,534	-64,601
2030	-316,056	-6,321	-18,963	-20,891	-62,673
2031	-258,824	-5,176	-15,529	-19,551	-58,652
2032	-195,684	-3,914	-11,741	-17,598	-52,795
2033	-126,316	-2,526	-7,579	-15,093	-45,280
2034	-50,359	-1,007	-3,022	-12,075	-36,226
2035	32,586	652	1,955	-8,568	-25,703
2036	123,083	2,462	7,385	-4,580	-13,739
2037	221,839	4,437	13,310	-107	-321
2038	338,214	6,764	20,293	4,993	14,979
2039	462,439	9,249	27,746	10,681	32,044
2040	597,420	11,948	35,845	16,972	50,917
2041	743,891	14,878	44,633	23,888	71,663
2042	902,633	18,053	54,158	31,455	94,365
2043	1,074,485	21,490	64,469	39,709	119,126



IRA to CRUT Scenario - Income Beneficiary Illustration

Jack Flash

Part 2 of 2

Year	CRUT Payouts				Taxes		After-Tax Investments		
	Ordinary Income	Qualified Dividends	Capital Gains	Corpus	Income & Medicare Taxes	Capital Gains Tax	Ending Balance	Deferred Capital Gains & Medicare Taxes	After-Tax Balance
2024	107,946	0	0	0	40,599	-1,886	-521,322	-6,595	-514,727
2025	111,185	0	0	0	41,996	-3,213	-490,625	-11,233	-479,392
2026	114,520	0	0	0	43,555	-4,103	-454,807	-14,342	-440,466
2027	117,956	0	0	0	45,261	-4,646	-413,851	-16,241	-397,610
2028	121,494	0	0	0	47,104	-4,912	-367,657	-17,172	-350,485
2029	125,139	0	0	0	49,079	-4,953	-316,056	-17,313	-298,743
2030	128,893	0	0	0	51,182	-4,805	-258,824	-16,796	-242,028
2031	132,760	0	0	0	53,411	-4,497	-195,684	-15,719	-179,966
2032	136,743	0	0	0	55,768	-4,048	-126,316	-14,149	-112,167
2033	140,845	0	0	0	58,254	-3,471	-50,359	-12,135	-38,224
2034	145,071	0	0	0	60,874	-2,777	32,586	-9,709	42,295
2035	149,423	0	0	0	63,353	-1,821	123,083	-6,889	129,972
2036	153,906	0	0	0	65,483	-487	221,839	-3,682	225,521
2037	95,114	63,409	0	0	44,315	15,580	338,214	-86	338,300
2038	97,967	65,311	0	0	48,385	17,726	462,439	4,014	458,424
2039	100,906	67,271	0	0	50,134	20,056	597,420	8,588	588,832
2040	103,933	69,289	0	0	51,957	22,588	743,891	13,646	730,245
2041	107,051	71,367	0	0	53,857	25,331	902,633	19,206	883,428
2042	110,263	73,509	0	0	55,837	28,294	1,074,485	25,290	1,049,195
2043	113,571	75,714	0	0	57,899	31,490	1,260,339	31,926	1,228,413



IRA to CRUT Scenario - After-Tax CRUT Payout Illustration

Jack Flash

Year	CRUT Payouts				CRUT Payouts Subject to Medicare Surtax			Taxes		After-Tax CRUT Payouts	Present Value of After-Tax CRUT Payouts 3.0%
	Ordinary Income	Qualified Dividends	Capital Gains	Corpus	Cumulative Ordinary Income Payouts	Undistributed IRD [Not Subject to Surtax]	Ordinary Inc Payouts Subject to Surtax	Income & Medicare Taxes	Capital Gains Tax		
2024	107,946	0	0	0	107,946	1,640,871	0	45,985	0	61,961	60,156
2025	111,185	0	0	0	219,131	1,529,686	0	47,365	0	63,820	60,156
2026	114,520	0	0	0	333,651	1,415,166	0	48,786	0	65,735	60,156
2027	117,956	0	0	0	451,607	1,297,210	0	50,249	0	67,707	60,156
2028	121,494	0	0	0	573,101	1,175,716	0	51,757	0	69,738	60,156
2029	125,139	0	0	0	698,241	1,050,576	0	53,309	0	71,830	60,156
2030	128,893	0	0	0	827,134	921,683	0	54,909	0	73,985	60,156
2031	132,760	0	0	0	959,894	788,923	0	56,556	0	76,204	60,156
2032	136,743	0	0	0	1,096,637	652,179	0	58,253	0	78,491	60,156
2033	140,845	0	0	0	1,237,483	511,334	0	60,000	0	80,845	60,156
2034	145,071	0	0	0	1,382,554	366,263	0	61,800	0	83,271	60,156
2035	149,423	0	0	0	1,531,976	216,841	0	63,654	0	85,769	60,156
2036	153,906	0	0	0	1,685,882	62,935	0	65,564	0	88,342	60,156
2037	95,114	63,409	0	0	1,780,996	0	32,179	44,151	14,584	99,788	65,972
2038	97,967	65,311	0	0	1,878,963	0	97,967	47,939	15,022	100,318	64,390
2039	100,906	67,271	0	0	1,979,869	0	100,906	49,377	15,472	103,328	64,390
2040	103,933	69,289	0	0	2,083,802	0	103,933	50,858	15,936	106,428	64,390
2041	107,051	71,367	0	0	2,190,853	0	107,051	52,384	16,415	109,620	64,390
2042	110,263	73,509	0	0	2,301,116	0	110,263	53,955	16,907	112,909	64,390
2043	113,571	75,714	0	0	2,414,686	0	113,571	55,574	17,414	116,296	64,390



IRA to CRUT Scenario - CRUT Basis & Gains Triggered on Payout

Jack Flash

Year	Predistribution Basis	CRUT Payout	Tentative Adjusted Basis	Post-Payout Value	Potential Triggering Payout	Gain Triggered	Ending Adjusted Basis
2024	2,234,487	107,946	2,126,541	2,223,693	0	0	2,126,541
2025	2,228,658	111,185	2,117,474	2,290,404	0	0	2,117,474
2026	2,240,870	114,520	2,126,350	2,359,116	0	0	2,126,350
2027	2,267,110	117,956	2,149,155	2,429,889	0	0	2,149,155
2028	2,304,384	121,494	2,182,890	2,502,786	0	0	2,182,890
2029	2,350,461	125,139	2,225,322	2,577,869	0	0	2,225,322
2030	2,403,684	128,893	2,274,791	2,655,205	0	0	2,274,791
2031	2,462,827	132,760	2,330,066	2,734,862	0	0	2,330,066
2032	2,526,985	136,743	2,390,242	2,816,907	0	0	2,390,242
2033	2,595,500	140,845	2,454,655	2,901,415	0	0	2,454,655
2034	2,667,894	145,071	2,522,824	2,988,457	0	0	2,522,824
2035	2,743,828	149,423	2,594,405	3,078,111	0	0	2,594,405
2036	2,823,065	153,906	2,669,160	3,170,454	0	0	2,669,160
2037	2,905,449	158,523	2,746,927	3,265,568	0	0	2,746,927
2038	2,990,882	163,278	2,827,603	3,363,535	0	0	2,827,603
2039	3,079,310	168,177	2,911,133	3,464,441	0	0	2,911,133
2040	3,170,716	173,222	2,997,494	3,568,374	0	0	2,997,494
2041	3,265,107	178,419	3,086,688	3,675,425	0	0	3,086,688
2042	3,362,512	183,771	3,178,741	3,785,688	0	0	3,178,741
2043	3,462,977	189,284	3,273,692	3,899,259	0	0	3,273,692





IRA to CRUT Illustration

Supporting Schedules for
TAX & INVESTMENT RATES

AN ANALYSIS PREPARED EXCLUSIVELY FOR

Jack Flash

Jack's \$1M IRA to Heirs vs. 20-Year CRUT 5% Annual Payout

Tax & Investment Rates

Jack Flash

Part 1 of 2

Year	Jack						Heirs			
	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	IRD Deduction 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%	30.0%	39.6%	3.0%	42.6%	23.0%
2015	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2016	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2017	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2018	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2019	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2020	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2021	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2022	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2023	39.6%	3.0%	42.6%	23.0%	40.0%	30.0%	39.6%	3.0%	42.6%	23.0%
2024	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2025	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2026	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2027	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2028	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2029	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2030	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2031	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2032	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2033	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2034	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2035	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2036	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2037	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2038	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2039	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2040	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2041	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2042	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%
2043	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	39.6%	3.0%	42.6%	23.0%



Tax & Investment Rates

Jack Flash

Part 2 of 2

Year	Applicable Tax Rates		IRA		Taxable Investments		
	Ordinary Income Tax Rate	Capital Gains Tax Rate	Current Income	Growth	Current Income	Growth	Portfolio Turnover
2014	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2015	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2016	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2017	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2018	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2019	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2020	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2021	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2022	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2023	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2024	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2025	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2026	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2027	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2028	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2029	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2030	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2031	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2032	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2033	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2034	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2035	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2036	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2037	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2038	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2039	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2040	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2041	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%
2042	42.6%	23.0%	2.0%	6.0%	2.0%	6.0%	25.0%

