

INKNOW *VISION*'S MONTHLY HNW WEBINAR SERIES

Case Study Webinar



FAMILY WEALTH GOAL ACHIEVER™ - INITIAL

PREPARED FOR:

CHRIS AND BETH JACKSON

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PRESENTED BY

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PERIODIC TABLE OF ESTATE PLANNING ELEMENTS - RECOMMENDED

CHRIS AND BETH JACKSON

The highlighted tools are those we have determined are most suited to achieving your goals and objectives.

Charitable Remainder Uni-Trust	412(e)	Family Limited Partnership	Private Annuity	Grantor Retained Annuity Trust	Charitable Lead Annuity Trust	SCIN
Family LLC	TCLAT	Qualified Personal Residence Trust	Flip CRT	Sale for Installment Note	Series Limited Liability Company	GDOT Owned Life Insurance
Premium Finance	Preferred Limited partnership	Beneficiary Defective Inheritor's Trust (BDIT)	529 Plans	Gifting	ILIT	Corporate Recapitalization
Walton GRAT	Private Foundations	Charitable Life Estate	NIMCRUT	Annuity Withdrawal	Asset Protection	SPIA/Life Arbitrage
SPIA/Life in a CLAT	Principal Protected Notes	Revocable Living Trusts, DPAs and POAs	Crummey Powers	Dynasty Trust	Use of Available Lifetime Gifting	GDOT
Supporting Organizations	IRA to Charity	Gift Annuity	Remainder Sales	Life Estates	Captive Insurance Company	LLC/CRTs
Bargain Sales	Succession Planning	Risk Management	Charitable Remainder Annuity Trust	ESOP Planning	Defined Benefit Plans	Qualified Plan Limited Partnership

 Green equals a new planning tool for family

 Blue equals a social capital or charitable tool

 Yellow equals an existing planning tool

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LIFETIME SPENDING
AND LIQUIDITY

PERSONAL LIVING EXPENSES vs. AVAILABLE CASH FLOW

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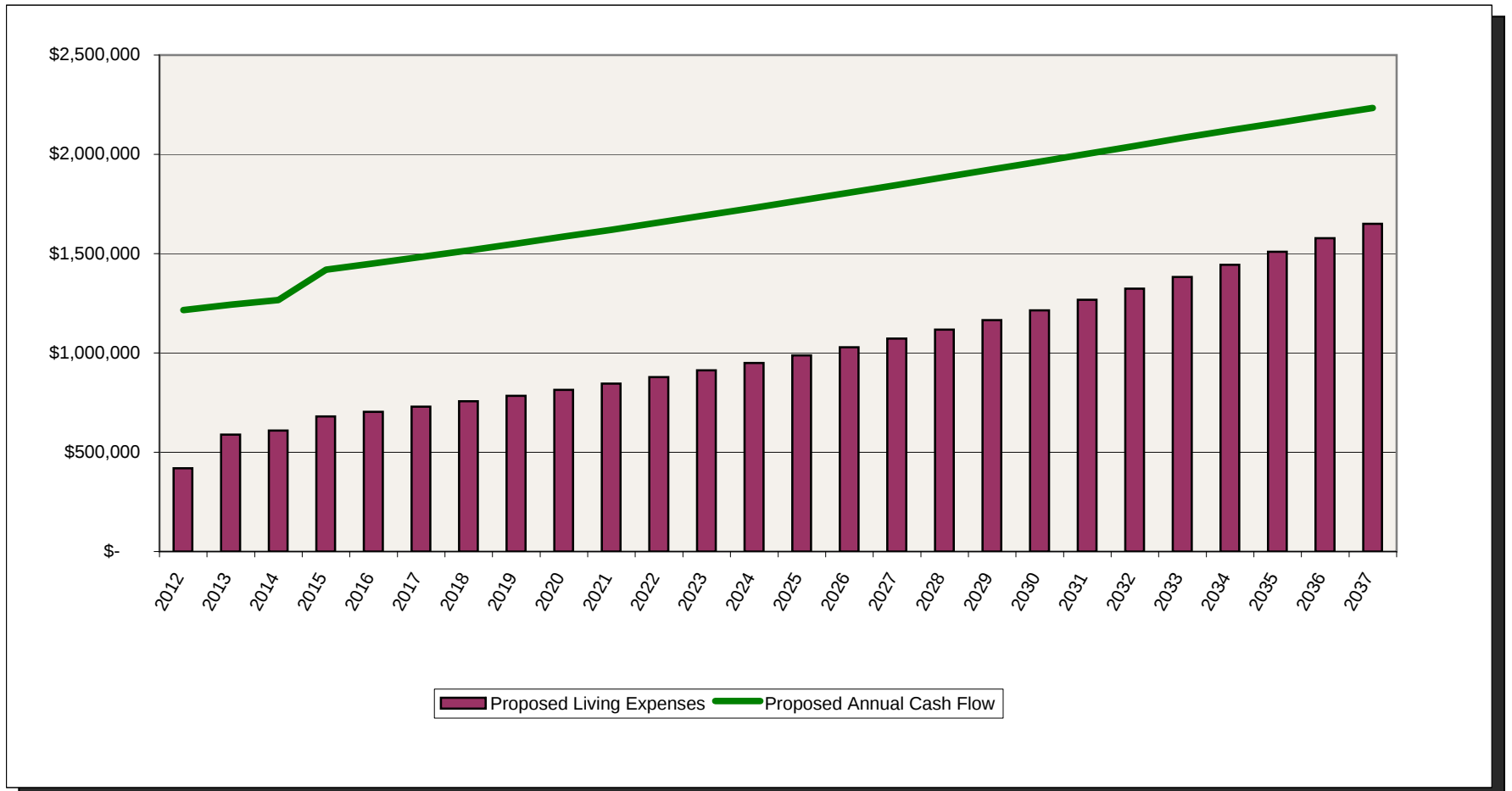
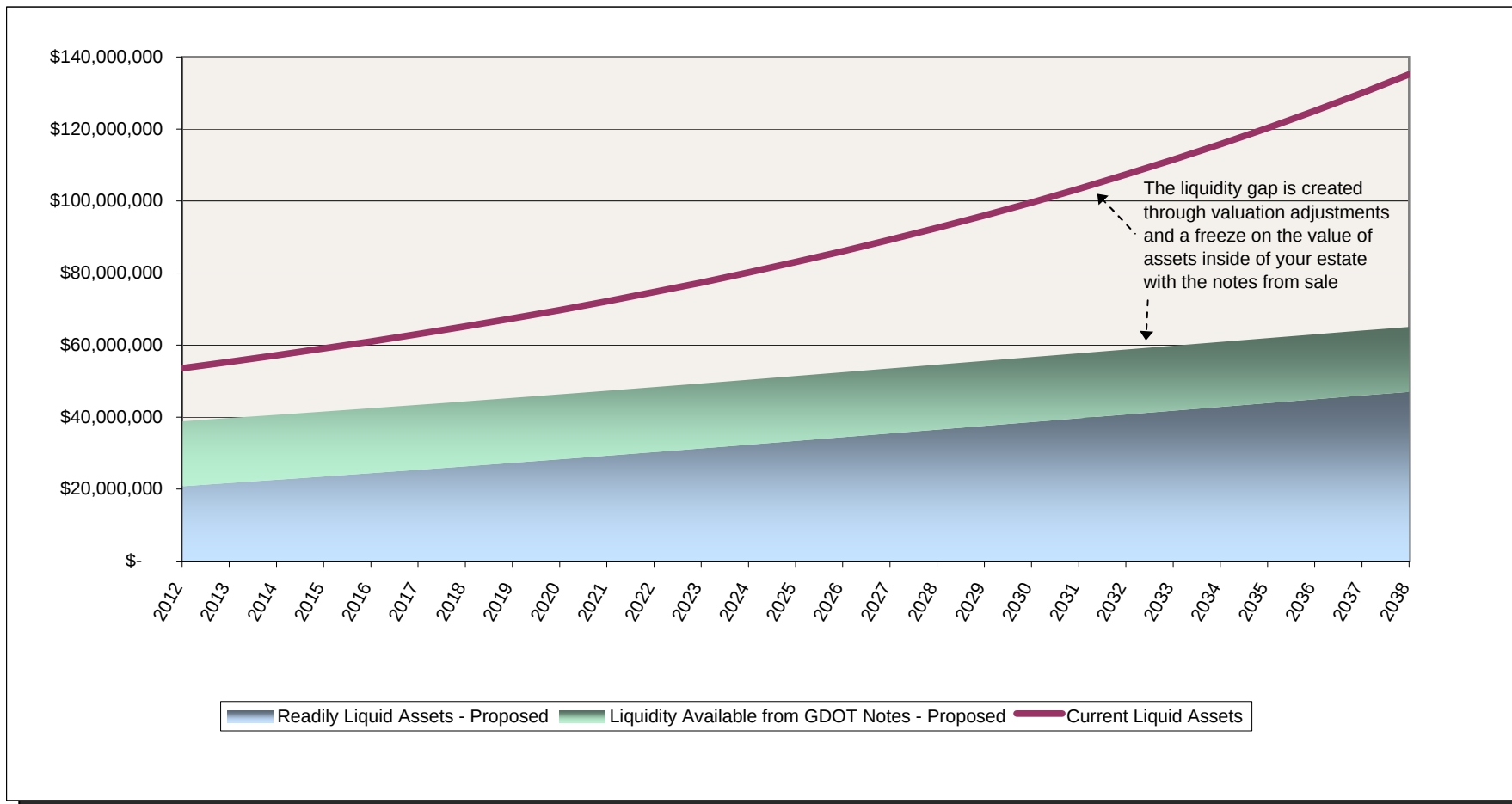


Illustration compares your living expenses under the proposed plan as against your annual cash flow available.

YOUR LIQUID ASSETS - CURRENT PLAN VS. PROPOSED PLAN

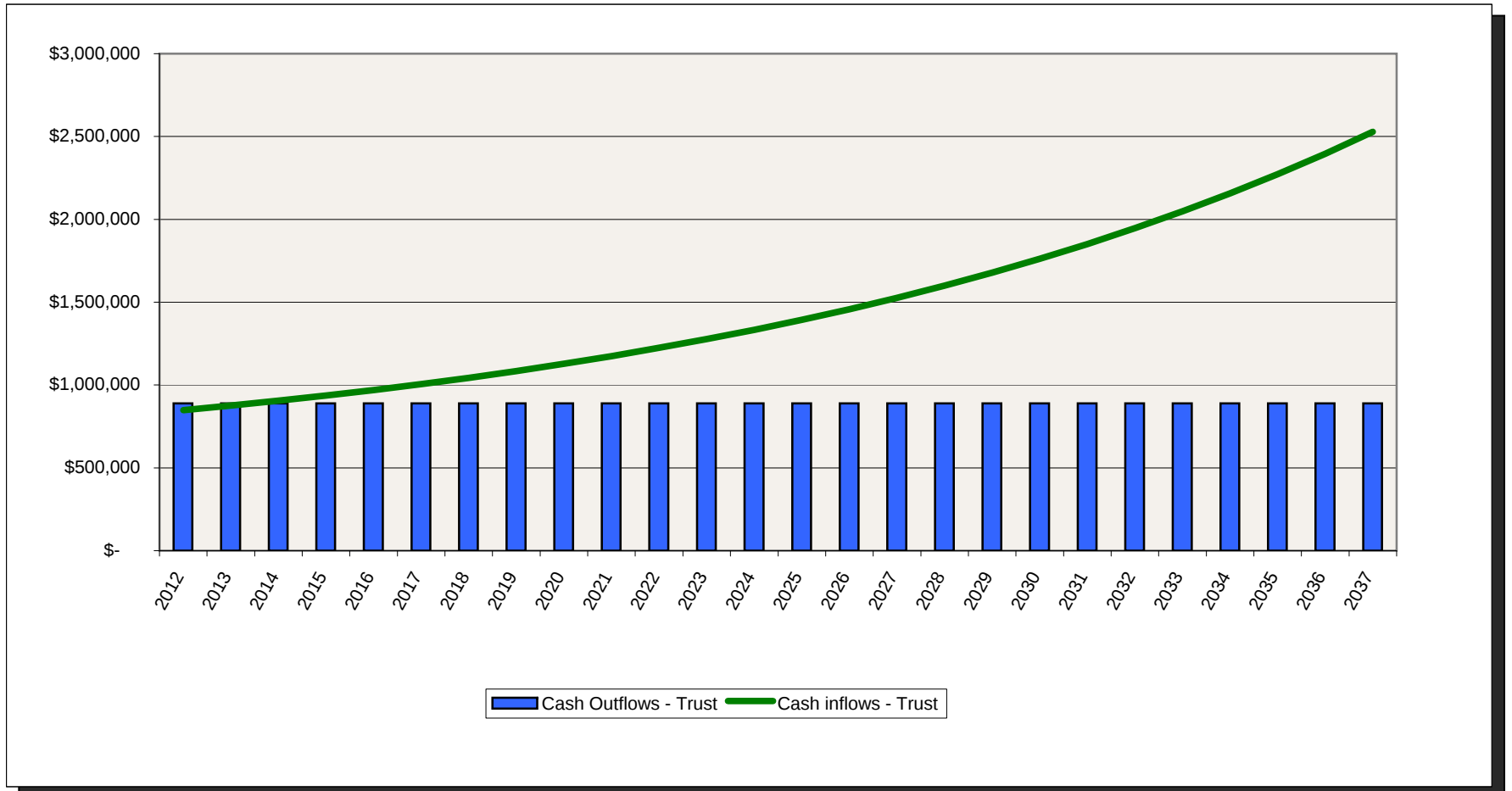
CHRIS AND BETH JACKSON



This illustration reflects the amount of liquid assets available to you during life under the current plan assumptions as against the proposed plan assumptions. Liquid assets include cash, securities, bonds (corporate and municipal), annuities and retirement funds. Due to the nature of the assets involved in the Trust transaction there is liquidity available during life from the Trust notes.

TRUST INCOME vs. TRUST CASH OUTFLOWS

CHRIS AND BETH JACKSON



This illustration compares you're the available trust income generated by assets in the GDOTs with the proposed asset investment strategy as against the annual cash outflows of the trusts. Income is generated from taxable and non-taxable securities accounts owned by the Family Limited Partnership as well as the re-investment and seed gift accounts inside of the GDOTs.

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INCREASE INHERITANCE
AND REDUCE ESTATE TAX

COMPARISON OF PLAN RESULTS - PLAN YEAR 2012

CHRIS AND BETH JACKSON

	Existing Plan	Proposed Plan	Advantage
Estate Value	\$ 54,241,663	\$ 39,501,118	
Heirs Receive Immediately	\$ 38,223,976	\$ 66,835,239	\$ 28,611,263
Heirs Receive from Deferred Inheritance	\$ -	\$ 5,777,068	\$ 5,777,068
Total Benefits to Family	\$ 38,223,976	\$ 72,612,307	\$ 34,388,331
Family Charity	\$ -	\$ 20,909,786	\$ 20,909,786
Estate and Income Tax	\$ 15,332,344	\$ 6,197,284	\$ 9,135,060

This chart assumes that you both die this year and compares the results of the current plan with the proposed plan.

COMPARISON OF PLAN RESULTS - PLAN YEAR 2037

CHRIS AND BETH JACKSON

	Existing Plan	Proposed Plan	Advantage
Estate Value	\$ 131,231,391	\$ 65,281,853	
Heirs Receive Immediately	\$ 58,916,170	\$ 134,132,101	\$ 75,215,931
Heirs Receive from Deferred Inheritance	\$ -	\$ 10,136,240	\$ 10,136,240
Total Benefits to Family	\$ 58,916,170	\$ 144,268,341	\$ 85,352,171
Family Charity	\$ -	\$ 33,186,484	\$ 33,186,484
Estate and Income Tax	\$ 70,617,335	\$ 17,291,183	\$ 53,326,152
Present Value of total to Heirs	\$28,138,691	\$68,903,363	
Discount rate for PV calculation	3.00%		

This chart assumes that you both die at life expectancy and compares the results of the current plan with the proposed plan.

The present value of the total passing to heirs is our attempt to put inheritance into today's dollars to provide perspective.
We are using an inflation rate of 3% to calculate the present value numbers.

ASSETS PASSING TO YOUR FAMILY - CURRENT VS. PROPOSED

CHRIS AND BETH JACKSON



This chart compares the amount of your assets that will pass to heirs immediately after estate taxes and costs of implementation in the current plan as against the proposed plan. The proposed plan inheritances do not include any potential deferred inheritances because of the uncertainty surrounding the remainder value at the termination of the TCLAT 25 years out.

INTRODUCTION TO THE PLAN STRATEGIES ROADMAP

CHRIS AND BETH JACKSON

The following section of the plan contains a step by step roadmap for each of the strategies that we are recommending.

You will notice that the strategies are often interdependent; that is, in order for one strategy to be successful, you must complete another strategy as well. It is the integration of each of these strategies that allows you to most efficiently accomplish your goals.

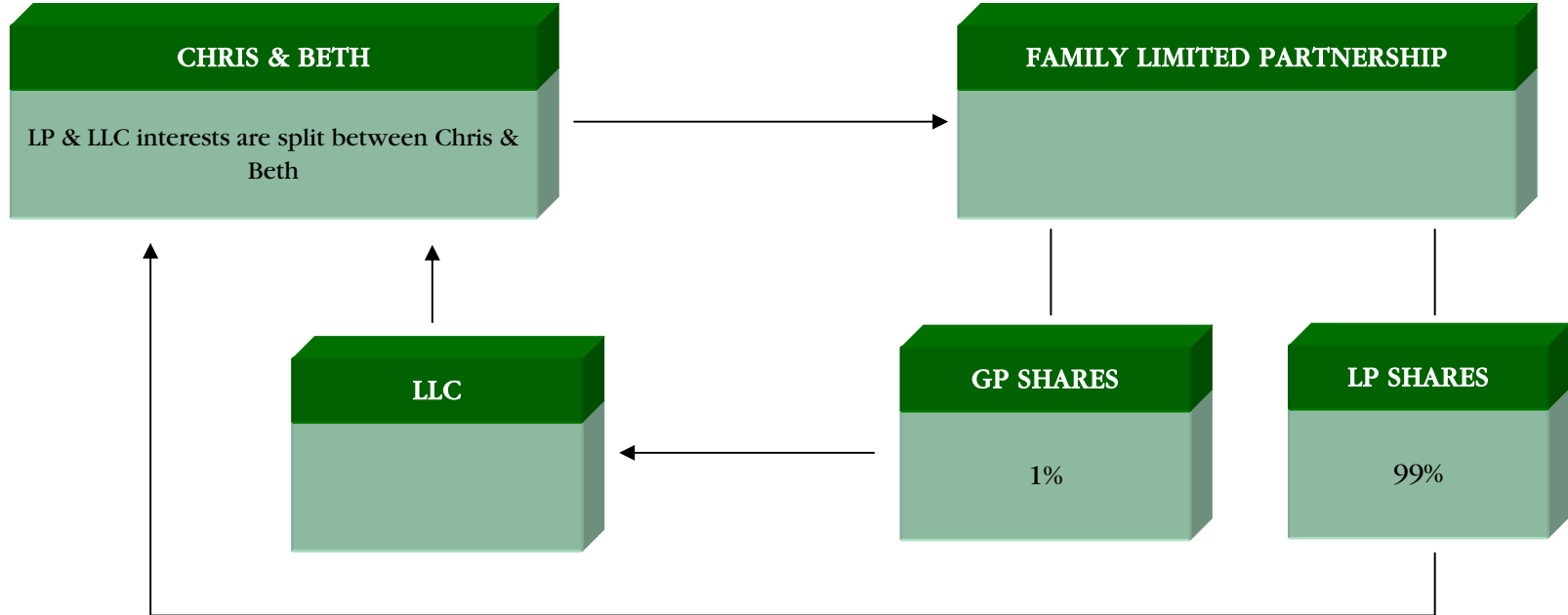
Also keep in mind that there is often more than one way to get from point A to point B. This is true in wealth transfer planning. If a particular strategy or combination of strategies is not acceptable to you, we may be able to reach the desired result in a less efficient but perhaps more acceptable way.

The following pages are a conceptual road map only, there are numerous details contained in each strategy that are not detailed in the overall plan that follows.

AMEND AND FUND FAMILY LIMITED PARTNERSHIP

CHRIS AND BETH JACKSON

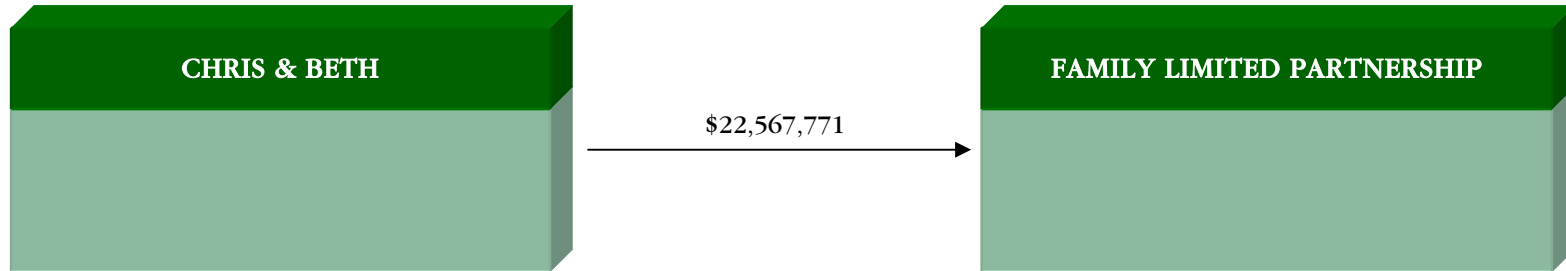
Chris and Beth have created the Jackson Family Limited Partnership and a management LLC. Current ownership reflects that the LP shares are split evenly between Chris, Beth & Jeff. Partnership ownership should reflect capital contribution. The new entity is organized to develop new investments, protect family members, streamline business succession planning, create a gifting mechanism and provide centralized management of investments.



FUND FAMILY LIMITED PARTNERSHIP

CHRIS AND BETH JACKSON

Chris and Beth transfer \$22,567,771 of assets to the limited partnership.



Detail of Assets Transferred

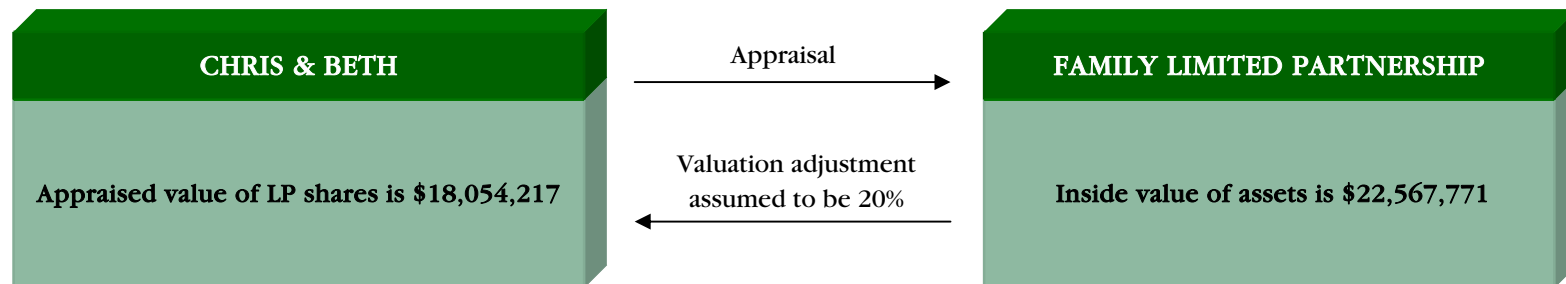
Securities/Bonds Acct	2,745,185
Securities Acct	250,747
Securities Acct	230,260
Securities Acct	2,468,744
Securities/Bonds Acct	460,741
Securities Acct	384,543
Securities Acct	942,325
Muni Bonds	3,106,712
Muni Bonds	7,084,778
Muni Bonds	1,430,250
Muni Bonds	82,330
Muni Bonds	3,381,156
Total Assets Contributed	22,567,771

HAVE THE LIMITED PARTNERSHIP SHARES APPRAISED

CHRIS AND BETH JACKSON

Chris and Beth hire an appraiser to value the limited partnership shares that they own. The appraiser will value the shares taking all of the following into account:

- Liquidity of the shares
- Transferability of the shares
- Degree of control that accompanies ownership of the shares
- The assets owned by the partnership



The appraisal value of the LP units is assumed for illustration purposes only.

Note: Business appraisal is not an exact science. The IRS does not like valuation adjustments.

A well regarded appraiser should be retained to value the interests being sold.

BUSINESS PURPOSE

CHRIS AND BETH JACKSON

The Family entity must have a legitimate business purpose for being organized and these purposes should be well documented. Legitimate business purposes examples are as follows:

- a. To Make a Profit – The primary reason for creating this Entity is to make a profit.
- b. To Increase Wealth – This Entity will provide an effective legal vehicle to increase the wealth of the Members and their families.
- c. To Provide Centralized Management of Investments – This Entity is designed to hold investment assets and allow for centralized management of those assets.
- d. To Manage and Develop Real Estate – This Entity will provide the legal vehicle to effectively manage and/or develop any real estate owned or acquired by the Company.
- e. To Avoid Two Layers of Taxation on Profits – This Entity provides flexibility in business planning not available to the Members through trusts, corporations, or other business entities.
- f. To Make Gifts Without Fractionalizing Assets – This Entity establishes a method by which annual gifts may be made without fractionalizing family assets.
- g. To Make Gifts Without Causing a Loss of Incentive – This Entity provides a method of ownership which allows gifts to be made to children and other beneficiaries without causing a loss of productivity or the incentive to strive to do well.
- h. To Control Cash Flow to Members – This Entity provides a structure by which the Manager can control the assets and the cash flow to Members to achieve the legitimate purposes of the Company.
- i. To Provide a Buy-Sell Arrangement – This Entity provides an orderly buy-sell arrangement between the members of the families that own membership interests to keep the ownership of Company assets in those families.
- j. To Resolve Disputes Privately – This Entity provides for mediation and binding arbitration in disputes by Members that is intended to prevent expensive and embarrassing public litigation of private family business matters.
- k. To Require the Losers of Disputes to Pay the Dispute Costs – This Entity requires the loser in any dispute to pay for the costs of the dispute.
- l. To Restrict the Right of Non-Members to Acquire Interests – This Entity restricts the right of non-Members to acquire interests in Company assets.
- m. To Prevent Transfers of Membership Interests Because of Failed Marriages – This Entity prevents the transfer of a family member's interest in the Company because of a failed marriage.
- n. To Prevent Commingling of the Assets of Gift Recipients – This Entity creates a method of ownership that will prevent gifts made to family members from being commingled with assets owned by others.
- o. To Make it Difficult to Withdraw – The restrictions in this Operating Agreement make it difficult for any of the parties to withdraw from the Company once they become a Member.
- p. To Protect Members from the Company's Creditor Claims – This Entity limits the liability of Members from the Company's creditors and further limits the liability of Members holding particular Series of the Company from liability associated with other Series of the Company.
- q. To Provide Asset Protection for Members – This Entity protects the family resource base from the claims of future creditors of Members.

The entity may conduct any lawful business and investment activity permitted under the laws of the State and/or country of organization in which it may have a business or investment interest.

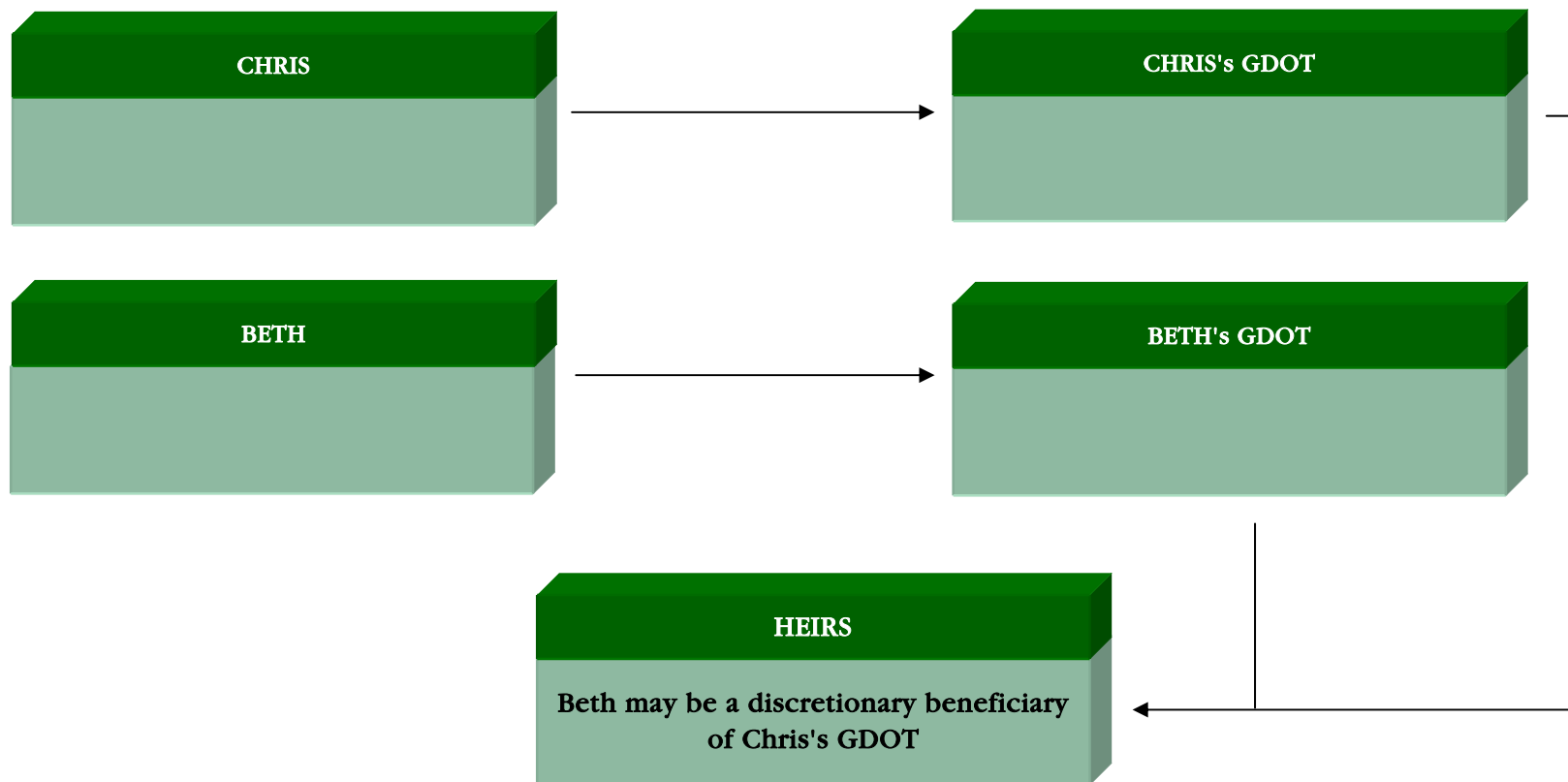
The entity may own, acquire, manage, develop, operate, sell, exchange, finance, refinance, lease and otherwise deal with real estate, personal property and any type of business as the Manager may from time to time deem to be in the best interest of the entity.

The entity may engage in any other activities that are related or incidental to the foregoing purposes.

CREATE GRANTOR DEEMED OWNER TRUSTS

CHRIS AND BETH JACKSON

Chris and Beth create individual grantor deemed owner trusts (GDOT).
The Trusts can be drafted to provide asset protection and long term estate tax savings through the use of dynasty trust provisions.

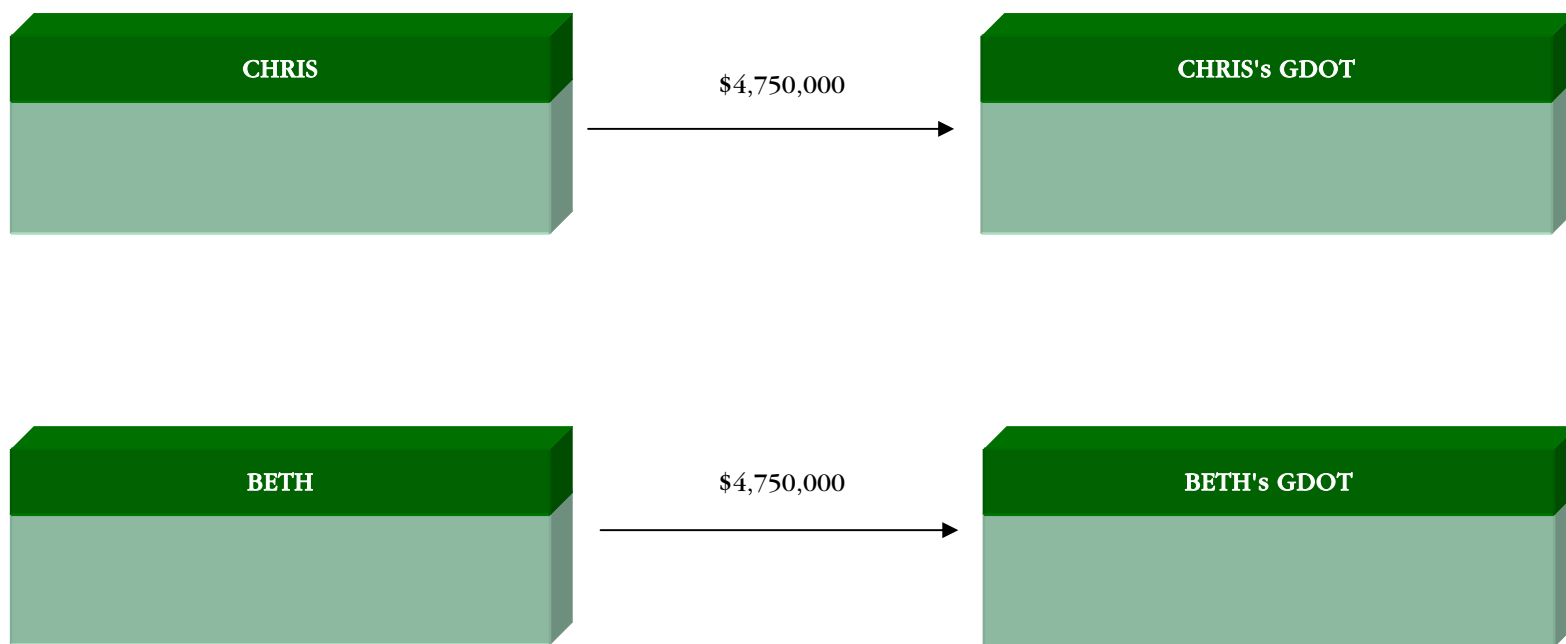


Note: Chris may also be a discretionary beneficiary of Beth's trust. Attention should be paid to avoid reciprocal trust doctrine.

GIFT TO GRANTOR DEEMED OWNER TRUST

CHRIS AND BETH JACKSON

Chris and Beth each make a gift of \$4,750,000 in cash/securities to their individual GDOT. This gift is designed to give each trust economic substance and maximize their available lifetime exemption.

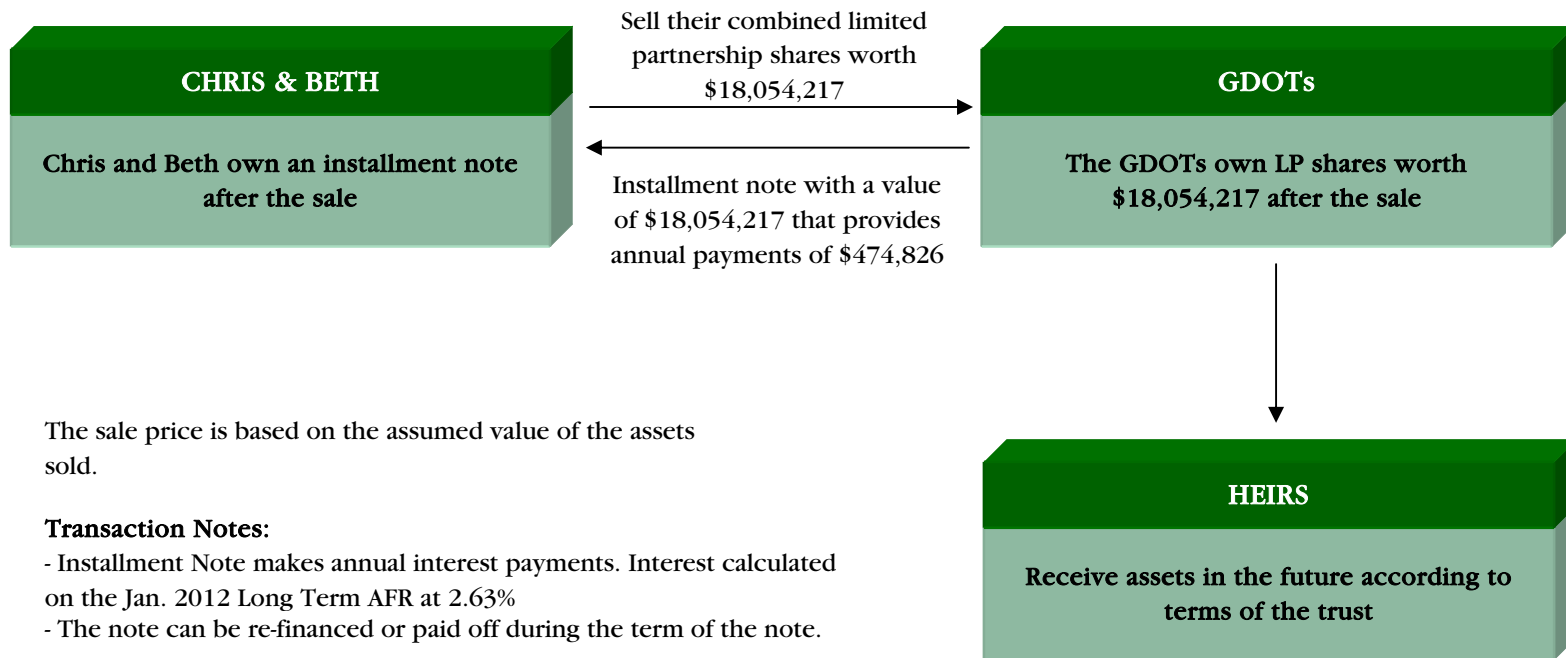


Note: After 2012, the exemption may be reduced back down to \$1M. This locks in the use of the \$5M exemption.

SELL LIMITED PARTNERSHIP SHARES TO EACH GDOT

CHRIS AND BETH JACKSON

Chris and Beth sell their limited partnership shares to their individual GDOTs for an installment note.



The sale price is based on the assumed value of the assets sold.

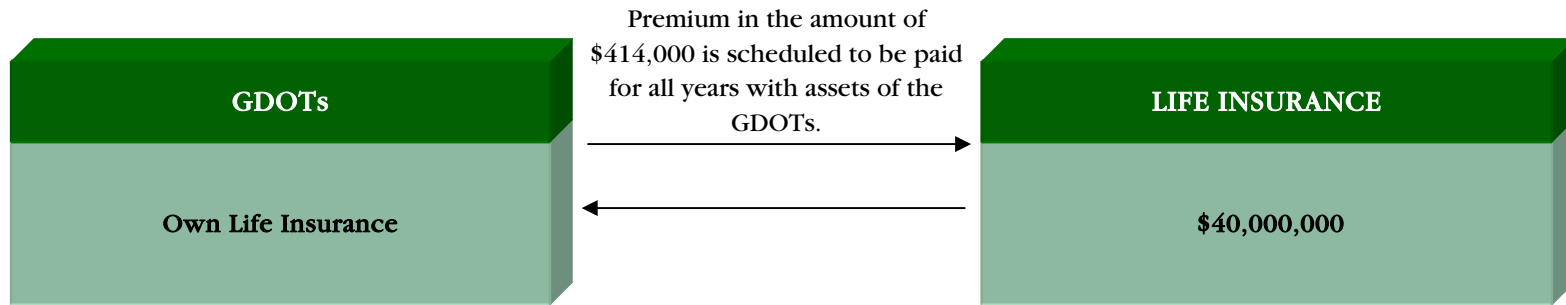
Transaction Notes:

- Installment Note makes annual interest payments. Interest calculated on the Jan. 2012 Long Term AFR at 2.63%
- The note can be re-financed or paid off during the term of the note.

PURCHASE LIFE INSURANCE IN THE GDOT

CHRIS AND BETH JACKSON

The GDOT Trustees purchase second-to-die life insurance with the assets of the two GDOTs.



Policy Benefits:

- Used as wealth replacement, it can allow increased charitable giving that reduces or eliminates estate taxes but ensures a significant inheritance for your heirs
- Policy has a good tax-free return on investment (see IRR page)
- Increased inheritance in trust for heirs
- Over time, annual premiums paid into this vehicle (which is income and estate tax free) will reduce the income taxes from other investment assets subject to income taxes

The premium is based on certain assumptions. This is for illustration purposes only. Actual insurance numbers can only be determined by applying for insurance.

INTERNAL RATE OF RETURN (IRR)

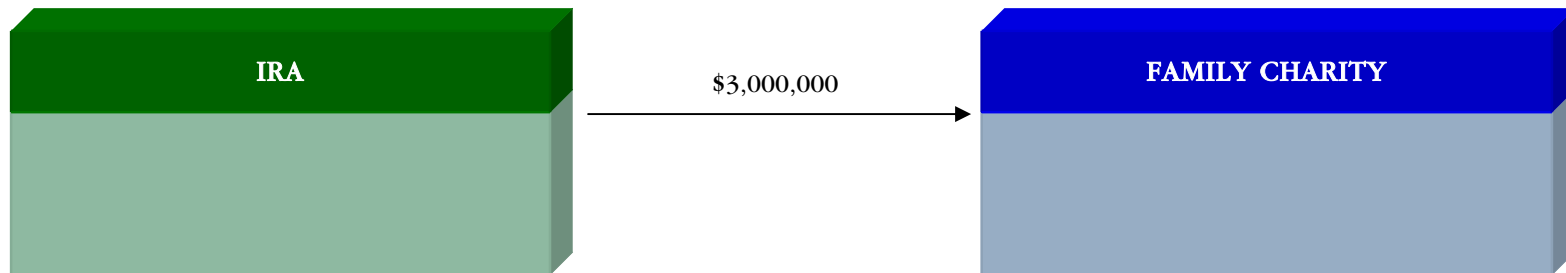
CHRIS AND BETH JACKSON

CHRIS'S AGE	BETH'S AGE	YEAR	PREMIUM	DEATH BENEFIT	AFTER TAX IRR
68	59	2012	414,000	40,000,000	9561.84%
69	60	2013	414,000	40,000,000	834.22%
70	61	2014	414,000	40,000,000	321.11%
71	62	2015	414,000	40,000,000	182.15%
72	63	2016	414,000	40,000,000	122.17%
73	64	2017	414,000	40,000,000	89.77%
74	65	2018	414,000	40,000,000	69.81%
75	66	2019	414,000	40,000,000	56.43%
76	67	2020	414,000	40,000,000	46.89%
77	68	2021	414,000	40,000,000	39.79%
78	69	2022	414,000	40,000,000	34.33%
79	70	2023	414,000	40,000,000	30.00%
80	71	2024	414,000	40,000,000	26.50%
81	72	2025	414,000	40,000,000	23.62%
82	73	2026	414,000	40,000,000	21.21%
83	74	2027	414,000	40,000,000	19.17%
84	75	2028	414,000	40,000,000	17.42%
85	76	2029	414,000	40,000,000	15.91%
86	77	2030	414,000	40,000,000	14.59%
87	78	2031	414,000	40,000,000	13.43%
88	79	2032	414,000	40,000,000	12.41%
89	80	2033	414,000	40,000,000	11.50%
90	81	2034	414,000	40,000,000	10.68%
91	82	2035	414,000	40,000,000	9.95%
92	83	2036	414,000	40,000,000	9.29%
93	84	2037	414,000	40,000,000	8.69%
94	85	2038	414,000	40,000,000	8.14%
95	86	2039	414,000	40,000,000	7.64%
96	87	2040	414,000	40,000,000	7.18%
97	88	2041	414,000	40,000,000	6.76%
98	89	2042	414,000	40,000,000	6.37%
99	90	2043	414,000	40,000,000	6.01%
100	91	2044	414,000	40,000,000	5.68%
101	92	2045	414,000	40,000,000	5.37%
102	93	2046	414,000	40,000,000	5.09%
103	94	2047	414,000	40,000,000	4.82%
104	95	2048	414,000	40,000,000	4.57%

LEAVE YOUR IRA TO CHARITY

CHRIS AND BETH JACKSON

At the 2nd death, leave your IRA and qualified plans to charity.



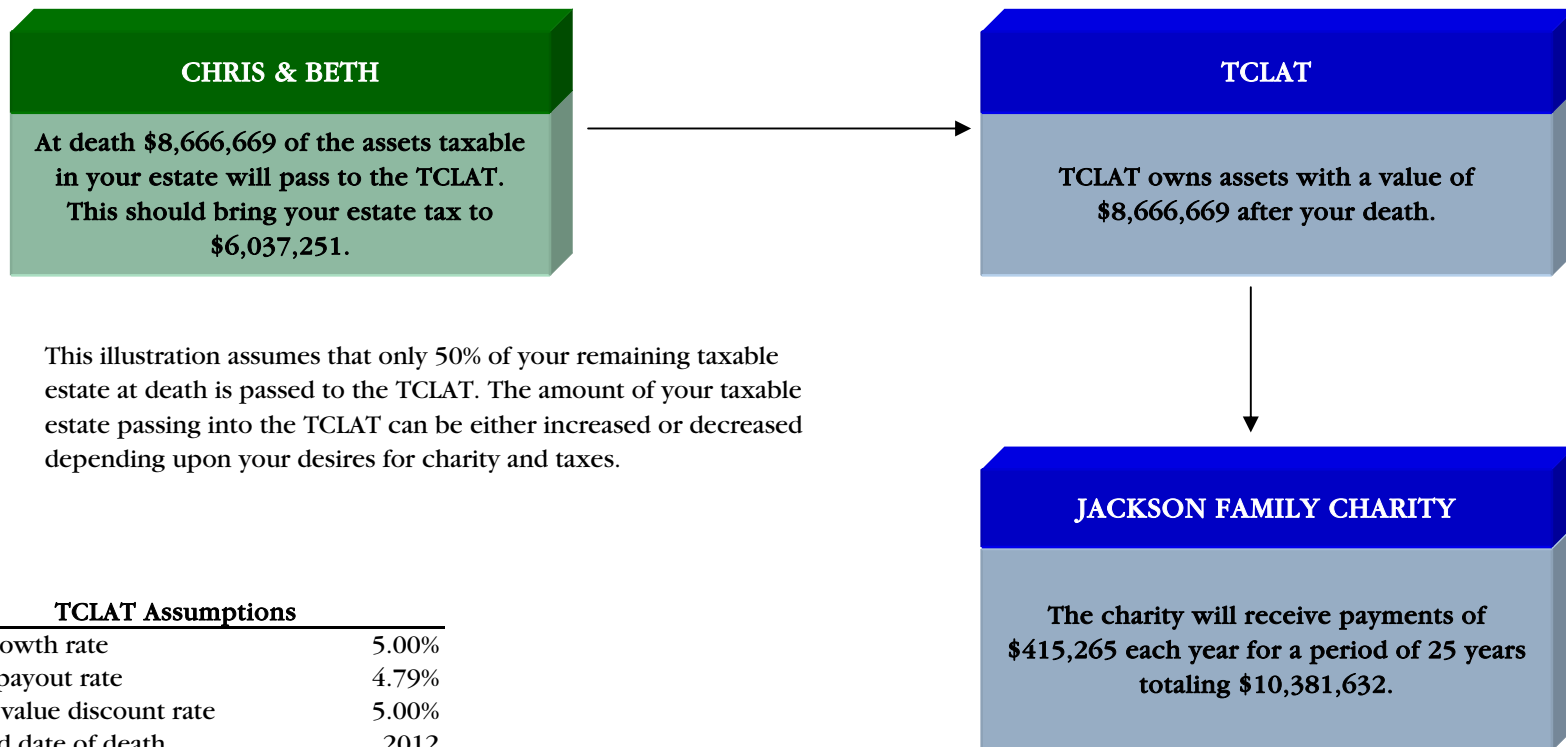
Advantages

- No estate tax
- No income in respect of a decedent tax
- Most efficient asset to satisfy charitable intent

TESTAMENTARY CHARITABLE LEAD ANNUITY TRUST (PART I)

CHRIS AND BETH JACKSON

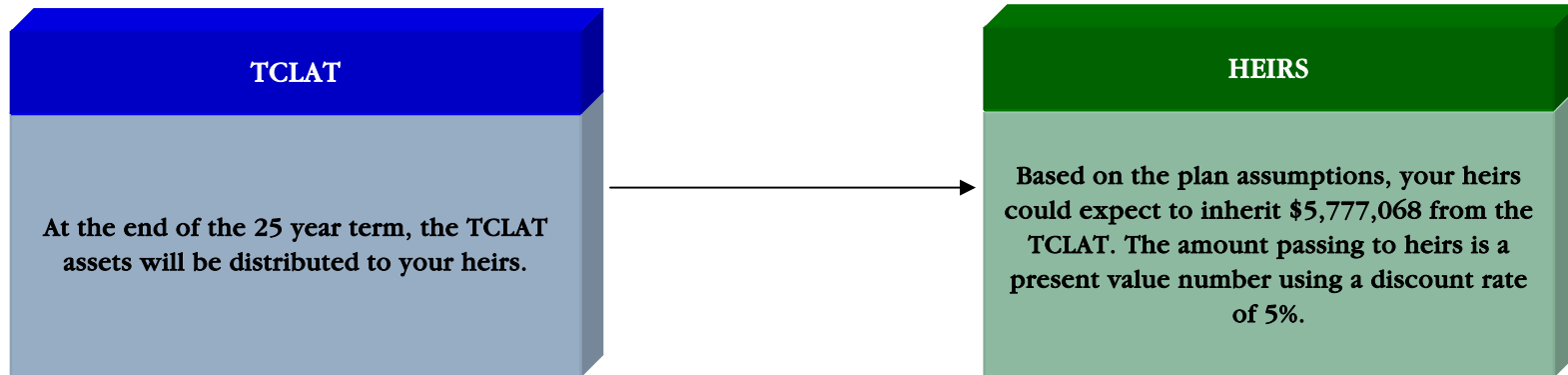
Include language in your trust or Will that creates a testamentary charitable lead trust (TCLAT) at the second death.



TESTAMENTARY CHARITABLE LEAD ANNUITY TRUST (PART II)

CHRIS AND BETH JACKSON

At the end of the TCLAT term, your heirs will receive all of the remaining trust assets.



The amount passing to beneficiaries is entirely dependent on the rate of return of the assets in the trust. A higher rate of return means more passing to heirs and a lower rate of return could mean that nothing passes to heirs.

DETAILED FINANCIAL ANALYSIS

CHRIS AND BETH JACKSON

INTRODUCTION

The following section of the plan contains all of the financial analysis used to show you where you stand with your current plan and what is possible with the proposed plan.

All of the numbers are based on information provided by you or gleaned from statements and tax returns. If numbers do not look correct, please let us know so that we can make appropriate changes.

Assumed growth and yield numbers are all listed on the Net Worth pages contained in these sections.

DETAILED FINANCIAL ANALYSIS

CHRIS AND BETH JACKSON

CURRENT PLAN FINANCIALS

In the Current Plan Section you will find a Net Worth Statement and a detailed cash flow and asset value projection analysis.

CURRENT NET WORTH STATEMENT

CHRIS AND BETH JACKSON

	CHRIS	BETH	JOINT	TOTAL	YIELD	GROWTH
CASH AND EQUIVALENTS						
Checking/Savings	125,000	125,000	-	250,000	0.0%	0.0%
Cash	507,822	507,822	-	1,015,644	0.0%	0.0%
Cash	8,222	8,222	-	16,443	0.0%	0.0%
Cash	1,858,190	1,858,190	-	3,716,379	0.0%	0.0%
Cash	3,990,745	3,990,745	-	7,981,490	0.0%	0.0%
Cash	150,395	150,395	-	300,789	0.0%	0.0%
Cash	22,660	22,660	-	45,320	0.0%	0.0%
Cash	5,032	5,032	-	10,063	0.0%	0.0%
Total of Cash and Equivalents	6,668,064	6,668,064	-	13,336,128	0.0%	0.0%
MARKETABLE SECURITIES - EQUITIES						
Securities/Bonds Acct	1,372,593	1,372,593	-	2,745,185	5.7%	1.0%
Securities Acct	125,374	125,374	-	250,747	1.9%	4.0%
Securities Acct	115,130	115,130	-	230,260	1.9%	4.0%
Securities Acct	1,234,372	1,234,372	-	2,468,744	1.9%	4.0%
Securities/Bonds Acct	230,371	230,371	-	460,741	4.8%	1.0%
Securities Acct	192,272	192,272	-	384,543	1.9%	4.0%
Securities Acct	471,163	471,163	-	942,325	1.9%	4.0%
Total of Equities	3,741,273	3,741,273	-	7,482,545	3.4%	2.7%
MARKETABLE SECURITIES - FIXED INCOME						
Bonds	96,250	96,250	-	192,500	0.0%	0.0%
Bonds	1,604,535	1,604,535	-	3,209,069	4.3%	0.0%
Total of Fixed Income	1,700,785	1,700,785	-	3,401,569	4.1%	0.0%

CURRENT NET WORTH STATEMENT (PAGE 2)

CHRIS AND BETH JACKSON

	CHRIS	BETH	JOINT	TOTAL	YIELD	GROWTH
NON-TAXABLE MARKETABLE SECURITIES						
Muni Bonds	6,303,356	6,303,356	-	12,606,712	4.5%	0.0%
Muni Bonds	3,542,389	3,542,389	-	7,084,778	4.3%	0.0%
Muni Bonds	715,125	715,125	-	1,430,250	4.3%	0.0%
Muni Bonds	41,165	41,165	-	82,330	5.9%	0.0%
Muni Bonds	1,690,578	1,690,578	-	3,381,156	4.3%	0.0%
Total of Non-Taxable Marketable Securities	12,292,613	12,292,613	-	24,585,226	4.4%	0.0%
RETIREMENT PLANS/IRAs						
IRA	3,000,000	-		3,000,000	0.0%	4.0%
Total Retirement Plans	3,000,000	-		3,000,000	0.0%	4.0%

CURRENT NET WORTH STATEMENT (PAGE 3)

CHRIS AND BETH JACKSON

	CHRIS	BETH	JOINT	TOTAL	YIELD	GROWTH
INVESTMENT REAL ESTATE						
Land, 160 acres	30,000	30,000	-	60,000	0.0%	3.0%
Total of Real Estate Holdings	30,000	30,000	-	60,000	0.0%	3.0%
RESIDENTIAL REAL ESTATE						
123 Main St.	225,000	225,000	-	450,000	0.0%	3.0%
Total of Personal Residences	225,000	225,000	-	450,000	0.0%	3.0%
PERSONAL PROPERTY						
Autos	25,000	25,000	-	50,000	0.0%	0.0%
Jewelry, Artwork & Collections	25,000	25,000	-	50,000	0.0%	0.0%
Furnishings	25,000	25,000	-	50,000	0.0%	0.0%
Total of Personal Property	75,000	75,000	-	150,000	0.0%	0.0%
TOTAL ASSETS	27,732,734	24,732,734	-	52,465,468		
TOTAL LIABILITIES						
	-	-	-	-		
NET WORTH	27,732,734	24,732,734	-	52,465,468		

ASSET VALUE PROJECTIONS - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Asset Values									
Cash and cash equivalents	13,336,128	13,336,128	13,336,128	13,336,128	13,336,128	13,336,128	13,336,128	13,336,128	13,336,128
Marketable securities - Equities	7,482,545	9,126,839	10,763,249	12,473,700	14,338,596	16,291,197	27,520,316	41,640,181	86,691,545
Marketable securities - Fixed Income	3,401,569	3,401,569	3,401,569	3,401,569	3,401,569	3,401,569	3,401,569	3,401,569	3,401,569
Municipal bonds	24,585,226	24,585,226	24,585,226	24,585,226	24,585,226	24,585,226	24,585,226	24,585,226	24,585,226
Retirement plans/IRAs	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Investment real estate	60,000	61,755	63,608	65,516	67,481	69,506	80,576	93,410	129,301
Personal residences	450,000	463,162	477,057	491,369	506,110	521,293	604,322	700,575	969,759
Personal property	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total assets in estate	52,465,468	54,241,663	56,018,500	57,874,838	59,764,074	61,737,050	72,997,130	87,005,215	131,231,391
Combined net worth	\$ 52,465,468	\$ 54,241,663	\$ 56,018,500	\$ 57,874,838	\$ 59,764,074	\$ 61,737,050	\$ 72,997,130	\$ 87,005,215	\$ 131,231,391

In the event that there is a cash flow surplus, the surplus is added to the marketable securities row by default.

If there is a cash flow shortage (because of spending or gifting capital) then the shortage is treated as a reduction in marketable securities.

TAXABLE INCOME PROJECTIONS - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Sources of taxable income									
Marketable securities - Equities		257,155	313,665	369,904	428,687	492,779	861,379	1,324,942	2,804,820
Marketable securities - Fixed Income		138,630	138,630	138,630	138,630	138,630	138,630	138,630	138,630
Retirement plans/IRAs		-	-	-	127,220	131,991	157,687	184,588	219,041
Pension Income ¹		361,000	366,415	371,911	377,490	383,152	412,764	444,664	523,791
Social security income		18,700	18,700	18,700	18,700	18,700	18,700	18,700	18,700
Gross income	\$	775,485	\$ 837,410	\$ 899,145	\$ 1,090,727	\$ 1,165,252	\$ 1,589,159	\$ 2,111,524	\$ 3,704,982

¹ Increases annually at 1.5%

INCOME TAX PROJECTIONS - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Income tax Estimation									
Adjusted gross income:									
Dividend income (marketable sec.)		257,155	313,665	369,904	428,687	492,779	861,379	1,324,942	2,804,820
Earned and other income		518,330	523,745	529,241	662,040	672,473	727,780	786,582	900,162
Adjusted gross income		775,485	837,410	899,145	1,090,727	1,165,252	1,589,159	2,111,524	3,704,982
Deductions									
Real estate tax		11,000	11,330	11,670	12,020	12,381	14,353	16,638	23,032
Charitable gifts	14,000	14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Charitable Deduction available		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Charitable Deduction allowed		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Total deductions		25,000	25,750	26,523	27,318	28,138	32,619	37,815	52,344
Reductions		-	(20,118)	(21,218)	(21,855)	(22,510)	(26,095)	(30,252)	(41,876)
Deductions allowed		25,000	5,632	5,305	5,464	5,628	6,524	7,563	10,469
Taxable income		750,485	831,778	893,840	1,085,264	1,159,624	1,582,636	2,103,961	3,694,513
Federal income tax	\$	180,378	\$ 292,578	\$ 317,155	\$ 392,959	\$ 422,406	\$ 589,918	\$ 796,363	\$ 1,426,222

CASH FLOW PROJECTIONS - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Sources of income for Lifestyle									
Non-taxable Social Security Income		3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300
Consumable income (taxable)		775,485	837,410	899,145	1,090,727	1,165,252	1,589,159	2,111,524	3,704,982
Consumable income (tax exempt)		1,091,838	1,091,838	1,091,838	1,091,838	1,091,838	1,091,838	1,091,838	1,091,838
Total income available for lifestyle		1,870,622	1,932,547	1,994,283	2,185,865	2,260,389	2,684,297	3,206,661	4,800,120
Uses of Cash									
Living expenses		230,000	236,900	244,007	251,327	258,867	300,098	347,896	481,569
Income tax		180,378	292,578	317,155	392,959	422,406	589,918	796,363	1,426,222
Cash gifts to charity		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Total uses of cash		424,378	543,898	576,015	659,584	697,030	908,283	1,165,435	1,937,103
Surplus	\$	1,446,244	\$ 1,388,649	\$ 1,418,268	\$ 1,526,281	\$ 1,563,360	\$ 1,776,014	\$ 2,041,227	\$ 2,863,016

In the event that there is a cash flow surplus, the surplus is added to the marketable securities row on the "Asset Value Projections" 3 pages earlier.

If there is a cash flow shortage (spending or gifting capital) then the shortage is treated as a reduction in marketable securities row on the "Asset Value Projections" 3 pages earlier.

FIRST ESTATE TAX ESTIMATION AND DISTRIBUTION - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Tax calculation on Chris's death									
Combined net worth	52,465,468	54,241,663	56,018,500	57,874,838	59,764,074	61,737,050	72,997,130	87,005,215	131,231,391
Chris's estimated estate	27,732,734	28,671,614	29,610,832	30,592,074	31,590,706	32,633,602	38,585,570	45,990,107	69,367,632
Total gross estate	27,732,734	28,671,614	29,610,832	30,592,074	31,590,706	32,633,602	38,585,570	45,990,107	69,367,632
Settlement expenses	(163,664)	(168,358)	(173,054)	(177,960)	(182,954)	(188,168)	(217,928)	(254,951)	(371,838)
Joint, personal and IRA to Beth	(3,075,000)	(3,191,984)	(3,316,664)	(3,446,330)	(3,453,963)	(3,457,131)	(3,393,992)	(3,173,127)	(2,042,863)
Outright or in trust to Beth	(19,619,258)	(20,436,459)	(25,366,302)	(26,212,971)	(27,198,977)	(28,233,491)	(34,218,838)	(41,807,218)	(66,198,119)
Taxable estate	4,874,812	4,874,812	754,812	754,812	754,812	754,812	754,812	754,812	754,812
Plus Chris's lifetime taxable gifts	245,188	245,188	245,188	245,188	245,188	245,188	245,188	245,188	245,188
Tax base	5,120,000	5,120,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Federal Estate Tax	-	-	-	-	-	-	-	-	-
Distribution of Chris's estate									
Settlement expenses	163,664	168,358	173,054	177,960	182,954	188,168	217,928	254,951	371,838
To family trust	4,874,812	4,874,812	754,812	754,812	754,812	754,812	754,812	754,812	754,812
Joint, personal and IRA to Beth	3,075,000	3,191,984	3,316,664	3,446,330	3,453,963	3,457,131	3,393,992	3,173,127	2,042,863
Outright or in trust to Beth	19,619,258	20,436,459	25,366,302	26,212,971	27,198,977	28,233,491	34,218,838	41,807,218	66,198,119
Total	\$ 27,732,734	\$ 28,671,614	\$ 29,610,832	\$ 30,592,074	\$ 31,590,706	\$ 32,633,602	\$ 38,585,570	\$ 45,990,107	\$ 69,367,632

Assumptions

We assume that Chris dies first, followed immediately by Beth.

Taxes under "Distribution of First Estate" include estate and income taxes.

SECOND ESTATE TAX ESTIMATION AND DISTRIBUTION - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Tax Calculation on Beth's death									
Beth's assets	24,732,734	25,570,050	26,407,668	27,282,764	28,173,368	29,103,448	34,411,560	41,015,108	61,863,759
Plus assets from Chris's estate	22,694,258	23,628,444	28,682,966	29,659,302	30,652,940	31,690,622	37,612,830	44,980,344	68,240,981
Beth's estimated estate	47,426,992	49,198,493	55,090,634	56,942,065	58,826,308	60,794,070	72,024,390	85,995,453	130,104,741
Settlement expenses	(499,270)	(516,985)	(575,906)	(594,421)	(613,263)	(632,941)	(745,244)	(884,955)	(1,326,047)
Beth's taxable estate	46,927,722	48,681,508	54,514,727	56,347,645	58,213,045	60,161,129	71,279,146	85,110,498	128,778,693
Plus Beth's lifetime taxable gifts	245,189	245,189	245,189	245,189	245,189	245,189	245,189	245,189	245,189
Tax base	47,172,911	48,926,697	54,759,916	56,592,834	58,458,234	60,406,318	71,524,335	85,355,687	129,023,882
Federal Estate Tax	14,718,519	15,332,344	29,772,154	30,780,258	31,806,229	32,877,675	38,992,584	46,599,828	70,617,335
Total Estate Tax Due	14,718,519	15,332,344	29,772,154	30,780,258	31,806,229	32,877,675	38,992,584	46,599,828	70,617,335
Distribution of Beth's estate									
Settlement expenses	499,270	516,985	575,906	594,421	613,263	632,941	745,244	884,955	1,326,047
Taxes	14,718,519	15,332,344	29,772,154	30,780,258	31,806,229	32,877,675	38,992,584	46,599,828	70,617,335
Qualified plan to heirs	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Residual estate to heirs	29,209,203	30,232,180	21,500,910	22,196,056	23,027,853	23,901,323	28,967,569	35,412,543	56,193,496
Total	\$ 47,426,992	\$ 49,198,493	\$ 55,090,634	\$ 56,942,065	\$ 58,826,308	\$ 60,794,070	\$ 72,024,390	\$ 85,995,453	\$ 130,104,741

Assumptions

We assume that Chris dies first, followed immediately by Beth.

Taxes under "Distribution of Second Estate" include estate and income taxes.

SUMMARY OF BENEFITS TO FAMILY - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Benefits to Family									
Family trust	4,874,812	4,874,812	754,812	754,812	754,812	754,812	754,812	754,812	754,812
Residual estate	29,209,203	30,232,180	21,500,910	22,196,056	23,027,853	23,901,323	28,967,569	35,412,543	56,193,496
Qualified plan assets	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Total assets to heirs	\$ 37,084,015	\$ 38,223,976	\$ 25,497,385	\$ 26,322,198	\$ 27,161,628	\$ 28,038,266	\$ 33,041,374	\$ 39,265,482	\$ 58,916,170

DETAILS OF CHRIS'S QUALIFIED PLAN - EXISTING PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Chris's Qualified Plans									
Chris's Age		68	69	70	71	72	77	82	93
Beth's Age		59	60	61	62	63	68	73	84
Minimum distribution factor		29.2	28.3	27.4	26.5	25.6	21.2	17.1	9.6
Plan contributions		-	-	-	-	-	-	-	-
Plan balance	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Minimum distribution		-	-	-	127,220	131,991	157,687	184,588	219,041
Preferred distribution		-	-	-	-	-	-	-	-
Actual distribution		-	-	-	127,220	131,991	157,687	184,588	219,041

DETAILED FINANCIAL ANALYSIS

CHRIS AND BETH JACKSON

PROPOSED PLAN FINANCIALS

In the Proposed Plan Section you will find a balance sheet which reflects the repositioning of assets as set out in the step by step roadmap in the proceeding section. You will also find detailed cash flow and asset projection information on each of the proposed planning strategies.

NET WORTH STATEMENT AFTER PLAN IMPLEMENTATION

CHRIS AND BETH JACKSON

	CHRIS	BETH	JOINT	TOTAL	YIELD	GROWTH
CASH AND EQUIVALENTS						
Checking/Savings	125,000	125,000	-	250,000	0.0%	0.0%
New Account - Money Market	500,000	500,000	-	1,000,000	0.0%	0.0%
Total of Cash and Equivalents	625,000	625,000	-	1,250,000	0.0%	0.0%
MARKETABLE SECURITIES - EQUITIES						
New Account - Securities	1,548,770	1,548,770	-	3,097,539	2.8%	4.0%
Total of Equities	1,548,770	1,548,770	-	3,097,539	2.8%	4.0%
NON-TAXABLE MARKETABLE SECURITIES						
New Account - Munis	6,195,079	6,195,079	-	12,390,158	2.2%	0.0%
Total of Non-Taxable Marketable Securities	6,195,079	6,195,079	-	12,390,158	2.2%	0.0%
RETIREMENT PLANS/IRAs						
IRA	3,000,000	-		3,000,000	0.0%	4.0%
Total Retirement Plans	3,000,000	-		3,000,000	0.0%	4.0%

REVISED NET WORTH STATEMENT (PAGE 2)

CHRIS AND BETH JACKSON

	CHRIS	BETH	JOINT	TOTAL	YIELD	GROWTH
INVESTMENT REAL ESTATE						
Land, 160 acres	30,000	30,000	-	60,000	0.0%	3.0%
Total of Real Estate Holdings	30,000	30,000	-	60,000	0.0%	3.0%
RESIDENTIAL REAL ESTATE						
123 Main St.	225,000	225,000	-	450,000	0.0%	3.0%
Total of Personal Residences	225,000	225,000	-	450,000	0.0%	3.0%
PERSONAL PROPERTY						
Autos	25,000	25,000	-	50,000	0.0%	0.0%
Jewelry, Artwork & Collections	25,000	25,000	-	50,000	0.0%	0.0%
Furnishings	25,000	25,000	-	50,000	0.0%	0.0%
Total of Personal Property	75,000	75,000	-	150,000	0.0%	0.0%
OTHER STRATEGY ASSETS						
GDOT Note	9,027,108	9,027,108	-	18,054,217	2.63%	
Total of Other Strategy Assets	9,027,108	9,027,108	-	18,054,217	2.63%	
TOTAL ASSETS	20,725,957	17,725,957	-	38,451,914		
TOTAL LIABILITIES	-	-	-	-		
NET WORTH	20,725,957	17,725,957	-	38,451,914		

ASSET VALUE PROJECTIONS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Asset Values									
Cash and cash equivalents	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Marketable securities - Equities	3,097,539	3,377,630	3,643,524	3,920,939	4,225,592	4,543,969	6,357,274	8,579,254	15,124,012
Municipal bonds	12,390,158	13,027,369	13,550,523	14,077,219	14,668,481	15,265,897	18,328,122	21,447,008	27,636,701
Retirement plans/IRAs	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Investment real estate	60,000	61,755	63,608	65,516	67,481	69,506	80,576	93,410	129,301
Personal residences	450,000	463,162	477,057	491,369	506,110	521,293	604,322	700,575	969,759
Personal property	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Note from children's GDOT	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217
Total assets in estate	38,451,914	39,501,118	40,430,591	41,380,589	42,300,844	43,237,013	48,143,503	53,372,589	65,281,853
Combined net worth	\$ 38,451,914	\$ 39,501,118	\$ 40,430,591	\$ 41,380,589	\$ 42,300,844	\$ 43,237,013	\$ 48,143,503	\$ 53,372,589	\$ 65,281,853

In the event that there is a cash flow surplus, 20% of the surplus is added to the marketable securities row and 80% of the surplus is added to the Muni Bond row by default.

If there is a cash flow shortage (because of spending or gifting capital) then the shortage is treated as a reduction in marketable securities.

TAXABLE INCOME PROJECTIONS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Marketable securities - Equities		85,182	92,885	100,197	107,826	116,204	164,000	222,741	396,827
Marketable securities - GDOT		455,614	472,281	490,812	511,004	533,082	677,342	896,213	1,822,950
Pension Income ¹		361,000	366,415	371,911	377,490	383,152	412,764	444,664	523,791
Retirement plans/IRAs		-	-	-	127,220	131,991	157,687	184,588	219,041
Social security income		18,700	18,700	18,700	18,700	18,700	18,700	18,700	18,700
Gross income	\$	920,496	\$ 950,281	\$ 981,620	\$ 1,142,240	\$ 1,183,129	\$ 1,430,493	\$ 1,766,906	\$ 2,981,309

¹ Increases annually at 1.5%

INCOME TAX PROJECTIONS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Income Tax Estimation									
Adjusted gross income:									
Dividend income (Marketable Sec.)		540,796	565,166	591,009	618,830	649,286	841,343	1,118,954	2,219,777
Earned and other income		379,700	385,115	390,611	523,410	533,843	589,151	647,952	761,532
Adjusted gross income		920,496	950,281	981,620	1,142,240	1,183,129	1,430,493	1,766,906	2,981,309
Deductions									
Real Estate Tax		11,000	11,330	11,670	12,020	12,381	14,353	16,638	23,032
Cash charitable gifts		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Charitable Deduction available		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Charitable Deduction allowed		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Total deductions		25,000	25,750	26,523	27,318	28,138	32,619	37,815	52,344
Reductions		-	(20,600)	(21,218)	(21,855)	(22,510)	(26,095)	(30,252)	(41,876)
Deductions allowed		25,000	5,150	5,305	5,464	5,628	6,524	7,563	10,469
Taxable income		895,496	945,131	976,316	1,136,776	1,177,501	1,423,969	1,759,343	2,970,841
Federal income tax	\$	175,077	\$ 337,466	\$ 349,815	\$ 413,358	\$ 429,485	\$ 527,086	\$ 659,894	\$ 1,139,647

CASH FLOW PROJECTIONS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Sources of Income for Lifestyle									
Consumable income (taxable)		464,882	478,000	490,808	631,236	650,047	753,151	870,693	1,158,359
Consumable income (tax exempt)		272,583	286,602	298,111	309,699	322,707	389,572	458,141	597,734
Non-taxable Social Security Income		3,300	3,300	3,300	3,300	3,300	3,300	3,300	3,300
Distribution from Marketable Securities		-	-	-	-	-	-	-	-
Note Payment from GDOT		474,826	474,826	474,826	474,826	474,826	474,826	474,826	474,826
Total income available for lifestyle		1,215,592	1,242,728	1,267,046	1,419,060	1,450,879	1,620,849	1,806,960	2,234,219
Uses of Cash									
Living expenses		230,000	236,900	244,007	251,327	258,867	300,098	347,896	481,569
Income tax		175,077	337,466	349,815	413,358	429,485	527,086	659,894	1,139,647
Cash gifts to charity		14,000	14,420	14,853	15,298	15,757	18,267	21,176	29,313
Total uses of cash		419,077	588,786	608,675	679,983	704,109	845,451	1,028,966	1,650,529
Surplus	\$	796,515	\$ 653,942	\$ 658,371	\$ 739,077	\$ 746,770	\$ 775,398	\$ 777,994	\$ 583,690

Cash flow surplus: 20% of the surplus is added to the marketable securities row and 80% of the surplus is added to the Muni Bond row by default. on the "Asset Value Projections" 3 pages earlier.

FIRST ESTATE TAX ESTIMATION AND DISTRIBUTION - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Tax calculation on Chris's death									
Combined Net Worth	38,451,914	39,501,118	40,430,591	41,380,589	42,300,844	43,237,013	48,143,503	53,372,589	65,281,853
Chris's estimated estate	20,725,957	21,291,488	21,792,483	22,304,542	22,800,568	23,305,172	25,949,818	28,768,347	35,187,556
Total gross estate	20,725,957	21,291,488	21,792,483	22,304,542	22,800,568	23,305,172	25,949,818	28,768,347	35,187,556
Settlement expenses	(128,630)	(131,457)	(133,962)	(136,523)	(139,003)	(141,526)	(154,749)	(168,842)	(200,938)
Joint, personal and IRA to Beth	(3,075,000)	(3,191,984)	(3,316,664)	(3,446,330)	(3,453,963)	(3,457,131)	(3,393,992)	(3,173,127)	(2,042,863)
Outright or in trust to Beth	(17,397,515)	(17,843,234)	(18,341,857)	(18,721,689)	(19,207,602)	(19,706,515)	(22,401,077)	(25,426,378)	(32,943,756)
Taxable estate	124,812	124,812	-	-	-	-	-	-	-
Plus Chris's lifetime taxable gifts	4,995,188	4,995,188	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Tax base	5,120,000	5,120,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Tentative Federal Estate Tax	-	-	-	-	-	-	-	-	-
Distribution of First Estate									
Settlement expenses	128,630	131,457	133,962	136,523	139,003	141,526	154,749	168,842	200,938
To family trust	124,812	124,812	-	-	-	-	-	-	-
Joint, personal and IRA to Beth	3,075,000	3,191,984	3,316,664	3,446,330	3,453,963	3,457,131	3,393,992	3,173,127	2,042,863
Outright or in trust to Beth	17,397,515	17,843,234	18,341,857	18,721,689	19,207,602	19,706,515	22,401,077	25,426,378	32,943,756
Total	\$ 20,725,957	\$ 21,291,488	\$ 21,792,483	\$ 22,304,542	\$ 22,800,568	\$ 23,305,172	\$ 25,949,818	\$ 28,768,347	\$ 35,187,556

Assumptions

We assume that Chris dies first, followed immediately by Beth.

Taxes under "Distribution of First Estate" include estate and income taxes, if any.

SECOND ESTATE TAX ESTIMATION AND DISTRIBUTION - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Tax Calculation on Beth's death									
Beth's assets	17,725,957	18,209,630	18,638,108	19,076,048	19,500,276	19,931,841	22,193,685	24,604,243	30,094,297
Plus assets from Chris's estate	20,472,515	21,035,219	21,658,521	22,168,019	22,661,565	23,163,646	25,795,069	28,599,505	34,986,618
Beth's estimated estate	38,198,472	39,244,848	40,296,629	41,244,067	42,161,841	43,095,487	47,988,754	53,203,748	65,080,915
Settlement expenses	(406,985)	(417,448)	(427,966)	(437,441)	(446,618)	(455,955)	(504,888)	(557,037)	(675,809)
Charitable gift of IRA assets	(3,000,000)	(3,116,984)	(3,241,664)	(3,371,330)	(3,378,963)	(3,382,131)	(3,318,992)	(3,098,127)	(1,967,863)
Charitable deduction from TCLAT	(17,417,388)	(17,879,080)	(18,402,302)	(18,808,410)	(19,261,076)	(19,723,881)	(22,189,515)	(24,894,423)	(31,370,001)
Taxable estate	17,374,099	17,831,336	18,224,697	18,626,886	19,075,183	19,533,521	21,975,359	24,654,161	31,067,242
Plus Beth's lifetime taxable gifts	4,995,189	4,995,189	4,995,189	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Tax base	22,369,288	22,826,525	23,219,886	19,626,886	20,075,183	20,533,521	22,975,359	25,654,161	32,067,242
Federal Estate Tax	6,037,251	6,197,284	11,809,783	10,448,987	10,695,551	10,947,636	12,290,647	13,763,988	17,291,183
Distribution of Second Estate									
Settlement expenses	406,985	417,448	427,966	437,441	446,618	455,955	504,888	557,037	675,809
Taxes	6,037,251	6,197,284	11,809,783	10,448,987	10,695,551	10,947,636	12,290,647	13,763,988	17,291,183
Other gifts to charity	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Residual estate to heirs	11,420,898	11,720,330	6,503,716	8,268,661	8,472,579	8,681,064	9,791,790	11,010,303	13,927,439
Contribution to TCLAT	17,333,338	17,792,802	18,313,500	18,717,648	19,168,130	19,628,701	22,082,437	24,774,292	31,218,622
Total	\$ 38,198,472	\$ 39,244,848	\$ 40,296,629	\$ 41,244,067	\$ 42,161,841	\$ 43,095,487	\$ 47,988,754	\$ 53,203,748	\$ 65,080,915

Assumptions

We assume that Chris dies first, followed immediately by Beth.

Taxes under "Distribution of Second Estate" include estate and income taxes, if any.

SUMMARY OF BENEFITS TO FAMILY - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Benefits to Family									
Residual estate	11,420,898	11,720,330	6,503,716	8,268,661	8,472,579	8,681,064	9,791,790	11,010,303	13,927,439
Family trust	124,812	124,812	-	-	-	-	-	-	-
Excess FLP value	4,513,554	4,634,773	4,769,542	4,912,324	5,060,817	5,215,250	6,085,165	7,143,550	10,349,823
Value of GDOT	9,500,000	10,355,324	11,289,220	12,287,239	13,356,550	14,502,124	21,573,118	31,522,765	69,854,840
Life insurance proceeds GDOT	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
NPV of TCLAT benefits to children	5,627,887	5,777,068	5,946,131	6,077,353	6,223,618	6,373,158	7,169,852	8,043,858	10,136,240
Total assets to heirs	\$ 71,187,151	\$ 72,612,307	\$ 68,508,610	\$ 71,545,576	\$ 73,113,564	\$ 74,771,596	\$ 84,619,924	\$ 97,720,477	\$144,268,341

FAMILY LIMITED PARTNERSHIP DETAILS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Balance Sheet									
LP Assets									
Marketable Securities - Equities	16,567,771	17,173,864	17,847,712	18,561,620	19,304,085	20,076,248	24,425,826	29,717,752	45,749,114
Municipal Bonds	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Total	22,567,771	23,173,864	23,847,712	24,561,620	25,304,085	26,076,248	30,425,826	35,717,752	51,749,114
Assets in FLP	\$ 22,567,771	\$ 23,173,864	\$ 23,847,712	\$ 24,561,620	\$ 25,304,085	\$ 26,076,248	\$ 30,425,826	\$ 35,717,752	\$ 51,749,114
Discounted value of FLP interests	18,054,217	18,539,091	19,078,169	19,649,296	20,243,268	20,860,999	24,340,661	28,574,201	41,399,291
Difference between FLP asset value and discounted LP value	4,513,554	4,634,773	4,769,542	4,912,324	5,060,817	5,215,250	6,085,165	7,143,550	10,349,823

FAMILY LIMITED PARTNERSHIP DETAILS - PROPOSED PLAN

(Continued)

Partnership Cash Flow	Current	2012	2013	2014	2015	2016	2021	2026	2037
Income									
Marketable Securities - Equities		455,614	472,281	490,812	510,445	530,862	645,875	785,806	1,209,712
Municipal Bonds		132,000	132,000	132,000	132,000	132,000	132,000	132,000	132,000
Total Income		587,614	604,281	622,812	642,445	662,862	777,875	917,806	1,341,712
Net Income to Distribute		587,614	604,281	622,812	642,445	662,862	777,875	917,806	1,341,712
LP Capital Distributed*		39,962	13,107	-	-	-	-	-	-
* Note: Capital distributions, if any, are subtracted from the marketable securities row on the prior page.									
Taxable Income	Current	2012	2013	2014	2015	2016	2021	2026	2037
Dividend income (Marketable Sec.)		455,614	472,281	490,812	510,445	530,862	645,875	785,806	1,209,712
Taxable Income		455,614	472,281	490,812	510,445	530,862	645,875	785,806	1,209,712

GRANTOR DEEMED OWNER TRUST DETAILS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
GDOT Balance Sheet									
LP Units	18,054,217	18,539,091	19,078,169	19,649,296	20,243,268	20,860,999	24,340,661	28,574,201	41,399,291
Seed Gift	9,500,000	9,870,450	10,265,268	10,675,879	11,102,914	11,547,030	14,048,728	17,092,425	26,313,004
Reinvested excess cash flow	-	-	-	16,281	64,585	148,312	1,237,946	3,910,355	20,196,762
Note payable to Chris and Beth	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)	(18,054,217)
Net equity	\$ 9,500,000	\$ 10,355,324	\$ 11,289,220	\$ 12,287,239	\$ 13,356,550	\$ 14,502,124	\$ 21,573,118	\$ 31,522,765	\$ 69,854,840
GDOT Income Tax Estimation									
Taxable dividends from FLP		455,614	472,281	490,812	510,445	530,862	645,875	785,806	1,209,712
Earnings from reinvestment acct./Seed Gift		-	-	-	560	2,220	31,467	110,407	613,238
Total earnings		455,614	472,281	490,812	511,004	533,082	677,342	896,213	1,822,950
GDOT Cash Flow									
Capital Distribution from LP		39,962	13,107	-	-	-	-	-	-
Cash flow from LP units		587,614	604,281	622,812	642,445	662,862	777,875	917,806	1,341,712
Cash flow from reinvestment acct./Seed Gift		261,250	271,437	282,295	294,034	307,106	396,660	540,309	1,186,477
Installment Note payments to Chris and Beth		(474,826)	(474,826)	(474,826)	(474,826)	(474,826)	(474,826)	(474,826)	(474,826)
Insurance Premium		(414,000)	(414,000)	(414,000)	(414,000)	(414,000)	(414,000)	(414,000)	(414,000)
Cash flow to reinvest		-	-	16,281	47,653	81,143	285,709	569,289	1,639,363
Note: Capital distributions, if any, are subtracted from the marketable securities row on the FLP balance sheet.									
GDOT Insurance									
Net death benefit	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000
Premium		414,000	414,000	414,000	414,000	414,000	414,000	414,000	414,000
GDOT Note									
Outstanding note balance	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217	18,054,217
Interest payment		474,826	474,826	474,826	474,826	474,826	474,826	474,826	474,826

TESTAMENTARY CHARITABLE LEAD TRUST DETAILS - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Charitable Lead Annuity Trust									
Balance Sheet									
Tot. value of TCLAT assets	17,333,338	17,792,802	18,313,500	18,717,648	19,168,130	19,628,701	22,082,437	24,774,292	31,218,622
Annual payment to charity if death occurs in the column year	830,531	852,546	877,495	896,860	918,445	940,513	1,058,085	1,187,065	1,495,847
Benefits to Charity									
NPV of TCLAT income distributions**	17,333,338	17,792,802	18,313,500	18,717,648	19,168,130	19,628,701	22,082,437	24,774,292	31,218,622
Total of TCLAT distributions**	20,763,263	21,313,646	21,937,379	22,421,500	22,961,124	23,512,833	26,452,115	29,676,634	37,396,170
Benefits to Children									
Future Benefits to Heirs from TCLAT**	19,058,023	19,563,204	20,135,711	20,580,073	21,075,378	21,581,776	24,279,662	27,239,359	34,324,906
NPV of benefits to children**	5,627,887	5,777,068	5,946,131	6,077,353	6,223,618	6,373,158	7,169,852	8,043,858	10,136,240

**The values shown passing to charity and to heirs vary from year to year based on the projected size of your estate, and the applicable tax law.

Note: Future benefits to heirs are completely dependent on the performance of the assets inside the TCLAT. Better asset performance will provide better future inheritances and poor performance could reduce or eliminate any future inheritances from the TCLAT.

BENEFITS TO JACKSON FAMILY CHARITY - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Charitable gift of IRA assets	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
NPV of TCLAT income distributions	17,333,338	17,792,802	18,313,500	18,717,648	19,168,130	19,628,701	22,082,437	24,774,292	31,218,622
Total benefits to foundation	\$ 20,333,338	\$ 20,909,786	\$ 21,555,163	\$ 22,088,978	\$ 22,547,093	\$ 23,010,832	\$ 25,401,430	\$ 27,872,419	\$ 33,186,484

DETAILS OF CHRIS'S QUALIFIED PLAN - PROPOSED PLAN

YEAR	Current	2012	2013	2014	2015	2016	2021	2026	2037
Chris's Qualified Plans									
Chris's age		68	69	70	71	72	77	82	93
Beth's age		59	60	61	62	63	68	73	84
Minimum distribution factor		29.2	28.3	27.4	26.5	25.6	21.2	17.1	9.6
Securities in plans	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Plan balance during life	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Plan balance at death of survivor	3,000,000	3,116,984	3,241,664	3,371,330	3,378,963	3,382,131	3,318,992	3,098,127	1,967,863
Minimum distribution		-	-	-	127,220	131,991	157,687	184,588	219,041
Actual distribution		-	-	-	127,220	131,991	157,687	184,588	219,041

PLAN ASSUMPTIONS

CHRIS AND BETH JACKSON

The plan is based on numerous assumptions. Important among these are the yield and growth assumptions contained on the balance sheet in the Financial Analysis section. Other important assumptions are contained on this Plan Assumptions page.

Tax Rate Assumptions

State Income Tax Rate

No state income tax

State Inheritance - Estate Tax

No state estate tax

7520 Rates

Highest rate

1.5% December, 2011

Current rate

1.4% January, 2012

Lowest rate

1.4% January, 2012

Long Term AFR Rate

2.6% January, 2012

Lifestyle Need Assumptions

Net annual outlay for Chris and Beth's lifestyle needs, not including gifts or income taxes

\$230,000

Annual cost of living increase used in the plan

3%

Settlement and Administrative Expenses

Fixed estate settlement costs

\$25,000

Variable estate settlement costs, 1st death

0.50% (of assets)

Variable estate settlement costs, 2nd death

1.00% (of assets)

FAMILY INFORMATION

CHRIS AND BETH JACKSON

CLIENTS

Chris Jackson
Beth Jackson
123 Main St.

Date of Birth June 4, 1944
Date of Birth August 21, 1952

CHILDREN

CHILD'S NAME

Jeff Jackson
Tim Jackson

DISCLAIMER AND DISCLOSURE

CHRIS AND BETH JACKSON

InKnowVision, LLC does not give accounting or investment advice to its clients. The effectiveness of any of the strategies described will depend on your individual situation and on a number of complex factors.

You should consult with your other advisors on the accounting and investment implications of the proposed strategies before any strategy is implemented.

Any discussion in this presentation relating to tax, accounting, investments, regulatory, or legal matters is based on our understanding as of the date of this presentation. Rules in these areas are constantly changing and are open to varying interpretations.

Assumption Issues The plan involves numerous assumptions. While we believe that these assumptions are reasonable, it is important to understand that it is a virtual certainty that the actual results will differ from those illustrated. Returns on investment and performance of financial products can cause the results to vary. Changes in tax, trust or property laws can cause plan results to vary. Plan implementation that differs from that described in the plan will cause the results to vary. Provision of state law may cause the plan results to vary.

Tax Opinions The IRS has recently issued new rules for tax practitioners regarding covered opinions, reliance opinions and marketed opinions. While this is an arcane area, suffice it to say that these opinions are often obtained by taxpayers for purposes of avoiding penalties. These opinions are obtained at substantial cost and after substantial legal analysis. If you believe that such an opinion would be helpful to you prior to entering into any of the transactions outlined in this plan, you should feel free to do so.

Be advised that nothing in this analysis should be construed by you, your advisors or any one else as a covered opinion, reliance opinion, marketed opinion or any other type of opinion regarding any of the transactions or outcomes outlined in this plan.