ZUCKERMAN INVESTMENT GROUP

2023 Financial Planning Guide

ASSESSING YOUR FINANCIAL WELLNESS

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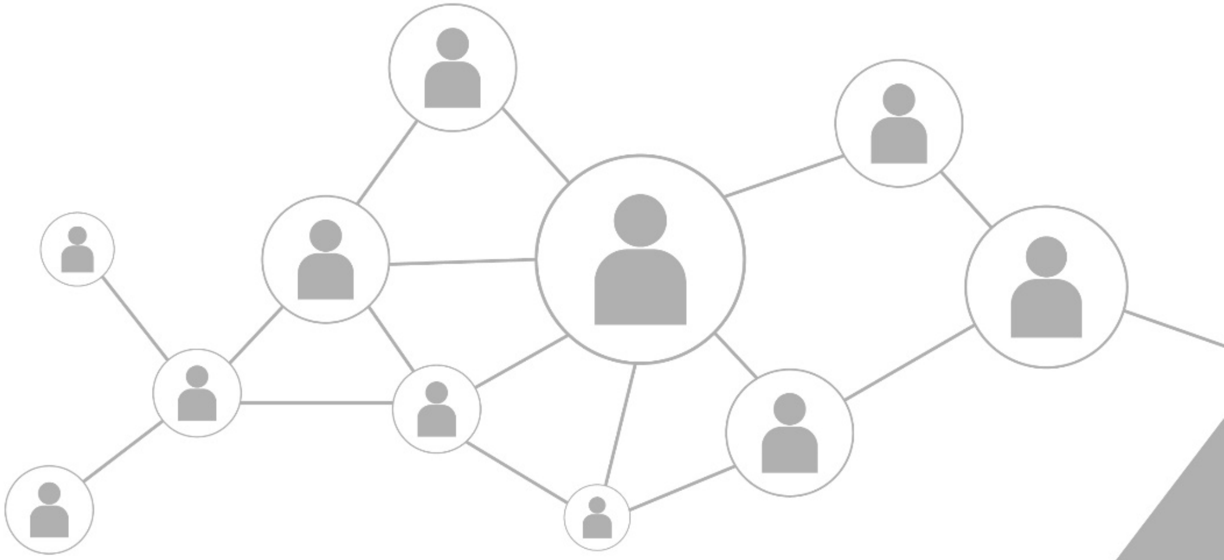
Zuckerman Investment Group at a Glance

Zuckerman Investment Group is an independent registered investment advisor that specializes in providing financial counseling and customized investment portfolios to multi-generational families.

- Boutique investment management firm with over **$1.3 billion in AUM**
- Diverse, multi-generational client base of **over 300 families & clients**
- Curated team of deep research professionals
- Family & Independent Ownership



Recognized in the Industry

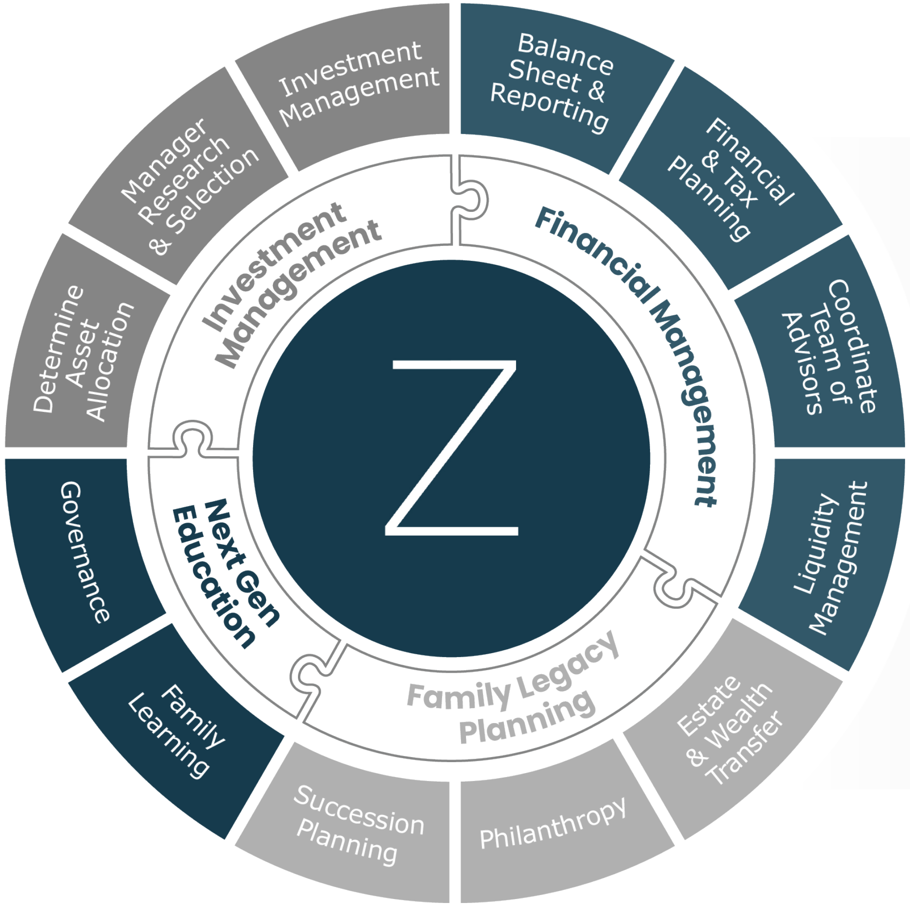
Zuckerman Investment Group is proud to be recognized for our award-winning services & team

InvestmentNews BEST PLACES TO WORK 2022 FOR FINANCIAL ADVISERS

FA FINANCIAL ADVISOR MAGAZINE

FIVE STAR WEALTH MANAGER

Seeing the Bigger Picture



A thoughtfully constructed financial plan takes a holistic view of wealth management and understands how each ‘puzzle piece’ interacts with the others.

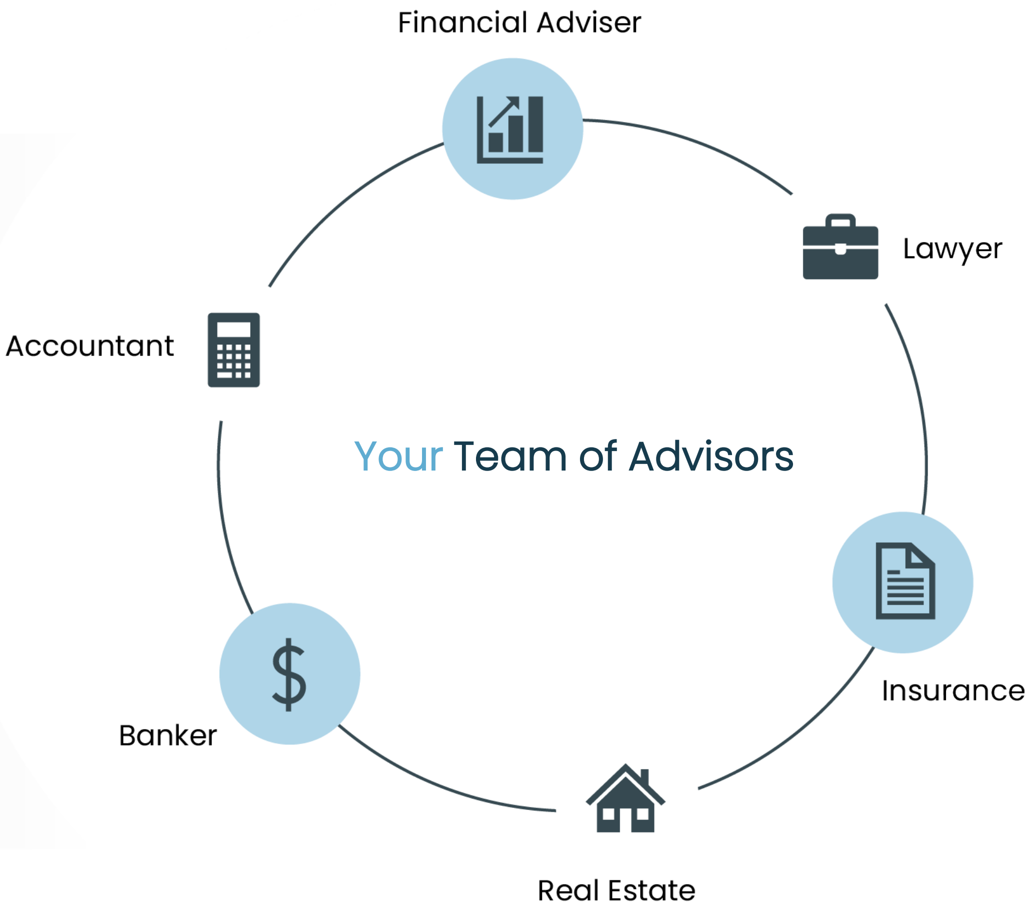
Assessing Your Financial Wellness

Review your existing plans and evaluate where updates are needed. As you go through this guide, we encourage you to use the below scorecard to assess your 'financial wellness.'

	Up-To-Date	Review	Update	Not
Tax Planning				
Charitable Planning				
Investment Planning / Allocation				
Retirement Planning				
Social Security & Medicare				
Estate Planning				
Beneficiary Designations				
Insurance Planning *(Life, Property & Casualty)*				

Building a Strong Team of Advisors

Review your existing advisory team and evaluate where updates or additions are needed. As you go through the guide, we encourage you to use the wheel to assess your team.



SECTION ONE

Key Updates for 2023

Key Updates for 2023: Investing

The Return of…Bond Yields?!?

- An extended period of historically low interest rates gave rise to the acronym TINA ('there is no alternative' [to stocks])…though the investment landscape has changed markedly, with bonds now providing considerably more yield than in years past.
- The 10-year U.S. Treasury yield, for instance, surged from 1.51% (12/31/21) to 3.88% (12/31/22); in late October, the 10-year yield reached 4.25%, which marked its highest yield since 2008.[1]
- Investors who had become disillusioned with paltry bond income in recent years will find more substantial income going forward, given current interest rates.

"A Year to Forget"…Perhaps, but Still to Reflect Upon

- 2022 was a challenging year for investors, with very few places to hide.
- By some measures, it was the worst year for a diversified 60% Stock / 40% Bond portfolio since at least 2008 (the Global Financial Crisis).[2]
- The Bloomberg U.S. Aggregate Bond Index fell 13% in 2022, which marked its worst calendar year return since its 1976 inception[2], while the S&P 500 Index dropped 18% – its worst performance since 2008.[3]
- Investors should caution against concluding "diversification is dead" and should instead use the New Year as an opportunity to revisit portfolio allocations to ensure alignment with risk tolerance and longer-term objectives.

[1] *Source: Treasury.gov – Interest Rate Statistics; CNBC, "10-Year Treasury Yield Tops 4.2% for First Time since 2008."*
[2] *Source: Yahoo Finance: "Why Ordinary Investors Got Hit So Hard in 2022" (December 2022).*
[3] *Source: CNBC – "Stocks fall to end Wall Street's worst year since 2008, S&P 500 finishes 2022 down nearly 20%" (December 30, 2022)*

Key Updates for 2023: Legislative

Build Back Better Act (BBBA) Becomes the Inflation Reduction Act (IRA)

- The Biden administration was unable to advance the $1.75T Build Back Better Act ("BBBA") through both houses of Congress, in large part due to objections from Senators Manchin of West Virginia and Sinema of Arizona. The larger climate and healthcare legislative package was ultimately scaled back to the Inflation Reduction Act ($430 billion) and was signed into law by President Biden in August.[1,3]
- While BBBA had initially targeted raising income tax rates for high earners and lowering the estate exemption, such tax proposals were left out of the Inflation Reduction Act, aside from the IRA incorporating an additional $80 billion of funding to the IRS.

SECURE Act 2.0

- Building on retirement enhancements made under SECURE Act 1.0 (which became law in 2020), Congress passed SECURE Act 2.0 on December 23, 2022 as part of the $1.7 trillion omnibus spending bill.[2]
- Among the many changes, the Required Minimum Distribution (RMD) age will increase to age 73 and eventually to age 75, and individuals will have expanded opportunities to save for retirement including potentially utilizing Roth accounts.
- Changes from SECURE 2.0 will be phased in between 2023, 2024 and future years (see the following slides titled "SECURE Act 2.0" for further details)

[1] Source: Thomson Reuters & Congressional Research Service (CRS). "Understanding the Inflation Reduction Act of 2022. (November 12, 2021)
[2] Source: Morgan Lewis – "SECURE Act 2.0: Congress Delivers Retirement Plan Legislation and Holiday Cheer" (December 27, 2022).
[3] Source: CNBC – "House Passes Massive Climate, Tax, and Health Bill" (August 2022).

Key Updates for 2023: Msc.

Additional Gifting Opportunities

- The estate and lifetime gift tax exemption increased substantially to $12.92 million per person[1] (from $12.06 million as of 2022); given the notable increase, high net worth individuals who may have previously exhausted the lifetime gift tax exemption may now have flexibility to gift additional assets out of an otherwise taxable estate.
- The annual gift tax exclusion also increased to $17,000 (from $16,000 as of 2022).[1]

Retirees Get a Raise

- The Social Security Administration (SSA) announced the 2022 cost of living adjustment (COLA) of 8.7%.[2]
- The adjustment for 2023 represents the fourth largest since automatic adjustments began in 1975 and marks the largest annual increase since 1981.[2]

[1] *Source: Wall Street Journal – "IRS Raises Estate-Tax Threshold to $12.92 Million for 2023" (October 18, 2022).*
[2] *Source: CNBC – "Social Security cost-of-living adjustment will be 8.7% in 2023, highest increase in 40 years" (October 13, 2022).*

Inflation Reduction Act ('IRA')

President Biden signed the Inflation Reduction Act into law on August 16, 2022. The $430 billion bill aims to combat climate change, lower healthcare care costs, and reduce the deficit.

Provision	Notes
15% Minimum Tax Rate for Corporations	• Corporations with at least $1 billion in income will be subject to a new minimum tax rate of 15%
1% Excise Tax on Corporate Stock Buybacks [1]	• New excise tax will apply to repurchased stock, less the fair market value of any stock issued in that same year • Certain exceptions apply
IRS Funding	• $80 billion of additional funding over the next 10 years is provided to the IRS for greater tax enforcement[1] • The Congressional Budget Office (CBO) estimates this additional funding will yield $180 billion in additional tax revenue[2]
Lower the Cost of Prescription Drugs [1]	• Beginning in 2023, Medicare will be able to negotiate the price for certain prescription drugs (targeting approximately 100 drugs over the next decade) • Starting in 2025, Medicare recipients will have a $2,000 annual cap on out-of-pocket prescription drug costs
Extend Subsidies for Affordable Care Act (ACA) [1]	• Federal government subsidies for ACA medical insurance premiums, which were set to expire at the end of 2022, are extended through 2025
Funding to Address Climate Change	• Nearly $369 billion will be directed towards clean energy, with the targeted aim of significantly lowering carbon emissions by the end of the decade[3]
Reduce the Deficit	• Based on scoring by the Congressional Budget Office (CBO), the IRA would reduce deficits by $238 billion over a decade[2]

[1] Source: Forbes: "The Inflation Reduction Act is Now Law – Here's What It Means for You" (August 2022).
[2] Source: CFRB: "CBO Scores IRA with $238 Billion of Deficit Reduction" (September 2022).
[3] Source: CNBC – "The U.S. passed a historic climate deal this year — here's a recap of what's in the bill" (December 2022).

SECURE Act 2.0

Changes effective for 2023

Proposal	Notes
Increase in Age for Required Minimum Distributions (RMDs)	Effective January 1, 2023, the required minimum distribution (RMD) age will increase from age 72 to age 73 and will increase further over the next decade. • RMD age = 72 …for individuals born in 1950 or earlier • RMD age = 73 …for individuals born between 1951-1959 • RMD age = 75 …for individuals born in 1960 or later
Reduced RMD Penalties	The penalty for failing to take a full RMD decreases from 50% to 25%; the penalty is further reduced to 10% if the taxpayer corrects the error promptly.
"Rothification" of Employer-Matching Contributions and Non-Elective Contributions	Retirement plans may allow participants to elect some or all of matching and/or non-elective contributions to be deposited to the participant's designated Roth account. If the participant makes this election, the contribution amount is includable in the employee's income. If elected, such a contribution must be non-forfeitable.
SIMPLE Roth IRAs, SEP Roth IRAs	Individuals will now have the ability to fund a SIMPLE Roth IRA or a SEP Roth IRA. Practically speaking, however, it may take some time for custodians to make this an available option, as well as for the IRS to provide further procedural clarifications/updates.[2]
Increased Purchase Limit for Qualified Longevity Annuity Contracts (QLACs)	QLACs begin payment at or near the end of a participant's life expectancy. Under SECURE Act 2.0, the previous 25% limit on a retirement account balance to fund a QLAC is repealed and the available purchase amount is increased to $200,000 (from $145,000 previously).[1]

[1] *Source: Morgan Lewis – "SECURE Act 2.0: Congress Delivers Retirement Plan Legislation and Holiday Cheer" (December 27, 2022)*
[2] *Source: SECURE 2.0 Act Paves the Way for Big Changes as of January 2023*

SECURE Act 2.0

Changes effective for 2024

Proposal	Notes
IRA Catch-Up Limit, Indexed for Inflation	IRA catch-up limits will be indexed for inflation (thus aligning with similar treatment as applies to the annual adjustment for IRA "regular" contribution limits)
"Rothification" of Catch-up Contributions	If participants are taking advantage of catch-up contributions and their wages exceeded $145,000 in the prior calendar year, such participants will be required to make catch-up contributions on a Roth (after-tax) basis
Removal of RMD Requirement for Employer Roth Accounts	• The pre-death distribution requirement for in-plan Roth accounts is eliminated • This change does not apply to distribution amounts prior to the 2024 effective date
Employer Matching Contributions for Student Loan Repayments	• Applies to qualified retirement plans (401(k), 403(b), 457(b) plans and SIMPLE IRAs) • Plan Sponsors may provide matching contributions on qualified student loan payments • Student loan match must be subject to the same vesting schedule as the regular match • Employee must be eligible to receive matching contributions, and all employees eligible for matching contributions must be eligible for a student loan match
Rollover of Unused 529 Plan Funds	Unused 529 fund assets may be rolled over directly to a Roth IRA, subject to the following conditions: • The 529 account must have been maintained for at least 15 years • Any contributions made within the previous five years are ineligible for rollover • The eligible rollover amount is limited to the annual IRA contribution limit, less any other IRA contributions made for that same year • The receiving Roth IRA must be in the same name as the 529 beneficiary • The maximum allowable rollover amount is $35,000 during an individual's lifetime
Qualified Charitable Distributions, Indexed for Inflation	The annual limit for QCDs has remained at $100,000 since its 2006 inception; beginning in 2024, the annual QCD limit will be indexed for inflation. Also of note, while the RMD age will continue to rise over the coming decade, the eligible age for making a QCD remains at 70½.

Source: SECURE 2.0 Act Paves the Way for Big Changes as of January 2023

SECURE Act 2.0

Changes effective for 2024 (continued)

Proposal	Notes
Emergency Expenses & Emergency Savings [1]	• Pension-linked emergency savings account (PLESA) • Participants may make Roth (after-tax) contributions until account balance reaches $2,500 (although Plan Sponsor can set a lower limit) • Employee contributions are match-eligible (not made to PLESA) • Automatic enrollment option available (employer) • Highly compensated employees are not eligible • Participants must be able to take emergency savings distributions at least once per month • Distributions are not subject to early withdrawal penalties and are not taxable

Changes effective for 2025 or later

Proposal	Notes
Increased Limit for Catch-up Contributions [1]	• Effective for taxable years after December 31, 2024, individuals aged 60-63 will be able to make additional catch-up contributions – the greater of: o $10,000 for eligible plans ($5,000 for SIMPLE plans), or o 150% of the current year catch-up contribution limit (indexed for inflation)
Automatic Enrollment, Automatic Escalation [2]	• For new 401(k)/403(b) plans established after SECURE Act 2.0 enactment, for plan years after December 31, 2024: o The plan must contain an automatic enrollment provision for employees (unless the employee opts out) o The plan must contain an automatic escalation provision which begins at least at 3% (but not more than 10%) and the contribution percentage must automatically increase by 1% each year, until the contribution percentage is at least 10% (but not more than 15%) o Certain exceptions are in place for governmental and church plans and for plans sponsored by new and small businesses

[1] *Source: SECURE 2.0 Act Paves the Way for Big Changes as of January 2023*
[2] *Source: Morgan Lewis – "SECURE Act 2.0: Congress Delivers Retirement Plan Legislation and Holiday Cheer as Part of Year-End Spending Bill" (December 27, 2022)*

SECTION TWO

Tax Planning

2023 Federal Tax Provisions

Federal Income Tax Brackets[1]

Marginal Tax Rate	Single Filers	Head of Household	Married Filing Jointly	Trusts and Estates[2]
10%	0 – 11,000	0 – 15,700	0 – 22,000	0 – 2,900
12%	11,000 – 44,725	15,700 – 59,850	22,00 – 89,450	
22%	44,725 – 95,375	59,850 – 95,350	89,450 – 190,750	
24%	95,375 – 182,100	95,350 – 182,100	190,750 – 364,200	2,900 – 10,550
32%	182,100 – 231,250	182,100 – 231,250	364,200 – 462,500	
35%	231,250 – 578,125	231,250 – 578,100	462,500 – 693,750	10,550 – 14,450
37%	578,125 +	578,100 +	693,750 +	14,450 +

Alternative Minimum Tax (AMT)[1]

	AMT Exemption	AMT Exemption Phaseout
Single and Head of Household	81,300	578,150
Married Filing Jointly	126,500	1,156,300

The AMT exemption is reduced by $0.25 for each dollar that a taxpayer's Alternative Minimum Taxable Income (AMTI) exceeds the phase-out threshold

Long-Term Capital Gains Tax Rates[1]

	Taxable Income:	
0%	<	44,625 Single 59,750 Head of Household 89,250 Married Filing Jointly
15%	*between*	44,625 – 492,300 Single 59,750 – 523,050 Head of Household 89,250 – 553,850 Married Filing Jointly
20%	>	492,300 Single 523,050 Head of Household 553,850 Married Filing Jointly

[1] Source: The Tax Foundation – "2023 Tax Brackets" (October 18, 2022)
[2] Source: Putnam Investments – "2023 tax rates, schedules, and contribution limits"

2023 Federal Tax Provisions

Standard Deduction vs. Itemized Deductions[1]

Taxpayers may take the greater of the standard deduction or total itemized deductions

Standard Deduction

- $13,850 Single
- $20,800 Head of Household
- $27,700 Married Filing Jointly

Itemized Deductions[2]

- Medical expenses greater than 7.5% of adjusted gross income are deductible
- SALT Deduction capped at $10,000 for *the sum of*: 1) property taxes *and* 2) *greater of* state and local income taxes *or* sales taxes
- Home mortgage interest on mortgages up to $750,000. (*Note: Mortgages before December 15, 2017 up to $1 million grandfathered.*)
- Charitable contributions (subject to AGI limits based on contributed property and receiving charity)

[1]Source: The Tax Foundation – "2023 Tax Brackets" (October 18, 2022)
[2]Source: Putnam Investments – "2023 tax rates, schedules, and contribution limits"

"Must Know" Healthcare Taxes[2]

Net Investment Income Tax (NIIT):

3.8%

On the *lesser of* net investment income *or* Modified AGI above threshold:
$ 200,000 for Single/Head of Household
$ 250,000 for Married Filing Jointly
$ 125,000 for Married Filing Separately

Note: These threshold amounts are not indexed for inflation.

Investment income includes, but is not limited to:
- Interest
- Dividends
- Capital Gains
- Rental/Royalty Income
- Taxable Portion of Non-Qualified Annuity Payments
- Business Income from Financial Trading
- Passive Activities

Medicare Surtax:

0.9%

On *earned* income above:
$ 200,000 for Single
$ 250,000 for Married Filing Jointly
$ 125,000 for Married Filing Separately

Note: These threshold amounts are not indexed for inflation.

State Tax Provisions

41 States with individual income taxes

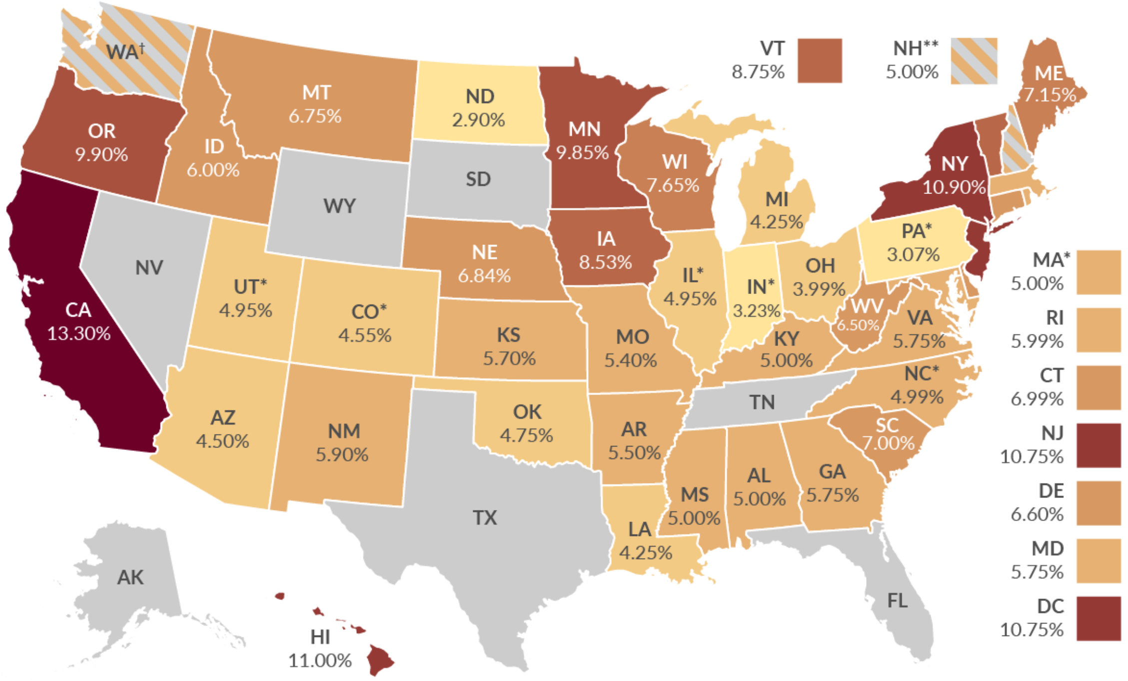
1 States which only tax dividends and interest (New Hampshire)

1 States which only tax capital gains (Washington)

7 States with no individual income tax (Alaska, Florida, Nevada, South Dakota, Tennessee, Texas, Wyoming)

How High Are Individual Income Tax Rates in Your State?

Top Marginal State Individual Income Tax Rates (as of January 1, 2022)



Note: Map shows top marginal rates: the maximum statutory rate in each state. This map does not show effective marginal tax rates, which would include the effects of phase-outs of various tax preferences. Local income taxes are not included. Missouri's top marginal rate will be reduced to 5.3% if certain revenue triggers are met.

(*) State has a flat income tax.

(**) State only taxes interest and dividends income.

(†) State only taxes capital gains income.

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.

Top State Marginal Individual Income Tax Rates

Tax Efficiency of Investments

Planning Tip

- The taxation of portfolio income varies by asset class. Taxable bond and REIT income is taxed unfavorably at ordinary income rates, while equity dividends are taxed favorably at lower qualified dividend rates.
- An investor who has a combination of taxable accounts, Traditional 401(k)/IRAs and Roth 401(k)/Roth IRAs can optimize a portfolio's allocation to minimize tax drag, thereby enhancing long-term after-tax returns.

More Tax-Efficient	*Municipal Bonds*	Income is federally tax-exempt and may be state tax-exempt
	Equities, Low-Turnover	Qualified dividends with limited capital gains
	Equities, High-Turnover	Qualified dividends but may produce higher capital gains
	Taxable Bonds, Low Yields (TIPS, Global Bonds, Core US Bonds)	Lower yields but taxed as ordinary income
	REITs	Non-qualified dividends with capital gains
Less Tax-Efficient	*Taxable Bonds, High Yields (High Yield & EM Bonds)*	Higher yields and taxed as ordinary income

Asset classes/investments such as broad real assets, hedge funds, etc. may be harder to quantify for tax efficiency.

Tax Planning Checklist

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What we are doing to help clients

1. Tax-Aware Investing/Asset Placement
2. Tax-Efficient Securities and Active Management Considerations
3. Tax Loss Harvesting/Thoughtful Rebalancing
4. Tax-Aware Recognition of Capital Gains
5. Capital Gain Dividend Distribution Analysis

How your tax advisor can help

1. Recognition and Timing of Income
2. Timing and Target Amount for Charitable Gifts
3. Evaluating the Potential Benefits of a Roth Conversion
4. Review Estimated Tax Withholding
5. AMT Considerations
6. Manage State and Local Income Tax Deductions
7. Review Property Tax Deductions
8. Additional State Tax Considerations

Areas where we can offer perspective

1. **Evaluating and Minimizing Capital Gain Implications** amid a portfolio repositioning considering factors such as potential step-ups in cost basis, asset placement, etc.
2. **Evaluating Family Gifting Strategies** according to desired gifting goals and, once determined, coordinating the gifting transfers.
3. **Gifting Long-Term Appreciated Securities** rather than cash for charitable contributions, which avoids capital gains taxes on the appreciated securities.
4. **Charitably Gifting the Required Minimum Distribution of an IRA**, which avoids the IRA distribution being treated as taxable income.
5. **Weighing the Differences between a Lump Sum Option or Annuity** income stream for Defined Benefit Plan or Cash Balance Pensions.
6. **Evaluating Tax Bracket Breakpoints and Stock Volatility** when minimizing single stock concentrations.
7. **Reviewing Social Security** income options.

SECTION THREE

Retirement Planning

Planning for Retirement

Planning for Retirement

Focus greater emphasis on what you can influence and evaluate the factors that are partially or completely outside of your control.

Full ability to control	Lifestyle Pre-Retirement *level of spending and saving today*	Lifestyle in Retirement *your vision of your retirement*	Asset Allocation & Location *how your nest egg is allocated among asset classes and tax sensibility*
Some degree of control	Duration of Employment and Earnings	Longevity *genetics, lifestyle choices that may impact your health in retirement*	Non-Essential Spending
Unable to control	Market Returns and Inflation	Tax Policy and Applicable Laws	Healthcare Costs

Statistics and Common Mistakes

70 – 85%	Approximate income replacement ratio for estimating future retirement expenses*
15%	Target annual investment savings* *(employee contribution + employer match)*
8%	Americans' average annual savings rate[1]
< 10%	57% of American workers save less than 10% of income[2]
62	Average age Americans hope to stop working[3]
$300k	The estimated dollar amount needed for an average retired couple aged 65 to pay for medical expenses through retirement (after-tax)[4]

Common Retirement Planning Mistakes

- Retiring too early / saving too little
- Underestimating lifestyle / retirement expenses
- Spending beyond one's means, particularly early in retirement
- Assuming too little or too much risk pre- and/or post-retirement
- High concentration risk with individual securities or company stock
- Attempting to time the market
- Filing for early (reduced) Social Security benefits despite expected longevity
- Underestimating future healthcare expenses

** General rule of thumb; target savings rate may be higher or lower depending on age, existing savings, anticipated retirement.*
[1] JPMorgan Guide to Retirement (2022), Bureau of Economic Analysis, National Bureau of Economic Research; data for 1960-2021.
[2] IRI Retirement Readiness Research Series: "Retirement Readiness among Older Workers 2021" (August 2021)
[3] CNBC "Here is the age when Many Americans hope to retire" (September 15, 2021)
[4] Fidelity "How to plan for rising healthcare costs" (August 29, 2022)

Retirement Contribution Limits

Retirement Benefit Limits

	2022	2023
Contribution Limits for 401(k)/403(b) Plans	20,500	22,500
Age 50+ Catch-up	6,500	7,500
Contribution Limits for SIMPLE IRA Plans	14,000	15,500
Age 50+ Catch-up	3,000	3,500
Contribution Limits for IRAs	6,000	6,500
Age 50+ Catch-up	1,000	1,000
Contribution Limits for Defined Benefit Plans	245,000	265,000
Contribution Limits for SEP IRA and Solo 401(k) Plan	61,000	66,000

Modified Adjusted Gross Income (MAGI) Limitations for IRA Contributions

	2022	2023
Traditional IRA		
Single, Head of Household	68,000 – 78,000	73,000 – 83,000
Married Filing Jointly	109,000 – 129,000	116,000 – 136,000
Roth IRA		
Single, Head of Household	129,000 – 144,000	138,000 – 153,000
Married Filing Jointly	204,000 – 214,000	218,000 – 228,000
Married Filing Separately	0 – 10,000	0 – 10,000
Roth Conversions	None	None

Beware of the ***Five-Year Rule****: Converted Funds must remain in your Roth IRA for at least five years, regardless of an individual's age. Failure to do so may result in a 10% early withdrawal penalty.*[3]

Saving for Retirement

Saving beyond your 401(k)/403(b) plan is essential for most Americans' retirement needs. Utilizing a Traditional or Roth IRA in addition to 401(k)/403(b) plan savings is a great way to give investors the opportunity for additional tax-free growth for retirement.

Types of Savings Accounts

Taxable | Pre-Tax | After-Tax

Account Examples	Individual/Joint/Trust accounts	Pre-Tax 401(k), Traditional IRAs (funded with deductible contributions)	Roth 401(k), Roth IRAs
Taxable Income	Interest, Dividends and Capital Gains	Account Withdrawals	Earnings/Withdrawals not taxable
Tax Deductions	Contributions Not Tax-Deductible	Contributions Tax-Deductible	Contributions Not Tax-Deductible
Contribution Limits	None	Yes, specific to type of account	Yes, specific to type of account

Ways to maximize retirement savings beyond your 401(k):

Once you maximize contributions to Retirement Plans (401(k), 403(b)) and deferring at least your company's match, investors can look to take advantage of the following:

1. Maximize after-tax assets in your portfolio:
    - Maximize contributions to after-tax accounts
    - Consider Backdoor Roth IRA contributions (if allowable)
    - Consider Roth IRA conversion

2. Consider establishing a Spousal IRA

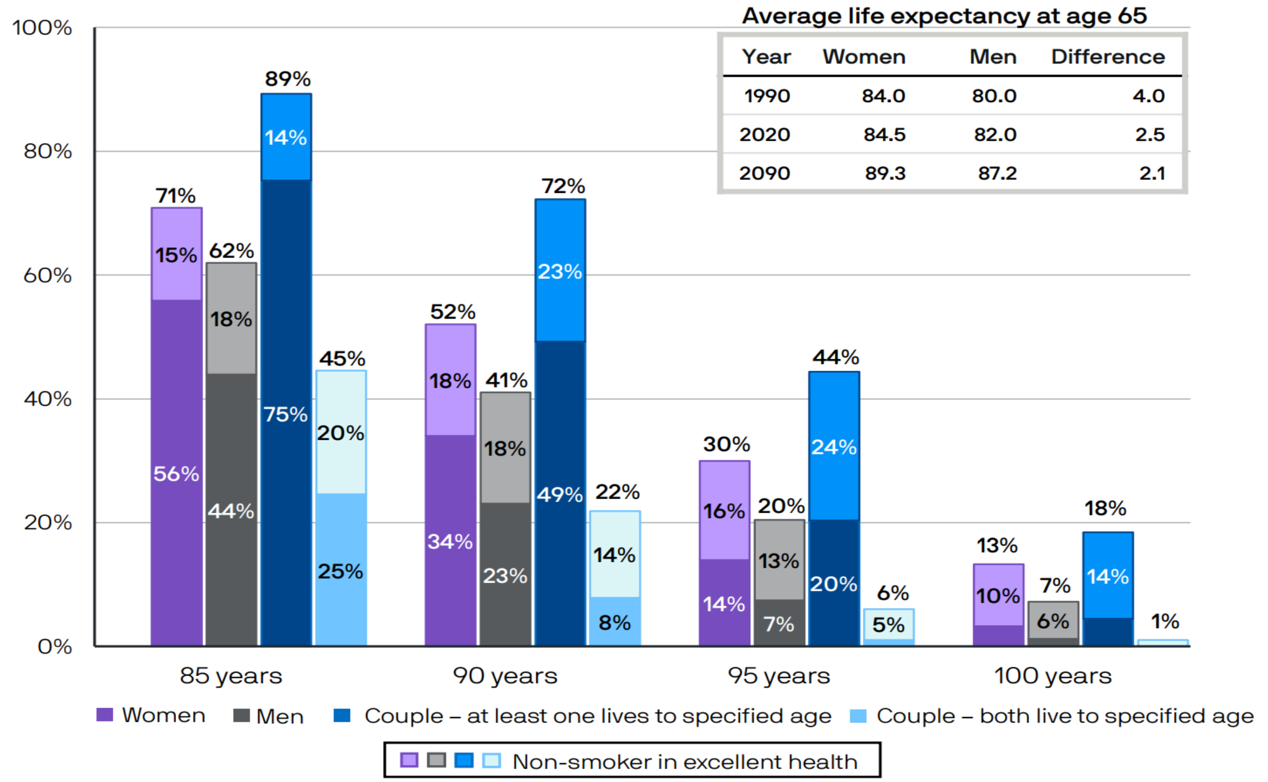
3. If self-employed, maximize retirement savings by contributing to a SEP-IRA, Keogh, Defined Benefit Plan or Solo 401(k)

Planning for a Long Retirement

Increasing average life expectancy means retirement could last 30+ years for some individuals

- 75% chance that at least one member of an aged-65 couple will live to age 85, which goes up to 89% if both are non-smokers in excellent health at age 65
- 49% chance that at least one member of an aged-65 couple will live to age 90, which goes up to 72% if both are non-smokers in excellent health at age 65

If you're age 65 today, the probability of living to a specific age or beyond



Average life expectancy at age 65

Year	Women	Men	Difference
1990	84.0	80.0	4.0
2020	84.5	82.0	2.5
2090	89.3	87.2	2.1

Source (table): Social Security Administration, Period Life Table, 2018 (published in 2021), JPMorgan Guide to Retirement (2022)

On Track for Retirement?

The analysis below assumes you would like to maintain a lifestyle in retirement equivalent to current lifestyle

- Go to the intersection of your current age and your closest current household income (gross, before tax and savings)
- Compare your current savings to the savings checkpoints below

Example: For a 40-year-old with gross income of $200,000, current savings should be approximately $780,000

	Household Annual Income (Gross)				
Age	**$100,000**	**$150,000**	**$200,000**	**$250,000**	**$300,000**
25	10,000	75,000	160,000	250,000	360,000
30	60,000	180,000	320,000	475,000	630,000
35	150,000	330,000	540,000	725,000	960,000
40	250,000	495,000	*780,000*	1,050,000	1,380,000
45	360,000	705,000	1.080,000	1,450,000	1,860,000
50	500,000	945,000	1,420,000	1,900,000	2,400,000
55	650,000	1,200,000	1,780,000	2,375,000	3,000,000
60	800,000	1,455,000	2,160,000	2,850,000	3,600,000
65	930,000	1,665,000	2,460,000	3,225,000	4,110,000

Model Assumptions

10%* Annual Savings Rate
60/40** Pre-Retirement Return
40/60** Post-Retirement Return
2.3% Inflation Rate

Retirement Age –
Age 65 Primary earner
Age 63 Spouse

35 Years in Retirement

**10% is approximately twice the U.S. average annual savings rate*

***Portfolio described as equity/bond percentages (e.g., a 40/60 portfolio is 40% equities 60% bonds)*

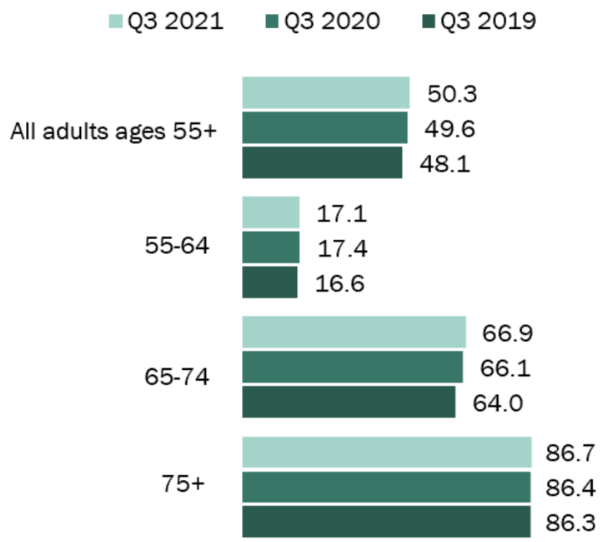
The Great Resignation

An increasing number of individuals over age 55 have retired since the COVID-19 pandemic, with half of U.S. adults over age 55 now retired.

The significance of the COVID-19 recession on retirement marks a change in long-term historical trends, although the Bureau of Labor Statistics suggest it may be temporary.

Half of older U.S. adults are now retired

% of older adults who are retired

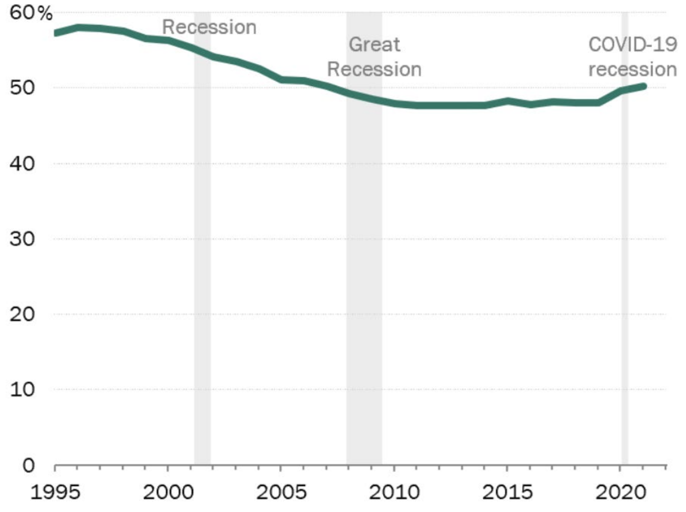


Note: "Retired" refers to those not in the labor force due to retirement.
Source: Pew Research Center analysis of July, August and September Current Population Survey monthly files (IPUMS).

PEW RESEARCH CENTER

Unlike in other recent recessions, the pandemic has increased retirement among older adults

% of U.S. adults ages 55 and older who are retired



Note: "Retired" refers to those not in the labor force due to retirement. The COVID-19 recession began February 2020 and ended April 2020.
Source: Pew Research Center analysis of July, August and September Current Population Survey monthly files (IPUMS).

PEW RESEARCH CENTER

Source: PEW Research Center = "Amid the pandemic, a rising share of older U.S. adults are now retired" (November 4, 2021).

The Stretch IRA after Secure Act 1.0 & 2.0

The "Stretch IRA" replaced by 10-year rule

SECURE Act 1.0 largely eliminated the "stretch IRA." Most non-spouse beneficiaries can no longer 'stretch' IRA withdrawals out over their lifetime and are instead required to fully withdraw inherited retirement account assets by December 31 of the tenth calendar year following the account owner's death.

Who is still eligible for the longer payout period? [1]

- Heirs of IRAs whose original owners died *before* 2020
- Eligible Designated Beneficiaries
  - Surviving spouses
  - Chronically ill or disabled heirs
  - Heirs within 10 years of age of the original owner
  - Minor children of the account owner, up to the age of majority (now specified as age 21)

Who is *not* eligible for the longer payout period? [1]

- Non-Eligible Designated Beneficiaries (Non-Spouses (aside from exceptions above), Certain Trusts)
  - If the account owner died *before* the Required Beginning Date, the beneficiary is not subject to annual withdrawals, but must empty the account by the tenth year following account owner's death
  - If the account owner died *after* the Required Beginning Date, the beneficiary must take annual withdrawals (Inherited RMDs) for years 1-9 and must empty the account by the tenth year following account owner's death
- Non-Designated Beneficiaries (Charities, Estate, Certain Trusts)
  - If the account owner died *before* the Required Beginning Date, the beneficiary must withdraw all funds by the end of the fifth year after the account owner's death
  - If the account owner died *after* the Required Beginning Date, the beneficiary must take RMDs based on the account owner's remaining single life expectancy had he/she lived

[1] Source: Kitces.com – "The (Partial) Death Of The Stretch IRA: How The SECURE Act Impacts Inherited Retirement Accounts" (February 2020)
Additional Source: Lord Abbett – "The Stretch IRA is Not Dead – Yet" (October 2021)
Additional Source: Ed Slott & Company – "Age of Majority and the New SECURE Act Regulations" (March 2022)

RMD’s & Inherited Retirement Accounts

As additional guidance to the preceding slide concerning inherited retirement accounts…

- **Required Beginning Date (RBD)** – April 1 of the year following the calendar year in which an individual first becomes subject to Required Minimum Distributions
  - Example: Jim is currently age 72 and will turn age 73 in 2024; Jim must take his first RMD by April 1, 2025, which is his Required Beginning Date

- **Beginning Age for Required Minimum Distributions (RMDs)** from Retirement Accounts [2]
  - RMD beginning age was previously 72 (and prior to that, was age 70½)
  - Per SECURE Act 2.0:
    - Birth year 1950 or earlier RMD Age = 72
    - Birth year 1951-1959 RMD Age = 73 (beginning as of 2023)
    - Birth year 1960 or later RMD Age = 75 (beginning as of 2033)

- As Roth IRAs do not have RMDs for the original account owner, the beneficiary of an Inherited Roth account is not subject to annual withdrawals during the 10-year withdrawal period but must fully withdraw the account by December 31 of the tenth year following the account owner’s death [2]

- Given confusion over previous IRS guidance relating to inherited IRAs, the IRS clarified in October that missed 2021 and 2022 inherited retirement account RMDs would not be subject to a 50% penalty for missed RMDs, much to the relief of potentially impacted beneficiaries[1]

- Per Kitces.com, “the Successor Beneficiary of a post-SECURE Act Non-Eligible Designated Beneficiary simply steps into the original (Non-Eligible Designated) beneficiary’s shoes…which means the best they can do is to fill the original Primary Beneficiary’s 10-Year Rule” (i.e. a new 10-year withdrawal window is *not* created)[2]

- It is important to review any trust that is a beneficiary of an IRA and understand how the 10-year rule may affect its provisions

[1] *Source: Ed Slott & Company – “IRS Waives 50% Penalty for Missed 2021 and 2022 RMDs within the 10-Year Period” (October 10, 2022*
[2] *Source: Kitces.com – “SECURE Act 2.0: Later RMDs, 529-To-Roth Rollovers, And Other Tax Planning Opportunities” (December 28, 2022)*

Additional Roth Conversions

Backdoor Roth Contributions

If a taxpayer's income is higher than the noted thresholds for contributing to a Roth IRA, a taxpayer may fund a Traditional IRA with a "non-deductible" contribution. This contribution may, in turn, be converted to a Roth IRA tax-free, provided the taxpayer does ***not*** have any other holdings in a Traditional IRA. If a taxpayer has an outstanding Traditional, SEP or SIMPLE IRA balance, a portion of the conversion will be treated as taxable income.

Example:

- John is a single taxpayer, age 55, with a modified adjusted gross income of $450,000 which prevents him from directly contributing to a Roth IRA.
- John currently has a 401(k) plan but no Traditional IRA.
- John makes a $7,500 non-deductible contribution to a Traditional IRA and leaves the entire contribution in cash.
- John waits 30+ days and then converts the non-deductible contribution to a Roth IRA.
- Since John had no Traditional IRA holdings and only converted a non-deductible contribution (which had no earnings over the 30-day period), the conversion is not taxable.

Roth Conversions

Unlike income limits for Roth IRA contributions, there are no such income limitations for completing a Roth conversion. Taxpayers should recognize that converting a Traditional IRA to a Roth IRA typically produces taxable income. Individuals should evaluate their income tax picture to compare how their current tax bracket might compare to a future tax bracket:

- Individuals might consider a partial conversion where income is recognized up to a certain tax bracket.
- For ultra-high net worth individuals that will otherwise have a taxable estate, a Roth conversion may be beneficial as it reduces the size of the taxable estate by the amount of taxes paid on conversion while eventually leaving a favorable asset to heirs (i.e., inheriting a Roth IRA is preferable to inheriting a Traditional IRA).

Example is hypothetical and for illustrative purposes only.
Source: Social Security Administration (2017 OASDI Trustees Report, July 2017).

Roth Conversions: Pros & Cons

	Maintain Pre-Tax IRA Balance / No Roth Conversion	Convert Pre-Tax IRA to Roth IRA
Income Tax on Roth Conversion	Not applicable	The amount of the conversion creates taxable income, but such income could potentially be offset by charitable gifts
Additional Contributions	If above AGI limits, deductible contributions to pre-tax balance disallowed; however, non-deductible contributions are allowed	If the entire pre-tax IRA balance is converted, creates opportunity for Backdoor Roth IRA contributions without additional tax impacts
Required Minimum Distributions	In retirement, RMDs must be taken from the account, reducing the overall balance, adding tax liability	After Roth conversion, RMDs from the Roth IRA will not be required for the original account owner
Income Tax	Distributions are subject to income tax at ordinary income rates	Roth IRA distributions are not subject to income tax
Estate Tax	Account balance at death subject to estate tax	Account balance at death subject to estate tax
Post-Death Beneficiary Income Tax	RMDs to beneficiaries subject to income tax	RMDs to beneficiaries not subject to income tax

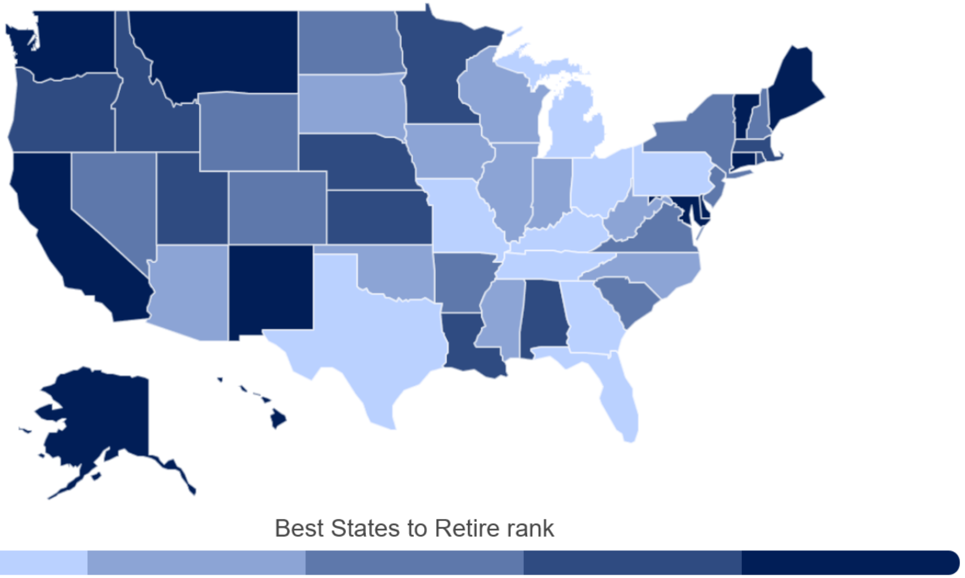
Check if your 401(k)/403(b) plan allows for "in-plan Roth conversions". Known as a "mega backdoor Roth", the strategy involves making after-tax contributions and subsequently converting those to a Roth account. This planning strategy could be addressed in future tax legislation.

Best and Worst States to Retire

Retirement assets can go a lot further in some states versus others, though there may also be additional qualitative (non-financial) factors to consider (proximity to family, weather, etc.).

Best States to Retire

Florida tops Bankrate's ranking of best states to retire, followed by Georgia and Michigan. Our index measures affordability, wellness, culture, weather and crime.



Bankrate.com Rankings: Top 10 States for Retirees	
1	Florida
2	Georgia
3	Michigan
4	Ohio
5	Missouri
6	Kentucky
7	Texas
8	Tennessee
9	Pennsylvania
10	South Dakota

Ratings based on the following weightings: Affordability (40%), Well-Being (20%), Culture & Diversity (15%), Weather (15%), and Crime (10%).

"Transitioning to Retirement" Checklist

Preparing for a comfortable retirement requires diligence and discipline

Review What Has Changed
- Tax Laws
- Retirement Goals
- Health/Longevity

Assess whether Savings are "On Track"
- Compare current savings versus checkpoints
- Review portfolio allocation and asset location
- Look for opportunities to increase/optimize savings across account types
- Determine if retirement goals need to be adjusted

Plan Ahead
- Periodically review your estate plan
- If nearing retirement, review Social Security benefits and determine an appropriate claiming age/strategy
- Medicare planning

Estate Planning Document Review
- Periodically review beneficiary designations to ensure beneficiaries are listed as intended
- Especially important upon life events such as marriage, divorce, birth/adoption, etc.
- Review the need of a Trust or Will

82%

of the general population
don't have a plan in place

4 in 10 workers
6 in 10 retirees
have tried to calculate how much monthly income is needed in retirement

Sources: Fidelity Investments "Retirement Mindset Study", 2020 Retirement Confidence Survey (RCS)

SECTION FOUR

Charitable Planning

RMD's & Donating Your IRA

Required Minimum Distribution (RMD)
RMD is the minimum amount you must withdraw from your retirement account each year. Beginning date for your first required minimum distribution for IRAs:

- If you reached the age of 70½ in 2019 the prior rule applies, and you must take your first RMD by April 1, 2020
- If you reach age 70 ½ in 2020 or later, you must take your first RMD by April 1 of the year after you reach 72

Giving Your IRA to Charity
Those who meet the age requirement can transfer up to $100,000 per year directly from an IRA to an eligible charity without paying income tax on the transaction. This is known as a qualified charitable distribution. It is limited to IRAs, and there are other exclusions and considerations as well.

Benefits of Donating an IRA to Charity Upon Death

- Neither you and your heirs nor your estate will pay income taxes on the distribution of the assets.
- Your estate will need to include the value of the assets as part of the gross estate but will receive a tax deduction for the charitable contribution, which can be used to offset the estate taxes.
- Because charities do not pay income tax, the full amount of your retirement account will directly benefit the charity of your choice.
- It's possible to divide your retirement assets between charities and heirs according to any percentages you choose.
- You have the opportunity to support a cause you care about as part of your legacy.

Source: Fidelity Charitable

Accelerated Charitable Giving

Planning Tip

The charitable giving landscape changed substantially in 2018, as the Tax Cut and Jobs Act nearly doubled the standard deduction but capped the state and local tax (SALT) deduction at $10,000 and eliminated "miscellaneous two percent itemized deductions." Due to the new changes, taxpayers should evaluate whether or not a portion of charitable giving would produce a tax benefit..

Taxpayers might benefit from **accelerating ("bunching") charitable gifts** to maximize itemized deductions in a single tax year while taking the standard deduction in other years. This planning strategy can be particularly effective for charitably-inclined taxpayers without deductible medical expenses (> 7.5% of Adjusted Gross Income) and with no/minimal mortgage interest.

Scenario #1: Married Filing Jointly, Level Annual Charitable Giving

	2023–2026 (Each Year)	2023–2026 TOTAL
Mortgage Interest	$9,000	**$36,000**
State & Local Tax (SALT)	$10,000	**$40,000**
Charitable Gifts	$30,000	**$120,000**
Itemized Deduction Total	**$49,000**	**$196,000**
Greater of: Itemized Deductions *or* **$27,700 Standard Deduction**	$49,000	$196,000

Scenario #2: Married Filing Jointly, Accelerated Charitable Giving

	2023	2024–2026 (Each Year)	2023–2026 TOTAL
Mortgage Interest	$9,000	$9,000	**$36,000**
State & Local Tax (SALT)	$10,000	$10,000	**$40,000**
Charitable Gifts	$120,000	$0	**$120,000**
Itemized Deduction Total	**$139,000**	**$19,000**	**$196,000**
Greater of: Itemized Deductions *or* $27,700 Standard Deduction	$139,000	$27,700	$222,100

In the example above, the couple's itemized deductions before charitable gifts total $19,000 (mortgage interest + SALT). Since the married filing jointly (MFJ) standard deduction is $27,700, the first $8,700 of charitables will not produce a tax benefit.

In Scenario #2, the couple accelerates charitable giving into a single year (2022) to maximize itemized deductions and takes the standard deduction in subsequent years (2024-2026). The composition of itemized deductions is the *same* under both scenarios, yet Scenario #2 produces a greater cumulative tax deduction of $26,100 over the four-year period.

Several legislative proposals have aimed to increase the current $10,000 cap for the state and local tax ('SALT') deduction, though these proposals have yet to draw enough bipartisan support to pass both houses of Congress.

Charitable Giving Vehicles

Donor-Advised Funds vs. Private Foundations

There are numerous considerations to evaluate whether a donor-advised fund or a private foundation (or a combination) might be an effective charitable giving vehicle. The table below provides an abbreviated comparison.

	Option A: Donor-Advised Fund	Option B: Private Foundation
Start-up Time	Immediate	May take several weeks or months
Start-up Costs	None	Legal and other fees
Initial Contribution/ Minimum	Varies by sponsor, but often as low as $5,000 - $10,000	No minimum, though due to start-up and ongoing administrative expenses, a larger starting balance (several million dollars) is generally advisable
Minimum Grant to Charity	Varies by sponsor, but often as low as $50-$100	No minimum
Ability to Give Anonymously	Yes, donor can choose whether to give publicly or anonymously	No, IRS Form 990 must report gifts
Ongoing Administrative Expenses	Varies by sponsor, but typically starts approximately 0.60 percent	Various tax & other expenses
Underlying Investment Expenses	Varies by sponsor, with some investment options as low as 0.03 percent	Varies based on investments chosen & advisor
Tax Deduction for Gifts	Up to 60 percent of AGI for cash gifts Up to 30 percent of AGI for long-term securities	Up to 30 percent of AGI for cash gifts Up to 20 percent of AGI for long-term securities
Annual Distribution Requirement	None	IRS requires minimum 5 percent annual distribution based on prior year's net average assets
Tax Reporting	Handled by the sponsor; donors do not report charitable grant activity	Responsible for tax filings and must annually file IRS Form 990
Excise Taxes	None	1.39 percent of net investment income

Additional Charitable Giving Strategies

	Charitable Lead Trusts (CLT)	Charitable Remainder Trust (CRT)	Charitable Gift Annuity (CGA)
What is it?	An irrevocable trust established for charitable purposes. During the trust term, income passes to the designated charity/charities. At the end of the trust term, the remaining assets transfer back to the donor or to specified beneficiaries.	An irrevocable trust established for charitable purposes. During the trust term, income passes to the donor or designated beneficiary (per the IRS, the annual annuity must be at least 5% but not more than 50% of the trust's assets). At the end of the trust term, the remaining assets transfer to the designated charity/charities.	A lifelong contract between a nonprofit and a donor or couple. The donor makes an irrevocable gift to 501(c)(3) qualified public charity, and, in return, the charity agrees to pay the annuitant(s) lifetime income. The maximum number of annuitants is two. Not all charities provide charitable gift annuities.
Benefits	Under a *non-grantor CLT*, depending on the amount of trust growth, remainder assets may pass to beneficiaries free of estate or gift tax. Under a *grantor CLT*, the grantor receives an immediate tax deduction for the present value of the future payments to be made to charity.	Donor receives a partial income tax deduction depending on trust type and term, projected income payments and IRS interest rates. Can convert appreciated assets into current income, without triggering capital gains taxes.	Donor receives a charitable tax deduction for the value of the original gift, less the present value of future annuity payments. Potential for a portion of annuity payments to be treated as tax-free income.
Taxation	Under a non-grantor CLT, the trust is considered the owner and pays tax on undistributed net income; the trust can claim an unlimited charitable deduction for charitable distributions. Under a grantor CLT, the grantor pays the tax on trust income.	The CRT's investment income is exempt from tax, which provides an opportunity to sell appreciated securities without generating capital gains tax. However, the named income beneficiary will pay income tax on the type of income received.	For gifts of cash, annuity payments will be treated as a split among ordinary income and tax-free income. For gifts of appreciated securities, annuity payments will be treated as a split among ordinary income, capital gains and tax-free income.
Who might benefit from this strategy?	Charitably inclined individuals who want to provide current support to charity but also want any remaining assets to pass to beneficiaries.	Charitably inclined individuals who want an immediate charitable tax deduction and who also have a need/desire for current income.	Charitably inclined individuals who want an immediate charitable tax deduction and current income but may have insufficient assets to fund a CRT.

SECTION FIVE

Social Security & Medicare

Social Security Basics

When

You may start receiving your Social Security retirement benefits as early as age 62 or as late as age 70.

You can apply for benefits no more than four months in advance of your benefit start date.

How

You can apply for retirement benefits or spousal benefits directly online at https://www.ssa.gov/benefits/forms/

Amount

Check your Social Security statement for a current estimate of your benefits at https://www.ssa.gov/myaccount/retire-calc.html

Consider

Your monthly benefits will be permanently reduced if you start any time before your "full retirement age." Conversely, your monthly benefits will be increased if you start after your "full retirement age."

Social Security: Common Misconceptions

✘ Social Security is going broke

- ✓ Without any changes, the Social Security trust fund is estimated to be depleted by 2035; however, Social Security is a pay-as-you-go system and, as such, will continue to collect revenue from payroll taxes
- ✓ Even if Congress were to enact no changes (which is rather unlikely), based on incoming payroll tax collections, Social Security would still be able to pay an estimated 80% of benefits

✘ Full Retirement Age (FRA) is 65 for everyone

- ✓ Full Retirement Age (FRA) depends on birth year and varies from age 65 to 67

✘ Social Security will replace most of a retiree's income needs

- ✓ The program was never intended to be the sole source of income for retirees
- ✓ The general rule of thumb is Social Security will replace around 33% of pre-retirement income for an individual with average lifetime earnings, though the replacement ratio is far lower for individuals with high lifetime earnings

✘ Earned income is not allowed while also collecting Social Security benefits

- ✓ Individuals can continue to work after receiving Social Security benefits. If an individual collects benefits before full retirement age and has income which exceeds the earnings limit, then a portion of benefits will be reduced; however, any benefits which were reduced due to the earnings limit will later be credited back. [There is no earnings limit upon reaching FRA.]

Social Security – Key Changes for 2023

Cost-of-Living Adjustment (COLA) Increase[1]

- 2023 COLA is +8.7% [increased from +2.8% in 2022]
- 2023 COLA is the largest increase since 1981

Social Security Wage Cap[1]

- For earnings in 2023, this base is $160,200 [increased from $147,000 in 2022]

Social Security Earnings Limit[1]

- Prior to Full Retirement Age (FRA), recipients can earn up to $21,240 before benefits are reduced [increased from $19,560 in 2022]
- In the year of FRA, recipients can earn up to $56,520 before benefits are reduced [increased from $51,960 in 2022]
- After FRA, recipients are not subject to any earnings limit.

Social Security Credit Increase[1]

- For 2023, it takes $1,640 of earnings to equal one credit
- An individual must earn at least $6,560 for the year to receive the maximum four credits

[1] *Source: AARP – "Biggest Social Security Changes for 2023" (December 2022)*

Choosing When to Begin Benefits

Four Key Factors for Evaluating when to Collect Retirement Benefits

- Life expectancy (single or joint)
- Spousal benefits
- Income needs
- Changes in employment

Consider taking benefits earlier if…	Consider taking benefits later if…
You are no longer working and find it difficult to cover annual expenses.	You are still working and make enough to impact the taxability of your benefits.
You are in poor health and do not expect the surviving member of the household to make it to average life expectancy.	You are in good health and expect to exceed average life expectancy.
You are the lower-earning spouse and your higher-earning spouse can wait to file for a higher benefit.	You are the higher-earning spouse and want to be sure your surviving spouse receives the highest possible benefit.

Social Security Considerations

Full Retirement Age (FRA) vs. Early Retirement vs. Late Retirement

Full Retirement [2]

Year of Birth*	Full Retirement Age (FRA)
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

** Persons born on January 1 of any year should refer to the previous year*

Early Retirement [1]

- Retiree can elect to receive benefits as early as age 62 (For a retiree taking benefits five years early, the reduction = 30%)
- For the first 36 months, the FRA benefit is reduced by 5/9th of one percent for each month before full retirement age (FRA).
- Beyond 36 months, the FRA benefit is further reduced by 5/12th of one percent for each early month.

Late Retirement [1]

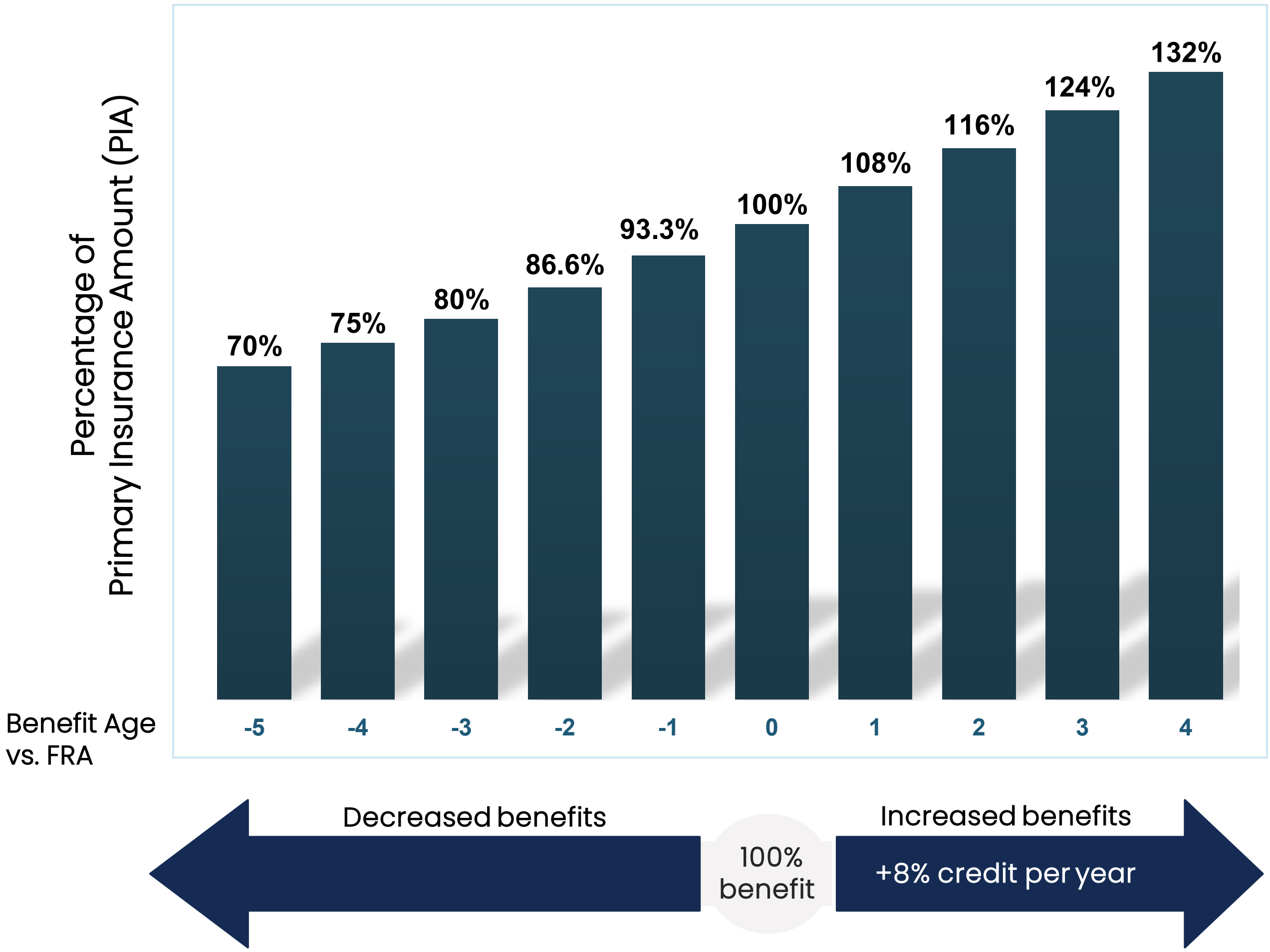
(i.e., Benefits after FRA, up to age 70)

Year of Birth	Credit per Year
Before 1937	Varies
1937-38	6.50%
1939-40	7.00%
1941-42	7.50%
1943 and later	8.00%

[1] Source: SSA.gov – "Early or Late Retirement?" – https://www.ssa.gov/oact/quickcalc/early_late.html
[2] Source: SSA.gov – "Normal Retirement Age" – https://www.ssa.gov/oact/progdata/nra.html

Early Versus Delayed Benefits

Full Retirement Age (FRA) vs. Early Retirement vs. Late Retirement



Notes:

1) PIA = Primary Insurance Amount, which reflects the benefit available at Full Retirement Age (FRA).

2) Benefits are permanently reduced for benefits commencing before Full Retirement Age.

   - *For the first 36 months prior to FRA, the benefit is reduced by 5/9th of one percent for each month before full retirement age (FRA).*
   - *Beyond 36 months, the benefit is further reduced by 5/12th of one percent for each early month.*

3) Delayed retirement credits apply for benefits deferred past Full Retirement Age, up to age 70.

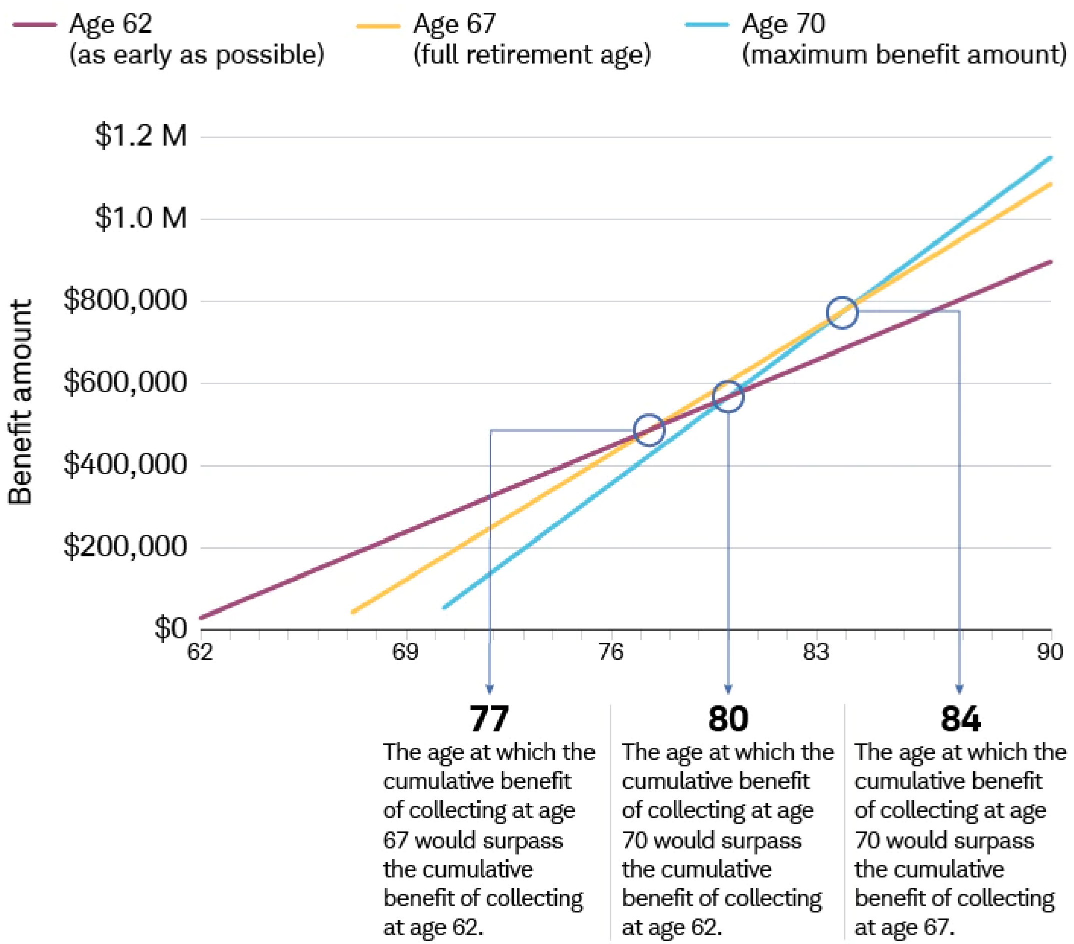
   - *For individuals born in 1960 or later, FRA is age 67 with a maximum possible deferral period of three years (maximum +24% improvement).*

Evaluating a "Breakeven Age"

Early Retirement vs. Full Retirement Age (FRA) vs. Late Retirement

Hypothetical Scenario:

Social Security Monthly Benefits
Age 62: $ 2,572 / mo
Age 67: $ 3,674 / mo
Age 70: $ 4,556 / mo



Sources: Charles Schwab: "Social Security FAQs" (January 2022), SSA.gov.

Hypothetical cumulative benefits assume the retiree was age 62 in 2023, age 67 in 2028, and age 70 in 2031 and began collecting a monthly benefit in January of each year. This example is hypothetical and provided for illustrative purposes only. Monthly benefit at any age varies widely by individual based on their earning history.

Earnings Limit and Benefit Taxability

Receiving Social Security Benefits While Still Working [1]

Income Earned *Before* Full Retirement Age (FRA)	Income Earned *During* the Year of Full Retirement Age (FRA)	Income Earned *After* Full Retirement Age (FRA)
• For retirees collecting Social Security benefits before FRA, Social Security will take back $1 of benefits for every $2 over the earnings limit. • For 2023, the earnings limit before FRA is $21,240.	• During the year you reach FRA and up to the month you reach FRA, Social Security will deduct $1 of benefits for every $3 over the earnings limit. • During this year, Social Security only counts earnings that you receive until the month when you hit the milestone. • For 2023, the earnings limit in the year of FRA is $56,520.	• There is no earnings limit after an individual reaches full retirement age.

Note: Benefit reductions due to the earnings limit are only temporary, as the monthly benefit will be recalculated upon full retirement age to give credit for previously withheld benefits.

Taxable Portion of Social Security Benefits [2]	Taxable Income	
	Single, Head of Household	Married Filing Jointly
0%	Less than $25,000	Less than $32,000
Up to 50%	$25,000 - 34,000	$32,000 - 44,000
Up to 85%	Over $34,000	Over $44,000

[1] Source: Social Security Administration (SSA) – "Receiving Benefits While Working" – https://www.ssa.gov/benefits/retirement/planner/whileworking.html
[2] Source: Social Security Administration (SSA) – "Income Taxes and Your Social Security Benefit" – https://www.ssa.gov/benefits/retirement/planner/taxes.html

Social Security: Spousal and Family Benefits

Upon starting Social Security retirement benefits, some members of your family may also be entitled to receive benefits from your Social Security earnings record, or you may qualify to receive benefits from their earning record.

Spousal Benefits

Start between spouse's age 62 and FRA:

- Permanently reduces monthly benefit
- May be affected by the earnings test if still working

Start after spouse's FRA, receives the greater of:

- 50 percent of your monthly benefits based at your FRA (no delayed credit)
- Spouse's FRA personal monthly benefit with delayed credit

Children Benefits

Eligible children, including biological, adopted, stepchildren, and/or dependent grandchildren may also be eligible for benefits, provided they meet the following qualifications:

- Unmarried and
- Under age 18 or
- Age 18-19 and full-time student (no higher than grade 12) or
- Greater than age 18 and disabled from a disability that started before age 22

__Maximum Family Benefit__: If one of your children also qualifies for benefits, generally the total amount you and your family may receive is about 150 to 180 percent of your full retirement benefit.

Ex-Spouse Benefits

You may be entitled to benefits from your ex-spouse's record if you meet the following qualifications:

- Marriage lasted more than 10 consecutive years
- You are unmarried
- You and your ex-spouse are at least age 62

An Ex-Spouse benefit does __not__ affect the benefit you or your family may receive.

Source: SSA.gov – "Benefits For Your Family"

Medicare Basics

- **Part A (Hospital Insurance)**
  - Free for people age 65 and older who paid payroll tax for 40+ quarters (about 10 years)
  - Helps cover in-patient hospital care, skilled nursing facility care, hospice care and home health care

- **Part B (Medical Insurance)**
  - Anyone eligible for Part A is eligible to enroll in Part B and pay a monthly premium
  - Helps cover physician services, outpatient care, home health care, therapy services, ambulance services, preventive services and durable medical equipment

- **Part C (Medicare Advantage)**
  - The private health insurance alternative to 'Original Medicare' (Parts A & B), which might also include Part D coverage
  - If enrolling in Medicare Advantage, must still enroll in Parts A & B and pay the Part B premium; also will sign up and pay for the chosen Medicare Advantage plan

- **Part D (Prescription Drug Coverage)**
  - Run by private insurance companies that follow rules set by Medicare
  - Helps cover the cost of prescription drugs
  - Once total drug costs (between what you and the plan have spent) reach $4,660 (2023 limit), enrollee will pay no more than 25% of the drug price (this is often referred to as the 'donut hole' of Part D coverage)

Source: AARP – "Understanding Medicare's Options: Parts A, B, C and D" (December 2022)

Medicare: Common Misconceptions

✗ Medicare provides completely free health care

- ✓ For most people, Medicare Part A does not require a premium, but you are still responsible for copays, coinsurance and deductibles
- ✓ Medicare Part B has premiums, copays, coinsurance and deductibles similar to other health insurance plans

✗ Medicare covers everything

- ✓ Does not cover any type of long-term care, whether in a nursing home, assisted living community, or home care.
- ✓ Dental and Vision health care services are not covered
- ✓ Prescription drug coverage is only covered through Part D and Medicare Advantage plans
- ✓ Beginning in 2023, Medicare will cover a visit to an audiologist (without a physician's referral), so long as the hearing loss has existed for at least 12 months

✗ Medicare may not cover you

- ✓ You cannot be rejected for coverage or be charged higher premiums due to serious illness

✗ Eligible enrollees will be notified when it's time to sign up for Medicare

- ✓ Unless you are already receiving Social Security benefits, you must apply for Medicare
- ✓ If you sign up when first eligible, you can avoid delays in coverage

Medicare: Important Dates to Remember

Medicare benefits generally do not require annual enrollment. Key dates for enrollment and changes are highlighted below.

Date	Notes
Initial Enrollment Period	Seven-month period: initial enrollment period begins three months prior to the month turning age 65 and ends three months after the month turning age 65 Individuals who do not sign up during the IEP may be subject to a late enrollment penalty
General Enrollment Period	January 1 – March 31 Those missing the Initial Enrollment Period can sign up during this period; coverage will subsequently start July 1
Medicare Advantage Open Enrollment	January 1 – March 31 (only for individuals who already have a MA plan) If enrolled in a Medicare Advantage plan, enrollee can: • Switch to a different Medicare Advantage plan • Drop Medicare Advantage plan and return to Original Medicare • Sign up for Medicare Part D (if returning to Original Medicare)
Annual Open Enrollment Period	October 15 – December 7 Individuals can join, switch, or drop a plan for coverage beginning January 1
Special Enrollment Period	Individuals with certain qualifying life events (losing health coverage, moving, getting married, having a baby or adopting a child) may be eligible to sign up during a Special Enrollment Period
January 1	New coverage begins; monthly premium adjustments go into effect

Source: Medicare.gov
Source: Aetna Medicare – "Unpacking Medicare: What you need to know about Medicare enrollment periods (and when you can change your plan)"

Choosing Medicare Coverage

	Original Medicare (Parts A & B) [1]	Medicare Advantage (Part C) [1]
Care Options	• Visit any doctor that accepts Medicare; in most cases, no referral is needed for a specialist	• Must use doctors only in plan network (most commonly HMO or PPO network); a referral may be needed to visit a specialist
Costs	• Monthly premiums determined by income. • No annual out-of-pocket maximum • Usually pay 20 percent of Medicare-approved amount after meeting deductible	• Still have to pay Part B premium (and, if applicable, Part A premium) in addition to the plan's premium • Varying out-of-pocket costs, but will not pay additional costs in a year after reaching plan limit
Coverage	• Part A and Part B included • Part D may be added separately • Supplemental (Medigap) coverage allowed	• Plans must cover all services Original Medicare covers and may offer additional benefits • Prescription drug coverage (Part D) is included in most plans • Cannot buy or use separate supplemental coverage • May include additional services not covered by Original Medicare such as dental, vision and hearing care
Additional Notes	• May be preferrable for those wanting greater provider choices • According to the Kaiser Family Foundation, 93% of primary physicians participate in Medicare (however, only 70% of primary care doctors are accepting new Medicare patients)[2]	• May be cheaper than Original Medicare with additional Medigap coverage • May be beneficial for those with low medical usage

"Think of it as choosing between ordering the prix fixe meal (Medicare Advantage) at a restaurant, where the courses are already selected for you, or going to the buffet (original Medicare), where you must decide for yourself what you want." – AARP

[1] *Source: AARP – "The Big Choice: Original Medicare vs. Medicare Advantage" (November 2022)*
[2] *Source: eHealth insurance – "Do Most Primary Care Doctors Accept Medicare?" (September 2019)*

Medicare Premiums

Modified Adjusted Gross Income (MAGI) Thresholds for Additional Medicare Part B Premiums

- Taxpayers with higher Modified Adjusted Gross Income (MAGI) must pay additional Medicare premiums
- Adjusted Gross Income (AGI) is found on the first page of a tax return. The most applicable deductions added back to AGI to determine MAGI are: one-half of self-employment tax, passive income/loss, IRA contributions and taxable Social Security payments
- Medicare premiums are determined by an individual's tax return from two years prior; for example, the 2021 tax return filed in 2022 determines 2023 Medicare premiums

Single Filers	Married Filing Jointly	Part B Monthly Premium (2023)	Part D Monthly Premium (2023)
0 - 97,000	0 - 194,000	164.90	Plan premium
97,001 - 123,000	194,001 - 246,000	230.80	12.20 + premium
123,001 - 153,000	246,001 - 306,000	329.70	31.50 + premium
153,001 - 183,000	306,001 - 366,000	428.60	50.70 + premium
183,001 – 499,999	366,001 – 749,999	527.50	70.00 + premium
500,000 +	750,000 +	560.50	76.40 + premium

Options to Lower MAGI

- Spend from taxable accounts, minimize amount withdrawn from a tax-deferred account
- Make a Qualified Charitable Distribution from an IRA
- Harvest losses in taxable accounts to offset realized capital gains

Source: SSA.gov – "Premiums: Rules for Higher-Income Beneficiaries"

Nursing Home Care & Medicare Coverage

Medicare Coverage for Nursing Home Costs

Medicare will only cover skilled nursing care expenses in very specific situations and is not designed to pay for nursing home or custodial care costs long term. One such situation is when a senior has been hospitalized and released, but still requires a bit of specialized care. Medicare will help pay for short-terms stays in nursing homes if they:

- Were admitted to the hospital for a minimum of three days as an inpatient.
- Have been admitted to a Medicare-certified facility within 30 days of the hospital stay.
- Need skilled care like physical therapy, speech therapy, and other types of rehabilitation.

Those who meet all of these conditions under original Medicare will qualify for assistance as follows.

- Up to 20 days of nursing care is 100 percent by Medicare.
- After day 21 and up to day 100, patients will pay a copay that is up to $200 per day.
- After 100 days, all Medicare coverage ends, and all payments are the patient's responsibility.

Source: Seniorliving.com – "Nursing Home Costs in 2023" (January 2023)

SECTION SIX

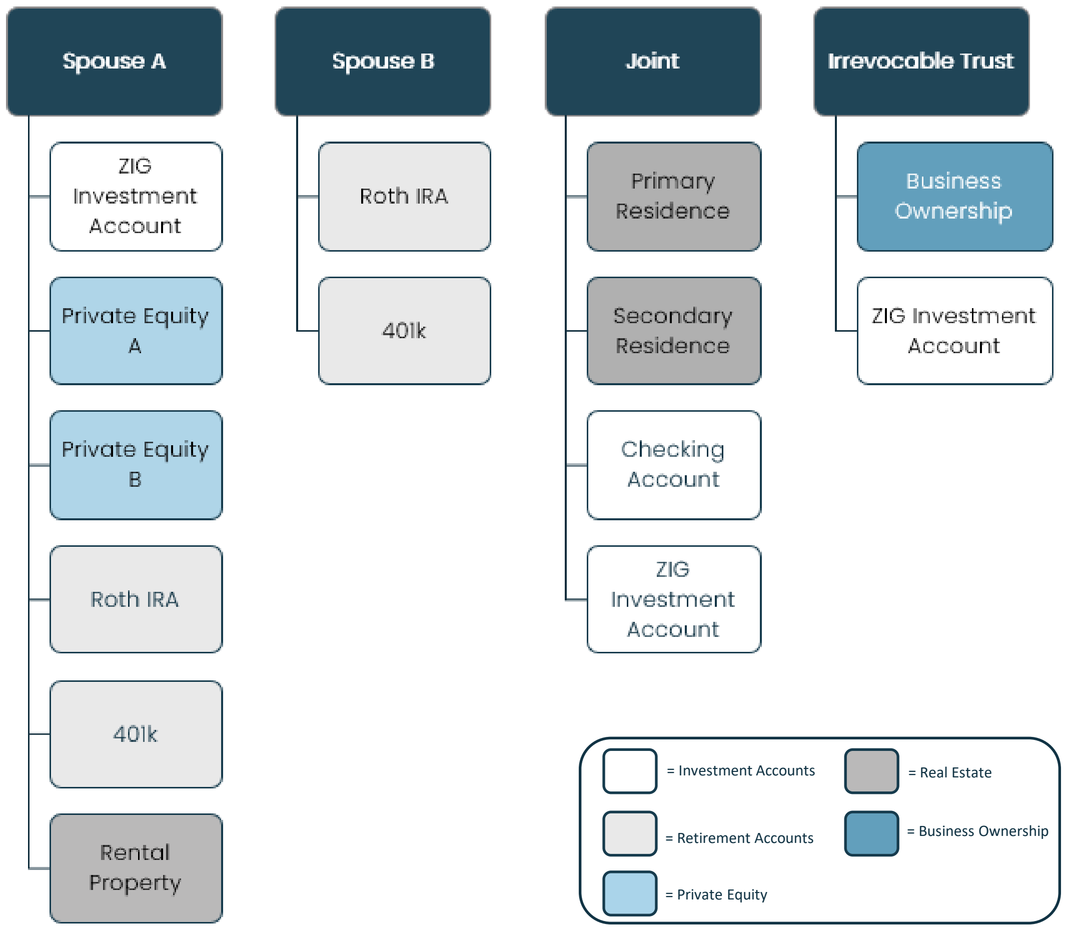
Estate Planning

Family Tree of Accounts

The first step in estate planning is to locate and identify your assets.

Ask yourself the following questions:

- Where are my assets held?
- What are the dollar amounts?
- How are they titled?
- Who are the trustees?
- How do my trusts work?




Personal Financial Statement
In Estate
Out of Estate
Total
Investment Assets
Checking Account
Revocable Trust
Irrevocable Trust
Traditional IRA
Roth IRA
401(k) Plan
529 Plan
Total Investment Assets
Other Assets
Business Ownership Interest
Private Investments
Artwork
Total Other Assets
Real Estate
Real Estate
Mortgage
Total Real Estate
NET WORTH
Long-Term Goals & Planning Assumptions
Annual Spending Goal (excl. taxes)
Net Worth Goal
Current Annual Savings
Retirement Age Taxpayer
Retirement Age Spouse
Risk Tolerance
Estate Plan
Document
Last Will and Testament
Revocable Trust
Power of Attorney - Property
Power of Attorney - Healthcare
Beneficiaries
Advisors
Financial Advisor
Estate Planning Attorney
Accountant
Insurance Broker
Spouse A
ZIG Investment Account
Private Equity A
Private Equity B
Roth IRA
401k
Rental Property
Spouse B
Roth IRA
401k
Joint
Primary Residence
Secondary Residence
Irrevocable Trust
Business Ownership
ZIG Investment Account
Conservative
U.S. Equity 16%
Int'l Equity 4%
Fixed Income 80%
Moderate Conservative
U.S. Equity 28%
Int'l Equity 8%
Fixed Income 64%
Moderate
U.S. Equity 40%
Int'l Equity 10%
Fixed Income 50%
Balanced
U.S. Equity 48%
Int'l Equity 12%
Fixed Income 40%
Moderate Aggressive
U.S. Equity 56%
Int'l Equity 14%
Fixed Income 30%
Aggressive
U.S. Equity 80%
Int'l Equity 20%

Financial Overview

The second step in estate planning is to fill out your personal balance sheet with all known information.

Ask yourself the following questions:

- What are the amounts of my assets?
- Are my assets In or out of my estate?
- What are my long-term goals?
- When were my documents last updated?
- Who are my current advisors?

Personal Financial Statement

	In Estate	Out of Estate	Total
Investment Assets			
Checking Account	–	–	–
Revocable Trust	–	–	–
Irrevocable Trust			
Traditional IRA	–	–	–
Roth IRA	–	–	–
401(k) Plan	–	–	–
529 Plan	–	–	–
Total Investment Assets	$ –	$ –	$ –
Other Assets			
Business Ownership Interest	–	–	–
Private Investments	–	–	–
Artwork	–	–	–
Total Other Assets	$ –	$ –	$ –
Real Estate			
Real Estate	–	–	–
Mortgage	(-)	(-)	(-)
Total Real Estate	$ –	$ –	$ –
NET WORTH	$ –	$ –	$ –

Long-Term Goals & Planning Assumptions

Annual Spending Goal (excl. taxes)	–
Net Worth Goal	–
Current Annual Savings	–
Retirement Age Taxpayer	–
Retirement Age Spouse	–
Risk Tolerance	–

Estate Plan

Document	Date Last Updated
Last Will and Testament	-
Revocable Trust	-
Power of Attorney - Property	-
Power of Attorney - Healthcare	-
Beneficiaries	-

Advisors

Financial Advisor	-
Estate Planning Attorney	-
Accountant	-
Insurance Broker	-

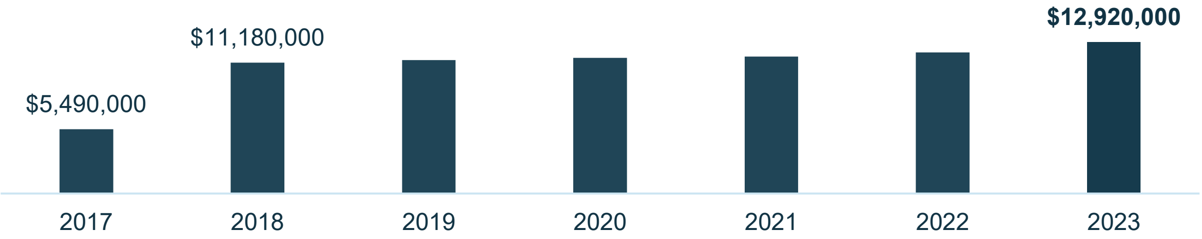
Estate Planning Updates

Federal Estate Planning Limits [1]

	2022	2023
Estate Exclusion	$ 12,060,000	$ 12,920,000
Maximum Estate Tax Rate	40%	40%
Lifetime Gifting Exemption	$ 12,060,000	$ 12,920,000
Maximum Gift Tax Rate	40%	40%
Annual Exclusion Gift	$ 16,000	$ 17,000
Annual Gifting Limit to U.S. Citizen Spouse	Unlimited	Unlimited
Annual Gifting Limit to Non-U.S. Citizen Spouse[1]	$ 164,000	$ 175,000

Estate Exclusion & Lifetime Gift Tax Exemption [2]

(2017-2023)



[1] Source: Forbes – "IRS Announces Estate And Gift Tax Exemption Amounts For 2023" (November 2022)
[2] Source: Evans Estate Law Resources – "Federal Estate and Gift Tax Rates and Exclusions"

Estate Planning Updates

Don't Forget Estate Tax at the State Level![2]

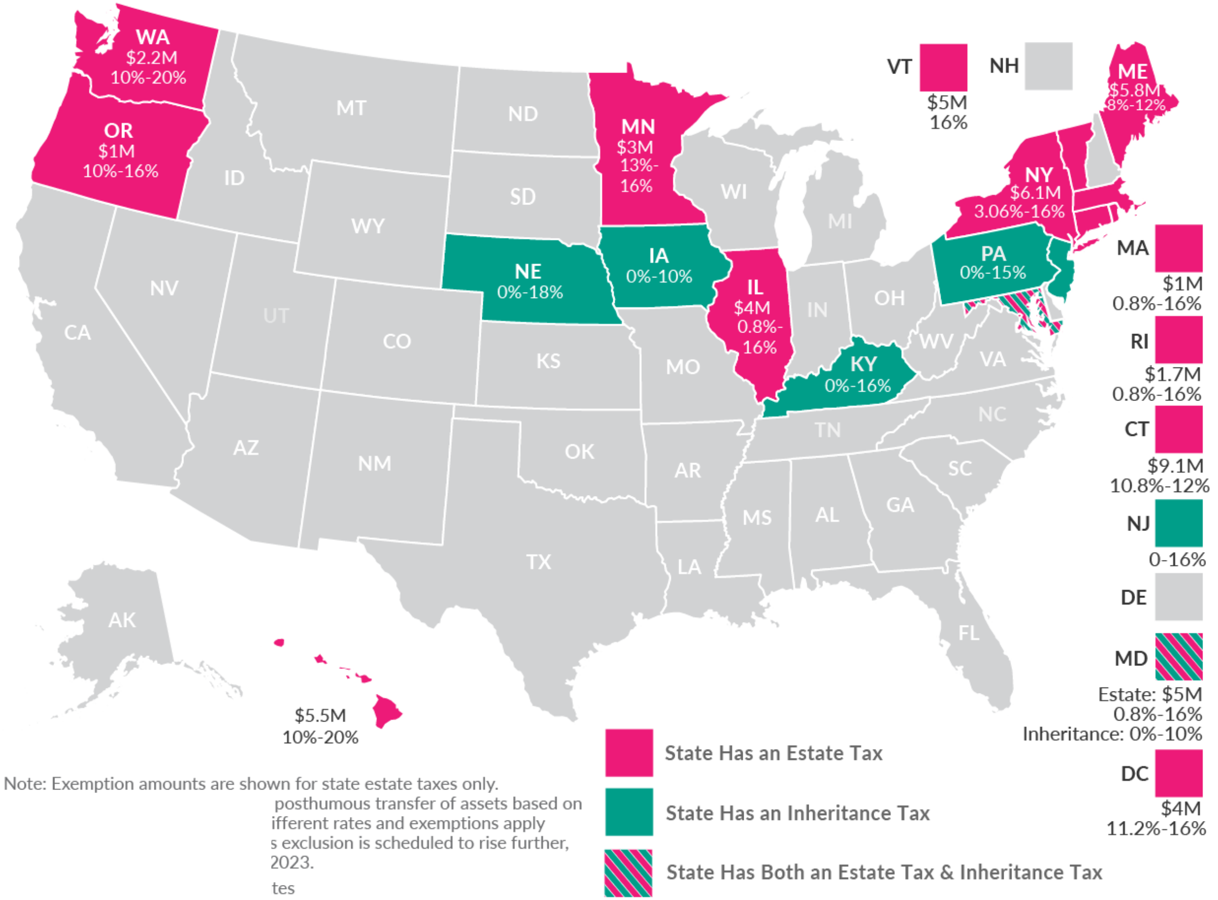
Many states have estate exclusions far below the federal level which may result in estate taxes at the state level.

Of the 12 states with an estate tax, only four states have an estate exemption above $5 million:

- CT $ 12.92 million (2023)
- HI $ 5.49 million (2023)
- ME $ 6.41 million (2023)
- NY $ 6.58 million (2023)

Older estate plans should be reviewed to ensure trust provisions incorporate current federal and state estate tax limits.

State Estate & Inheritance Tax Rates & Exemptions in 2022



[1]Source: Tax Foundation – "Does Your State Have an Estate or Inheritance Tax?" (June 2022)
[2]Source: The American College of Trust and Estate Counsel – "State Death Tax Chart" (January 2022)

Estate Planning

Level One (Must Haves)

Planning for and documenting the transfer of assets with minimized tax and transfer cost. Review upon life events (marriage, divorce, birth, adoption, etc.)

- A Will appoints guardians for your children and spells out specifically how you want your property split
- A Living Trust avoids probate, allows for privacy and designates how assets are to be divided upon your death
- A Healthcare Power of Attorney allows you to designate a Healthcare agent to make healthcare decisions in the event you are unable to make decisions for yourself
- A Financial / Property Power of Attorney allows you to designate an agent to make financial decisions in the event you are unable to make decisions for yourself
- Joint accounts transfer to a designated person upon death, it is important to review co-ownership provisions and the titling of accounts
- Some assets (such as IRAs, Life Insurance and Annuities) pass to your designated Beneficiaries. It is very important to periodically review beneficiary designations and coordinate with the overall estate plan

Level Two (Considerations)

Further enhance the direction of assets, minimize Estate Taxes or increase Asset Protection

- The Spousal Lifetime Access Trust (SLAT) has become a popular estate planning strategy to take advantage of current lifetime gift tax exemptions ($12.92 million each)
- Grantor Retained Annuity Trusts (GRAT) seek to pass assets to beneficiaries free of estate and gift tax that have appreciated over the IRS Section 7520 interest rate
- Explore Charitable Trust, Donor-Advised Fund and Foundation Options
- Since Life Insurance is not necessarily estate tax-free, consider establishing an Irrevocable Life Insurance Trust
- A Qualified Personal Residence Trust (QPRT) is a popular planning strategy which allows the donor to 'freeze' the value of the residence with the intent of future estate tax savings
- Intra-Family Loans can provide family members with lower borrowing rates than traditional financing options
- Special Needs Trusts ensure the proper passing of assets to ensure beneficiaries with special needs are not disqualified from entitled benefits

Level Three (Advanced)

For Complex Estate Tax Issues or Liability Concerns

- Domestic and Offshore Asset Protection Trusts offer those in high liability fields of work and those with high estate tax brackets options to reduce liability
- Self-Cancelling Notes allow the exchange of property for periodic payments based upon mortality
- Family Limited Partnerships and Family LLCs provide legal, financial, and tax structure to family businesses

Grantor Retained Annuity Trust (GRAT)

	Notes & Logistics
Trust Funding	• Grantor executes a legal document specifying the trust provisions and the term of the trust • Grantor funds the trust ('GRAT') with cash and/or securities
During the Trust Term	• The GRAT pays out an annuity to the grantor over the trust's specified term • Portfolio income generated during the term of the trust flows back to the grantor
End of the Trust	• If the GRAT outperforms the 'hurdle rate' (IRS Section 7520 rate), the GRAT will have remaining assets that will pass estate tax-free to the named beneficiaries
Additional Notes	• The value of the gift at funding (if any) = fair market value of contributed assets less the actuarial present value of the annuity, as determined by the IRS Section 7520 rate (often referred to as the 'hurdle rate') • Grantor may create a 'zeroed-out GRAT' whereby the fair market value of assets contributed to the trust matches the actuarial present value of the annuity • If the grantor dies during the term of the GRAT, the GRAT assets revert back to the grantor's estate and would potentially be subject to estate tax • 7520 rate = 4.6% as of January 2023; for perspective, 7520 rate stood at 1.6% as of January 2022.[1]

[1] *Source: Brentmark – Section 7520 Rates*

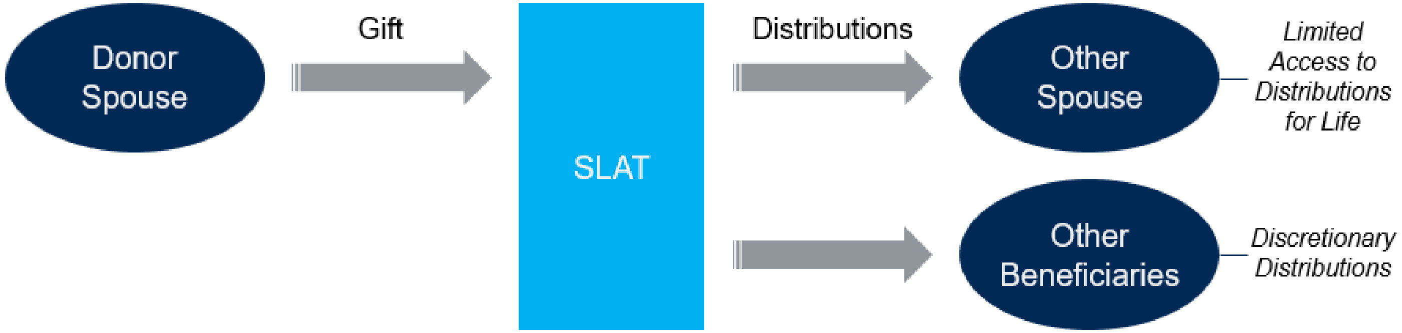
Spousal Lifetime Access Trust (SLAT)

Individuals with assets in excess of the estate exclusion (currently $12.92 million per person) might consider this strategy as an opportunity to further utilize the currently elevated lifetime gift tax exemption.

A Spousal Lifetime Access Trust (SLAT) is an irrevocable trust created by one spouse which provides *limited* discretionary access to the other spouse for their lifetime and potentially discretionary access to the trust for children, grandchildren and future generations, depending on the provisions of the trust.

Upon funding, the donor spouse may use lifetime gift and generation-skipping tax exemption.

By funding and naming a spouse as a lifetime beneficiary, the donor spouse theoretically retains indirect access to trust assets. While the primary goal of the trust is to maximize the lifetime gift tax exemption, the ability to access funds by the beneficiary spouse – should the need arise – is an attractive feature.



For illustrative purposes only.

Changing Interest Rate Environments

Interest rates can play an important role in determining the success of some estate planning strategies.

The IRS publishes two rates monthly: the Applicable Federal Rate (AFR), which is used to determine the minimum interest rate for lending strategies, and the Section 7520 rate, which is used to calculate the actuarial present value of annuities, life estates and remainders. Over the past year, such rates have risen considerably, but the rise in the 7520 rate may redirect the use of some planning techniques.

	Short-Term AFR	Mid-Term AFR	Long-Term AFR	Section 7520 Rate
January 2023	4.41%	3.78%	3.77%	4.60%
December 2022	4.46%	4.19%	4.25%	5.20%
June 2022	2.19%	2.89%	3.07%	3.60%
December 2021	0.33%	1.26%	1.88%	1.60%

A split interest trust is an irrevocable trust which provides a benefit to a current beneficiary for a specified term (period of years or life expectancy) with the remainder passing to a different beneficiary. Depending on the strategy employed, the goal may be to maximize either the retained benefit or the remainder interest, for which changes in interest rates can have a notable impact on achieving the desired outcome.

Beneficial Strategies for Lower Interest Rates *(Maximize the Remainder Interest)*	Beneficial Strategies for Higher Interest Rates *(Maximize the Retained Interest)*
Grantor-Retained Annuity Trust (GRAT)	Qualified Personal Residence Trust (QPRT)
Installment Sale to Intentionally Defective Grantor Trust	Charitable Remainder Trust (CRT)
Charitable Lead Trust (CLT)	
Intra-Family Loans	

How Assets Pass Upon Death

Probate vs. Non-Probate Assets

Probate is a public-court process that helps settle legal and financial matters upon death according to a will, if written. Court costs, length of time, the lack of privacy and family disagreements are all potential issues that may arise within the probate process. With proper estate planning, you can limit the amount of assets that pass through probate.

How assets pass upon death

Assets which Bypass Probate			Probate Assets
Jointly Held Assets	Assets w/ Beneficiaries	Assets held in Trust	Individually-owned assets with no beneficiary (ex. cars, home, bank account and personal belongings). Assets titled Tenancy in Common
• Joint Accounts • JTWROS • Tenancy by the Entirety	• Retirement Accounts • IRA and Annuities • Transfer on Death • Life Insurance	• Trust Agreements	**Last Will & Testament**
To Joint Owner	To Named Beneficiary	To Trust Beneficiary	**To Will Beneficiary**

__Digital Assets__. Nearly all 50 states have passed a version of the Uniform Law Commission's Fiduciary Access to Digital Assets Act, Revised that legally allows for an executor, trustee, etc. to access a deceased's digital accounts. Consider discussing your digital estate with your attorney and the potential need to share online access information with your executor.

Source: Uniform Law Commission, 2019

How Assets Pass Upon Divorce

Marital vs. Separate Property

Estate planning is not divorce planning. Without a pre- or post-nuptial agreement, marital assets may be subject to equitable division in a divorce proceeding.

Effective for divorces finalized after January 1, 2019, alimony payments will no longer be tax-deductible by the paying spouse and will not be added to the taxable income of the receiving spouse.

How assets pass upon divorce

Marital Property	Separate Property
Property Earned or Acquired During Marriage	Property Acquired Before Marriage
Any property, real or personal, the couple earns or acquires during the course of the marriage, regardless of title or who paid for it. Typical examples include: • Retirement and Investment Accounts • Pensions • Homes and Vacation Homes	Any property, real or personal, acquired prior to the marriage, also including specific instances of property acquired during the course of the marriage by one spouse. Typical examples include: • Inheritances • Gifts • Any property owned prior to marriage
Subject to Equitable Division	Not Subject to Equitable Division (with exceptions)

Tainting of Assets: *Separate assets may be tainted during the course of a marriage and may be treated as marital assets in a divorce proceeding. For example, if a spouse deposits a personal inheritance into a joint account or uses income from an inheritance to support the couple's lifestyle, this separate asset may be treated as a marital asset.*

SECTION SEVEN

Young Professionals

Young Professionals Checklist

If you are a young professional, it is important to review the below items and make changes where needed. As you go through this guide, we encourage you to assess what areas of financial planning you can improve upon.

	Completed	To Be Completed	Not Applicable
1. Budget, Reduce Expenses & Set Goals			
2. Build an Emergency Fund			
3. Contribute to Personal Retirement Account			
4. Contribute to Employer-Sponsored Retirement Plan			
5. Pay Down High Interest Debt			
6. Save More for Retirement & Other Goals			
7. Consider Life Insurance			
9. Disability Insurance			
10. Build Credit & Apply to Proper Credit Cards			
11. Home Ownership			

Budget, Reduce Expenses & Set Goals

Budgeting Rule of Thumb: 50/30/20 of your after tax, monthly income:

50% Necessities	**30% Wants**	**20% Savings**
Ex. Housing, food, transportation, utilities, insurance	Ex. Subscriptions, travel, entertainment, meals out	Ex. Emergency fund, 401k, individual retirement account, paying off high interest debt

ZIG Budgeting Tip

- Consider utilizing online programs such as Mint, Personal Capital, and You Need a Budget. Or, if you prefer, make your own Excel spreadsheet (examples can be found online).
- On a weekly, monthly, or annual basis review expenses and consider making changes if necessary or applicable. If, for example, you notice that you are consistently overspending on groceries or transportation, consider taking public transportation more often or meal-prepping bulk foods instead of ordering out or eating out.

Build an Emergency Fund

What is an Emergency Fund

1. If you haven't already, consider funding an emergency fund
2. This would hold 3-6 months of living expenses in a liquid, accessible form (cash or cash equivalents)
3. To be used in the event of an emergency such as being laid off from a job or sudden illness

Setting Up an Emergency Fund

1. Popular accounts include Ally, Marcus by Goldman Sachs
2. You can look up online which accounts offer the highest rates – tip: look for high-interest savings accounts (these are often not your local brick and mortar bank)

Employer-Sponsored Retirement Plan

If applicable

#1. Review Your 401(k)-Contribution Amount

Year	Contribution Limit	Catch-up contribution (50+)
2022	$20,500	$6,500

If do not have the means to max out contributions, consider contributing enough to get a company match if offered.

#2. Consider Contributing to a Roth 401(k)

Contributing to your Roth-401(k) means that you will pay taxes now, and when you retire, you can withdrawal funds in your account tax-free

ZIG Roth 401(k) Tip

- Review your current tax-bracket to see if this makes sense for you.
- When you are younger, you are likely in a lower tax bracket, so it makes sense to pay taxes on **contributions** and take **withdrawals** later in life

Personal Retirement Plan

Consider contributing to your personal retirement account, either a Traditional or Roth IRA

Traditional IRA

- A type of tax-deferred account which means you won't pay taxes on your earnings or contributions until you are required to start taking distributions at age 73 **Due to SECURE Act 2.0, effective January 1, 2023, the required minimum distribution (RMD) age will increase from age 72 to age 73 and will increase further over the next decade.*
- If you contribute up to $6,500 in deductible contributions, your taxable income may be lowered by that amount

Roth IRA

- A type of tax-advantaged individual retirement account to which you can contribute after-tax dollar
- The benefit is that your contributions and the earnings on those contributions can grow tax-free and be withdrawn tax-free after the age 59½ assuming the account has been open for at least five years.

Type	Year	Contribution Limit	Contribution limit (50+)
Traditional IRA	2023	$6,500	$7,500
Roth !RA	2023	$6,500	$7,500

ZIG Retirement Plan Tip

- Some people typically recommend taking on more risk in a tax-advantaged account, especially a Roth IRA, since withdrawals will not be taxed once you reach the eligible age. If right for you, consider taking more risk in your tax-advantaged account. Important note here is that you need to make sure that your contributions are being invested. A common investment option that works for most people is Target-Date retirement funds. Consult your financial advisor if you would like a more specific recommendation.

Pay Down High Interest Debt

If applicable

The Avalanche Method: Pay down debt in order of interest rate, starting with the debt that carries the highest rate.

- List out all your outstanding debts
- Pay extra on your debt with the highest interest rate
- Move to the next-highest interest rate
- Pay the minimum on everything else
- Repeat until all debt it paid

Paying off loans quickly or not can be complicated—it is a balance between cost versus what you can reasonably expect to earn in another investment. Try to evaluate rate paid on loan versus potential investment return.

Save More for Retirement & Other Goals

Consider contributing to a Health Savings Account (HSA) or 529 account:

Health Savings Account (HAS)

- Savings account that lets you set aside money on a pre-tax basis to pay for qualified medical expenses
- You can choose to invest some or all of your HAS for potential growth which is a great way to prepare for health care costs in retirement - any growth is free from federal income taxes

Year	Self-Only Coverage	Family Coverage	Additional Contributions (55+)
2023	$3,850	$7,750	$1,000

Am I Eligible for a Health Savings Account?

- ✓ High-deductible health plan

- ⊘ Healthcare coverage beyond qualified health plans (including Medicare enrollment)
- ⊘ Being claimed as a dependent on someone's tax returns
- ⊘ Receiving Veterans Affairs benefits within the past three months

529

- If you are considering going back to school, or want to save on education for your kids / other relatives, consider funding a 529 plan
- A 529 plan is a tax-advantaged savings account that is free of federal income tax when taken out to pay for qualified education expense

Year	Contribution
2023	Not set limit, varies by state

Am I Eligible for a 529 Account?

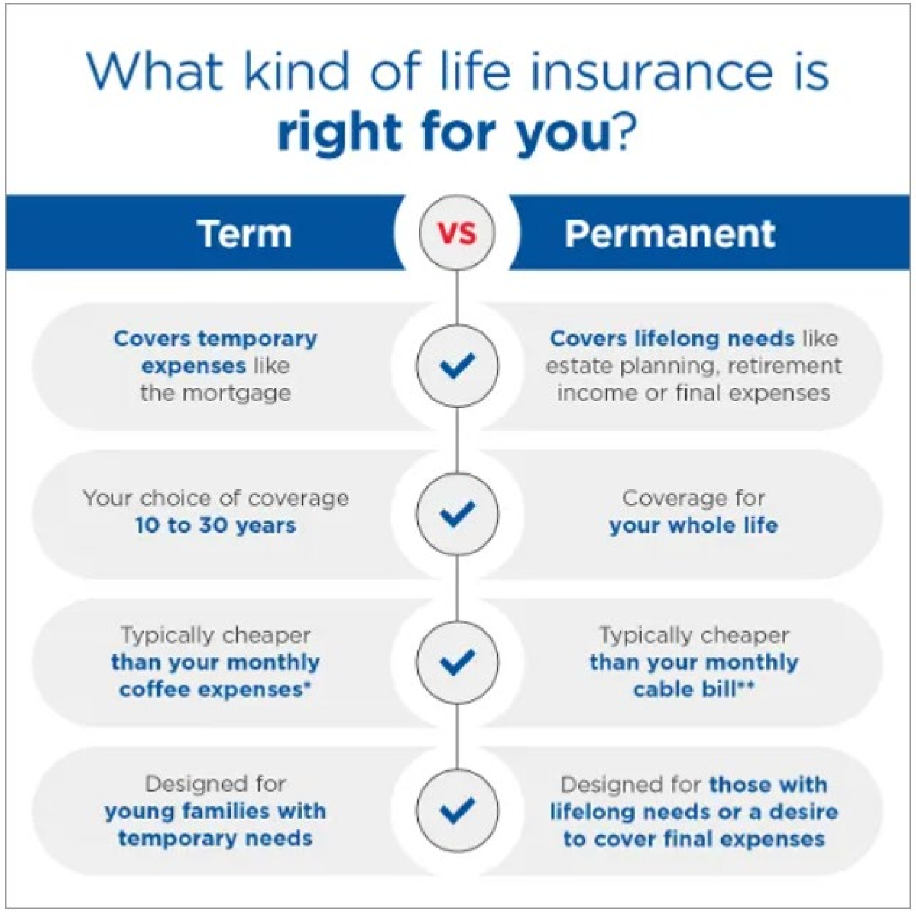
- ✓ Any U.S. citizen or resident alien with a valid social security number or taxpayer identification number at least 18 years old can open a 529 account.

- ⊘ Not a US Citizen
- ⊘ Under 18 years old
- ⊘ No valid social security

Life Insurance

For young professionals, consider a simple term-life insurance.

- **What is term-life?** Life insurance that provides coverage at a fixed rate of payments for a specific period of time. It offers temporary financial protection for a low cost. (see chart)
- **Why should I consider term-life?** Term-life insurance is meaningful for people with young kids earning a substantial income. If your kids are young and you want coverage that lasts until they are adults, this can be a choice to consider.



Source: AAA

Disability Insurance

Disability Insurance: Disability Insurance, often called DI or disability income insurance, or income protection, is a form of insurance that ensures the beneficiary's earned income against the risk that a disability creates a barrier for completion of core work functions.

Provides financial benefit for the lost income in case of inability to work due to permanent or temporary disability

Tax exemption for premium paid under Section 80(D) of the Income Tax, 1961

ZIG Disability Insurance Tip

- If you are young with lots of earning power, especially if you are the sole income provider, consider disability insurance.
- Often, companies offer disability insurance to employees. Review your company's policy and consider supplementing with outside disability insurance.

Build Credit & Apply to Proper Credit Cards

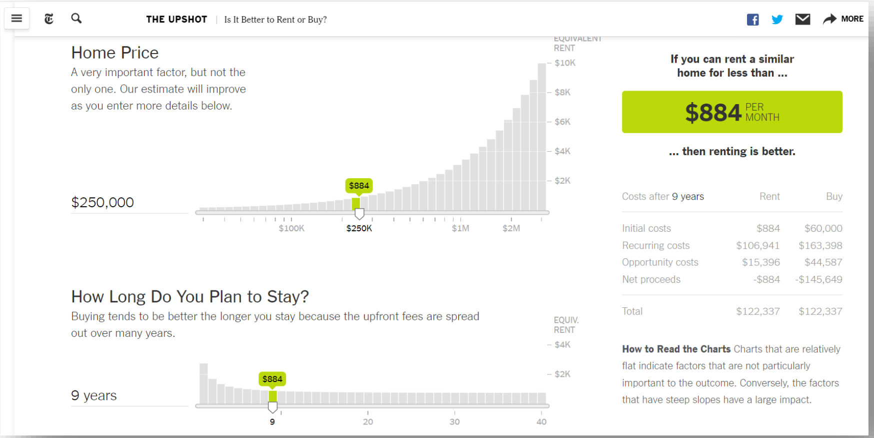
Focus on building credit and applying to credit cards that work for your financial situation. Below are some helpful tips and resources to focus on while thinking about credit cards:

Tip	Resource
You are eligible to receive your **credit score** for free, annually. The 3 nationwide credit bureaus have a centralized website to do so.	annualcreditreport.com
Consider **monitoring your credit** via apps like CreditKarma.	creditkarma.com
You can receive **cash back or points** to be used or transferred to eligible partners like airlines or hotels. Consider opening a card with your goals in mind.	nerdwallet.com OR creditcardtuneup.com *reliable sources for credit card recommendations*

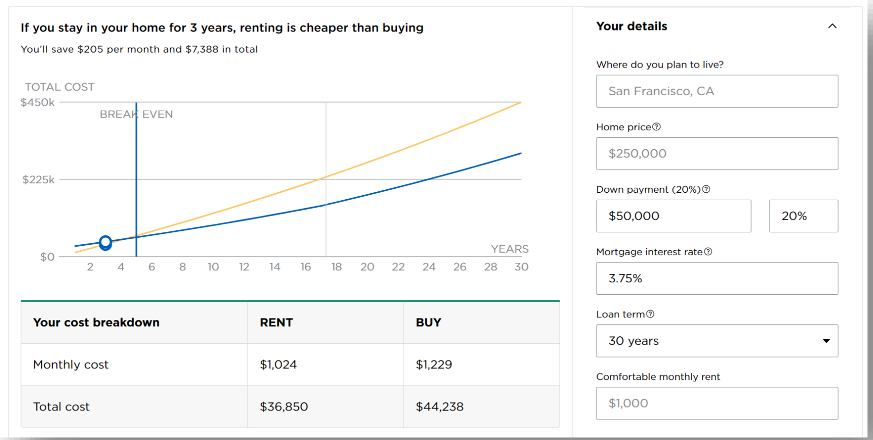
Home Ownership

Home Ownership: Whether you choose to rent or buy your home depends on your financial situation, lifestyle, and personal goals.

There are many reputable calculators online to determine if home ownership is “worth-it” when compared to renting. Do your research and consider putting as much information as you can into one of these calculators to see the results:



[NYT Housing Calculator]



[Nerd Wallet Housing Calculator]

SECTION EIGHT

Your Children: How to Save & Financial Advice

Ways to Save for Your Children

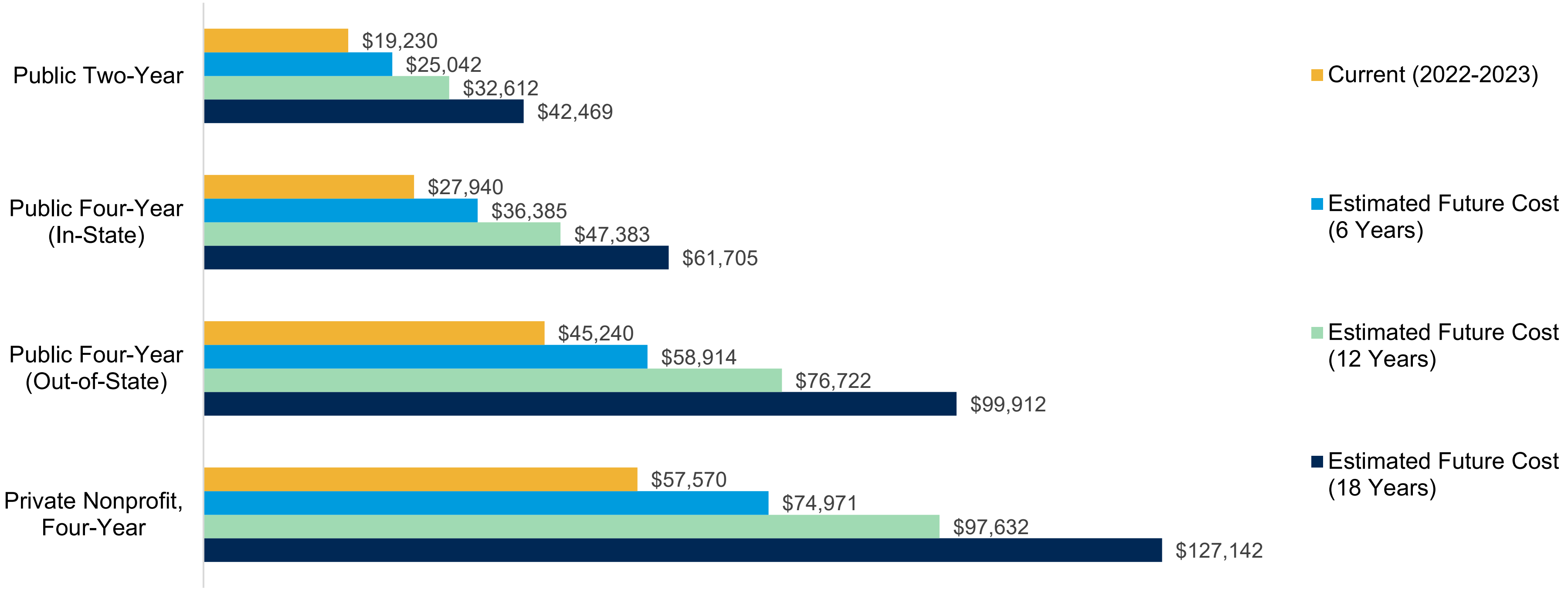
Below are the different ways to save for you children:

Education Planning	Gifting	Working
<u>529</u> 529's can be used to pay up to $10,000/year per beneficiary for tuition at any public, private or religious elementary or secondary school.	<u>Trust</u> Parents may control the distribution of their property during their lives or after using a trust to provide financial benefit to their children.	<u>Checking Account</u> Open a checking account for your child when they first begin making money. Encourages budgeting and good financial habits.
<u>UTMA</u> Investment account set up to benefit a minor but controlled by an adult custodian until the minor reaches their age of majority.	<u>UTMA</u> Investment account set up to benefit a minor but controlled by an adult custodian until the minor reaches their age of majority.	<u>UTMA</u> Investment account set up to benefit a minor but controlled by an adult custodian until the minor reaches their age of majority.
		<u>Roth IRA</u> You pay taxes on money going into your account, and then all future withdrawals are tax free. A contribution can be made by a minor if they have earned income.
		<u>Traditional IRA</u> Deduct contributions now and pay taxes on withdrawals later. Opening an IRA for your child provides them a head start on saving for retirement and financial lessons.

Education Planning

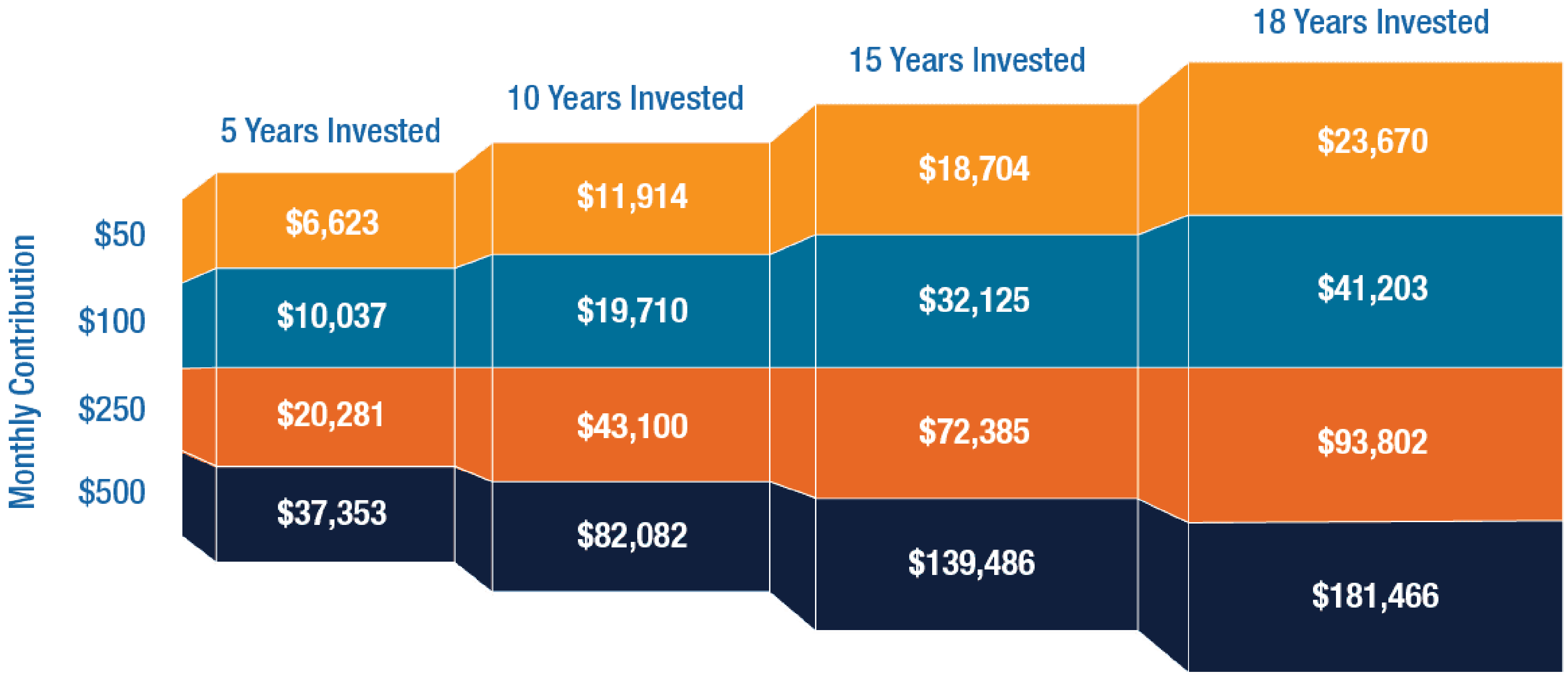
With college costs steadily rising, a four-year education has become an increasingly expensive proposition. Over the last 10 years, published tuition and fees and room and board (TFRB) expenses have increased two percent above inflation for public four-year institutions and six percent above inflation for private nonprofit four-year institutions.

Average Estimated Full-Time Undergraduate Expenses (2022-2023)



Current expenses via College Board's "Trends in College Pricing and Student Aid 2022" (October 2022)
Calculations for estimated future college expenses assume a 4.5% annualized increase.

Saving for College & the Power of Compounding



** For illustrative purposes only. This hypothetical example illustrates the accumulation potential with a $2,500 initial investment and a monthly contribution plan at a 5% projected average annual return. The above example is based on projections and does not reflect an actual investment in the Bright Start Direct-Sold College Savings Program. If fees were included, the returns would be lower. Actual results may differ considerably from the illustration above. These results are hypothetical and do not represent results earned by clients of Fiducient Advisors.*

Brightstart.com: "How Much Do I Need"

Saving for College

Assumptions:
- Annual cost of college is $50,000 per year
- Annual cost of college increases by 4.50 percent per year
- College savings (529 Plan, etc.) annualize at 6.00 percent per year
- Parent(s)/Guardian(s) wish to fully fund college education

Approximate Monthly Savings Required to Fund Future College Expenses

Years until College	$0 Beginning Balance	$10,000 Beginning Balance	$25,000 Beginning Balance	$50,000 Beginning Balance	$75,000 Beginning Balance	$100,000 Beginning Balance
18	$1,140	$1,064	$951	$761	$572	$382
17	$1,197	$1,118	$1,001	$805	$609	$413
16	$1,260	$1,179	$1,057	$854	$651	$448
15	$1,331	$1,247	$1,120	$909	$698	$487
14	$1,412	$1,324	$1,192	$971	$751	$531
13	$1,505	$1,413	$1,274	$1,043	$812	$581
12	$1,614	$1,516	$1,370	$1,126	$882	$638
11	$1,742	$1,638	$1,483	$1,224	$964	$705
10	$1,895	$1,784	$1,618	$1,340	$1,063	$785
9	$2,082	$1,962	$1,782	$1,482	$1,182	$882
8	$2,316	$2,184	$1,987	$1,659	$1,330	$1,001
7	$2,615	$2,469	$2,250	$1,885	$1,520	$1,154
6	$3,014	$2,848	$2,600	$2,186	$1,771	$1,357
5	$3,572	$3,379	$3,089	$2,606	$2,122	$1,639

For illustrative purposes only. Actual results may vary based on a variety of factors (annual performance of savings, annual college cost increases, etc.). Analysis assumes no taxes. These returns are hypothetical and do not represent returns earned by clients of Fiducient Advisors.

As an additional resource, Vanguard's "College Savings Planner" (https://vanguard.wealthmsi.com/csp.php) allows for additional calculations, based on assumptions for funding amount, estimated annual increase in college expenses, fund returns, etc.

529 College Savings Plans

529 Plan – Facts/Basics

- Tax-free investing and distribution for qualified college education expenses, as well as distributions up to $10,000 per child per year for K-12 expenses and cost of apprenticeship programs, and up to $10,000 for qualified student loan repayments (lifetime limit).[1]
- With limited exceptions, non-qualified withdrawals are taxed as ordinary income *plus* a 10% penalty on the earnings.[1]
- Ability to change beneficiaries. The new beneficiary must be a family member (spouse, step-sibling, in-law, or cousin are eligible).
- Investment allocation can be changed up to twice per year for previously invested funds.
- No income limits for contributors. Special provision allows for up to five years of annual gift exclusions to be made within a single year (Increased to $85,000 as an individual, $170,000 as a couple for 2023).[1,3]

- 49 states (all but Wyoming) and the District of Columbia offer a 529 plan[5]

- Over 30 states offer residents a state income tax deduction or credit for 529 contributions.[2]
  - Eight tax parity states offer taxpayers a deduction for contributions to *any* state's 529 plan[2]
    - Arizona, Arkansas, Kansas, Minnesota, Missouri, Montana, Ohio, and Pennsylvania
  - Five states currently have a state income tax, but do *not* offer a deduction for contributions: California, Hawaii, Kentucky, Maine and North Carolina[2]

- States typically offer income tax benefits to any taxpayer who contributes to a 529 plan.[4]
  - Nine states and the District of Columbia *only* allow the 529 plan account owner (or the owner's spouse) to claim a tax benefit: Iowa, Massachusetts, Missouri, Montana, Nebraska, New York, Rhode Island, Utah, Virginia

[1] *Savingforcollege.com – "What is a 529 Plan?" (January 2023)*
[2] *Savingforcollege.com – "How Much is Your State's 529 Tax Deduction Really Worth?" (January 2023)*
[3] *IRS – "What's New - Estate and Gift Tax"*
[4] *Savingforcollege.com – "529 Plan Gifts May Be Deductible on State Income Tax Returns" (October 2020)*
[5] *https://thecollegeinvestor.com/529-plan-guide/wyoming/ - "Wyoming 529 Plan and College Savings Options"*

529 Plans & Custodial Accounts (UGMA/UTMA)

529 College Savings Plans – What's New for 2023

- SECURE Act 2.0 provides a new allowance of tax- and penalty-free rollovers from unused 529 funds directly to a Roth IRA, subject to certain provisions.[1]
- FAFSA changes will benefit grandparent-owned 529 Plan accounts; effective October 1, 2023 (for the 2024-25 academic year), students will no longer be required to disclose cash distributions from grandparent-owned 529 Plans.[2]

Custodial Account (Uniform Gifts to Minors Act/Uniform Transfer to Minors Act) [3]

- Funds must be used for child's benefit, but not necessarily for college
  - Cannot change beneficiary as with 529 Plans
- **High impact** on financial aid eligibility[3]
  - Counted as student's asset versus plan owner's asset as with 529 Plans
- Child assumes full control at age of majority (generally age 18 or 21)
- For tax year 2023, the first $1,250 of your child's unearned income qualifies for the standard deduction and is therefore untaxed. The next $1,250 is taxed at the child's marginal rate. Unearned income that exceeds $2,500 is taxed at the parent's income tax rate.[4]

[1] *Ed Slott & Company – "SECURE 2.0 Allows Rollovers of 529 Funds to Roth IRAs" (January 2023)*
[2] *Savingforcollege.com – "What to Know about the 529 Grandparent Loophole & New FAFSA" (December 2022)*
[3] *Savingforcollege.com – "Are Custodial Accounts a Good Option for Parents Saving for College?" (May 2019)*
[4] *The College Investor – "What Is The Kiddie Tax And How Does It Work?" (December 2022)*

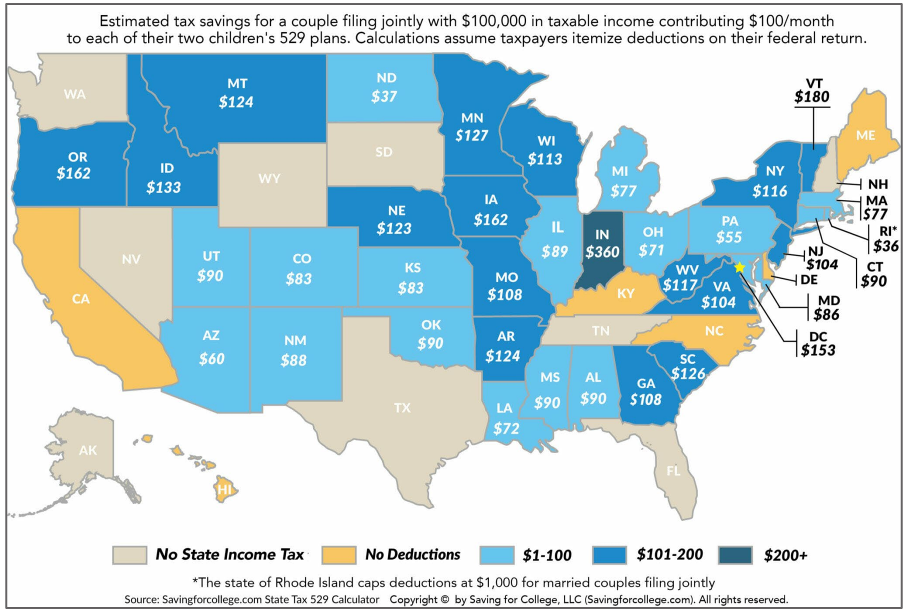
Morningstar 529 Plan Ratings (2022)

Gold-Rated Plans (2)[1]	State
Michigan Education Savings Program	MI
my529 Plan	UT

Silver-Rated Plans (12)[1]	State
T. Rowe Price College Savings Plan	AK
ScholarShare College Savings Plan	CA
Path2College 529 Plan	GA
Bright Start Direct-Sold College Savings	IL
MD Kasemeyer College Investment Plan	MD
Minnesota College Savings Plan	MN
MOST Missouri's 529 College Savings Plan	MO
The Vanguard 529 College Savings Plan	NV
College Advantage 529 Savings Plan	OH
Oregon College Savings Plan	OR
Pennsylvania 529 Investment Plan	PA
Edvest 529 Plan	WI

Individuals can contribute to any 529 plan (not limited to the resident state plan). If your resident state does not offer a meaningful tax deduction or tax credit for 529 plan contributions, consider a plan that has low fees and a broad range of investment options.

Websites such as Savingforcollege.com can be a helpful resource for comparing 529 plans.



Savingforcollege.com – "How Much is your State's 529 Tax Deduction Really Worth?" (Jan 2023)

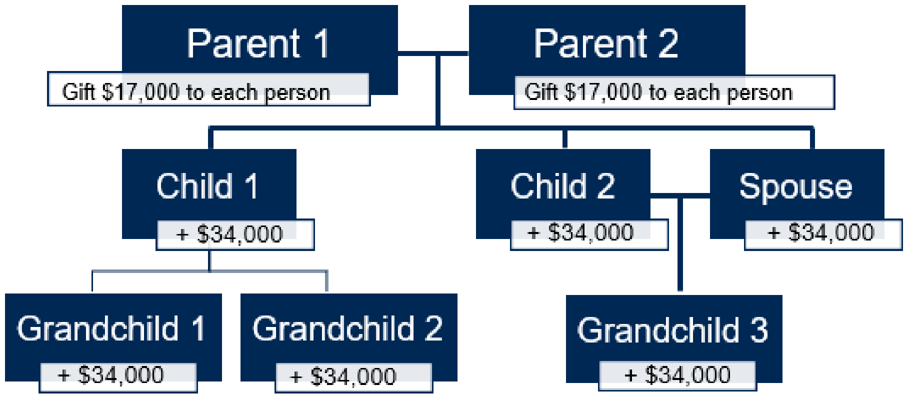
[1]*Morningstar: "Morningstar 529 Ratings: The Top Plans and What They Offer" (November 2022)*

Gifting to Children

Individuals who are likely to one day have a taxable estate should consider annual exclusion gifts as a means to reduce the size of the taxable estate.

The current annual gift exclusion enables a donor to transfer up to $17,000 per donee; gifts above $17,000 are allowed but may require using a portion of one's lifetime gift tax exemption and may require filing a gift tax return. Consider consulting with an estate planning attorney on the proper titling of gifts and evaluate ideal savings/investing vehicles for the donee(s).

Additionally, tuition payments made directly to an educational institution and payments made directly to a healthcare provider for a person's medical care do not constitute gifts (and thus do not count toward the $17,000 annual exclusion gift limit). Given the considerable expense often associated with private school or college, direct tuition payments can serve as a meaningful planning opportunity to reduce the size of a taxable estate.



Example:

Each donor can individually gift to each donee $17,000 per year, which equates to up to $34,000 gifted to each recipient annually (from a couple).

In this example, the parents (the first generation) are able to transfer $238,000 tax-free each year to their heirs to reduce the size of their total estate, which may produce significant estate tax savings if annual exclusion gifts are made over a period of years.

Example is hypothetical and for illustrative purposes only.

Traditional IRA vs. Roth IRA

Review objectives and marginal income tax bracket to evaluate whether to contribute to a Traditional retirement account, a Roth retirement account or a combination of both.

	Traditional IRA [1]	Traditional 401(k)/403(b) [2]	Roth IRA [1]	Roth 401(k)/403(b) [2]
Tax Benefits	Tax-deferred growth		Tax-free growth and tax-free qualified withdrawals	
Tax Deduction	Contributions may be tax-deductible depending on AGI	Yes, for current year contributions	No, funded with after-tax contributions	
Taxation of Withdrawals	Taxed as ordinary income		Qualified withdrawals are tax-free	
Early Withdrawal Penalties	With limited exceptions, withdrawals prior to age 59½ result in a 10% penalty (in addition to the distribution being treated as ordinary income)		Contributions can be withdrawn penalty-free while earnings are taxable and may be subject to a 10% penalty	The earnings portion of a non-qualified distribution will be taxable and may be subject to a 10% penalty
Income Limits for Contributions	No, but deductibility is subject to income limits	None	Yes	None
Age Limits for Contributions	As of 2022, none	None	As of 2022, none	None
Eligibility to Contribute	Must have earned income	Actively employed	Must have earned income	Actively employed
Deadline to Contribute	April 15 of the following tax year	December 31	April 15 of the following tax year	December 31

Tax Diversification: Individuals may consider utilizing a combination of both Traditional and Roth retirement plan accounts as a 'tax hedge' given uncertainty over future income tax rates.

[1] *Source: Vanguard Investor Resources – "Roth vs. Traditional IRAs: A Comparison"*
[2] *Source: Nerdwallet – "Roth 401(k) vs. 401(k): Which Is Best for You?" (January 2023)*

How to Know Your Adult Child Needs an Advisor

From our experience working with multi-generational families, there are five common major life events where we see adult children benefiting from working with a financial advisor.

Increased Earnings

Tax returns, how much money to save, where to save, deferred compensation, stock ownership requirements, stock options, stock appreciation rights

Engagement & Marriage

Ring, prenup, wedding, joint financial decisions, long term financial goals, will, trusts, life insurance, health and financial powers of attorney

Purchasing First Home

Down payment, mortgage, property taxes, homeowner's insurance

Having Children

Health Savings Accounts (HAS), 529 plans, appropriate insurance, building in the expected costs into your financial plan, estate documents

Updated Financial Plan & Education

Update your plan, understand your parent's estate plan, make necessary changes to get in sync

If Your Adult Child is Ready, Here's What to do:

1. Send an **email to connect us** with your adult children

2. Our team will setup a meeting with them to go through our **client discovery process;** the goal of the meeting is to:

   - Locate and identify their assets
   - Create their balance sheet and understand what investments they currently have

3. From there, we will recommend a financial plan that includes an investment strategy and approach to enhance their overall financial wellness

SECTION NINE

Cyber Security

Cybersecurity

PREVENT

1. ***Strong Passwords:*** Use a combination of numbers, symbols and letters to form a long, complex password. Use unique passwords for each online login and regularly change all passwords.
2. ***Multi-Factor Authentication:*** If available, enable two-factor authentication for email, social media, financial accounts, etc. This functionality sends a one-time code to a mobile device to verify access, thus preventing unauthorized parties from accessing your account without the code.
3. ***Secure Wi-Fi Network:*** Avoid unsecure access to public Wi-Fi networks, such as in coffee shops, airports, hotels, etc. A virtual private network (VPN) creates a personal, private network across public networks.
4. ***Cautiousness with targeted telephone calls:*** Avoid divulging any banking or personal information to a caller over the phone and do not give in to pressure to take immediate action. The IRS and law enforcement agencies will not call you. Beware of the question "can you hear me" which leads to the recording of you saying "yes" to authorize unwanted charges, etc.
5. ***Safe Surfing:*** Only open emails, attachments, and links from people you know. Pay attention to a website's URL; hover over any links to see where they lead. Only visit trusted websites.

DETECT

1. ***Account Review:*** Open your credit card bills and bank statements right away. Check carefully for any unauthorized charges or withdrawals and report them immediately.
2. ***Review Your Credit Report:*** By law, you can obtain a free credit report every 12 months from www.annualcreditreport.com. According to the Federal Trade Commission, this is the only authorized source for the free annual credit report (though it will not include your FICO score). You should review your credit report for any discrepancies (unauthorized accounts, etc.).

REACT

If you have been a victim of identity theft:

- File a report with the local law enforcement agency.
- File Form 14039 (Identity Theft Affidavit) with the Internal Revenue Service.
- Contact one of the three credit bureaus (Equifax, Experian, TransUnion) to report the crime and freeze credit. Once one of the credit bureaus issues a fraud alert, the other two bureaus are automatically notified.

Cyber Attacks

A cyber attack refers to an action designed to target a computer or any element of a computerized information system to change, destroy, or steal data, as well as to exploit or harm a network. Cyber attacks have been on the rise, in sync with the increased digitization of business.

Examples	Description
Phishing	A variant of social engineering; a method of tricking users into divulging login credentials to gain access to an internal network. The most common form of phishing is email phishing, where an email posing as legitimate communication is sent to potential victims. Interacting with any of the infected links or attachments in phishing emails could initiate the installation of malware on the target computer system or load a counterfeit web page which harvests login credentials.
Ransomware	During a ransomware attack, cybercriminals lock out victims' computers by encrypting the computers with malware. The damage is only reversed if a ransom is paid. Ransomware attackers use multiple extortions to pressure victims into paying a ransom, the most popular being publishing greater portions of seized sensitive data on criminal forums until a ransom is paid.
Distributed Denial-of-Services (DDoS)	A victim's server is overwhelmed with fake connection requests, forcing it offline. DDoS attacks are a popular cyber threat because the attack surface is diverse – banking IT infrastructures, customer accounts, payment portals, etc.
Trojan Horses	This attack uses a malicious program that is hidden inside a seemingly legitimate one. When the user executes the presumably innocent program, the malware inside the Trojan can be used to open a backdoor into the system through which hackers can penetrate the computer or network.

Source: Global Leader of Cyber Security Solutions and Services - Fortinet

Fraud Prevention

Excerpts from "10 Things You Can Do to Avoid Fraud" by the Federal Trade Commission (FTC)

Spot imposters	Scammers often pretend to be someone you trust, like a government official, a family member, a charity or a company you do business with. Don't send money or give out personal information in response to an unexpected request — whether it comes as a text, a phone call or an email.
Talk to someone	Before you give up your money or personal information, talk to someone you trust. Con artists want you to make rushed decisions. They might even threaten you. Slow down, check out the story, do an online search, consult an expert — or just tell a friend.
Don't believe caller ID	Technology makes it easy for scammers to fake caller ID information, so the name and number you see aren't always real. If someone calls asking for money or personal information, hang up. If you think the caller might be telling the truth, call back to a number you know is legitimate.
Consider how you pay	Credit cards have significant fraud protection built in, but some payment methods don't. Wiring money is risky because it's nearly impossible to get your money back; that's also true for reloadable cards (like MoneyPak or Reloadit) and gift cards (like iTunes or Google Play). Government offices and honest companies won't require you to use these payment methods.
Be skeptical of free trial offers	Some companies use free trials to sign you up for products and bill you every month until you cancel. Before you agree to a free trial, research the company and read the cancellation policy. Always review your monthly statements for charges you don't recognize.
Sign up for scam alerts: *ftc.gov/scams*	Get the latest tips and advice about scams sent right to your inbox. If you spot a scam, report it at ftc.gov/complaint. Your reports help the FTC and other law enforcement investigate scams and bring criminals to justice.

SECTION TEN

Additional Resources

Additional Investment Insights

- Howard Mark's Risk vs. Reward Chart
- The Life-Changing Magic of Compound Interest
- Buffett's Letter
- Investment Insights by Keith R. Schicker, CFA

Disclosures

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FA's RIA Ranking is an independent listing produced by Financial Advisor magazine based on discretionary and non-discretionary assets under management as reported in the Form ADV of the 715 eligible firms. To be eligible, firms must provide financial planning and related services to individual clients, be independently registered investment advisors, file an ADV statement with the SEC, and have at least $500 million in assets under management as of December 31, 2020 based their ADV filing with the SEC.

Investment News Best Places to Work for Financial Advisers in 2022 produced by Investment News in partnership with Best Companies Group. 75 companies were recognized in 2022 and results are based on evaluating each nominated company's culture, benefits, career paths, demographics, as well as an employee survey to measure employee experience.

Five Star Wealth Manager is awarded given a wealth manager satisfies 10 objective eligibility and evaluation criteria that are associated with wealth managers who provide quality services to their clients. Factors taken into account include asset under management and client retention rate. Candidates also undergo a thorough regulatory and complaint review. Daniel Zuckerman received this award in 2019, 2020, & 2021.

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