



L I F E T I M E P L A N N I N G

Charity, Philanthropy, Creating a Legacy

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1. Focus on Values

“The greatness of a (wo)man is not in how much wealth he acquires but in his (her) integrity and his (her) ability to affect those around him (her) positively.” —Bob Marley

What Is Most Important to Your Family?



Philanthropy
Entrepreneurship



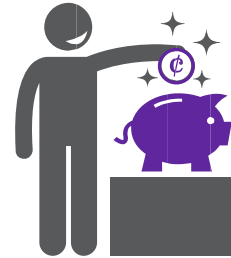
Hard
Work



Higher Education
Frugality



Creativity

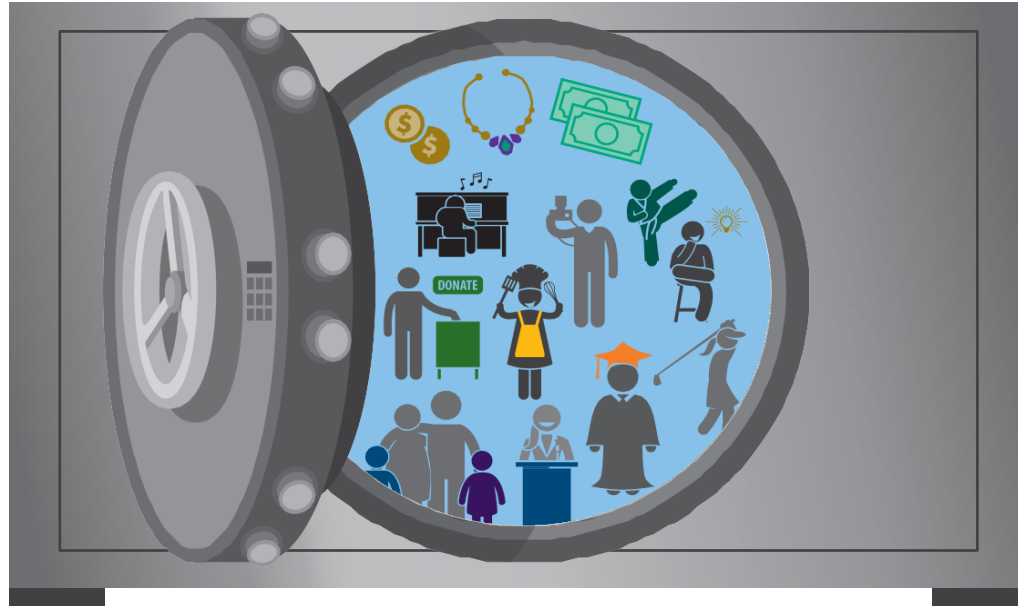


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2. Nurture Your Family's True Assets

“Human resources are the most valuable assets the world has.” —Eleanor Roosevelt

How Can You Guide and Support the Life Journey of Each Family Member?



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3. Structure Inheritances Appropriately

“I made my money the old-fashioned way. I was very nice to a wealthy relative right before he died.” —Malcolm Forbes **How Wealthy Do You Want Your Children to Be and When?**

Do's:



Base inheritance on goals,
not emotional needs

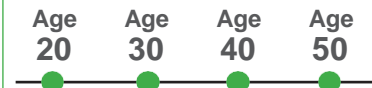


Consider appropriate age
(some may never be ready)



Promote self-sufficiency

Consider staggering
distribution over time



Dont's:

Leave so much
that it distorts
ambition



Neglect warning signs that
your adult children are poor
money managers



Rule from the grave—the terms
of a trust should consider
various possible future scenarios



4. Promote Your Legacy

“We make a living by what we get, but we make a life by what we give.” — Winston Churchill

What Is Your Responsibility to Society? **\$390.05**
billion in philanthropic giving in 2016.

Where did the generosity come from?

72%

Giving by Individuals
\$281.86 billion

15%

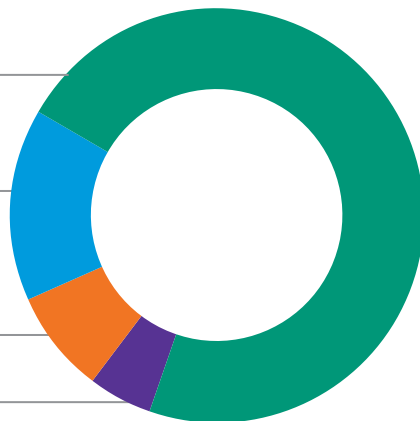
Giving by Foundations
\$50.28 billion

8%

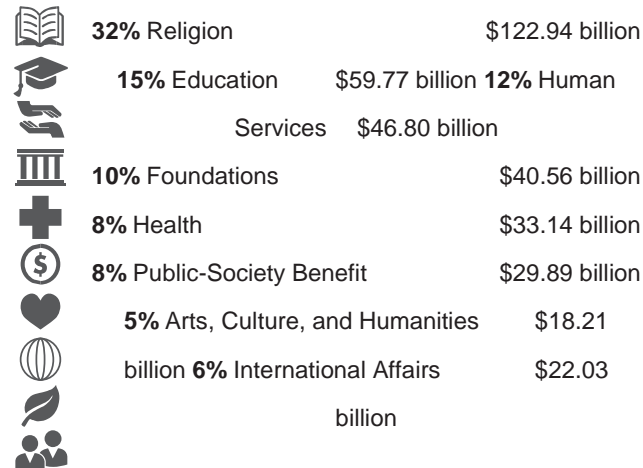
Giving by Bequest
\$30.36 billion

5%

Giving by Corporations
\$18.55 billion



Where are all of the charitable dollars going?



3% Environment/Animals

\$11.05 billion 2% Individuals

\$7.12 billion

Source: Charity Navigator, 12/31/16.

Who Gets What?

“The acceptance of death gives you more of a stake in life, in living life happily, as it should be lived.” —Sting

Large Estates with No Named Beneficiaries



Howard Hughes

\$3.8 billion



Michael Jackson

\$825 million



Pablo Picasso

\$500 million



Elvis Presley

\$400 million



Kurt Cobain

\$400 million



Prince

\$300 million

Minimize Your Tax Liability

“Let me tell you how it will be; there’s one for you, nineteen for me; Cos I’m the taxman.” —George Harrison



Annual Gift:
\$14,000/recipient



529 Plan Gift:
\$70,000/grantor every 5 years*

Deductions



Charitable Donations:
Unlimited Up to **50%** of AGI

*If the account owner dies before the end of the five-year period, a prorated portion of the contribution allocable to the remaining years in the five-year period, beginning with the year after the contributor's death, will be included within his or her estate for federal estate tax purposes. Consult with a tax or legal professional. Slide is for illustrative purposes only.

Write a Will and Keep It Updated

“Death is not the end. There remains the litigation over the estate.” — Ambrose Bierce

Assets with Beneficiaries

Goes directly to named beneficiary (spouse, children)

- Retirement Accounts
- Life Insurance

Assets that Must Be Directed

- Family Business
- Cash
- Family Home
- Vacation Homes
- Cars

When Should You Review Your Will?



Births and deaths



Marital status change



Attitudes change



5 or more years since last review

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Index Definitions

The 10-Year U.S. Treasury Yield is generally considered to be a barometer for long-term interest rates.

The Alerian MLP Index is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs).

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of U.S. Government and corporate bonds that includes reinvestment of dividends.

The Bloomberg Barclays Aggregate Corporate Bond Index represents primarily investment-grade corporate bonds within the Bloomberg Barclays U.S. Aggregate Bond Index. The Bloomberg Barclays Aggregate U.S. Treasuries Index represents public obligations of the U.S. Treasury with a remaining maturity of one year or more.

The Bloomberg Barclays High Yield Bond Index covers the universe of fixed rate, non-investment-grade debt. The JPMorgan GBI-EM Global Diversified Index tracks total returns for local-currency-denominated money market instruments in the emerging markets.

The Bloomberg Barclays Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market and includes bonds rated investment-grade by at least two of the three major rating agencies (Moody's, S&P and Fitch). SBBI U.S. Large Company Stock Index is an unmanaged index of stocks of large U.S. companies.

SBBI U.S. Long-Term Government Bond Index is an unmanaged index generally representative of the bond market. SBBI U.S. Small Company Stock Index is an unmanaged index of stocks of small U.S. companies.

SBBI U.S. (30-day) Treasury Bills is generally representative of the rate of return on a savings investment.

The Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap Index measures the performance of mid-capitalization stocks.

The Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Value Index measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500 Index is a market-capitalization weighted index of the 500 largest domestic U.S. stocks. Shiller Home Price Index tracks changes in home prices throughout the United States.

Treasury Inflation Protected Securities is generic U.S. Government inflation-index bonds.

The U.S. existing home sales median price tracks changes in residential property prices of existing single-family homes, condos and co-op sales.

Indices are unmanaged and cannot be purchased directly by investors. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any investment. **Past performance does not guarantee future results.**

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