



Underhill
FINANCIAL ADVISORS, LLC

Small Business Succession Planning Symposium

“Maximizing Continuity”

Welcome!

Hosted By:



ASSETMARK™



Securities offered through SagePoint Financial, Inc. (SPF) member FINRA/SIPC. Investment advisory services offered through The AmeriFlex® Group, an Independent Registered Investment Advisor. SPF is separately owned and other entities and/or marketing names, products or services referenced here are independent of SPF. AssetMark Trust, City National Rochdale, and WealthPoint, LLC are not affiliated with SPF or Underhill Financial Advisors, LLC.

Today's Speakers



James B. Underhill, CFP®, MBA
*Founding Member, Financial Advisor,
Underhill Financial Advisors, LLC*



Gerry Gaeta, JD, MSFS, CEPA®
*Managing Director, Senior Wealth Strategist,
City National Rochdale*



Jeff Mayhall, JD
Partner, WealthPoint, LLC



**Gerry Gaeta and Jeff Mayhall are not registered or affiliated with SagePoint Financial, Inc.*



Underhill
FINANCIAL ADVISORS, LLC

Who We Are

Underhill Financial

'Your Small Business Advisors'





Underhill
FINANCIAL ADVISORS, LLC

Who We Are

Core Services

➤ **Personal** Financial Planning



Personal Financial Planning



Monte Carlo Results	Likelihood of Funding All Goals		
<div><div></div> Your Confidence Zone 75% - 90% Edit</div>	<div><div><div></div></div><div>97%</div><div>Probability of Success</div><div>Above Confidence Zone</div></div>	<div><div><div></div></div><div>95%</div><div>Probability of Success</div><div>Above Confidence Zone</div></div>	<div><div><div></div></div><div>72%</div><div>Probability of Success</div><div>Below Confidence Zone</div></div>
Total Spending ?	\$5,248,562	\$5,649,122	\$5,248,562
	Explore ▾	Explore ▾	Explore ▾
<div>Recommended Scenario Retire Early @ Age62 Change</div>	SuperSolve®	SuperSolve®	SuperSolve®
Key Assumptions	Retire 65	Retire Early @ Age62	\$ Biz Sale 1/2 Value



Underhill
FINANCIAL ADVISORS, LLC

Who We Are

Core Services

- Personal Financial Planning
- **Business** Retirement Solutions

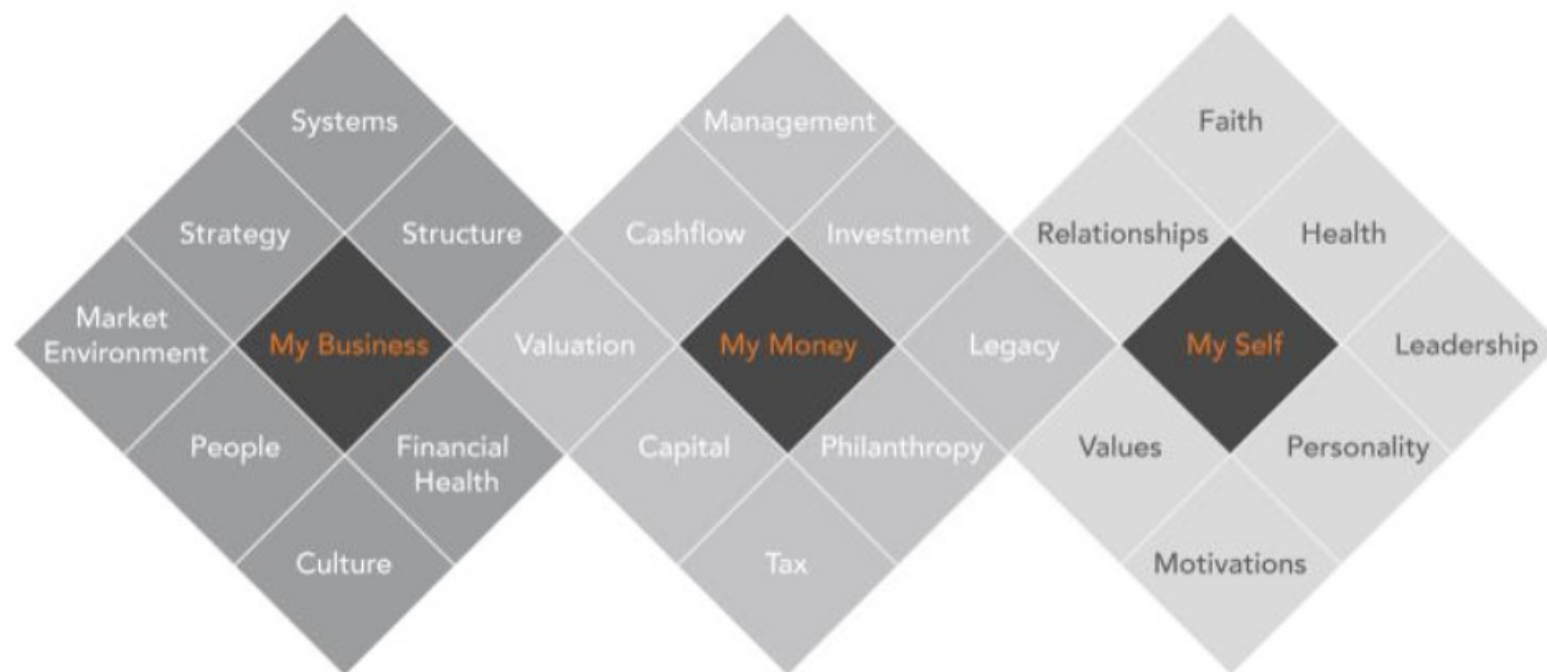




Underhill
FINANCIAL ADVISORS, LLC

Small Business Planning

Business Retirement Solutions



RETIREMENT PLAN DESIGN & MANAGEMENT

OWNER'S SUCCESSION PLANNING

BENEFITS TO ATTRACT & RETAIN KEY EMPLOYEES

ONSITE FINANCIAL WELLNESS TRAINING





Underhill
FINANCIAL ADVISORS, LLC

Who We Are

Core Services

- Personal Financial Planning
- Business Retirement Solutions
- **Wealth Advisory** Services
 - ✓ Investment Advisory
 - ✓ Risk Management
 - ✓ Estate & Tax





Underhill
FINANCIAL ADVISORS, LLC

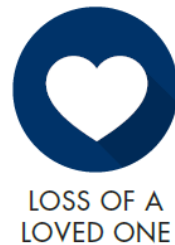
Wealth Advisory Solutions



Be sure to consult with your other advisors on the tax, accounting and legal implications of actions you may take based on any strategies or information presented.



Transitional Wealth Planning



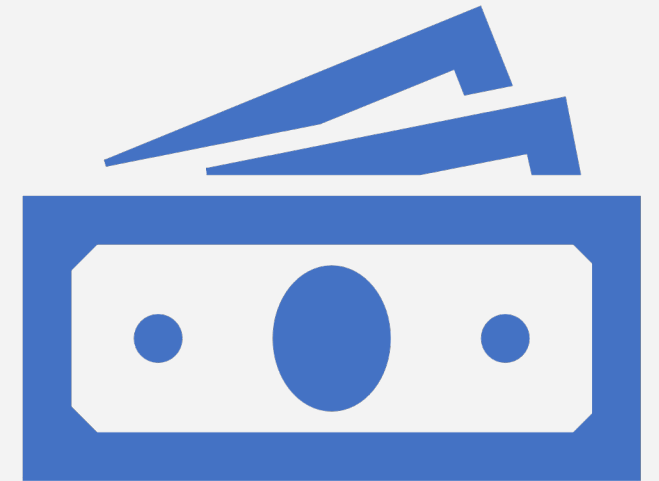
Underhill
FINANCIAL ADVISORS, LLC



Guiding families through life's transitions.



Top 5 Common Mistakes Small Business Owner Make When Transitioning Their Business





Eventually son, you'll be in charge of all this - assuming of course that I can't come up with any better alternative.



Mistake 1

Failing to Plan Ahead

- 34% of respondents of one survey said they have no retirement strategy.
- While 12% of the same study have no plans to retire at all.



What You Can Do Now

Help business owners define their ideal retirement.



Build strategies to address retirement concerns.



Regular check-in's

Mistake 2

Failing to Communicate with Family Members & Key Employees

- Nearly 1/3 of US businesses survive to the second generation.
- While 12% survive to the third.



What You Can Do Now

Define an Exit Strategy



Determine Real Value of the Business



Develop a strategy for the key employees – and implement it!



Mistake 3

Failing to Prepare For Retirement

- 61% of respondents a recent survey claimed that transferring their business and preparing for retirement is stressful.





What You Can Do Now

**Balanced
Lifestyle**

**Maximize
Retirement
Savings**

**Practice
Retirement**

**Define Your
Legacy**

Mistake 4

Failing to Optimize Legal and Tax Strategy

- Trust Selection
- Buy/Sell Agreements
- Funding Agreements
- Tax Optimization





What You Can Do Now

Analyze

Mistake 5

Failing to Enlist Succession Planning Specialists



Assemble Your Team



Gerry Gaeta, JD, MSFS, CEPA®

*Managing Director, Senior Wealth Strategist,
City National Rochdale*



April 2023

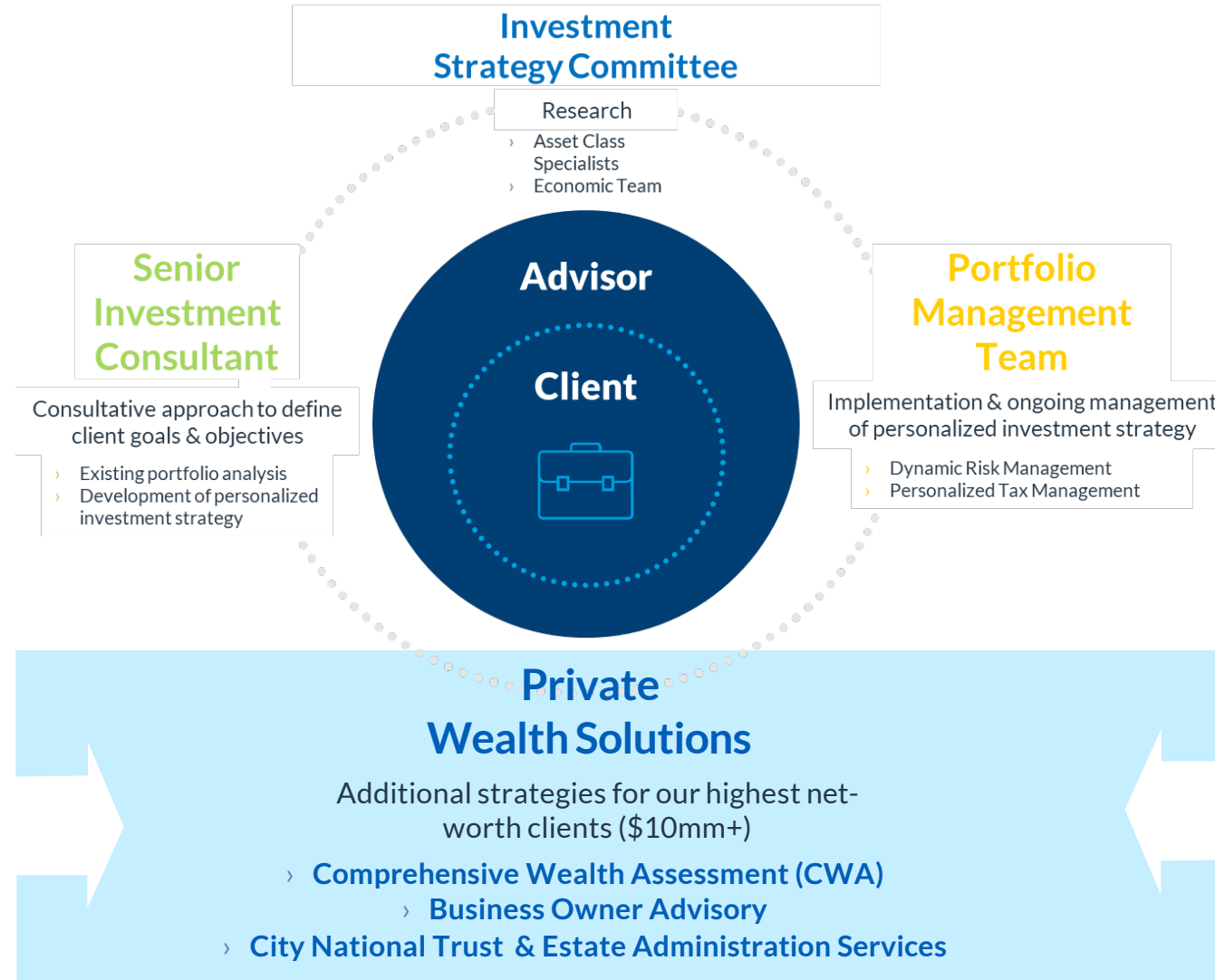
Business Succession Planning Opportunities *Comprehensive Wealth Assessment*

Gerry Gaeta, JD, MSFS, CEPA

Managing Director, Senior Wealth Strategist

City National Rochdale, LLC is a registered investment adviser and a wholly-owned subsidiary of City National Bank.
City National Bank provides investment management services through its sub-advisory relationship with City National Rochdale, LLC.

Private Wealth Solutions



Private Wealth Solutions Team

Comprehensive Wealth Assessment



Gerry Gaeta, JD, MSFS, CEPA

Managing Director

Senior Wealth Strategist

(213) 321-6897

Gerry.Gaeta@CNR.com



Ken DiCairano, CFA®, CEPA

Head of Business Owner Advisory

(212) 207-6893

Ken.DiCairano@cnb.com



John Dwyer, CPA/PFS, CFP®, CEPA

Director

Wealth Strategist

(201) 563-7431

John.Dwyer@CNR.com



Rob Erickson, J.D., LL.M.

Senior Vice President Trust Advisor

(214) 205-5999

Rob.Erickson@cnb.com

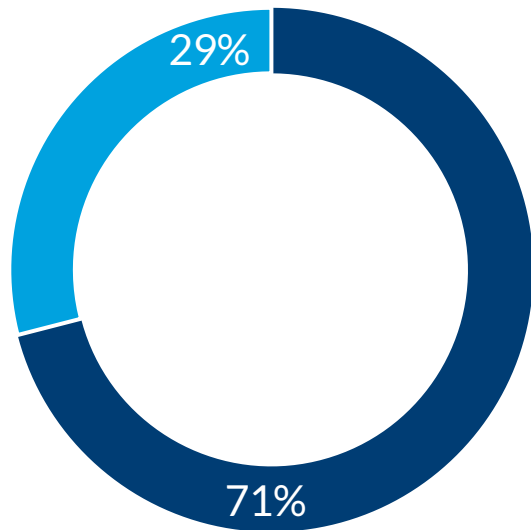
City National Bank Trust & Estate Administration Services

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE

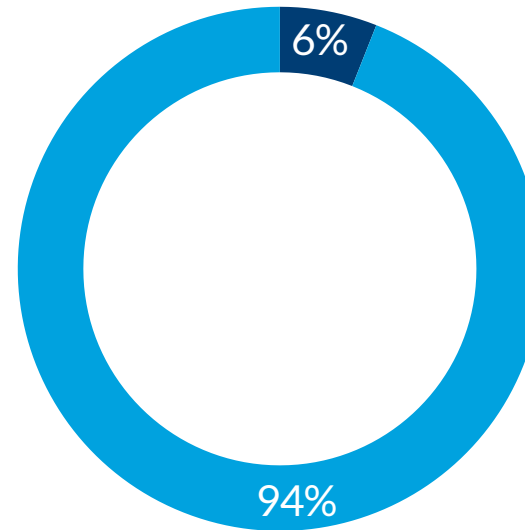


Transitioning A Business: A Personal and Complex Decision for an Owner

71% of business owners anticipate exiting the business within the next 5 years¹



However, only 6% begin the process for preparing for a transition more than 2 years in advance²



The decision to exit a business has implications for a business owner and their family as well as for the:

- Management team
- Employees
- Suppliers
- Customers
- Local Community

¹ State of Owner Readiness Report, Exit Planning Institute, 2021

² National Center for Middle Market, 2022



CWA Strategic Pillars of Wealth

CNR's holistic approach to assessing your wealth encompasses what we refer to as the Strategic Pillars of Wealth.

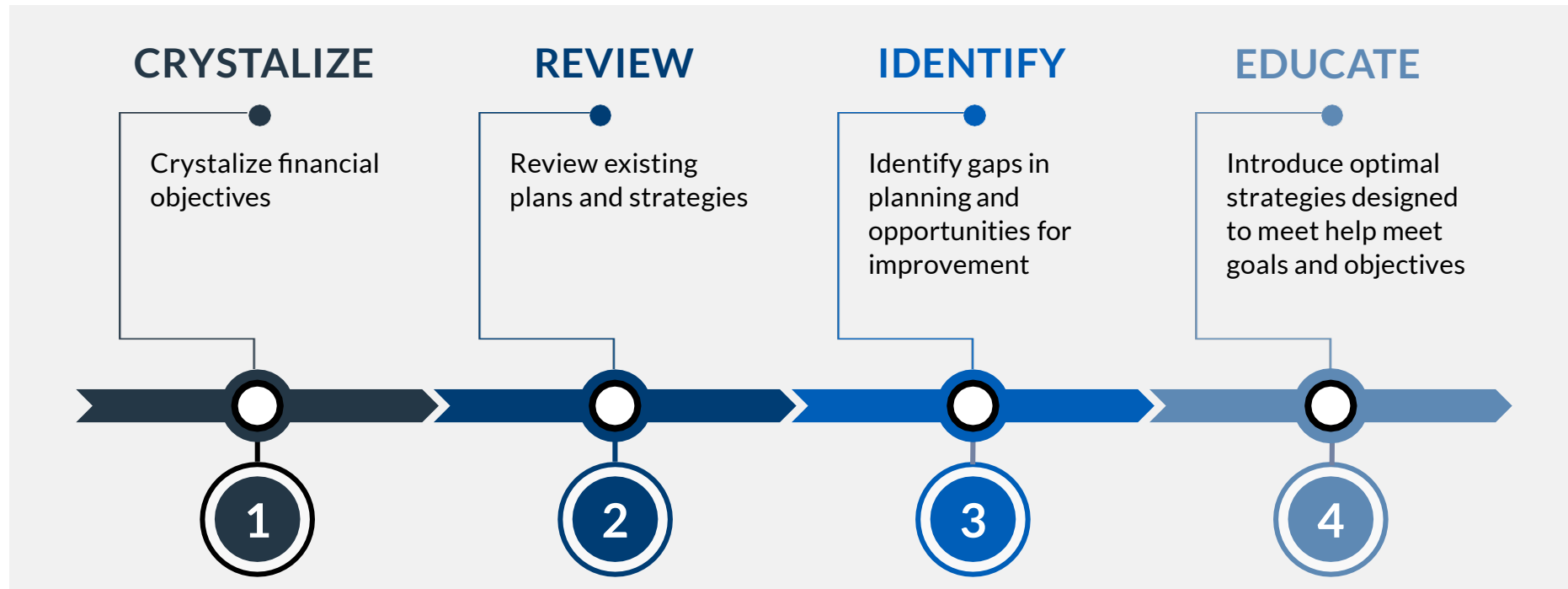


Be sure to consult with your other advisors on the tax, accounting and legal implications of actions you may take based on any strategies or information presented.



The Comprehensive Wealth Assessment Approach

Implement our four-step process.



Preparing to Sell

Readiness

- Company
 - Current Multiple
 - Projected Multiple
- Business Owner
 - Financial
 - Emotional / Psychological

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



Exit Planning Opportunities Timeline

Pre-Sale

- Well in-advance of LOI
- Approaching LOI
- LOI to contract
- Contact to closing

Post-Sale

- Liquidity placement and creditor protection
- Cash flows
- Source of funds

CITY NATIONAL ROCHESTER, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



Three Key Planning Opportunities

The three key areas are estate tax, income tax and asset protection.

Cap Gains Tax Mitigation Strategies

- Charitable Remainder Unitrust (CRUT)
- Donor Advised Fund (DAF)
- Qualified Small Business Stock (C-Corps only)
- Opportunity Zones
- Deferred Sales Trust
- Delaware Statutory Trust
- Partnership “Basis Swap”

Lock-In Bonus Exemption

- SLAT¹ vs. IDGT²
- One “lock-in” vs. two (\$12.92MM vs. \$25.84MM)³
- Other Sale, Gift and Loan to Trust Strategies

Portfolio Asset Protection

- Healthy
 - Installment Loan
 - Grantor Retained Annuity Trust (GRAT)
- Less Healthy
 - Private Annuity
 - Self Cancelling Installment Note (SCIN)

¹ SLAT (Spousal Lifetime Access Trust) – irrevocable trust naming spouse (and descendants) as beneficiary.

² IDGT (Intentionally Defective Grantor Trust) – irrevocable trust naming descendants as beneficiary.

³ Basic Exclusion Amount per the IRS. Please see the Appendix for additional information.

Be sure to consult with your other advisors on the tax, accounting and legal implications of actions you may take based on any strategies or information presented. See terms & definitions in the appendix.



Spousal Lifetime Access Trust (SLAT)

Lock in \$12.06 M exemption while retaining “access”

- Attorney drafts irrevocable grantor trust naming one spouse as grantor and the other as beneficiary
- Grantor spouse maximizes \$12.06M¹ with gift of separate asset(s) to the SLAT
- Trustee has broad discretion to distribute income or assets to spouse and/or other beneficiaries
- SLAT:
 - Is ignored for income tax purposes (grantor pays)
 - Grows and remains outside of grantor’s estate
 - At beneficiaries death, grantor loses access
 - Consider insuring life of beneficiary spouse
 - Can also be created for other spouse (next tax yr?)

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE

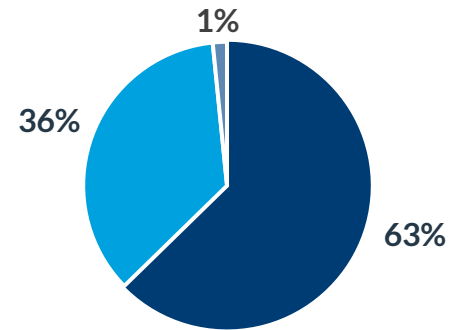
Basic Exclusion Amount per the IRS. Please see terms & definitions for additional information.



CWA Approach Can Help Drive Additional Assets to Heirs

- Clients are ages 66 and 65 with 3 adult children and 5 grandchildren
- Contemplating sale of business to third party in the near future
- Primary objectives are optimizing business value and minimizing estate taxes
- Client’s business is worth \$40MM and their total current net worth is \$60MM
- Client selected solution that included transfer of business interest to two Spousal Lifetime Access Trusts (SLATs)

No Planning - 2026
Net to Heirs:
\$47.7MM (Age 71)



Total to Heirs: \$47.7MM

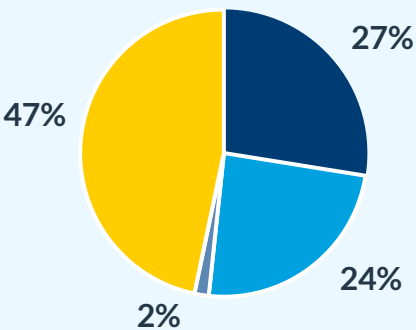
FOR ILLUSTRATIVE PURPOSES ONLY

Actual Results May Vary

*Assumes current law, 5% growth, and clients' death at age 88

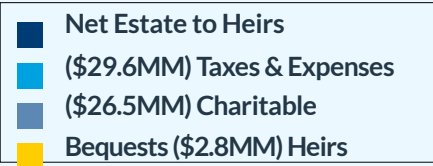
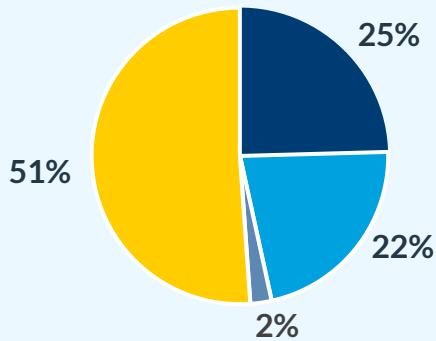
Additional support available upon request.

With CWA - 2026
Net to Heirs Advantage:
\$8.4MM (Age 71)



Assets (\$35.3MM)
Total to Heirs: \$56.1MM

With CWA - 2043
Net to Heirs Advantage:
\$17.3MM (Age 88)



Assets (\$61.6MM)
Total to Heirs: \$91.2MM



Post Sale Liquidity Asset Protection

- SLATs and other irrevocable trusts are afforded a very high level of protection from potential judgement creditors of both the grantor and beneficiaries
- Liquidity held inside the taxable estate is generally not protected
- Consider:
 - Family Limited Partnership (FLPs)
 - Family Members as Limited Partners
 - Business Purpose?
 - SLATs and Other Grantor Trusts
 - Traditional Loans
 - Self Canceling Loans
 - Private Annuity Sale
 - GRAT

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



Baseline (No Planning) vs. CRT and SLAT (Planning)

Consider the impact of multiple strategies:

No Planning
Estate Transfer Value & Costs - 2026



● Net To Heirs (42.87%)
● Taxes & Expenses (20.80...)
● Heirs Assets (36.33%)

DETAILS			
Year:	2026		
Gross Assets:	\$76,668,259	100.0%	
Gross Estate:	\$48,817,036		
Taxes & Expenses:	\$15,946,921	20.8%	
Net To Heirs:	\$32,870,115	42.9%	
Assets Transferred to Heirs:	\$27,851,223	36.3%	
Total to Heirs:	\$60,721,338		

Planning
Estate Transfer Value & Costs - 2026



● Net To Heirs (26.33%)
● Taxes & Expenses (15.14...)
● Charity Assets (11.46%)
● Heirs Assets (47.07%)

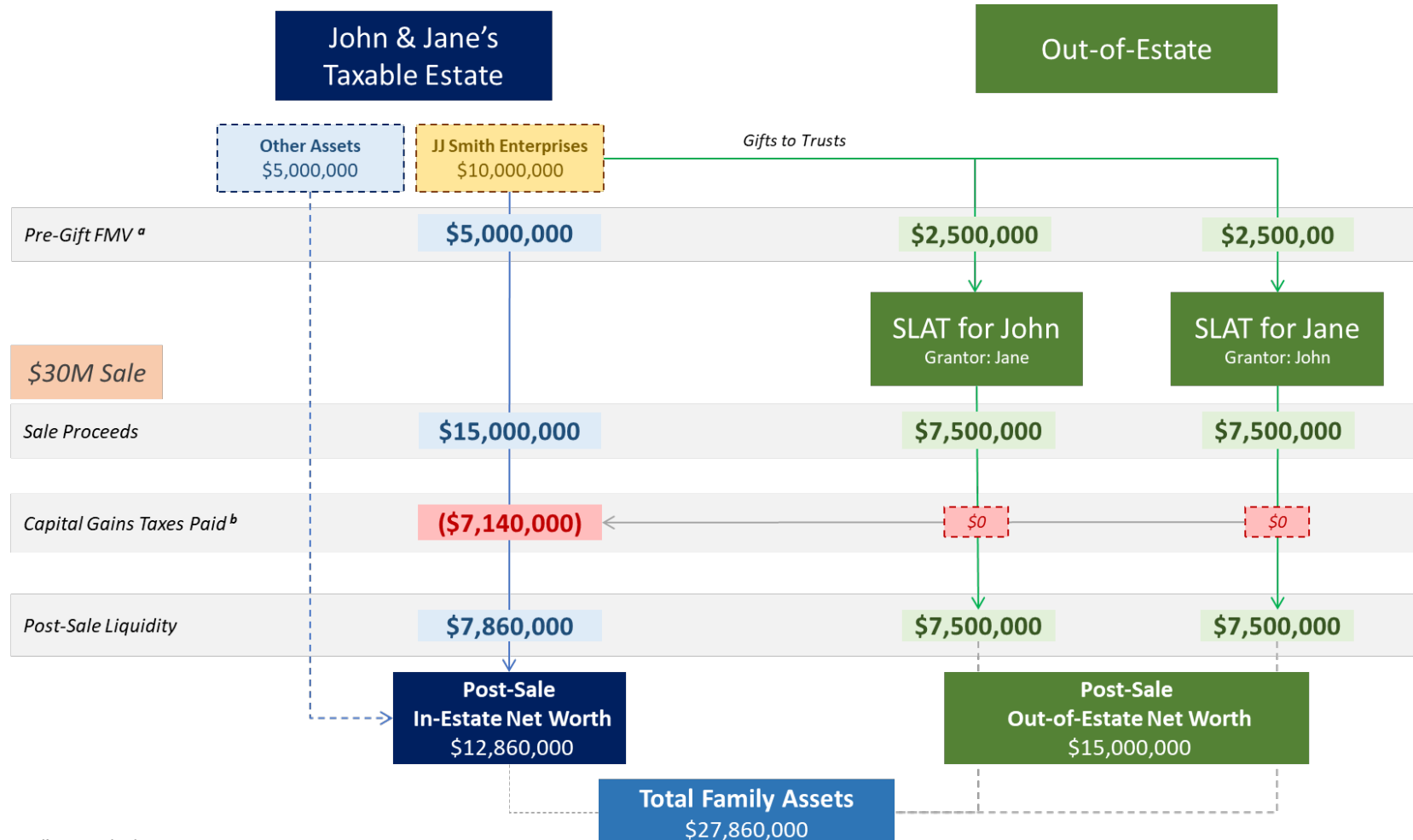
DETAILS			
Year:	2026		
Gross Assets:	\$88,219,237	100.0%	
Gross Estate:	\$36,585,547		
Taxes & Expenses:	\$13,356,603	15.1%	
Net To Heirs:	\$23,228,945	26.3%	
Assets Transferred to Heirs:	\$41,521,486	47.1%	
Total to Heirs:	\$64,750,431		
Assets Transferred to Charity:	\$10,112,203	11.5%	
Total to Charity:	\$10,112,203		
Total to Heirs & Charity:	\$74,862,634		



FOR ILLUSTRATIVE PURPOSES ONLY
Actual Results May Vary
Additional support available upon request.



Gift of Franchise Business Interest to Trusts – Flow Chart



^a – un-discounted value

^b – since all trusts are grantor trusts, all capital gains taxes are paid by John & Jane

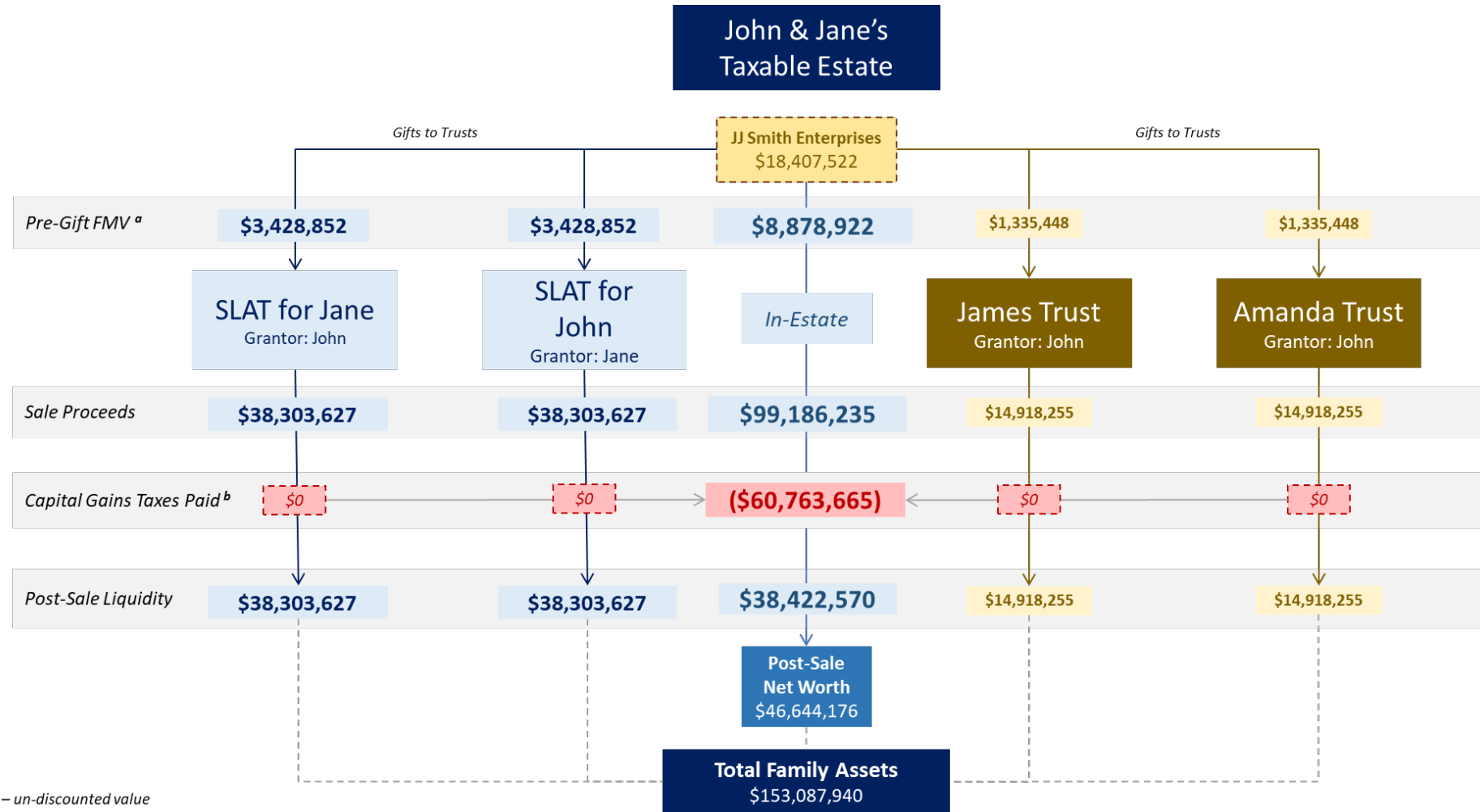
FOR ILLUSTRATIVE PURPOSES ONLY

Actual Results May Vary

All decisions regarding the tax/legal implications of your investment/estate planning should be made in consultation with your independent tax or legal advisor.



Gift of HVAC Business Interest to Trusts – Flow Chart



FOR ILLUSTRATIVE PURPOSES ONLY

Actual Results May Vary

All decisions regarding the tax/legal implications of your investment/estate planning should be made in consultation with your independent tax or legal advisor.



John & Jane Smith

Asset Titling Considerations – Estate vs. SLATs

Estate / Revocable Trust

- Low cost basis assets
- Low growth
- Assets that might create liability (cars, boats...)

SLATs

- High cost basis
- High growth
- Legacy assets (i.e., family retreat...)

Money Sources

- Estate
- Distributions from SLAT
- Loans from SLAT
- Sell to or swap assets with SLAT



Cash Flow Assumptions

Assumption	Baseline ~ \$2M Spend
Ages	John – 68 Jane – 68
End of Plan	Year 2049 (Jane & John's ages 95)
State of Residence	VA
Annual Personal Living Expenses <i>*adjusted annually for inflation*</i>	\$2,000,000
One-Off Expenses <i>Splurge Money (2022)</i> <i>Donation to Foundation (2022)</i>	\$15,000,000 \$10,000,000
Inflation	2.31%
Assumed Expected Return for All Investment Portfolios	5.77% *
Portfolio Liquidation Strategy	1) In-estate portfolio 2) SLAT for John 3) SLAT for Jane

*The assumed expected return is hypothetical, does not show actual performance and is for illustrative purposes only. The return is gross of any trading costs, expenses, taxes, or the deduction of management fees. Past performance or performance based upon assumptions is no guarantee of future results.



Cash Flow

Post-Sale ~ \$2M Annual Spend

The Cash Flow report illustrates your income, savings, expenses, and resulting net cash flow on an annual basis.

Year	Age	Rental Income	Living Expenses	Liability Payments	Splurge Money	Donation to Foundation	Insurance Premiums	Taxes Paid	Total Expenses	Total Portfolio Assets	SLAT Distributions
2022	68/68	\$553,884	\$2,000,000	\$152,059	\$15,000,000	\$10,000,000	\$51,090	\$2,713,821	\$29,916,970	\$11,773,561	\$0
2023	69/69	559,424	2,046,200	0	0	0	51,090	2,263,242	4,360,532	8,651,787	0
2024	70/70	565,018	2,093,467	0	0	0	51,090	2,325,223	4,469,780	5,246,233	0
2025	71/71	570,668	2,141,826	0	0	0	51,090	2,389,606	4,582,522	1,537,086	0
2026	72/72	576,374	2,191,302	0	0	0	51,090	2,729,937	4,972,329	0	2,770,179
2027	73/73	582,138	2,241,921	0	0	0	51,090	2,589,443	4,882,454	0	4,300,316
2028	74/74	587,960	2,293,709	0	0	0	51,090	2,654,234	4,999,033	0	4,411,073
2029	75/75	593,840	2,346,694	0	0	0	51,090	2,720,764	5,118,548	0	4,524,708
2030	76/76	599,778	2,400,903	0	0	0	51,090	2,789,083	5,241,076	0	4,641,298
2031	77/77	605,776	2,456,364	0	0	0	51,090	2,859,252	5,366,706	0	4,760,930
2032	78/78	611,834	2,513,106	0	0	0	51,090	2,931,322	5,495,518	0	4,883,684
2033	79/79	617,952	2,571,159	0	0	0	51,090	3,005,356	5,627,605	0	5,009,653
2034	80/80	624,130	2,630,553	0	0	0	51,090	3,081,402	5,763,045	0	5,138,915
2035	81/81	630,372	2,691,319	0	0	0	51,090	3,159,519	5,901,928	0	5,271,556
2036	82/82	636,676	2,753,488	0	0	0	51,090	3,239,777	6,044,355	0	5,407,679
2037	83/83	643,042	2,817,094	0	0	0	51,090	3,322,237	6,190,421	0	5,547,379
2038	84/84	649,474	2,882,169	0	0	0	51,090	3,406,943	6,340,202	0	5,690,728
2039	85/85	655,968	2,948,747	0	0	0	51,090	3,493,996	6,493,833	0	5,837,865
2040	86/86	662,528	3,016,863	0	0	0	51,090	3,583,435	6,651,388	0	5,988,860
2041	87/87	669,152	3,086,553	0	0	0	51,090	3,675,350	6,812,993	0	6,143,841
2042	88/88	675,844	3,157,852	0	0	0	20	3,769,817	6,927,689	0	6,251,845
2043	89/89	682,602	3,230,798	0	0	0	20	3,867,781	7,098,599	0	6,415,997
2044	90/90	689,428	3,305,429	0	0	0	20	3,968,485	7,273,934	0	6,584,506
2045	91/91	696,322	3,381,784	0	0	0	20	4,072,003	7,453,807	0	6,757,485
2046	92/92	703,286	3,459,903	0	0	0	20	4,178,433	7,638,356	0	6,935,070
2047	93/93	710,320	3,539,827	0	0	0	20	4,287,843	7,827,690	0	7,117,370
2048	94/94	717,422	3,621,597	0	0	0	20	4,400,337	8,021,954	0	7,304,532
2049	95/95	724,596	3,705,256	0	0	0	20	4,516,006	8,221,282	0	7,496,686

- After initial donation & “splurge”, portfolio assets total about \$11.7M
- Estate portfolio runs out in year 2026
- SLAT distributions would begin in year 2026
- At age 95, \$111M remains

All decisions regarding the tax/legal implications of your investment/estate planning should be made in consultation with your independent tax or legal advisor.



Combined SLAT Portfolio

Year	Age	Beginning of Year Balance	Growth and Income*	Distributions	Expenses & Taxes	End of Year Balance
2022	68/68	\$76,607,254	\$4,420,238	\$0	\$0	\$81,027,492
2023	69/69	81,027,492	4,675,286	0	0	85,702,778
2024	70/70	85,702,778	4,945,050	0	0	90,647,828
2025	71/71	90,647,828	5,230,380	0	0	95,878,208
2026	72/72	95,878,208	5,532,172	2,770,179	0	98,640,201
2027	73/73	98,640,201	5,691,539	4,300,316	0	100,031,424
2028	74/74	100,031,424	5,771,813	4,411,073	0	101,392,164
2029	75/75	101,392,164	5,850,327	4,524,708	0	102,717,783
2030	76/76	102,717,783	5,926,816	4,641,298	0	104,003,301
2031	77/77	104,003,301	6,000,991	4,760,930	0	105,243,362
2032	78/78	105,243,362	6,072,542	4,883,684	0	106,432,220
2033	79/79	106,432,220	6,141,139	5,009,653	0	107,563,706
2034	80/80	107,563,706	6,206,426	5,138,915	0	108,631,217
2035	81/81	108,631,217	6,268,021	5,271,556	0	109,627,682
2036	82/82	109,627,682	6,325,517	5,407,679	0	110,545,520
2037	83/83	110,545,520	6,378,476	5,547,379	0	111,376,617
2038	84/84	111,376,617	6,426,430	5,690,728	0	112,112,319
2039	85/85	112,112,319	6,468,881	5,837,865	0	112,743,335
2040	86/86	112,743,335	6,505,290	5,988,860	0	113,259,765
2041	87/87	113,259,765	6,535,088	6,143,841	0	113,651,012
2042	88/88	113,651,012	6,557,663	6,251,845	0	113,956,830
2043	89/89	113,956,830	6,575,309	6,415,997	0	114,116,142
2044	90/90	114,116,142	6,584,501	6,584,506	0	114,116,137
2045	91/91	114,116,137	6,584,501	6,757,485	0	113,943,153
2046	92/92	113,943,153	6,574,520	6,935,070	0	113,582,603
2047	93/93	113,582,603	6,553,716	7,117,370	0	113,018,949
2048	94/94	113,018,949	6,521,193	7,304,532	0	112,235,610
2049	95/95	112,235,610	6,475,995	7,496,686	0	111,214,919
Totals			169,799,820	135,192,155	0	

*Assumed expected return of 5.77%

The assumed expected return is hypothetical, does not show actual performance and is for illustrative purposes only. The return is gross of any trading costs, expenses, taxes, or the deduction of management fees. Past performance or performance based upon assumptions is no guarantee of future results.

This information is provided for informational purposes only.



Estate Transfer

Post-Sale ~ \$2M Annual Spend

The Estate Transfer report shows the projected value of assets inside and outside of your estate, the reduction in value due to transfer taxes, and the net amount to your heirs.

Year	Age	Gross Estate	Taxes & Expenses*	Net To Heirs	Heirs Assets	Total To Heirs
2022	68/68	\$19,886,181	\$121,483	\$19,764,697	\$117,585,568	\$137,350,265
2023	69/69	16,988,557	128,493	16,860,063	124,081,754	140,941,817
2024	70/70	13,813,877	135,907	13,677,970	130,952,770	144,630,740
2025	71/71	10,342,531	143,749	10,198,782	138,220,246	148,419,028
2026	72/72	9,050,378	0	9,050,378	143,136,875	152,187,253
2027	73/73	9,302,660	0	9,302,660	146,807,056	156,109,716
2028	74/74	9,562,510	0	9,562,510	150,578,250	160,140,760
2029	75/75	9,830,155	0	9,830,155	154,453,407	164,283,562
2030	76/76	10,105,831	0	10,105,831	158,435,571	168,541,402
2031	77/77	10,389,775	0	10,389,775	162,527,874	172,917,649
2032	78/78	10,682,239	0	10,682,239	166,733,548	177,415,787
2033	79/79	10,983,479	0	10,983,479	171,055,920	182,039,399
2034	80/80	11,293,751	0	11,293,751	175,498,431	186,792,182
2035	81/81	11,613,335	0	11,613,335	180,064,634	191,677,969
2036	82/82	11,942,505	0	11,942,505	184,758,184	196,700,689
2037	83/83	12,281,551	0	12,281,551	189,582,851	201,864,402
2038	84/84	12,630,766	0	12,630,766	194,542,553	207,173,319
2039	85/85	12,990,462	0	12,990,462	199,641,293	212,631,755
2040	86/86	13,360,945	0	13,360,945	204,883,235	218,244,180
2041	87/87	13,742,544	0	13,742,544	210,272,656	224,015,200
2042	88/88	14,135,590	0	14,135,590	215,865,042	230,000,632
2043	89/89	14,540,426	0	14,540,426	221,615,958	236,156,384
2044	90/90	14,957,410	0	14,957,410	227,530,193	242,487,603
2045	91/91	15,386,903	0	15,386,903	233,612,701	248,999,604
2046	92/92	15,829,279	0	15,829,279	239,868,583	255,697,862
2047	93/93	16,284,926	0	16,284,926	246,303,131	262,588,057
2048	94/94	16,754,244	0	16,754,244	252,921,790	269,676,034
2049	95/95	17,237,643	0	17,237,643	259,730,191	276,967,834

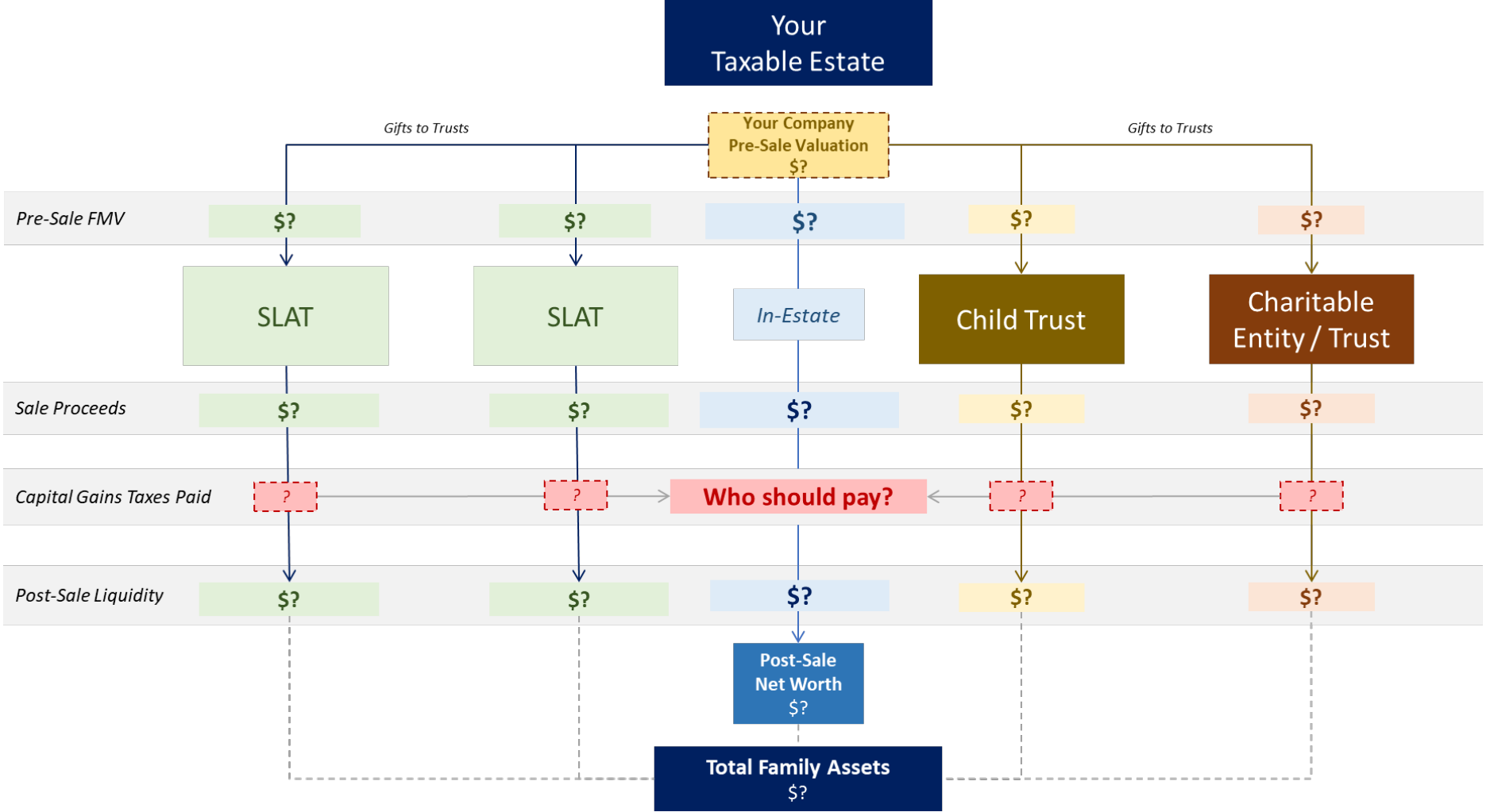
- Current Law Exemption exceeds Gross Estate beginning in 2026
- As such, no estate tax & Total to Heirs is reflected in the last column

*source: eMoney software – calculated under current Federal & State estate tax law Please refer to Appendix for terms definitions

All decisions regarding the tax/legal implications of your investment/estate planning should be made in consultation with your independent tax or legal advisor.



Reverse Engineering Your Plan



Appendix





Jeff Mayhall, JD

Partner, WealthPoint, LLC



Business Advisory Services

Know your story

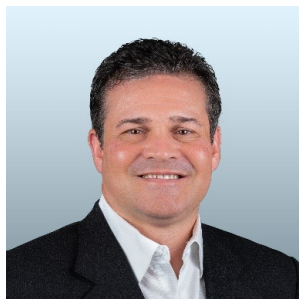
Unique Process

This material is informational only and is not intended as an offer or a solicitation for any particular product.

WealthPoint, LLC does not provide tax advice. Any discussion of U.S. tax matters contained herein is not intended to be used and cannot be used for the purposes of avoiding U.S. tax-related penalties.

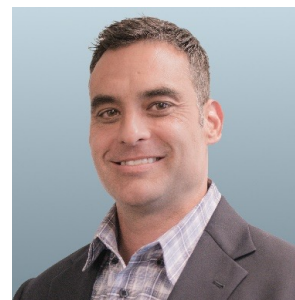
WealthPoint, LLC or PartnersFinancial. WealthPoint, LLC is independently owned and operated. WealthPoint, the WealthPoint logo and Know your story are all registered trademarks of WealthPoint, LLC. Life insurance services are provided through WealthPoint, LLC DBA WealthPoint Insurance Solutions, CA Insurance License #0N03255. Investor Disclosure: <https://bit.ly/KF-Disclosures>

© and Trademark WealthPoint LLC 2013 Proprietary and Confidential. May not be shared or reproduced without prior written consent by WealthPoint LLC.



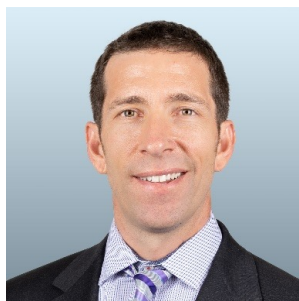
Mike Olson

Mike Olson, CFP, CHFC, CLU, MSFS, AEP, a partner of WealthPoint LLC, received a Bachelor of Science in Finance from Miami University of Ohio. He has over 25 years of experience in working with individuals and businessowners to help them achieve their financial goals.



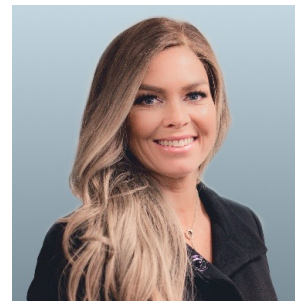
Jeff Mayhall

With over 20 years of business experience as a founder, owner and key executive, Jeff has the background and real world experience to navigate the complexity of succession and exit planning. His keen sense of placing the right people in the right roles and aligning strategy with opportunity allows him to serve clients in optimizing the success of their transitions. Jeff holds a bachelor's degree from the University of Toledo and a J.D from the University of Toledo College of Law.



Tom O'Brien

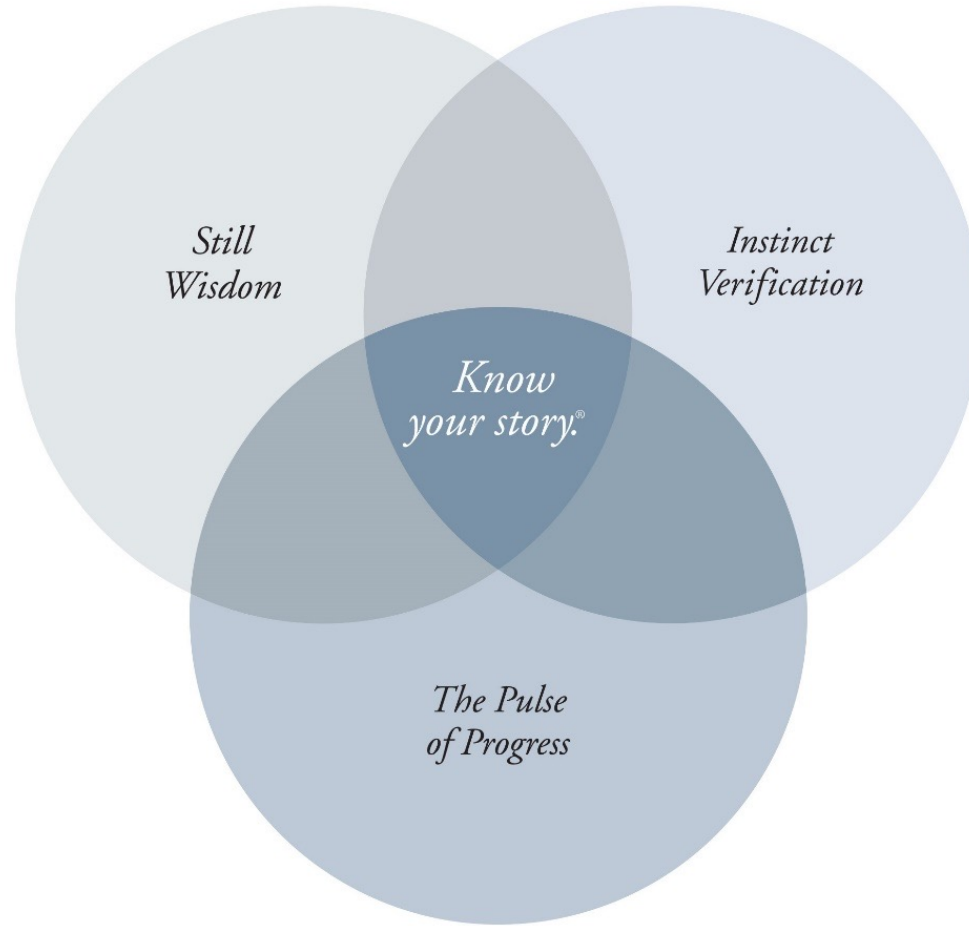
Tom brings over 20 years of experience in financial planning and insurance along with a background that includes business ownership. Working closely with Wealth Advisors, CPA's and Attorneys Tom helps to assess and coordinate the WealthPoint resources needed to provide top-notch support when working with clients.



Shannon Goldsmith

Shannon spent 15 years working as the right-hand to CEOs of national and international multimillion to multi-billion dollar companies, both privately held and public. With deep industry experience including owning her own business, Shannon brings fresh perspective to the team and is passionate about helping clients and strategic partners design and implement solutions that have significant impact.





OUR PRACTICE

BUSINESS ADVISORY SERVICES

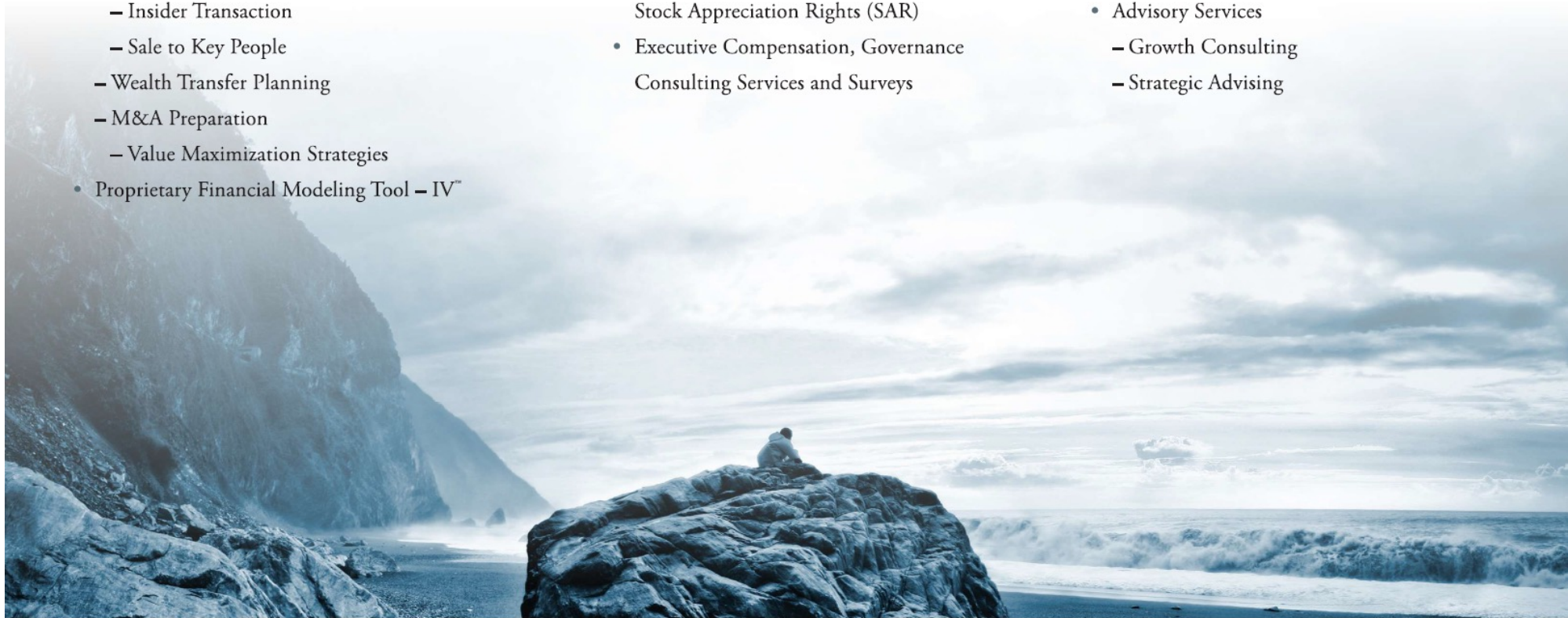
- *Know your story.* Unique Process
 - Succession and Exit Planning
 - Family Business Succession
 - Employee Stock Ownership Plan (ESOP)
 - Insider Transaction
 - Sale to Key People
 - Wealth Transfer Planning
 - M&A Preparation
 - Value Maximization Strategies
- Proprietary Financial Modeling Tool – IV™

EXECUTIVE BENEFITS

- Non-Qualified Deferred Compensation
- Supplemental Executive Retirement Plan (SERP)
- Phantom Stock Plans or Stock Appreciation Rights (SAR)
- Executive Compensation, Governance Consulting Services and Surveys

M&A ADVISORY SERVICES

- Mergers & Acquisitions
 - Buy-side Transactions
 - Sell-side Transactions
 - Valuation Analysis
- Advisory Services
 - Growth Consulting
 - Strategic Advising



KNOW YOUR STORY.™ UNIQUE PROCESS



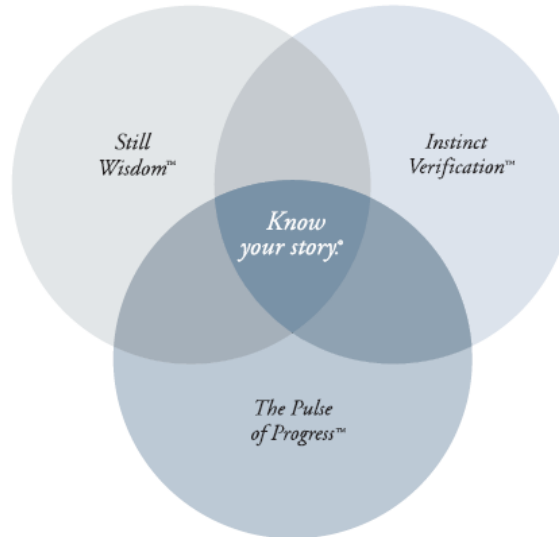
STEP 1: Knowledge Baseline™



STEP 6: Story Preservation Partnership™



STEP 5: The Pulse of Progress™



STEP 2: Decision Dialogue™



STEP 3: Singular Story™

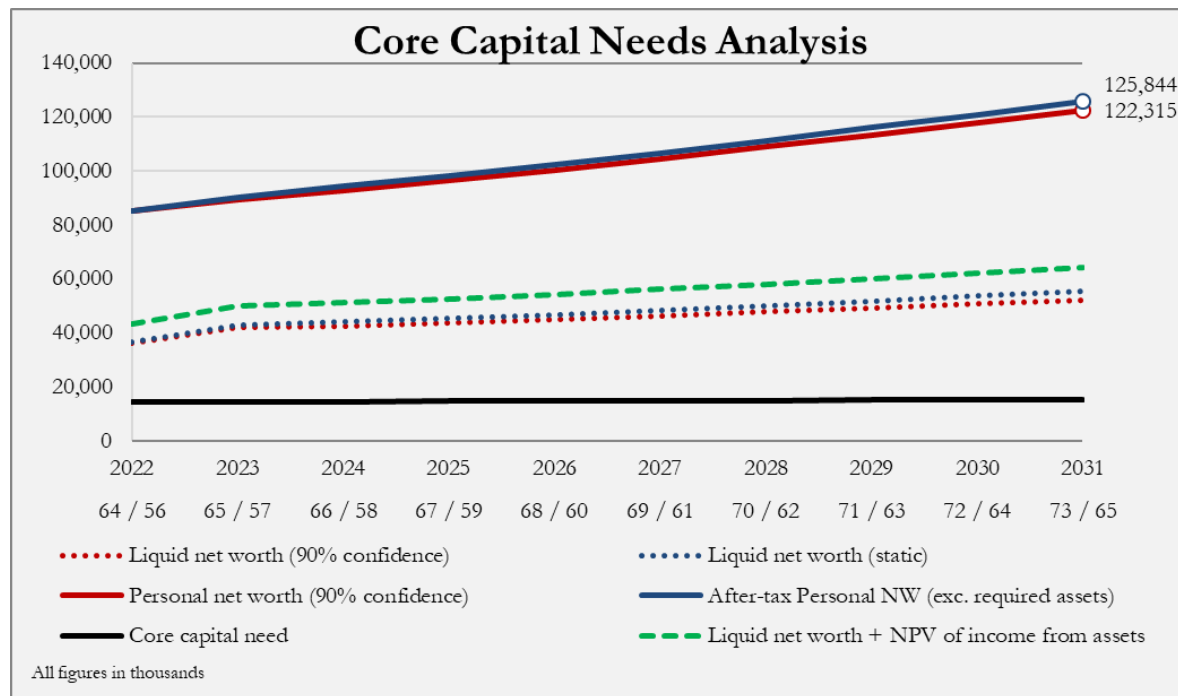


STEP 4: Instinct Verification™



IVTM Financial Modeling Overview

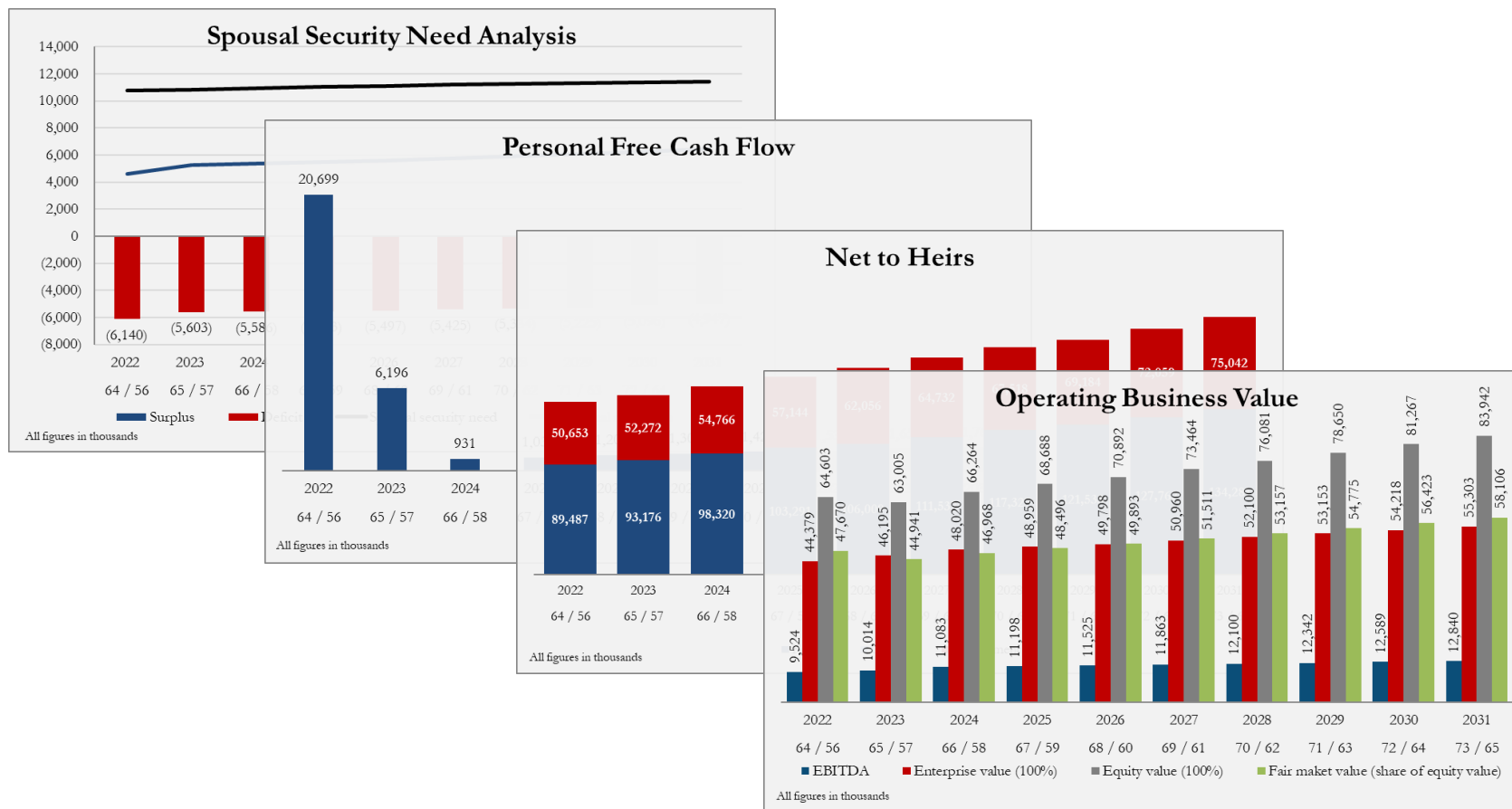




Core Capital represents the amount of assets needed in order to meet a client's financial security objective

- Core capital need – black line
- Net after-tax assets (liquid and illiquid) – solid blue line
- Liquid net worth – dashed green line



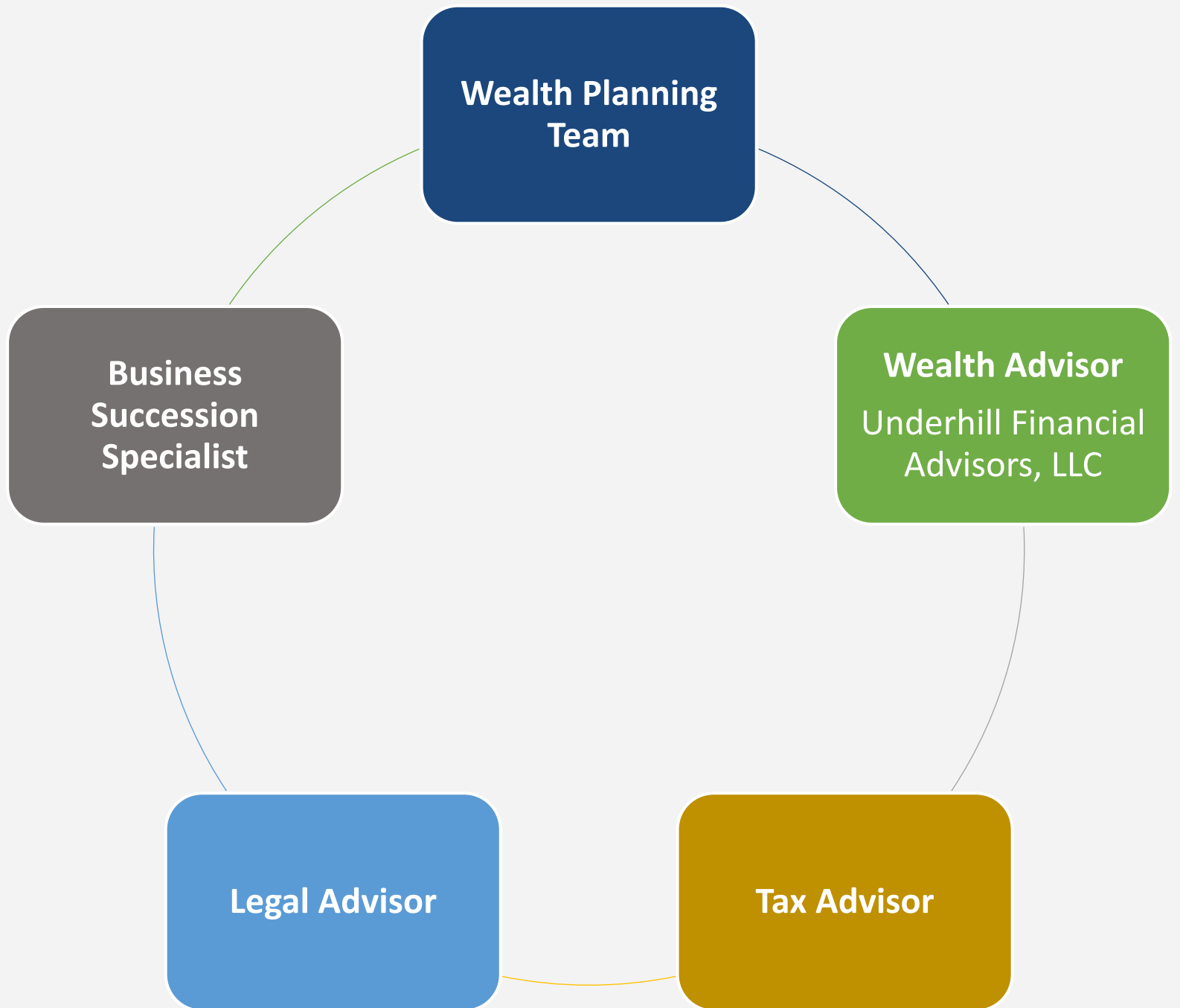


- WealthPoint's proprietary financial modeling evaluates all aspects of a business-owner's financial situation from multiple perspectives
 - Spousal security
 - Business and personal cash flow
 - Multi-generational planning



Know your story.[®]

Wealth Planning Team



Our Advisory Team



Contact

Underhill Financial Advisors, LLC

3146 N. Swan Rd. Tucson, AZ 85712

P: (520) 795-2950

www.underhillfinancial.com

"The highest compliment we can receive is your referral of friends and family."



Underhill
FINANCIAL ADVISORS, LLC

Terms & Definitions

1. Grantor(s) – an individual who establishes a trust.
2. Trustee(s) – a person or firm that holds and administers property or assets held by a trust for the benefit of a third party.
3. Beneficiary(ies) – individual(s) for whom a trust is created.
4. CRT – Charitable Remainder Trust – an irrevocable trust where the grantor generally contributes appreciated assets or cash and the CRT provides payments to an initial income beneficiary(s). At the end of the trust term, any remaining assets will pass to one or more charitable remainder beneficiaries, which may include a private family foundation
5. CRUT – Charitable Remainder Unitrust – an irrevocable trust where the grantor generally contributes appreciated assets or cash and the CRUT provides fixed payments to an initial income beneficiary(s). The income is set at a fixed percentage of the annually appraised value of the assets held.
6. SLAT – Spousal Lifetime Access Trust – an irrevocable trust where one spouse (grantor) makes a gift into a trust to benefit the other spouse (income beneficiary) and other family members (remainder beneficiaries) while removing the assets from their taxable estate.
7. CLAT – Charitable Lead Annuity Trust – a split-interest irrevocable trust with two or more beneficiaries. The “lead” income beneficiary is the charity(ies) named under the terms of the CLAT and the “remainder” beneficiary(ies) is generally either the Grantor (Grantor CLAT) or the Grantor’s heirs (Non-Grantor CLAT).
8. IDGT – Intentionally Defective Grantor Trust – an irrevocable trust set up by an individual (grantor) to benefit another person(s) (beneficiaries). Any assets gifted to the trust are removed from the individual’s taxable estate for gift and estate tax purposes, but the grantor assumes any income tax liability on all income generated by assets held in the trust.
9. Basic Exclusion Amount – aka “Lifetime Exemption” – the amount of property that an individual can give away over the course of their lifetime without having to pay a gift tax
 - a) Current Law ^a – this amount is \$12,920,000 for tax year 2023
 - b) 2026 Law ^b – this amount is approximately \$7,000,000 for tax year 2026. This is an estimate of what the lifetime exemption will be after the Estate and Gift Tax Provision in the Tax Cuts & Jobs Act of 2018 (TCJA) sunsets on December 31, 2025 – the provision states that this amount will revert to its pre-2018 level of \$5,000,000, as adjusted for inflation.
10. FLP – Family Limited Partnership – a business or holding company owned by two or more family members within a partnership structure.
11. DAF – Donor Advised Fund – a vehicle that allows current tax deductions for irrevocable charitable gifts, without first identifying the specific qualified nonprofit organization(s) who will ultimately receive the funds. A DAF is considered to be a “public charity” and provides an immediate income tax deduction of up to 60% of donor’s adjusted gross income (AGI) for gifts of cash and up to 30% of AGI for gifts of appreciated assets.
12. GRAT – Grantor Retained Annuity Trust – an irrevocable trust that provides for annual payments to the grantor for a fixed term of years. At the end of the term, the remainder of the trust can be transferred to named beneficiaries. The payout rate is chosen by the grantor and the amount of the gift is based on the term of the trust and the Section 7520 Rate for that month. The value of the remainder, which can be zero, is reported as a taxable gift to the beneficiaries.

a – source: <https://www.irs.gov/businesses/small-businesses-self-employed/estate-tax>

b – source: <https://www.irs.gov/newsroom/estate-and-gift-tax-faqs>



Important Information

This information is presented for general illustrative, educational and discussion purposes only and is not intended to be investment, tax, accounting, or legal advice and should not be relied upon as such. All decisions regarding the tax and legal implications of your investment and estate planning should be made in consultation with your independent tax and legal advisors. This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell any security.

Results are based on the accuracy of the information provided by the prospect/client. While every effort is made to ensure the validity of the information received, City National cannot be responsible for any inaccuracies that may occur. City National does not warrant its accuracy or appropriateness for client's goals and objectives, and City National has no duty to keep the information current. Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as of the date of this document and are subject to change.

A significant portion of the information used by City National is provided by external sources and has been adapted for use in the analytical and risk management systems. This report has been created using information believed to be reliable but we do not warrant its accuracy or completeness. This presentation should not be viewed as a final governing investment or estate planning guideline.

The information herein should be used as a component to a broader due diligence process. Exclusive reliance on the information provided is not advised. Results are generated by analyzing the prospective client's (i) current financial situation and (ii) investment and estate planning goals and objectives, based on inputs provided by the prospective client.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information. Readers are cautioned that such forward-looking statements are not a guarantee of future results, involve risks and uncertainties, and actual results may differ materially from those statements as a result of various factors. The views expressed are also subject to change based on market and other financial conditions.

Long-term forecasts, derived by City National are model expected return, do not show actual performance and are for illustrative purposes only. The expected results have many inherent limitations and no representation is made that any investor or estate planner will or is likely to achieve returns similar to those shown. Changes in the assumptions used may have a material impact on the expected results presented.

As with any investment or estate planning strategy, there is no guarantee that objectives, strategy and/or goals will be met. All investing and estate planning is subject to risk.

Monte Carlo Analysis is a simulation based forecast method, which explicitly accounts for the impact of volatility predictions associated with expected returns. The simulation attempts to replicate the uncertainty associated with financial markets with an illustration of potential outcomes.

Past performance or performance based upon assumptions is no guarantee of future results

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



Important Information

This presentation is for general information and education only. City National makes no representations or warranties in respect of this presentation and is not responsible for the accuracy, completeness or content of information contained in this presentation. City National is not responsible for, and expressly disclaims all liability for, damages of any kind arising out of use, reference to, or reliance on any information contained in the presentation. The information in this presentation should not be used to obtain credit or for any other commercial purpose nor should it be construed as tax, accounting, regulatory or legal advice. Rules in the areas of law, tax and accounting are subject to change and open to varying interpretations and you should seek professional advice from your advisor. Nothing in this presentation should be construed as an offer, or solicitation of an offer, to buy or sell any financial instrument. It should not be relied upon as specific investment advice directed to the viewer's specific investment objectives. Any financial instrument discussed in this presentation may not be suitable for the viewer. Each viewer must make his or her own investment decision, using an independent advisor if prudent, based on his or her own investment objective and financial situation. City National (and its clients or associated persons) may, at times, engage in transactions in a manner inconsistent with this presentation and, with respect to particular securities and financial instruments discussed, may buy from or sell to clients or others on a principal basis.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results and are based primarily upon a hypothetical set of assumptions applied to certain historical financial information. Readers are cautioned that such forward-looking statements are not a guarantee of future results, involve risks and uncertainties, and actual results may differ materially from those statements as a result of various factors. The views expressed are also subject to change based on market and other conditions. Certain information has been provided by third-party sources and, although believed to be reliable, it has not been independently verified and its accuracy or completeness cannot be guaranteed. Any opinions, projections, forecasts, and forward-looking statements presented herein are valid as on the date of this document and are subject to change.

Assumptions and Limitations: The material includes several methods of calculating results, each of which provides one outcome from a wide range of possible outcomes. All results presented herein are hypothetical in nature, do not reflect actual results, and are not guarantees of future results. All results use simplifying assumptions that do not completely or accurately reflect your specific circumstances. As investment returns, inflation, taxes, and other economic conditions vary from the assumptions used, your actual results will vary (perhaps significantly) from those presented in this material.

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE



Important Information

Past performance or performance based upon assumptions is no guarantee of future results.

All investing is subject to risk, including the possible loss of the money you invest. As with any investment strategy, there is no guarantee that investment objectives will be met and investors may lose money. Diversification does not ensure a profit or protect against a loss in a declining market. Past performance is no guarantee of future performance.

This presentation is not an offer to buy or sell, or a solicitation of any offer to buy or sell any of the securities mentioned herein. Before implementation, you should consult with your other advisors on the tax, accounting, and legal implications of any proposed strategies, based on your particular circumstances.

City National Rochdale, LLC, is a Registered Investment Adviser and a wholly-owned subsidiary of City National Bank. City National Bank is a subsidiary of Royal Bank of Canada.

Deposit products and services are provided by City National Bank Member FDIC.

City National, its managed affiliates and subsidiaries, as a matter of policy, do not give tax, accounting, regulatory, or legal advice, and any information provided should not be construed as such.

© 2023 City National Rochdale, LLC.

CITY NATIONAL ROCHDALE, LLC NON-DEPOSIT INVESTMENT PRODUCTS ARE: • NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE





For More Information:

New York Headquarters

400 Park Avenue
New York, NY 10022

Beverly Hills Headquarters

400 North Roxbury Drive
Beverly Hills, CA 90210

citynationalrochdale@cnr.com

www.cnr.com

MONTE CARLO SIMULATION Disclosure

- The projections or other information generated by this Monte Carlo simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

There is no guarantee that the results generated by this simulation will be achieved or sustained, and results may vary with each use and over time. Actual results vary with each use over time and may be better or worse than those previously generated.



Disclosures

Securities offered through SagePoint Financial, Inc. (SPF) member FINRA/SIPC. Investment advisory services offered through The AmeriFlex® Group, an Independent Registered Investment Advisor. SPF is separately owned and other entities and/or marketing names, products or services referenced here are independent of SPF.

AssetMark Trust, City National Rochdale, and WealthPoint, LLC are not affiliated with SPF or Underhill Financial Advisors, LLC.

