



Financial Counselors

Ethics, Education & Experience™

December 1, 2017

RE: 2017 Estate Plan Review

Dear James and Kelly,

We have completed our review of your estate planning documents. We wanted to provide this review before family time over the holidays.

Our focus was to:

1. Review existing estate documents that we have on file and make recommendations for additional documents and/or suggest modifications based on your most recent financial plan.
2. Ensure that the individuals named in your estate documents are up to date.
3. Determine if you are currently subject to Federal or state estate tax.
4. Depict estate distribution to your beneficiaries and recommend ways to avoid probate.
5. Ensure that your existing beneficiaries on your qualified accounts and life insurance reflect your intentions.

When you have finished reviewing your estate plan review, please give the office a call to schedule a meeting to further discuss your estate plan review and answer any questions you may have.

Sincerely,

D3 Financial Counselors

Downers Grove (630) 271-0033 | Chicago (312) 526-3680

SUMMARY OF ACTION STEPS

Immediate Action	
Category	Action Item
Probate Analysis	If you would like to discuss possible alternatives to avoid probate for the assets listed in the <i>Probate Analysis</i> section of this document, please make an appointment with Don.

REVIEW AND RECOMMENDATIONS

Estate Document Review

Review Individuals Named in Documents: Please review this summary of your estate documents to confirm that they still reflect your goals:

Estate Plan Summary								
Family Member	Document	Date Signed	Primary (Executor Trustee, POA)	Successor (Executor Trustee, POA)	Primary Beneficiary	Secondary Beneficiary	Guardian	Notes
James	Will	3/7/1995	Kelly Smith	Daniel Williams	Kelly Smith	Melanie Smith and Rachel Smith	N/A	Bequest: 3 guitars to Michael Williams
Kelly	Will	3/7/1995	James Smith	Daniel Williams	James Smith	Melanie Smith and Rachel Smith	N/A	N/A
James	Trust	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kelly	Trust	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James	POA Health & Financial	2/10/12	Kelly Smith	N/A	N/A	N/A	N/A	N/A
Kelly	POA Health & Financial	2/10/12	Kelly Smith	N/A	N/A	N/A	N/A	N/A

Note: We do not attempt to make any value judgments on who is named in your wills, trusts and your powers of attorney for health care and financial matters. Additionally, we do not make any legal assessments of your estate planning documents.

Estate Tax Analysis

Federal Estate Tax: Under current Federal estate tax law, your combined net worth of approximately \$3.5 million is under the \$10.98 million per couple Federal estate tax exemption.

Please refer to the attached *Estate Flow Chart* report for more information.

Probate Analysis

Based on the information that you have provided, if both of you were to both pass away, the following assets would potentially be subject to probate because the total value exceeds \$50,000:

- Your home
- Vehicles
- Schwab brokerage
- Fidelity brokerage
- Restricted stock
- Checking and savings accounts
- Life insurance
- James's Rollover IRA
- Kelly's Rollover IRA

If you would like to discuss possible alternatives to avoid probate for the accounts or assets listed above, please call the office and make an appointment with Don.

Please see the attached *Estate Flow Chart* report for more detail.

Beneficiary Review

1. Please review the attached *Beneficiary Designation Details* summary and ensure that the named primary and contingent beneficiaries on your accounts and any life insurance policies reflect your intentions.
2. If a trust is named as a beneficiary or contingent beneficiary, make sure you agree with the terms of the trust. Also, if a trust is the beneficiary of a qualified plan (IRA, 401k, etc.), then confirm (with an attorney) the trust will allow for "see-through" provisions.

Other Considerations

Digital Estate Plan: If you have not done so already, we also recommend that you set up a digital estate plan. This is a physically secure (lock box, etc.) or digitally secure (D3 portal) location for all your passwords for your financial and other accounts (banks, investment, benefit, social media, etc.). Also include a list of any professional advisors, accountants or attorneys that are aware of your situation and can help answer any questions that may arise upon your death or incapacity.

Communication: We would suggest you make the important individuals (Executor, Guardian, Trustee, etc.) aware of the roles you have assigned to them.

CONCLUSION

Please take the opportunity to review the attached reports and prepare any questions that you might have in preparation for our estate plan review.

We look forward to hearing from you.

Sincerely,

D3 Financial Counselors

Beneficiary Designation Details

Base Facts

Prepared for James and Kelly Smith

The Beneficiary Designations report shows the designated beneficiaries for assets and life insurance.

RETIREMENT ASSETS			
	Primary	Contingent	Current Value
Owner: James			
James Fidelity Rollover IRA	Kelly	Melanie (50.00%) Rachel (50.00%)	\$2,023,395
Owner: Kelly			
Kelly Fidelity Rollover IRA	James	Melanie (50.00%) Rachel (50.00%)	\$96,517

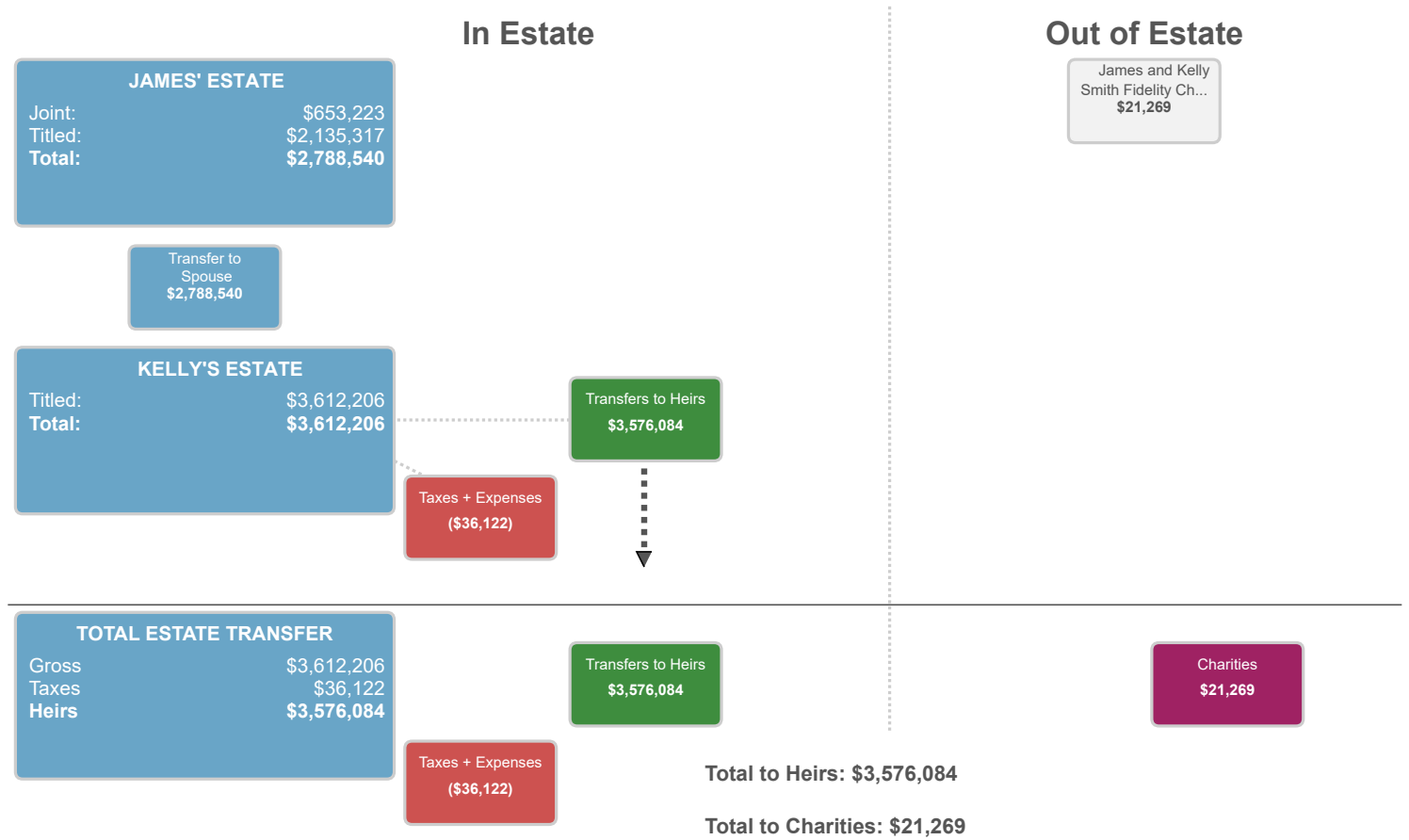
LIFE INSURANCE POLICIES			
	Primary	Contingent	Death Benefit
Insured: James			
James Term 10-RENWD James NWM	Kelly	Melanie (50.00%) Rachel (50.00%)	\$500,000
Whole Life Cash Value	Kelly	Melanie (50.00%) Rachel (50.00%)	\$31,469
James NWM Whole Life Cash Value	Kelly	Melanie (50.00%) Rachel (50.00%)	\$66,724
Insured: Kelly			
Kelly NWM Whole Life Cash Value	James	Melanie (50.00%) Rachel (50.00%)	\$72,333

This analysis must be reviewed in conjunction with the limitations and conditions disclosed in the Disclaimer page. Projections are based on assumptions provided by the advisor/representative, and are not guaranteed. Actual results will vary, perhaps to a significant degree. The projected reports are hypothetical in nature and for illustrative purposes only. Return assumptions do not reflect the deduction of any commissions. They will reflect any fees or product charges when entered by the advisor/ representative. Deduction of such charges would result in a lower rate of return. Consult your legal and/or tax advisor before implementing any tax or legal strategies.

Detailed Estate Flow Chart

Base Facts as of November 29, 2017

Prepared for James and Kelly Smith



James' ESTATE**Estate Value**

Joint Fidelity JTWROS Brokerage Account James	\$191,862
NWM Whole Life Cash Value	98,193
James Fidelity Rollover IRA	2,037,124
James Widget Vested Restricted Stock	2,664
Home	200,000
Joint Credit Union Savings	46,671
Joint First Checking	6,587
Joint Schwab Brokerage Account	195,011
Joint Schwab Checking	5,374
Joint Schwab Savings	5,054
Estate Value:	2,788,540

Transfers to Spouse

Joint Fidelity JTWROS Brokerage Account James	\$191,862
NWM Whole Life Cash Value	98,193
James Fidelity Rollover IRA	2,037,124
James Widget Vested Restricted Stock	2,664
Home	200,000
Joint Credit Union Savings	46,671
Joint First Checking	6,587
Joint Schwab Brokerage Account	195,011
Joint Schwab Checking	5,374
Joint Schwab Savings	5,054
Transfers to Spouse:	2,788,540

Kelly's ESTATE**Estate Value**

Joint Fidelity JTWROS Brokerage Account James	\$383,723
NWM Whole Life Cash Value	98,193
James Fidelity Rollover IRA	2,037,124
James Widget Vested Restricted Stock	5,327
Home	400,000
Joint Credit Union Savings	93,342
Joint First Checking	13,173
Joint Schwab Brokerage Account	390,022
Joint Schwab Checking	10,747
Joint Schwab Savings	10,107
Kelly NWM Whole Life Cash Value	72,333
Kelly Fidelity Rollover IRA	98,115
Estate Value:	3,612,206

Transfers to Heirs

Melanie Smith	\$1,788,040
Rachel Smith	1,788,044
Transfers to Heirs:	3,576,084

Taxes & Expenses

Probate & Final Expenses	(\$36,122)
Taxes & Expenses:	(36,122)

OUT OF ESTATE**Out of Estate**

James and Kelly Smith Fidelity Charitable DAF	\$21,269
Out of Estate:	21,269

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These examples are for illustrative purposes only and should not be construed as individual advice.