

RESULTS:

1

REDUCED TAXES

Michael and Lisa are expected to save \$1.5 million (rounded) during their retirement through advanced tax planning strategies.

2

INCREASED EXPECTED LEGACY BY \$875K.

3

ESTABLISHED ESTATE AND ASSET PROTECTION PLANS

- Protected clients in the event that something unforeseen happened.
- Created a legacy plan to help protect assets from creditors while providing for heirs.

4

DISCOVERED COST/EXPENSE SAVINGS OF

15k a Year plus an additional \$100k (rounded) throughout Retirement.

5

INCREASED EXPECTED INCOME THROUGHOUT RETIREMENT BY \$1.5 MILLION

6

DEVELOPED RETIREMENT INCOME PLAN

- Determined when clients could retire.
- Created a distribution strategy to create a reliable income stream or “paycheck” to match clients’ lifestyle without the stress of running out of money.
- Improved portfolio by eliminating low-quality, high-cost holdings and adding active risk management.



ZACK SWAD

President & Wealth Manager

Swad Wealth Management, LLC

TO SCHEDULE A COMPLIMENTARY INTRODUCTORY CALL, CONTACT:

 zack@swadwealth.com

 (707) 899-1010

Swad Wealth Management, LLC (“SWM”) provides strategies for financial, tax, and estate planning.

These strategies do not constitute tax or legal advice. Consult legal or tax professionals for specific information regarding your individual situation.

Swad Wealth Management, LLC (“SWM”) is a registered investment advisor offering advisory services in the State of California and in other jurisdictions where exempted. All written content in this brochure is for information purposes only. Opinions expressed herein are solely those of SWM, unless otherwise specifically cited. Material presented is believed to be from reliable sources and no representations are made by our firm as to other parties’ informational accuracy or completeness. Advisory services are only offered to clients or prospective clients where SWM and its representatives are properly licensed or exempt from licensure. Past performance is no guarantee of future returns. Investing involves risk and possible loss of principal capital. No advice may be rendered by SWM unless a client service agreement is in place.

This case study is hypothetical and does not involve an actual SWM client. No portion of the content should be construed by a client or prospective client as a guarantee that he/she will experience the same or certain level of results or satisfaction if SWM is engaged to provide investment advisory services.



SWAD WEALTH
— MANAGEMENT —

CASE STUDY

RETIRING SOON

CASE DETAILS: Michael and Lisa wanted to retire within a year. They wanted to ensure they had enough money to live comfortably in retirement without the stress of running out of money. Developing a strategy to create a “paycheck” in retirement, avoid overpaying taxes, and making sure their investments made sense for their situation were their top priorities.

WHAT WE DID:

1

MAXIMIZED SOCIAL SECURITY BENEFITS

- Evaluated all possible filing strategies, major rules, and provisions.
- Provided clear instructions for how and when to file.
- Effect on income - expected increase of \$120k throughout retirement

2

COMPLETED ESTATE PLANNING AND ASSET PROTECTION PLAN

- Helped clients establish (through a local law firm partner) an estate plan (trust, will, medical directive, and powers of attorney) to make sure assets are distributed according to their wishes.
- Discussed how to establish a trust to help protect assets from creditors when assets pass to their two children.
- Helped clients retitle their accounts and beneficiary designations in accordance with an estate plan
- Savings effect - avoided up to \$58,000 of probate fees

3

RESTRUCTURED FAMILY'S DEBT AND MORTGAGE

- Found \$30k (rounded) in interest savings by refinancing their debt and mortgage
- Partnered with a local mortgage broker to ensure smooth process

4

ENHANCED GIFTING STRATEGY

That would allow Michael and Lisa to give more to their favorite charitable organizations and/or save more on taxes.

- Laid out plan to fund charitable contributions over next 10 years with long-term, highly appreciated securities.
- Opened a donor-advised fund, which allowed them to “bunch” their contributions during their last year of work, which was a high tax year for them.
- Effect on taxes - avoided \$70k (rounded) of future long-term capital gains plus associated taxes AND reduced taxes approximately \$30k for current year

5

CREATED A RETIREMENT BUDGET

This budget will help Michael and Lisa plan for their lifestyle needs and unexpected costs such as health, long-term care, etc. in retirement.



6

SHOWED CLIENTS HOW TO BEST DISTRIBUTE THEIR ASSETS

Throughout retirement and which accounts to draw from first.

- Created retirement income plan to coordinate distributions from social security, IRAs, rental income, taxable investment accounts, and required minimum distributions (RMDs).
- Calculated Roth conversion scenarios
- Analyzed tax plan in coordination with distribution strategy (federal, state, capital gains, net investment income, and Medicare IRMAA taxes).
- Partnered with client’s CPA to confirm findings
- Effect on Income/Taxes - expected tax savings/increased income throughout retirement of \$1.4 million. Hedged risk of future tax increases on retirement income.
- Effect on Legacy - expected increase of \$875k on net legacy

7

COMPLETED RISK MANAGEMENT ASSESSMENT

That revealed the clients were significantly underinsured liabilities.

- Calculated clients' net worth to be \$4.5 million
- Current insurance coverage only provided \$500k in liability insurance
- Helped clients establish (through clients’ current insurance agent) an umbrella insurance policy to help protect assets.

8

REBALANCED PORTFOLIO

To match clients’ risk tolerance and retirement income needs and goals.

- Optimized portfolio by eliminating high-cost, low-quality holdings
- Reduced risk by adding active risk management and oversight
- Relocated assets to improve the tax efficiency of portfolio
- Cost savings estimate - \$15k per year.

