PIERRO, CONNOR & STRAUSS, LLC

Trusted Counsel

16th ANNUAL

INTERGENERATIONAL ESTATE PLANNING CONFERENCE

PLANNING FOR 2022: WINDOWS OF OPPORTUNITY

> *"Opportunities still remain for estate, tax and business planning, but fortune favors the bold. The draconian changes to federal tax law originally contained in the Build Back Better Act have been replaced by new taxes on highly successful individuals and businesses. The 16th Annual Intergen will provide an analysis of the new rules, how they impact your clients, and highlight why getting it done in '21 is so important."*

– Louis W. Pierro, Esq.

AGENDA

8:00 - 8:30	Registration & Networking Breakfast
8:30-8:45	Welcome & Case Study Overview *Louis W. Pierro, Pierro, Connor & Strauss*
8:45 – 9:20	Tax Planning *Kevin O' Leary, Marvin & Company, P.C.* *Kristin LeBrou, Marvin & Company, P.C.*
9:20- 9:55	Estate Planning & Corporate Strategies *Louis W. Pierro, Pierro, Connor & Strauss*
9:55-10:30	Wealth Management *Mark Hasenauer, TD Private Client Group* *Remarks from Russ Antonacci, TD Private Client Group*
10:30-10:45	Networking Coffee
10:45-10:55	Remarks - Breakfast Sponsor *Frank Melia, Quontic Bank*
10:55-11:30	Insurance Planning *Ryan Hungershafer, Northwestern Mutual*
11:30-12:05	Business Valuation *Chuck Coyne, Empire Valuation Consultants*
12:05-12:25	Elder Law and Special Needs Planning *Aaron E. Connor, Pierro, Connor & Strauss*
12:25-12:40	Q&A, Wrap Up

NOTES

Session Notes:

My Questions:

My Takeaways:

Estate Planning

LOUIS W. PIERRO, ESQ.
Founding Partner, Pierro, Connor & Strauss, LLC.

Louis W. Pierro is the Founder and Principal of Pierro, Connor & Strauss, LLC, a law firm serving clients in the areas of Estate Planning, Estate and Trust Administration, Business Succession Planning, Elder Law and Special Needs Planning. Mr. Pierro is a frequent speaker across the country on legal issues relating to estate planning, elder law and business planning. Mr. Pierro is also a Founder of ElderCounsel, a national membership organization of Elder Law and Special Needs law firms, which provides proprietary document drafting software and education to over 1400-member firms in all 50 states. Most recently, he founded ApolloCare, LLC, a business that integrates home care coordination (EverHome Care Advisors), with connected home health technology (VivaLynx) providing seniors, families, and caregivers unique opportunities to live independently in their own home.

Mr. Pierro has been been selected by his peers as Best Lawyers "2022 Lawyer of the Year" for Elder Law in New York's Capital Region; an honor he also received in 2018. He has been recognized by Best Lawyers for Elder Law and for "Trusts and Estates" and by Super Lawyers for 15 years, and has been selected to the Best Lawyers in America, The Best Lawyers in New York, Super Lawyers of the Hudson Valley, Top 25 Lawyers in Upstate New York, and New York Times "Top Attorneys in New York." In addition, Mr. Pierro has maintained an AV preeminent rating from the Martindale-Hubbell since 2001. Mr. Pierro is currently a member of the National Academy of Elder Law Attorneys; the American Bar Association, Probate and Trust Section; the NYS Bar Association Trusts and Estates and Elder Law Sections; and the Albany County Bar Association. A graduate of Lehigh University and Albany Law School, Mr. Pierro was admitted to the New York State Bar in January of 1984, and is licensed to practice in all New York State Courts, the US Supreme Court and the Second Circuit Court of Appeals.

Elder Law & Special Needs

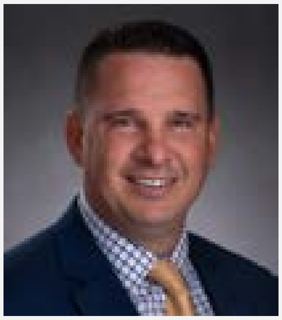
AARON E. CONNOR, ESQ.
Managing Partner Partner, Pierro, Connor & Strauss, LLC.

Aaron Connor is a seasoned litigator concentrating in the areas of guardianship, will/ trust contests and other estate related litigation. Mr. Connor is also head of the firm's Long-Term Care Planning Department where he advises clients on how best to preserve assets for themselves and their families. Mr. Connor regularly handles complex trust and estate litigation matters and assists clients in obtaining their fair share through discovery, litigation, and negotiation. Additionally, he utilizes sophisticated estate planning techniques in the establishment of estate tax avoidance vehicles and completing charitable giving in the most tax-efficient manner. Mr. Connor is admitted to practice in the State of New York and the United States District Court for the Northern District of New York. He is a member of the New York State Bar Association, the Albany County Bar Association and is currently an Editor for the Elder and Special Needs Law Journal.

Mr. Connor has formerly served on the New York State Bar Association Committee on Legal Education and Admission to the Bar and was a board member of the Leukemia and Lymphoma Society of Northeastern New York. Mr. Connor received his Bachelor of Arts Degree from the University at Albany and his Juris Doctorate from Albany Law School. He was named a Partner in the firm in 2015.

SPEAKERS

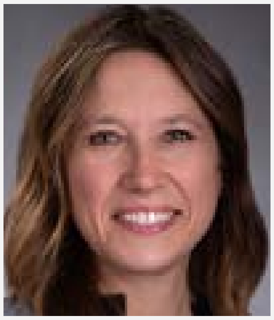
Accounting & Tax Planning



KEVIN O'LEARY

CPA, Managing Director, Marvin and Company, P.C.

Kevin began his career with Marvin and Company in 1999 and became a Director in 2010. He was named Managing Director effective January 1, 2019. Kevin has nearly 20 years experience in non-profit, manufacturing and ERISA plan audits as well as corporate and personal income tax. He is also involved in the Firm's tax department dealing with tax compliance, Form 990 issues and assisting non-profits in obtaining exempt status. Kevin also oversees the firm's business development and marketing initiative, which includes budgeting, marketing goals and scheduling of events and participation. Kevin previously served on the Small Business Committee for the Albany-Colonie Regional Chamber of Commerce, and also served as the treasurer of Capital Region Sponsor-A-Scholar. He is a past President, President-Elect, Treasurer and Secretary of the Northeast Chapter of the New York State Society of CPAs. Kevin is also very involved in the local start-up community as an investor with Eastern NY Angels and a sponsor of local events such as Start-up weekend at Grand-Slam Alley and the College of Nanoscale Science and Engineering as well as many college incubator programs. He currently serves on the board of the New York State Society of Certified Public Accountants (NYSSCPA). Kevin graduated from Hartwick College in Oneonta, New York, where he received his BS in Accounting.



KRISTIN LEBROU

EA, CFP, Tax Manager, Marvin and Company, P.C.

Kristin, a manager in the tax department at Marvin and Company, P.C., graduated magna cum laude from the State University of New York at Albany with a B.A. degree in political science. She has more than 20 years experience working with a variety of clients including high net worth individuals, trusts and estates. She also has experience with gift tax compliance and foreign asset reporting. Additionally Kristin is a Certified Financial Planner®.

Insurance Planning

RYAN HUNGERSHAFER

Managing Director, Northwestern Mutual

Ryan Hungershafer, CFP, CLU, ChFC, serves as Managing Director of the Northwestern Mutual Albany District Office and is in his fifteenth year as a Wealth Management Advisor. His career began in Northwestern Mutual's nationally-ranked internship program in 2002. Ryan is a graduate of Siena college and lifetime resident of the Capital Region.

SPEAKERS

Wealth Management & Trust Services

MARK HASENAUER

Vice President, Wealth Strategist, TD Private Client Group

Mark Hasenauer is the Wealth Strategist for the southern region of TD Wealth. Mark is primarily responsible for consulting on business succession strategies as well as developing and implementing custom estate planning solutions for high-net-worth individuals and multigenerational families. Mark has worked with business owners and high-net-worth families for 25 years. After retiring from the practice of law and public accounting, he has held positions with Wells Fargo, Citi and PNC.

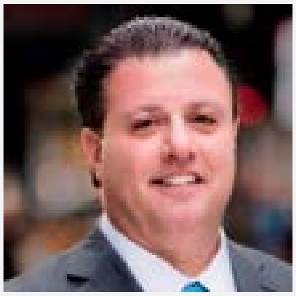
Business Valuation

CHUCK COYNE

ASA, Senior Managing Director, Empire Valuation Consultants, LLC

Chuck is a Senior Managing Director at Empire Valuation Consultants and is an Accredited Senior Appraiser (ASA) of the American Society of Appraisers. He has over 30 years of professional experience providing financial consulting, business appraisals, ESOP feasibility and transaction consulting, due diligence and expert witness testimony on business valuation matters. Chuck has extensive experience in the valuation of business assets and interests for purposes of employee stock ownership plans (ESOPs), providing ESOP feasibility studies, plan design and implementation consulting services. He has assisted over 100 companies in exploring the feasibility of utilizing an ESOP and implementing an ESOP for business succession purposes.Chuck has prepared and managed estate and gift tax valuations, fairness opinions, purchase price allocation among acquired intangible assets and goodwill impairment testing, shareholder and partnership disputes, marital dissolution, acquisitions, divestitures and mergers.Chuck has published articles and lectured on business valuation, mergers and acquisitions, succession planning and ESOPs before various professional and industry groups throughout the United States.

Trust Funding



FRANK MELIA

Vice President, Senior Lending/Reverse Manager, Quontic Bank

Frank Melia has worked in the financial services industry since 1990 and was a financial advisor for the first 10 years of his career. He has built a successful track record as a loan officer, with a focus on Irrevocable Trust Borrowing Options. In 2007, Frank received his certified mortgage planning specialist designation from the CMPS Institute in Ann Arbor, MI. Today, he offers guidance on a range of lending programs, such as purchase and refinance loans, reverse mortgages, and portfolio lending Lite Documentation loan programs. Viewed as an expert on the mortgage industry, Frank can be heard on "Ask the Lawyer with Mike Connors," a weekly radio program broadcast on AM 970 The Answer and AM 570 WMCA in New York City. He holds a Bachelor of Science in Economics/Marketing from Wagner College.

CASE STUDY

Synopsis

Naomi: Age 59
Greg: Age 56

Greg and Naomi met 10 years ago on a dating app. Both are divorced with four kids between them, ranging in age from 20-27. They live in Naomi's house in Saratoga Springs, NY, and to date remain unmarried.

Naomi has considerable assets and a thriving Internet business; Greg is a civil engineer at the New York State Department of Transportation, with a steady but much smaller income stream and a retirement package. Both have wills done during prior marriages that they have not yet updated, and no other legal documents. Greg and Naomi are anxious about the future. They don't have an estate, financial or retirement plan, and very little insurance.

The Business - Phantom's Nest

With her computer science degree from NYU and a Masters in Software Engineering at Rensselaer, Naomi worked her way up in the video gaming industry. Six years ago, she obtained a Minority and Women-Owned Business Enterprise (MWBE) certification and started her own Internet company selling online gaming products, including a contract with the US Navy. Phantom's Nest, LLC now has 26 employees, many of whom work remotely, and it's taken off. International sales topped $13 million dollars year to date with domestic sales at $10 million and international sales at $3 million. The business is growing exponentially. Substantial investment in the business occurred in 2021, with net business income of $1 million, which is expected to also show explosive growth.

In 2020 the Company received a $1 million PPP Loan as part of the first round (was not eligible for round 2) and has retained the liquidity on its accounts. Recently, loan was forgiven by the SBA and as profit & operating cash flow are upcoming, the $1 million is "excess" working capital.

The company operates on an accrual basis and has no debt. Prior to the Pandemic, half of the employees worked from home, but now almost all do. The company rents its office and the lease is up in 2022. The Company is unlikely to renew. All products are online through app stores or Phantom Nest's own website.

Growth Potential

Naomi has been approached by two private equity firms in the past six months and has received indication of interest letters from both but does not plan to sell the business or retire in the near future.

Additional Facts

- Naomi has a son Jason, 27, and daughter Julie, 25
- Greg has a son Thomas, 22 and daughter Sara, 20
- Thomas attended a "Bring Your Son (stepson) to Work Day" at age 12 and became enthralled with video gaming. At age 22, he now works in Naomi's business and has shown promise.

- While Thomas has management potential, Naomi wants to make sure her own children inherit the bulk of the business value.
- The other children have expressed no interest in the business
- Jason is on the autism spectrum and receives SSI and Medicaid which pays for the group home in which he resides
- Greg's mother Mavis is 86 years old with declining health. He wants to bring in home aides so she can age at home in her modest house in Schenectady, New York with equity of $225,000. Her other assets total $175,000. Annual income includes Social Security benefits of $1250/month.
- Naomi's father, George is 84 and in excellent health. He had a successful career as an engineer and his current net worth is $4.5 mil.

CASE STUDY, cont.

Income:

Naomi	$1 million
Greg	$120,000

Naomi and Greg's Assets

Naomi

Saratoga Springs Home:	$2 mil (mortgage $500K)
Phantom's Nest LLC (sole owner)	$13 mil (2019 value)
Liquid Assets (investments, cash)	$800,000
Life Insurance (Whole Life)	$500,000 (cash val. $80,000)
Life Insurance (20 yr. level term, 2015 purchase)	$1,000,000
401(k)(Managed by TD Wealth)	$2,500,000

Greg

Deferred Comp	$750K
Condo in Vermont near Stratton	$475,000
Liquid Assets	$150,000

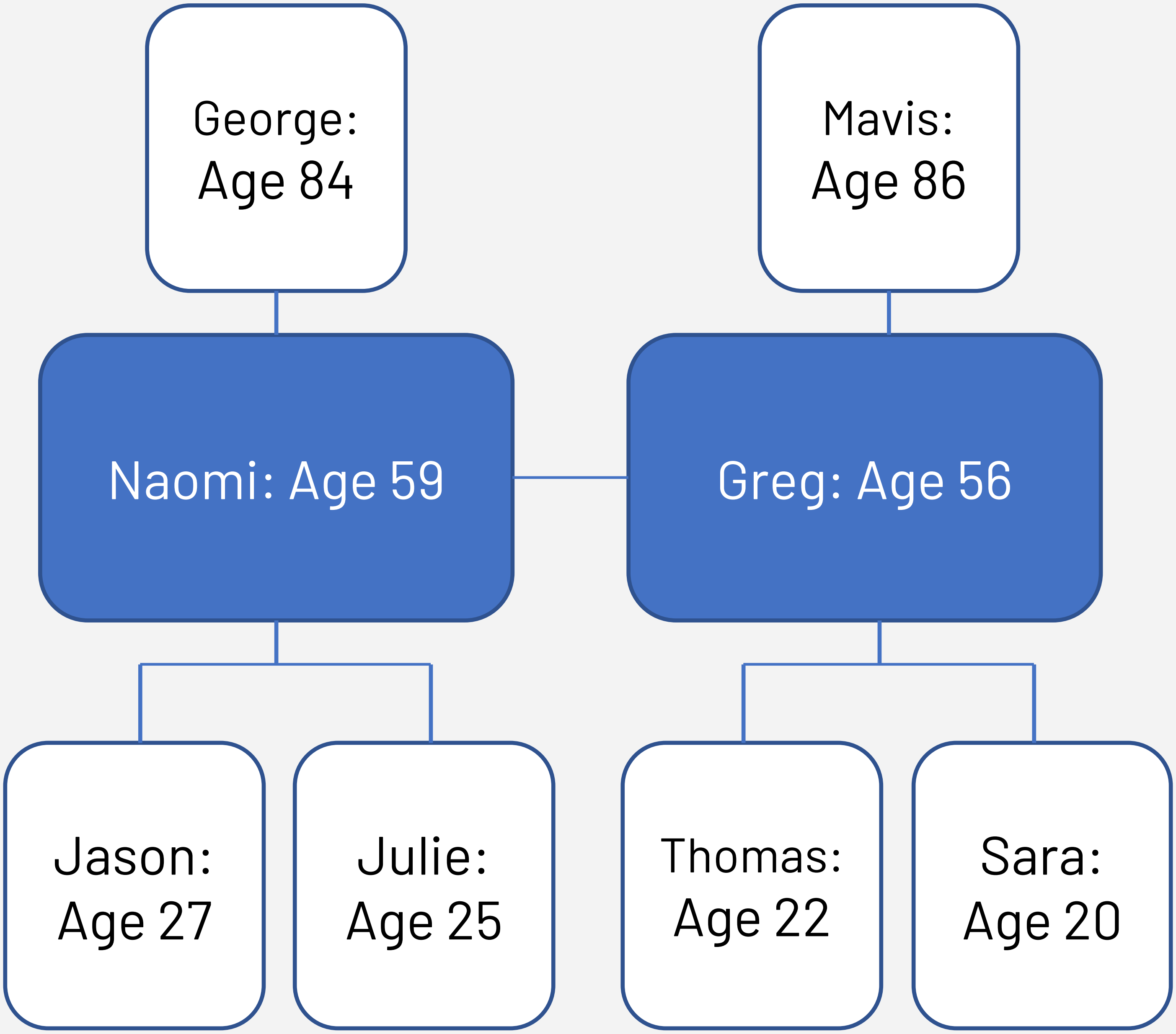
THE CHALLENGE

Greg and Naomi have assembled a team of advisors with a challenge: create a comprehensive estate plan and meet these pressing goals:

- How can they take advantage of current rules to protect their assets and manage wealth?
- What strategies can work swiftly to minimize taxes and risk?
- What is Naomi's business worth and how can she structure a future sale so that her retirement is secure and her own children are taken care of?
- What kind of planning will provide for Jason's special needs and Mavis' long-term care?

And, in view of all opportunities at hand, this couple also wants to know:
Should they get married?

Family Tree


George:
Age 84
Mavis:
Age 86
Naomi: Age 59
Greg: Age 56
Jason:
Age 27
Julie:
Age 25
Thomas:
Age 22
Sara:
Age 20

OUR SPONSORS

QUONTIC BANK™

EMPIRE
VALUATION CONSULTANTS

TD Wealth Management

MARVIN
AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
A History of Shaping Futures

Northwestern Mutual®

Frank Melia - CMPS
VP Senior Lending/Reverse Manager
NMLS ID: 62591
O: 631-794-3511 | M: 516-729-3438
F: 888-324-4677
E: fmelia@quonticbank.com
425 Broadhollow Rd., Suite 302 Melville, NY 11747

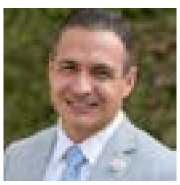
Michael Bocelli - CMPS
VP Senior Lending/Reverse Manager
NMLS ID: 38416
O: 631-794-3519 | M: 516-242-4063
F: 888-320-6599
E: mbocelli@quonticbank.com
425 Broadhollow Rd., Suite 302 Melville, NY 11747

Northwestern Mutual®

IF YOU LIVE FOR IT, WE'LL HELP YOU PLAN FOR IT.

We're here to help you do the things that matter most, with the people who matter most. Now and years from now. Because when you're in control of your money and start realizing your financial goals, planning looks less like planning and more like living. **Spend your life living.®**

LET'S GET STARTED



Alex J Tronco
CLU®, ChFC®, CFP®, CASL®
Managing Partner
518.785.4141
capitalregion-ny.nm.com

Ryan M Hungershafer
CFP®, ChFC®, CLU®, CLTC
Managing Director
518.459.4665
ryanhungershafer.com

VALUATIONS.

WE SEE WHAT OTHERS DON'T LOOK FOR.

Since our founding in 1988, we have grown into one of the nation's leading and most respected independent valuation consulting firms.

With clients based across the country and internationally, we are the clear choice of top legal, accounting and wealth advisors for estate planning transfers and tax reporting.

With a staff of over 80 employees, we bring excellence and integrity to every engagement through our team of highly skilled individuals who are among the finest our industry has to offer.

Valuation Services Provided For:

- Estate and Gift Tax Valuations
- ESOP and ERISA Advisory
- Transaction Opinions
- Alternative Asset Portfolio Valuation
- Financial Reporting
- 409a Valuations
- Note Valuations
- Exit Planning
- Litigation Support

And much more

Experience Excellence **www.empireval.com**

EMPIRE
VALUATION CONSULTANTS

New York
212.714.0122

Rochester
585.475.9260

Boston
617.419.7166

Long Island
631.719.3456

West Hartford
860.233.6552

San Francisco
415.590.4877