



Legacy Planning

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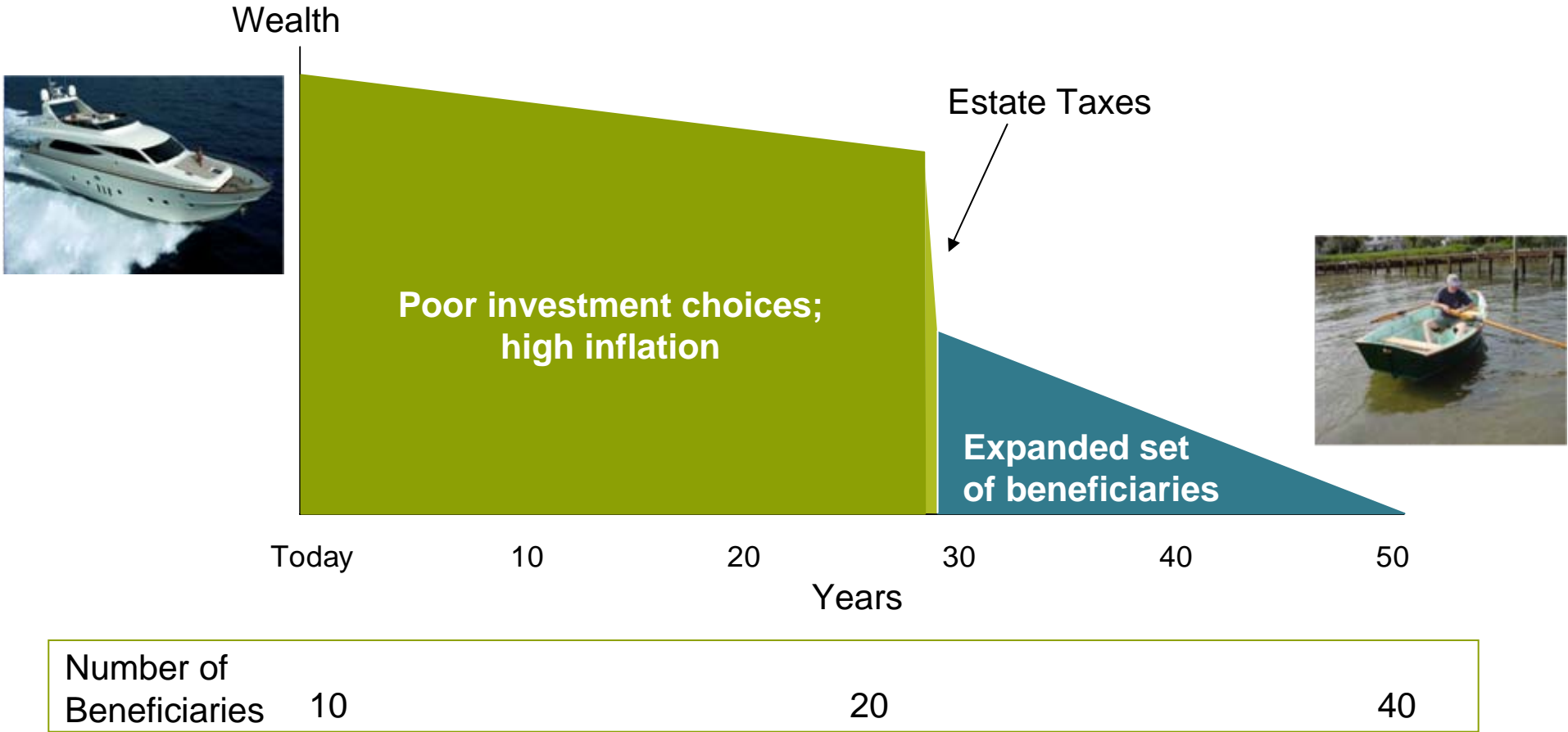
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Important Questions to Be Addressed Today

- Do I have enough to live on for my lifetime?
- What tools are available to help me determine how much is enough?
- How much should I provide for my children and possibly grandchildren?
- What is the right amount to give to charity today?
- How should I be thinking about my charitable portfolios?
- What is the best way to involve my family in the process?

Multigenerational Wealth Faces Stiff Headwinds

Family Wealth (After Spending, Inflation and Taxes)



Source: AllianceBernstein

Evaluating What You Need

Lifestyle Spending

Personal Reserve

Core Capital

- Amount to ensure spending needs are met
- Often calculated at 90%-95% level of confidence

- How much do you spend?
- What is your age?
- What is your risk tolerance?

Extra Spending

Capital for Next Venture

Children and Grandchildren

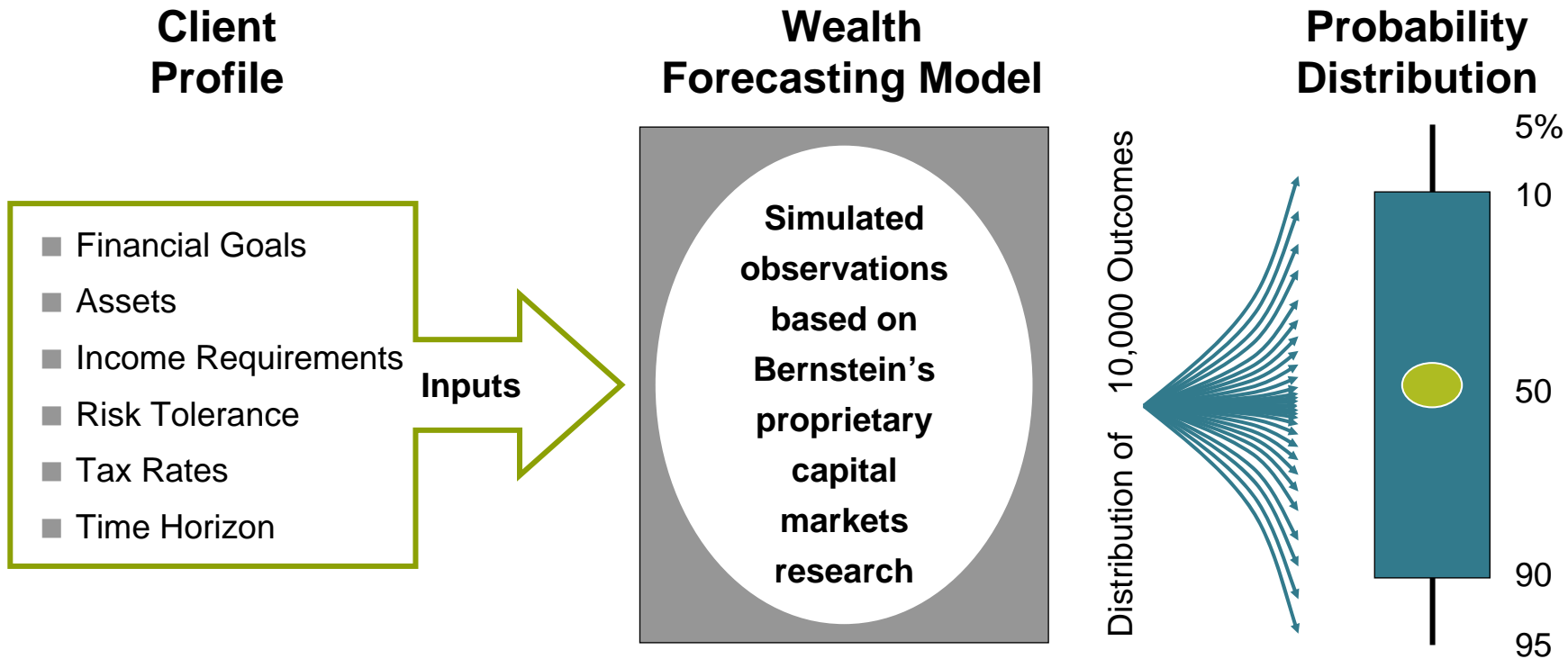
Charity

Excess Capital

- Amount for expanded opportunities
- Your “Gifting Capacity”

- How much?
- To whom?
- How quickly?
- How allocated?
- What strategies?

The Bernstein Wealth Forecasting Process



- Assumes uncertainty in the future to determine a realistic range of outcomes
- Incorporates complex interrelationships among asset classes
- Takes into account current market conditions
- Considers historical patterns of returns—without relying on averages

The Wealth Forecasting System, one of the biggest R&D projects ever undertaken at our firm, is based upon our proprietary analysis of historical capital markets data over many decades. We looked at variables such as past returns, volatility, valuation ratios, and the correlations among them to address the planning questions our clients ask. The model's output is a vast range of possible outcomes—relating to market asset classes, not Bernstein portfolios—that serve as grist for a client's decision-making mill. Of course, there is no assurance that any specific outcome suggested by the model will actually come to pass. But by quantifying the possibilities of achieving financial goals under changing, and sometimes extreme, capital markets conditions, the tool should help our clients make better choices.

Age and Spending Determine Core Capital

■ Two questions:

- How much do you spend a year?
- How old are you (at what rate can you safely spend for the remainder of your lives)?

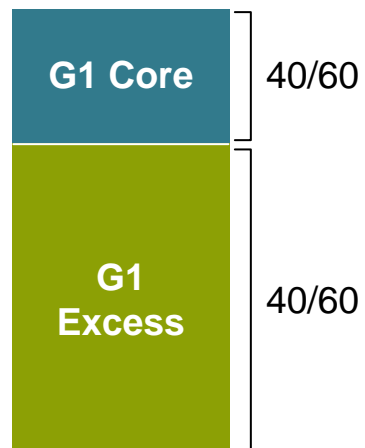
Age	50	55	60	65	70	75	80	85
Spending Rate*	2.8%	3.0%	3.2%	3.5%	3.9%	4.4%	5.1%	6.0%

$$\begin{aligned} \text{Annual Spending Needs:} & \quad \$ 200\text{K} \\ \div \text{ Sustainable Spending Rate:} & \quad \underline{3.2\%^*} \\ \text{= Core Capital Needs:} & \quad \underline{\underline{\$ 6.3 \text{ Mil.}}} \end{aligned}$$

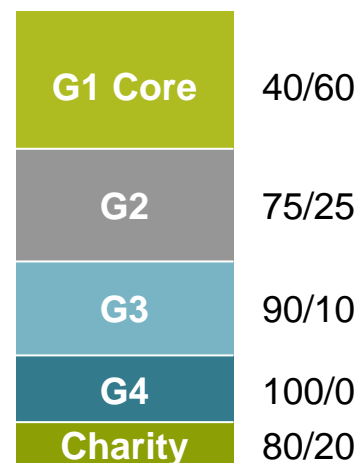
*Spending is percentage of initial value of portfolio grown with inflation; sustainable spending rates assume maintaining spending with a 95% level of confidence. Based on Bernstein estimates of the range of returns for the applicable capital markets over the periods analyzed. Data do not represent past performance and are not a promise of actual future results. See Notes on Wealth Forecasting at the end of this presentation for further details. All information on longevity and mortality-adjusted investment analyses in this study are based on mortality tables compiled in 2000. In our mortality adjusted analyses, the lifespan of an individual varies in each of our 10,000 trials in accordance with mortality tables.
Source: Society of Actuaries RP-2000 mortality tables and AllianceBernstein

Allocate Overall Portfolio to Meet Each Generation's Goals... and Grow Family Wealth

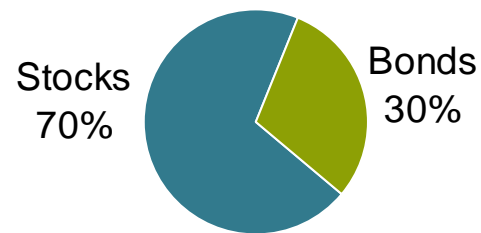
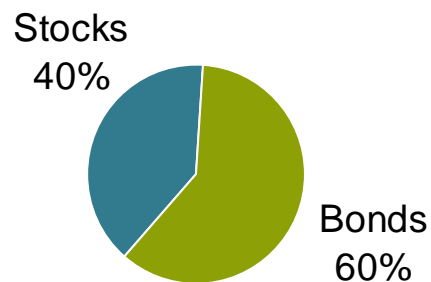
Single Generation Allocation



Multigenerational Allocation



Overall Asset Allocation:



**Total Family Wealth
(typical markets*):**

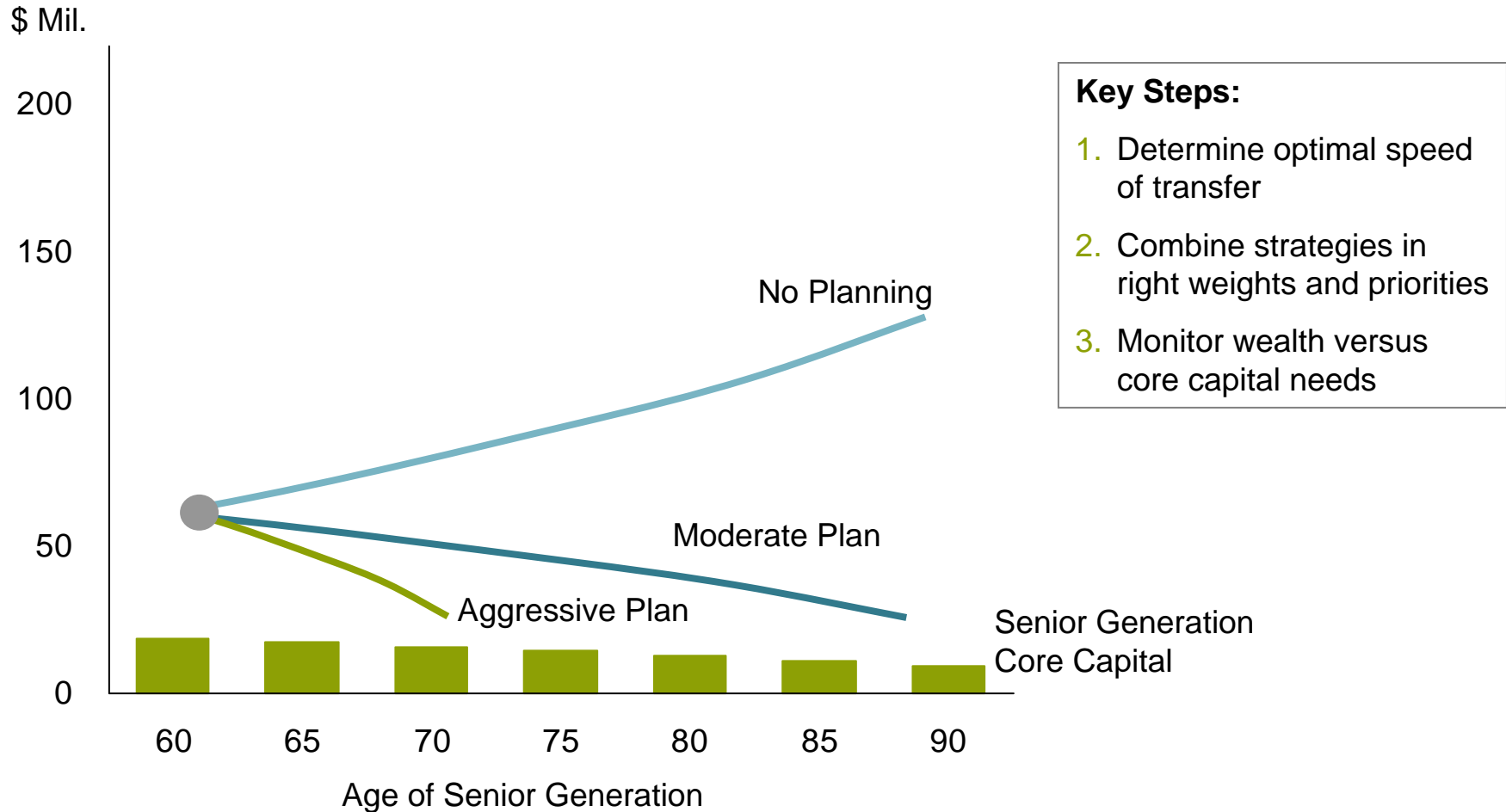
Year 30: \$19 Mil.

Year 30: \$23 Mil.

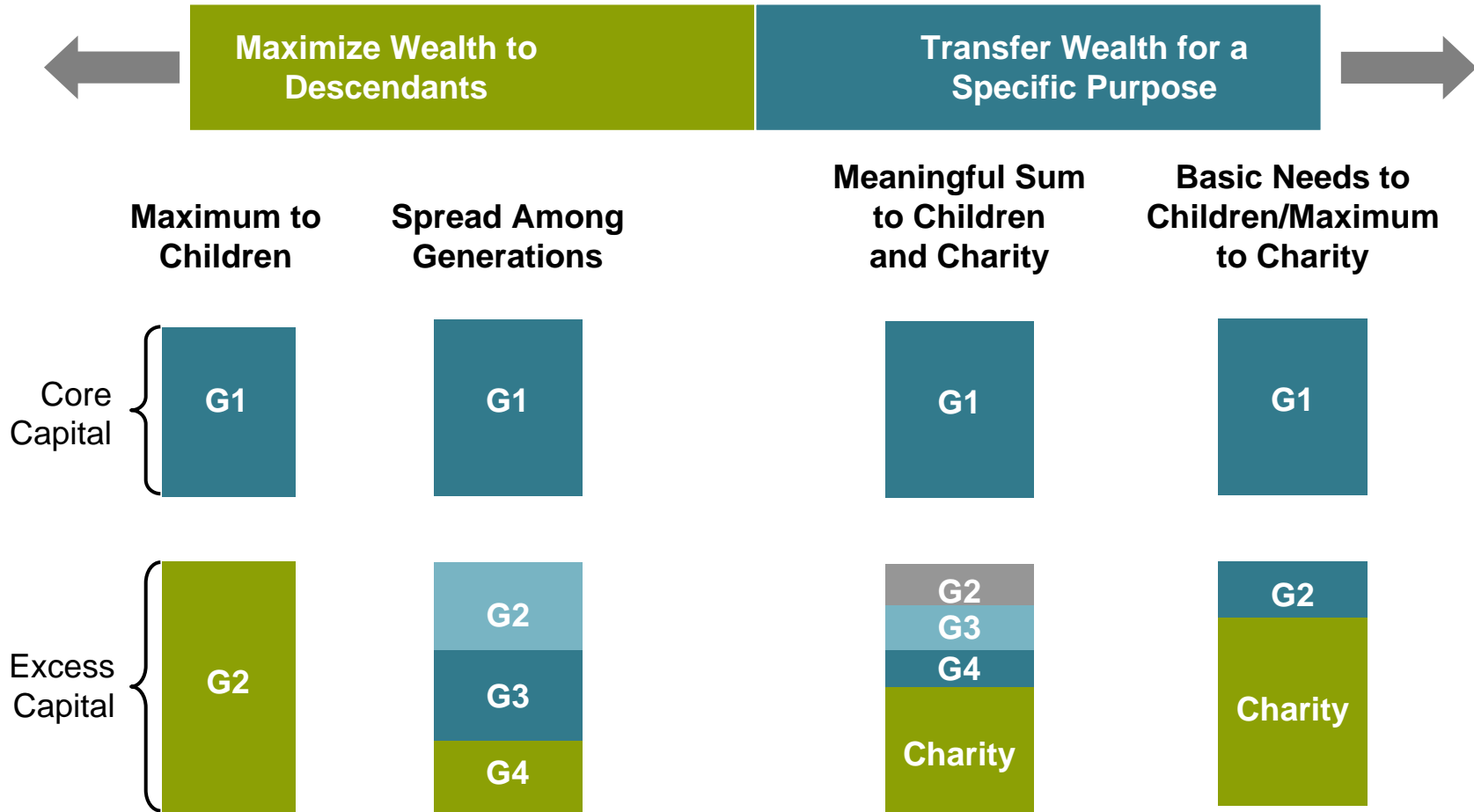
*"Typical markets" represent results at the 50% level of confidence in our Wealth Forecasting model.

Based on Bernstein estimates of the range of returns for the applicable capital markets over the periods analyzed. Data do not represent past performance and are not a promise of actual future results or a range of results. See Notes on Wealth Forecasting at the end of this presentation for further details.

Determine the Right Pace and Trajectory of Transfer



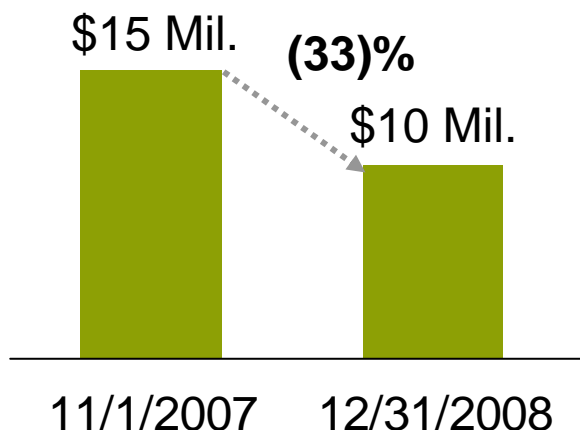
Splitting Heirs: A Continuum of Transfer Philosophies



Stress-Testing Before Implementing a Wealth Transfer Plan

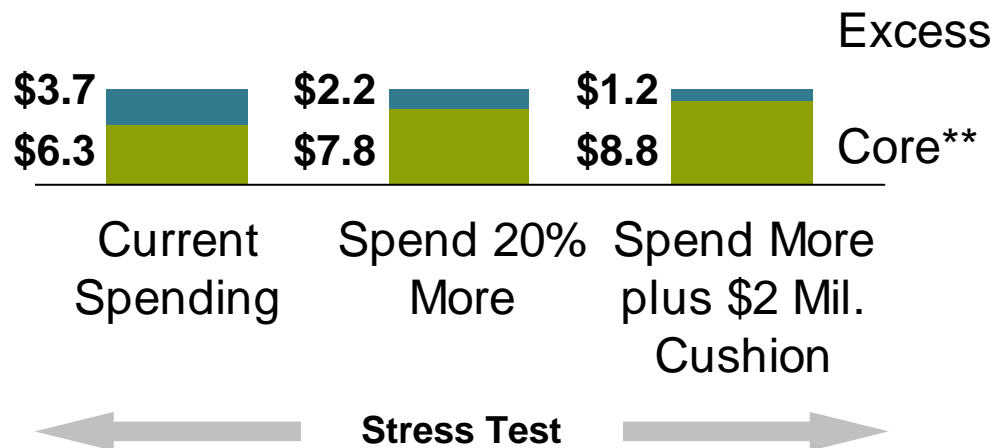
- Even balanced portfolios have suffered significant declines...

Balanced Portfolios*



- ...but many may be encouraged that they still have capacity to make gifts

Core vs. Excess Capital



*Balanced portfolio defined as 60% stocks / 40% bonds. Cumulative return from 11/1/2007 through 12/31/2008 for 60/40 portfolio is -28% (42% S&P500, 15% MSCI EAFE, 3% MSCI Emerging Markets, 40% Lipper Int. Municipal Bond Fund Avg.).

**Required starting assets for a 60 year old couple to maintain spending with a 95% level of confidence assuming an allocation of 60% globally diversified stocks (35% US Value and 35% US Growth, 25% developed foreign markets, 5% emerging markets) and 40% diversified intermediate term municipal bonds. Current spending is \$200,000/year grown with inflation. Based on Bernstein estimates of the range of returns for the applicable capital markets over the periods analyzed. Data do not represent past performance and are not a promise of actual future results. See Notes on Wealth Forecasting at the end of this presentation for further details.

Taking Care of Our Children: How Much Is Enough?

■ Two questions:

- How much do you want your children to be able to spend a year?
- Over what time horizon?

Here we define the time horizon as the life expectancy of the child

Age	50	55	60	65	70	75	80	85
Spending Rate*	2.8%	3.0%	3.2%	3.5%	3.9%	4.4%	5.1%	6.0%

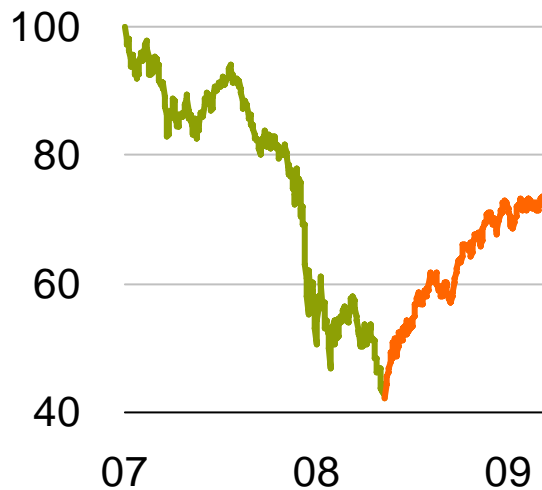
$$\begin{aligned} \text{Annual Spending Goal:} & \quad \$ 50\text{K} \\ \div \text{ Sustainable Spending Rate:} & \quad \underline{3.0\%^*} \\ \text{= Legacy Objective:} & \quad \underline{\underline{\$ 1.67 \text{ Mil.}}} \end{aligned}$$

*Spending is percentage of initial value of portfolio grown with inflation; sustainable spending rates assume maintaining spending with a 95% level of confidence. Based on Bernstein estimates of the range of returns for the applicable capital markets over the periods analyzed. Data do not represent past performance and are not a promise of actual future results. See Notes on Wealth Forecasting at the end of this presentation for further details. All information on longevity and mortality-adjusted investment analyses in this study are based on mortality tables compiled in 2000. In our mortality adjusted analyses, the lifespan of an individual varies in each of our 10,000 trials in accordance with mortality tables.
Source: Society of Actuaries RP-2000 mortality tables and AllianceBernstein

The Current Philanthropic Landscape

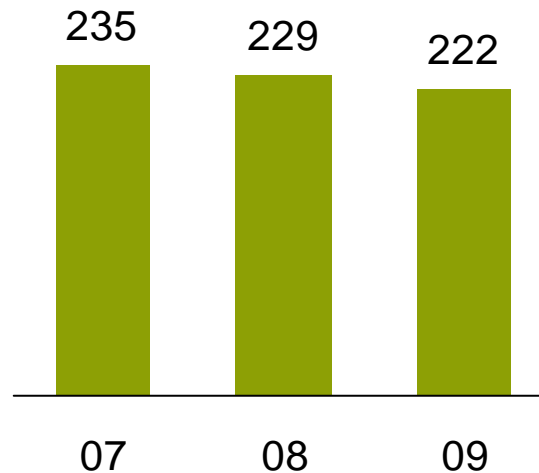
Asset Values Are Down

MSCI World: Growth of \$100*
Oct 31, 2007–Dec 31, 2009 (\$)



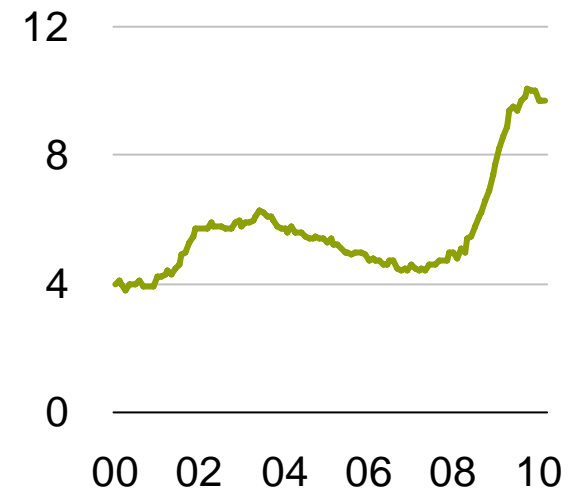
Contributions Are Down**

US\$ Billions



Beneficiaries' Need for Charity Is Up***

US Unemployment Rate
Percent



**What should a charitable family do?
“How should I be thinking about my current charitable assets?”**

Past performance does not guarantee future results.

*Source: FactSet, Morgan Stanley Capital International (MSCI) and AllianceBernstein

**Source: *Center on Wealth and Philanthropy: Forecast for 2009*, by John J. Havens and Paul G. Schervish *Advancing Philanthropy*, January/February 2010. Cited 2009 data are the average of the low-growth (\$221.06 billion) and high-growth (\$223.13 billion) projections.

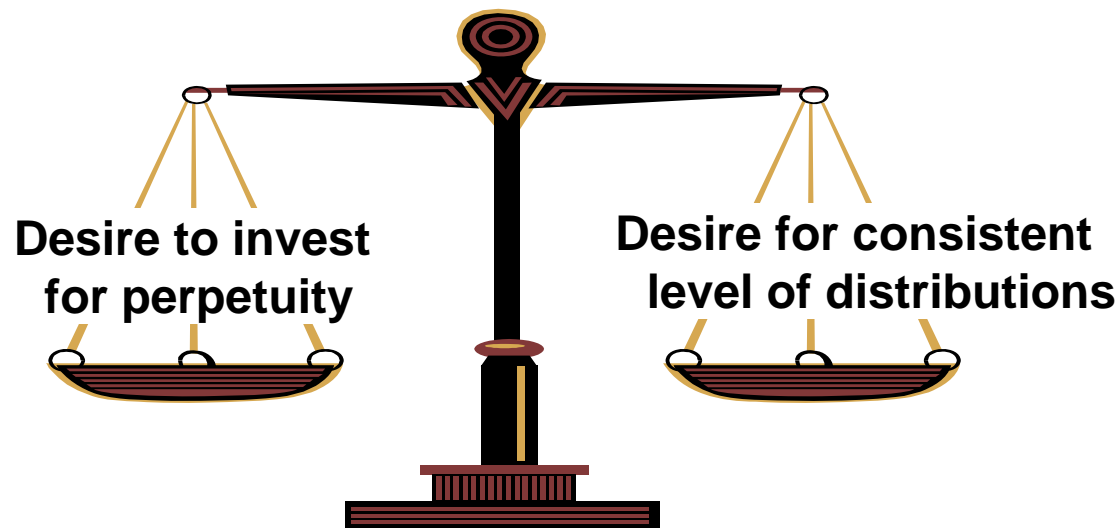
***Data through March 2010, seasonally adjusted

Source: US Bureau of Labor Statistics

The Need to Balance Conflicting Priorities

76% of foundations were formed to exist in perpetuity...but foundations are required by law to distribute 5% of assets each year

- The growth necessary to sustain a 5% spending rate and stay ahead of inflation requires a high allocation to equities...
- ...But a high allocation to equities entails greater volatility of annual returns, and less consistent charitable distributions.



Asset Allocation Is the Key Determinant of Risk and Return

Compound Return Median Rolling 30-Year Period
February 1890–December 2009* (Percent)



Historically, at least 70% stocks has been needed to achieve perpetuity

Past performance does not guarantee future results.

*Rolling 30-year periods start monthly. Number of rolling 30-year periods studied: 1,080. See note on Asset Allocation in Historical Studies in Appendix.

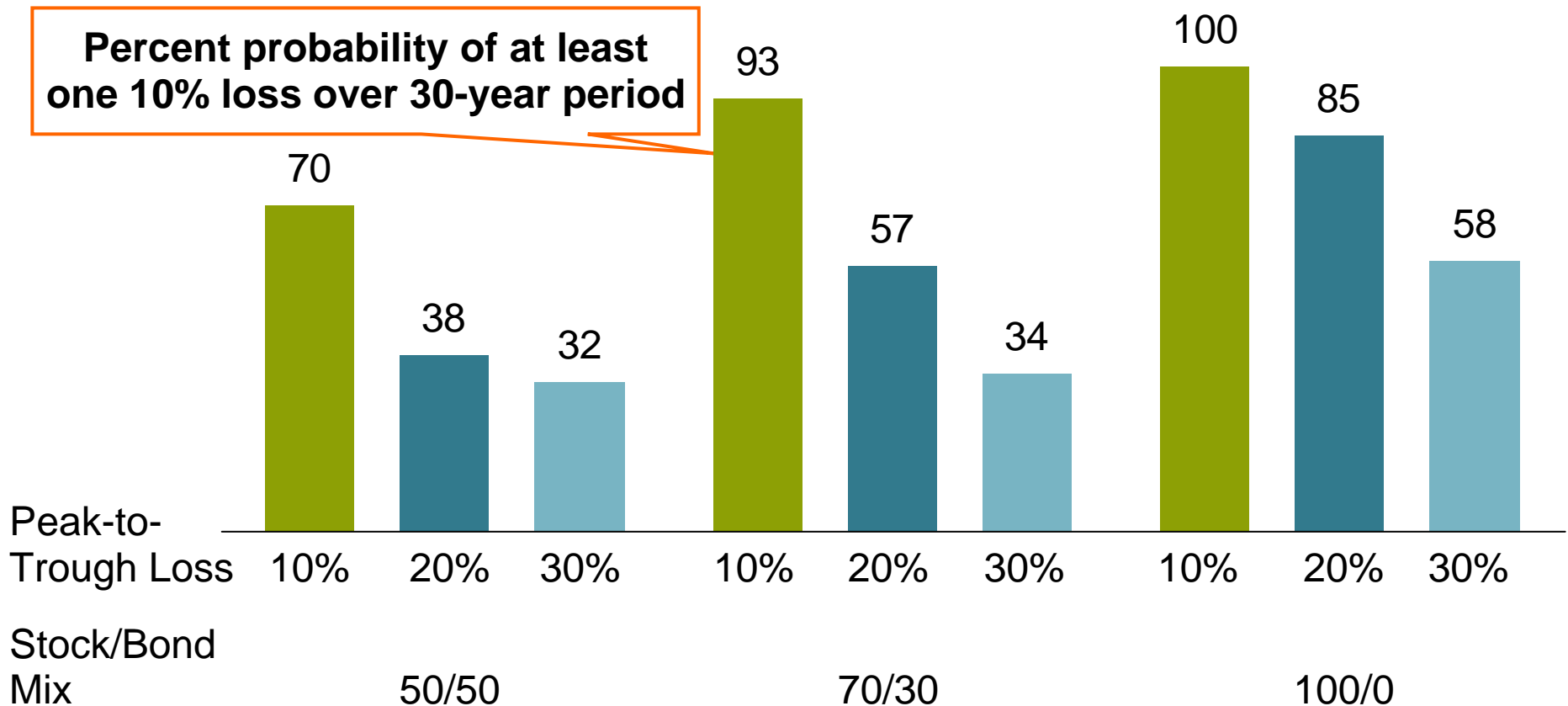
Source: Association of Small Foundations, 2009–2011 Foundations Operations and Management Report and AllianceBernstein analysis

But Higher Equity Allocations Increase Volatility

Historical Probability of Peak-to-Trough Losses

Rolling 30-Year Cycles*

February 1890–December 2009 (Percent)



Past performance does not guarantee future results.

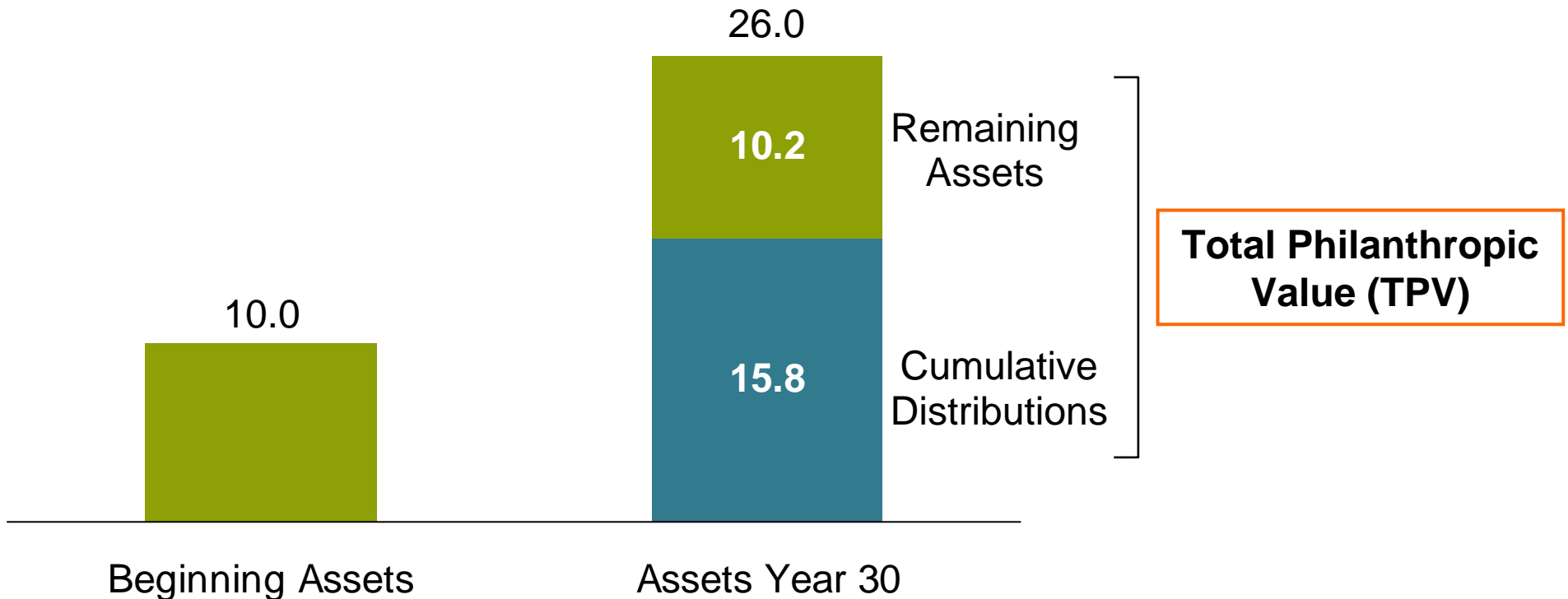
*Rolling 30-year periods start monthly. Number of rolling 30-year periods studied: 1,080. See Note on Asset Allocation in Historical Studies in Appendix.

What if Perpetuity Is Not the Objective?

- Testamentary gifts vs. giving while you live—maximizing current impact
- How do I quantify the “rate of return” on my charitable investment?
- What if the kids aren’t interested in managing the charitable fund?
- “Depleting” or “Defined Term” charitable funds

Total Philanthropic Value (TPV) Defined

70% Stocks/30% Bonds, Distributing 5% Annually
Median Forecast Results, Adjusted for Inflation (US\$ Millions)



Initial assets of \$10 million.

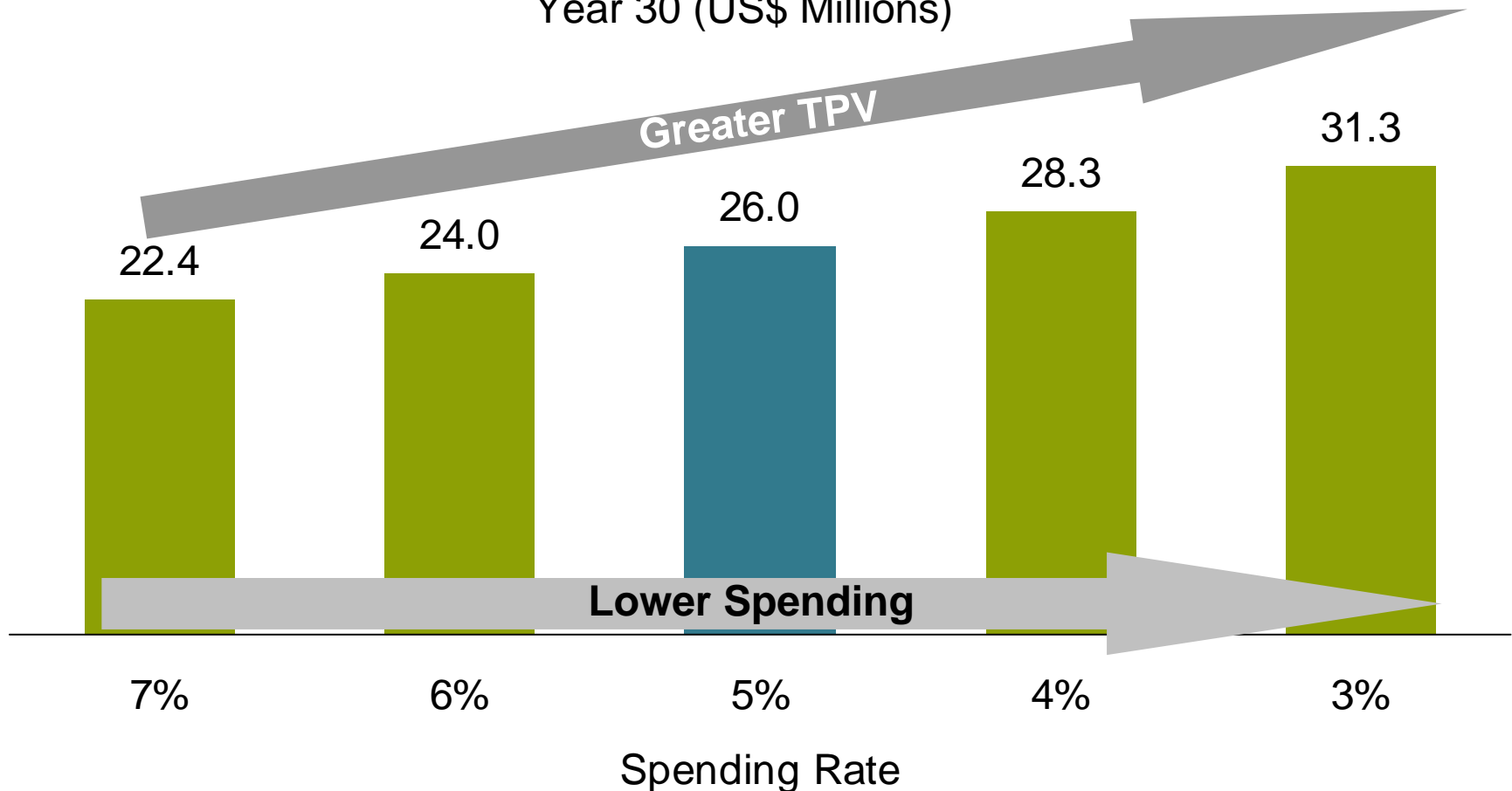
Asset allocation is 65% Global Stocks/25% Intermediate Taxable Fixed Income/10% REITs. Global Stocks are 35% US Value/35% US Growth/25% Developed International/5% Emerging Markets. See Notes on Wealth Forecasting System in the Appendix of this presentation.

TPV Paradox: Lower Spending Means More Charitable Impact

TPV vs. Spending Rate

70% Stocks/30% Bonds

Year 30 (US\$ Millions)



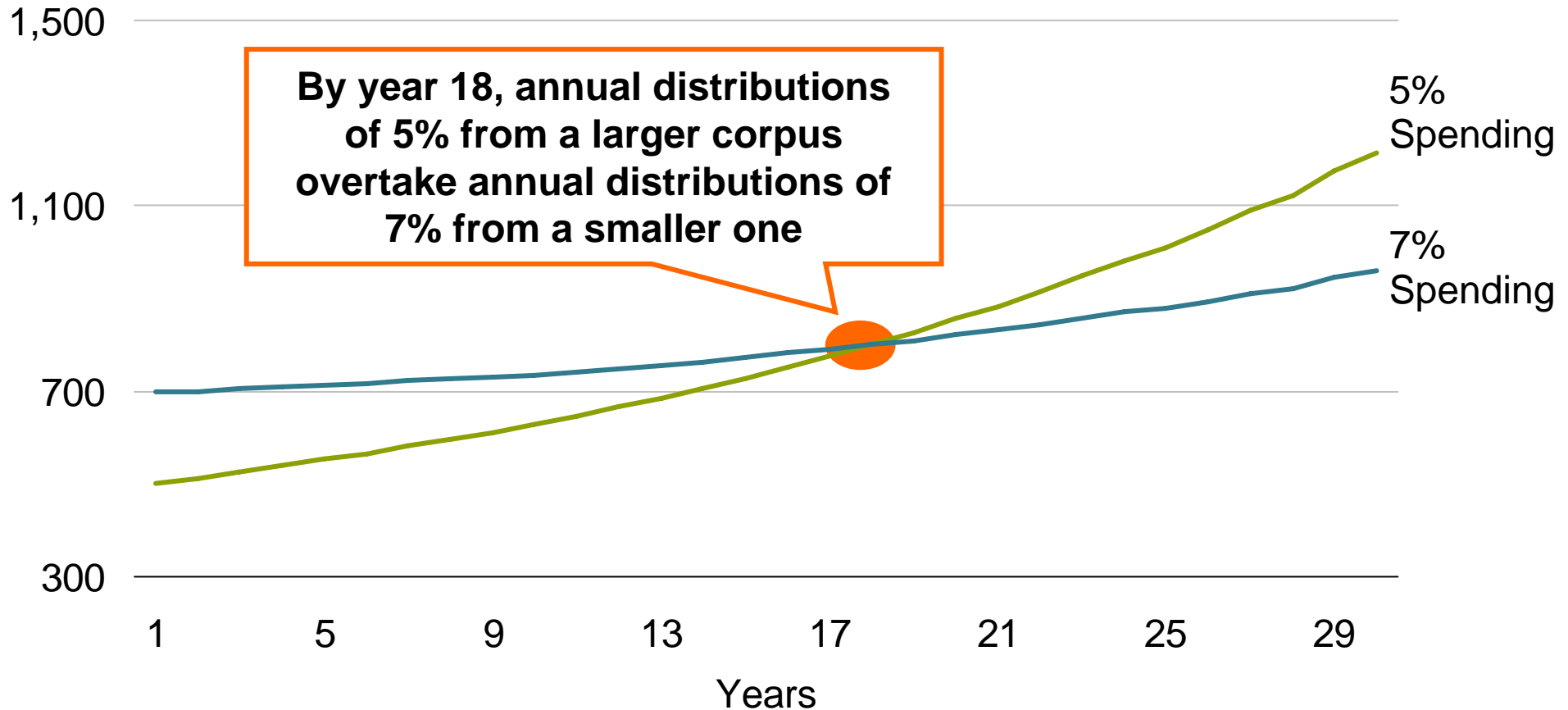
Initial assets of \$10 million.

Asset allocation is 65% Global Stocks/25% Intermediate Taxable Fixed Income/10% REITs. Global Stocks are 35% US Value/35% US Growth/25% Developed International/5% Emerging Markets.

See Notes on Wealth Forecasting System in the Appendix of this presentation.

...And, in Time, Greater *Annual* Spending

Annual Distributions
US\$ Thousands



Initial assets of \$10 million.

Asset allocation is 65% Global Stocks/25% Intermediate Taxable Fixed Income/10% REITs. Global Stocks are 35% US Value/35% US Growth/25% Developed International/5% Emerging Markets.

See Notes on Wealth Forecasting System in the Appendix of this presentation.

Family Dynamics and Governance

- Create a family charitable mission statement
- How do I get my family involved?
- How flexible are our values?
- How does the family define wealth?
- The importance of social capital

Questions?



Appendix

The Impact of Comprehensive Planning



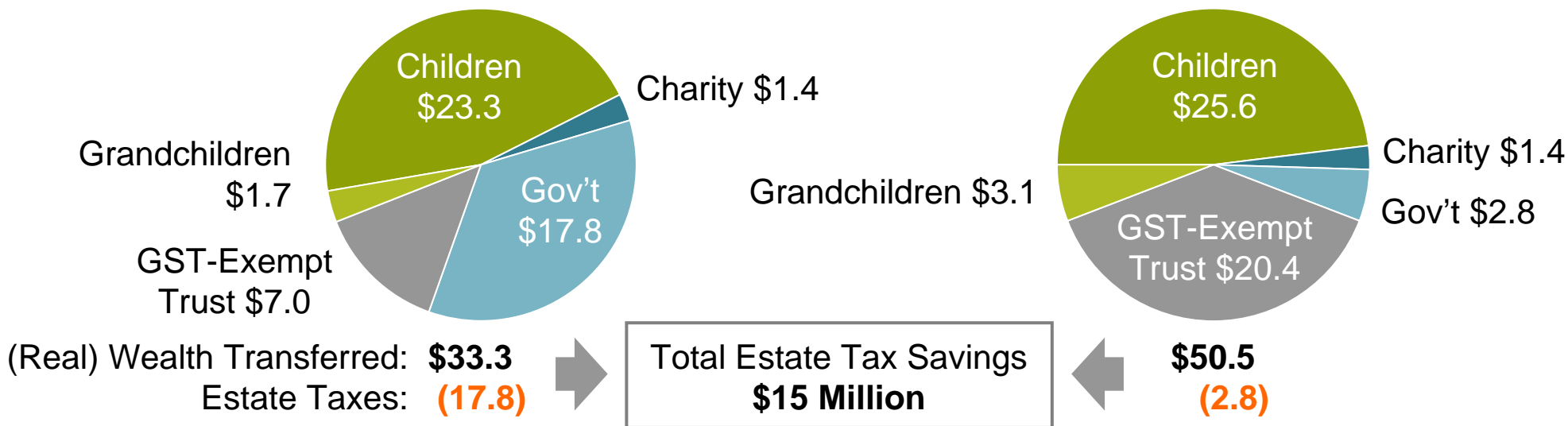
Median (Inflation-Adjusted) Values 30 Years (\$20 Million in Initial Assets) (\$ Millions)

Simple Plan

Annual Exclusion Gifts to Taxable Trusts
\$100,000 Annually to Charity

Advanced Plan

Annual Exclusion Gifts to IDGTs
\$2 Million Gift to GST-Exempt IDGT
\$3.5 Million in "Rolling" Two-Year GRATs
\$1.5 Million in 20-Year CLAT

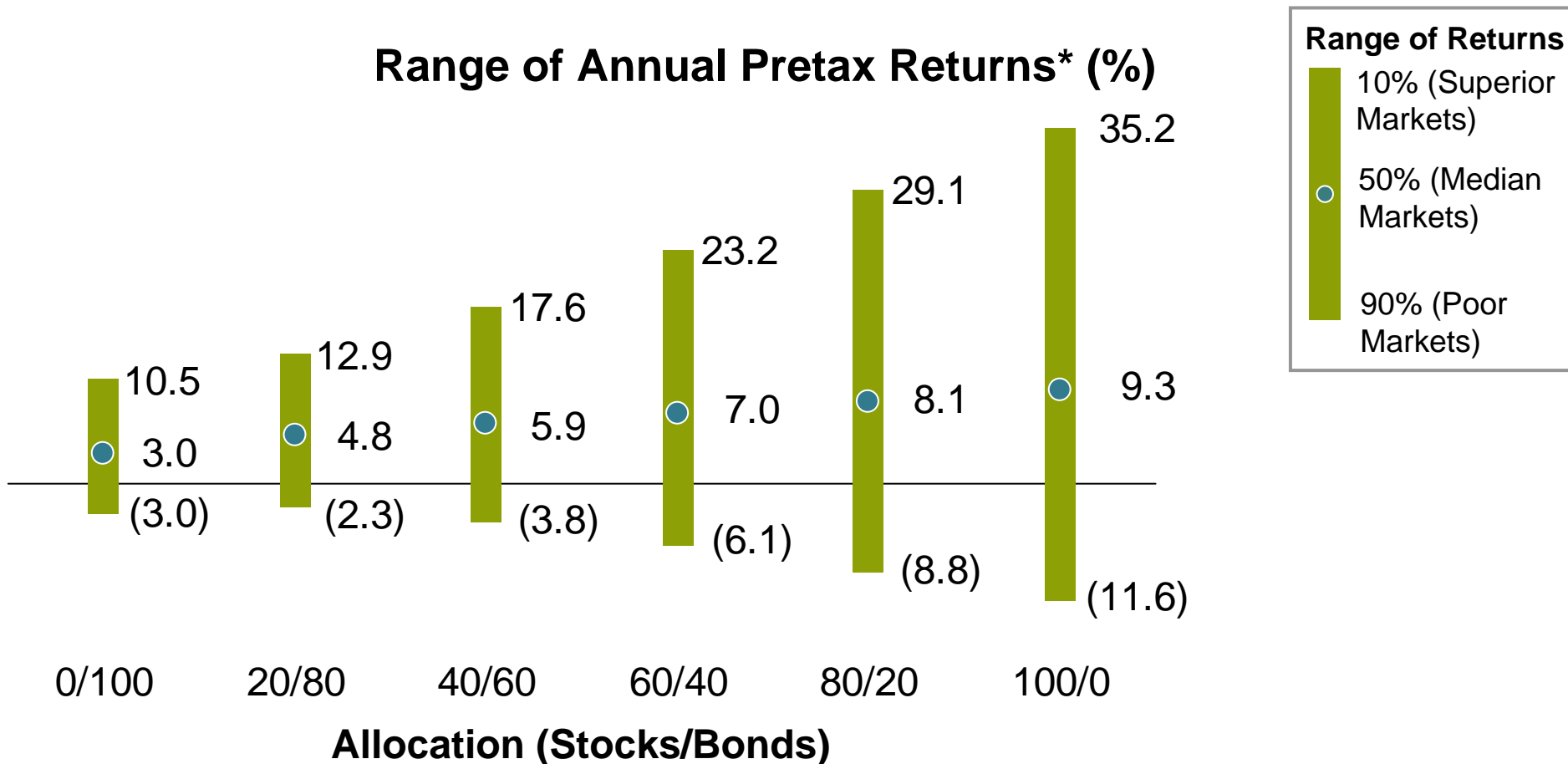


Data do not represent any past performance and are not a promise of actual future results.

*Annual spending of \$200,000 adjusted for inflation. Annual Exclusion Gifts assumed to four children (two children plus spouses) and two grandchildren. CLT is assumed to be zeroed-out at a 2.0% 7520 rate. Initial 7520 rate for "Rolling" GRAT strategy is assumed to be 2.4%. Assumes that the spouses die in same year, an estate tax rate of 45% and an inflation-adjusted \$3.5 million per person estate and GST exemption. In the limited planning case, we assume the combined \$7 million of estate and GST exemption is used to fund a GST-exempt trust and the remaining assets pass to their children after estate taxes. In the advanced planning case, we assume a \$2 million initial gift to the GST-exempt trust. This reduces the remaining estate tax exclusion in this case to \$5 million for the couple. This \$5 million is assumed go to the GST-exempt trust upon death. Based on Bernstein estimates of the range of returns for the applicable capital markets over the duration of the analysis. See Notes on Wealth Forecasting System.

Source: AllianceBernstein

Projected Returns of Various Allocations



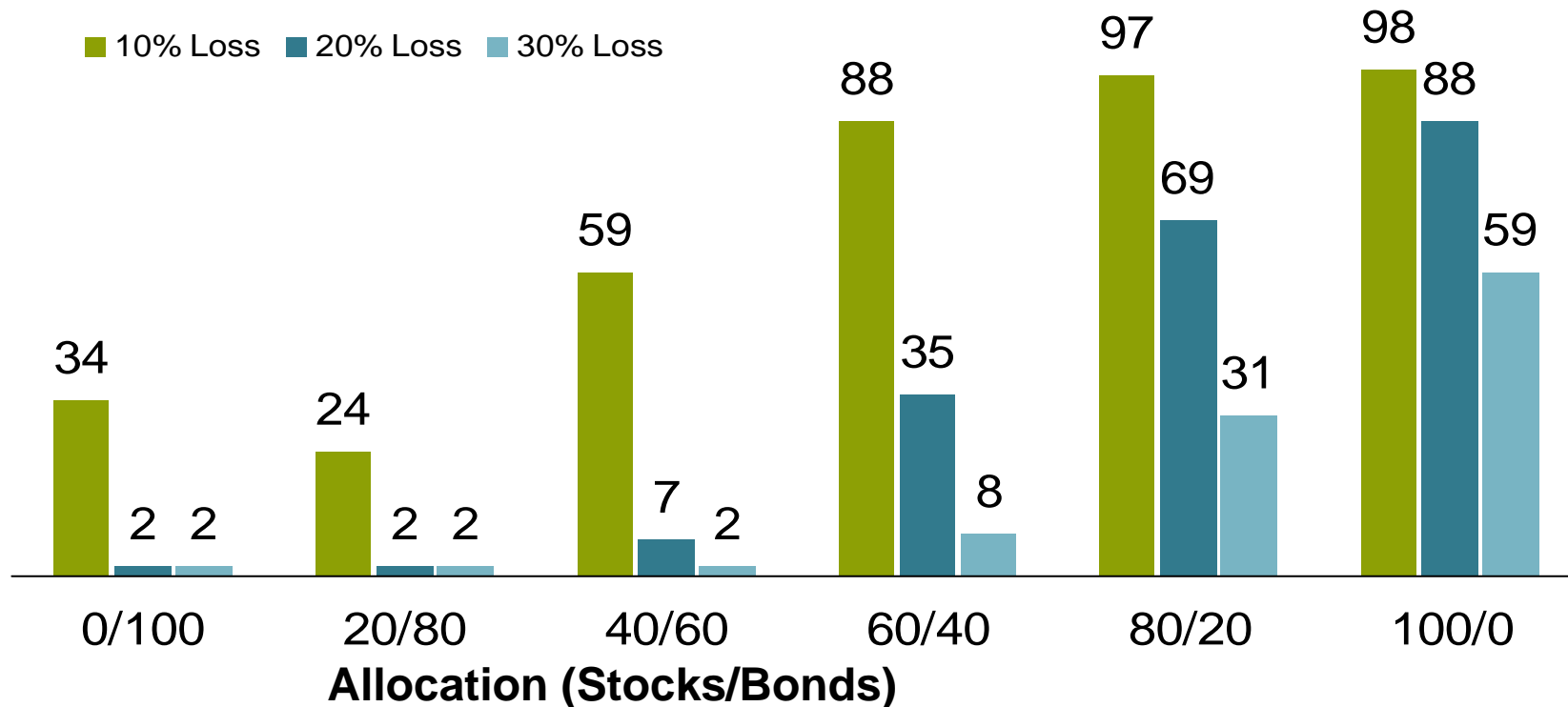
Asset allocations assume globally diversified stocks (35% US Value, 35% US Growth, 25% developed foreign markets, 5% emerging markets) and diversified intermediate-term municipal bonds in the proportions noted.

* First-year volatility of the portfolios: 0/100 = 4.0%, 20/80 = 5.1%, 40/60 = 8.0%, 60/40 = 11.2%, 80/20 = 14.5%, 100/0 = 17.9%. The annual equivalent volatility of the portfolios over the entire 30-year analysis: 0/100 = 7.5%, 20/80 = 6.9%, 40/60 = 7.7%, 60/40 = 9.3%, 80/20 = 11.5%, 100/0 = 13.9%. Annual equivalent volatility differs from the first-year volatility because the expectation and distribution of asset-class returns change over time. Based on Bernstein's estimates of the range of returns for the applicable capital markets over the next 30 years. Data do not represent any past performance and are not a promise of actual future results. See Notes on Wealth Forecasting System at the end of this presentation for further details.

Source: AllianceBernstein

Projected Volatility of Various Allocations

Probability of Peak-to-Trough Losses* (%)



Data do not represent past performance and is not a promise of actual results or a range of future results.

Asset allocations assume globally diversified stocks (35% US Value, 35% US Growth, 25% developed foreign markets, 5% emerging markets) and diversified intermediate-term municipal bonds in the proportions noted.

*Based on Bernstein's estimates of the range of returns for the applicable capital markets over the next 30 years. Data indicate the probability of a peak-to-trough decline in pretax, pre-cash-flow cumulative returns of 10%, 20% or 30% over the next 30 years. Because the Wealth Forecasting System uses annual capital markets returns, the probability of peak-to-trough losses measured on a more frequent basis (such as daily or monthly) may be understated. The probabilities depicted above include an upward adjustment intended to account for the incidence of peak-to-trough losses that do not last an exact number of years. See Assumptions and Notes on Wealth Forecasting System in Appendix for further details.

Notes on Wealth Forecasting System

1. Purpose and Description of Wealth Forecasting Analysis

Bernstein's Wealth Forecasting Analysis is designed to assist investors in making their long-term investment decisions as to their allocation of investments among categories of financial assets. Our planning tool consists of a four-step process: (1) Client-Profile Input: the client's asset allocation, income, expenses, cash withdrawals, tax rate, risk-tolerance level, goals and other factors; (2) Client Scenarios: in effect, questions the client would like our guidance on, which may touch on issues such as when to retire, what his cash-flow stream is likely to be, whether his portfolio can beat inflation long-term, and how different asset allocations might impact his long-term security; (3) The Capital-Markets Engine: our proprietary model that uses our research and historical data to create a vast range of market returns, which takes into account the linkages within and among the capital markets, as well as their unpredictability; and finally (4) A Probability Distribution of Outcomes: based on the assets invested pursuant to the stated asset allocation, 90% of the estimated ranges of returns and asset values the client could expect to experience are represented within the range established by the 5th and 95th percentiles on "box- and- whiskers" graphs. However, outcomes outside this range are expected to occur 10% of the time; thus, the range does not establish the boundaries for all outcomes. Expected market returns on bonds are derived taking into account yield and other criteria. An important assumption is that stocks will, over time, outperform long bonds by a reasonable amount, although this is in no way a certainty. Moreover, actual future results may not meet Bernstein's estimates of the range of market returns, as these results are subject to a variety of economic, market and other variables. Accordingly, the analysis should not be construed as a promise of actual future results, the actual range of future results or the actual probability that these results will be realized. The information provided here is not intended for public use or distribution beyond our private meeting.

2. Retirement Vehicles

Each retirement plan is modeled as one of the following vehicles: Traditional IRA, 401(k), 403(b), Keogh, or Roth IRA/401(k). One of the significant differences among these vehicle types is the date at which mandatory distributions commence. For traditional IRA vehicles, mandatory distributions are assumed to commence during the year in which the investor reaches the age of 70.5. For 401(k), 403(b), and Keogh vehicles, mandatory distributions are assumed to commence at the later of (i) the year in which the investor reaches the age of 70.5 or (ii) the year in which the investor retires. In the case of a married couple, these dates are based on the date of birth of the older spouse. The minimum mandatory withdrawal is estimated using the Minimum Distribution Incidental Benefit tables as published on www.irs.gov. For Roth IRA/401(k) vehicles, there are no mandatory distributions. Distributions from the Roth IRA/401(k) that exceed principal will be taxed and/or penalized if the distributed assets are less than five years old and the contributor is less than 59.5 years old. All Roth 401(k) plans will be rolled into a Roth IRA plan when the investor turns 59.5 years old to avoid Minimum Distribution requirements.

3. Rebalancing

Another important planning assumption is how the asset allocation varies over time. We attempt to model how the portfolio would actually be managed. Cash flows and cash generated from portfolio turnover are used to maintain the selected asset allocation between cash, bonds, stocks, REITs and hedge funds over the period of the analysis. Where this is not sufficient, an optimization program is run to trade off the mismatch between the actual allocation and targets against the cost of trading to rebalance. In general, the portfolio allocation will be maintained reasonably close to its target. In addition, in later years, there may be contention between the total relationship's allocation and those of the separate portfolios. For example, suppose an investor (in the top marginal federal tax bracket) begins with an asset mix consisting entirely of municipal bonds in his/her personal portfolio and entirely of stocks in his/her retirement portfolio. If personal assets are spent, the mix between stocks and bonds will be pulled away from targets. We put primary weight on maintaining the overall allocation near target, which may result in an allocation to taxable bonds in the retirement portfolio as the personal assets decrease in value relative to the retirement portfolio's value.

Notes on Wealth Forecasting System

4. Expenses and Spending Plans (Withdrawals)

All results are generally shown after applicable taxes and after anticipated withdrawals and/or additions, unless otherwise noted. Liquidations may result in realized gains or losses, which will have capital gains tax implications. See details on withdrawals in Cash-Flow Summary, if any.

5. Modeled Asset Classes

The following assets or indexes were used in this analysis to represent the various model classes:

Asset Class	Modeled As	Annual Turnover Rate
Municipal Cash	Municipal money-market securities	100%
Cash Equivalents	3-month Treasury bills	100%
Intermediate-Term Diversified Municipals	AA-rated diversified municipal bonds of 7-year maturity	30%
Intermediate-Term Taxables	Taxable bonds with maturity of 7 years	30%
US Value	S&P/Barra Value Index	15%
US Growth	S&P/Barra Growth Index	15%
Developed International	MSCI EAFE Unhedged	15%
Emerging Markets	MSCI Emerging Markets Index	20%

6. Volatility

Volatility is a measure of dispersion of expected returns around the average. The greater the volatility, the more likely it is that returns in any one period will be substantially above or below the expected result. The volatility for each asset class used in this analysis is listed on the Assumptions page. In general, two-thirds of the returns will be within one standard deviation. For example, assuming that stocks are expected to return 8.0% on a compounded basis and the volatility of returns on stocks is 17.0%, in any one year it is likely that two-thirds of the projected returns will be between (8.9)% and 28.8%. With intermediate government bonds, if the expected compound return is assumed to be 5.0% and the volatility is assumed to be 6.0%, two-thirds of the outcomes will typically be between (1.1)% and 11.5%. Bernstein's forecast of volatility is based on historical data and incorporates Bernstein's judgment that the volatility of fixed income assets is different for different time periods.

7. Technical Assumptions

Bernstein's Wealth Forecasting System is based on a number of technical assumptions regarding the future behavior of financial markets. Bernstein's Capital Markets Engine is the module responsible for creating simulations of returns in the capital markets. These simulations are based on inputs that summarize the current condition of the capital markets as of June 30, 2010. Therefore, the first 12-month period of simulated returns represents the period from June 30, 2010, through June 30, 2011, and not necessarily the calendar year of 2010. A description of these technical assumptions is available on request.

Notes on Wealth Forecasting System

8. Tax Implications

Before making any asset allocation decisions, an investor should review with his/her tax advisor the tax liabilities incurred by the different investment alternatives presented herein, including any capital gains that would be incurred as a result of liquidating all or part of his/her portfolio, retirement-plan distributions, investments in municipal or taxable bonds, etc. Bernstein does not provide tax, legal, or accounting advice. In considering this material, you should discuss your individual circumstances with professionals in those areas before making any decisions.

9. Tax Rates

Bernstein's Wealth Forecasting Analysis has used the following tax rates for this analysis:

Taxpayer	Scenario	Start Year	End Year	Federal Income Tax Rate	State Income Tax Rate	State Capital Gains Tax Rate	Tax Method Type
Mr. Sample Client	A	2010	2049	see below	6.50%	6.50%	Top Marginal Rates
Mr. Sample Client	B	2010	2049	see below	6.50%	6.50%	Top Marginal Rates
Mr. Sample Client	C	2010	2049	see below	6.50%	6.50%	Top Marginal Rates
Mr. Sample Client	D	2010	2049	see below	6.50%	6.00%	Top Marginal Rates

The federal income tax rate represents Bernstein's estimate of either the top marginal tax bracket or an "average" rate calculated based upon the marginal rate schedule. The federal capital gains tax rate is represented by the lesser of the top marginal income tax bracket or the current cap on capital gains for an individual or corporation, as applicable. Federal tax rates are blended with applicable state tax rates by including, among other things, federal deductions for state income and capital gains taxes. The state tax rate generally represents Bernstein's estimate of the top marginal rate, if applicable.

The Wealth Forecasting System uses the following top marginal tax rates: From now until 2010, federal income tax rate is 35%, and federal capital gains tax rate is 15%. For 2011 and beyond, federal income tax rate becomes 28%, and federal capital gains tax rate becomes 20%.

10. Core Capital Analysis

The team "Core Capital" means the amount of money necessary to cover anticipated lifetime net spending. All non-Core Capital assets are termed "Excess Capital." Bernstein estimates Core Capital by inputting information supplied by the client, including expected future income and spending, into our Wealth Forecasting System which simulates a vast range of potential market returns over the client's anticipated lifespan. From these simulations we develop an estimate of the Core Capital the client will require to maintain their spending level over time. Variations in actual income, spending, applicable tax rates, lifespan and market returns may substantially impact the likelihood that a Core Capital estimate will be sufficient to provide for future expenses. Accordingly, the estimate should not be construed as a promise of actual future results, the actual range of results or the actual probability that the results will be realized.

Notes on Wealth Forecasting System

Capital Market Projections

	Median 40-Year Growth Rate	Mean Annual Return	Mean Annual Income	One- Year Volatility	40-Year Annual Equivalent Volatility
Municipal Cash	2.5%	2.7	2.7	0.3	8.6
Cash Equivalents	3.6	3.9	3.9	0.3	11.8
Int.-Term Diversified Municipal	3.8	4.1	3.8	4.5	9.4
Int.-Term Taxables	4.8	5.2	6.0	4.8	11.0
US Value	9.5	11.0	3.9	21.8	15.9
US Growth	9.1	11.1	2.4	24.8	16.7
Developed International	9.7	12.0	3.6	26.3	17.6
Emerging Markets	7.8	11.9	3.0	35.9	26.2
Inflation	2.8	3.0	n/a	1.3	10.6

Data does not represent any past performance and are not a guarantee of future specific risk levels or returns or any specific range of risk levels or returns.

Based on 10,000 simulated trials each consisting of 40-year periods

Reflects AllianceBernstein's estimates and the capital market conditions of June 30, 2010