

Strategic Exits: The Next Chapter of Executive Leadership

Navigating Wealth Transfer, Market Volatility, and Legacy with Purpose



From Corner Office to Complex Personal Finance

After a career spent making executive decisions, leading innovation, and creating enterprise value, retiring as a CEO is both a major milestone and a complex transition. While the accumulation phase of your financial life may be behind you, the distribution and preservation phase requires just as much strategic discipline. In fact, the complexity of managing wealth post-career can rival the most intricate business operations you once led.

Many retired executives quickly discover that managing a significant portfolio—often comprised of concentrated stock, real estate, business interests, and diversified securities—requires active oversight. The tax environment, estate laws, and market volatility all present risks if not properly addressed. Additionally, retirement presents opportunities: aligning your wealth with long-term legacy goals, engaging in philanthropy, and empowering the next generation through intentional planning.

Affinity Capital works with clients who are used to leading and now want to lead differently: with clarity, confidence, and a team of advisors to help translate financial success into significance. This white paper explores the most pressing financial topics former CEOs face in retirement, and how a purpose-built plan can create peace of mind and enduring impact.



Wealth Transfer & Estate Planning in a Shifting Landscape

Planning for Retirement Success

GRAT

Gifting assets while retaining income.



Wealth transfer planning has become significantly more urgent in the face of impending tax law changes. The current estate tax exemption—over \$13 million per person—is scheduled to revert to roughly \$6 million in 2026. This potential halving of the exemption could expose millions of dollars to estate tax unless proactive steps are taken today.

SLAT

Support spouse while keeping assets out of your estate.



Executives often have unique estate assets: illiquid holdings, complex compensation plans, or privately held business interests. This requires advanced techniques such as Grantor Retained Annuity Trusts (GRAT), Spousal Lifetime Access Trusts (SLAT), Irrevocable Life Insurance Trusts (ILIT) and Family Limited Partnerships (FLP).

ILIT

Protecting life insurance from estate taxes for beneficiaries.



Yet tools alone don't make a plan. The human side of estate planning—ensuring heirs are prepared, that the family understands intentions, and that philanthropic values are clearly communicated—requires just as much care. Affinity Capital facilitates multi-generational meetings, helps educate heirs, and aligns legal structures with emotional priorities to support generational success, not just wealth.

FLP

Facilitates control of family assets and potential tax benefits.



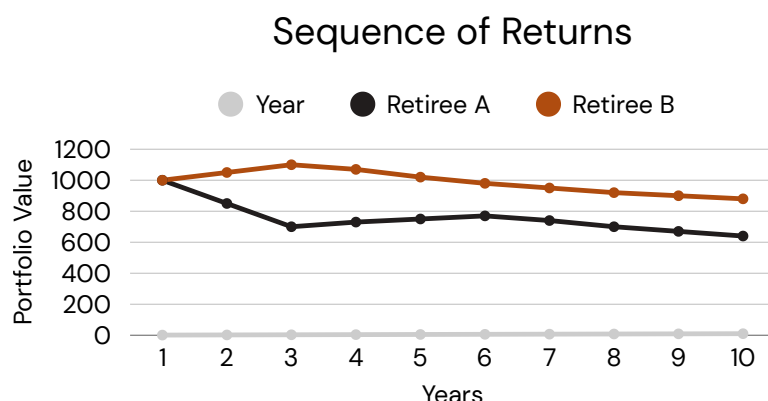
Market Volatility and Retirement Timing – Why Sequence Matters

While market volatility is a known part of investing, its effect on retirement is often misunderstood. One of the most critical—and underestimated—factors is **sequence-of-returns** risk. This concept describes the damage that poor market performance early in retirement can inflict on a portfolio, even if average long-term returns remain consistent.

Consider two retirees with identical portfolios and identical average returns, but different timing. If one experiences a downturn in the first three years while taking withdrawals, their portfolio may never recover to sustain income later in life. **This issue is amplified when portfolios are structured for growth, not income stability.**

Affinity Capital takes a multi-pronged approach to managing this risk. First, we build time-segmented strategies that categorize investments into 'buckets' based on short, medium, and long-term needs. Short-term buckets prioritize liquidity and capital preservation, while longer-term assets continue to pursue growth.

Second, we implement dynamic withdrawal strategies that respond to market conditions—reducing distributions during down markets and increasing them in strong years. This flexibility increases longevity and reduces stress. We also help clients leverage Roth conversions, qualified charitable distributions, and tax-loss harvesting to align withdrawals with tax efficiency.

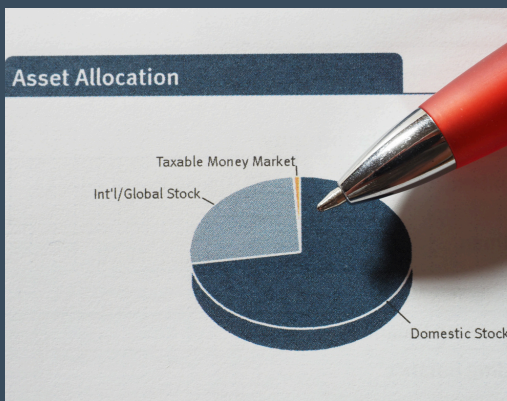


Although both retirees have the same average return, early losses for Retiree A depleted the portfolio faster, reducing its ability to recover. Timing matters.

Optimized Asset Allocation – Designing Portfolios for Purpose

Intentional Portfolio Design

We define financial goals and align them with appropriate asset classes.

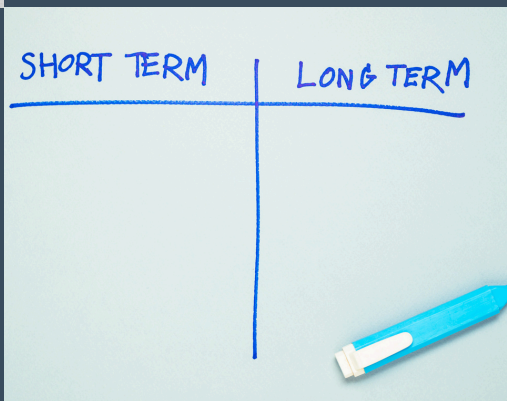


Diversification Beyond Bonds

Incorporate alternatives for added stability in turbulent markets.

Tax Efficiency Focus

Optimize locations to enhance overall investment returns.



Retired CEOs often come to us with portfolios that served them well during their working years. These portfolios are typically growth-oriented, with high equity exposure, low liquidity, and a focus on total return. But in retirement, the game changes. Objectives shift from growth to preservation, predictability, and income distribution.

Affinity Capital's approach to asset allocation begins with intentionality. We work closely with clients to define their financial goals—everything from sustaining lifestyle, funding healthcare costs, travel, supporting children or grandchildren, and giving back to the causes they care about. Then we construct portfolios that match each goal to the appropriate asset class.

Tax efficiency is also paramount. We analyze location of assets—placing tax-inefficient holdings in tax-advantaged accounts and optimizing harvesting strategies. Liquidity is built into the plan so that major expenses or market downturns do not force asset sales at inopportune times.

The Power of a Coordinated Advisory Team

For most executives, retirement does not mean financial simplicity. Quite the opposite. It often marks the point where accumulated complexity—across legal structures, tax obligations, investments, and philanthropy—converges. In this environment, siloed advice becomes a liability. A CPA may be unaware of charitable plans. An estate attorney may not know about asset location decisions. Without integration, opportunities are lost and inefficiencies compound.

Affinity Capital's role is to act as your central advisor—the integrator of all moving parts. We convene and coordinate with your attorney, CPA, trustees, and family office. Our process includes regularly scheduled joint reviews, shared documentation systems, and accountability for all advisors involved.

This structure empowers clients to make decisions with full visibility, not partial input. It also reduces administrative burden and ensures that your plan remains agile as laws, markets, and goals evolve. You've had this coordination in your professional life—our job is to bring that same executive-level clarity to your personal financial strategy.



The Personal Side of Retirement From Success to Significance

For high-achieving professionals, retirement is rarely about slowing down—it's about recalibrating toward new purpose. Many CEOs report struggling in the first year of retirement not because of financial stress, but because of identity loss. The career that once defined them is no longer center stage.

Affinity Capital believes that a successful retirement includes not just security, but significance. That's why we help clients explore the 'why' behind their wealth. For some, that may mean charitable giving or creating a donor-advised fund. For others, it's mentoring younger leaders, writing a book, or supporting a family legacy.

We guide these conversations and help build frameworks that allow your money to serve your life's greater purpose. **The investment strategy follows from the mission—not the other way around.** When your wealth and values are aligned, the result is more than peace of mind. It's a lasting legacy, one that transcends spreadsheets and quarterly statements.



70% of retirees
experience
identity loss

50% of retirees seek
new purpose

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As a CEO or a C-suite professional, you've spent your career leading through complexity, solving problems, and creating growth. Retirement offers a new kind of leadership—one focused on protecting what you've built, empowering your family, and investing in the future with intention.

Affinity Capital is built for clients like you. We understand that wealth is more than money—it's legacy, responsibility, and opportunity. Our team provides personalized, integrated strategies that evolve with you. We are your partners in clarity, so that you can step forward with confidence.

Whether you're a few years from retirement or already navigating your next chapter, we invite you to connect with us. Let's make your retirement as successful and meaningful as your career.



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