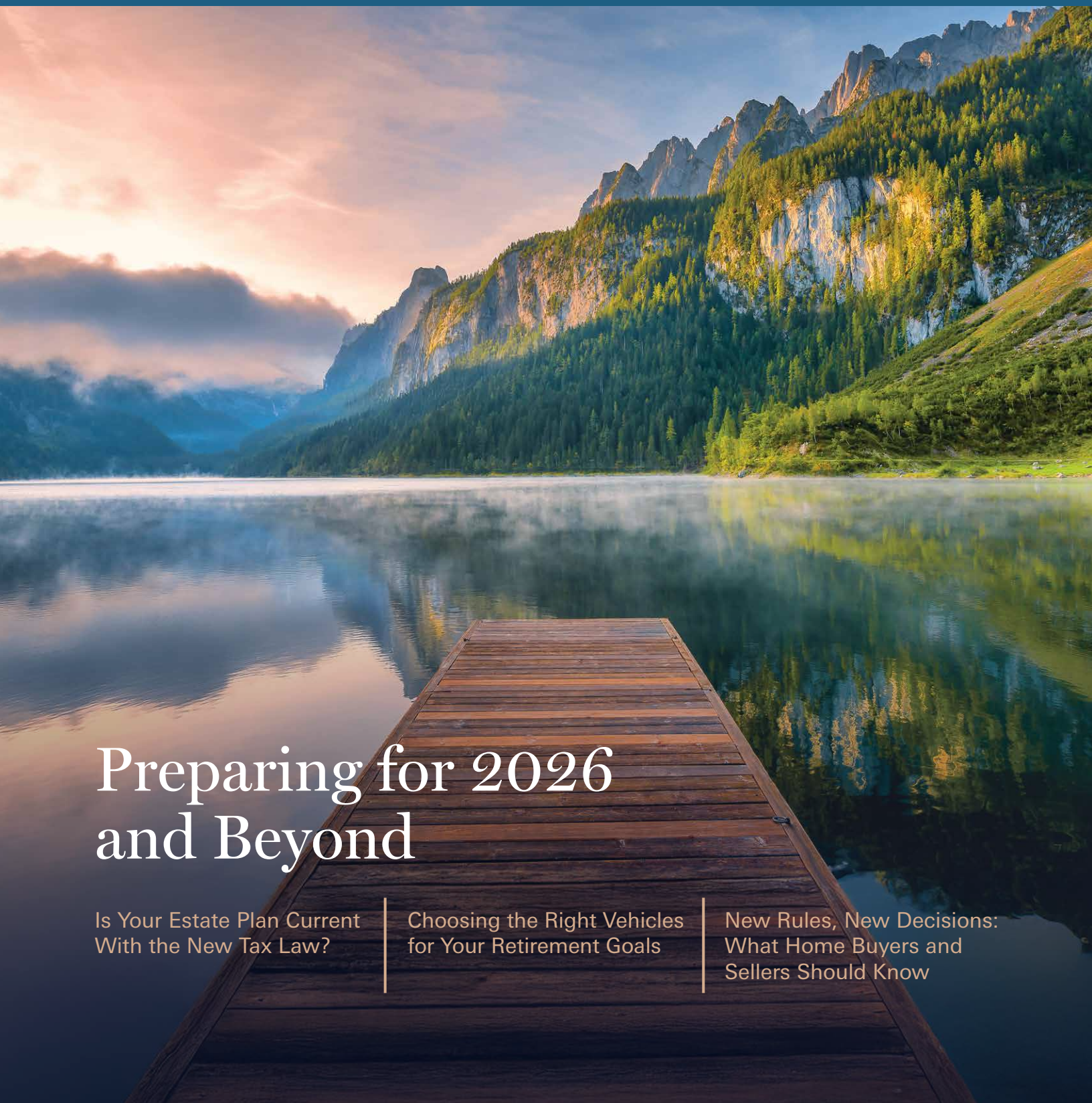


Wealth Planning

# PERSPECTIVES

Year-End 2025



## Preparing for 2026 and Beyond

Is Your Estate Plan Current  
With the New Tax Law?

Choosing the Right Vehicles  
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New Rules, New Decisions:  
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## Planning for What's Ahead

As the year draws to a close, many of us find ourselves reflecting on the decisions that matter most — how to protect what we've built, support the people and causes we care about, and prepare for the challenges and opportunities ahead.

A major development shaping today's planning environment is the One Big Beautiful Bill Act (OBBBA). Rather than allowing key provisions of the current tax law to expire, OBBBA preserves some, modifies others, and introduces new limitations.

But tax law isn't the only area undergoing change. We're also navigating evolving dynamics around real estate transactions, risk management and insurance, and the expanding role of technology in philanthropy, among other developments. Taken together, these shifts present meaningful opportunities — and important considerations — for those with complex financial lives.

In this issue of our *Wealth Planning Perspectives*, you'll find insights on trust and estate planning in the wake of the OBBBA, along with year-end income tax strategies that make the most of the rules still in effect for 2025. We also feature a practical Q&A on the recent National Association of Realtors settlement and implications for residential real estate transactions, as well as suggestions for structuring assets in ways that support life goals while improving after-tax outcomes.

I hope these articles provide helpful perspective as you plan for the year ahead and beyond. As always, if you'd like to explore any of these topics in more depth, please reach out to your client advisor or to me directly.

Sincerely,





# Is Your Estate Plan Current With the New Tax Law?

The passage of the One Big Beautiful Bill Act (OBBBA) this summer has changed the estate planning landscape for wealthy families. Beginning in 2026, the federal exemption for estate and gift taxes will be permanently set at \$15 million per person (\$30 million per married couple), indexed for inflation. It was previously scheduled to revert to roughly half those levels.

This change creates new considerations and opportunities for families and their advisors. Earlier estate planning structures may now require amendments, as some measures may no longer be effective. Now is also a good time to establish an estate plan if you do not already have one.

We share our top takeaways, including why the focus on income tax planning may sharpen in some cases.

## Reevaluating Existing Estate Plans

Many estate plans that are in place today were created when the federal estate tax exemptions were lower. For some families, these structures may now be unnecessary — or even counterproductive. This dynamic can surface in several ways, such as:

- Formula clauses in old wills or trusts may inadvertently direct large portions of an estate into tax-driven trusts, leaving less for a surviving spouse or heirs than intended.
- Existing trusts may no longer be aligned with family goals, and you might even wish to acquire trust assets for personal use or to ensure heirs receive a step-up in the cost basis of assets for income-tax purposes.
- Turning off grantor trust status could also reduce unnecessary income tax burdens for grantors who no longer need an estate tax-driven structure.



**Benetta Park**  
Senior Fiduciary Counsel



**Nikola Djuric**  
Fiduciary Counsel

## In Brief

New federal tax legislation is affecting estate planning priorities and structures.

Now more than ever, it is important for families to ensure their wealth transfer strategies are sound and aligned with their long-term goals.

With estate tax exemptions permanently higher, estate tax-driven strategies may now be less relevant for some families, shifting the planning focus to areas such as income tax optimization.



*Where trusts are used — for asset protection, remarriage considerations, or blended families — the emphasis should be on flexibility.*

## Transferring Wealth in Excess of \$30 Million

For families with assets exceeding \$30 million, estate taxes remain a central planning issue. But a permanently larger exclusion means there is a greater opportunity to structure wealth transfers strategically.

Those who wish to make substantial lifetime gifts may use some or all of their \$15 million exclusion as soon as possible to remove future appreciation from their estate. Married couples should consider making transfers in a way that allows one or both spouses potential access to some of the transferred assets.

As always, especially at higher levels of wealth, planning must continue to address state-level estate taxes, the possibility of remarriage, and family dynamics.

## Transferring Wealth Below \$30 Million

For families with assets valued below \$30 million, thoughtful estate planning remains important, even if the focus may now shift. Instead of concentrating on federal estate tax savings, families now face questions about state-level estate taxes, income tax planning, asset protection, and how best to transfer wealth across generations.

As a result of the higher estate tax exemption, many traditional tax optimization techniques for estates with values below the exemption threshold, such as complex trusts designed purely to minimize estate taxes, may no longer be necessary. In fact, under the new law, some strategies could create disadvantages, such as denying heirs a valuable step-up in cost basis at death.

Portability of exemptions remains a key feature of the federal estate tax. The law continues to allow a surviving spouse to leverage the unused portion of a deceased spouse's \$15 million exclusion. For this reason, it's often preferable to avoid overly rigid tax-driven trusts and instead leave assets to the surviving spouse outright or place them in a marital trust, with options to apply the first decedent-spouse's exclusion amount.

Where trusts are used — for asset protection, remarriage considerations, or blended families — the emphasis should be on flexibility. Provisions such as powers of appointment, broad distribution standards, asset substitution powers, and trust protector powers can help with future planning.

## Income Tax Planning Opportunities

In recent years, estate planning has increasingly involved planning for both estate and income taxes. With the permanently increased estate tax exemptions, we expect income tax planning will become more of a focus for some families, particularly those transferring assets of less than \$30 million. For many of these families, strategies that reduce federal and state income taxes or optimize income shifting may become more important than planning for federal estate taxes.

Two areas in particular present income tax planning opportunities: basis adjustment planning and planning with non-grantor trusts.

## Opportunity 1: Basis Adjustment Planning

With the more generous exemption now permanent, individuals may want to keep certain low-basis assets within their estates to get a step-up in basis at death. The income tax savings for heirs upon a subsequent sale of those assets could be significant. It is worthwhile to review assets to identify highly appreciated property.

If low-basis assets are currently held in a trust for the benefit of others, there are strategies to bring those assets back into your estate. For example, low-basis assets that have appreciated in a grantor trust (where you are treated as the owner of the trust assets for income tax purposes) may be purchased in exchange for high-basis assets or swapped out by exercising a substitution power.

Conversely, consider making gifts of property that has decreased in value during your lifetime to avoid a step-down in basis at death.

When structuring new trusts, you can include provisions to better position the trust to achieve a step-up in basis upon the death of the grantor or a beneficiary, if appropriate.

## Opportunity 2: Leveraging Non-Grantor Trusts

A non-grantor trust may offer an opportunity to maximize income tax deductions or exclusions while also transferring assets to beneficiaries using gift and possibly generation-skipping transfer tax exemptions. The trust is treated as a taxpayer separate from the individual who created it. By creating multiple non-grantor trusts, an individual taxpayer may maximize the number of income tax benefits afforded to each trust.

For example, non-grantor trusts may be used to shift income to multiple taxpayers, each of whom can take advantage of the full \$40,000 deduction for state and local taxes.

Non-grantor trusts may also be used to maximize the number of taxpayers eligible for the full 20% deduction for qualified business income, provided each trust has income below the threshold level (for joint returns, \$394,600 in 2025 and \$403,500 in 2026).

If you own qualified small business stock (QSBS), using multiple non-grantor trusts can maximize the number of exclusions from gains when the stock is sold or exchanged. A portion of the gain on the sale of this type of stock can be excluded from the owner's taxable income.

Multiple non-grantor trusts may be used to maximize the QSBS exclusion by allowing the original taxpayer and each non-grantor trust to claim their own exclusion.

## QSBS Amendments

Before the new law, QSBS holders could claim a capital gains exclusion that was a percentage (depending on when the stock was acquired) of the greater of \$10 million or 10 times stock basis, provided the stock was held for at least five years. This rule continues to apply as long as the stock was acquired before July 5, 2025.

Under the new law, the QSBS capital gains exclusion is tiered for shares acquired after July 4, 2025, with eligible amounts determined by the holding period (50% of the exclusion if held for at least three years; 75% if held for at least four years; and 100% if held for at least five years). For eligible taxpayers, the exclusion cap is now the greater of \$15 million (up from \$10 million) or 10 times stock basis.

## Is Your Estate Plan Current?

With the passage of the OBBBA, now is an appropriate time to review your estate plan or establish one that takes into account the new opportunities and considerations. These developments are a reminder that estate planning is rarely a one-time endeavor.

As circumstances change — whether because of legislation, market movements, or family developments — your plan should evolve as well. To learn more, contact your Bessemer advisor.

# Choosing the Right Vehicles for Your Retirement Goals



**Andrea Luengo**  
Senior Tax Advisor

*How you hold your assets can be as important as the assets you hold. Strategic account structures can help preserve and grow wealth while supporting long-term life goals by providing greater flexibility and tax efficiency.*

Selecting the right vehicle types in the right combinations can significantly enhance wealth preservation, minimize taxes, and support efficient asset transfer to future generations. We offer insights on tax-free and tax-deferred accounts and strategic conversion opportunities to help align your financial strategy with your long-term goals.

Our discussion centers on retirement accounts, a major source of funds for retirement, wealth transfer, or both. Complementary account types, such as those for healthcare and education, can further these goals. Notably, tax-deferred accounts such as traditional individual retirement accounts (IRAs) and 401(k)s have long served as the foundation of retirement savings, offering immediate tax benefits but requiring distributions that generate taxable income later. In contrast, tax-free accounts such as Roth IRAs can serve as a complement or in some cases a preferable alternative — particularly when estate planning is a key objective.

## Tax-Free Accounts

**Roth accounts can be one of the most powerful multigenerational wealth transfer tools.**

### Roth IRA: Effective for Wealth Transfer

A Roth IRA is an individual retirement account that allows a taxpayer with earned income to make annual contributions. The assets grow tax-free, and qualified withdrawals are also tax-free. Unlike traditional IRAs, Roth IRAs do not require minimum distributions during the owner's lifetime, although most non-spouse beneficiaries must withdraw the funds within 10 years of inheritance.

To contribute directly to a Roth IRA, you must have earned income and meet certain annual income limits. In 2025, the ability to contribute phases out for single filers with adjusted gross income (AGI) between \$150,000 and \$165,000 and for joint filers between \$236,000 and \$246,000. If you are eligible to contribute directly, annual

Roth contributions are capped at \$7,000 for individuals under age 50 and \$8,000 for those 50 or older.

Married couples filing jointly can also contribute to an IRA for a nonworking spouse, allowing both partners to build retirement savings even if only one has earned income. A Roth IRA can also be established for a child with earned income, supporting long-term growth while gradually reducing the parents' taxable estate.

## Roth Conversions

If you don't need your IRA assets to fund retirement, converting all or part of a traditional IRA to a Roth IRA can be an effective strategy. This conversion shifts tax-deferred dollars into a permanently tax-free account where assets can continue to grow without future tax liability.

## Backdoor Roth IRA: Solution to Roth Income Limits

High-income earners who exceed Roth IRA income limits can still benefit from Roth savings through a backdoor Roth IRA. This involves making a non-deductible contribution to a traditional IRA and then converting the funds into a Roth IRA.

If you already hold pre-tax IRA funds, the IRS's pro-rata rule requires all traditional IRA balances to be considered when determining the taxable portion of a Roth conversion. Working with a financial advisor can help structure these strategies properly and avoid unexpected tax consequences.

**401(k)s are employer-sponsored retirement plans that allow employees to make pre- or after-tax contributions.**

### **Roth 401(k): A Tax-Free Employer Plan**

A Roth 401(k) allows employees to make after-tax contributions that grow tax-free and are not subject to required minimum distributions (RMDs). Qualified withdrawals are also tax-free. Unlike a Roth IRA, a Roth 401(k) has no income limits. In 2025, participants can contribute up to \$23,500 (\$31,000 for those age 50 and older and \$34,750 for those between ages 60 and 63).

Employers may offer matching contributions on either a pre-tax or Roth basis. Availability varies by employer, so confirm whether your plan allows Roth matching.

Roth 401(k)s can be especially useful for individuals expecting higher tax rates in retirement, those seeking to contribute more than Roth IRA limits allow, or those wanting to diversify their tax treatment between pre-tax and after-tax accounts.

### **Mega Backdoor Roth: Maximize Contributions**

Some 401(k) plans allow additional after-tax contributions that can be converted to a Roth account, enabling high earners to maximize tax-free savings beyond standard limits. To qualify, the plan must permit after-tax contributions and either in-plan rollovers or in-service Roth conversions. In 2025, the total combined employee, employer, and after-tax contributions cannot exceed \$70,000 (\$77,500 for those age 50 and older and \$81,250 for those between ages 60 and 63).

### **Roth Solo 401(k): A Self-Employed Retirement Plan**

A Roth Solo 401(k) is designed for self-employed individuals with no full-time employees other than a spouse. It allows both employee and employer contributions, offering higher savings potential than a SEP IRA at most income levels.

If your net self-employment income is less than \$350,000, a Roth Solo 401(k) typically allows higher contributions than a SEP IRA. Total contributions for 2025 are capped at \$70,000 (\$77,500 for those age 50 and older and \$81,250 for those between ages 60 and 63). Roth Solo 401(k)s permit catch-up contributions and provide flexibility since

contributions are not required annually. While setup and administration are slightly more complex compared to a SEP IRA, they offer significant benefits for self-employed individuals seeking to maximize retirement savings.

### **Health Savings Account: A Strategic Healthcare Vehicle**

A health savings account (HSA) offers three tax advantages: deductible contributions, tax-free growth, and tax-free withdrawals for qualified medical expenses. In 2025, contribution limits are \$4,300 for individuals and \$8,550 for families.

HSAs have no income limits and are available to those with high-deductible health plans. Unused funds roll over indefinitely. Paying current medical costs out of pocket allows HSA funds to grow for decades, making HSAs a valuable long-term savings tool. Funds can be used to pay for Medigap premiums in retirement, providing a layer of financial security. Be sure to keep receipts of all medical expenses to justify the reimbursement claim in the future.

### **529 Plans: A Powerful Education Tool**

A 529 plan allows after-tax contributions to grow tax-free if used for qualified education expenses. Contributions are not deductible at the federal level, although many states offer income tax benefits for in-state contributions. The account owner retains control and can change the beneficiary at any time. If funds are used for non-qualified expenses, earnings are taxed as income and subject to a 10% penalty.

### **529 Plan to Roth Rollover: A Wealth Transfer Tool**

Tax law now permits limited rollovers from 529 plans to Roth IRAs, up to a \$35,000 lifetime cap per beneficiary. Annual rollovers must comply with Roth IRA contribution limits and other requirements. This flexibility allows unused education funds to be repurposed as tax-free retirement assets.

## **Tax-Deferred Accounts**

### **Traditional IRA: Tax-Deferred Growth**

A traditional IRA is available to anyone with earned income, subject to annual contribution limits. Please see “Roth IRA: Effective for Wealth Transfer” for contribution limits.

Contributions may be tax-deductible, subject to income limits and participation in an employer-sponsored retirement plan. Investments grow tax-deferred, but withdrawals in retirement are generally taxed as ordinary income, except for any portion representing non-deductible contributions, which are not taxed again.

In 2025, the ability to deduct contributions phases out at certain AGI levels. For individuals who exceed these limits, contributions are permitted but are non-deductible. These after-tax contributions can later be converted into a Roth IRA using the backdoor Roth IRA strategy, providing an alternative path to tax-free growth for high-income earners.

While traditional IRAs may offer immediate tax benefits, accountholders are subject to RMDs beginning at age 73, or age 75 if born after 1959, under current tax law. These mandatory withdrawals create taxable income in retirement, which may impact Medicare premiums, Social Security taxation, and overall financial flexibility.

For individuals managing substantial wealth, integrating a traditional IRA into a broader tax strategy — such as Roth conversions or charitable giving — can mitigate future tax liabilities and optimize long-term financial planning. Individuals can contribute to both an IRA and an employer-sponsored retirement plan in the same year, provided they have sufficient earned income. Annual employee contribution limits apply separately to all IRAs and 401(k)s combined.

### **401(k), 403(b), and 457 Plans: Employer Sponsored**

These plans allow pre-tax contributions, reducing current taxable income in the current year. Taxable withdrawals in retirement are treated as ordinary income, and RMDs begin at age 73 (or later if you remain employed and own less than 5% of the company).

The 401(k) plan is most common in the private sector, while the 403(b) plan is designed for nonprofit employees and educators. The 457 plan is typically for government workers and certain nonprofit executives. It's essential to understand the specific rules and benefits associated with your employer's plan to maximize your retirement savings. Please see "Roth 401(k): A Tax-Free Employer Plan" for contribution limits.

### **Solo 401(k): For Self-Employed Individuals**

A Solo 401(k) is designed for self-employed individuals with no full-time employees. It allows both employee and employer contributions with significantly higher limits than a traditional IRA.

A Solo 401(k) can be more appropriate than a SEP IRA in certain situations, particularly for self-employed individuals

with no full-time employees other than a spouse. It often allows higher contributions at income levels less than \$350,000 because it permits both employee and employer contributions as well as catch-up contributions for participants over age 50. However, Solo 401(k)s require filing Form 5500-EZ once assets exceed \$250,000 and involve ongoing plan administration, which can make them slightly more complex to maintain. Please see "Roth Solo 401(k): A Self-Employed Retirement Plan" for contribution limits.

### **SEP IRA: A Simplified Employee Pension Plan**

A SEP IRA is a retirement plan for self-employed individuals and small business owners. It allows employer contributions of up to 25% of compensation, capped at \$70,000 in 2025. Unlike a Solo 401(k), a SEP IRA doesn't allow employee contributions. The SECURE 2.0 Act enabled SEP IRAs to offer a Roth feature.

If you have eligible employees, a SEP IRA requires proportional employer contributions. It offers flexibility since contributions are not mandatory each year, making it beneficial for businesses with variable income. A SEP IRA is suitable for those seeking a simple, tax-deferred plan without the administrative requirements of a 401(k).

### **Defined Benefit Plan: For Business Owners**

A defined benefit plan allows business owners to make substantial tax-deductible contributions — often exceeding \$200,000 annually — based on age, income, and retirement goals. It is advantageous for those seeking large, deductible contributions without employees, but it requires annual actuarial calculations and plan filings. This type of plan can be especially valuable for those with high, stable incomes seeking to accelerate retirement savings while reducing taxable income.

## **How Bessemer Can Help**

Thoughtfully combining tax-free and tax-deferred accounts can help high-income earners reduce taxable income, enhance flexibility, and improve wealth transfer outcomes. Bessemer's tax professionals can help design a personalized strategy that integrates these tools into your broader financial plan.



# New Rules, New Decisions

## What Home Buyers and Sellers Should Know



**Andrew M. Feder**  
Head of Real Estate Advisory

*As a 2024 legal settlement reshapes how real estate agents are compensated, buyers and sellers may find the process more complex than before. Here's what to know — and how to avoid common missteps.*

### Q: What did the settlement involve?

The \$418 million class action settlement ended the long-standing practice of sellers' agents offering commissions to buyers' agents through the proprietary National Association of Realtors' (NAR) Multiple Listing Service (MLS) database.

While the settlement aims to eliminate conflicts of interest between buyers' agents and buyers, the commission process remains in flux. Buyers and sellers must now make more nuanced decisions when purchasing or selling a home, as there is no longer a standardized approach. In many cases, that means negotiating terms that used to be handled by agents behind the scenes.

### Q: What should sellers keep in mind?

Some agents may encourage you to replicate the pre-settlement model by continuing to offer a commission to the buyer's agent. That approach may still make sense but isn't a given. For some high-value residential properties, we're seeing agreements that resemble commercial real estate transactions, where both buyer and seller pay their own advisors and brokers.

Whichever approach you take, it's important to negotiate what constitutes a fair commission for your own agent. From what we've seen, many agents haven't changed their pricing expectations, so sellers should consider compensating buyers' brokers and be prepared for limited flexibility on commission rates by your listing agent in most markets.

### Q: How have things changed for buyers?

If you're working with an agent, you'll likely be asked to sign a commission agreement — often before viewing homes. These agreements vary widely in scope and may be difficult to interpret. Some include long-term, binding obligations that may require payment even if you switch agents. Before signing, clarify all the details in the agreement, such as its length, the type of properties and geography it covers, and the commission amount and timing. All of these details are negotiable, so seek advice if needed. If buying a home in a tight market, you might consider offering to compensate your broker as an added inducement for the seller to accept your bid.

### Q: Will the settlement reduce commission rates over time?

That remains to be seen. The NAR represents roughly 85% of licensed residential real estate professionals and its members are involved in about 93% of transactions in the U.S. Despite decades of legal challenges, the standard 6% commission rate — established in 1939 — has remained largely unchanged. If you're considering buying or selling a home, Bessemer's Real Estate Advisory team can help answer your questions and guide you through these evolving dynamics.

To learn more, read the [full article](#) or contact your Bessemer advisor.

# Last Chance for a Full Income Tax Benefit



**Stephen A. Baxley**  
Head of Tax and Financial Planning

*As 2025 draws to a close, taxpayers have a final opportunity to claim the full tax benefit on charitable contributions and itemized deductions before new limitations take effect in 2026.*

The One Big Beautiful Bill Act (OBBBA) makes permanent several provisions of the Tax Cuts and Jobs Act (TCJA) and includes a slightly higher lifetime gift and estate tax exemption. It also introduces new rules that merit consideration in year-end tax planning. Beginning in 2026, charitable deductions will only be deductible to the extent they exceed 0.5% of income, and the benefit of all itemized deductions will be capped at 35%. From 2025 through 2029, the SALT deduction cap temporarily increases from \$10,000 to \$40,000, phasing out for incomes between \$500,000 and \$600,000. The increase and phase-out thresholds are halved for married taxpayers filing separately.

In light of these changes, the remainder of 2025 presents valuable — albeit temporary — opportunities, alongside evergreen strategies that can support long-term planning goals.

## Strategies to Consider Before Year-End and Beyond

**In 2025, consider front-loading charitable giving.** With the upcoming reduction in allowable charitable contributions and a new limit on the tax benefit for all itemized deductions, this may be the last chance for high-income taxpayers to gain the full 37% benefit for charitable contributions. Donor-advised funds can be a powerful tool: Contributions are deductible this year, while grants can be distributed over time. For maximum benefit, donate long-term appreciated securities (LTAS) to claim a full fair market value deduction and avoid capital gains tax.

### **Pair charitable giving with a Roth IRA conversion.**

Roth IRAs grow tax-free, are not subject to required minimum distributions (RMDs), and amounts distributed are excluded from income. Converting a traditional IRA to a Roth requires paying tax on the converted amount,

but a large charitable gift can offset that income. This strategy may be especially attractive in 2025, before new deduction limits take effect.

### **Take advantage of the expanded SALT deduction.**

Beginning in 2025, the SALT cap increases through 2029 but phases out at higher income levels. Proactive income planning — such as harvesting losses — can help preserve this benefit. Qualified charitable distributions (QCDs) also reduce income. A QCD is a direct, tax-free transfer from a traditional IRA to charity that counts toward RMDs. The 2025 limit is \$108,000 per person.

### **Explore a SALT cap workaround using a PTET election.**

In many states, pass-through entity tax (PTET) elections allow flow-through businesses to pay state taxes at the entity level, bypassing the SALT cap. This may offer meaningful deductions if you have significant flow-through income from partnerships, LLCs, and S corporations.

**Consider annual exclusion strategies.** In 2025, the gift tax exclusion is \$19,000 per recipient. You might fund Roth IRAs or 529 plans for children or grandchildren — or superfund 529 plans by front-loading five years of gifts. You may also pay tuition or qualifying medical expenses directly to providers, which does not count toward the annual exclusion or lifetime exemption. As always, annual exclusion giving strategies should be coordinated with your broader estate plan.

**Revisit evergreen strategies.** Consider funding a self-employed retirement plan, contributing to a Roth IRA or backdoor Roth if eligible, harvesting losses to offset gains (especially short-term), and making QCDs if over age 70½. Charitable gifts of LTAS remain highly efficient.

*To learn more, read the [full article](#) or contact your Bessemer advisor.*

# Technology's Changing Role in Family Philanthropy

**Alyson Wise**, Senior Philanthropy and Family Governance Advisor

With more than 1.5 million nonprofits in the U.S., charitably inclined families face an enduring challenge: finding the right fit for their giving. The task becomes even more complex as family members grow more dispersed across locations, generations, and interests.

## Improving Giving Impact

Technology is simplifying the process. The latest platforms enable more nuanced searches, helping families and their advisors identify organizations that resonate and inspire collective engagement.

These tools also provide rapid access to nonprofit data, such as financial health, leadership stability, and competitive positioning. These insights support donors in building resilient, impactful giving portfolios in a sector affected by inflation, policy shifts, and market volatility.

As advisors, we can help families define goals collaboratively, make more informed decisions, and build partnerships that drive greater community impact.

## Balancing Family Legacy and Privacy

With more data comes new questions about how families align their giving with their public profiles. The same technology that evaluates nonprofits more efficiently also increases donor visibility. Information from public and private sources — including paid databases and social media — can now be aggregated to reveal personal affiliations.

Privacy discussions typically focus on choosing between donor-advised funds and private foundations. Today's data-rich world requires more nuanced governance and privacy strategies that complement those structures.

## Meeting the Moment

Philanthropy is a powerful way to express family values, shape legacy, and empower future leaders. Technology is expanding this potential. At Bessemer, we can help families leverage new tools thoughtfully, in balance with their broader goals.

# Protecting Your Home, Preserving Peace of Mind

**Gary Pasternak**, Head of Insurance Advisory

As climate-related disasters grow more frequent and costly, families are seeking ways to better protect their homes. Investing in property resilience can pay dividends for those in high-risk areas:

## Wildfires

In wildfire-prone regions, windborne embers often pose a greater threat than direct flames. Resilience begins with fire-resistant construction: noncombustible roofing and siding. Reinforce windows and vents with dual-pane tempered glass and ember-resistant covers. Enclose eaves and soffits with noncombustible materials. Defensible space is key — keep at least five feet around the home free of flammable materials, and manage surrounding landscaping to reduce fuel. Regular upkeep, such as clearing gutters and removing dead vegetation, lowers risk and can improve insurability.

## Hurricanes

Hurricane resilience focuses on strengthening structures against high winds and wind-driven rain. Roofs should be fortified with hurricane clips or straps and sealed decking.

Use impact-resistant windows, shutters, and reinforced doors. Secure garage doors, porches, and exterior attachments against uplift, and seal openings to prevent water intrusion. These steps reduce damage and may earn insurance discounts.

## Floods

Elevation is essential to flood protection. Homes built on pilings or raised foundations let water pass underneath while utilities should be installed above flood levels. Foundation flood vents relieve pressure, and water-tolerant materials — concrete, tile, treated wood — support faster recovery. Grading, drainage, and permeable landscaping help divert water away from the home. These measures can cut repair costs and reduce flood insurance premiums.

## The Ultimate Return on Resilience

By building or retrofitting with resilience in mind, homeowners can lower insurance costs and better protect both their homes and peace of mind.

## Wealth Planning at Bessemer

We believe that wealth planning is a fully collaborative pursuit. Your dedicated Bessemer specialists share ideas and develop comprehensive solutions to protect and transfer wealth and prepare your heirs as stewards. This coordinated approach has been central to our success in serving seven generations of our founding family, and it guides us as we manage wealth for you.

Thank you for reading this edition of our *Wealth Planning Perspectives*. We welcome your engagement. Please contact your Bessemer advisor with any questions you may have.

## About Bessemer Trust

*Privately owned and independent, Bessemer Trust is a family office that has served individuals and families of substantial wealth for 118 years. Through comprehensive investment management, wealth planning, and family office services, we help clients achieve peace of mind for generations.*

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