Morling Financial Advisors

Wealth Transfer Planning

Strategies to Preserve Family Wealth, Reduce Taxes, and Build a Lasting Legacy

Exclusively for Ōura

A Unique Planning Opportunity

Ōura's current private-company status may create wealth transfer and tax planning opportunities that could become less effective following a new 409A valuation, or a liquidity event.

For many employees, the period before an IPO or new valuation may represent the most favorable window for advanced estate and wealth transfer planning.

Executive Summary

Ōura equity may represent one of the most significant wealth creation opportunities of your lifetime.

As wealth grows, planning opportunities expand as well. Taking action before a large liquidity event or change in valuation may help:

- Preserve more family wealth
- Reduce future estate taxes
- Transfer appreciation to future generations
- Support charitable objectives
- Create a lasting family legacy

Why Planning Before an IPO Matters

Before an IPO	After an IPO
Potentially lower valuations	Potentially higher public market valuations
Greater gifting leverage	Reduced gifting leverage
More appreciation can be transferred	Appreciation already realized
Greater planning flexibility	Fewer opportunities available

Illustrative Example

The Power of Early Planning

Today

Transfer Ōura shares to a beneficiary or an irrevocable trust

Current Value: **$1,000,000**

↓

Future Value After 409a Increase or IPO

$5,000,000

↓

Potential Result

$4,000,000 of

future appreciation occurs outside your taxable estate

Core Planning Strategies

Wealth Transfer Strategies

Annual Exclusion Gifting

Purpose

Transfer wealth gradually to children, grandchildren, or trusts using the annual gift tax exclusion.

Potential Benefits

✓ Reduces future estate taxes

✓ Transfers wealth over time

✓ Helps future generations begin investing earlier

✓ Removes future appreciation from the taxable estate

Lifetime Exemption Gifting

Purpose

Transfer assets using a portion of the federal lifetime estate and gift tax exemption.

Potential Benefits

✓ Moves future appreciation outside the estate

✓ Preserves more family wealth

✓ Reduces future estate taxes

✓ Creates opportunities for advanced trust planning

2026 Federal Lifetime Exemption

- $15 million per individual
- $30 million per married couple

Federal Estate Tax Rate

Up to 40% on assets exceeding available exemption amounts.

Direct Gifting of Ōura Shares

Purpose

Transfer Ōura shares before a future liquidity event when valuations may be lower than future public market values.

Potential Benefits

- ✓ Transfers future appreciation
- ✓ Preserves more wealth for beneficiaries
- ✓ Supports multigenerational planning

Trust Planning Strategies

Dynasty Trusts

Purpose

Long-term trusts designed to preserve wealth for future generations.

Potential Benefits

- ✓ Multigenerational wealth preservation
- ✓ Asset protection
- ✓ Potential estate tax reduction
- ✓ Family governance opportunities

Spousal Lifetime Access Trusts (SLATs)

Purpose

Remove assets from the estate while maintaining indirect family access through a spouse.

Potential Benefits

- ✓ Utilizes current exemptions
- ✓ Moves future growth outside the estate
- ✓ Maintains planning flexibility

Grantor Trusts & IDGTs

Purpose

Advanced trust structures commonly used by affluent families.

Potential Benefits

- ✓ Moves appreciation outside the estate
- ✓ Potential estate tax reduction
- ✓ Long-term wealth preservation

Charitable & Tax Planning Strategies

Charitable Planning

Potential strategies may include:

- **Donor-Advised Funds (DAFs)**
- **Charitable Remainder Trusts (CRTs)**
- **Charitable Lead Trusts (CLTs)**

Potential Benefits

✓ Potential income tax deductions

✓ Reduced capital gains taxes

✓ Support charitable goals

✓ Potential estate tax reduction

Qualified Small Business Stock (QSBS)

Certain Ōura shareholders may qualify depending on share type, acquisition date, holding period, and IRS requirements.

Potential Benefits

✓ Up to $10 million of federal capital gains exclusion

✓ Or up to 10x tax basis, subject to limitations

✓ Potentially significant tax savings following a liquidity event

Consider qualifying for more than one QSBS tax exclusion by gifting or transferring qualified shares to an irrevocable trust

Ōura Equity Planning Considerations

Before implementing any strategy, it is important to review:

- **Transfer restrictions**
- **Shareholder agreements**
- **Repurchase rights**
- **Vesting schedules**
- **Liquidity expectations**
- **Potential IPO timing**
- **Tax implications**
- **Estate planning objectives**

Potential Benefits

✓ Better planning coordination

✓ Reduced implementation risk

✓ Improved tax and estate planning outcomes

Ōura Employee Planning Checklist

- ◻ **Determine current net worth and Ōura equity concentration**
- ◻ **Review Ōura equity holdings and vesting schedules**
- ◻ **Evaluate estate tax exposure**
- ◻ **Consider pre-IPO gifting opportunities**
- ◻ **Review trust planning strategies**
- ◻ **Assess charitable planning options**
- ◻ **Evaluate potential QSBS eligibility**
- ◻ **Develop a post-IPO diversification strategy**
- ◻ **Coordinate tax, legal, and financial advisors**

Key Takeaways

Ōura equity may represent one of the largest wealth creation events of your lifetime.

Proactive planning before a liquidity event may help:

- ✓ Preserve more family wealth
- ✓ Reduce future taxes
- ✓ Protect future generations
- ✓ Support charitable goals
- ✓ Create a lasting legacy

Important Disclosure