

BROWN BROTHERS HARRIMAN

WOMEN & WEALTH

Magazine

20



Women to Watch in 2026

CONTENTS



01 **LETTER**
A Letter to Our Readers

02 **FEATURE**
Women to Watch in 2026

10 **BY THE NUMBERS**
The U.S. at 250: Women and Finance Through U.S. History

12 **PHILANTHROPY & WEALTH PLANNING**
Spousal Lifetime Access Trusts: Efficient Tax Planning Without Completely Letting Go

16 **FIVE QUESTIONS WITH...**
Mindy Dougherty Baiada



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Magazine

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A LETTER TO OUR READERS

Dear clients and friends,

Happy spring! Warmer weather is emerging, bringing with it thoughts of growth, transformation, and new challenges.

Our list of Women to Watch in 2026 showcases a group of women who truly embody these values – embracing adaptability and striving for goals while inspiring others to do the same. From building artificial intelligence-powered factory software to using sports as a foundation for community and personal growth, these women are pushing barriers and capitalizing on the opportunities 2026 has to offer.

As we celebrate the power of women-led change and innovation, it is important to look back on how we got here. In this issue's infographic, we reflect on the women behind some historic milestones throughout the U.S.'s 250 years, from gaining the right to vote to becoming self-made billionaires.

In the same spirit of legacy building and thoughtful planning, Ali Hutchinson and Stacia Kroetz look at spousal lifetime access trusts – an estate planning strategy that may be the right fit for individuals who wish to transfer assets to others during life, but who also want to maintain access to the funds.

Finally, in Five Questions, we sit down with Mindy Dougherty Baiada, producing artistic director and founder of Music Theatre Philly, to discuss how she finds joy through spreading it to others through her work and the importance of creating community across generations.

We hope you enjoy this issue and all that the season brings!

Best,



Kathryn George
BBH Partner
Chairwoman of the
Center for Women & Wealth



The Center for Women & Wealth is committed to engaging and supporting women as they create and manage wealth. We focus on the issues women care about most and curate experiences and conversations for women to grapple with investment, planning, and philanthropic decisions, including issues related to business ownership and raising responsible children. Great things happen when women come together.

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Women to Watch in 2026

Since the launch of the Center for Women & Wealth (CW&W) in 2015, we have met and been inspired by many powerful women who are pioneers in their respective fields. Through their work, they are challenging the status quo, reshaping industries, and changing the way we live our lives. Here, we showcase a group of inspiring and groundbreaking women who are pushing barriers and capitalizing on new opportunities in 2026.

Angela Bauer and Carolyn Bennett

Owners, Truly Good Foods



Sisters Bauer and Bennett are co-owners of Truly Good Foods, a second-generation women-owned manufacturer focused on distributing

high-quality snacks across the U.S. Under their leadership, the business has flourished, embodying the power of innovation, resilience, and empowerment.

What is the most energizing aspect of your work today?

Bauer: We're excited about preparing to celebrate the company's 50th milestone anniversary and working on succession planning for the future. We are running the business and building the future.

What is the most valuable lesson you have learned from a mentor in your life?

Bauer: Two come to mind. First, although it is tempting to look outside the company – to what other companies are doing – most of your work and issues are inside your own company and in your control. Focus on what you can control. The biggest opportunities are inside your own walls.

And second, when faced with a decision – think about it. If it is a small decision, make it; a medium decision, think about it; and a big decision, discuss it.

Bennett: One of the most enduring lessons I learned from my father – my earliest mentor – was to “stay the course, but chart a new path.” As our family business celebrates 50 years, enters its third generation, and I mark my 42nd year within it, that philosophy guides me every day.

Staying the course means protecting the values that built our foundation – integrity, discipline, and lasting relationships – and remaining steady in our commitment to the people and communities we serve. Charting a new path means embracing thoughtful innovation, welcoming new ideas, and creating space for the next generation to contribute its own vision while honoring the legacy that shaped us.

Lauren Dunford

Co-Founder and CEO, Guidewheel



Dunford is the CEO and co-founder of Guidewheel, an artificial intelligence (AI)-powered factory operations software aimed at bringing factories to their sustainable peak performance. In 2022, Guidewheel was recognized along with

a cohort of 100 promising companies by the World Economic Forum as a Technology Pioneer poised to make a significant impact on society. Dunford serves on the U.S. Center for Advanced Manufacturing's Executive Committee, where she helps drive strategic initiatives in manufacturing.

What is the most energizing aspect of your work today?

The people – like the plant manager I talked to last week who told me his team has gone from low-70% to 86% runtime and then spent the next 10 minutes talking about the cultural shift on his floor. How his people show up differently now. How they see problems before they become problems. How they have pride in the numbers.

When the full team can see what's happening on the factory floor in real time, the culture changes. Operators bring ideas. Managers lead differently. And those ideas flow back into the platform, making it smarter for the next plant, and the one after that.

Manufacturing can be an incredible engine for prosperity, opportunity, and sustainability. When it reaches its potential, communities reach theirs.

The other thing that never gets old is that this work is genuinely win-win. Better productivity means less waste, less energy, fewer emissions. Good for the business, good for the planet.

And watching our team grow into that mission is the third piece – seeing people find work that matters and grow to do things they never would have thought possible.

What is the biggest challenge facing your industry right now?

Margins are getting squeezed from every direction. Raw materials are up, labor is tight, and energy costs are volatile. Those who are keeping margins up are doing it through technology, but the real opportunity isn't the shiny technology most people think of. It's in the fundamentals. Through our work, we've seen that 75% of controllable downtime is operational: late starts, long changeovers, micro-stops that nobody's tracking, machines sitting idle for reasons that never make it into a report.

Many of the things holding manufacturers back aren't million-dollar engineering problems. They're invisible ones, eating margin every single shift, because 99% of machines aren't connected, and the solutions the industry keeps building only work for the 1% that are new enough to qualify.

That's the challenge facing the industry right now. You can't improve what you can't measure. Until manufacturers close the gap in their data foundations, the margin pressure isn't going anywhere.

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Sara Falkson

Founder and CEO, Robyn Athletic



As founder and CEO of Robyn Athletic, Falkson works to empower body confidence in young female athletes through high-performance sports apparel and body confidence education. Inspired by her own experience as a Division I athlete, Falkson founded

Robyn to support lifelong participation in athletics - ensuring every athlete feels confident in her body and unstoppable in her sport.

What is the most valuable lesson you have learned from a mentor in your life?

One of the most powerful lessons I learned came from my advisor, Karen Korellis Reuther, former creative executive at Nike and Reebok and now a professor at Harvard's Graduate School of Design. She challenges the industry's "shrink it and pink it" mindset: downsizing products designed for men and adding a feminine color for women.

Growing up in Boston with three older brothers, sports were my world. I quit dance, found field hockey, and spent years layering two sports bras just to feel supported. At 5 feet 3 inches with a larger chest, I quietly questioned whether my body was built for sport.

That question followed me to Harvard, where I pursued a master's degree at the intersection of engineering and women's sports. I was struck by a paradox: We can build self-driving cars and scale AI globally, yet we still have not engineered a sports bra that truly supports female athletes.

I began leading body confidence workshops across Boston schools, listening to more than 500 athletes and their sports bra pain points. I learned to sew in Harvard's machine shop, "Frankensteined" prototypes with sports bras across the industry, and committed to designing for female athletes, by female athletes.

Karen taught me that the best time to start is now. Today, that work has grown into a national movement: body confidence workshops with schools and teams nationwide and the launch of Robyn Athletic's confidence-first sports bras for Generation Z female athletes in spring 2027.

What is the most energizing aspect of your work today?

The most energizing part of my work is connecting with athletes, parents, coaches, and leaders across the women's sports ecosystem to build a future where everybody feels confident in their body and unstoppable in their sport.

Today, one in two girls drop out of sports by age 14 due to low body confidence. Robyn exists to change that. I love sharing the moment when young athletes discover joy in movement, confidence in themselves, and belief in their own potential. When athletes feel supported - physically and emotionally - sports become more than a game. Sports shape how we show up in classrooms, boardrooms, and communities for life.

From high-performance sports bras to evidence-based body-confident sport workshops, Robyn equips athletes with the tools, education, and apparel they need to move, perform, and thrive on and off the field.

Kristen Frohnhoefer

President, Sea Tow Services International



Sea Tow is a nationwide membership-based marine assistance franchise organization serving boaters out of more than 500 U.S. ports. As president, Frohnhoefer oversees all internal operations, including marketing, membership, customer care, B2B relationships, sales, programs, and technology. After joining the family business full-time in 2003 and leading multiple departments, she assumed the role of president in 2015, continuing the company's legacy while guiding its strategic evolution. Frohnhoefer also serves as president of the board of directors of the Sea Tow Foundation, a 501(c)(3) nonprofit dedicated to advancing boating safety and education.

What is the most valuable lesson you have learned from a mentor in your life?

My first mentor was my mother, Georgia Frohnhoefer, who was the operational backbone of the businesses my parents owned. She was relentless about learning, always asking questions, seeking out new learning opportunities, and implementing what she learned with discipline and confidence.

From her, I learned that you can accomplish far more than you think if you are willing to put in the work and commit to continuous growth. She instilled in me a strong work ethic, and most importantly, the understanding to always believe in your potential; the mindset continues to influence how I lead and pursue opportunities today.

What advice would you give your younger self?

Don't underestimate yourself, and know that you don't have to do everything alone.

Over time, I've learned that strong leadership is not about doing it all; it's about building the right team. Surround yourself with people whose skills complement your own, who bring expertise you may not have, and who challenge you to think differently.

Confidence doesn't compete with collaboration – it elevates it. Believing in your own abilities while empowering a strong team of talented people is what allows an organization to truly scale and succeed.

Michelle Hagerty

Founder, The Power of Sports



Philanthropist, community leader, and businesswoman Hagerty's strong belief in the power of community was the catalyst behind The Power of Sports. The foundation focuses on utilizing sports to strengthen communities and create opportunities to foster personal growth. Hagerty works to expand access to sports and create environments where young athletes can thrive.

What values most impact how you spend your time, be it at home or at work?

My time is guided by service, family, and purpose. I believe strongly in the power of community and in creating opportunities for young people to thrive. At home, I prioritize being present and modeling generosity and resilience for my children. Professionally and philanthropically, I focus on initiatives that promote youth wellness, education, and access – especially through athletics, which I believe is one of the most powerful vehicles for character development.

As part of the bisesquicentennial, we will be honoring women who made their mark throughout history. What are you doing to make an impact in 2026 that will last for years to come?

In 2026, my focus is on creating sustainable pathways for youth access to sports and wellness opportunities through my work with community organizations and the Power of Sports initiative. I believe legacy is built through empowerment – equipping young people with confidence, discipline, and opportunity. I'm also committed to mentoring women and encouraging them to step into leadership roles, because when women support one another, communities flourish.

“
Don't underestimate yourself, and know that you don't have to do everything alone.”

– Kristen Frohnhoefer

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Mariana Hochschild

Co-Founder, Misión Huascarán



As co-founder of Misión Huascarán, Hochschild works every day to transform the lives of those living in rural areas of Peru. The nonprofit organization works on initiatives surrounding health, education, and nutrition to create opportunities for a better future for thousands.

What is the most valuable lesson you have learned from a mentor in your life?

One of the most valuable lessons I learned from my mentor, Violeta Correa, was that service begins with dignity and genuine care for others. She taught me that we cannot remain indifferent when we see people facing hardship. We must listen, understand their reality, and walk alongside them with empathy and respect. She showed me that real change is built through perseverance and a deep commitment to people's well-being.

Her example continues to guide our work at Misión Huascarán, where we accompany communities with our three programs – health, education, and nutrition – so they can lead their own development. From her, I learned that leadership is ultimately an act of service, creating opportunities for others and helping transform realities together.

What are you doing to make an impact in 2026 that will last for years to come?

In 2026, we are focused on strengthening sustainable solutions to address childhood anemia and malnutrition in rural Peru.

“
When we design systems that remove unnecessary friction, we give people back something priceless: time to focus on what matters most.”

– Patrice Meagher

We are consolidating community-based nutrition initiatives that ensure children and families in remote high-Andean communities have access to fortified foods. Through locally produced fortified bread and other interventions, we have already reduced anemia among our beneficiaries from over 44% to less than 10%, and we aim to reach more communities.

We are also expanding access to healthcare through mobile clinics and telemedicine. In 2025 alone, we provided more than 21,000 free medical consultations, bringing services to families who previously had no access to care.

We will continue to grow in 2026, developing our telemedicine program with help from international professionals. This will also help us provide specialized health-care services, which otherwise would be unavailable in these rural communities.

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Alisa Mall

Chief Investment Officer, DFO Management



With nearly 20 years of experience in investments, Mall brings her expertise in her current role as chief investment officer for DFO Management, where she is responsible for the investment management and oversight of DFO's holdings. Beyond her day-to-day responsibilities, Mall works to advocate for more women in senior investment roles.

What is the most valuable lesson you have learned from a mentor in your life?

The most valuable lesson I learned from a mentor was: “Don't say no to yourself.” Earlier in my career, I often took myself out of the running for opportunities because I didn't think I had the exact right experience or qualifications required. A mentor challenged that mindset. He told me that the world will tell you “no” often enough – you don't need to do it to yourself first. I've come back to that simple but powerful advice frequently: Don't preemptively deny yourself opportunities out of insecurity or self-doubt. If you're not the right person for something, let someone else make that decision. But don't close doors before you've even knocked on them!

What is the most energizing aspect of your work today?

The most energizing part of my work is the people I get to spend time with on a regular basis. In my role, I get to meet with some of the smartest, most thoughtful

investors in the world. Conversations can be far-reaching, covering everything from AI and innovation, to geopolitics, raising kids, energy, consumer trends, space travel, and entertainment – you name it. Being around big thinkers who challenge consensus and see around corners is incredibly energizing. Those conversations challenge my perspectives and constantly reignite my excitement about investing.

Patrice Meagher

Founder and CEO, MilkMate



After returning from maternity leave and struggling to comfortably breast pump while at work, Meagher was inspired to create MilkMate, a company that works to make workplace pumping efficient and comfortable. MilkMate advises

firms on how to provide employees with a space to pump and provides the right equipment to do so – ultimately, empowering working moms everywhere and the employers that support them.

What values most impact how you spend your time, be it at home or at work?

Efficiency is the value that most shapes how I spend my time – because time is the one resource we never get more of. As a founder and a working mom of four, I've learned that minutes matter. But for me, efficiency isn't about doing more. It's about removing friction so the things that matter most actually fit.

I'm ruthless about prioritization at work and at home because wasted time usually means someone else is absorbing the cost – a child waiting for my attention, a colleague blocked on a decision, or a customer navigating something that should have been simple. Respecting people's time is one of the most tangible ways we can respect their lives, ambitions, and families.

This belief is exactly why MilkMate exists. Pumping at work was unnecessarily inefficient, stressful, and time-consuming for women. The system wasn't designed with their reality in mind. I didn't want working mothers to have to choose between productivity and providing for their babies.

Efficiency, at its core, is about dignity. When we design systems that remove unnecessary friction, we give people back something priceless: time to focus on what matters most.

What is the most energizing aspect of your work today?

The most energizing part of my work is the ripple effect. Every time I hear directly from a mom who feels supported by her employer because of MilkMate, it reinforces why we're building this company. When a woman tells us she was able to stay in her career, feel valued at work, and show up more fully at home – that's fuel.

MilkMate isn't just solving a logistical problem. We're helping reshape how workplaces think about women, parents, and long-term retention. My background in corporate real estate taught me how physical spaces influence behavior. Applying that lens to create more human-centered workplaces feels like a full-circle moment.

What truly drives me is knowing the systems we build today will shape what work looks like for the next generation of women, including my own daughters. Cultural change doesn't happen in sweeping declarations; it happens through practical solutions that make equity operational.

And I love when someone says, "I wish this had existed when I needed it," and then still fights to bring it to her organization anyway. That's when I know this work is bigger than a product. It's progress.

Hafeezah Muhammad

Founder and CEO, Backpack Healthcare



Muhammad was inspired to create Backpack Healthcare following her own experiences with difficulties in mental health services for children. Backpack Healthcare is a technology-enabled pediatric mental health provider that

offers a variety of services powered by cutting-edge AI solutions. The company is focused on delivering mental healthcare to underserved youth. Muhammad's leadership is driven by empathy, collaboration, and personal growth.

What is the most energizing aspect of your work today?

What energizes me most about my work is building the foundation for a child's future.

Every day, we help children and families overcome mental health challenges that could otherwise shape the trajectory of their lives. When a child gains the

stability to succeed in school, the confidence to manage their emotions, and the support they need to thrive, we are not just solving a problem – we are changing a life.

I am equally inspired by the broader impact – expanding state by state to transform access to care at scale and mentoring the next generation of clinicians so they can build meaningful careers serving children.

Nothing is more powerful than seeing a child who once struggled begin to flourish. That transformation, both individual and systemic, is what truly energizes me.

What is the biggest challenge facing your industry right now?

The greatest challenge facing our industry today is both investment and education around Medicaid, particularly in children’s mental health.

More than half of U.S. children rely on Medicaid. It is the largest payer of behavioral health services in the country, yet it remains widely misunderstood and significantly underprioritized in private capital markets. Despite its scale and long-term impact, many leaders and investors do not fully appreciate how central Medicaid is to the health, stability, and future productivity of our nation.

“
Nothing is more powerful than seeing a child who once struggled begin to flourish. That transformation, both individual and systemic, is what truly energizes me.”

– *Hafeezah Muhammad*

At the same time, children are experiencing historic levels of anxiety, depression, and trauma. The need is undeniable. What is missing is broader understanding and sustained investment in modern infrastructure, workforce development, and scalable innovation within Medicaid systems.

When education and capital align, Medicaid has the potential to be one of the most powerful platforms for improving generational outcomes in the U.S. There is a growing recognition that tools such as donor-advised funds (DAFs), program-related investments (PRIs), and other catalytic approaches remain underutilized in this space, alongside a compelling opportunity to structure evergreen pools of capital that align with long-term stewardship while driving sustained, scalable impact.

The future of pediatric mental health depends on whether we choose to recognize that opportunity.

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Julie Panzner

Owner and President, PhytogenX



Panzner is the owner and president of PhytogenX, a contract manufacturer specializing in research, development, and manufacturing of skincare, haircare, and body care products. As PhytogenX nears its 20th anniversary, Panzner

continues to work with emerging founders to help bring their personal care vision to life.

What is the most energizing aspect of your work today?

As a contract manufacturer of personal care products, we partner with a wide range of brands that sell into retailers like Sephora, Ulta, and Target. I’m especially energized by meeting emerging founders and hearing the stories behind why they’re creating a brand to fill a specific niche in the market. As an entrepreneur myself, being part of another entrepreneur’s journey and helping bring their vision to life is incredibly exciting and meaningful.

At the same time, we also collaborate with well-established global brands, working with them to develop something truly unique and innovative. Products that don’t yet exist in the market are both challenging and deeply rewarding. The combination of supporting visionary startups and pushing the boundaries of innovation with major brands is what makes the work so energizing for me.

What is the biggest challenge facing your industry right now?

One of the biggest challenges facing the beauty industry today is the growing demand for “clean” and natural products. While this shift reflects positive consumer awareness, it also presents real formulation challenges.

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Honoring 250 years of history means helping ensure the next generation has the tools to participate fully in the next 250.”

– Robyn Siers

Many brands are pushing for minimal preservatives or relying on natural preservation systems that may not be as effective. As a result, creating products that meet consumer expectations while remaining safe, stable, and efficacious has become significantly more complex.

At the same time, social media has dramatically reshaped the industry landscape. Platforms like TikTok and Instagram can quickly elevate a brand to viral success or just as quickly damage its reputation. Trends move at an unprecedented pace, and consumer sentiment can shift overnight, directly affecting sales and brand perception.

Navigating these formulation complexities while staying agile in an increasingly social-driven market requires adaptability and strategic thinking. The ability to pivot quickly and balance innovation, safety, and market demand is essential for long-term success in today’s beauty industry.

We are in a moment where AI and technology are reshaping how transactions are diligenced, negotiated, and integrated. What energizes me most is helping clients and deal teams not just react to change, but use it thoughtfully – understanding the risks, opportunities, and long-term implications.

At its core, M&A is about people making consequential decisions under pressure. I find enormous energy in helping bring clarity to that complexity – especially when a deal is at risk and a disciplined strategy can revive it. Those inflection points are where leadership matters most.

The U.S. is celebrating its 250th anniversary this year. What are you doing to honor this momentous occasion?

For me, this anniversary is an opportunity to reflect on the responsibility that comes with freedom and opportunity.

I’ve always believed that the strength of our country lies in access – to education, economic mobility, and systems that function fairly. My early work founding a nonprofit to connect siblings of children with special needs, and my continued involvement in educational advocacy, reflect that belief.

This year, I’m intentionally investing time in mentoring and pro bono efforts that expand opportunity – particularly in education. Honoring 250 years of history means helping ensure the next generation has the tools to participate fully in the next 250. 🍷



Robyn Siers

Partner, Speed M&A™ by Jones & Spross



With over two decades of experience, Siers brings a unique skill set to her role. She currently serves as a Partner of Jones & Spross, a specialized law firm and consultancy, where she founded the Speed M&A™ approach, making

mergers and acquisitions (M&A) cost-effective and efficient for all clients.

What is the most energizing aspect of your work today?

The intersection of strategy, technology, and human decision-making.

The U.S. at 250



Women and Finance Through U.S. History

From gaining the right to vote to becoming self-made billionaires, women in the U.S. have made important strides toward financial success. As the country celebrates its 250th anniversary, we look back on the women behind these historic milestones.

1870

Victoria and Tennessee Woodhull open Woodhull, Claflin & Co., becoming the first female stockbrokers on Wall Street.



1910

Madam C.J. Walker becomes the first U.S. woman – and the first Black woman – to become a self-made millionaire.



1920

Clara Porter writes "The Woman Investor," arguing that gender shouldn't determine a person's investments.



2019

MacKenzie Scott signs the Giving Pledge, promising to give away at least half of her wealth over the course of her lifetime; as of 2025, she has given \$19.3 billion to more than 2,500 nonprofits.



2014

Janet Yellen is appointed the first female chair of the Federal Reserve.



1999

Cathy Hughes, founder of Urban One, takes the company public, making her the first Black woman to lead a publicly traded corporation.



1984

Rosemary McFadden becomes first female president of the New York Mercantile Exchange (NYMEX).



1967

Muriel Siebert is the first woman to have a seat on the New York Stock Exchange (NYSE).



1937

Mary Roebling becomes the first woman to serve as president of a major commercial bank at the Trenton Trust.

2022

Rihanna becomes the youngest American female self-made billionaire at age 34.



NOW

Women manage one-third of household financial assets, graduate college at higher rates than men, and hold leadership roles in businesses of all sizes. While progress has been made, there is still room for improvement.

39.1% of all U.S. businesses are women-owned – a **13.6%** increase from 2019 to 2023



But women-owned businesses account for only:

9.2% of the workforce **5.8%** of revenue

Understanding and addressing the challenges facing women business owners is more important than ever, as an estimated **\$124 trillion** in U.S. wealth is expected to be transferred through 2048 in the **Great Wealth Transfer**.



of the women who have already inherited wealth have used their inheritance to invest

Women are still working to build wealth on their own:

3 out of 4 express confidence in their ability to achieve their financial goals

93% expecting an inheritance say they aren't depending on that money to reach their financial goals

Sources: Forbes, "Women in wealth throughout history: A United States timeline," J.P. Morgan Wealth Management, "The 2024 Impact of Women-Owned Businesses," Wells Fargo, "Cerulli Anticipates \$124 Trillion in Wealth Will Transfer Through 2048," Cerulli Associates.



SPOUSAL LIFETIME ACCESS TRUSTS

Efficient tax planning without completely letting go

By Ali Hutchinson / Principal
Stacia Kroetz / Managing Director, Senior Wealth Planner

When you die, there are three places your property can go: your family,¹ charity, or the government.

For those who are not charitably inclined, property is divided between family and the government. Most BBH clients prefer to maximize the amount they pass to family by minimizing the total estate tax due to the government. The best way to help accomplish this goal is to take advantage of the exemption amount, which is the amount every U.S. person can transfer to other individuals free of estate and gift tax.

The exemption amount is at an all-time high: As of January 1, 2026, a person can transfer up to \$15 million free of estate and gift tax. Transfers over the exemption amount are subject to 40% federal tax. The exemption amount may be used by making a gift during life or, if not used while alive, is available as an estate tax credit after death.

¹ Many people also leave assets to friends and other unrelated parties. This article uses the term “family” to refer to any individual (noncharitable) beneficiaries of one’s estate.



If you understand the value in transferring funds while alive ... but are concerned about an uncertain future and the possibility of transferring too much, you may wish to consider setting up one or two spousal lifetime access trusts.

Using the exemption amount during life vs. after death

There are several advantages to using the exemption amount during life as opposed to waiting to use it as an estate tax credit, including the following:

Tax efficiency

If you give the exemption amount while alive, any appreciation from the transfer date until your death is also free of estate tax. For example, if you transfer \$15 million to your family,² and that \$15 million doubles in value by the time you pass away, you have effectively transferred twice as much to your family – free of estate tax. If, instead, you waited to take advantage of the exemption in your estate, just \$15 million³ would be sheltered from the 40% tax. In this case, any appreciation accruing from the date you would have made the gift until your date of death would be subject to estate tax and therefore split 60-40 between your family and the government.

Gift impact

Another benefit to making transfers early as opposed to waiting until death is that you are around to see your gift affect the family. Many standard estate plans provide that assets pass to the surviving spouse, and then to children. Given increasing life expectancies, frequently at least one spouse lives to his/her 90s, which means that children who receive inheritances (as opposed to lifetime gifts) do not have access to the family nest egg until they are at or past retirement age.

Financial cushion

Transferring a percentage of the family's assets to children in their 30s or 40s can allow you to provide a financial cushion so that your descendants feel comfortable engaging in professions they enjoy but that aren't necessarily financially remunerative. Even for children who choose high-paying professions, receiving family assets can provide flexibility and open options that may otherwise have felt unattainable – for example, paying for private school for grandchildren or maxing out the proportion of their own salaries that they transfer to retirement accounts.

Many offspring who receive lifetime gifts feel more comfortable maxing out contributions to 401(k) and IRA accounts armed with the knowledge that should an emergency arise, they will not have to withdraw funds from tax-sheltered retirement accounts – withdrawals that generally incur a penalty if made prior to age 59.5 – but instead can come from family trusts.

Catalyst for important conversations

Further, while alive, you can start by transferring a relatively small amount to your children and use the gift as a catalyst for frank discussions about appropriate asset allocation and risk tolerance as well as the family's values and goals. This initial transfer will also allow you to gauge how responsible your children are and their level of preparedness to receive more significant wealth. After observing how some children respond to relatively small transfers, many individuals decide to make future transfers in trust, as opposed to outright.

² On or after January 1, 2026.

³ The One Big Beautiful Bill Act made this exemption permanent, with annual inflation adjustments scheduled to begin in 2027.

Through our wealth planning experience at BBH, we have found that in some cases, children who inherit large sums with no preparation or structure and no sense as to what the money is “for” can feel woefully unprepared and at times behave more like lottery winners than responsible stewards of a family’s nest egg.

Even armed with all of the reasons why it may be more logical to transfer assets during life as opposed to through your estate, it can be difficult to come to grips with letting go of such a significant amount while still facing an unknown future that might include healthcare costs, long-term care, a failed family business, market volatility, and other unforeseeable expenses.

If you understand the value in transferring funds while alive, as opposed to waiting until death, but are concerned about an uncertain future and the possibility of transferring too much, you may wish to consider setting up one or two spousal lifetime access trusts.

What is a spousal lifetime access trust (SLAT)?

A SLAT is an estate planning strategy that allows you to make a transfer during life and still potentially access the funds should there be a need. The strategy involves creating a trust, the beneficiaries of which would be your spouse and descendants.

How does it work?

After setting up the trust, you would transfer up to \$15 million into the trust account tax free. Depending on your level of comfort, you could start slowly by transferring less than the full exemption amount, or you could transfer the full amount upfront. Following the gift, all income and appreciation on the gifted property (to the extent not distributed to your spouse) would be out of your estate, but you would still have indirect access to the gifted property because your spouse could withdraw trust funds (and place them back in your joint bank account) if necessary.

Here are two examples of possible scenarios for using a SLAT:

Creating a trust for your spouse and descendants

During your spouse’s lifetime, the trust could be for her primary benefit, and the trustees would have full discretion to distribute income and principal to her – or if she is adequately cared for, to your children and/or grandchildren. Your spouse could have the annual right to withdraw 5% of the principal of the trust and even have a testamentary power of appointment – that is, the right to appoint at her death the property of the trust to a specified class of persons (for example, “my descendants”).

If your spouse does not exercise the power, when she passes away the property and all appreciation from the date of transfer until her death will pass to or for the benefit of the children and/or grandchildren free of transfer tax.

You and your spouse create trusts for each other

You could also create one trust for your spouse’s benefit, and your spouse could create a similar trust for yours. If you each transfer the full exemption amount on or after January 1, 2026, a total of \$30 million would be transferred out of the estate tax system and excluded from your estates at death. In order for this strategy to be effective, the trusts cannot be identical, because trusts that are interrelated and leave the grantors in approximately the same economic position may be uncrossed for estate tax purposes and includible in each of your estates.

Accordingly, the provisions of a trust created by your spouse would differ slightly from yours. For example, your spouse could create a trust for the benefit of you and your descendants providing that the trustees have full discretion to distribute income and principal among you and your children and/or grandchildren, as opposed to primarily for your benefit. Through this, you could have the right to withdraw income and principal for your support. At your death, you would not have a power of appointment, and the property would simply pass to or for the benefit of children and/or grandchildren.

Note that these provisions are only examples, and the trusts would be designed to fit within your desires and objectives. In order to maintain even more control, you and your spouse may each be a trustee of the other’s trust; however, you would need to also name independent co-trustees.

Access and use

If you use up your exemption in making transfers to a trust like this, the trust fund should be the last place you and your spouse look for living expenses. Ideally, neither one of you would access the funds during life, allowing the maximum amount of property to pass to your descendants transfer tax-free.

And of course, one issue with a spousal access trust is that once you or your spouse passes away, the survivor would no longer have “access” to the trust created for the deceased spouse’s benefit.⁴ At the death of the spouse, the trust would continue for the benefit of descendants, who could continue to receive distributions in the discretion of the trustee.

⁴ In 2022, Florida introduced legislation providing that after the death of the spouse-beneficiary of a spousal access trust, the original spouse-grantor may benefit from the trust. This is a novel concept, and it remains to be seen how such trusts will be treated for federal tax purposes.

you & me



While it is extremely rare for parents to transfer more than they can afford, we have seen grateful children take distributions and use the funds to help mom or dad with various expenses. The downside of this approach is that if the expenses are significant, it is basically “reverse” estate planning, where children are transferring assets up to parents as opposed to down to their descendants, something they are generally happy to do where the original funds came from the very parents they are being asked to support.

Benefits of a spousal access trust

Spousal access trusts have several advantages when it comes to tax savings:

- **They are structured as “grantor trusts” for income tax purposes.** This means that the trust assets would be considered to be owned by you for income tax purposes, and any transactions between you and the trust would be disregarded from an income tax perspective. This means you could swap assets between your personal account and the spousal access trust and could buy and sell assets from and to the trust without realizing gains. Further, you would pay any income tax generated by trust assets, which effectively transfers more money from you to your family outside of the transfer tax system; in effect, you would be making an additional tax-free gift to the beneficiaries in the amount of any income tax you pay on the trust’s behalf.
- **They can be “toggled off.”** If you begin to feel uncomfortable with the amount of income tax you are paying on behalf of the trust, you may decide to “toggle off” the grantor trust and force the trust to begin paying its own way, another technique for slowing the transfer of assets from you to the next generation.

Many clients are comfortable sticking with more straightforward estate planning techniques, all of which continue to be viable and effective. However, for those who want to make lifetime transfers but are concerned about outliving their wealth, a spousal access trust may be a technique to discuss further with an estate planning attorney, BBH wealth planner, or relationship manager. &

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MINDY DOUGHERTY BAIADA

Producing Artistic Director and
Founder, Music Theatre Philly



1 How did you make the leap from performing onstage to shaping the work as a producer with Music Theatre Philly, and what surprised you most about this transition?

Music Theatre Philly is a nonprofit theater school dedicated to making theater education accessible to every child. We never turn a child away and provide thousands of dollars in scholarships each year. Growing up with a single mother, I was fortunate to receive similar support, which inspired me to give back and help others in similar situations. The guidance and encouragement I received from educators who recognized my potential planted a seed in me to create opportunities for others.

While performing on Broadway in “Gypsy,” I began my master’s studies in theater education at New York University, fully aware that I wanted to deepen my involvement in the arts in the future.

After the birth of my second daughter, I felt a strong desire to create a theater school that would engage my children in the process. My first class was inspired by “Frozen,” where my daughters joyfully sang and danced to the songs. From there, I gradually built the program based on their interests and developmental needs.

What surprised me most about this transition was how much I loved being an entrepreneur. I started with just four students – two of whom were my own children – and now we serve thousands. I had to build each aspect of the business from the ground up. As a performer, I always believed that was my identity. However, I was pleasantly surprised to discover that I am also a businesswoman capable of achieving whatever I set my mind to. The joy and fulfillment I find in nurturing talent and creating a supportive environment for young performers have made this journey incredibly rewarding.

2 How and why did you expand your platform to producing on Broadway?

Transitioning into Broadway producing felt like a natural progression after my experiences with Music Theatre Philly. As I deepened my understanding of the arts and mentorship, I realized I



The joy and fulfillment I find in nurturing talent and creating a supportive environment for young performers have made this journey incredibly rewarding.”

wanted to expand my influence on a larger scale. Producing on Broadway allows me to bring compelling stories to life while creating opportunities for emerging talent, much like those I once received. This call resonates with me because it merges artistry and entrepreneurship, enabling me to contribute to projects that not only entertain but also inspire.

My background in nurturing young talent has equipped me with insights into what makes a production resonate. I aim to shape stories that reflect the richness of human experience. Ultimately, this pivot is driven by my commitment to fostering creativity, supporting artists, and continuing to give back to the community.

3 At Rise Creative is known for pairing storytelling with design and technology. How do you decide when an innovation elevates the story vs. distracting from it?

Navigating the balance between innovation and storytelling is a delicate art. We always start with the heart of the narrative. Does the innovation enhance the emotional connection, or does it pull the audience out of the moment?

I love collaborating with my creative team to explore these questions. Together, we brainstorm and test ideas, ensuring that every technological advance feels like a natural extension of the story. For me, it's about creating a shared experience that resonates deeply with audiences, allowing them to immerse themselves fully in the world we've crafted.

4 When you think about what you're building for the long term, what do you hope your work makes possible?

With Music Theatre Philly, my dream is to create a warm, welcoming community where people of all ages can discover their voices and build confidence. I want every participant to feel safe exploring their creativity, learning not just the art of performance, but also the importance of connection and support.

This program is about more than just musical theater; it's about building relationships and fostering a sense of belonging. We aim to empower individuals to grow into not only talented performers, but also compassionate, engaged members of society. Through our work, I hope we can touch lives and inspire everyone who walks through our doors.

At Rise Creative focuses on creating an inclusive space where diverse stories can flourish and resonate with audiences. My vision is to foster an environment that encourages innovation and collaboration, shaping a Broadway landscape that pushes boundaries and inspires change.

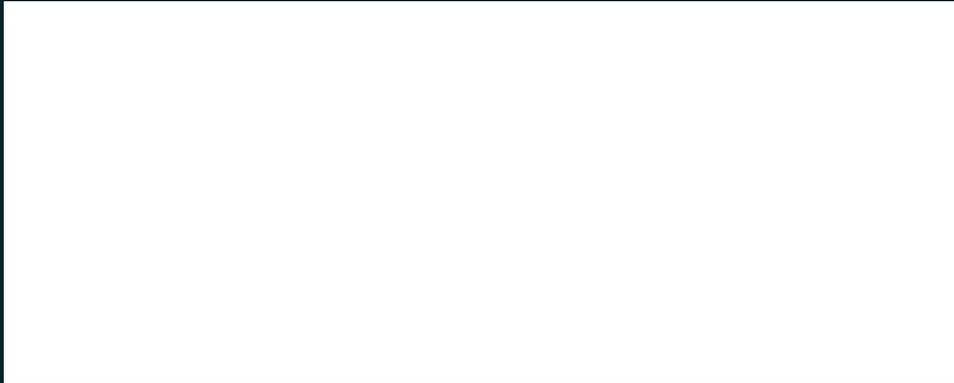
Theater is a powerful medium that fosters empathy and connection, allowing us to step into the shoes of others and recognize our shared humanity. This experience cultivates a more loving harmony within our communities.

As we develop groundbreaking productions, I'm also committed to empowering the next generation of artists. Through partnerships with organizations like Music Theatre Philly, my theater kids will gain invaluable insights into the business side of the arts, learning how shows are crafted from start to finish and having the opportunity to audition for roles. This bridge between education and professional experience nurtures their passion and creativity, ensuring they are well-prepared to make their mark in the industry. Together, we can build a brighter, more compassionate future through the transformative power of storytelling.

5 What advice would you give to your younger self?

If I could speak to my younger self, I would gently remind her that there's no single destination in life; it's a beautiful journey. I wish I had known that it's the hard work that fills the soul, not the accolades. There were many times I felt uncertain, wondering if I would ever work again, but I kept pushing forward. I constantly asked myself, "What more can I do? What do I want? How can I use my mind and heart to help others grow?"

Life is more about the pursuit of passion and the dedication to growth than simply reaching a final goal. It's in the slow and steady progress, the commitment to your craft, and the daily efforts that you find real joy and pride. Each small step enriches the journey, and that's where fulfillment lies. Focusing on how I can contribute and uplift others has been one of the most rewarding aspects of my path. &



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