SELECT PORTFOLIO MANAGEMENT, INC.
Integrated Wealth Management
A Registered Investment Advisor

SAMPLE

Financial Needs Summary

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Select Portfolio Management, Inc.
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Disclaimer

IMPORTANT: Please read this section carefully. It contains an explanation of some of the limitations of this report.

IMPORTANT: *The projections or other information generated by NaviPlan regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results.*

Below is an outline of several specific limitations of the projections of financial models in general and of *NaviPlan* **specifically.**

The Projections Contained in this Report depend in part, on Personal Data that You Provide

The assumptions used in this financial plan are based on information provided and reviewed by you. Please review all assumptions in the Appendix - Plan Data Summary section before reviewing the rest of the report to ensure the accuracy and reasonableness of the assumptions. These assumptions must be reconsidered on a frequent basis to ensure the results are adjusted accordingly. The smallest of changes in assumptions can have a dramatic impact on the outcome of this financial plan. Any inaccurate representation by you of any facts or assumptions used in this financial plan invalidates the results.

This Report is not a Comprehensive Financial Report and does not include, among other things, a Review of your Insurance Policies

We have made no attempt to review your property and liability insurance policies (auto and homeowners, for example). We strongly recommend that in conjunction with this financial plan, you consult with your property and liability agent to review your current coverage to ensure it continues to be appropriate. In doing so, you may wish to review the dollar amount of your coverage, the deductibles, the liability coverage (including an umbrella policy), and the premium amounts.

NaviPlan does not Constitute Legal, Accounting, or Tax Advice

This financial plan does not constitute advice in the areas of legal, accounting or tax. It is your responsibility to consult with the appropriate professionals in those areas either independently or in conjunction with this planning process.

Circular 230: Any income tax, estate tax or gift tax advice contained within this document was not intended or written to be used and cannot be used for the purpose of avoiding penalties that may be imposed.

Discussion of the Limits of Financial Modeling

Inherent Limitations in Financial Model Results

Investment outcomes in the real world are the result of a near infinite set of variables, few of which can be accurately anticipated. Any financial model, such as NaviPlan, can only consider a small subset of the factors that may affect investment outcomes and the ability to accurately anticipate those few factors is limited. For these reasons, investors should understand that the projections made in this financial plan are hypothetical, do not reflect actual investment results, and are not guarantees of future results.

Results May Vary With Each Use and Over Time

The results presented in this financial plan are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond the scope and control of this financial plan. Historical data is used to produce future assumptions used in the financial plan, such as rates of return. Utilizing historical data has limitations as past performance is not a guarantee or predictor of future performance.

Outline of the Limitations of NaviPlan and Financial Modeling

Your Future Resources and Needs May Be Different From the Estimates That You Provide

This financial plan is intended to help you in making decisions on your financial future based, in part, on information that you have provided and reviewed. The proposed asset allocation presented in this financial plan is based, in part, on your answers to a risk tolerance questionnaire and may represent a more aggressive and therefore more risky investment strategy than your current asset allocation mix.

The projections contained in the report utilize the information that you have provided and reviewed including, but not limited to, your age, tolerance for investment risk, income, assets, liabilities, anticipated expenses, and likely retirement age. Some of this information may change in unanticipated ways in the future and those changes may make NaviPlan less useful.

NaviPlan Considers Investment in Only a Few Broad Investment Categories

NaviPlan utilizes this information to estimate your future needs and financial resources and to identify an allocation of your current and future resources, given your tolerance for investment risk, to a few broad investment categories: large cap equity, mid cap equity, small cap equity, international equity, emerging equity, bonds, and cash.

In general, NaviPlan favors the investment categories that have higher historical and projected returns. The extent of the recommended allocation to these favored investment categories is limited by the investor's disclosed tolerance for risk. In general, higher returns are associated with higher risk.

These broad investment categories are not specific securities, funds, or investment products and NaviPlan is not an offer or solicitation to purchase any securities or investment products. The assumed rates of return of these broad categories are based on the returns of indices. These indices do not include fees or operating expenses and are not available for investment. These indices are unmanaged and the returns are shown for illustrative purposes only.

It is important to note that the broad categories that are used are not comprehensive and other investments that are not considered may have characteristics that are similar or superior to the categories that are used in NaviPlan.

Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this financial plan.

NaviPlan Projects Investment Returns Far Into the Future Using Historical Data

For all asset class forecasts, Ibbotson uses the building block approach to generate expected return estimates. The building block approach uses current market statistics as its foundation and adds historical performance relationships to build expected return forecasts. This approach separates the expected return of each asset class into three components: the real risk-free rate, expected inflation, and risk premia. The real risk-free rate is the return that can be earned without incurring any default or inflation risk. Expected inflation is the additional reward demanded to compensate investors for future price increases, and risk premia measures the additional reward demanded for accepting uncertainty associated with investing in a given asset class.

This historical data of the returns of these broad asset categories is used in projecting a hypothetical return for these categories for many years into the future.

Any projection of future returns of any asset category, including any projection using historical returns as a guide, has severe limitations. Changes in market conditions or economic conditions can cause investment returns in the future to be very different from returns in the past. Returns realized in the future can, in fact, be much lower, or even negative, for all or some of these asset categories and, if so, the projections in NaviPlan will be less useful.

Any assets, including the broad asset categories considered in NaviPlan, that offer potential profits also entail the possibility of losses.

Furthermore, it is significant that the historical data for these investment categories does not reflect investment fees or expenses that an investor would pay when investing in securities or investment products. The fees and expenses would significantly reduce net investment returns and a projection taking account of fees and expenses would result in lower projected asset values in the future.

Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this financial plan.

NaviPlan Projections Include Limited Accounting for Taxes

The federal and state income tax laws are extremely complex and subject to continuous change. NaviPlan has limited capability to model any individual's tax liability, and future tax laws may be significantly different from current tax laws. Any changes in tax law may affect returns for any given investment and make the projections produced by NaviPlan less useful. The projections contain limited support for the tax impact on transfers of money or redemptions of funds. Please review the tax assumptions outlined in the Appendix - Plan Data Summary section of this report for more specific information regarding tax assumptions used in the projections.

NaviPlan Projections Do not Include Fees and Expenses

The projections utilize return data that do not include fees or operating expenses. If included, fees and other operating expenses would materially reduce these projections. Recommendations included in the projections to redeem funds from certain investments or transfer money to others do not account for fees and charges that may be incurred.

NaviPlan Projections May Include Variable Products

Variable life insurance policies or deferred variable annuities are inherently risky and may be included in the projections. The return rate assumptions used throughout this analysis do not relate to the underlying product illustrated. These returns should not be used as a proxy for actual performance as they may exaggerate the performance potential of the underlying investment accounts (subaccounts). Any projections incorporating variable products are hypothetical and intended to show how the performance of the underlying subaccounts could affect the value and death benefit of the variable products; these projections are not intended to predict or project investment results. Please review all assumptions in the Appendix - Plan Data Summary section of this report to assess the reasonableness of the assumptions associated with any variable products used in the projections.

The projections do not include transactions fees or expenses, which can have a material impact on the results of the projections. It is important that you understand all fees and expenses associated with purchasing and investing in variable products.

If a variable annuity included in this analysis contains a guaranteed minimum withdrawal rider, it is important to understand that if the contract value is greater than the guaranteed minimum withdrawal benefit once withdrawals begin, as an investor you will have paid for the rider and not actually used it.

Income taxes during the annuitization phase are accounted for in the projections. See the section titled "NaviPlan Projections Include Limited Accounting for Taxes" in this Disclaimer for further information on the tax methodology used.

Introduction

What is Financial Planning?

Financial planning can be a life-long process that assists you and your family in taking control of your financial future. By setting financial goals, developing and implementing financial strategies, and monitoring progress on a regular basis, the likelihood of achieving your results is greatly increased.

There are usually five steps in the preparation of a professional financial plan:

1. An Opening Interview to assess your current financial situation and to identify your priorities and concerns.
2. Gathering information to develop a Profile of your current situation, including a review of your financial information and relevant documents. We will analyze this data to be certain we understand your unique situation and how to address it.
3. Presenting the planning analysis during a strategy session allowing you to understand where you are in relation to where you want to be in the future.
4. Using the plan as a blueprint, develop an Implementation schedule and identify specific products and services to help you reach your goals.
5. The last step in the process is the Periodic Review of your financial situation. At a minimum, we recommend you assess the need for any changes annually. Even the best financial plan must be monitored on a regular basis to make sure you are continuing in the right direction.

Why develop a financial plan?

Most people find that managing their finances is a challenge. We face many opportunities, obstacles, and hazards along the way. We struggle with anxiety relating to our personal financial circumstances. Further, many families are too busy dealing with the challenges of day-to-day life to think about next month; let alone retirement, which may be twenty years or more into the future.

By developing a financial plan, you and your family:

- Will have a better understanding of your current financial situation.
- Determine attainable retirement, education, insurance, and other financial goals.
- Review goals, funding strategies, and alternatives where goals have to be compromised.
- Have the necessary financial resources set aside to fund your goals as they occur.
- Reduce the effect of unexpected events, such as disability, premature death, etc.

Tax Considerations

As Legislated

On May 26, 2001, the U.S. Congress adopted the Economic Growth and Tax Relief Reconciliation Act of 2001 (the Act). This Act includes the largest tax cut in more than 20 years. It also provides for major changes to estate tax, gift tax and generation skipping transfer tax (GSTT) starting in the year 2002 and continuing through 2010.

The changes to personal and estate taxes (including credits, exemptions, etc.) are being phased in starting in 2002 and continue through 2009. In the year 2010, the estate tax and GSTT are repealed for one year. The gift tax, however, continues with a $1 million exemption.

Gifts are currently taxed under the same rate table as estates, and the same applicable credit applies to both gifts and estates. Under the Act, the applicable exclusion amount for gift tax purposes is $1 million and will remain at that amount until 2009. The applicable exclusion amount for estate tax purposes is $3.5 million in 2009.

The biggest change is a new carryover basis system that replaces the estate tax. Under current law, your assets are taxed based on the amount that you own at your death (estate tax). But, your assets also receive a step-up in basis equal to the fair market value of the asset at the time of your death. Under the new law, during years that the estate tax is repealed, assets do not automatically receive a step-up in basis at your death. The effect of this is an increase in capital gains tax. However, there are provisions for a limited amount of assets to receive a step-up. Up to $3 million of assets transferred to a spouse and $1.3 million of assets transferred to other are eligible for the increased basis at your death. Under this option, the new carryover basis system is applicable for only the one year that the estate tax is repealed.

On May 28, 2003, the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) was enacted. The JGTRRA provides an acceleration of various income tax provisions of the 2001 Act. In addition, the JGTRRA provides a reduction in the maximum long-term capital gains tax rate and preferential tax treatment for dividend income until 2008. The Tax Increase Prevention and Reconciliation Act of 2005 further extends the provision until the end of 2010, after which the provisions will revert to prior law.

Because of the sunset clause, the provisions in the Act are effective only to the end of 2010. In 2011 the tax laws revert back to those in place in 2001, except where extended by the Pension Protection Act of 2006. For the purposes of your plan, we have illustrated the law as legislated, with one year of estate tax repeal, and the tax law reverting back to 2001 law in the year 2011.

On August 17, 2006, the Pension Protection Act (PPA) of 2006 was signed into law. The PPA permanently extends certain provisions of the EGTRRA. Specifically, the PPA makes permanent contribution limit increases to IRAs and certain employer-sponsored plans, permanently extends availability of Roth 401(k) and Roth 403(b) plans, and permanently extends the non-taxability of qualified 529 plan distributions.

Scenario Probability Assumptions

The *Plan Probability* graph illustrates the goal coverage percentage for each trial that was generated. When NaviPlan generates the probability analysis it goes through the entire plan from the current plan date through to the set life expectancy date and varies return rates on available assets based on their anticipated average rates of return and standard deviations. NaviPlan then determines the resources available. At this point, NaviPlan determines if the available resources are adequate to cover the need (essentially, the goal expense) and it draws down on the available assets where appropriate. NaviPlan displays its findings by giving a percentage that illustrates how much of the goal is covered. The percentage equals the *ability to cover the total needs* divided by *the total needs,* where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.

In this assessment, the *% Total Needs Covered By Total Resources* option is shown, and NaviPlan determines if the resources available will cover the total needs of the goal, where *total needs* equals all fixed and discretionary expenses (fixed expenses may also include implicit expenses such as loan payments, life insurance premiums and income taxes).

Assumptions

The following information lists the assumptions used during the generation of the *Scenario Probability* results located on the *Scenarios* pages and in the Variability section. Note: the following key assumptions may differ from the Monte Carlo assumptions found in the section titled, Monte Carlo Analysis.

Life Expectancy is **not** randomized. All projections will end at age 95 for Frank and age 95 for Kathy.

Full Deficit Coverage is not active for the plan. This means that in the pre-retirement period of the analysis, assets are not redeemed to cover periodic expenses and taxes.

The ***Number of Projections*** is the number of trials of your financial plan that the software projects using random rates of return. A total of 500 trials have been generated.

Rate of Return Randomization indicates that a random number was generated (this process is repeated with a different random number for every projection) to determine a rate of return based on the standard deviation for each asset class assigned to your accounts. (The assumption is that all returns are normally distributed. This means that approximately 68% of the results are within one standard deviation above or below the *Rate of Return* and approximately 95% of the results are within two standard deviations). This calculation is repeated for every account in the plan.

Please Note: The results of each projection will vary with each use and over time.

IMPORTANT: The projections or other information generated by *Scenario Probability* Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Plan Data Summary

Plan Data Summary

This report summarizes the data, which was entered in your **Base Plan**.

General Information

Detail	Frank	Kathy
Birth Date	Oct 3 1957	Sep 1 1962
Proposed Retirement Date	Jan 2019	Jan 2019
Life Expectancy	Dec 2052	Dec 2057
Pre-Retirement Income Tax Rates		
State Tax Rate	9.00%	9.00%
Average Federal Tax Rate	22.39%	22.39%
Marginal Federal Tax Rate	28.00%	28.00%
Long Term Capital Gains Tax Rate	15.00%	15.00%
Retirement Income Tax Rates		
State Tax Rate	9.00%	9.00%
Average Federal Tax Rate	19.43%	19.43%
Marginal Federal Tax Rate	25.00%	25.00%
Long Term Capital Gains Tax Rate	15.00%	15.00%
Year of Death Income Tax Rates		
State Tax Rate	9.00%	9.00%
Average Federal Tax Rate	19.43%	19.43%
Marginal Federal Tax Rate	25.00%	25.00%
Long Term Capital Gains Tax Rate	15.00%	15.00%

Tax Options

The option “**As legislated**” was selected. In 2011, the calculations outlined will revert to the tax laws used in 2001, except where extended by the Pension Protection Act of 2006.

Assumptions

Detail	
Inflation Rate	3.50%
Tax Filing Status-Frank	Married Filing Jointly
Tax Filing Status-Kathy	Married Filing Jointly
Investment Profile:	Moderate

Dependents

Name	Birth Date	Age as of Plan Date	Dependent of (for tax)	Dependent of (for Social Security)
Brenda	Jul 1 1992	16	Frank and Kathy	Frank and Kathy
Bobby	Nov 1 1995	13	Frank and Kathy	Frank and Kathy

Family Information

Client	
Name	**Frank Boomer**
Date of Birth	Oct 3 1957
Gender	Male
Address	3123 Orchid Street Mission Viejo, California 92692 United States
Citizenship	United States
Name	**Kathy Boomer**
Date of Birth	Sep 1 1962
Gender	Female
Address	3123 Orchid Street Mission Viejo, California 92692 United States
Citizenship	United States

Dependents	
Name	**Brenda Boomer**
Date of Birth	Jul 1 1992
Gender	Female
Address	3123 Orchid Street Mission Viejo, California 92692 United States
Dependent of	Frank and Kathy
Name	**Bobby Boomer**
Date of Birth	Nov 1 1995
Gender	Male
Address	3123 Orchid Street Mission Viejo, California 92692 United States
Dependent of	Frank and Kathy

Professional Advisors

Type	Name	Business Phone #	Cell Phone #
Co-Advisor	David M. Jones	(949) 975-7900	

Regular Income

Income Source	Member	Applicable	Amount	Indexed
Salary	Frank	Jan 1 2009 to Dec 31 2018	$225,000/yr	Inflation
Salary	Kathy	Jan 1 2009 to Dec 31 2018	$95,000/yr	No

Defined Benefit Pension Plans - Estimate Benefit

Description:	Frank's Pension	Annual Benefit:	$18,000
Plan Owner:	Frank	**Indexed by:**	0.00%
Pct. payable to survivor:	60.00%		

Social Security Benefits

Member	Start Age/Date (retirement benefits)	Full Retirement (monthly)	Disability (monthly)	Surviving Spouse at Full Retirement (monthly)	Survivor with Eligible Children - Benefit for Family (monthly)	Eligible for Spousal Benefits
Frank	66 / Nov 1 2023	$2,200.00	$0.00	$0.00	$0.00	Yes
Kathy	67 / Sep 1 2029	$1,100.00	$0.00	$0.00	$0.00	Yes

Regular Expenses

Expense	Member	Applicable	Amount	Indexed	Fixed Expense
Housing (i.e. utilities, repairs)	Joint	Jan 1 2009 to Dec 31 2057	$1,287/mo	Inflation	Yes
Food	Joint	Jan 1 2009 to Dec 31 2057	$1,666/mo	Inflation	Yes
Transportation (i.e. gas, insurance, maintenance)	Joint	Jan 1 2009 to Dec 31 2057	$850/mo	Inflation	Yes
Entertainment (i.e. restaurants, movies)	Joint	Jan 1 2009 to Dec 31 2057	$1,591/mo	Inflation	No
Personal (i.e. clothing, hobbies)	Joint	Jan 1 2009 to Dec 31 2057	$800/mo	No	No
LTC Expense	Frank	Not applicable	$200/day	Inflation[1]	No
LTC Expense	Kathy	Not applicable	$200/day	Inflation[1]	No
Lawn care	Frank	Jan 1 2007 to Dec 31 2042	$42/mo	Inflation	No
Travel (1st 10 years of retirement)	Joint	Jan 1 2019 to Dec 31 2028	$15,000/yr	Inflation	No
Travel (2nd 10 years of retirement)	Joint	Jan 1 2029 to Dec 31 2038	$10,000/yr	Inflation	No
Health Care Expense	Joint	Jan 1 2009 to Dec 31 2057	$800/mo	Inflation[1]	Yes
Auti Lease Payments	Joint	Jan 1 2009 to Dec 31 2057	$1,500/mo	Inflation	Yes
Property Taxes for Residence	Joint	Dec 31 1999 to Never	$16,000/year	Inflation	Yes

[1] Indexed annually by inflation + 2.0%

Lump Sum Expenses

Expense	Member	Applicable	Amount	Indexed	Fixed Expense
Lump Sum Need	Kathy	Dec 31 2057 (Kathy's Deceased Date)	$424,360	Inflation	No
Vacation Home	Joint	Jan 1 2019	$450,000	Inflation[1]	No
Funeral Expenses	Frank	Dec 31 2052 (Frank's Deceased Date)	$31,827	Inflation	No
Funeral Expenses	Kathy	Dec 31 2057 (Kathy's Deceased Date)	$31,827	Inflation	No

[1] Indexed annually by inflation + -1.0%

Lifestyle Assets

Asset Name	Purchase Date	Purchase Amount	Market Value Date	Market Value	Growth Rate[1]	Standard Deviation
Personal Use Property (Joint/Lifestyle)	Dec 31 2006	$0	Jan 1 2009	$150,000	0.0%	0.0%
Residence (Joint/Lifestyle)	Dec 31 1999	$900,000	Jan 1 2009	$1,875,000	2.0%	0.0%

[1]The growth rate is a pre-tax amount

Real Estate Assets

Asset Name	Purchase Date	Purchase Amount	Market Value Date	Market Value	Growth Rate	Net Rental Income
323 Main St (Frank/Real Estate)	Jul 5 2000	$750,000	Jan 1 2009	$1,600,000	3.0%	$1,061

Portfolio Assets

Asset Name	Market Value Date	Market Value	Basis	Int. (%)	Div. (%)	Cap. Gain (%)	Tax Free (%)	Def. Growth (%)	Std. Dev. (%)	Total (%)
16% of Joint Investments (Non-Qualified)	Jan 1 2009	$65,760	$13,688	2.27	0.41	3.74	0.00	0.35	11.31	6.76
19% of Joint Investments (Non-Qualified)	Jan 1 2009	$78,090	$16,255	2.27	0.41	3.74	0.00	0.35	11.31	6.76
30% of Joint Investments (Non-Qualified)	Jan 1 2009	$123,300	$25,666	2.27	0.41	3.74	0.00	0.35	11.31	6.76
35% of Joint Investments (Non-Qualified)	Jan 1 2009	$143,850	$29,943	2.27	0.41	3.74	0.00	0.35	11.31	6.76
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2009	$40,000	$18,346	0.71	1.43	6.24	0.00	1.09	17.74	9.47
Diane's College Account (Joint/Non-Qualified)	Jan 1 2009	$52,000	$30,019	0.71	1.43	6.24	0.00	1.09	17.74	9.47
Kathy's Investments (Non-Qualified)	Jan 1 2009	$95,000	$25,000	3.23	0.00	0.00	0.00	0.00	3.77	3.23
Vacation Home (Joint/Non-Qualified)	Jan 1 2009	$350,000	$165,631	1.90	0.92	3.62	0.00	0.75	11.73	7.19
Frank's 401(k)	Jan 1 2009	$750,000	$0	2.13	0.57	3.12	0.00	0.57	9.99	6.39
Frank's Roth IRA	Jan 1 2009	$115,000	N/A	2.13	0.57	3.12	0.00	0.57	9.99	6.39
Kathy's 401(k)	Jan 1 2009	$250,000	$0	1.94	0.58	2.98	0.00	0.59	9.49	6.09
Kathy's IRA	Jan 1 2009	$75,000	$0	1.94	0.58	2.98	0.00	0.59	9.49	6.09

The *Portfolio Assets* section includes your major investment assets. It supplies the market value and cost basis of these assets. Cost basis for non-qualified assets is equal to the amount you paid to acquire the assets, plus income reinvestments, less any amounts you received income tax-free. Your total pretax growth rate is broken down into specific return rate types, as some of these items currently receive special tax treatment. At present interest is taxed as ordinary income at the marginal tax rates. Dividends are taxed at the long-term capital gains tax rates in 2003-2010 and are otherwise taxed as ordinary income at the marginal tax rates. Capital gains are either long-term or short-term. For non-qualified assets, income from the deferred growth component is not subject to tax until the asset is sold and is usually subject to the capital gains tax rules. For qualified assets, income from the deferred growth component is usually subject to tax as ordinary income at the average tax rates. Tax-free returns are not subject to regular income tax, but may be subject to the Alternative Minimum Tax. The actual total return rates that you will receive will depend on many factors, including inflation, type of investment, market conditions and investment performance.

Life Insurance Policies

Description:	Life Insurance - Frank		
Policy Type:	Universal Life	**Owner:**	Frank
Effective Date:	Dec 31 2006	**Insured:**	Frank
Death Benefit:	$1,000,000	**Beneficiary:**	Kathy
Cash Surrender Value (CSV):	$20,000	**Premium Payer:**	Frank
Premiums cease on:	Never	**Annual Premium Payments:**	$1,500
CSV payable with Death Benefit:	Yes	**Coverage ceases on:**	Never
		Disability Waiver:	Yes

Description:	Life Insurance - Kathy		
Policy Type:	Universal Life	**Owner:**	Kathy
Effective Date:	Dec 31 2006	**Insured:**	Kathy
Death Benefit:	$400,000	**Beneficiary:**	Frank
Cash Surrender Value (CSV):	$0	**Premium Payer:**	Kathy
Premiums cease on:	Never	**Annual Premium Payments:**	$600
CSV payable with Death Benefit:	Yes	**Coverage ceases on:**	Never
		Disability Waiver:	Yes

Liabilities

Liability Name	Liability Date	End Date	Original Principal	Current Principal	Int. Rate	Payment Type
Mortgage - 3123 Orchid St	Dec 31 2006	Mar 30 2035	$950,000	$950,000	6.000%	Principal & Interest
Personal Loans	Dec 31 2006	Oct 31 2011	$15,000	$10,516	8.000%	Principal & Interest

Regular Investment Strategies

Asset Name	Applicable	Amount	Indexed
Frank's 401(k)	Jan 1 2009 to Dec 31 2018		
Employee Pre-Tax Contribution		$1,200/Month	0.0%
Employee Post-Tax Contribution (0% of Salary)		$0/Month	N/A[1]
Employer Contribution		$400/Month	0.0%
Kathy's 401(k)	Sep 1 2009 to Dec 31 2018		
Employee Pre-Tax Contribution		$500/Month	0.0%
Employee Post-Tax Contribution (0% of Salary)		$0/Month	N/A[1]
Employer Contribution		$150/Month	0.0%
35% of Joint Investments (Non-Qualified)	Sep 1 2009 to Dec 31 2018	$175/Month	0.0%
30% of Joint Investments (Non-Qualified)	Sep 1 2009 to Dec 31 2018	$150/Month	0.0%
16% of Joint Investments (Non-Qualified)	Sep 1 2009 to Dec 31 2018	$80/Month	0.0%
19% of Joint Investments (Non-Qualified)	Sep 1 2009 to Dec 31 2018	$95/Month	0.0%
Vacation Home (Joint/Non-Qualified)	Sep 1 2009 to Dec 31 2018	$250/Month	0.0%

[1] Indexing occurs if the salaries used in the calculations have been indexed.

The table above includes all your periodic (annual or monthly) investment contributions.

Lump Sum Asset Redemption Strategies

Asset Name	Applicable	Amount	Indexed
30% of Joint Investments (Non-Qualified)	Jan 1 2019	$213,458	No
16% of Joint Investments (Non-Qualified)	Jan 1 2010	$20,159	No
16% of Joint Investments (Non-Qualified)	Jan 1 2011	$21,090	No
16% of Joint Investments (Non-Qualified)	Jan 1 2012	$22,180	No
16% of Joint Investments (Non-Qualified)	Jan 1 2013	$12,895	No
19% of Joint Investments (Non-Qualified)	Jan 1 2013	$27,732	No
19% of Joint Investments (Non-Qualified)	Jan 1 2014	$29,017	No
19% of Joint Investments (Non-Qualified)	Jan 1 2015	$30,444	No
19% of Joint Investments (Non-Qualified)	Jan 1 2016	$19,946	No
Vacation Home (Joint/Non-Qualified)	Jan 1 2019	$417,840	No
Diane's College Account (Joint/Non-Qualified)	Jan 1 2010	$16,175	No
Diane's College Account (Joint/Non-Qualified)	Jan 1 2011	$16,949	No
Diane's College Account (Joint/Non-Qualified)	Jan 1 2012	$17,641	No
Diane's College Account (Joint/Non-Qualified)	Jan 1 2013	$9,660	No
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2013	$14,717	No
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2014	$15,452	No
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2015	$16,130	No
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2016	$10,144	No

Lump sum redemptions represent redemptions of your assets that do not occur on a regularly scheduled basis but rather occur on an as-needed basis. Any redemptions planned for future years that are indexed by inflation will be increased accordingly - Refer to your **Action Plan** to view the projected amounts to be transferred for the next three years.

Deficit Coverage Strategies

Asset Name	Applicable
Frank's 401(k)	While Retired
Kathy's 401(k)	While Retired
35% of Joint Investments (Non-Qualified)	While Retired
Kathy's Investments (Non-Qualified)	While Retired
Frank's Roth IRA	While Retired
Kathy's IRA	While Retired

The assets listed are available for redemption to meet cash flow needs. The *Applicable* column indicates the period of time these assets are available. Typically, qualified assets are not available during your working years.

Liquidation Order for Retirement

Description	Plan Type	Owner
*Joint Investments	Non Qualified	Joint
*Vacation Home	Non Qualified	Joint
Kathy's Investments	Non Qualified	Kathy
Bobby's College Account	Non Qualified	Joint
Diane's College Account	Non Qualified	Joint
Frank's Roth IRA	Roth IRA	Frank
Kathy's 401(k)	401(k)	Kathy
Kathy's IRA	IRA	Kathy
Frank's 401(k)	401(k)	Frank

*Account is not used entirely to fund the retirement goal.

At retirement the liquidation of accounts will be based on the following order: Non-qualified, Roth, Qualified accounts.

Education Expenses

Diane's College Education

Expenses

Member	Start Date	End Date	Annual Amount
Brenda	Jan 1 2010	Dec 31 2013	$30,000

Expenses Indexed by Inflation: Yes + 2.00%

Assets Allocated to Education Expenses

Asset Name	Market Value Date	Market Value	Growth Rate
16% of Joint Investments (Non-Qualified)	Jan 1 2009	$65,760.00	6.76%
Diane's College Account (Joint/Non-Qualified)	Jan 1 2009	$52,000.00	9.47%

Bobby's College Education

Expenses

Member	Start Date	End Date	Annual Amount
Bobby	Jan 1 2013	Dec 31 2016	$30,000

Expenses Indexed by Inflation: Yes + 2.00%

Assets Allocated to Education Expenses

Asset Name	Market Value Date	Market Value	Growth Rate
19% of Joint Investments (Non-Qualified)	Jan 1 2009	$78,090.00	6.76%
Bobby's College Account (Joint/Non-Qualified)	Jan 1 2009	$40,000.00	9.47%

Emergency Expenses

Expense	Amount	Index Rate
Emergency Fund	$43,010	N/A

No assets have been set aside to cover the emergency expense.

Net Worth

This net worth summary provides a snap shot showing a financial situation at a certain point in time. It includes what you own (assets), what you owe to creditors (liabilities), and the net value or difference between the two (net worth). In simple terms, the net worth statement shows how much money would be left if everything you owned was converted into cash and used to pay off your debts (before taxes).

The following information is a description of items likely to appear in the report below. Your report may contain some or all of the items listed:

- *Lifestyle* assets include your home, vacation homes and collectibles.
- *Non-Qualified* assets include stocks, bonds, mutual funds, investment real estate and annuities.
- *Qualified* assets include your retirement plans including IRAs and 401(k)s, and it may also contain certain education assets such as 529 Plans.
- *Liabilities* include your mortgages, loans, personal lines of credits and credit cards.
- *Cash Flow Surplus* is the amount of surplus funds from your cash flow statement. In other words, income you did not spend which may be representative of your checking account, for instance.

Net Worth Summary

As of January 1, 2009

	Frank	Kathy	Joint	Total
Non-Qualified Assets				
Investment Portfolios		95,000	853,000	948,000
Other	1,600,000			1,600,000
Non-Qualified Annuities				
Qualified Assets				
IRAs / Spousal IRAs		75,000		75,000
Roth IRAs / Spousal Roth IRAs	115,000			115,000
401(k)	750,000	250,000		1,000,000
Qualified Annuities				
Lifestyle Assets (residences, etc.)			2,025,000	2,025,000
Life Insurance Cash Value	20,000			20,000
Liabilities	(950,000)		(10,516)	(960,516)
Total Net Worth	**1,535,000**	**420,000**	**2,867,484**	**4,822,484**

Cash Flow

The cash flow report below outlines your current sources of income and expenses. Your income includes employment income, investment income and any other sources. Your expenses include your daily living expenses, debt payments including your mortgage, current investment contributions and insurance premiums.

Current Surplus/(Deficit) displays any excess cash available or shortfall at the end of the current year once all expenses have been covered and investments made. *Ending Surplus/(Deficit)* displays the final surplus or deficit at the end of the current year after adjustments to or from other family members. The family's ending surplus or deficit is the sum of the individual family member's ending surpluses or deficits.

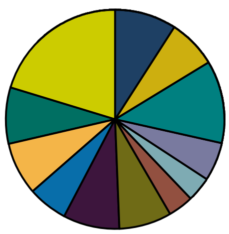
	Frank	Kathy	Family
Cash Inflows			
Employment Inflows	$225,000	$95,000	$320,000
Investment Inflows	$41,066	$31,401	$72,467
Total Cash Inflows	**$266,066**	**$126,401**	**$392,467**
Cash Outflows			
Lifestyle Expenses	$125,600	$53,064	$178,664
Taxes	$69,080	$39,427	$108,508
Miscellaneous Expenses	$10,070	$9,170	$19,240
Non-Qualified Contributions and Reinvestments	$20,469	$22,478	$42,948
Qualified Contributions	$14,400	$2,000	$16,400
Total Cash Outflows	**$239,619**	**$126,139**	**$365,758**
Current Surplus/(Deficit)			**26,709**
Ending Surplus/(Deficit)			**26,709**

Asset Allocation

These pie graphs illustrate your current asset mix and suggested asset mix for your entire portfolio.

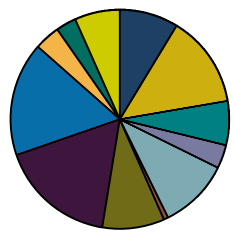
However, the suggested asset mix will not be used in the proposed plan. Due to modifications the assumed asset mix (for pre-retirement and retirement) on the following page will be used instead.

Current Asset Mix



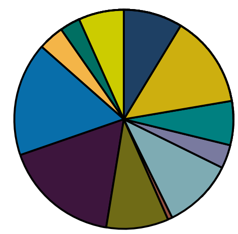
Rate of Return	6.54%
Standard Deviation	10.32%

Suggested Asset Mix*
Pre-Retirement
Blended Mix



Rate of Return	6.40%
Standard Deviation	10.04%

Suggested Asset Mix*
Retirement
Blended Mix



Rate of Return	6.40%
Standard Deviation	10.04%

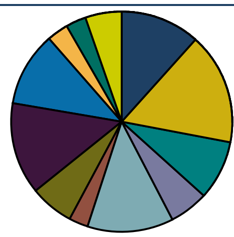
*Modifications have been made to the suggested asset mix.

Asset Class	Current Asset Mix (%)	Current Asset Mix ($)	Suggested Asset Mix Pre-Retirement (%)	Suggested Asset Mix Pre-Retirement ($)	Suggested Asset Mix Retirement (%)
Large Cap Growth Equity	9.1	194,763	8.7	185,262	8.7
Large Cap Value Equity	7.2	153,281	13.6	290,984	13.6
Mid Cap Equity	12.2	261,706	6.5	138,946	6.5
Small Cap Equity	5.7	122,225	3.5	74,806	3.5
International Equity	3.7	78,550	10.4	222,111	10.4
Emerging Markets Equity	3.7	78,550	0.7	14,199	0.7
Long Term Bonds	7.8	167,300	9.2	197,223	9.2
Intermediate Term Bonds	8.3	176,500	17.1	365,885	17.1
Short Term Bonds	5.9	126,200	16.8	358,752	16.8
High Yield Bonds	7.8	167,300	3.8	81,965	3.8
International Bonds	8.3	176,500	3.0	64,140	3.0
Cash	20.3	435,200	6.7	143,727	6.7
Total	**100.0**	**2,138,075**	**100.0**	**2,138,000**	**100.0**

Assumed Asset Mix for Entire Portfolio

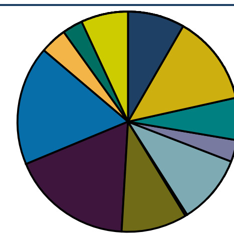
These pie graphs illustrate the Assumed asset mix for pre-retirement and the Assumed asset mix for retirement for your entire portfolio and will be used for the proposed plan.

Assumed Asset Mix
Pre-Retirement
Blended Mix



Rate of Return	7.50%
Standard Deviation	12.79%

Assumed Asset Mix
Retirement
Blended Mix



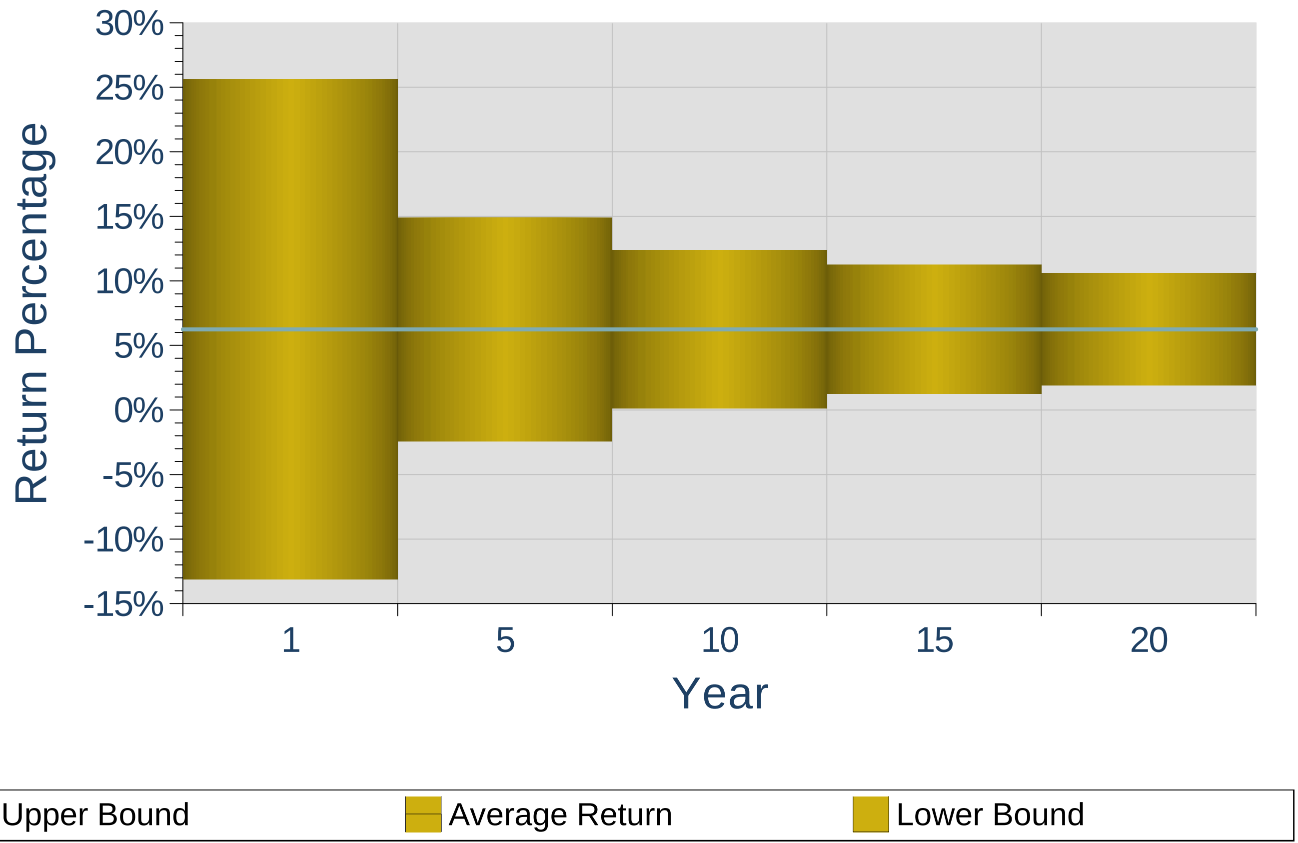
Rate of Return	6.26%
Standard Deviation	9.70%

The table below provides a breakdown of the percentages and dollar values for each asset class in the current and assumed portfolio. The *Change* column indicates the rebalancing required to reach the assumed asset mix.

	Current Asset Mix		Change		Assumed Asset Mix Pre-Retirement		Assumed Asset Mix Retirement
Asset Class	**(%)**	**($)**	**(%)**	**($)**	**(%)**	**($)**	**(%)**
Large Cap Growth Equity	9.1	194,763	**+2.5**	**+52,585**	11.6	247,348	8.3
Large Cap Value Equity	7.2	153,281	**+9.2**	**+200,159**	16.4	353,440	13.2
Mid Cap Equity	12.2	261,706	**-3.5**	**-76,196**	8.7	185,511	6.2
Small Cap Equity	5.7	122,225		**-854**	5.7	121,371	3.2
International Equity	3.7	78,550	**+8.9**	**+190,865**	12.6	269,415	10.1
Emerging Markets Equity	3.7	78,550	**-0.9**	**-18,896**	2.8	59,654	0.3
Long Term Bonds	7.8	167,300	**-1.4**	**-31,423**	6.4	135,877	9.6
Intermediate Term Bonds	8.3	176,500	**+5.2**	**+112,148**	13.5	288,648	17.6
Short Term Bonds	5.9	126,200	**+5.0**	**+107,640**	10.9	233,840	17.5
High Yield Bonds	7.8	167,300	**-4.7**	**-100,857**	3.1	66,443	3.9
International Bonds	8.3	176,500	**-5.3**	**-112,360**	3.0	64,140	3.0
Cash	20.3	435,200	**-15.0**	**-322,886**	5.3	112,314	6.9
Total	**100.0**	**2,138,075**	**+0.0**	**-75**	**100.0**	**2,138,000**	**100.0**

Projected Range of Returns

The following graph illustrates the potential range of returns on investments in your proposed investment portfolio. There is a 90% chance your returns over each time period will fall within the given range. Assuming the returns are normally distributed, there is a 5% chance you could outperform the highest return shown here, as well as a 5% chance you could underperform the lowest return shown here. The longer the time period of measurement, the narrower the range of returns. These results assume a buy-and-hold approach to the portfolio over each of the time periods illustrated.



	1 Year	5 Years	10 Years	15 Years	20 Years
5th Percentile*	25.65%	14.93%	12.39%	11.26%	10.59%
Average Return	6.26%	6.26%	6.26%	6.26%	6.26%
95th Percentile**	-13.13%	-2.42%	0.12%	1.25%	1.92%

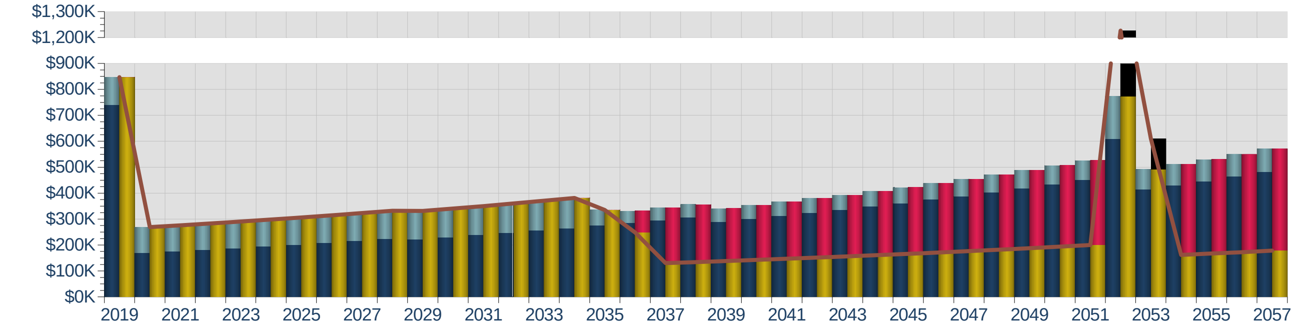
* You have a 5% chance of earning a higher return than what is shown over the applicable time period.
** You have a 5% chance of earning a lower return than what is shown over the applicable time period.

Retirement

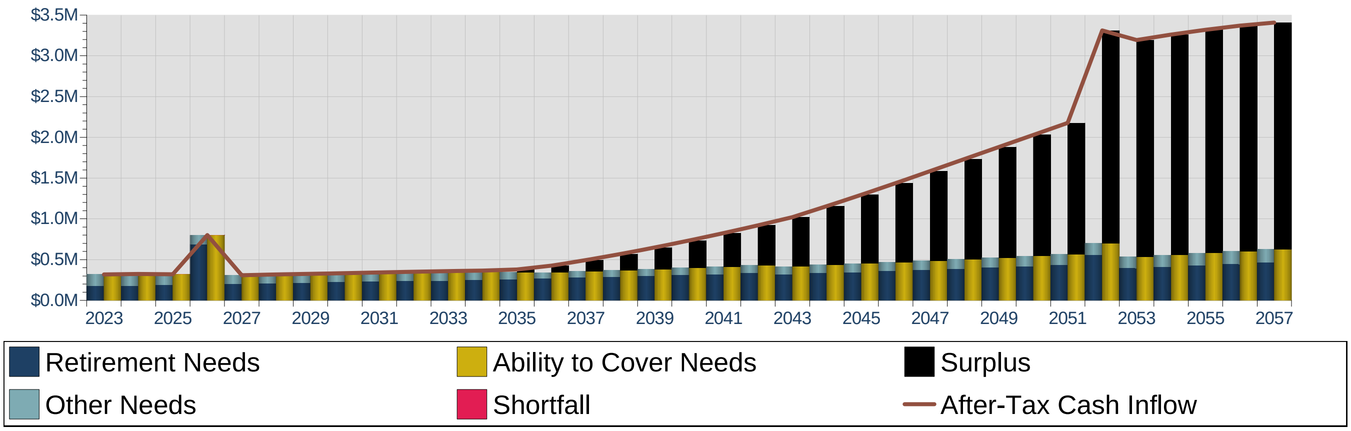
The following graphs illustrate your projected needs vs. abilities during retirement. The top graph displays your current financial situation without additional savings, with a rate of return of **6.15%.** The bottom graph displays your proposed situation, with a rate of return of **7.66%** during pre-retirement years and **6.15%** during retirement. Note: The graphs and table below may incorporate information from other goals that occur during your retirement period.

Retirement Needs Vs. Abilities

Current Plan



Proposed Plan



Financial Objectives	Current	Proposed
Frank's Retirement Age/Year	62 / 2019	**66** / **2023**
Frank's Life Expectancy	95 / 2052	95 / 2052
Kathy's Retirement Age/Year	57 / 2019	**63** / **2025**
Kathy's Life Expectancy	95 / 2057	95 / 2057
Annual Needs at Retirement, in today's dollars*	$116,928	**$108,190**
Inflation Rate	3.50%	3.50%
Return Rate: Pre-Retirement	6.15%	**7.66%**
Return Rate: Retirement	6.15%	6.15%
Available Assets	$1,428,850	**$1,760,960**
Assumed Monthly Savings	$1,600	$1,600
Required Additional Monthly Savings	$7,679	**$0**
Required Additional Lump Sum Savings	$778,933	**$0**

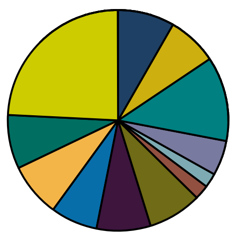
Note: Numbers in bold indicate a change from the Current Plan.
*Annual Needs at Retirement excludes property and income taxes, liability payments, insurance premiums (life, disability, long-term care), and expenses from other goals occurring during the retirement period.

Asset Allocation for Retirement

These pie graphs illustrate your current asset mix and suggested asset mix for your retirement goal.

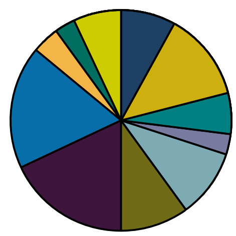
However, the suggested asset mix will not be used in the proposed plan. Due to modifications the assumed asset mix (for pre-retirement and retirement) on the following page will be used instead.

Current Asset Mix



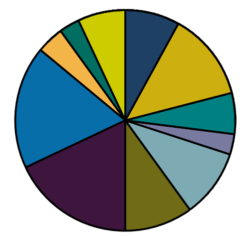
Rate of Return	6.15%
Standard Deviation	9.46%

Suggested Asset Mix*
Pre-Retirement
Moderate Conservative



Rate of Return	6.15%
Standard Deviation	9.46%

Suggested Asset Mix*
Retirement
Moderate Conservative



Rate of Return	6.15%
Standard Deviation	9.46%

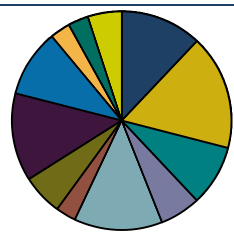
*Modifications have been made to the suggested asset mix.

Asset Class	Current Asset Mix (%)	Current Asset Mix ($)	Suggested Asset Mix Pre-Retirement (%)	Suggested Asset Mix Pre-Retirement ($)	Suggested Asset Mix Retirement (%)
Large Cap Growth Equity	8.3	119,178	8.0	114,308	8.0
Large Cap Value Equity	7.3	104,516	13.0	185,751	13.0
Mid Cap Equity	12.4	177,469	6.0	85,731	6.0
Small Cap Equity	5.1	72,953	3.0	42,866	3.0
International Equity	2.1	29,750	10.0	142,885	10.0
Emerging Markets Equity	2.1	29,750			
Long Term Bonds	7.9	112,585	10.0	142,885	10.0
Intermediate Term Bonds	7.9	112,585	18.0	257,193	18.0
Short Term Bonds	6.9	98,200	18.0	257,193	18.0
High Yield Bonds	7.9	112,585	4.0	57,154	4.0
International Bonds	7.9	112,585	3.0	42,866	3.0
Cash	24.2	346,770	7.0	100,020	7.0
Total	**100.0**	**1,428,925**	**100.0**	**1,428,850**	**100.0**

Assumed Asset Allocation for Retirement

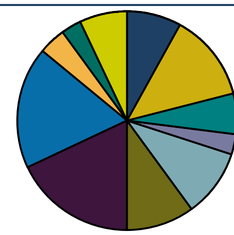
These pie graphs illustrate the Assumed asset mix for pre-retirement and the Assumed asset mix for retirement for your retirement goal and will be used for the proposed plan.

Assumed Asset Mix Pre-Retirement Moderate



Rate of Return	7.66%
Standard Deviation	13.22%

Assumed Asset Mix Retirement Moderate Conservative



Rate of Return	6.15%
Standard Deviation	9.46%

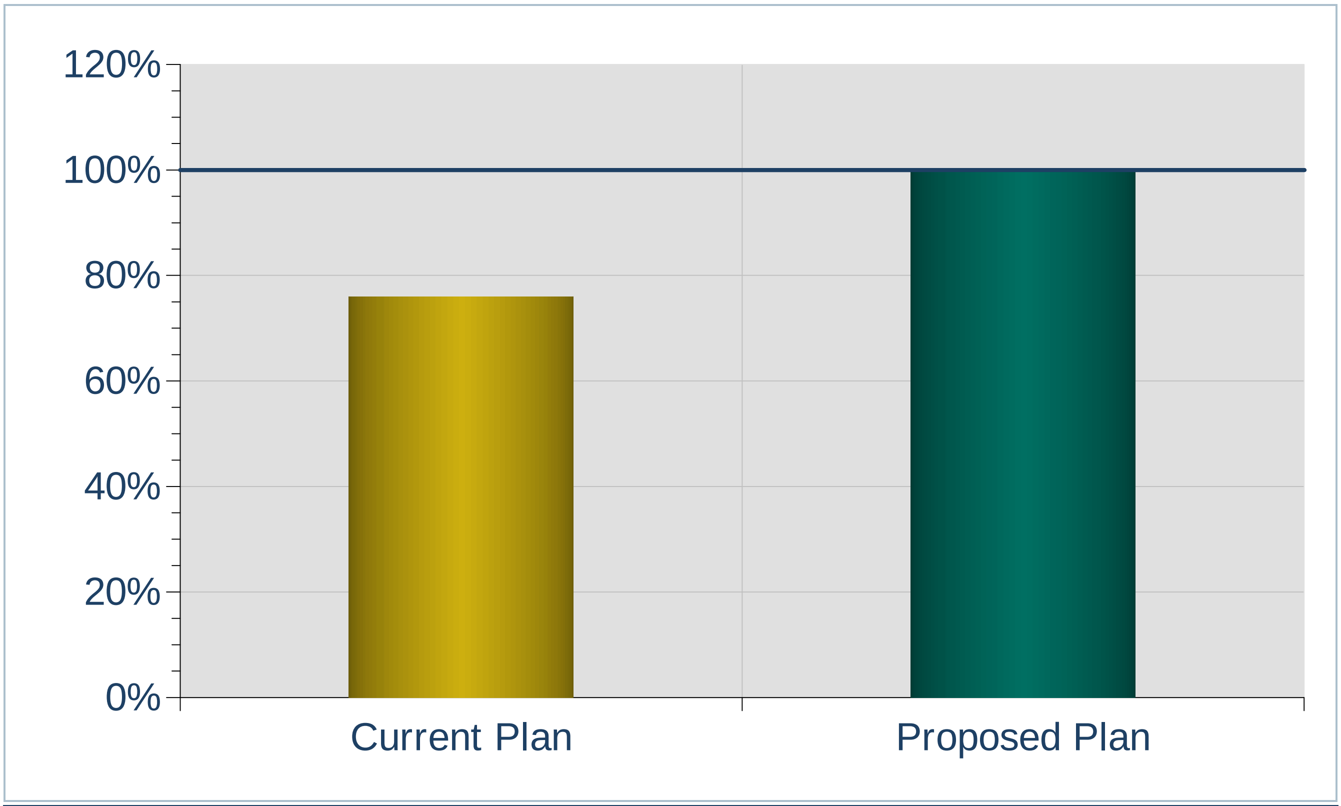
The table below provides a breakdown of the percentages and dollar values for each asset class in the current and assumed portfolio. The *Change* column indicates the rebalancing required to reach the assumed asset mix.

Asset Class	Current Asset Mix (%)	Current Asset Mix ($)	Change (%)	Change ($)	Assumed Asset Mix Pre-Retirement (%)	Assumed Asset Mix Pre-Retirement ($)	Assumed Asset Mix Retirement (%)
Large Cap Growth Equity	8.3	119,178	**+3.7**	**+92,138**	12.0	211,315	8.0
Large Cap Value Equity	7.3	104,516	**+9.7**	**+194,847**	17.0	299,363	13.0
Mid Cap Equity	12.4	177,469	**-3.4**	**-18,982**	9.0	158,486	6.0
Small Cap Equity	5.1	72,953	**+0.9**	**+32,705**	6.0	105,658	3.0
International Equity	2.1	29,750	**+10.9**	**+199,175**	13.0	228,925	10.0
Emerging Markets Equity	2.1	29,750	**+0.9**	**+23,079**	3.0	52,829	
Long Term Bonds	7.9	112,585	**-1.9**	**-6,927**	6.0	105,658	10.0
Intermediate Term Bonds	7.9	112,585	**+5.1**	**+116,340**	13.0	228,925	18.0
Short Term Bonds	6.9	98,200	**+3.1**	**+77,896**	10.0	176,096	18.0
High Yield Bonds	7.9	112,585	**-4.9**	**-59,756**	3.0	52,829	4.0
International Bonds	7.9	112,585	**-4.9**	**-59,756**	3.0	52,829	3.0
Cash	24.2	346,770	**-19.2**	**-258,722**	5.0	88,048	7.0
Total	**100.0**	**1,428,925**	**+0.0**	**+332,035**	**100.0**	**1,760,960**	**100.0**

Retirement Scenario Summary

The following information provides an overview of the selected retirement scenarios and their estimated effect on the Retirement goal. The following graph illustrates the ability of each scenario to achieve the Retirement goal.

Scenario Coverage

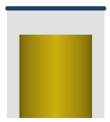


	Goal Coverage*	Net Worth at Retirement	Net Worth at Death	Year Capital Exhausted	% Fixed Needs Covered by Total Resources
Current Plan	76%	$7,613,647	$7,383,677	2036	78%
Proposed Plan	100%	$10,612,197	$22,981,915	Never	100%

* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Retirement - Current Plan

*76%



This scenario covers 76% of the desired Retirement goal objectives.

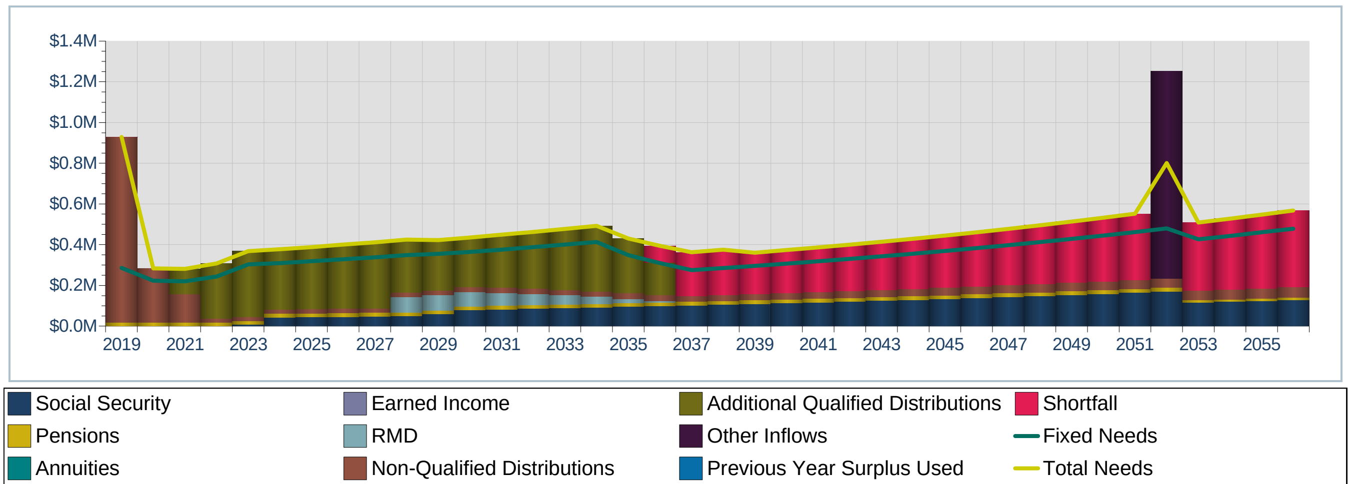
* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

	Frank	Kathy
Retirement Age/Year	62 / 2019	57 / 2019
Life Expectancy	95 / 2052	95 / 2057
Desired Fixed Expenses Covered	100%	
Desired Discretionary Expenses Covered	100%	
Current Monthly Savings	$1,600	
Annual Inflation Rate	3.50%	
Rate of Return pre retirement	6.15%	
Rate of Return retirement	6.15%	

Analysis



- Net Worth at Retirement: $7,613,647
- Net Worth at Death: $7,383,677
- Year Capital Exhausted: 2036
- % Fixed Needs Covered by Total Resources: 78%

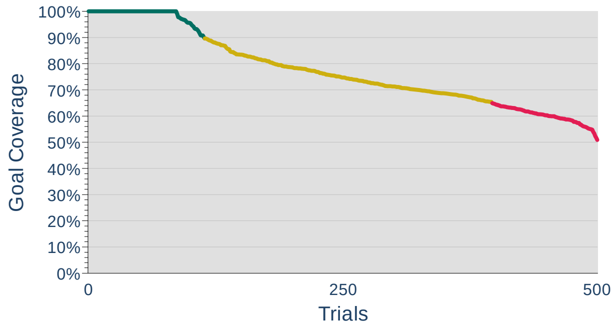
Additional Assumptions

The following table details the additional assumptions used in the generation of this scenario:

Scenario Settings	Frank	Kathy
Capital Liquidation Order	Non-qualified, Roth, Qualified	
Social Security Start Age	66	67

Ability to Cover Total Needs

The graph below illustrates the goal coverage percentage for each trial that was generated. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the need. The *Goal Coverage* percentage equals *the ability to cover total needs* divided by *the total needs,* where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.



For this probability analysis, 500 trials were run. The results are as follows:

- In 114 trials 90% or more of the goal was covered
- In 282 trials 65% or more, but less than 90%, of the goal was covered
- In 104 trials less than 65% of the goal was covered

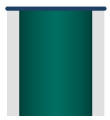
It is projected that the earliest age (year) at which you could not cover your fixed needs is 66 / 61 (2023).

90% or more	65% or more, but less than 90%	Less than 65%

For details on the Plan Probability graph assumptions, refer to the section titled, Scenario Probability Assumptions at the beginning of this document.

Retirement - Proposed Plan (Recommended)

*100%



This scenario covers 100% of the desired Retirement goal objectives.

* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

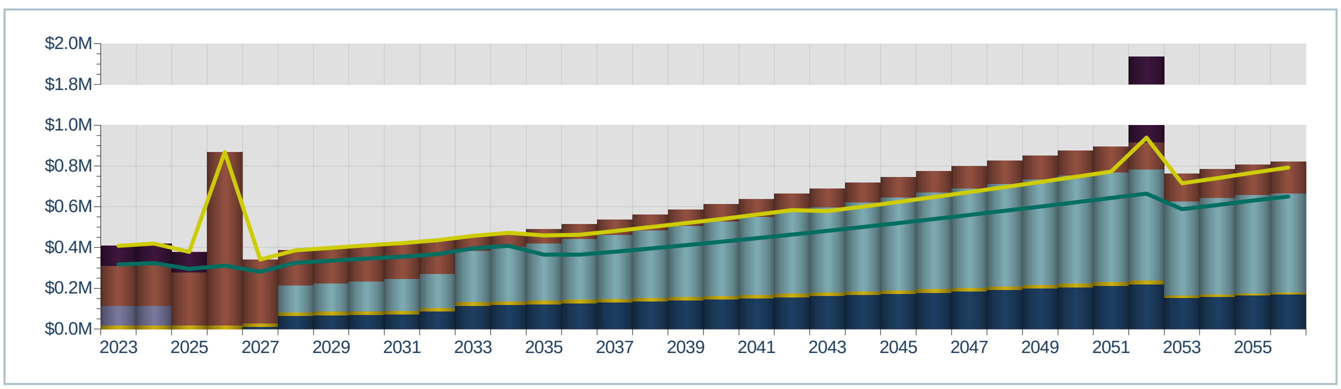
The following table details the key assumptions used in the generation of this scenario:

	Frank	Kathy
Retirement Age/Year	**66 / 2023**	**63 / 2025**
Life Expectancy	95 / 2052	95 / 2057
Desired Fixed Expenses Covered	100%	
Desired Discretionary Expenses Covered	**80%**	
Additional Lump-Sum Savings	$0	
Current Monthly Savings	$1,600	
Change in Monthly Savings	$0	
Total Monthly Savings	$1,600	
Annual Inflation Rate	3.50%	
Rate of Return pre retirement	**7.66%**	
Rate of Return retirement	6.15%	

Note: Numbers in bold indicate a change from the Current Plan.

Note: Information in the table above is for the February 1, 2009 period. Any strategies occurring in the future are not displayed in this table.

Analysis



Social Security	Earned Income	Additional Qualified Distributions	Shortfall
Pensions	RMD	Other Inflows	Fixed Needs
Annuities	Non-Qualified Distributions	Previous Year Surplus Used	Total Needs

- Net Worth at Retirement: $10,612,197
- Net Worth at Death: $22,981,915
- Year Capital Exhausted: Never
- % Fixed Needs Covered by Total Resources: 100%

Additional Assumptions

The following table details the additional assumptions used in the generation of this scenario:

Scenario Settings	Frank	Kathy
Capital Liquidation Order	Non-qualified, Roth, Qualified	
Social Security Start Age	**70**	**70**
Additional Annual Retirement Incomes (Frank)	**$100,000**	
Indexed at	**0.00%**	
Start Age/End Age	**Ret - 68**	
Additional Annual Retirement Expense	$0	$0
Annual amount to Annuitize to during Retirement	**$0**	

Note: Numbers in bold indicate a change from the Current Plan

Ability to Cover Total Needs

The graph below illustrates the goal coverage percentage for each trial that was generated. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the need. The *Goal Coverage* percentage equals *the ability to cover total needs* divided by *the total needs,* where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.

For this probability analysis, 500 trials were run. The results are as follows:

- In 437 trials 90% or more of the goal was covered
- In 62 trials 65% or more, but less than 90%, of the goal was covered
- In 1 trials less than 65% of the goal was covered

It is projected that the earliest age (year) at which you could not cover your fixed needs is 66 / 61 (2023).

90% or more	65% or more, but less than 90%	Less than 65%

For details on the Plan Probability graph assumptions, refer to the section titled, Scenario Probability Assumptions at the beginning of this document.

Diane's College Education

You have indicated you wish to establish an investment plan to fund the following education goal:

Description	Member	Current Age	Education Starts at	Estimated Costs/yr	Years Of Education	Index Rate*	Est. Actual Cost
Diane's College Education	Brenda	17	18	$30,000	4	5.50%	$137,433

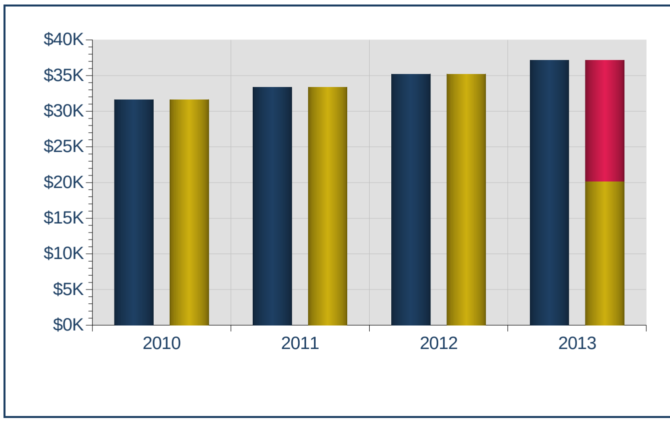
*The index rate refers to the inflation rate of the individual education goals.

The graphs below illustrate your education scenarios. The graph on the left displays your current education needs vs. abilities, without additional savings and a rate of return of **7.96%**. The graph on the right displays your proposed education needs vs. abilities, and a rate of return of **4.69%**.

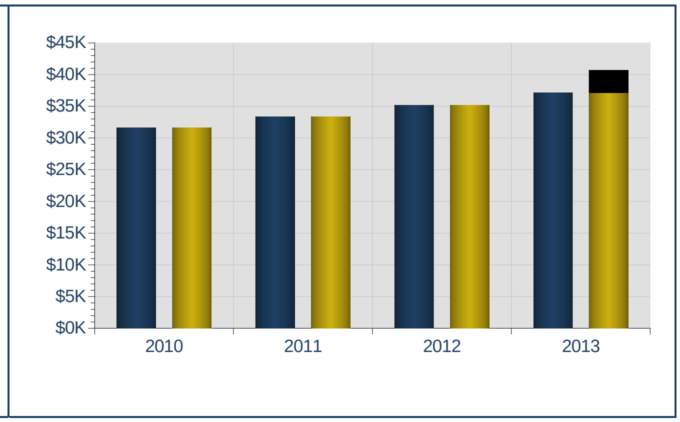
Once a particular education goal is fully funded, any surplus capital remaining is omitted from the *End of Year Capital* column and is not available to fund any other education goals that might exist. Instead, any remaining surplus is applied to the retirement goal.

Education Needs Vs. Abilities

Current Plan



Proposed Plan



Desired Needs | Ability to Cover Needs | Shortfall | Surplus

	Current Plan	Proposed Plan
Available Assets	$117,760	$80,770
Return Rate	7.96%	4.69%
Assumed Monthly Savings	$0	$1,250
Required Additional Monthly Savings	$317	$0
Required Additional Lump Sum Savings	$13,701	$0

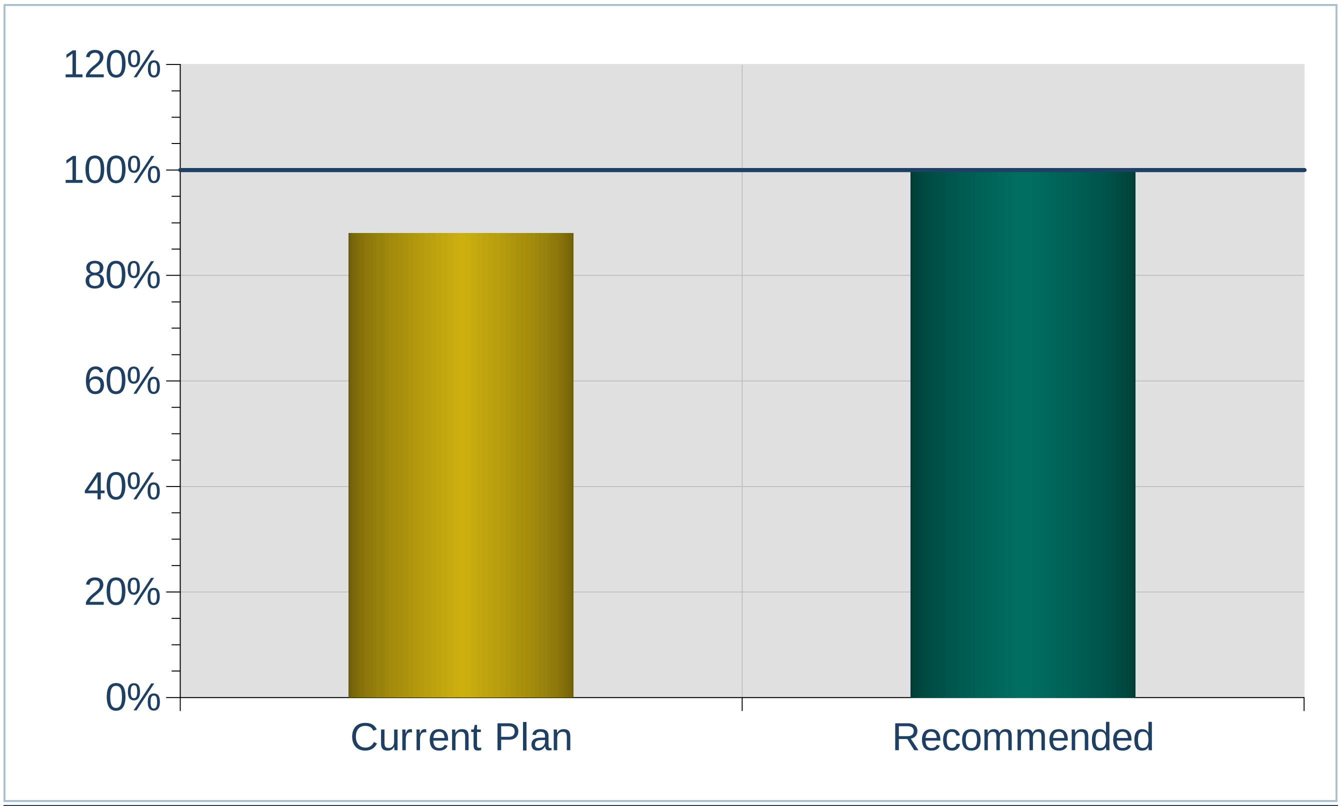
Consider the following:

- Alternatively, increase your monthly savings by $317 to fund your education goal.
- Consider allocating additional assets to meet your education goals.
- Consider the advantages of contributing to a Section 529 Savings Plan. In addition, assess the benefits of custodial accounts (UGMA or UTMA) as savings options for minor children.
- Review opportunities and eligibility for scholarship programs and financial aid. Keep in mind that not all financial aid is based on need.

Diane's College Education Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Diane's College Education goal. The following graph illustrates the ability of each scenario to achieve the Diane's College Education goal.

Scenario Coverage



	Goal Coverage	Capital at Start of Goal	Capital at End of Goal	Year Capital Exhausted
Current Plan	88%	$124,628	$900	Never
Recommended	100%	$98,799	$3,591	Never

Bobby's College Education

You have indicated you wish to establish an investment plan to fund the following education goal:

Description	Member	Current Age	Education Starts at	Estimated Costs/yr	Years Of Education	Index Rate*	Est. Actual Cost
Bobby's College Education	Bobby	14	18	$30,000	4	5.50%	$161,379

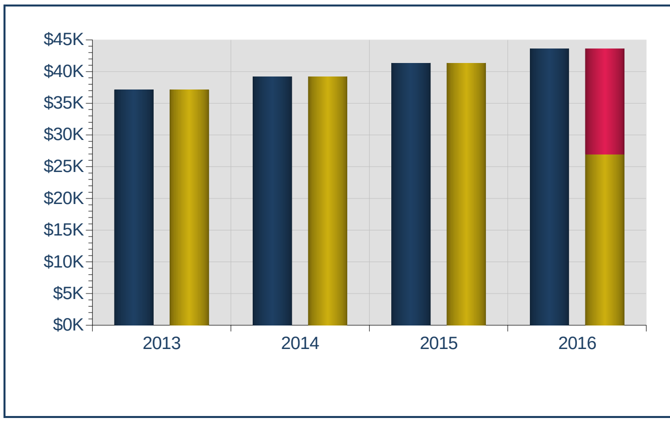
*The index rate refers to the inflation rate of the individual education goals.

The graphs below illustrate your education scenarios. The graph on the left displays your current education needs vs. abilities, without additional savings and a rate of return of **7.68%**. The graph on the right displays your proposed education needs vs. abilities, and a rate of return of **6.15%**.

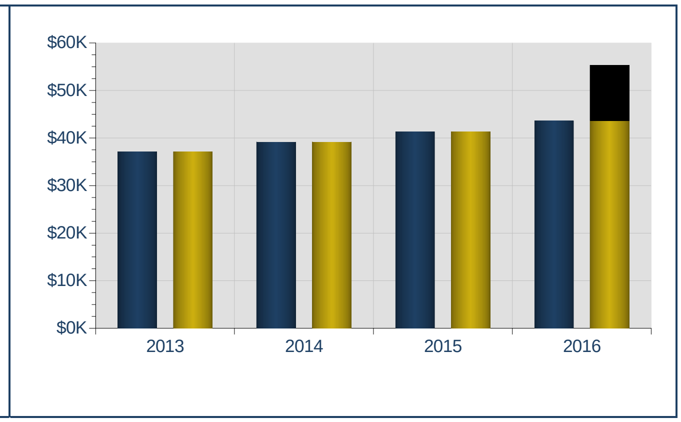
Once a particular education goal is fully funded, any surplus capital remaining is omitted from the *End of Year Capital* column and is not available to fund any other education goals that might exist. Instead, any remaining surplus is applied to the retirement goal.

Education Needs Vs. Abilities

Current Plan



Proposed Plan



Desired Needs | Ability to Cover Needs | Shortfall | Surplus

	Current Plan	Proposed Plan
Available Assets	$118,090	$68,770
Return Rate	7.68%	6.15%
Assumed Monthly Savings	$0	$1,000
Required Additional Monthly Savings	$165	$0
Required Additional Lump Sum Savings	$11,635	$0

Consider the following:

- Alternatively, increase your monthly savings by $165 to fund your education goal.
- Consider allocating additional assets to meet your education goals.
- Consider the advantages of contributing to a Section 529 Savings Plan. In addition, assess the benefits of custodial accounts (UGMA or UTMA) as savings options for minor children.
- Review opportunities and eligibility for scholarship programs and financial aid. Keep in mind that not all financial aid is based on need.

Bobby's College Education Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Bobby's College Education goal. The following graph illustrates the ability of each scenario to achieve the Bobby's College Education goal.

Scenario Coverage

	Goal Coverage	Capital at Start of Goal	Capital at End of Goal	Year Capital Exhausted
Current Plan	90%	$149,295	$1,069	Never
Recommended	100%	$135,248	$11,716	Never

Vacation Home

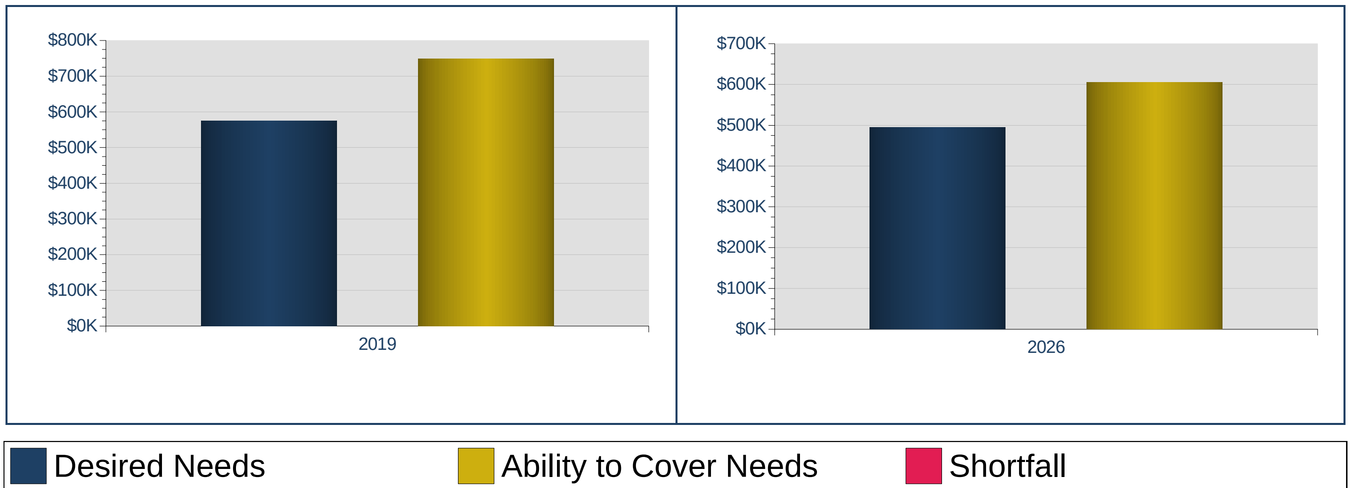
You have indicated you wish to establish an investment plan to fund the following major purchase goal:

Major Purchase Description	Member	Purchase Date	Purchase Amount	Index Rate	Estimated Actual Cost
Vacation Home	Joint	Jul 15 2026	$325,000	2.50%	$494,526

The graphs below illustrate your major purchase scenarios. The graph on the left displays your current major purchase needs vs. abilities without additional savings, and a rate of return of **7.08%**. The graph on the right displays your proposed major purchase needs vs. abilities, and a rate of return of **7.66%**.

Major Purchase Needs Vs. Abilities

Current Plan | **Proposed Plan**

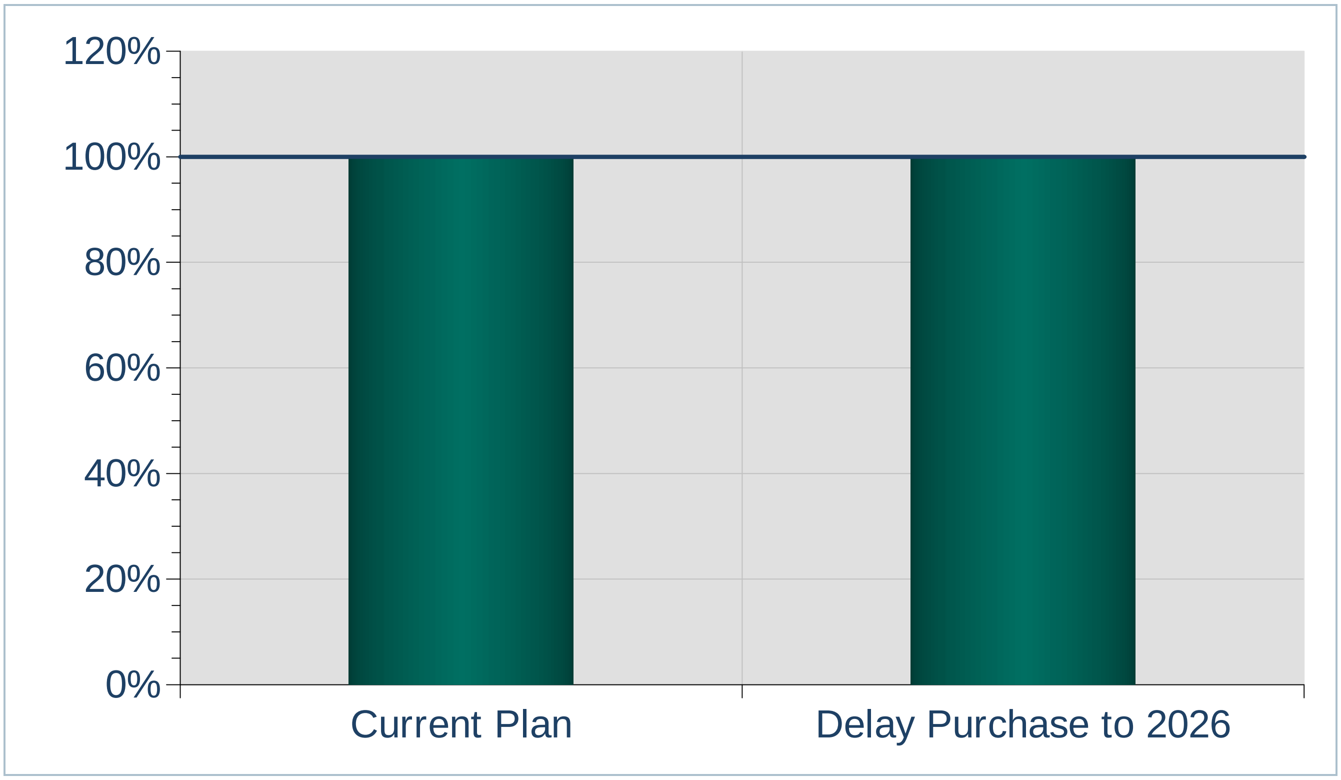


	Current Plan	Proposed Plan
Available Assets	$473,300	$227,500
Return Rate	7.08%	7.66%
Assumed Monthly Savings	$0	$0
Required Additional Monthly Savings	$0	$0
Required Additional Lump Sum Savings	$0	$0

Vacation Home Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Vacation Home goal. The following graph illustrates the ability of each scenario to achieve the Vacation Home goal.

Scenario Coverage



	Goal Coverage	Capital at Start of Goal	Capital at End of Goal
Current Plan	100%	$818,719	$197,066
Delay Purchase to 2026	100%	$628,780	$120,252

Monte Carlo Analysis Assumptions

The following information lists the key points and assumptions used during the evaluation of your financial plan.

Assumptions	
Life Expectancy Randomized	No
Force Full Deficit Coverage	No
Retirement Goal Success Tolerance	($10,000)
Education Goals Success Tolerance	($500)
Major Purchase Goals Success Tolerance	($500)
Number of Projections	500

Life Expectancy is **not** randomized. All projections will end at Frank and Kathy's planned deceased age.

Full Deficit Coverage is not active for the plan. This means that in the analysis, assets are not redeemed to cover periodic expenses and taxes during pre-retirement. This may understate your success if investment income is automatically reinvested, as taxes may be due on this income.

The ***Goal Success Tolerance*** is the amount that the educational or major purchase goal(s) can be under funded in any trial and still be considered successful.

The ***Number of Projections*** is the number of iterations (trials) of your financial plan that the software projects using random rates of return and/or life expectancy.

Rate of Return Randomization

A random number was generated to determine a rate of return based on the standard deviation* shared by all of your accounts. This calculation is repeated for every account in the plan.

This process is repeated with a different random number for every projection.

* The assumption is that all returns are normally distributed. This means that approximately 67% of the results are within one standard deviation above or below the *Rate of Return* and approximately 95% of the results are within two standard deviations.

The table below lists the asset classes and standard deviations that are used in this analysis.

Asset Class	Interest	Dividends	Capital Gains	Tax Free	Deferred Growth	Total	Standard Deviation
Large Cap Growth Equity	0.00%	0.91%	7.87%	0.00%	0.00%	8.78%	23.55%
Large Cap Value Equity	0.00%	1.97%	5.63%	0.00%	2.78%	10.38%	18.75%
Mid Cap Equity	0.00%	1.11%	7.65%	0.00%	1.80%	10.56%	23.64%
Small Cap Equity	0.00%	1.01%	12.02%	0.00%	0.50%	13.53%	29.56%
International Equity	0.00%	3.05%	5.13%	0.00%	1.71%	9.89%	24.84%
Emerging Markets Equity	0.00%	2.18%	9.88%	0.00%	1.22%	13.28%	33.48%
Long Term Bonds	3.98%	0.00%	0.00%	0.00%	0.00%	3.98%	11.36%
Intermediate Term Bonds	3.46%	0.00%	0.00%	0.00%	0.00%	3.46%	6.53%
Short Term Bonds	2.76%	0.00%	0.00%	0.00%	0.00%	2.76%	3.59%
High Yield Bonds	7.06%	0.00%	0.00%	0.00%	0.00%	7.06%	13.25%
International Bonds	3.67%	0.00%	0.00%	0.00%	0.00%	3.67%	10.96%
Cash	2.27%	0.00%	0.00%	0.00%	0.00%	2.27%	2.99%

Please Note…

The results of each projection will vary with each use and over time.

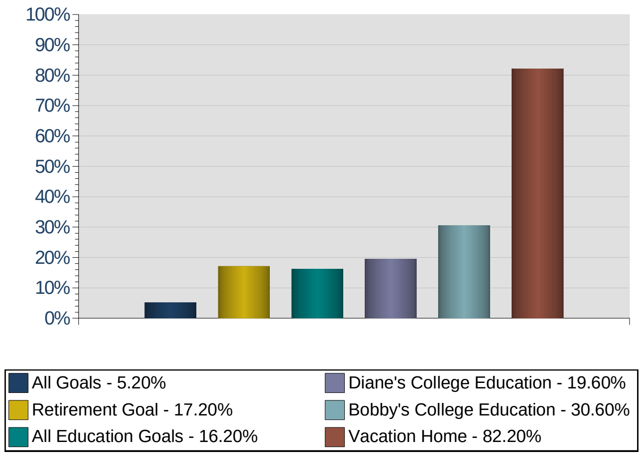
IMPORTANT: The projections or other information generated by Monte Carlo Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Monte Carlo Analysis

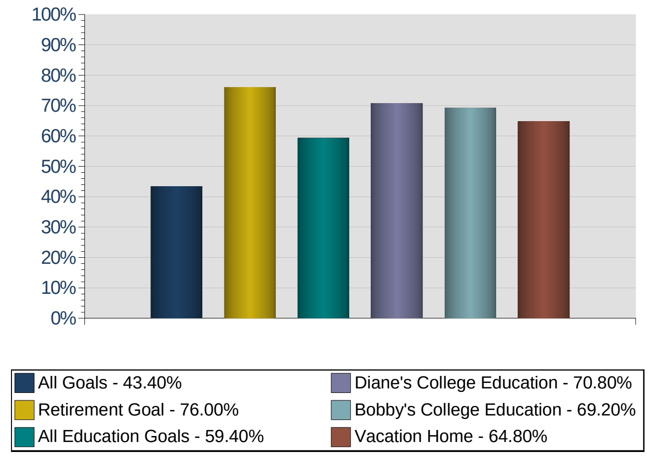
Monte Carlo Analysis expands the traditional financial planning analysis by adding uncertainty into the plan. This analysis takes into consideration that it is difficult to accurately predict annual return rate expectations. While return rate expectations over the long term can be reasonably predicted, the actual pattern over the short term is difficult to predict and may often appear random. Monte Carlo analyzes your financial plan by randomizing the return rates with the normal expected range each year and performing this analysis multiple times to simulate a number of possible financial outcomes.

The following graphs and tables summarize the probability of the success of each of your goals:

Current Plan



Proposed Plan



Current Plan

Goal	Success Rate	10th Percentile	50th Percentile	90th Percentile
All Goals	5.20%			
Retirement Goal	17.20%	$4,196,284	$7,175,277	$20,040,473
All Education Goals	16.20%			
Diane's College Education	19.60%	$98,740	$120,465	$146,384
Bobby's College Education	30.60%	$106,446	$143,413	$191,904
Vacation Home	82.20%	$528,368	$726,637	$995,252

Proposed Plan

Goal	Success Rate	10th Percentile	50th Percentile	90th Percentile
All Goals	43.40%			
Retirement Goal	76.00%	$7,277,084	$21,538,485	$46,922,972
All Education Goals	59.40%			
Diane's College Education	70.80%	$131,951	$139,926	$148,316
Bobby's College Education	69.20%	$147,448	$170,063	$192,698
Vacation Home	64.80%	$351,953	$568,916	$866,279

Life Insurance - Frank

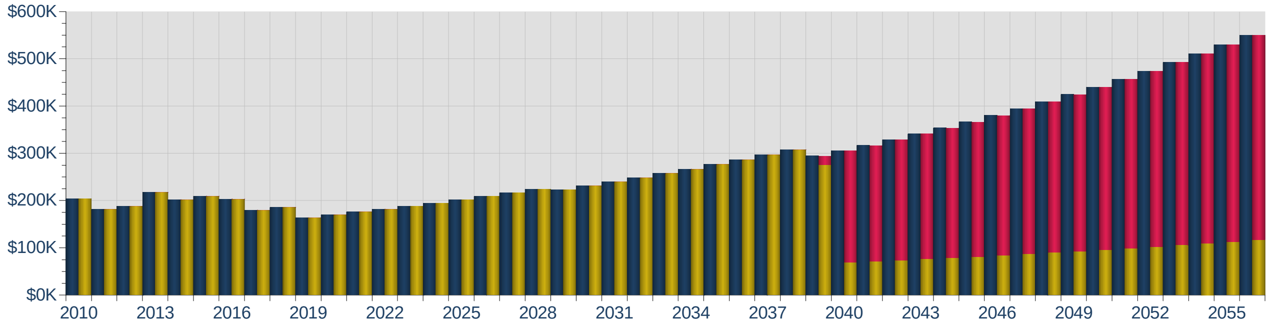
A life insurance analysis should ensure that when a death occurs in your family, there is sufficient income and capital to cover the cash flow needs for the surviving family members over the entire planning period. When you are young, a major reason for survivorship planning is to provide financial protection for your dependent family. Without the continued benefit of your income, your family may not be able to afford ongoing expenses for housing, transportation, food, clothing, etc. There may also be additional expenses for childcare. Post-secondary education and retirement needs will also continue to exist.

When you are older, the major goal of survivorship planning may be to protect the value of your estate from declining due to estate tax, income tax and other costs. This type of income replacement provides cash flow to meet these needs, which would otherwise have to be covered by redeeming your existing assets.

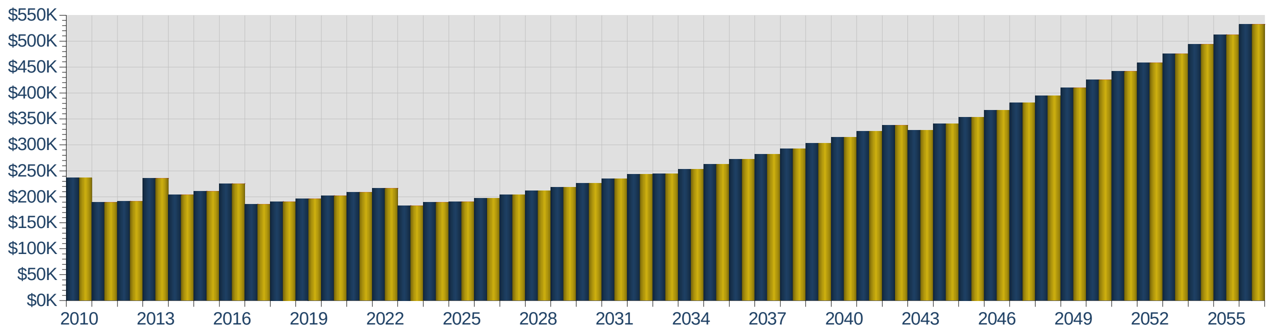
In the event of Frank's death, you want to ensure Kathy has enough income and capital to cover both the family’s expenses and any investment plans needed to fund your goals.

Life Insurance Needs Vs. Abilities

Current Plan



Proposed Plan



Desired Needs | Ability to Cover Needs | Shortfall

Objectives	Current	Proposed
Retirement Age/Year for the Survivor	57 / 2019	**63 / 2025**
Survivor Life Expectancy	95 / 2057	95 / 2057
Total Rate of Return on Life Insurance Proceeds, Surpluses and Liquidations		
Pre-Retirement	6.00%	6.00%
Retirement	6.00%	6.00%
Existing Life Insurance	$1,020,000	$1,020,000
Additional Life Insurance		
Death Benefit	$0	$0
Premium	$0	$0
Additional Life Insurance Required	$987,664	**$0**

The following report provides an overview of your life insurance if Frank were to die at the end of this year (2009), using assumptions from the Proposed Plan.

Lump sum needs include final expenses and other needs at death. Capital needed to meet cash flow deficits is the lump sum you would require to meet your survivor's needs for their expected lifetime, or the estate needs to provide for your children.

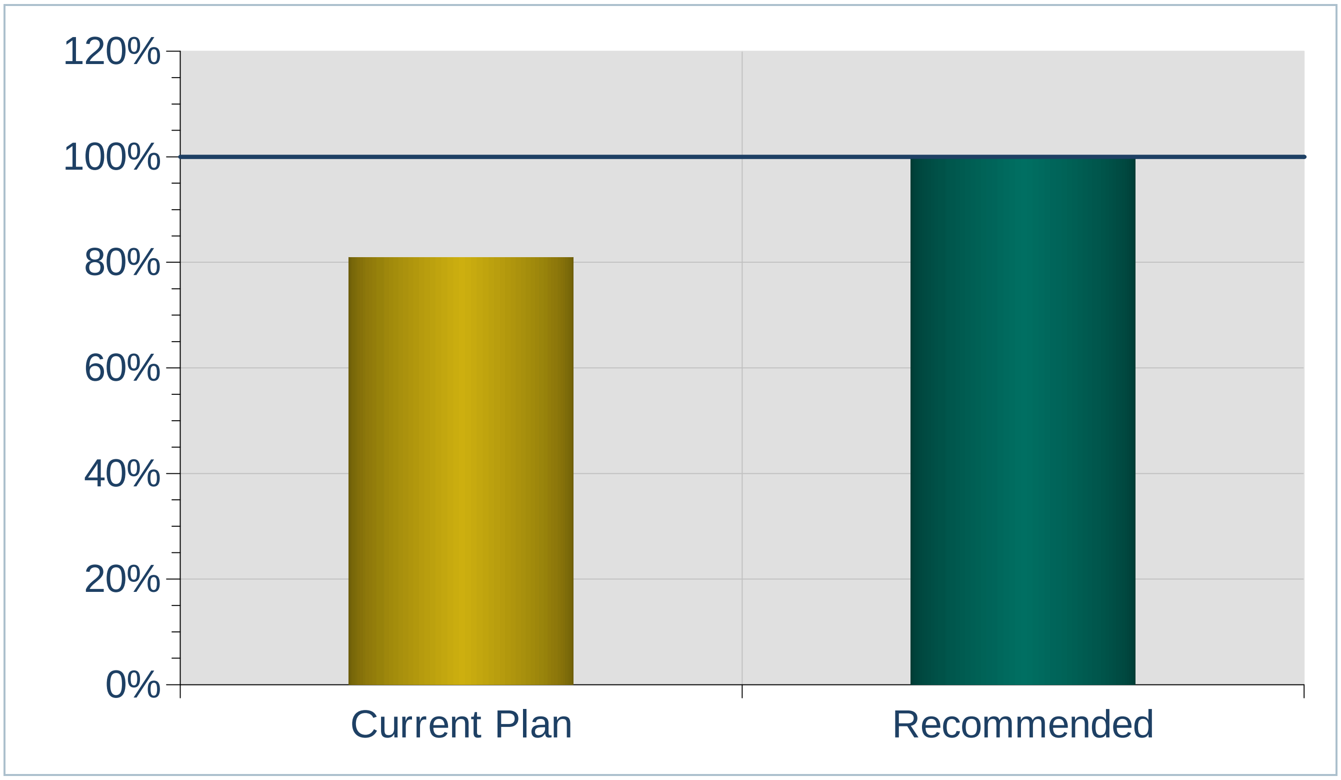
Life Insurance Summary

	Current	Proposed
Life Insurance Coverage	**$1,020,000**	**$1,020,000**
Immediate Capital Needs		
Funeral Expenses	$31,827	$25,462
Probate Expenses	$16,566	$0
Admin. Expenses	$8,283	$8,240
Mortgage - 3123 Orchid St	$934,734	$934,734
Assumed Expenses	$22,702	$0
Resources to meet Immediate Needs		
Pre-Death Cash Flow Surplus	($22,167)	$0
Life Insurance Proceeds	($991,410)	($968,436)
Redeemed From Assets (net of tax)	($536)	($302)
Additional Coverage for Immediate Needs	**$0**	**$0**
Capital needed to meet future cash flow shortfalls	$1,020,796	$51,564
Life Insurance Proceeds	($28,590)	($51,564)
Reinvested Surplus	($4,542)	$0
Additional Coverage for Future Shortfalls	**$987,664**	**$0**
Additional Recommended Coverage	**$987,664**	**$0**

Frank - Life Insurance Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Survivor Income goal. The following graph illustrates the ability of each scenario to achieve the Survivor Income goal.

Scenario Coverage



	Goal Coverage*	Life Insurance Shortfall	Net Worth at Start of Survivorship	Net Worth at End of Survivorship	Year Capital Exhausted
Current	81%	$987,664	$6,020,152	$11,178,797	Never
Recommended	100%	$0	$6,086,513	$13,920,606	Never

*This value indicates the percentage of your total survivor needs that can be covered by your total survivor resources during your survivor time period.

Life Insurance - Kathy

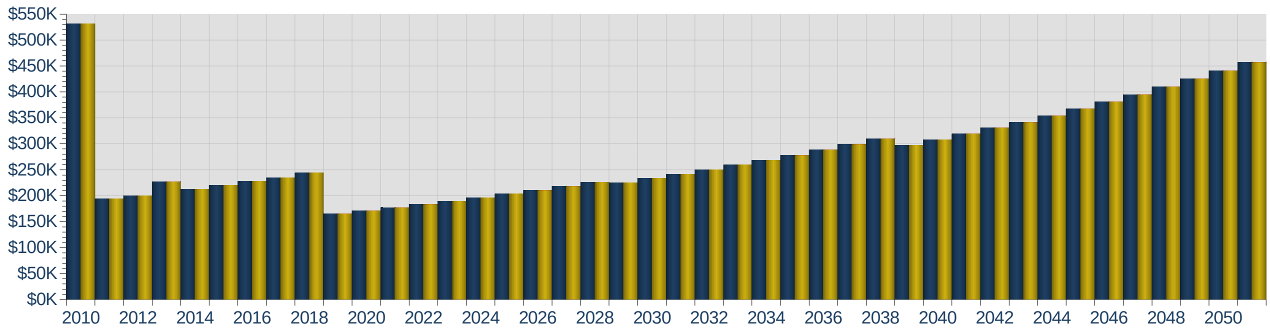
A life insurance analysis should ensure that when a death occurs in your family, there is sufficient income and capital to cover the cash flow needs for the surviving family members over the entire planning period. When you are young, a major reason for survivorship planning is to provide financial protection for your dependent family. Without the continued benefit of your income, your family may not be able to afford ongoing expenses for housing, transportation, food, clothing, etc. There may also be additional expenses for childcare. Post-secondary education and retirement needs will also continue to exist.

When you are older, the major goal of survivorship planning may be to protect the value of your estate from declining due to estate tax, income tax and other costs. This type of income replacement provides cash flow to meet these needs, which would otherwise have to be covered by redeeming your existing assets.

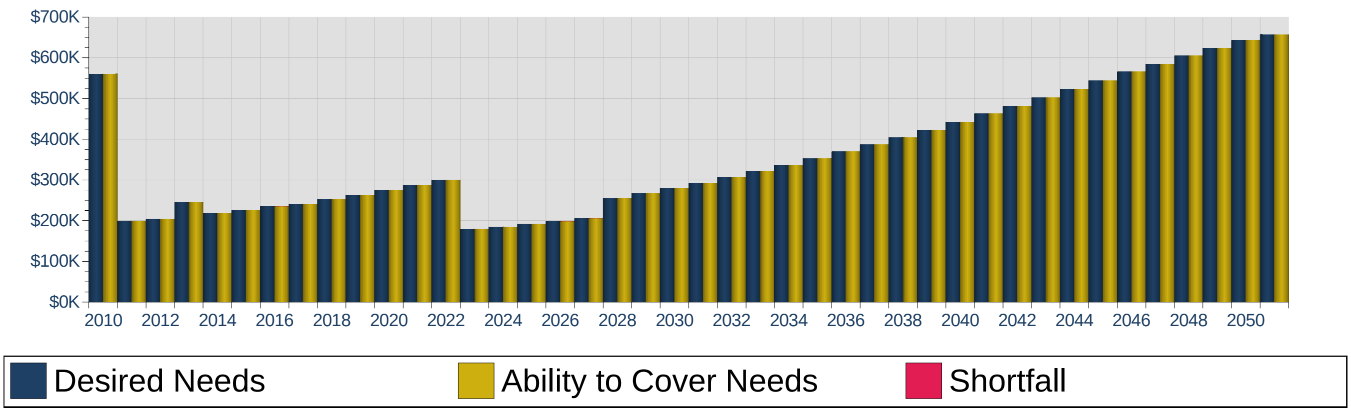
In the event of Kathy's death, you want to ensure Frank has enough income and capital to cover both the family’s expenses and any investment plans needed to fund your goals.

Life Insurance Needs Vs. Abilities

Current Plan



Proposed Plan



Objectives	Current	Proposed
Retirement Age/Year for the Survivor	62 / 2019	**66 / 2023**
Survivor Life Expectancy	95 / 2052	95 / 2052
Total Rate of Return on Life Insurance Proceeds, Surpluses and Liquidations		
Pre-Retirement	6.00%	6.00%
Retirement	6.00%	6.00%
Existing Life Insurance	$400,000	$400,000
Additional Life Insurance		
Death Benefit	$0	$0
Premium	$0	$0
Additional Life Insurance Required	$0	$0

The following report provides an overview of your life insurance if Kathy were to die at the end of this year (2009), using assumptions from the Proposed Plan.

Lump sum needs include final expenses and other needs at death. Capital needed to meet cash flow deficits is the lump sum you would require to meet your survivor's needs for their expected lifetime, or the estate needs to provide for your children.

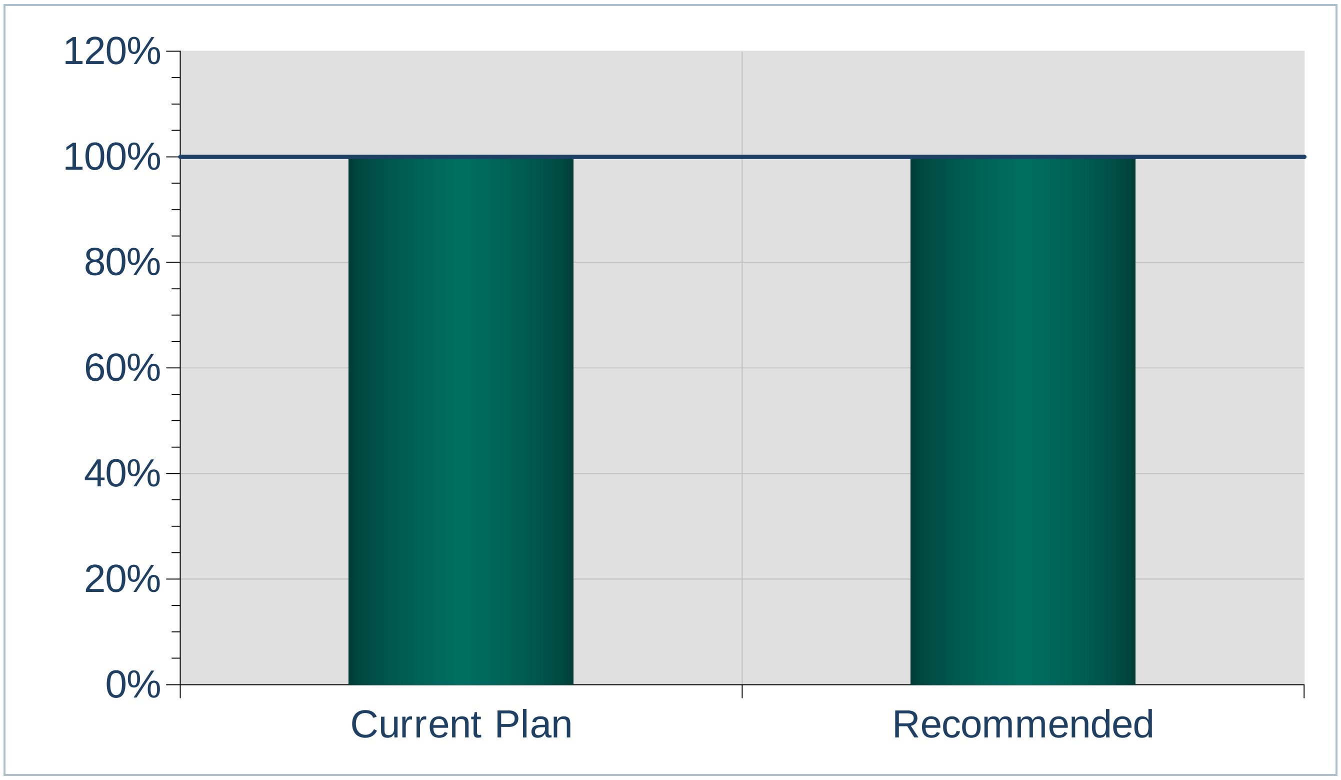
Life Insurance Summary

	Current	Proposed
Life Insurance Coverage	**$400,000**	**$400,000**
Immediate Capital Needs		
Funeral Expenses	$31,827	$25,462
Probate Expenses	$16,558	$0
Admin. Expenses	$8,279	$8,553
Mortgage - 3123 Orchid St	$934,734	$934,734
Assumed Expenses	$22,702	$0
Resources to meet Immediate Needs		
Pre-Death Cash Flow Surplus	($26,709)	$0
Life Insurance Proceeds	($56,665)	($34,015)
Redeemed From Assets (net of tax)	($930,728)	($935,036)
Additional Coverage for Immediate Needs	**$0**	**$0**
Capital needed to meet future cash flow shortfalls	$343,335	$365,985
Life Insurance Proceeds	($343,335)	($365,985)
Reinvested Surplus	$0	$0
Additional Coverage for Future Shortfalls	**$0**	**$0**
Additional Recommended Coverage	**$0**	**$0**

Kathy - Life Insurance Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Survivor Income goal. The following graph illustrates the ability of each scenario to achieve the Survivor Income goal.

Scenario Coverage



	Goal Coverage*	Life Insurance Shortfall	Net Worth at Start of Survivorship	Net Worth at End of Survivorship	Year Capital Exhausted
Current	100%	$0	$5,358,280	$11,060,947	Never
Recommended	100%	$0	$5,424,603	$20,242,240	Never

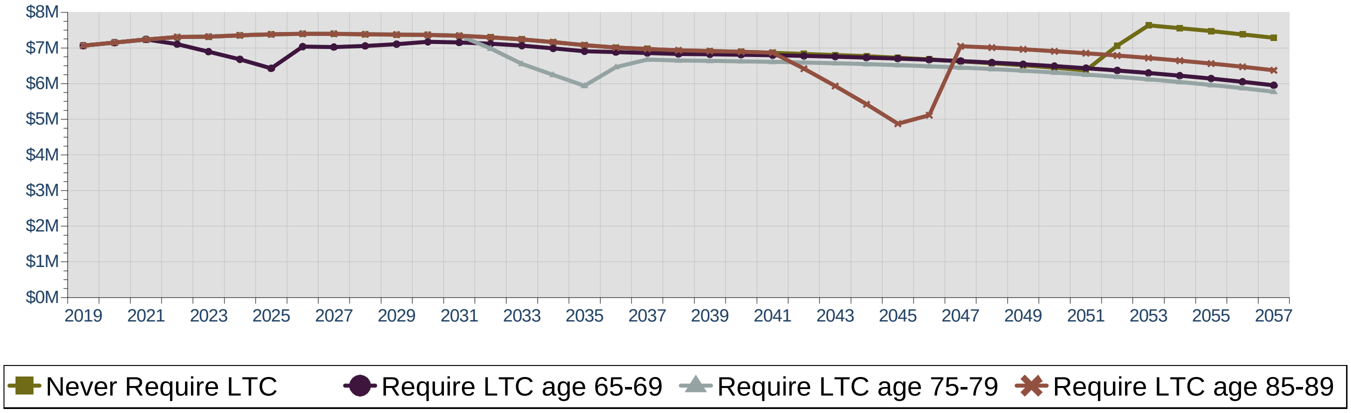
*This value indicates the percentage of your total survivor needs that can be covered by your total survivor resources during your survivor time period.

Long-Term Care Insurance - Frank

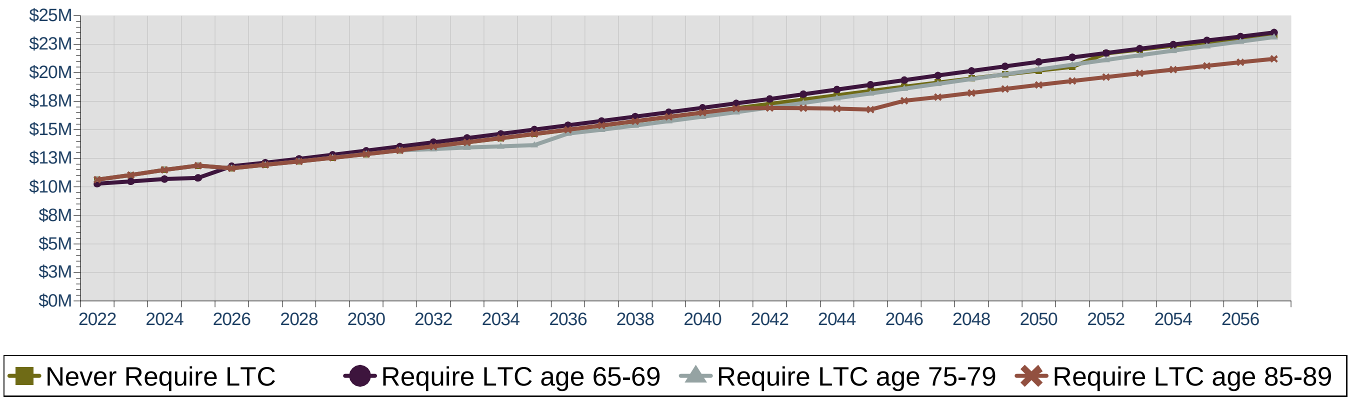
The purpose of long-term care insurance is to minimize the financial impact associated with the costs of care for those who are no longer able to care for themselves. Family members traditionally have provided long-term care; however, not all families are able to provide this type of care. Long-term care requires a major personal sacrifice of time, money and emotional support. Many families have all adult family members active in the workforce, while other families have members living in different parts of the world. These situations make the option of caring for a family member very difficult.

The following graphs compare your net worth assuming no long-term care (LTC) is required, with your net worth assuming Frank requires long-term care at ages 65, 75, or 85.

Current Plan



Proposed Plan



	Current Plan	Proposed Plan
LTC Ages	65, 75, and 85	65, 75, and 85
LTC Duration	5 years	5 years
Existing LTC Benefits	$0 per day	$0 per day
LTC Expenses	$200 per day	$160 per day
LTC Benefit Shortfall*	$200 per day	$160 per day

*The shortfalls for both plans in the table above only take into account your existing long-term care benefits.

Objectives	Current	Proposed
LTC Age	85	85
LTC Duration	5 years	5 years
Total Rate of Return on Lifestyle Assets immediately Available	6.00%	6.00%
Existing Long-Term Care Insurance	$0	$0
Additional Long-Term Care Insurance		
Daily Benefit Amount	$0	$0
Premium	$0	$0
Additional Long-Term Care Insurance Required (Daily Benefit)	$98,113	**$0**

Note: Numbers in bold indicate a change from the Current Plan.

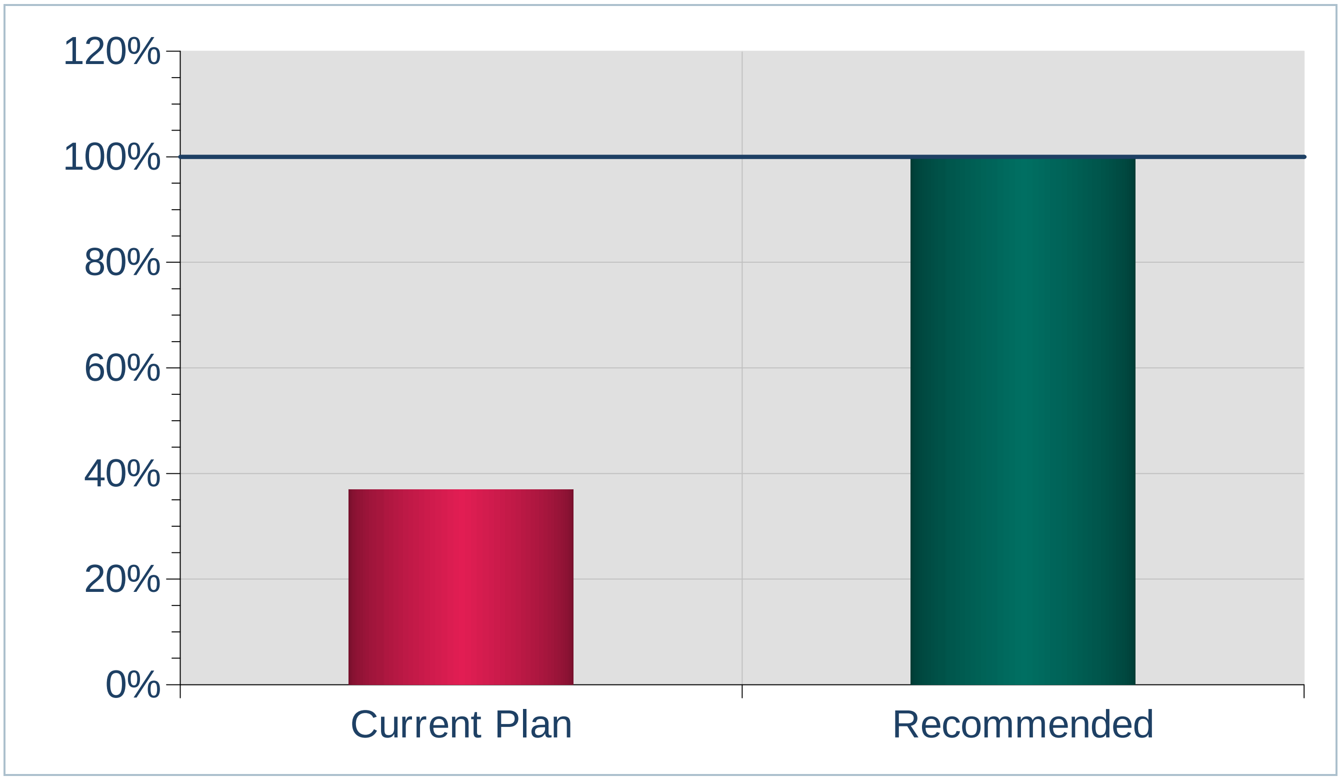
Consider the following

- Frank, consider applying for a long term care policy.
- Long term care insurance can be an effective strategy to help maintain control and preserve your assets.
- When applying for a long term care policy consider the following features: cost of living adjustment, period coverage, elimination period, exclusion for pre-existing conditions and Home Care Benefit as a Percent of Daily Benefit.
- Periodically review the impact that a long term care need could have on your financial and personal circumstances.

Frank - Long-Term Care Insurance Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Long-Term Care Income goal. The following graph illustrates the ability of each scenario to achieve the Long-Term Care Income goal.

Scenario Coverage



	Goal Coverage*	Long-Term Care Benefit Surplus / (Deficit)	Net Worth at Start of Long-Term Care	Net Worth at End of Long-Term Care	Year Capital Exhausted
Current	37%	($200)	$8,017,920	$6,263,086	Never
Recommended	100%	($160)	$16,461,834	$17,137,006	Never

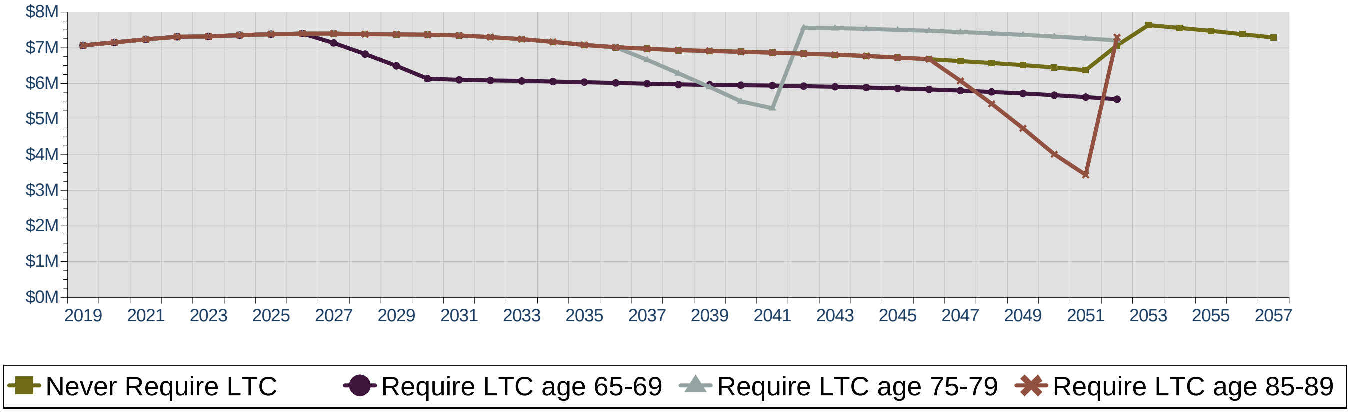
*This value indicates the percentage of your total long-term care needs that can be covered by your total long-term care resources during your long-term care time period.

Long-Term Care Insurance - Kathy

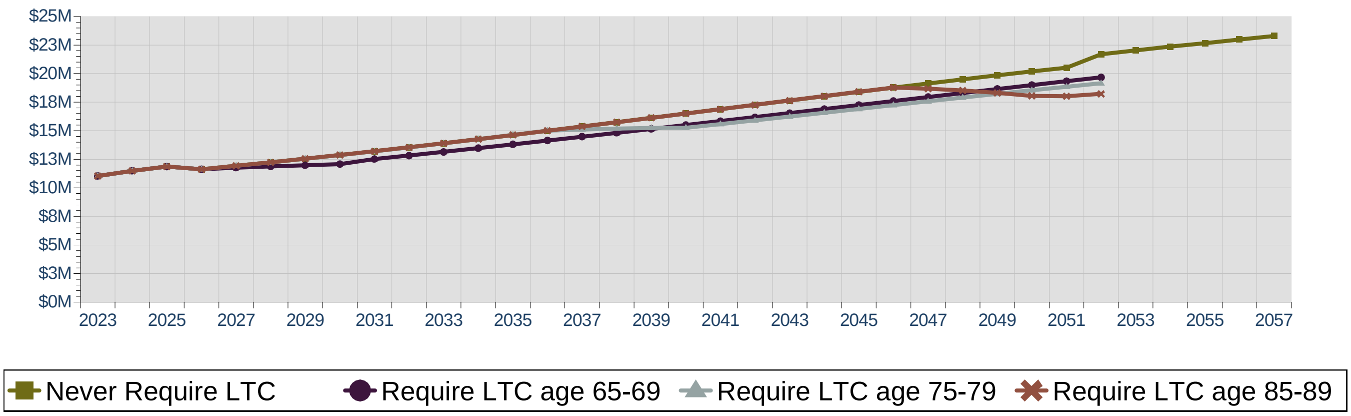
The purpose of long-term care insurance is to minimize the financial impact associated with the costs of care for those who are no longer able to care for themselves. Family members traditionally have provided long-term care; however, not all families are able to provide this type of care. Long-term care requires a major personal sacrifice of time, money and emotional support. Many families have all adult family members active in the workforce, while other families have members living in different parts of the world. These situations make the option of caring for a family member very difficult.

The following graphs compare your net worth assuming no long-term care (LTC) is required, with your net worth assuming Kathy requires long-term care at ages 65, 75, or 85.

Current Plan



Proposed Plan



	Current Plan	Proposed Plan
LTC Ages	65, 75, and 85	65, 75, and 85
LTC Duration	5 years	5 years
Existing LTC Benefits	$0 per day	$0 per day
LTC Expenses	$200 per day	$160 per day
LTC Benefit Shortfall*	$200 per day	$160 per day

*The shortfalls for both plans in the table above only take into account your existing long-term care benefits.

Objectives	Current	Proposed
LTC Age	85	85
LTC Duration	5 years	5 years
Total Rate of Return on Lifestyle Assets immediately Available	6.00%	6.00%
Existing Long-Term Care Insurance	$0	$0
Additional Long-Term Care Insurance		
Daily Benefit Amount	$0	$0
Premium	$0	$0
Additional Long-Term Care Insurance Required (Daily Benefit)	$302,445	**$0**

Note: Numbers in bold indicate a change from the Current Plan.

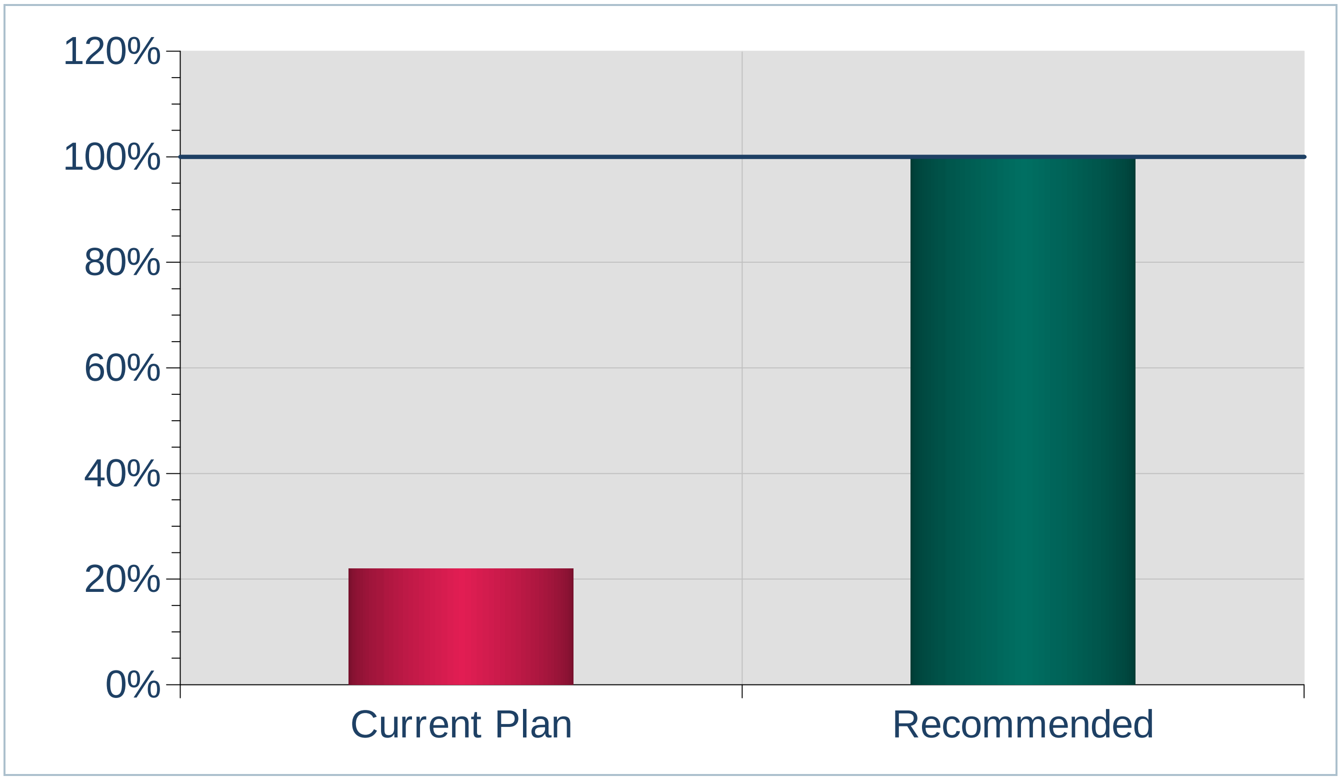
Consider the following

- Kathy, consider applying for a long term care policy.
- Long term care insurance can be an effective strategy to help maintain control and preserve your assets.
- When applying for a long term care policy consider the following features: cost of living adjustment, period coverage, elimination period, exclusion for pre-existing conditions and Home Care Benefit as a Percent of Daily Benefit.
- Periodically review the impact that a long term care need could have on your financial and personal circumstances.

Kathy - Long-Term Care Insurance Scenario Summary

The following information provides an overview of the selected scenarios and their estimated effect on the Long-Term Care Income goal. The following graph illustrates the ability of each scenario to achieve the Long-Term Care Income goal.

Scenario Coverage



	Goal Coverage*	Long-Term Care Benefit Surplus / (Deficit)	Net Worth at Start of Long-Term Care	Net Worth at End of Long-Term Care	Year Capital Exhausted
Current	22%	($200)	$9,068,964	$5,821,616	Never
Recommended	100%	($160)	$17,805,070	$17,043,256	Never

*This value indicates the percentage of your total long-term care needs that can be covered by your total long-term care resources during your long-term care time period.

Action Plan

Activity Report

The following report shows the actions proposed by the needs analysis in italics, based on the strategies proposed in the previous sections of this report. Please remember your financial situation and assumptions are likely to change over time. You should review your financial plan at least once a year or more frequently if you experience any material changes in your personal situations, to help ensure your plan remains on track and to refine your overall strategy and its implementation details, if necessary.

Activity for 2009

Investments:

Asset	Contributor	Amount	Comment
35% of Vacation Home (Joint/Non-Qualified)	Joint	$350	Regular Investment Plan ($88/month)
65% of Vacation Home (Joint/Non-Qualified)	Joint	$650	Regular Investment Plan ($163/month)
7% of Joint Investments (Non-Qualified)	Joint	$140	Regular Investment Plan ($35/month)
7% of Joint Investments (Non-Qualified)	Joint	$140	Regular Investment Plan ($35/month)
86% of Joint Investments (Non-Qualified)	Joint	$1,720	Regular Investment Plan ($430/month)
Bobby's College Education Fund (Joint/Non-Qualified)	***Joint***	***$12,000***	***Regular Investment Plan ($1,000/month)***
Diane's College Education Fund (Joint/Non-Qualified)	***Joint***	***$15,000***	***Regular Investment Plan ($1,250/month)***
Frank's 401(k)	Frank	$14,400	Regular Investment Plan ($1,200/month)
Frank's 401(k) (0% of Salary)	Employer	$4,800	Regular Investment Plan ($400/month)
Kathy's 401(k)	Kathy	$2,000	Regular Investment Plan ($500/month)
Kathy's 401(k) (0% of Salary)	Employer	$600	Regular Investment Plan ($150/month)
Total		**$51,800**	

Insurance:

Policy	Payer	Premium	Coverage
Life Insurance - Frank (Universal Life)	Frank	$1,500	Life Insurance $1,000,000
Life Insurance - Kathy (Universal Life)	Kathy	$600	Life Insurance $400,000
Total		**$2,100**	

Debt Reductions:

Liability	Contributor	Amount	Comment
Mortgage - 3123 Orchid St	Frank	$72,000	Regular Payments, Principal & Interest ($6,000/month)
Personal Loans	Joint	$4,200	Regular Payments, Principal & Interest ($350/month)

Activity for 2010

Investments:

Asset	Contributor	Amount	Comment
35% of Vacation Home (Joint/Non-Qualified)	Joint	$1,050	Regular Investment Plan ($88/month)
65% of Vacation Home (Joint/Non-Qualified)	Joint	$1,950	Regular Investment Plan ($163/month)
7% of Joint Investments (Non-Qualified)	Joint	$420	Regular Investment Plan ($35/month)
7% of Joint Investments (Non-Qualified)	Joint	$420	Regular Investment Plan ($35/month)
86% of Joint Investments (Non-Qualified)	Joint	$5,160	Regular Investment Plan ($430/month)
Bobby's College Education Fund (Joint/Non-Qualified)	***Joint***	***$12,000***	***Regular Investment Plan ($1,000/month)***
Diane's College Education Fund (Joint/Non-Qualified)	***Joint***	***$15,000***	***Regular Investment Plan ($1,250/month)***
Frank's 401(k)	Frank	$14,400	Regular Investment Plan ($1,200/month)
Frank's 401(k) (0% of Salary)	Employer	$4,800	Regular Investment Plan ($400/month)
Kathy's 401(k)	Kathy	$6,000	Regular Investment Plan ($500/month)
Kathy's 401(k) (0% of Salary)	Employer	$1,800	Regular Investment Plan ($150/month)
Total		**$63,000**	

Insurance:

Policy	Payer	Premium	Coverage
Life Insurance - Frank (Universal Life)	Frank	$1,500	Life Insurance $1,000,000
Life Insurance - Kathy (Universal Life)	Kathy	$600	Life Insurance $400,000
Total		**$2,100**	

Redemptions:

Asset	Owner	Amount	Comment
7% of Joint Investments (Non-Qualified)	Joint	$10,462	Lump Sum Redemption on Jan 1 2010
Diane's College Account (Joint/Non-Qualified)	Joint	$18,797	Lump Sum Redemption on Jan 1 2010
Diane's College Education Fund (Joint/Non-Qualified)	Joint	$5,781	Lump Sum Redemption on Jan 1 2010

Debt Reductions:

Liability	Contributor	Amount	Comment
Mortgage - 3123 Orchid St	Frank	$72,000	Regular Payments, Principal & Interest ($6,000/month)
Personal Loans	Joint	$4,200	Regular Payments, Principal & Interest ($350/month)

Activity for 2011

Investments:

Asset	Contributor	Amount	Comment
35% of Vacation Home (Joint/Non-Qualified)	Joint	$1,050	Regular Investment Plan ($88/month)
65% of Vacation Home (Joint/Non-Qualified)	Joint	$1,950	Regular Investment Plan ($163/month)
7% of Joint Investments (Non-Qualified)	Joint	$420	Regular Investment Plan ($35/month)
7% of Joint Investments (Non-Qualified)	Joint	$420	Regular Investment Plan ($35/month)
86% of Joint Investments (Non-Qualified)	Joint	$5,160	Regular Investment Plan ($430/month)
Bobby's College Education Fund (Joint/Non-Qualified)	***Joint***	***$12,000***	***Regular Investment Plan ($1,000/month)***
Diane's College Education Fund (Joint/Non-Qualified)	***Joint***	***$15,000***	***Regular Investment Plan ($1,250/month)***
Frank's 401(k)	Frank	$14,400	Regular Investment Plan ($1,200/month)
Frank's 401(k) (0% of Salary)	Employer	$4,800	Regular Investment Plan ($400/month)
Kathy's 401(k)	Kathy	$6,000	Regular Investment Plan ($500/month)
Kathy's 401(k) (0% of Salary)	Employer	$1,800	Regular Investment Plan ($150/month)
Total		**$63,000**	

Insurance:

Policy	Payer	Premium	Coverage
Life Insurance - Frank (Universal Life)	Frank	$1,500	Life Insurance $1,000,000
Life Insurance - Kathy (Universal Life)	Kathy	$600	Life Insurance $400,000
Total		**$2,100**	

Redemptions:

Asset	Owner	Amount	Comment
7% of Joint Investments (Non-Qualified)	Joint	$8,943	Lump Sum Redemption on Jan 1 2011
Diane's College Account (Joint/Non-Qualified)	Joint	$15,734	Lump Sum Redemption on Jan 1 2011
Diane's College Education Fund (Joint/Non-Qualified)	Joint	$11,487	Lump Sum Redemption on Jan 1 2011

Debt Reductions:

Liability	Contributor	Amount	Comment
Mortgage - 3123 Orchid St	Frank	$72,000	Regular Payments, Principal & Interest ($6,000/month)
Personal Loans	Joint	$3,374	Regular Payments, Principal & Interest ($350/month)

Other Transactions:

1) End of liability (**Personal Loans**) on Oct 31 2011

Delivery Acknowledgement

We, Frank and Kathy Boomer, have reviewed and accept the information contained within this plan and understand the assumptions associated with it. We believe that all information provided by us is complete and accurate to the best of our knowledge. We recognize that performance is not guaranteed and that all future projections are included simply as a tool for decision-making and do not represent a forecast of our financial future. This plan should be reviewed periodically to ensure that decisions made continue to be appropriate, particularly if there are changes in family circumstances, such as an inheritance, birth of a child, death of a family member, or material change in incomes or expenses.

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Frank Boomer

____

Kathy Boomer

Date:

Please Note...

This plan has been prepared based on the information provided. There has been no attempt to verify the accuracy or completeness of this information. As the future cannot be forecast with certainty, actual results will vary from these projections. It is possible that these variations may be material. The degree of uncertainty normally increases with the length of the future period covered.

Important Terminology

Current Plan

The Current Plan consists of information provided and reviewed by you and serves as the basis for some of the assumptions used in the Proposed Plan.

Proposed Plan or Recommended Plan

The Proposed Plan or Recommended Plan is a system-generated plan that is projected based on achieving your stated goals by applying the additional assumptions contained within the recommended scenarios.

Scenarios

A scenario is a modification of assumptions based on the Current Plan. A recommended scenario is incorporated into the Proposed Plan or Recommended Plan.

Rate of return (Current - Not Rebalanced)

Current - Not Rebalanced does not rebalance the accounts linked to a goal. Each account linked to a goal maintains a separate rate of return.

Rate of return (Current - Rebalanced)

Current - Rebalanced rebalances the accounts linked to a goal and uses the weighted average rate of return of the linked assets.

Rate of return (suggested asset mix)

The rate of return that is calculated based on the investment profile as determined by answers to a risk tolerance questionnaire.

Rate of return (assumed asset mix)

The dollar-weighted average rate of return of the assets in the Proposed Plan based on the assumptions defined in the proposed/recommended scenarios. A goal-based rate of return (assumed asset mix) represents the dollar-weighted average rate of return of the assets linked to that particular goal, based on the assumptions defined in the proposed/recommended scenario.

Rate of return (proposed plan)

The dollar-weighted average rate of return of the assets that are used in the Assumed/Suggested Asset Mix. This rate of return is the same as the *Rate of return (assumed/suggested asset mix)*.

Standard deviation

Standard deviation is a statistical measure of the volatility of an asset or account. It measures the degree to which the rate of return in any one year varies from the historical average rate of return for that investment; the greater the standard deviation, the riskier the investment.

Unlinked accounts

Unlinked accounts represent all non-qualified accounts that are not linked to a goal. (Qualified accounts are automatically linked to the retirement goal.) Unlinked accounts are assumed to be allocated to the estate.

Investment profile

The investment profile is the result of an analysis of an individual’s investment objectives, time horizon, and risk tolerance in reference to investing.

Portfolio

The combination of assets a client owns and that are considered in this plan to fund the client's goal.

Time horizon

The length of time desired to achieve a financial goal. A longer time horizon usually allows an individual to withstand more volatility, whereas a shorter time horizon typically requires less volatility and more liquidity.

Asset mix

The combination of asset classes within an investment portfolio. It can also be a further division within an asset class of assets such as a mix of small, medium, and large company stock assets.

Current asset mix

The combination of asset classes assigned to the assets included in the current plan.

Suggested asset mix

The asset mix that is derived based on the investment profile as determined by answers to a risk tolerance questionnaire.

Assumed asset mix

The asset mix that results when the suggested asset mix is subject to certain modifications.

Entire Portfolio

The Entire Portfolio for the Current Plan represents the asset mix of all accounts in the plan. The Entire Portfolio for the Proposed Plan is the combined suggested and assumed asset mixes associated with all of the goals included in the plan.

Blended Mix

For the entire portfolio, a Blended Mix of investment profiles indicates that the investment profile has been defined differently for each goal. For the retirement goal, a Blended Mix of investment profiles indicates that the investment profile has been defined differently for each type of account (qualified retirement accounts, non-qualified accounts, or non-qualified annuity retirement accounts).

Average Tax Rate

The assumed average tax rate that is applied against salary, self-employed, Social Security, defined benefit, pension and other taxable income. The assumed average tax rate is typically less than the marginal tax rate based on the assumption that income is spread over multiple tax brackets.

Community Property

In states with community property laws, any property acquired by a married couple residing in a community property state is considered to be equally owned by both parties.

Annuitize

Refers to the transition of an annuity contract from the accumulation phase into the income distribution phase. In the income distribution phase the accumulated value of the annuity is distributed via a computed stream of income payments over a duration of time or through varying withdrawals from the annuity.

Inflation Rate / Index Rate

The rate that dollar values are discounted over time. The rate is measured by an index that indicates the change in the cost of various goods and services as a percentage.

Marginal Tax Rate

The marginal tax rate is derived from the federal income tax brackets. It is the amount of tax that would be paid on any additional dollars of income. It is applied against interest, dividend (after 2010), royalty, alimony and short-term capital gains income.

Required minimum distribution (RMD)

The amount required by the IRS to be withdrawn each year from traditional IRAs and employer-sponsored retirement plans, starting on the required beginning date, which generally, but not always, occurs in the year following the year in which the owner turns 70½.

Uniform Transfer to Minors Act (UTMA) and Uniform Gift to Minors Act (UGMA)

UTMA and UGMA are custodial accounts, owned by a minor with an adult designated as the custodian. The accounts are normally used to save for the child's education. Once the transfer to the account occurs, the account is the legal property of the child and can only be used for the child's benefit. When the child reaches the age of majority, control of the account transfers to the child and the child can use the proceeds as he or she wishes. The UTMA considers the age of majority to be 21 although it is 18 in some states.

Unlimited Marital Deduction (UMD)

A provision in the Internal Revenue Code which allows assets owned by the decedent to be transferred to the surviving spouse without incurring estate taxes.

Fixed Expenses

Fixed expenses include ongoing expenses that you have determined cannot be easily changed or eliminated, such as basic living expenses or retirement expenses.

Fixed Needs

Fixed needs include all your fixed expenses, plus other expenses that have been calculated based on your financial information. These expenses include liability payments, insurance premiums, property taxes, and income taxes.

Lifestyle Expenses

The definition of lifestyle expenses includes all expenses entered in the cash flow section where the type of expense is classified as lifestyle.

Total Needs

The definition of total needs includes all fixed needs, all other expenses that are not considered in the fixed needs definition, and total taxes. The total needs in the plan account in part for expenses that are more discretionary in nature.

Fixed Incomes

The definition of fixed incomes includes the pre-tax income from the following income sources: Benefit Formula and Estimate Benefit pensions, income entered with the type *Pension*, Social Security income of the family head(s) (retirement, survivor, and disability benefits), income entered with the type *Salary*, and annuity income (excluding income from annuities with the annuitization type of *Withdrawals as Needed*).

Asset class

A category of investments grouped according to common characteristics such as relative liquidity, income characteristics, tax status, growth characteristics, etc.

Large Cap Growth Equity

Domestic U.S. equity stocks representing securities with a greater-than-average growth orientation, which tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields, and higher forecasted growth values.

Large Cap Value Equity

Domestic U.S. equity stocks representing securities with a less-than-average growth orientation, which generally have lower price-to-book and price-earnings ratios, higher dividend yields, and lower forecasted growth values.

Mid Cap Equity

Domestic U.S. equity stocks representing the Russell Mid Cap Index, which consists of the smallest 800 companies in the Russell 1000 index as ranked by total market capitalization.

Small-Cap Equity

Domestic U.S. equity stocks representing the Russell 2000 Index, which is a small-cap index consisting of the smallest 2,000 companies in the Russell 3000 Index.

International Equity

Stocks representing the MSCI EAFE (Europe, Australasia, Far East) Index, which is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada.

Emerging Markets Equity

Equities representing the MSCI Emerging Markets Index, which is a free float-adjusted market capitalization index designed to measure equity market performance in the global emerging markets.

High-Yield Bonds

Bonds representing the universe of fixed rate, noninvestment grade debt.

International Bonds

Bonds reflecting the returns provided by investment in international (non-U.S.) fixed income securities.

Long-Term Bonds

Bonds where the total returns are calculated for each year on a single bond issued by the U.S. Government with a term of approximately 20 years, and a reasonably current coupon with returns that did not reflect potential tax benefits, impaired negotiability, or special redemption or call privileges.

Intermediate-Term Bonds

These bonds represent one-bond portfolios used to construct the intermediate-term index. The bond chosen each year is the shortest non-callable bond with a maturity of not less than five years, and it is “held” for the calendar year.

Short-Term Bonds – U.S. 1-Year Government Bonds

Bonds represent yields on Treasury securities at “constant maturity” and are interpolated by the U.S. Treasury from the daily yield curve. This curve relates the yield on a security to its time to maturity, and is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market.

Cash

Cash reflects the returns provided by short-term fixed income instruments. The index is based on the U.S. 3-month Treasury bills.

Important acronyms

CST - Credit shelter trust	CSV - Cash surrender value
EOY - End of year	GSTT - Generation-skipping transfer tax
ILIT - Irrevocable life insurance trust	IRD - Income in respect of a decedent
JGTRRA - Jobs and Growth Tax Relief Reconciliation Act of 2003	RMD - Required minimum distribution
SOY - Start of year	UGMA - Uniform Gift to Minors Act
UMD - Unlimited marital deduction	UTMA - Uniform Transfer to Minors Act
ROR - Rate of return	