

## Financial Goal Plan

### Patricia and Alfred Perry



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# IMPORTANT DISCLOSURE INFORMATION

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

The return assumptions in MoneyGuidePro are not reflective of any specific product, and do not include any fees or expenses that may be incurred by investing in specific products. The actual returns of a specific product may be more or less than the returns used in MoneyGuidePro. It is not possible to directly invest in an index. Financial forecasts, rates of return, risk, inflation, and other assumptions may be used as the basis for illustrations. They should not be considered a guarantee of future performance or a guarantee of achieving overall financial objectives. Past performance is not a guarantee or a predictor of future results of either the indices or any particular investment.

MoneyGuidePro results may vary with each use and over time.

## MoneyGuidePro Assumptions and Limitations

### Information Provided by You

Information that you provided about your assets, financial goals, and personal situation are key assumptions for the calculations and projections in this Report. Please review the Report sections titled "Personal Information and Summary of Financial Goals", "Current Portfolio Allocation", and "Tax and Inflation Options" to verify the accuracy of these assumptions. If any of the assumptions are incorrect, you should notify your financial advisor. Even small changes in assumptions can have a substantial impact on the results shown in this Report. The information provided by you should be reviewed periodically and updated when either the information or your circumstances change.

All asset and net worth information included in this Report was provided by you or your designated agents, and is not a substitute for the information contained in the official account statements provided to you by custodians. The current asset data and values contained in those account statements should be used to update the asset information included in this Report, as necessary.

### Assumptions and Limitations

MoneyGuidePro offers several methods of calculating results, each of which provides one outcome from a wide range of possible outcomes. All results in this Report are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. All results use simplifying assumptions that do not completely or accurately reflect your specific circumstances. No Plan or Report has the ability to accurately predict the future. As investment returns, inflation, taxes, and other economic conditions vary from the MoneyGuidePro assumptions, your actual results will vary (perhaps significantly) from those presented in this Report.

All MoneyGuidePro calculations use asset class returns, not returns of actual investments. The average annual historical returns are calculated using the indices contained in this Report, which serve as proxies for their respective asset classes. The index data are for the period 1970 - 2016. The portfolio returns are calculated by weighting individual return assumptions for each asset class according to your portfolio allocation. The portfolio returns may have been modified by including adjustments to the total return and the inflation rate. The portfolio returns assume reinvestment of interest and dividends at net asset value without taxes, and also assume that the portfolio has been rebalanced to reflect the initial recommendation. No portfolio rebalancing costs, including taxes, if applicable, are deducted from the portfolio value. No portfolio allocation eliminates risk or guarantees investment results.

MoneyGuidePro does not provide recommendations for any products or securities.

# IMPORTANT DISCLOSURE INFORMATION

Asset Class Name	Historical Return Index
Cash & Cash Alternatives	Ibbotson U.S. Treasury Bills - Total Return (1926-2016)
Cash & Cash Alternatives (Tax-Free)	U.S. 30-Day Treasury Bill adjusted by Donoghue TF discount (1970-1981) Tax-Free Money Market Average (1982-2016)
Short Term Bonds	50% Ibbotson U.S. Treasury Bills and 50% Ibbotson Intermediate-Term Government Bonds (1970-1978) BofA Merrill Lynch 1-3 Year Govt Bonds (1979-2016)
Short Term Bonds (Tax-Free)	50% Ibbotson U.S. T-Bill and 50% Ibbotson Intermediate-Term Government Bonds adjusted by Barclays Capital 3-year Muni discount (1970-1990) Barclays Capital 3-year Muni Bonds (1991-2016)
Intermediate Term Bonds	Ibbotson Intermediate-Term Government Bonds - Total Return (1926-2016)
Intermediate Term Bonds (Tax-Free)	Ibbotson Long-Term Government Bonds - Total Return adjusted by Barclays Capital 10-year Muni discount (1970-1979) Barclays Capital 10-year Muni Bonds (1980-2016)
Long Term Bonds	Ibbotson Long-Term Corporate Bonds - Total Return (1926-2016)
Long Term Bonds (Tax-Free)	Ibbotson Long-Term Government Bonds - Total Return adjusted by Barclays Capital Long Muni Bonds discount (1970-1980) Barclays Capital Long Muni Bonds (1981-2016)
Large Cap Value Stocks	S&P 500 Composite Total Return (1970-1994) S&P 500 Value Total Return(1995-2016)
Large Cap Growth Stocks	S&P 500 Composite Total Return (1970-1994) S&P 500 Growth Total Return (1995-2016)
Mid Cap Stocks	S&P 500 Composite Total Return (1970-1979) Russell Midcap (1980-2016)
Small Cap Stocks	Ibbotson Small Company Stocks - Total Return (1926-2016)
International Developed Stocks	MSCI EAFE Equity (1970-2016)
International Emerging Stocks	MSCI EAFE Equity (1970-1975) IFC Global Emerging Markets Index (1976-1987) MSCI EM (Emerging Markets) (1988-2016)

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# IMPORTANT DISCLOSURE INFORMATION

## Risks Inherent in Investing

Investing in fixed income securities involves interest rate risk, credit risk, and inflation risk. Interest rate risk is the possibility that bond prices will decrease because of an interest rate increase. When interest rates rise, bond prices and the values of fixed income securities fall. When interest rates fall, bond prices and the values of fixed income securities rise. Credit risk is the risk that a company will not be able to pay its debts, including the interest on its bonds. Inflation risk is the possibility that the interest paid on an investment in bonds will be lower than the inflation rate, decreasing purchasing power.

Cash alternatives typically include money market securities and U.S. treasury bills. Investing in such cash alternatives involves inflation risk. In addition, investments in money market securities may involve credit risk and a risk of principal loss. Because money market securities are neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency, there is no guarantee the value of your investment will be maintained at \$1.00 per share, and your shares, when sold, may be worth more or less than what you originally paid for them. U.S. Treasury bills are subject to market risk if sold prior to maturity. Market risk is the possibility that the value, when sold, might be less than the purchase price.

Investing in stock securities involves volatility risk, market risk, business risk, and industry risk. The prices of most stocks fluctuate. Volatility risk is the chance that the value of a stock will fall. Market risk is chance that the prices of all stocks will fall due to conditions in the economic environment. Business risk is the chance that a specific company's stock will fall because of issues affecting it. Industry risk is the chance that a set of factors particular to an industry group will adversely affect stock prices within the industry. (See "Asset Class – Stocks" in the Glossary section of this Important Disclosure Information for a summary of the relative potential volatility of different types of stocks.)

International investing involves additional risks including, but not limited to, changes in currency exchange rates, differences in accounting and taxation policies, and political or economic instabilities that can increase or decrease returns.

## Report Is a Snapshot and Does Not Provide Legal, Tax, or Accounting Advice

This Report provides a snapshot of your current financial position and can help you to focus on your financial resources and goals, and to create a plan of action. Because the results are calculated over many years, small changes can create large differences in future results. You should use this Report to help you focus on the factors that are most important to you. This Report does not provide legal, tax, or accounting advice. Before making decisions with legal, tax, or accounting ramifications, you should consult appropriate professionals for advice that is specific to your situation.

## MoneyGuidePro Methodology

MoneyGuidePro offers several methods of calculating results, each of which provides one outcome from a wide range of possible outcomes. The methods used are: "Average Returns," "Historical Test," "Historical Rolling Periods," "Bad Timing," "Class Sensitivity," and "Monte Carlo Simulations." When using historical returns, the methodologies available are Average Returns, Historical Test, Historical Rolling Periods, Bad Timing, and Monte Carlo Simulations. When using projected returns, the methodologies available are Average Returns, Bad Timing, Class Sensitivity, and Monte Carlo Simulations.

## Results Using Average Returns

The Results Using Average Returns are calculated using one average return for your pre-retirement period and one average return for your post-retirement period. Average Returns are a simplifying assumption. In the real world, investment returns can (and often do) vary widely from year to year and vary widely from a long-term average return.

## Results Using Historical Test

The Results Using Historical Test are calculated by using the actual historical returns and inflation rates, in sequence, from a starting year to the present, and assumes that you would receive those returns and inflation rates, in sequence, from this year through the end of your Plan. If the historical sequence is shorter than your Plan, the average return for the historical period is used for the balance of the Plan. The historical returns used are those of the broad-based asset class indices listed in this Important Disclosure Information.

## Results Using Historical Rolling Periods

The Results Using Historical Rolling Periods is a series of Historical Tests, each of which uses the actual historical returns and inflations rates, in sequence, from a starting year to an ending year, and assumes that you would receive those returns and inflation rates, in sequence, from this year through the end of your Plan. If the historical sequence is shorter than your Plan, the average return for the historical period is used for the balance of the Plan.

Indices in Results Using Historical Rolling Periods may be different from indices used in other MoneyGuidePro calculations. Rolling Period Results are calculated using only three asset classes -- Cash, Bonds, and Stocks. The indices used as proxies for these asset classes when calculating Results Using Historical Rolling Periods are:

- Cash - Ibbotson U.S. 30-day Treasury Bills (1926-2016)
- Bonds - Ibbotson Intermediate-Term Government Bonds - Total Return (1926-2016)
- Stocks - Ibbotson Large Company Stocks - Total Return (1926-2016)

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# IMPORTANT DISCLOSURE INFORMATION

## Results with Bad Timing

Results with Bad Timing are calculated by using low returns in one or two years, and average returns for all remaining years of the Plan. For most Plans, the worst time for low returns is when you begin taking substantial withdrawals from your portfolio. The Results with Bad Timing assume that you earn a low return in the year(s) you select and then an Adjusted Average Return in all other years. This Adjusted Average Return is calculated so that the average return of the Results with Bad Timing is equal to the return(s) used in calculating the Results Using Average Returns. This allows you to compare two results with the same overall average return, where one (the Results with Bad Timing) has low returns in one or two years.

When using historical returns, the default for one year of low returns is the lowest annual return in the historical period you are using, and the default for two years of low returns is the lowest two-year sequence of returns in the historical period. When using projected returns, the default for the first year of low returns is two standard deviations less than the average return, and the default for the second year is one standard deviation less than the average return.

## Results Using Class Sensitivity

The Results Using Class Sensitivity are calculated by using different return assumptions for one or more asset classes during the years you select. These results show how your Plan would be affected if the annual returns for one or more asset classes were different than the average returns for a specified period in your Plan.

## Results Using Monte Carlo Simulations

Monte Carlo simulations are used to show how variations in rates of return each year can affect your results. A Monte Carlo simulation calculates the results of your Plan by running it many times, each time using a different sequence of returns. Some sequences of returns will give you better results, and some will give you worse results. These multiple trials provide a range of possible results, some successful (you would have met all your goals) and some unsuccessful (you would not have met all your goals). The percentage of trials that were successful is the probability that your Plan, with all its underlying assumptions, could be successful. In MoneyGuidePro, this is the Probability of Success. Analogously, the percentage of trials that were unsuccessful is the Probability of Failure. The Results Using Monte Carlo Simulations indicate the likelihood that an event may occur as well as the likelihood that it may not occur. In analyzing this information, please note that the analysis does not take into account actual market conditions, which may severely affect the outcome of your goals over the long-term.

## MoneyGuidePro Presentation of Results

The Results Using Average Returns, Historical Test, Historical Rolling Periods, Bad Timing, and Class Sensitivity display the results using an "Estimated % of Goal Funded" and a "Safety Margin."

### Estimated % of Goal Funded

For each Goal, the "Estimated % of Goal Funded" is the sum of the assets used to fund the Goal divided by the sum of the Goal's expenses. All values are in current dollars. A result of 100% or more does not guarantee that you will reach a Goal, nor does a result under 100% guarantee that you will not. Rather, this information is meant to identify possible shortfalls in this Plan, and is not a guarantee that a certain percentage of your Goals will be funded. The percentage reflects a projection of the total cost of the Goal that was actually funded based upon all the assumptions that are included in this Plan, and assumes that you execute all aspects of the Plan as you have indicated.

### Safety Margin

The Safety Margin is the estimated value of your assets at the end of this Plan, based on all the assumptions included in this Report. Only you can determine if that Safety Margin is sufficient for your needs.

### Bear Market Loss and Bear Market Test

The Bear Market Loss shows how a portfolio would have been impacted during the worst bear market since the Great Depression. Depending on the composition of the portfolio, the worst bear market is either the "Great Recession" or the "Bond Bear Market."

The Great Recession, from November 2007 through February 2009, was the worst bear market for stocks since the Great Depression. In MoneyGuidePro, the Great Recession Return is the rate of return, during the Great Recession, for a portfolio comprised of cash, bonds, stocks, and alternatives, with an asset mix equivalent to the portfolio referenced.

# IMPORTANT DISCLOSURE INFORMATION

The Bond Bear Market, from July 1979 through February 1980, was the worst bear market for bonds since the Great Depression. In MoneyGuidePro, the Bond Bear Market Return is the rate of return, for the Bond Bear Market period, for a portfolio comprised of cash, bonds, stocks, and alternatives, with an asset mix equivalent to the portfolio referenced.

The Bear Market Loss shows: 1) either the Great Recession Return or the Bond Bear Market Return, whichever is lower, and 2) the potential loss, if you had been invested in this cash-bond-stock-alternative portfolio during the period with the lower return. In general, most portfolios with a stock allocation of 20% or more have a lower Great Recession Return, and most portfolios with a combined cash and bond allocation of 80% or more have a lower Bond Bear Market Return.

The Bear Market Test, included in the Stress Tests, examines the impact on your Plan results if an identical Great Recession or Bond Bear Market, whichever would be worse, occurred this year. The Bear Market Test shows the likelihood that you could fund your Needs, Wants and Wishes after experiencing such an event.

Regardless of whether you are using historical or projected returns for all other MoneyGuidePro results, the Bear Market Loss and Bear Market Test use returns calculated from historical indices. If you are using historical returns, the indices in the Bear Market Loss and the Bear Market Test may be different from indices used in other calculations. These results are calculated using only four asset classes – Cash, Bonds, Stocks, and Alternatives. The indices and the resulting returns for the Great Recession and the Bond Bear Market are:

Asset Class	Index	Great Recession Return 11/2007 – 02/2009	Bond Bear Market Return 07/1979 – 02/1980
Cash	Ibbotson U.S. 30-day Treasury Bills	2.31%	7.08%
Bond	Ibbotson Intermediate-Term Government Bonds – Total Return	15.61%	-8.89%
Stock	S&P 500 - Total Return	-50.95%	14.61%
Alternative	HFRI FOF: Diversified*	-19.87%	N/A
	S&P GSCI Commodity - Total Return**	N/A	23.21%

\*Hedge Fund Research Indices Fund of Funds

\*\*S&P GSCI was formerly the Goldman Sachs Commodity Index

Because the Bear Market Loss and Bear Market Test use the returns from asset class indices rather than the returns of actual investments, they do not represent the performance for any specific portfolio, and are not a guarantee of minimum or maximum levels of losses or gains for any portfolio. The actual performance of your portfolio may differ substantially from those shown in the Great Recession Return, the Bond Bear Market Return, the Bear Market Loss, and the Bear Market Test.

## MoneyGuidePro Risk Assessment

The MoneyGuidePro Risk Assessment highlights some – but not all – of the trade-offs you might consider when deciding how to invest your money. This approach does not provide a comprehensive, psychometrically-based, or scientifically-validated profile of your risk tolerance, loss tolerance, or risk capacity, and is provided for informational purposes only.

Based on your specific circumstances, you must decide the appropriate balance between potential risks and potential returns. MoneyGuidePro does not and cannot adequately understand or assess the appropriate risk/return balance for you. MoneyGuidePro requires you to select a risk score. Once selected, three important pieces of information are available to help you determine the appropriateness of your score: an appropriate portfolio for your score, the impact of a Bear Market Loss (either the Great Recession or the Bond Bear Market, whichever is lower) on this portfolio, and a compare button to show how your score compares to the risk score of others in your age group.

MoneyGuidePro uses your risk score to select a risk-based portfolio on the Portfolio Table page. This risk-based portfolio selection is provided for informational purposes only, and you should consider it to be a starting point for conversations with your advisor. It is your responsibility to select the Target Portfolio you want MoneyGuidePro to use. The selection of your Target Portfolio, and other investment decisions, should be made by you, after discussions with your advisor and, if needed, other financial and/or legal professionals.

## Plan Summary

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# Plan Summary

Reaching Your Goals

Status



Net Worth	
Assets	\$1,418,000
Liabilities	\$407,000
<b>Net Worth</b>	<b>\$1,011,000</b>

## Results

If you implement the following suggestions, there is a 99% likelihood of funding all of the Financial Goals in your Plan.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

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# Plan Summary

## Goals

Maintain your Total Goal Spending at \$2,257,173

Patricia retires at age 65, in the year 2034.

Alfred retires at age 67, in the year 2025.

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**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

# Plan Summary

Goal	Amount	Changes
<b>Needs</b>		
10 Health Care		
Patricia Employed / Alfred Medicare	\$6,617	
Both Medicare	\$12,990	
Patricia Alone Medicare	\$6,374	
10 Retirement - Basic Living Expense		
Both Retired	\$80,000	
Alfred Retired and Patricia Employed	\$65,000	
Patricia Alone Retired	\$50,000	
<b>Wants</b>		
7 Car / Truck		
Starting	2020	
7 College - Austin	\$22,256	
Years of School	4	
Start Year	2024	
7 Major Purchase - Anthony's Home		
Starting	2020	
7 Home Improvement - Inground Pool	\$45,000	
Starting	2019	
7 College - Alexander		
Years of School	4	
Start Year	2022	

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Plan Summary

Goal	Amount	Changes
<b>Wishes</b>		
3 Leave Bequest	\$100,000	
Starting		End of Patricia's Plan
3 Travel	\$10,000	
Starting		When both are retired
3 Leave Bequest	\$250,000	
Starting		End of Patricia's Plan
3 Leave Bequest	\$250,000	
Starting		End of Patricia's Plan

Save and Invest	Status
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## Invest

### Your Portfolio should be re-allocated

Investment Portfolio Asset Allocation

Current

Capital Preservation II



### Changes Required to match Capital Preservation II

Asset Class	Increase By	Decrease By
Cash & Cash Alternatives	\$16,050	
Short Term Bonds	\$177,930	
Intermediate Term Bonds	\$25,100	
Long Term Bonds		-\$28,900
Large Cap Value Stocks		-\$26,160
Large Cap Growth Stocks	\$50,310	
Small Cap Stocks	\$27,950	
International Developed Stocks	\$44,720	
Unclassified		-\$287,000
<b>Total :</b>	<b>\$342,060</b>	<b>-\$342,060</b>

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

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# Plan Summary

## Goal Funding and Investment Strategies

Retirement Cash Reserve - In 2034, at Retirement, fund your Retirement Cash Reserve with \$131,984. Increase the amount of Cash already set-aside in your Retirement Cash Reserve from \$17,000 to \$131,984.

## Risk Management

## Status

### Life

Your Life Insurance Needs Analysis indicates that your current amount of life insurance is not sufficient to protect your family in the event of premature death.

Patricia should consider purchasing \$3,339,335 of additional life insurance.

Alfred should consider purchasing \$3,333,601 of additional life insurance.

We can work together to review your current life insurance and determine if you have adequate coverage.

Advisor Will Take Action - 08/15/2017

### Disability

If disabled, Patricia would need \$97,800 of annual disability insurance benefits to replace 60% of Patricia's current annual income of \$163,000. If disabled, Alfred would need \$120,000 of annual disability insurance benefits to replace 60% of Alfred's current annual income of \$200,000.

Consider purchasing a disability insurance policy for Patricia.

Consider purchasing a disability insurance policy for Alfred.

We should set up a meeting with an insurance specialist to review your needs.

### Long Term Care

For Patricia, the estimated total cost for Nursing Home Care is \$950,666. For Alfred the estimated total cost for Nursing Home Care is \$585,799.

Consider purchasing a long-term care insurance policy for Patricia.

Consider purchasing a long-term care insurance policy for Alfred.

**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

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# Plan Summary

## Social Security

## Status

### Personal Information

Your Full Retirement Age (FRA) is the age that you would receive 100% of your Primary Insurance Amount (PIA). Depending on the year you were born, your FRA is between 65-67 years old. Taking benefits before or after your FRA will decrease or increase the amount you receive, respectively.

Patricia's FRA is 67 and 0 months in 2036.

Alfred's FRA is 66 and 8 months in 2025.

Your Primary Insurance Amount (PIA) is the benefit you would receive if you began benefits at your Full Retirement Age (FRA). It is calculated from the earnings on which you paid Social Security taxes, throughout your life.

Patricia's estimated annual PIA is \$35,633

Alfred's estimated annual PIA is \$35,214

### Strategy Information

Patricia files a normal application at 67 in 2036.

Alfred files a normal application at 66 Years, 8 Months in 2025.

Using this strategy, your household's total lifetime benefit is estimated to be \$1,842,436 in today's dollars, based upon the information you entered. For a better estimate, go to [ssa.gov](http://ssa.gov).

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**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

## Summary of Goals and Resources

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# Personal Information and Summary of Financial Goals

## Patricia and Alfred Perry

### Needs

#### 10 Health Care



Patricia Employed / Alfred Medicare (2025-2033)	\$6,617
Both Medicare (2034-2049)	\$12,990
Patricia Alone Medicare (2050-2062)	\$6,374
	Base Inflation Rate plus 2.49% (6.50%)

#### 10 Retirement - Basic Living Expense



Patricia (2034)	65
Alfred (2025)	67
Alfred Retired and Patricia Employed (2025-2033)	\$65,000
Mortgage Reduction of \$25,000 (2029)	
Second Mortgage Reduction of \$4,620 (2029)	
Both Retired (2034-2049)	\$80,000
Patricia Alone Retired (2050-2062)	\$50,000
	Base Inflation Rate (4.01%)

### Wants

#### 7 Car / Truck



In 2020	\$30,000
	Base Inflation Rate (4.01%)

#### 7 College - Austin



4 years starting in 2024	\$22,256
Attending University of Georgia	Base Inflation Rate plus 1.99% (6.00%)
529 Prepaid Tuition Plan for 4 years	

#### 7 Major Purchase - Anthony's Home



In 2020	\$120,000
	Base Inflation Rate (4.01%)

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.



# Personal Information and Summary of Financial Goals

## Patricia and Alfred Perry

<b>7</b>	<b>Home Improvement - Inground Pool</b>		
	In 2019	\$45,000 Base Inflation Rate (4.01%)	
<b>7</b>	<b>College - Alexander</b>		
	4 years starting in 2022 Attending University of Georgia 529 Prepaid Tuition Plan for 4 years	\$22,256 Base Inflation Rate plus 1.99% (6.00%)	
<b>Wishes</b>			
<b>3</b>	<b>Leave Bequest</b>		
	End of Patricia's plan	\$100,000 Base Inflation Rate (4.01%)	
<b>3</b>	<b>Travel</b>		
	When both are retired	\$10,000 Base Inflation Rate (4.01%)	
<b>3</b>	<b>Leave Bequest</b>		
	End of Patricia's plan	\$250,000 Base Inflation Rate (4.01%)	
<b>3</b>	<b>Leave Bequest</b>		
	End of Patricia's plan	\$250,000 Base Inflation Rate (4.01%)	

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

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# Personal Information and Summary of Financial Goals

## Personal Information

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### Patricia

Female - born 01/29/1969, age 48

Employed - \$163,000, Other Income - \$45,000

### Alfred

Male - born 05/06/1958, age 59

Business Owner - \$200,000

Married, US Citizens living in GA

- This section lists the Personal and Financial Goal information you provided, which will be used to create your Report. It is important that it is accurate and complete.

Participant Name	Date of Birth	Age	Relationship
Alexander	09/05/2004	12	Child
Anthony	09/12/1989	27	Child
Austin	10/21/2006	10	Child

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# Expectations and Concerns

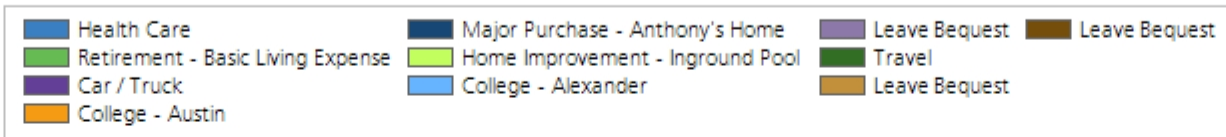
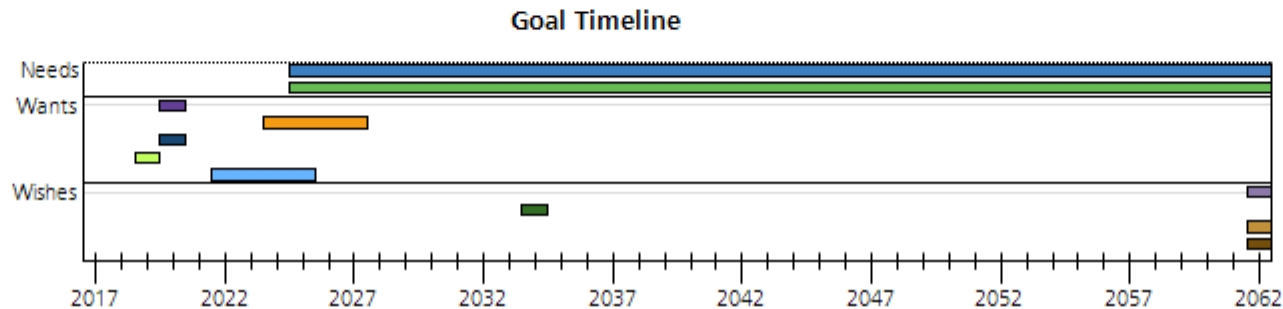
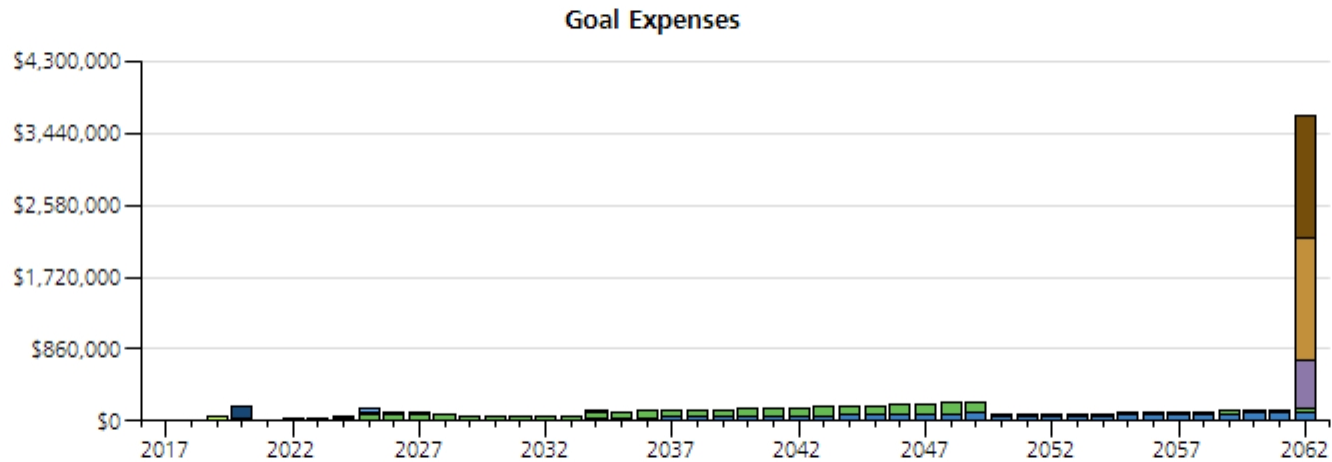
Expectation
<b>Both Patricia and Alfred</b>
Active Lifestyle
Moving to a New Home
Work by Choice
Time to Travel
Time with Friends & Family
Less Stress - Peace of Mind

Owner	Concern	What Would Help
<b>High</b>		
Joint	Running out of money	If your plan is in the Confidence Zone, there's less reason to worry.
Patricia	Cost of Health Care or Long-Term Care	Include a Goal for Health Care and test to see the impact of a potential Long Term Care expense in the future.
<b>Medium</b>		
Joint	Not having a paycheck anymore	Consider strategies that create a regular source of income.
Joint	Current or Future Health Issues	See how health issues might affect the results of your plan
Joint	Living too long	Test your plan to see if your money will last as long as you do, even if you live past 100.
Patricia	Continued Care for Dependent Child - Anthony	
<b>Low</b>		
Joint	Leaving Money to Others	Your plan can include bequests and gifting Goals.
Alfred	Patricia dying early	Test how an early death will impact your family's future.
Patricia	Alfred dying early	Test how an early death will impact your family's future.
Joint	Parents needing care	You can include a Goal for the cost of care for your parents and see its impact on your lifestyle.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Current Financial Goals Graph

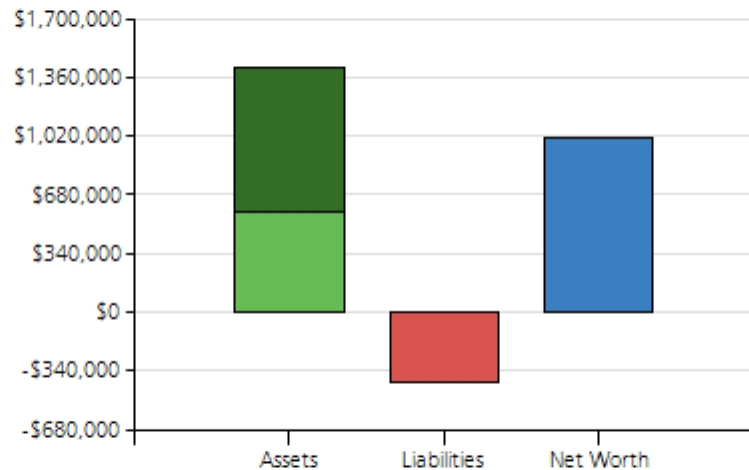
This graph shows the annual costs for your Financial Goals, as you have specified. Because these costs will be used to create your Plan, it is important that they are accurate and complete. All amounts are in after-tax, future dollars.



See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Net Worth Summary - All Resources

This is your Net Worth Summary as of 08/08/2017. Your Net Worth is the difference between what you own (your Assets) and what you owe (your Liabilities). To get an accurate Net Worth statement, make certain you have entered all of your Assets and Liabilities.



Investment Assets		\$576,000
Other Assets	+	\$842,000
<b>Total Assets</b>		<b>\$1,418,000</b>
Total Liabilities	-	\$407,000
<b>Net Worth</b>		<b>\$1,011,000</b>

Description	Total
<b>Investment Assets</b>	
Employer Retirement Plans	\$289,000
Taxable and/or Tax-Free Accounts	\$287,000
<b>Total Investment Assets:</b>	<b>\$576,000</b>
<b>Other Assets</b>	
Home and Personal Assets	\$585,000
Cash Value Life	\$257,000
<b>Total Other Assets:</b>	<b>\$842,000</b>
<b>Liabilities</b>	
Personal Real Estate Loan:	\$380,000
Vehicle Loan:	\$27,000
<b>Total Liabilities:</b>	<b>\$407,000</b>
<b>Net Worth:</b>	<b>\$1,011,000</b>

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Net Worth Detail - All Resources

This is your Net Worth Detail as of 08/08/2017. Your Net Worth is the difference between what you own (your Assets) and what you owe (your Liabilities). To get an accurate Net Worth statement, make certain you have entered all of your Assets and Liabilities.

Description	Patricia	Alfred	Joint	Total
<b>Investment Assets</b>				
<b>Employer Retirement Plans</b>				
401(k)	\$289,000			\$289,000
<b>Taxable and/or Tax-Free Accounts</b>				
Allianz FIUL	\$287,000			\$287,000
<b>Total Investment Assets:</b>	<b>\$576,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$576,000</b>
<b>Other Assets</b>				
<b>Home and Personal Assets</b>				
6292 Fernstone Trail NW			\$585,000	\$585,000
<b>Cash Value Life</b>				
Universal Life	\$257,000			\$257,000
<b>Total Other Assets:</b>	<b>\$257,000</b>	<b>\$0</b>	<b>\$585,000</b>	<b>\$842,000</b>
<b>Liabilities</b>				
<b>Personal Real Estate Loan:</b>				
Mortgage Loan			\$380,000	\$380,000
<b>Vehicle Loan:</b>				
BMW	\$27,000			\$27,000
<b>Total Liabilities:</b>	<b>\$27,000</b>	<b>\$0</b>	<b>\$380,000</b>	<b>\$407,000</b>
<b>Net Worth:</b>				<b>\$1,011,000</b>

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Resources Summary

## Investment Assets

Description	Owner	Current Value	Additions	Assign to Goal
Manually Entered				
401(k)	Patricia	\$289,000	\$18,293	Fund All Goals
Account Total	\$289,000			
Allianz FIUL	Patricia	\$287,000	\$5,000	Fund All Goals
Tax-Free Account Total	\$287,000			

**Total Investment Assets : \$576,000**

## Other Assets

Description	Owner	Current Value	Future Value	Assign to Goal
Manually Entered				
Universal Life	Patricia	\$257,000	\$12,390	Fund All Goals
6292 Fernstone Trail NW	Joint Survivorship	\$585,000	\$500,000	Fund All Goals

**Total of Other Assets : \$842,000**

## Insurance Policies

Description	Owner	Insured	Beneficiary	Annual Premium	Cash Value	Death Benefit	Premium Paid
Manually Entered							
<b>Cash Value Life Insurance Policies Summary (included in Assets)</b>							
Universal Life Universal Life	Patricia	Patricia	Co-Client of Insured - 100%	\$5,000	\$257,000	\$267,000	Until Insured Dies
<b>Insurance Policies Summary (not included in Assets)</b>							
Insurance through Work Group Term	Patricia	Patricia	Co-Client of Insured - 100%			\$500,000	

**Total Death Benefit of All Policies : \$767,000**

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Resources Summary

## Social Security

Description	Value	Assign to Goal
Social Security	Patricia will file a normal application at age 67. She will receive \$35,633 in retirement benefits at age 67.	Fund All Goals
Social Security	Alfred will file a normal application at age 66 Years, 8 Months. He will receive \$35,214 in retirement benefits at age 67.	Fund All Goals

## Liabilities

Type	Description	Owner	Outstanding Balance	Interest Rate	Monthly Payment
Manually Entered					
Car	BMW	Patricia	\$27,000	5.00%	\$985
Total Amount	Mortgage Loan	Joint	\$380,000		\$1,985
<b>Total Outstanding Balance :</b>			<b>\$407,000</b>		

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.



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# Insurance Inventory

## Life

Description	Owner	Insured	Death Benefit	Cash Value	Annual Premium	Beneficiary	Policy Start Date
Universal Life	Patricia	Patricia	\$267,000	\$257,000	\$5,000	Co-Client of Insured - 100%	
Insurance through Work	Patricia	Patricia	\$500,000			Co-Client of Insured - 100%	01/2014

If the assets include a Variable Life Investment Asset, the value shown for this policy in the Annual Premium column reflects only the assumed annual increase in the cash value of the insurance policy and not the total premium.

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**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

## Risk and Portfolio Information

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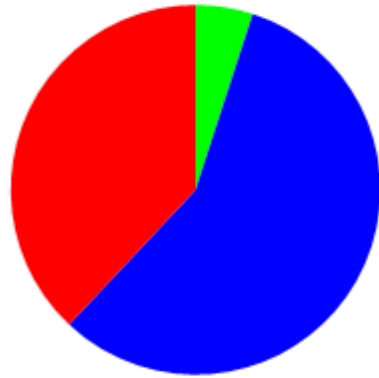
# Risk Assessment

You chose a Risk Score of 38.

Appropriate Portfolio: Capital Preservation II

Percentage Stock: 38%

Average Return: 7.93%



Cash: 5%   Bond: 57%   Stock: 38%

Great Recession Return Loss for this Portfolio

If this loss would cause you to sell your investments, you should select a lower score. Don't go past your Breaking Point.

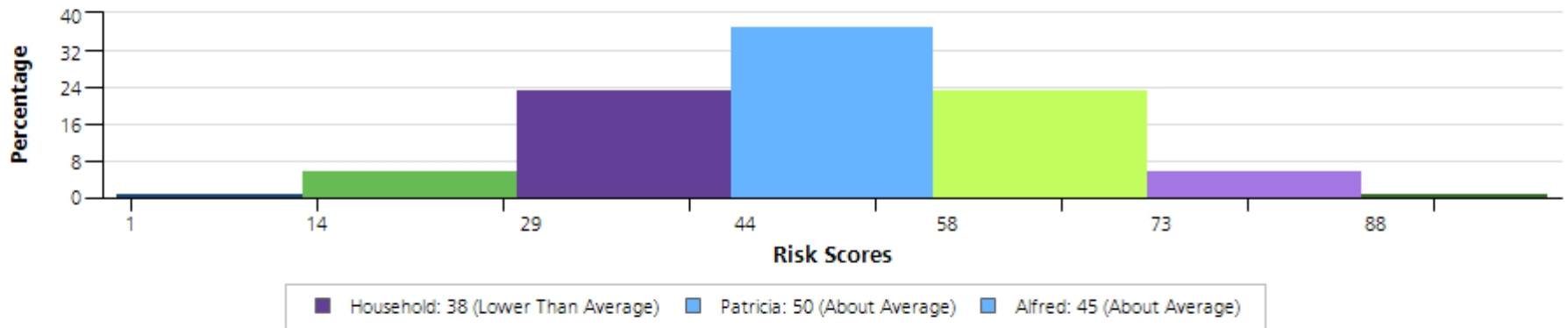
During the Great Recession Return (November 2007 - February 2009) this portfolio had a loss of:

**-10%**

If you invest \$559,000 in this portfolio and the same loss occurred again, you would lose:

**-\$57,844**

**Risk Score Chart for Ages Between 50 to 64**  
Your Risk Tolerance is Lower Than Average when compared to others in your age group



See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Portfolio Table

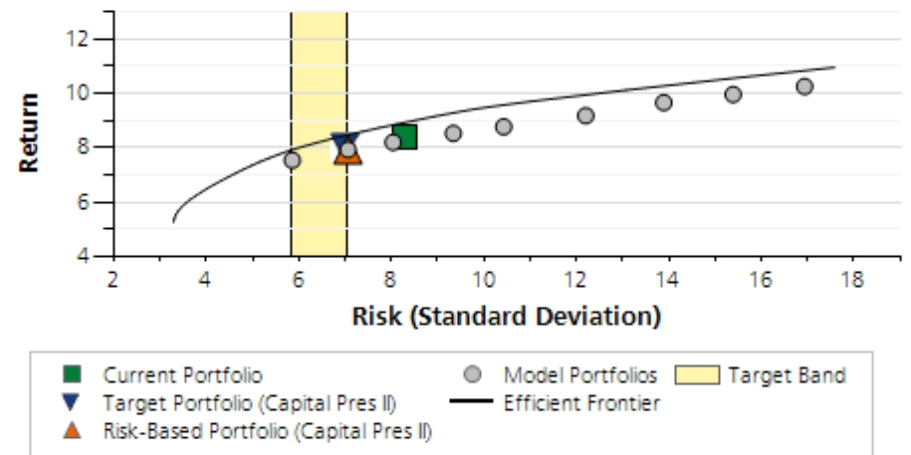
The Risk-Based Portfolio was selected from this list of Portfolios, based upon the risk assessment. The Target Band is comprised of the portfolio(s) that could be appropriate for you, based upon the Risk-Based Portfolio indicated. The Target Portfolio was selected by you. The Average Real Return is equal to the Average Total Return minus the inflation rate of 4.01%. Refer to the Worst 1-Year Loss and Standard Deviation columns in the chart below to compare the relative risks of your Current Portfolio to the Target Portfolio.

Current	Risk Based	Target Band	Name	Cash	Bond	Stock	Alternative	Average Return		Worst 1 Year Loss	Standard Deviation
								Total	Real		
			Capital Preservation I	5%	67%	28%	0%	7.54%	3.53%	-4.97%	5.86%
	→	→	Capital Preservation II	5%	57%	38%	0%	7.93%	3.92%	-9.56%	7.06%
			Balanced I	4%	51%	45%	0%	8.20%	4.19%	-12.65%	8.04%
→			Current	4%	53%	43%	0%	8.40%	4.39%	-10.79%	8.31%
			Balanced II	4%	42%	54%	0%	8.53%	4.52%	-16.97%	9.34%
			Total Return I	4%	35%	61%	0%	8.77%	4.76%	-20.80%	10.43%
			Total Return II	3%	25%	72%	0%	9.18%	5.17%	-26.07%	12.20%
			Capital Growth I	2%	16%	82%	0%	9.66%	5.65%	-30.63%	13.89%
			Capital Growth II	0%	9%	91%	0%	9.96%	5.95%	-35.12%	15.39%
			Equity Growth	0%	0%	100%	0%	10.26%	6.25%	-39.57%	16.94%

## Efficient Frontier Graph

When deciding how to invest your money, you must determine the amount of risk you are willing to assume to pursue a desired return. The Efficient Frontier Graph reflects a set of portfolios that assume a low relative level of risk for each level of return, or conversely an optimal return for the degree of investment risk taken. The graph also shows the position of the Current, Target, Risk-Based, and Custom Portfolios, if applicable. The positioning of these portfolios illustrates how their respective risks and returns compare to each other as well as the optimized level of risk and return represented by the Portfolios.

This graph shows the relationship of return and risk for each Portfolio in the chart above.



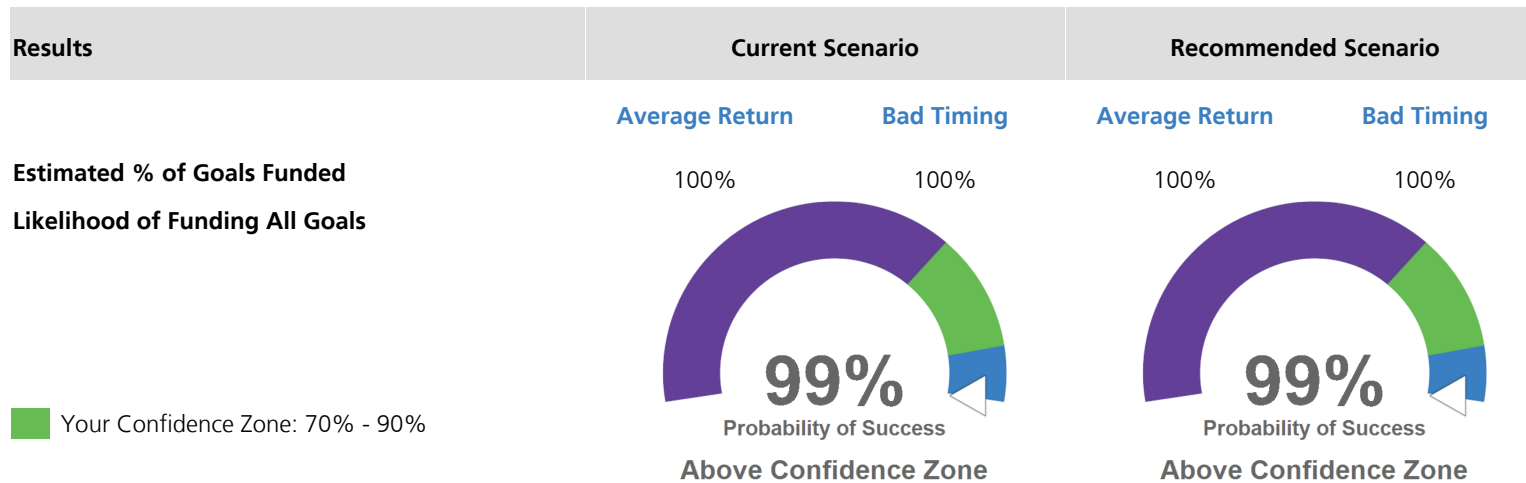
\*\* The Investment Assets allocated to Asset Class 'Unclassified' are not included in the calculation of the Portfolio Total Return and Standard Deviation.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

## Results

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# Results - Current and Recommended



	Current Scenario	What If Scenario 1	Changes In Value
<b>66 Retirement</b>			
<b>Retirement Age</b>			
Patricia	65 in 2034	65 in 2034	
Alfred	67 in 2025	67 in 2025	
<b>Planning Age</b>			
Patricia	93 in 2062	93 in 2062	
Alfred	91 in 2049	91 in 2049	

<b>Goals</b>			
<b>Needs</b>			
Health Care			
Patricia Employed / Alfred Medicare	\$6,617	\$6,617	
Both Medicare	\$12,990	\$12,990	
Patricia Alone Medicare	\$6,374	\$6,374	
Retirement - Basic Living Expense			
Both Retired	\$80,000	\$80,000	
Alfred Retired and Patricia Employed	\$65,000	\$65,000	
Patricia Alone Retired	\$50,000	\$50,000	




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## Results - Current and Recommended

	Current Scenario	What If Scenario 1	Changes In Value
<b>Wants</b>			
Car / Truck Starting	\$30,000 2020	\$30,000 2020	
College - Austin Years of School Start Year	\$22,256 4 2024	\$22,256 4 2024	
Major Purchase - Anthony's Home Starting	\$120,000 2020	\$120,000 2020	
Home Improvement - Inground Pool Starting	\$45,000 2019	\$45,000 2019	
College - Alexander Years of School Start Year	\$22,256 4 2022	\$22,256 4 2022	
<b>Wishes</b>			
Leave Bequest Starting	\$100,000 End of Patricia's Plan	\$100,000 End of Patricia's Plan	
Travel Starting	\$10,000 When both are retired	\$10,000 When both are retired	
Leave Bequest Starting	\$250,000 End of Patricia's Plan	\$250,000 End of Patricia's Plan	
Leave Bequest Starting	\$250,000 End of Patricia's Plan	\$250,000 End of Patricia's Plan	
<b>Total Spending for Life of Plan</b>	<b>\$2,257,173</b>	<b>\$2,257,173</b>	
<b>\$ Savings</b>			
Qualified	\$17,393	\$17,393	
Roth	\$900	\$900	
Taxable	\$5,000	\$5,000	
<b>Total Savings This Year</b>	<b>\$23,293</b>	<b>\$23,293</b>	

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

## Results - Current and Recommended

	Current Scenario	What If Scenario 1	Changes In Value
 <b>Portfolios</b>			
<b>Allocation Before Retirement</b>	<b>Current</b>	<b>Capital Preservation II</b>	<b>5% Less Stock</b>
Percent Stock	43%	38%	
Total Return	8.40%	7.93%	
Worst One-Year Return since 1970	-10.79%	-9.56%	
Standard Deviation	8.31%	7.06%	
Great Recession Return 11/07 - 2/09	-13%	-10%	
Bond Bear Market Return 7/79 - 2/80	2%	1%	
<b>Allocation During Retirement</b>	<b>Current</b>	<b>Capital Preservation II</b>	<b>5% Less Stock</b>
Percent Stock	43%	38%	
Total Return	8.40%	7.93%	
Worst One-Year Return since 1970	-10.79%	-9.56%	
Standard Deviation	8.31%	7.06%	
Great Recession Return 11/07 - 2/09	-13%	-10%	
Bond Bear Market Return 7/79 - 2/80	2%	1%	
<b>Inflation</b>	<b>4.01%</b>	<b>4.01%</b>	
 <b>Investments</b>			
<b>Total Investment Portfolio</b>	<b>\$559,000 (Unclassified 51%)</b>	<b>\$576,000</b>	<b>Increased \$17,000</b>
Retirement Cash Reserve	\$17,000	\$0	Decreased \$17,000
<b>Total Investment Assets</b>	<b>\$576,000</b>	<b>\$576,000</b>	
 <b>Social Security</b>			
<b>Social Security Strategy</b>	<b>Current</b>	<b>Current</b>	

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.



## Results - Current and Recommended

	Current Scenario	What If Scenario 1	Changes In Value
<b>Patricia</b>			
Filing Method	Normal	Normal	
Age to File Application	67	67	
Age Retirement Benefits Begin	67	67	
First Year Benefit	\$35,633	\$35,633	
<b>Alfred</b>			
Filing Method	Normal	Normal	
Age to File Application	66 Years, 8 Months	66 Years, 8 Months	
Age Retirement Benefits Begin	66 Years, 8 Months	66 Years, 8 Months	
First Year Benefit	\$35,214	\$35,214	

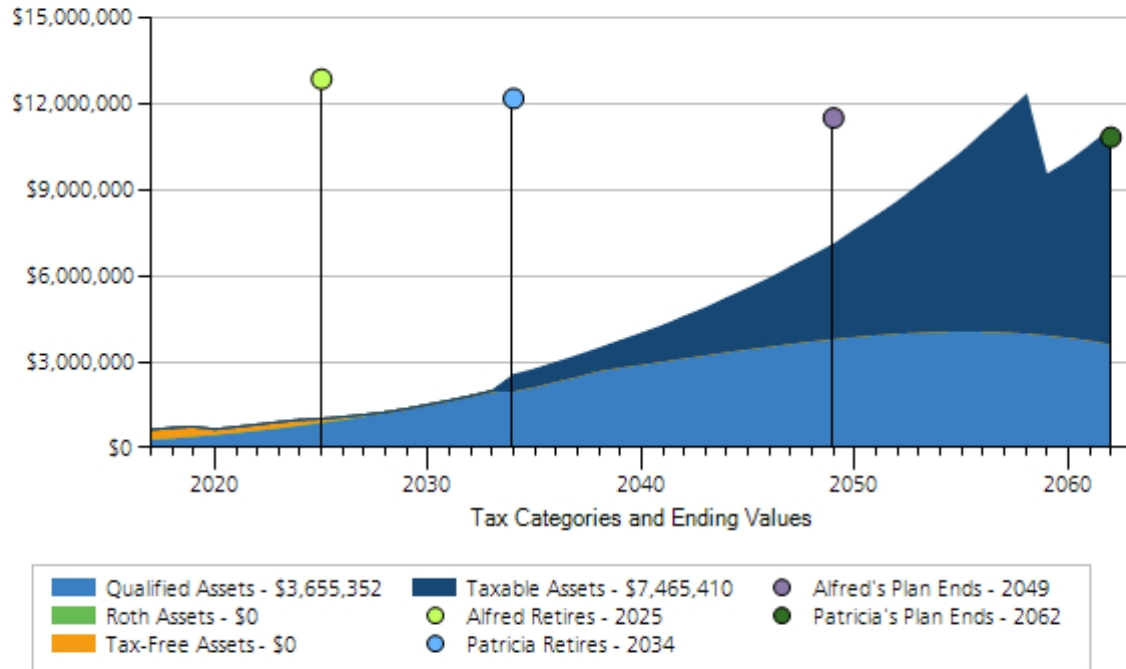
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# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

These pages provide a picture of how your Investment Portfolio may hypothetically perform over the life of this Plan. The graph shows the effect on the value of your Investment Portfolio for each year. The chart shows the detailed activities that increase and decrease your Investment Portfolio value each year including the funds needed to pay for each of your Goals. Shortfalls that occur in a particular year are denoted with an 'X' under the Goal column.

### Total Portfolio Value Graph



x - denotes shortfall

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Beginning Portfolio Value				Funds Used					
		Earmarked	Fund All Goals	Additions To Assets	Other Additions	Post Retirement Income	Investment Earnings	Taxes	All Goals	Ending Portfolio Value	Retirement Cash Reserve
48 / 59	2017	0	576,000	23,293	0	0	44,095	133	0	643,256	0
49 / 60	2018	0	643,256	23,805	0	0	49,238	272	0	716,027	0
50 / 61	2019	0	716,027	30,317	0	0	51,811	0	48,681	749,474	0
51 / 62	2020	0	749,474	31,830	0	0	46,780	0	168,778	659,305	0
52 / 63	2021	0	659,305	33,343	0	0	53,013	133	0	745,529	0
53 / 64	2022	0	745,529	33,857	0	0	58,682	0	14,215	823,853	0
54 / 65	2023	0	823,853	35,371	0	0	64,931	0	15,068	909,089	0
55 / 66	2024	0	909,089	36,386	0	0	70,619	0	31,943	984,151	0
Alfred Retires	2025	0	984,151	37,902	0	48,230	74,320	15,176	103,165	1,026,262	0
57 / 68	2026	0	1,026,262	39,418	0	50,164	79,515	15,785	89,115	1,090,459	0
58 / 69	2027	0	1,090,459	40,435	0	52,175	85,125	16,418	92,148	1,159,628	0
59 / 70	2028	0	1,159,628	36,952	0	54,268	91,648	19,955	75,180	1,247,361	0
60 / 71	2029	0	1,247,361	38,470	0	56,444	100,918	21,954	47,716	1,373,522	0
61 / 72	2030	0	1,373,522	40,489	0	58,707	110,997	23,027	49,980	1,510,709	0
62 / 73	2031	0	1,510,709	41,509	0	61,061	121,863	24,187	52,358	1,658,597	0
63 / 74	2032	0	1,658,597	43,029	0	63,510	133,611	25,395	54,855	1,818,497	0
64 / 75	2033	0	1,818,497	45,050	0	66,057	146,346	26,654	57,479	1,991,817	0
Patricia Retires	2034	0	1,991,817	0	512,390	68,706	189,016	38,315	127,605	2,596,008	131,984
66 / 77	2035	0	2,596,008	0	0	71,461	202,244	9,063	113,372	2,746,560	44,922
67 / 78	2036	0	2,746,560	0	0	149,536	219,071	22,700	118,923	2,973,545	0
68 / 79	2037	0	2,973,545	0	0	155,533	237,037	24,029	124,762	3,217,324	0
69 / 80	2038	0	3,217,324	0	0	161,770	256,327	25,422	130,905	3,479,094	0
70 / 81	2039	0	3,479,094	0	0	168,257	275,453	54,384	137,368	3,731,052	0
71 / 82	2040	0	3,731,052	0	0	175,004	295,257	60,092	144,169	3,997,052	0
72 / 83	2041	0	3,997,052	0	0	182,021	316,151	66,270	151,327	4,277,628	0
73 / 84	2042	0	4,277,628	0	0	189,321	338,158	72,951	158,861	4,573,294	0
74 / 85	2043	0	4,573,294	0	0	196,912	361,338	80,178	166,793	4,884,573	0
75 / 86	2044	0	4,884,573	0	0	204,808	385,730	87,990	175,145	5,211,977	0
76 / 87	2045	0	5,211,977	0	0	213,021	411,374	96,432	183,939	5,556,001	0
77 / 88	2046	0	5,556,001	0	0	221,563	438,323	105,308	193,201	5,917,379	0

x - denotes shortfall

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# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Beginning Portfolio Value		Additions To Assets	Other Additions	Post Retirement Income	Investment Earnings	Taxes	Funds Used		Ending Portfolio Value	Retirement Cash Reserve
		Earmarked	Fund All Goals						All Goals			
78 / 89	2047	0	5,917,379	0	0	230,448	466,601	115,119	202,958	6,296,350	0	
79 / 90	2048	0	6,296,350	0	0	239,689	496,261	125,404	213,236	6,693,661	0	
Alfred's Plan Ends	2049	0	6,693,661	0	0	249,301	527,344	136,446	224,065	7,109,795	0	
81 / -	2050	0	7,109,795	0	0	130,415	562,980	147,832	72,812	7,582,547	0	
82 / -	2051	0	7,582,547	0	0	135,645	600,202	161,994	77,000	8,079,400	0	
83 / -	2052	0	8,079,400	0	0	141,084	639,313	177,221	81,438	8,601,139	0	
84 / -	2053	0	8,601,139	0	0	146,742	680,374	193,575	86,142	9,148,538	0	
85 / -	2054	0	9,148,538	0	0	152,626	723,488	210,486	91,128	9,723,038	0	
86 / -	2055	0	9,723,038	0	0	158,746	768,732	228,525	96,413	10,325,579	0	
87 / -	2056	0	10,325,579	0	0	165,112	816,181	247,739	102,016	10,957,117	0	
88 / -	2057	0	10,957,117	0	0	171,733	865,912	268,174	107,958	11,618,630	0	
89 / -	2058	0	11,618,630	0	0	178,620	918,002	289,872	114,257	12,311,122	0	
90 / -	2059	0	12,311,122	0	0	185,782	775,083	254,837	120,938	12,896,214	3,330,882	
91 / -	2060	0	12,896,214	0	0	193,232	812,653	272,160	128,022	13,501,917	3,474,388	
92 / -	2061	0	13,501,917	0	0	200,981	856,489	291,622	135,536	14,083,370	3,474,388	
Patricia's Plan Ends	2062	0	14,083,370	0	0	209,040	829,171	288,446	3,663,408	11,120,762	3,474,388	

x - denotes shortfall

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Funds Used										Ending Portfolio Value	Retirement Cash Reserve
		Health Care	Retirement	Car / Truck	College - Austin	Major Purchase - Anthony's	Home Improvement -	College - Alexander	Leave Bequest	Travel	Leave Bequest		
48 / 59	2017	0	0	0	0	0	0	0	0	0	0	643,256	0
49 / 60	2018	0	0	0	0	0	0	0	0	0	0	716,027	0
50 / 61	2019	0	0	0	0	0	48,681	0	0	0	0	749,474	0
51 / 62	2020	0	0	33,756	0	135,023	0	0	0	0	0	659,305	0
52 / 63	2021	0	0	0	0	0	0	0	0	0	0	745,529	0
53 / 64	2022	0	0	0	0	0	0	14,215	0	0	0	823,853	0
54 / 65	2023	0	0	0	0	0	0	15,068	0	0	0	909,089	0
55 / 66	2024	0	0	0	15,972	0	0	15,972	0	0	0	984,151	0
Alfred Retires	2025	10,950	58,355	0	16,930	0	0	16,930	0	0	0	1,026,262	0
57 / 68	2026	11,662	59,507	0	17,946	0	0	0	0	0	0	1,090,459	0
58 / 69	2027	12,420	60,705	0	19,022	0	0	0	0	0	0	1,159,628	0
59 / 70	2028	13,228	61,952	0	0	0	0	0	0	0	0	1,247,361	0
60 / 71	2029	14,087	33,628	0	0	0	0	0	0	0	0	1,373,522	0
61 / 72	2030	15,003	34,977	0	0	0	0	0	0	0	0	1,510,709	0
62 / 73	2031	15,978	36,380	0	0	0	0	0	0	0	0	1,658,597	0
63 / 74	2032	17,017	37,838	0	0	0	0	0	0	0	0	1,818,497	0
64 / 75	2033	18,123	39,356	0	0	0	0	0	0	0	0	1,991,817	0
Patricia Retires	2034	37,894	70,200	0	0	0	0	0	0	19,511	0	2,596,008	131,984
66 / 77	2035	40,357	73,015	0	0	0	0	0	0	0	0	2,746,560	44,922
67 / 78	2036	42,980	75,943	0	0	0	0	0	0	0	0	2,973,545	0
68 / 79	2037	45,773	78,988	0	0	0	0	0	0	0	0	3,217,324	0
69 / 80	2038	48,749	82,156	0	0	0	0	0	0	0	0	3,479,094	0
70 / 81	2039	51,917	85,450	0	0	0	0	0	0	0	0	3,731,052	0
71 / 82	2040	55,292	88,877	0	0	0	0	0	0	0	0	3,997,052	0
72 / 83	2041	58,886	92,441	0	0	0	0	0	0	0	0	4,277,628	0
73 / 84	2042	62,714	96,148	0	0	0	0	0	0	0	0	4,573,294	0
74 / 85	2043	66,790	100,003	0	0	0	0	0	0	0	0	4,884,573	0
75 / 86	2044	71,131	104,013	0	0	0	0	0	0	0	0	5,211,977	0
76 / 87	2045	75,755	108,184	0	0	0	0	0	0	0	0	5,556,001	0

x - denotes shortfall

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Funds Used										Ending Portfolio Value	Retirement Cash Reserve
		Health Care	Retirement	Car / Truck	College - Austin	Major Purchase - Anthony's	Home Improvement -	College - Alexander	Leave Bequest	Travel	Leave Bequest		
77 / 88	2046	80,679	112,522	0	0	0	0	0	0	0	0	5,917,379	0
78 / 89	2047	85,923	117,035	0	0	0	0	0	0	0	0	6,296,350	0
79 / 90	2048	91,508	121,728	0	0	0	0	0	0	0	0	6,693,661	0
Alfred's Plan Ends	2049	97,456	126,609	0	0	0	0	0	0	0	0	7,109,795	0
81 / -	2050	50,925	21,887	0	0	0	0	0	0	0	0	7,582,547	0
82 / -	2051	54,235	22,764	0	0	0	0	0	0	0	0	8,079,400	0
83 / -	2052	57,760	23,677	0	0	0	0	0	0	0	0	8,601,139	0
84 / -	2053	61,515	24,627	0	0	0	0	0	0	0	0	9,148,538	0
85 / -	2054	65,513	25,614	0	0	0	0	0	0	0	0	9,723,038	0
86 / -	2055	69,772	26,641	0	0	0	0	0	0	0	0	10,325,579	0
87 / -	2056	74,307	27,710	0	0	0	0	0	0	0	0	10,957,117	0
88 / -	2057	79,137	28,821	0	0	0	0	0	0	0	0	11,618,630	0
89 / -	2058	84,281	29,976	0	0	0	0	0	0	0	0	12,311,122	0
90 / -	2059	89,759	31,179	0	0	0	0	0	0	0	0	12,896,214	3,330,882
91 / -	2060	95,593	32,429	0	0	0	0	0	0	0	0	13,501,917	3,474,388
92 / -	2061	101,807	33,729	0	0	0	0	0	0	0	0	14,083,370	3,474,388
Patricia's Plan Ends	2062	108,424	35,082	0	0	0	0	0	586,650	0	1,466,626	11,120,762	3,474,388

x - denotes shortfall

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# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Funds Used		
		Leave Bequest	Ending Portfolio Value	Retirement Cash Reserve
48 / 59	2017	0	643,256	0
49 / 60	2018	0	716,027	0
50 / 61	2019	0	749,474	0
51 / 62	2020	0	659,305	0
52 / 63	2021	0	745,529	0
53 / 64	2022	0	823,853	0
54 / 65	2023	0	909,089	0
55 / 66	2024	0	984,151	0
Alfred Retires	2025	0	1,026,262	0
57 / 68	2026	0	1,090,459	0
58 / 69	2027	0	1,159,628	0
59 / 70	2028	0	1,247,361	0
60 / 71	2029	0	1,373,522	0
61 / 72	2030	0	1,510,709	0
62 / 73	2031	0	1,658,597	0
63 / 74	2032	0	1,818,497	0
64 / 75	2033	0	1,991,817	0
Patricia Retires	2034	0	2,596,008	131,984
66 / 77	2035	0	2,746,560	44,922
67 / 78	2036	0	2,973,545	0
68 / 79	2037	0	3,217,324	0
69 / 80	2038	0	3,479,094	0
70 / 81	2039	0	3,731,052	0
71 / 82	2040	0	3,997,052	0
72 / 83	2041	0	4,277,628	0
73 / 84	2042	0	4,573,294	0
74 / 85	2043	0	4,884,573	0
75 / 86	2044	0	5,211,977	0
76 / 87	2045	0	5,556,001	0

x - denotes shortfall

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# Worksheet Detail - Combined Details

## Scenario : What If Scenario 1 using Average Returns

Event or Ages	Year	Funds Used		
		Leave Bequest	Ending Portfolio Value	Retirement Cash Reserve
77 / 88	2046	0	5,917,379	0
78 / 89	2047	0	6,296,350	0
79 / 90	2048	0	6,693,661	0
Alfred's Plan Ends	2049	0	7,109,795	0
81 / -	2050	0	7,582,547	0
82 / -	2051	0	8,079,400	0
83 / -	2052	0	8,601,139	0
84 / -	2053	0	9,148,538	0
85 / -	2054	0	9,723,038	0
86 / -	2055	0	10,325,579	0
87 / -	2056	0	10,957,117	0
88 / -	2057	0	11,618,630	0
89 / -	2058	0	12,311,122	0
90 / -	2059	0	12,896,214	3,330,882
91 / -	2060	0	13,501,917	3,474,388
92 / -	2061	0	14,083,370	3,474,388
Patricia's Plan Ends	2062	1,466,626	11,120,762	3,474,388

x - denotes shortfall

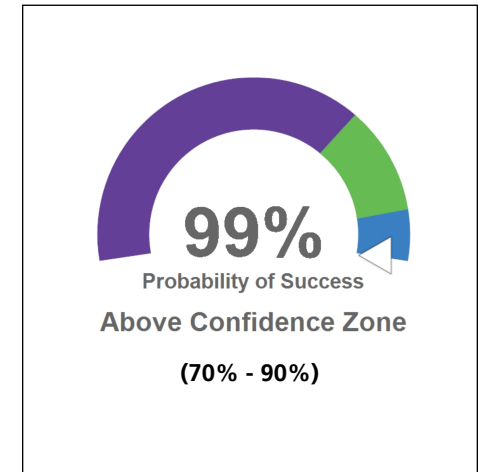
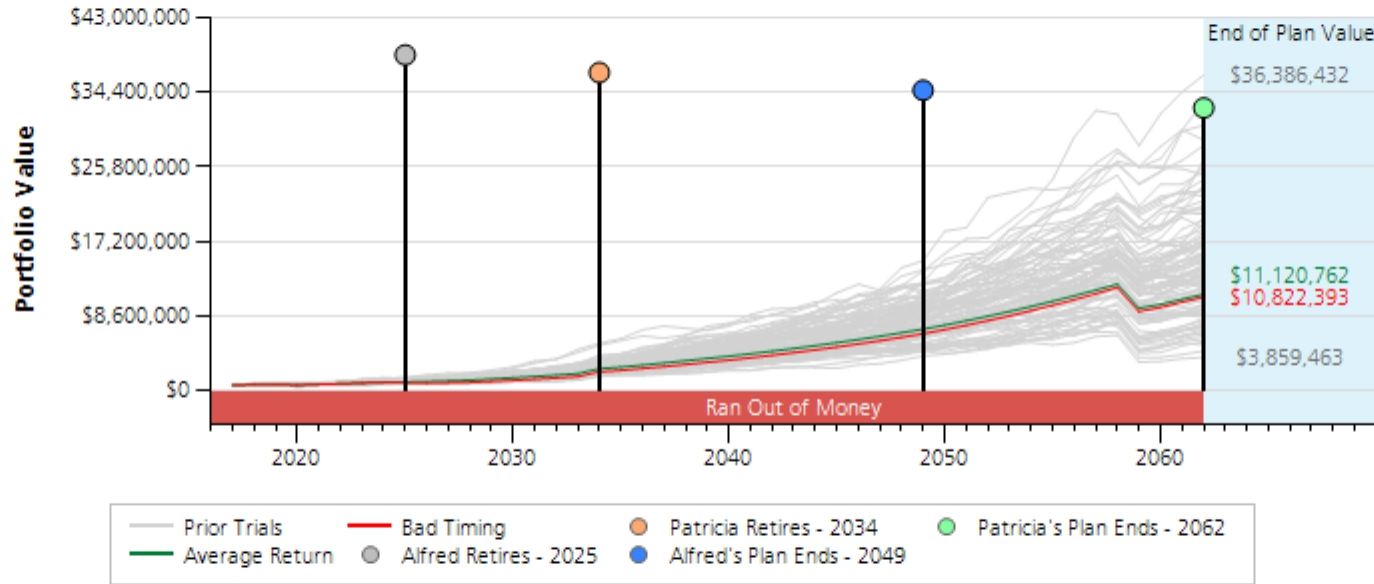
**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**



# Worksheet Detail - Inside the Numbers Final Result

## Inside the Numbers - Final Result For What If Scenario 1

- The graph below shows the results for all 1000 Monte Carlo Trials.
- The Probability of Success meter displays the percentage of trials that were successful in funding all of your goals.
- We identify the Confidence Zone as a probability of Success between 70% and 90%.



In the table below, the 99th, 75th, 50th, 25th and 1st percentile trials are shown based on the End of Plan Value. For each trial displayed, the corresponding portfolio value is illustrated for specific years of the plan. These trials serve as checkpoints to illustrate how the portfolio might perform over the life of the plan.

Although the graph and table help illustrate a general range of results you may expect, neither of them reflect the Final Result, your Probability of Success.

Trials	Year 5	Year 10	Year 15	Year 20	Year 25	End of Plan
10	\$760,218	\$1,249,743	\$2,518,254	\$4,832,692	\$7,993,265	\$36,386,432
250	\$815,177	\$1,192,944	\$1,983,752	\$4,267,837	\$6,223,631	\$18,356,685
500	\$636,670	\$1,103,526	\$1,709,717	\$2,812,729	\$4,164,424	\$13,879,795
750	\$746,930	\$948,744	\$1,548,885	\$2,883,388	\$4,178,277	\$10,256,587
990	\$655,393	\$843,253	\$1,015,754	\$1,779,264	\$2,417,165	\$3,859,463

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Worksheet Detail - Allocation Comparison

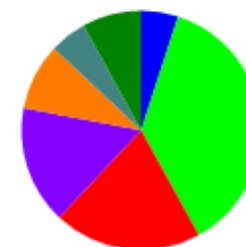
## Scenario: What If Scenario 1

These charts compare your Current Portfolio with the Target Portfolio you selected and show the allocation changes for you to consider.

**Current Portfolio**



**Target Portfolio  
Capital Preservation II**



Historical Returns (1970 to 2016)		
8.40%	Total Return	7.93%
4.01%	Base Inflation Rate	4.01%
4.39%	Real Return	3.92%
-10.79%	Worst One-Year Loss (or Lowest Gain)	-9.56%
8.31%	Standard Deviation	7.06%
Bear Market Returns		
-13%	Great Recession	-10%
2%	Bond Bear Market	1%

**Portfolio Comparison with Allocation Changes**

Current Amount	% of Total	Asset Class	% of Total	Target Amount	Increase / Decrease
\$11,900	2%	Cash & Cash Alternatives	5%	\$28,800	\$16,900
\$28,900	5%	Short Term Bonds	37%	\$213,120	\$184,220
\$86,700	16%	Intermediate Term Bonds	20%	\$115,200	\$28,500
\$28,900	5%	Long Term Bonds	0%	\$0	-\$28,900
\$115,600	21%	Large Cap Value Stocks	16%	\$92,160	-\$23,440
\$0	0%	Large Cap Growth Stocks	9%	\$51,840	\$51,840
\$0	0%	Mid Cap Stocks	0%	\$0	\$0
\$0	0%	Small Cap Stocks	5%	\$28,800	\$28,800
\$0	0%	International Developed Stocks	8%	\$46,080	\$46,080
\$0	0%	International Emerging Stocks	0%	\$0	\$0
\$287,000	51%	Unclassified**	0%	\$0	-\$287,000
<b>\$559,000</b>				<b>\$576,000</b>	<b>\$17,000</b>

\*\* The Investment Assets allocated to Asset Class 'Unclassified' are not included in the calculation of the Portfolio Total Return and Standard Deviation.

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# Worksheet Detail - Allocation Comparison

Scenario: What If Scenario 1

Effect of Investment Strategies		
Current Value	Changes to the Investable Assets	Target Value
\$559,000	<b>Total Investment Portfolio</b>	<b>\$576,000</b>
\$17,000	Retirement Cash Reserve	\$0
<b>\$576,000</b>	<b>Total Investment Assets</b>	<b>\$576,000</b>

\*\* The Investment Assets allocated to Asset Class 'Unclassified' are not included in the calculation of the Portfolio Total Return and Standard Deviation.

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# Worksheet Detail - Bear Market Test

## Bear Market Test for What If Scenario 1

Likelihood of Reaching Goals After Loss of 10% - Using All Assets to Fund Goals by Importance



### Goals

#### Needs

10 - Health Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
10 - Retirement - Basic Living Expense	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

#### Wants

7 - Car / Truck		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7 - College - Austin		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7 - Major Purchase - Anthony's Home		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7 - Home Improvement - Inground Pool		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
7 - College - Alexander		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

#### Wishes

3 - Leave Bequest			<input checked="" type="checkbox"/>
3 - Travel			<input checked="" type="checkbox"/>
3 - Leave Bequest			<input checked="" type="checkbox"/>
3 - Leave Bequest			<input checked="" type="checkbox"/>

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

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# Worksheet Detail - Bear Market Test

## Bear Market Test for What If Scenario 1

This test assumes your investment allocation matches the Capital Preservation II portfolio. If your investments suffered a loss of 10% this year, your portfolio value would be reduced by \$57,600. This is the approximate loss sustained by a portfolio with a similar percentage of stocks, bonds, cash, and alternative during the Great Recession, which lasted from November 2007 through February 2009. These results show the likelihood you would be able to fund your Needs, Wants and Wishes after experiencing this loss.

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# Risk Management

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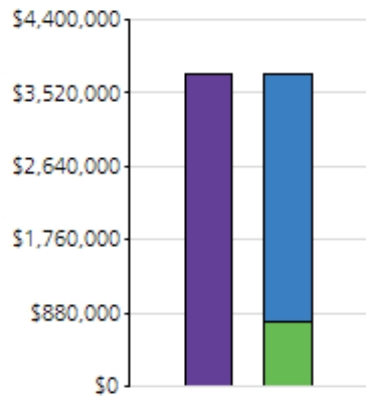
# Life Insurance Needs Analysis

## Scenario : What If Scenario 1

Life insurance can be an important source of funds for your family in the event of your premature death. In this section, we analyze whether there are sufficient investment assets and other resources to support your family if you were to die this year and, if there is a deficit, what additional life insurance may be required to provide the income needed by your survivors.

### If Patricia Dies

Living Expenses covered until Alfred is 91



\$3,746,335

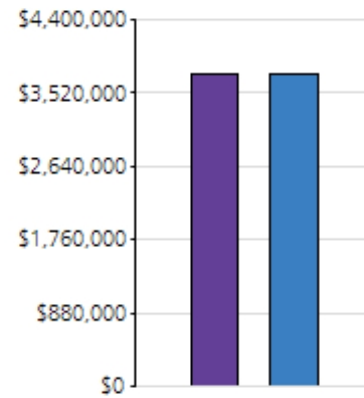
\$767,000

\$2,979,335

- Life Insurance Needed
- Existing Life Insurance
- Additional Needed

### If Alfred Dies

Living Expenses covered until Patricia is 93



\$3,736,082

\$0

\$3,736,082

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Life Insurance Needs Analysis Detail

## Scenario : What If Scenario 1

### Life Insurance

If Patricia Dies		If Alfred Dies
\$767,000	Existing Life Insurance	\$0
\$0	Additional Death Benefit	\$0

### Liabilities and Final Expenses

If Patricia Dies		If Alfred Dies
\$407,000	Debts Paid Off	\$407,000
\$10,000	Final Expenses and Estate Taxes	\$10,000
\$0	Bequests	\$0
\$0	Other Payments	\$0

### Living Expenses for Survivors

Alfred's Age	Event	Patricia's Age
67	Retirement	65
91	Plan Ends	93

If Patricia Dies		If Alfred Dies
	<b>First Living Expense</b>	
\$212,073	Annual Expense (current dollars, after-tax)	\$212,073
91	Cover expense until Co-Client is this age	93
	<b>Second Living Expense</b>	
\$0	Annual Expense (current dollars, after-tax)	\$0
0	Cover expense until Co-Client is this age	0

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.



# Life Insurance Needs Analysis Detail

## Scenario : What If Scenario 1

### Financial Goals

Checked boxes indicate goals to be funded upon death.

If Patricia Dies		If Alfred Dies
<input checked="" type="checkbox"/>	Health Care	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Car / Truck	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	College - Austin	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Major Purchase - Anthony's Home	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Home Improvement - Inground Pool	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	College - Alexander	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Leave Bequest	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Travel	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Leave Bequest	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	Leave Bequest	<input checked="" type="checkbox"/>

### Sell Other Assets

If Patricia Dies		If Alfred Dies
\$0	Amount of cash provided by sale of Assets (after tax)	\$0

Checked boxes indicate Other Assets that will be included in this analysis and used to fund goals.

If Patricia Dies		If Alfred Dies
<input type="checkbox"/>	6292 Fernstone Trail NW	<input type="checkbox"/>

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Life Insurance Needs Analysis Detail

## Scenario : What If Scenario 1

### Other Income (Income other than employment income)

If Patricia Dies		If Alfred Dies
\$0	Annual Other Income Amount (current dollars before tax)	\$45,000
No	Will this amount inflate?	No

### Tax Rate (Estimated average tax rate)

Use Program Estimate	Federal	State	Local
	18.00%	6.00%	0.00%

### Rate of Return

Use Return in the Plan you selected	Rate of Return
	7.93%

### Dependents

Name	Date of Birth	Age	Relationship
Alexander	09/05/2004	12	Both Are Parents
Anthony	09/12/1989	27	Both Are Parents
Austin	10/21/2006	10	Both Are Parents

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Disability Needs Analysis - Patricia

## If Patricia is Disabled

Disability Insurance can provide an important source of funds during the time when you are unable to work due to a prolonged illness or injury. This section compares your income needs to your income sources for various disability periods. If there is an Income Shortfall, you may want to consider the purchase of a Disability Insurance Policy.



Length of Disability	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
1 year(s)	\$408,000	\$200,000	\$45,000	\$0	\$0	\$0	-\$163,000
2 year(s)	\$424,361	\$208,020	\$45,000	\$0	\$0	\$0	-\$171,341
5 year(s)	\$477,486	\$234,062	\$45,000	\$0	\$0	\$0	-\$198,424
10 year(s)	\$581,214	\$284,909	\$45,000	\$0	\$0	\$0	-\$251,305
18 year(s)	\$796,044	\$390,217	\$45,000	\$0	\$0	\$0	-\$360,826

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

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# Disability Needs Analysis - Patricia

## If Patricia is Disabled

### Refine Needs Analysis

#### Social Security

Do you want to include Social Security Disability Benefits in the analysis?	No
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#### Other Income (pre-tax, current dollars)

Start year	2017
Stop year	2034
Annual amount	\$45,000
Will this amount increase with inflation?	No

#### Income Needed (pre-tax, current dollars)

During the first year		During these years		
Month 1	\$34,000 per month	Year 2	\$34,000 per month	\$408,000 per year
Month 2 & 3	\$34,000 per month	Year 3 - 5	\$34,000 per month	\$408,000 per year
Month 4 & 5	\$34,000 per month	Year 6 to Age 65	\$34,000 per month	\$408,000 per year
Month 6 - 12	\$34,000 per month			

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# Disability Needs Analysis - Patricia

## If Patricia is Disabled

### Surplus or Shortfall During First Year

All amounts in this table are monthly, pre-tax amounts.

First Year - Month	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
1	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
2	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
3	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
4	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
5	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
6	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
7	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
8	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
9	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
10	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
11	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583
12	\$34,000	\$16,667	\$3,750	\$0	\$0	\$0	-\$13,583

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

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# Disability Needs Analysis - Patricia

## If Patricia is Disabled

### Surplus or Shortfall by Age

All amounts in this table are annual, pre-tax amounts.

Age	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
49	\$424,361	\$208,020	\$45,000	\$0	\$0	\$0	-\$171,341
50	\$441,378	\$216,362	\$45,000	\$0	\$0	\$0	-\$180,016
51	\$459,077	\$225,038	\$45,000	\$0	\$0	\$0	-\$189,039
52	\$477,486	\$234,062	\$45,000	\$0	\$0	\$0	-\$198,424
53	\$496,633	\$243,448	\$45,000	\$0	\$0	\$0	-\$208,185
54	\$516,548	\$253,210	\$45,000	\$0	\$0	\$0	-\$218,338
55	\$537,262	\$263,364	\$45,000	\$0	\$0	\$0	-\$228,898
56	\$558,806	\$273,924	\$45,000	\$0	\$0	\$0	-\$239,881
57	\$581,214	\$284,909	\$45,000	\$0	\$0	\$0	-\$251,305
58	\$604,521	\$296,334	\$45,000	\$0	\$0	\$0	-\$263,187
59	\$628,762	\$308,217	\$45,000	\$0	\$0	\$0	-\$275,545
60	\$653,975	\$320,576	\$45,000	\$0	\$0	\$0	-\$288,399
61	\$680,200	\$333,431	\$45,000	\$0	\$0	\$0	-\$301,768
62	\$707,476	\$346,802	\$45,000	\$0	\$0	\$0	-\$315,674
63	\$735,845	\$360,709	\$45,000	\$0	\$0	\$0	-\$330,137
64	\$765,353	\$375,173	\$45,000	\$0	\$0	\$0	-\$345,180
65	\$796,044	\$390,217	\$45,000	\$0	\$0	\$0	-\$360,826

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

### Notes

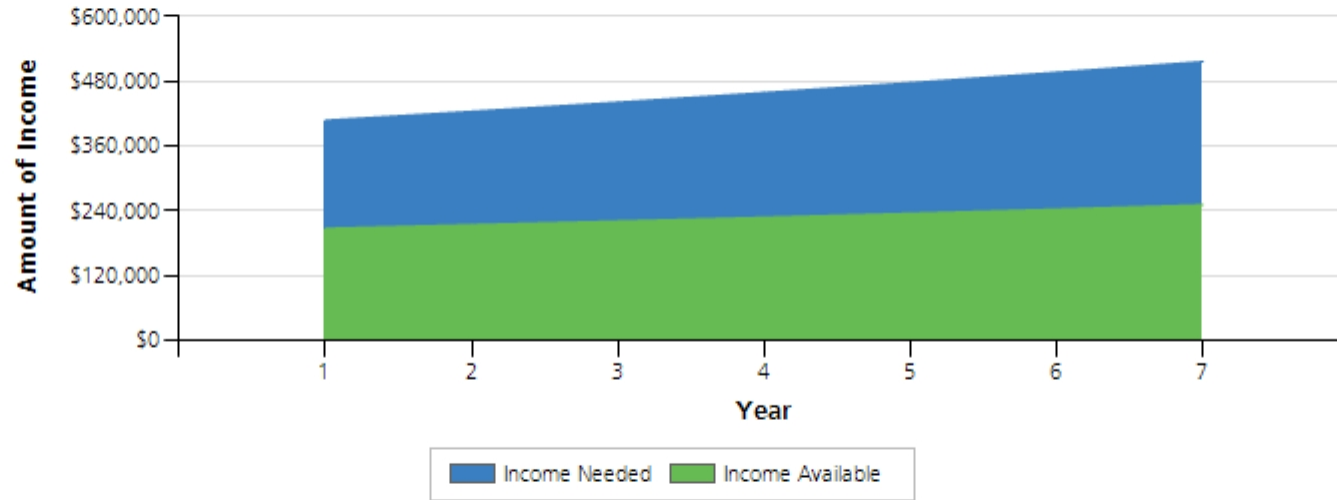
- Disability benefits may be subject to an elimination period or benefit age cap.
- Income Needed is the amount you have indicated is necessary to maintain your standard of living during the disability period.

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# Disability Needs Analysis - Alfred

## If Alfred is Disabled

Disability Insurance can provide an important source of funds during the time when you are unable to work due to a prolonged illness or injury. This section compares your income needs to your income sources for various disability periods. If there is an Income Shortfall, you may want to consider the purchase of a Disability Insurance Policy.



Length of Disability	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
1 year(s)	\$408,000	\$163,000	\$45,000	\$0	\$0	\$0	-\$200,000
2 year(s)	\$424,361	\$169,536	\$45,000	\$0	\$0	\$0	-\$209,825
5 year(s)	\$477,486	\$190,760	\$45,000	\$0	\$0	\$0	-\$241,726
7 year(s)	\$516,548	\$206,366	\$45,000	\$0	\$0	\$0	-\$265,182

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

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# Disability Needs Analysis - Alfred

## If Alfred is Disabled

### Refine Needs Analysis

#### Social Security

Do you want to include Social Security Disability Benefits in the analysis?	No
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#### Other Income (pre-tax, current dollars)

Start year	2017
Stop year	2023
Annual amount	\$45,000
Will this amount increase with inflation?	No

#### Income Needed (pre-tax, current dollars)

##### During the first year

Month 1	\$34,000 per month
Month 2 & 3	\$34,000 per month
Month 4 & 5	\$34,000 per month
Month 6 - 12	\$34,000 per month

##### During these years

Year 2	\$34,000 per month	\$408,000 per year
Year 3 - 5	\$34,000 per month	\$408,000 per year
Year 6 to Age 65	\$34,000 per month	\$408,000 per year

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# Disability Needs Analysis - Alfred

## If Alfred is Disabled

### Surplus or Shortfall During First Year

All amounts in this table are monthly, pre-tax amounts.

First Year - Month	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
1	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
2	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
3	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
4	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
5	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
6	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
7	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
8	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
9	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
10	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
11	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667
12	\$34,000	\$13,583	\$3,750	\$0	\$0	\$0	-\$16,667

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

### Surplus or Shortfall by Age

All amounts in this table are annual, pre-tax amounts.

Age	Income Needed	Employment Income	Other Income	Social Security Benefit	Group* Insurance	Personal Insurance	Surplus or (Shortfall)
60	\$424,361	\$169,536	\$45,000	\$0	\$0	\$0	-\$209,825
61	\$441,378	\$176,335	\$45,000	\$0	\$0	\$0	-\$220,043
62	\$459,077	\$183,406	\$45,000	\$0	\$0	\$0	-\$230,671
63	\$477,486	\$190,760	\$45,000	\$0	\$0	\$0	-\$241,726
64	\$496,633	\$198,410	\$45,000	\$0	\$0	\$0	-\$253,223
65	\$516,548	\$206,366	\$45,000	\$0	\$0	\$0	-\$265,182

\* The benefit amount may include an after-tax portion that has been grossed up to reflect its pre-tax value.

**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

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# Disability Needs Analysis - Alfred

## If Alfred is Disabled

### Notes

- Disability benefits may be subject to an elimination period or benefit age cap.
- Income Needed is the amount you have indicated is necessary to maintain your standard of living during the disability period.

**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

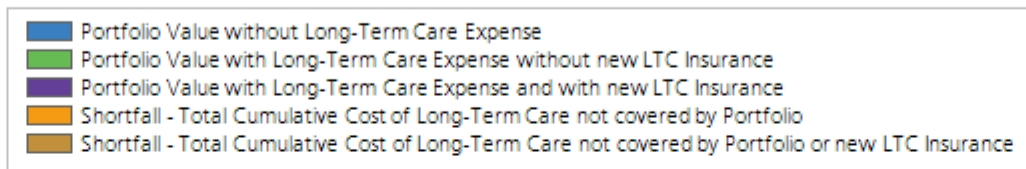
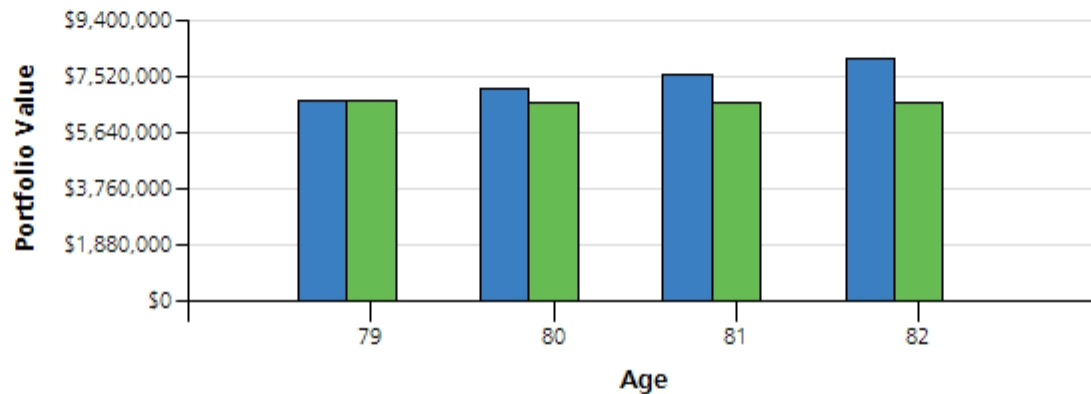
# Long-Term Care Needs Analysis - Patricia

## Scenario : What If Scenario 1

One of the greatest threats to the financial well-being of many people over 50 is the possible need for an extended period of Long-Term Care, either at home, in an Assisted Living Facility or in a Nursing Home. This Section demonstrates how these expenses could adversely affect your Investment Portfolio and how you might protect it with a Long-Term Care policy.

This graph shows what would happen to your portfolio if Patricia enters a Nursing Home at age 80 for 3 years at an annual cost, in Current Dollars, of \$74,095 inflating at 4.50%.

**Effect of Long-Term Care Expense on your Investment Portfolio**



Total Cost of Long-Term Care :	\$950,666
Total of Existing Long-Term Care Policy Benefits :	\$0
Total Benefits from purchasing a new Long-Term Care Policy :	\$0
Amount offset by expense reduction during care period :	\$0
<hr/>	
Net Cost of care to be paid from Portfolio :	\$950,666

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

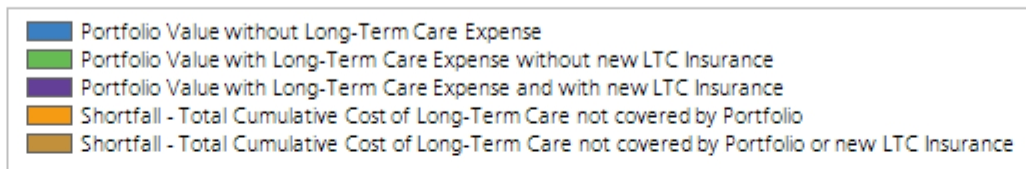
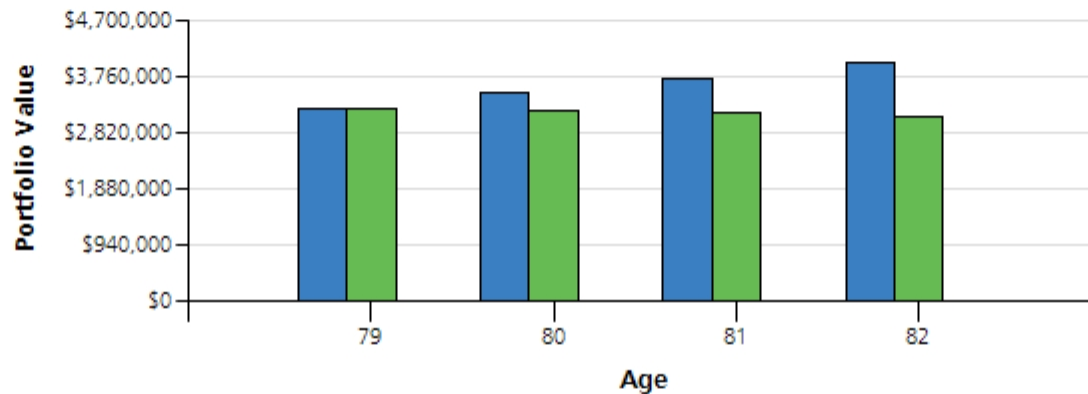
# Long-Term Care Needs Analysis - Alfred

## Scenario : What If Scenario 1

One of the greatest threats to the financial well-being of many people over 50 is the possible need for an extended period of Long-Term Care, either at home, in an Assisted Living Facility or in a Nursing Home. This Section demonstrates how these expenses could adversely affect your Investment Portfolio and how you might protect it with a Long-Term Care policy.

This graph shows what would happen to your portfolio if Alfred enters a Nursing Home at age 80 for 3 years at an annual cost, in Current Dollars, of \$74,095 inflating at 4.50%.

**Effect of Long-Term Care Expense on your Investment Portfolio**



Total Cost of Long-Term Care :	\$585,799
Total of Existing Long-Term Care Policy Benefits :	\$0
Total Benefits from purchasing a new Long-Term Care Policy :	\$0
Amount offset by expense reduction during care period :	\$0
<hr/>	
Net Cost of care to be paid from Portfolio :	\$585,799

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

## Estate Analysis

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# Estate Analysis Introduction

This section of your report provides a general overview of your current estate situation and shows the projected value of your estate at death. It includes an estimate of Federal Estate taxes, expenses, and the amounts to be received by your beneficiaries. If appropriate, this report also illustrates one or more estate planning strategies that you may want to consider.

Important Note: This analysis is intended solely to illustrate potential estate analysis issues. Prior to taking any action, we recommend that you review the legal and/or tax implication of this analysis with your personal legal and/or tax advisor.

You have told us the following about your current Estate situation;

- Neither Patricia nor Alfred have a Will.
- Neither Patricia nor Alfred have a Medical Directive.
- Neither Patricia nor Alfred have a Power Of Attorney.

This Estate Analysis assumes that you both maintain valid wills that bequeath all assets to each other (Simple Will). This Estate Analysis may not accurately reflect your current estate where one or both of you does not have a Simple Will.

It is important that both of you have a Will that is valid and up-to-date. Your Wills should be periodically reviewed by your legal advisor. You should also discuss the appropriateness of a Medical Directive and Power of Attorney with your legal advisor.

You have indicated that you have not made provisions for a Bypass Trust. When this analysis illustrates the potential benefit of a Bypass Trust, it assumes that your assets will be properly titled and appropriate to fully fund the amount shown.

## The Need for Estate Planning

### How Will You Be Remembered?

It is often said that you cannot take your money with you; however, it is somewhat comforting to know that you can determine what happens to it after you're gone. A well-designed estate plan can not only help make sure that your assets go where you want them to, but also makes the process simpler, faster, less expensive, and less painful. Such planning followed by an orderly transition of your estate can have a positive impact on the people you care about.

## Goal Planning is Important

When it comes to estate taxes, the tax law seemingly penalizes those who fail to plan properly. Failure to properly plan can sometimes lead to greater estate taxes due. A well-designed estate plan can potentially reduce taxes substantially, and leave more money for your heirs.

## Probate - Expense and Delays

Probate is the legal process for settling your Estate, which basically means that all your debts and taxes are paid and remaining assets are distributed. Probate can be time consuming and expensive, and is open to public review. A well-designed estate plan can reduce the costs of probate, save time, and even avoid probate for many assets.

## Your Beneficiaries - Leaving More

The desire to control the ultimate disposition of that which we accumulate during our lifetime and to provide for those we care about is a strong motivation in most people. In this regard, there are many questions to answer:

- Who should get the money, and how much?
- When should they get it - all at once or over time?
- Who will manage the money?
- Do you want to place restrictions on some assets such as a business or property?
- How much should go to charity?
- Who gets important tangible assets (e.g. wedding rings, family heirlooms)?
- Which assets do you want sold? Which assets should never be sold?
- Will there be enough liquidity to pay taxes?

## You - Having Enough

Estate Planning focuses on what happens after you die and includes strategies you can employ to increase the amount of your assets that pass to your beneficiaries. Some of these strategies, such as gifting and purchasing life insurance, can cost you a significant amount of money during your lifetime. While this is certainly financially helpful for your heirs, is it financially sound for you? A good estate plan also considers the impact of these strategies on you, while you're alive. You want to make sure that you will have enough money to support your own lifestyle, before spending money to help your heirs.

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**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

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# Estate Analysis Introduction

## Important Information on Assumptions

This analysis makes a number of assumptions that could significantly affect your results including, but not limited to, the following:

- Both of you are U.S. Citizens.
- For married clients, ownership of qualified assets is assumed to roll over to the surviving co-client at the death of the original owner. For domestic partners, qualified assets are assumed to be transferred as a non-spousal inheritance to the surviving co-client at the death of the original owner. In both cases, the Program assumes the surviving co-client inherits all remaining assets of the original owner.
- State inheritance, estate or gift taxes have not been incorporated.
- Gift taxes are not calculated every year, but are totaled and settled at the death of the donor.
- Generation-skipping taxes, if applicable, have not been calculated.
- All custodial accounts (UGMA and/or UTMA) are not included in the estate calculations.
- All amounts contributed to 529 Savings Plans are treated as completed gifts and there is no recapture provision for any 5-year pre-funding contribution elections.
- Prior gifts above the annual exclusion and for which no taxes have been paid are included in your Taxable Estate. Prior gifts above the annual exclusion and for which taxes have been paid are not included in your Taxable Estate.
- Financial Goals such as "Gift or Donation" or "Leave a Bequest" are not reflected in the Estate Analysis.
- Bequests stipulated in your will, including charitable bequests, are not reflected in the Estate Analysis.
- If applicable, reverted gifts and/or life insurance proceeds transferred to a Trust or third-party within three years of death are included in your Gross Estate and Taxable Estate.
- In certain calculations, the Bypass Trust may not be fully funded to the available estate exemption equivalent amount due to prior gifts, titling of assets, insufficient resources, and/or other bequests.
- The current values of vested stock options are included in the gross estate. The current values of unvested stock options are included if you indicated, on the Stock Options page, that the options vest at death.
- In the event Qualified Retirement Plans, IRAs, and Tax-deferred Annuities are used to fund the Bypass Trust, the program assumes the spouse has disclaimed the assets and the contingent beneficiary is a 'qualified' trust.
- In the event Other Assets, such as a Primary Residence or Personal Property, are used to fund the Bypass Trust, the program assumes these assets have a specific value and can in fact be used to fund the Bypass Trust.
- If applicable, the value of any payment that continues past death created by the Immediate Annuity Goal Strategy is not included in the estate calculations.

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**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**

# Estate Analysis Options

## Liabilities

### What is the remaining value of Liabilities at death?

Die Today (Liabilities in Plan = \$407,000) :	\$407,000
Die in fixed number of years :	\$0
Die at Life Expectancy (last death) :	\$0

### Taxable Gifts since 1976 on which no gift tax was paid

What is the value of prior gifts in excess of the annual gift exclusion on which you did not pay taxes?	<b>Patricia</b>	<b>Alfred</b>
	\$0	\$0

### Addition to Estate Value

#### IRD Assets\*

	<b>Patricia</b>	<b>Alfred</b>
Die Today :	\$0	\$0
Die in fixed number of years :	\$0	\$0
Die at Life Expectancy :	\$0	\$0

#### Non IRD Assets\*

	<b>Patricia</b>	<b>Alfred</b>
Die Today :	\$0	\$0
Die in fixed number of years :	\$0	\$0
Die at Life Expectancy :	\$0	\$0

#### Additional Death Benefit

	<b>Patricia</b>	<b>Alfred</b>
Die Today :	\$0	\$0
Die in fixed number of years :	\$0	\$0
Die at Life Expectancy :	\$0	\$0

## Final Expenses

### What costs do you want to include for Final Expenses?

		<b>At 1st Death</b>	<b>At 2nd Death</b>
Funeral :		\$10,000	\$10,000
Administration Fees	Fixed Amount	\$0	\$0
	Plus % of Probate assets	2.00%	5.00%

### Personal Exclusion Amount

#### What assumption do you want to use for the amount of the Personal Exclusion?

Maximum Personal Exclusion Amount (Current Law)

### Bypass Trust Funding Amount

Portability with no Bypass Trust

\* Income in Respect of a Decedent (IRD) is income a decedent earned or was entitled to receive before death (e.g. retirement plan assets). IRD assets are excluded from the probate estate and non-IRD assets are included in the probate estate.

**See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.**



# Estate Analysis Current Asset Ownership Detail

This chart summarizes the current ownership and designated beneficiary(ies) of all of your Assets used in this Plan.

Note: All Qualified Retirement Plans, IRA and Tax-deferred Assets are assumed to have the spouse as the beneficiary if married with the estate as contingent beneficiary, or the estate as the beneficiary if single. All other Assets owned individually or jointly are assumed to operate as prescribed by applicable law. We do not provide legal or tax advice. Please consult with your tax and/or legal advisor to review the ownership and beneficiary designations and their legal and tax implications since they can have a significant impact on the distribution of assets at your death and whether or not certain basic estate strategies can be implemented.

Description	Patricia	Alfred	Joint (Alfred)				Joint (Other)	Total	Beneficiaries
			Survivorship	Common	Entirety	Community Property			
<b>Investment Assets</b>									
<b>Employer Retirement Plans</b>									
401(k)	\$289,000							\$289,000	
<b>Taxable and/or Tax-Free Accounts</b>									
Allianz FIUL	\$287,000							\$287,000	
<i>Total Investment Assets</i>	<i>\$576,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$576,000</i>	
<b>Other Assets</b>									
<b>Home and Personal Assets</b>									
6292 Fernstone Trail NW			\$585,000					\$585,000	
<b>Cash Value Life</b>									
Universal Life	\$257,000							\$257,000	Co-Client of Insured (100%)
<i>Total Other Assets</i>	<i>\$257,000</i>	<i>\$0</i>	<i>\$585,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$842,000</i>	
<b>Total Assets :</b>	<b>\$833,000</b>	<b>\$0</b>	<b>\$585,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,418,000</b>	

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Estate Analysis Results Combined Summary

Using What If Scenario 1 - Both Die today - Patricia Predeceases Alfred

## Existing Estate



Total Estate :	\$1,928,000
Federal Estate Tax** :	\$0
Estate Expenses :	\$475,553
<b>Amount to Heirs :</b>	<b>\$1,452,447</b>

### Additional Value to Heirs :

#### Amount to Heirs

Net Estate Value :	\$1,452,447
Bypass Trust :	\$0
Other Life Insurance :	\$0
Life Insurance in Trust :	\$0
<b>Total :</b>	<b>\$1,452,447</b>

#### Cash Needed to Pay Tax and Expenses

Shortfall at First Death :	\$0
Shortfall at Second Death :	\$0

#### Bypass Trust Funding

Funding Shortfall :	\$0
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\*\* State Estate Taxes are not included. In some states, the tax may be substantial.

### Notes

- Prior gifts are not included in the amount to heirs.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Estate Analysis Results Combined Summary

Using What If Scenario 1 - Both Die today - Alfred Predeceases Patricia

## Existing Estate



Total Estate :	\$1,928,000
Federal Estate Tax** :	\$0
Estate Expenses :	\$470,100
<b>Amount to Heirs :</b>	<b>\$1,457,900</b>

### Additional Value to Heirs :

#### Amount to Heirs

Net Estate Value :	\$1,457,900
Bypass Trust :	\$0
Other Life Insurance :	\$0
Life Insurance in Trust :	\$0
<b>Total :</b>	<b>\$1,457,900</b>

#### Cash Needed to Pay Tax and Expenses

Shortfall at First Death :	\$10,000
Shortfall at Second Death :	\$0

#### Bypass Trust Funding

Funding Shortfall :	\$0
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\*\* State Estate Taxes are not included. In some states, the tax may be substantial.

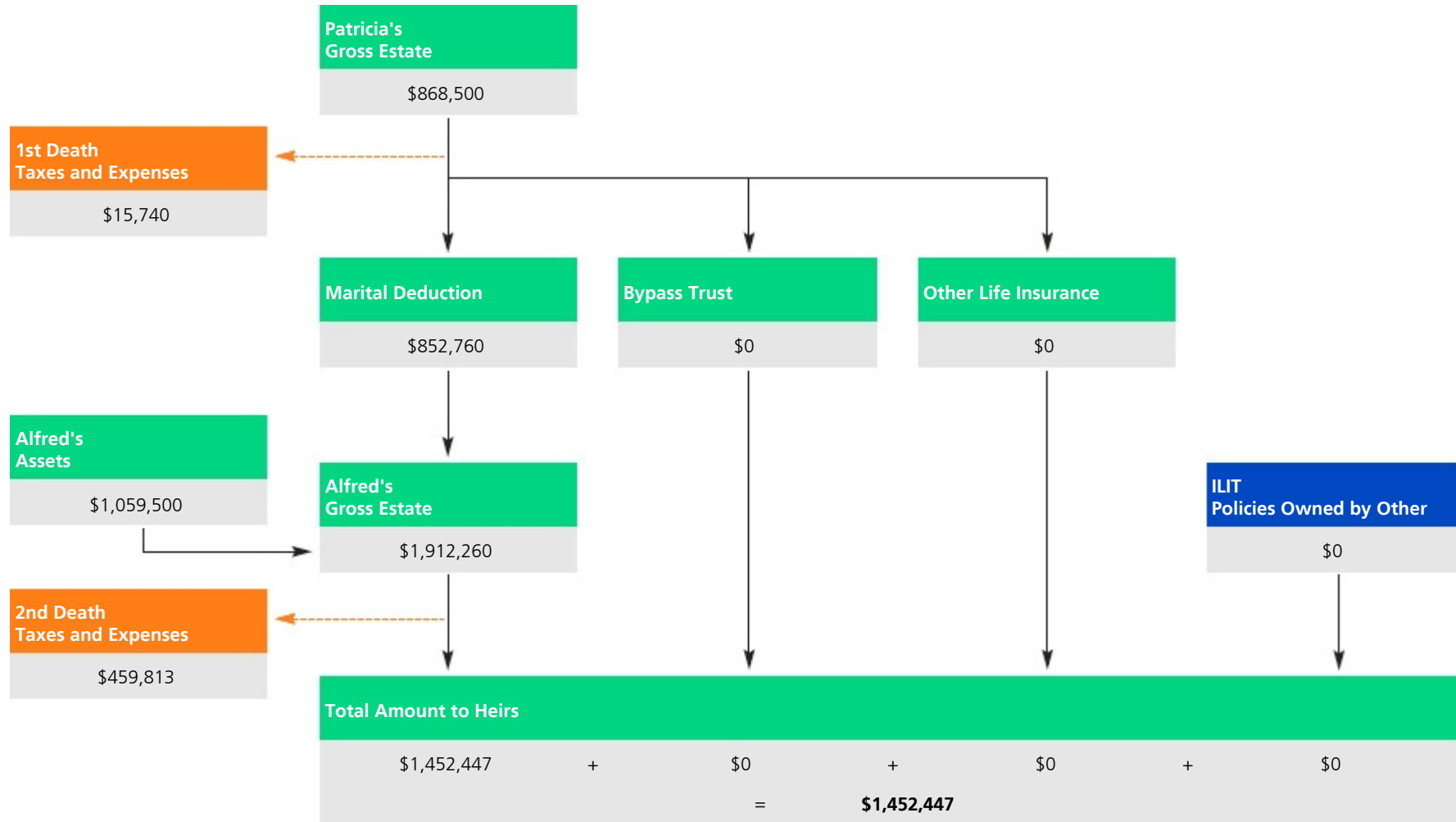
### Notes

- Prior gifts are not included in the amount to heirs.

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# Estate Analysis Results Flowchart

Existing Estate without Bypass Trust using What If Scenario 1 - Both Die today - Patricia Predeceases Alfred



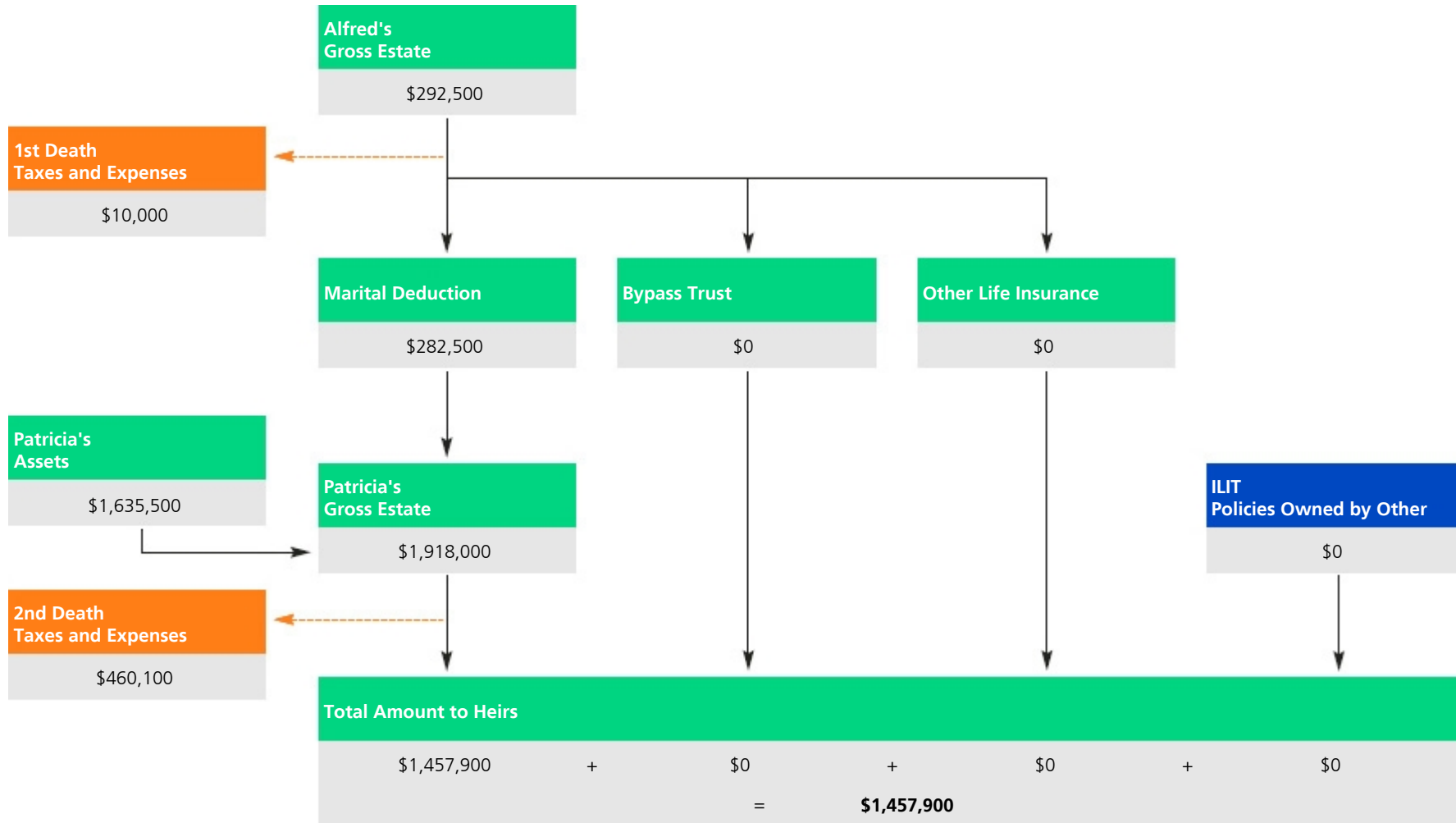
## Notes

- Gross Estate amounts may include the value of reverted gifts.
- Other Life Insurance includes policies where the first person to die is the owner and insured and the beneficiary of the policy is not the co-client or estate.
- Gross Estate amounts do not include the value of prior gifts.
- The Bypass Trust may not be fully funded to the available estate exemption equivalent amount due to prior gifts, titling of assets, insufficient resources, and/or other bequests.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

# Estate Analysis Results Flowchart

Existing Estate without Bypass Trust using What If Scenario 1 - Both Die today - Alfred Predeceases Patricia



## Notes

- Gross Estate amounts may include the value of reverted gifts.
- Other Life Insurance includes policies where the first person to die is the owner and insured and the beneficiary of the policy is not the co-client or estate.
- Gross Estate amounts do not include the value of prior gifts.
- The Bypass Trust may not be fully funded to the available estate exemption equivalent amount due to prior gifts, titling of assets, insufficient resources, and/or other bequests.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

## Employer Stock Plans

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**Star Track**

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# Glossary

## Glossary

### **Aspirational Cash Reserve Strategy**

This optional strategy simulates creating a separate account for funds that you want to invest differently than your Target Portfolio. You specify the expected return assumptions, and the Program calculates a range of possible results using those assumptions. Generally, this strategy is included when you have excess funds after fulfilling your financial goals, and used to create a legacy or to fund discretionary objectives.

### **Asset Allocation**

Asset Allocation is the process of determining what portions of your portfolio holdings are to be invested in the various asset classes.

### **Asset Class**

Asset Class is a standard term that broadly defines a category of investments. The three basic asset classes are Cash, Bonds, and Stocks. Bonds and Stocks are often further subdivided into more narrowly defined classes. Some of the most common asset classes are defined below.

#### **Cash and Cash Alternatives**

Cash typically includes bank accounts or certificates of deposit, which are insured by the Federal Deposit Insurance Corporation up to a limit per account. Cash Alternatives typically include money market securities, U.S. treasury bills, and other investments that are readily convertible to cash, have a stable market value, and a very short-term maturity. U.S. Treasury bills are backed by the full faith and credit of the U.S. Government and, when held to maturity, provide safety of principal. (See the "Risks Inherent in Investing" section in this Important Disclosure Information for a summary of the risks associated with investing in cash alternatives.)

#### **Bonds**

Bonds are either domestic (U.S.) or global debt securities issued by either private corporations or governments. (See the "Risks Inherent in Investing" section in this Important Disclosure Information for a summary of the risks associated with investing in bonds. Bonds are also called "fixed income securities.")

Domestic government bonds are backed by the full faith and credit of the U.S. Government and have superior liquidity and, when held to maturity, safety of principal. Domestic corporate bonds carry the credit risk of their issuers and thus usually offer additional yield. Domestic government and corporate bonds can be sub-divided based upon their term to maturity. Short-term bonds have an approximate term to maturity of 1 to 5 years; intermediate-term bonds have an approximate term to maturity of 5 to 10 years; and, long-term bonds have an approximate term to maturity greater than 10 years.

#### **Stocks**

Stocks are equity securities of domestic and foreign corporations. (See the "Risks Inherent in Investing" section in this Important Disclosure Information for a summary of the risks associated with investing in stocks.)

Domestic stocks are equity securities of U.S. corporations. Domestic stocks are often sub-divided based upon the market capitalization of the company (the market value of the company's stock). "Large cap" stocks are from larger companies, "mid cap" from the middle range of companies, and "small cap" from smaller, perhaps newer, companies. Generally, small cap stocks experience greater market volatility than stocks of companies with larger capitalization. Small cap stocks are generally those from companies whose capitalization is less than \$500 million, mid cap stocks those between \$500 million and \$5 billion, and large cap over \$5 billion.

Large cap, mid cap and small cap may be further sub-divided into "growth" and "value" categories. Growth companies are those with an orientation towards growth, often characterized by commonly used metrics such as higher price-to-book and price-to-earnings ratios. Analogously, value companies are those with an orientation towards value, often characterized by commonly used metrics such as lower price-to-book and price-to-earnings ratios.

International stocks are equity securities from foreign corporations. International stocks are often sub-divided into those from "developed" countries and those from "emerging markets." The emerging markets are in less developed countries with emerging economies that may be characterized by lower income per capita, less developed infrastructure and nascent capital markets. These "emerging markets" usually are less economically and politically stable than the "developed markets." Investing in international stocks involves special risks, among which include foreign exchange volatility and risks of investing under different tax, regulatory and accounting standards.

#### **Asset Mix**

Asset Mix is the combination of asset classes within a portfolio, and is usually expressed as a percentage for each asset class.

#### **Base Inflation Rate**

The Base Inflation Rate is the default inflation rate in the Program. You can adjust this rate in financial goal expenses, retirement income sources, savings rates, and in each What If scenario. Also see "Inflation Rate."



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# Glossary

## **Bear Market Loss**

The Bear Market Loss shows how a portfolio would have been impacted during the Great Recession (November 2007 through February 2009) or the Bond Bear Market (July 1979 through February 1980). The Bear Market Loss shows: 1) either the Great Recession Return or the Bond Bear Market Return, whichever is lower, and 2) the potential loss, if you had been invested in this cash-bond-stock-alternative portfolio during the period with the lower return. See Bear Market Test, Great Recession Return, and Bond Bear Market Return.

## **Bear Market Test**

The Bear Market Test, included in the Stress Tests, examines the impact on your Plan results if a Bear Market Loss occurred this year. The Bear Market Test shows the likelihood that you could fund your Needs, Wants and Wishes after experiencing such an event. See Bear Market Loss.

## **Bond Bear Market Return**

The Bond Bear Market Return is the rate of return for a cash-bond-stock-alternative portfolio during the Bond Bear Market (July 1979 through February 1980), the worst bear market for bonds since the Great Depression. MoneyGuidePro shows a Bond Bear Market Return for your Current, Risk-based, and Target Portfolios, calculated using historical returns of four broad-based asset class indices. See Great Recession Return.

## **Cash Receipt Schedule**

A Cash Receipt Schedule consists of one or more years of future after-tax amounts received from the anticipated sale of an Other Asset, exercising of Stock Options grants, or proceeds from Restricted Stock grants.

## **Concentrated Position**

A Concentrated Position is when your portfolio contains a significant amount (as a percentage of the total portfolio value) in individual stock or bonds. Concentrated Positions have the potential to increase the risk of your portfolio.

## **Confidence Zone**

See Monte Carlo Confidence Zone.

## **Current Dollars**

The Results of MoneyGuidePro calculations are in Future Dollars. To help you compare dollar amounts in different years, we also express the Results in Current Dollars, calculated by discounting the Future Dollars by the sequence of inflation rates used in the Plan.

## **Current Portfolio**

Your Current Portfolio is comprised of all the investment assets you currently own (or a subset of your assets, based on the information you provided for this Plan), categorized by Asset Class and Asset Mix.

## **Expense Adjustments**

When using historical returns, some users of MoneyGuidePro include Expense Adjustments. These adjustments (which are specified by the user) reduce the return of the affected Asset Classes and are commonly used to account for transaction costs or other types of fees associated with investing. If Expense Adjustments have been used in this Report, they will be listed beside the historical indices at the beginning of this Report.

## **Fund All Goals**

Fund All Goals is one of two ways for your assets and retirement income to be used to fund your goals. The other is Earmark, which means that an asset or retirement income is assigned to one or more goals, and will be used only for those goals. Fund All Goals means that the asset or income is not earmarked to fund specific goals, and can be used to fund any goal, as needed in the calculations.

## **Future Dollars**

Future Dollars are inflated dollars. The Results of MoneyGuidePro calculations are in Future Dollars. To help you compare dollar amounts in different years, we discount the Future Dollar amounts by the inflation rates used in the calculations and display the Results in the equivalent Current Dollars.

## **Great Recession Return**

The Great Recession Return is the rate of return for a cash-bond-stock-alternative portfolio during the Great Recession (November 2007 through February 2009), the worst bear market for stocks since the Great Depression. MoneyGuidePro shows a Great Recession Return for your Current, Risk-based, and Target Portfolios, calculated using historical returns of four broad-based asset class indices. See Bond Bear Market Return.

## **Inflation Rate**

Inflation is the percentage increase in the cost of goods and services for a specified time period. A historical measure of inflation is the Consumer Price Index (CPI). In MoneyGuidePro, the Inflation Rate is selected by your advisor, and can be adjusted in different scenarios.

## **Liquidity**

Liquidity is the ease with which an investment can be converted into cash.

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# Glossary

## Monte Carlo Confidence Zone

The Monte Carlo Confidence Zone is the range of probabilities that you (and/or your advisor) have selected as your target range for the Monte Carlo Probability of Success in your Plan. The Confidence Zone reflects the Monte Carlo Probabilities of Success with which you would be comfortable, based upon your Plan, your specific time horizon, risk profile, and other factors unique to you.

## Monte Carlo Probability of Success / Probability of Failure

The Monte Carlo Probability of Success is the percentage of trials of your Plan that were successful. If a Monte Carlo simulation runs your Plan 1,000 times, and if 600 of those runs are successful (i.e., all your goals are funded and you have at least \$1 of Safety Margin), then the Probability of Success for that Plan, with all its underlying assumptions, would be 60%, and the Probability of Failure would be 40%.

## Monte Carlo Simulations

Monte Carlo simulations are used to show how variations in rates of return each year can affect your results. A Monte Carlo simulation calculates the results of your Plan by running it many times, each time using a different sequence of returns. Some sequences of returns will give you better results, and some will give you worse results. These multiple trials provide a range of possible results, some successful (you would have met all your goals) and some unsuccessful (you would not have met all your goals).

## Needs / Wants / Wishes

In MoneyGuidePro, you choose an importance level from 10 to 1 (where 10 is the highest) for each of your financial goals. Then, the importance levels are divided into three groups: Needs, Wants, and Wishes. Needs are the goals that you consider necessary for your lifestyle, and are the goals that you must fulfill. Wants are the goals that you would really like to fulfill, but could live without. Wishes are the "dream goals" that you would like to fund, although you won't be too dissatisfied if you can't fund them. In MoneyGuidePro, Needs are your most important goals, then Wants, then Wishes.

## Portfolio Set

A Portfolio Set is a group of portfolios that provides a range of risk and return strategies for different investors.

## Portfolio Table

The Portfolio Table is the portfolio(s) that could be appropriate for you, based upon the risk-based portfolio.

## Portfolio Total Return

A Portfolio Total Return is determined by weighting the return assumption for each Asset Class according to the Asset Mix. Also see "Expense Adjustments."

## Probability of Success / Probability of Failure

See Monte Carlo Probability of Success / Probability of Failure.

## Real Return

The Real Return is the Total Return of your portfolio minus the Inflation Rate.

## Recommended Scenario

The Recommended Scenario is the scenario selected by your advisor to be shown on the Results page and in Play Zone.

## Retirement Cash Reserve Strategy

This optional strategy simulates creating a cash account to provide funding for near-term goal expenses. You select the number of years of Needs, Wants, and Wishes to be included in the cash account. The Program then funds the Retirement Cash Reserve with the designated amounts, and simulates rebalancing your remaining investments to match the selected Target Portfolio.

## Retirement Start Date

For married couples, retirement in MoneyGuidePro begins when both the client and spouse are retired. For single, divorced, or widowed clients, retirement begins when the client retires.

## Risk

Risk is the chance that the actual return of an investment, asset class, or portfolio will be different from its expected or average return.

## Risk-based Portfolio

The risk-based portfolio is the Model Portfolio associated with the risk score you selected.

## Safety Margin

The Safety Margin is the hypothetical portfolio value at the end of the Plan, based on all the inputs and assumptions included in this Report. A Safety Margin of zero indicates the portfolio was depleted before the Plan ended. The Safety Margin does not protect you or your Target Portfolio from investment losses, and, as with all other results in the Plan, is not guaranteed.

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# Glossary

## Standard Deviation

Standard Deviation is a statistical measure of the volatility of an investment, an asset class, or a portfolio. It measures the degree by which an actual return might vary from the average return, or mean. Typically, the higher the standard deviation, the higher the potential risk of the investment, asset class, or portfolio.

## Star Track

Star Track provides a summary of your Plan results over time, using a bar graph. Each bar shows the Monte Carlo Probability of Success for your Recommended Scenario, on the date specified, compared to the Monte Carlo Probability of Success for a scenario using all Target values.

## Target Goal Amount

The Target Goal Amount is the amount you would expect to spend, or the amount you would like to spend, for each financial goal.

## Target Portfolio

Target Portfolio is the portfolio you have selected based upon your financial goals and your risk tolerance.

## Target Retirement Age

Target Retirement Age is the age at which you would like to retire.

## Target Savings Amount

In the Resources section of MoneyGuidePro, you enter the current annual additions being made to your investment assets. The total of these additions is your Target Savings Amount.

## Time Horizon

Time Horizon is the period from now until the time the assets in this portfolio will begin to be used.

## Total Return

Total Return is an assumed, hypothetical growth rate for a specified time period. The Total Return is either (1) the Portfolio Total Return or (2) as entered by you or your advisor. Also see "Real Return."

## Wants

See "Needs / Wants / Wishes".

## Willingness

In MoneyGuidePro, in addition to specifying Target Goal Amounts, a Target Savings Amount, and Target Retirement Ages, you also specify a Willingness to adjust these Target values. The Willingness choices are Very Willing, Somewhat Willing, Slightly Willing, and Not at All.

## Wishes

See "Needs / Wants / Wishes".

## Worst One-Year Loss

The Worst One-Year Loss is the lowest annual return that a portfolio with the specified asset mix and asset class indices would have received during the historical period specified.