Financial Goal Plan

John and Joan Smith

This is an abbreviated version of the financial plan for the Smith's.

This illustrates the original goals, current level of savings, and asset allocation. The "What If Scenario 1" has a premature death of John and the modified goals and savings. Other probabilities of success referenced in the financial plan explanation are not shown in this financial plan.

Prepared by:

Ben Gurwitz
Financial Planner

April 14, 2015

Table Of Contents

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 - 2013. 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	Historical Return Index
Cash & Cash Alternatives	Ibbotson U.S. Treasury Bills - Total Return (1926-2013)
Cash & Cash Alternatives (Tax-Free)	U.S. 30-Day Treasury Bill adjusted by Donoghue TF discount (1970-1981) Tax-Free Money Market Average (1982-2013)
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 (1979-2013)
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 (1991-2013)
Intermediate Term Bonds	Ibbotson Intermediate-Term Government Bonds - Total Return (1926-2013)
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 (1980-2013)
Long Term Bonds	Ibbotson Long-Term Corporate Bonds - Total Return (1926-2013)
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 (1981-2013)
Large Cap Value Stocks	S&P 500 Composite Total Return (1970-1994) S&P 500 Value Total Return(1995-2013)
Large Cap Growth Stocks	S&P 500 Composite Total Return (1970-1994) S&P 500 Growth Total Return (1995-2013)
Mid Cap Stocks	S&P 500 Composite Total Return (1970-1979) Russell Midcap (1980-2013)
Small Cap Stocks	Ibbotson Small Company Stocks - Total Return (1926-2013)
International Developed Stocks	MSCI EAFE Equity (1970-2013)
International Emerging Stocks	MSCI EAFE Equity (1970-1975) IFC Global Emerging Markets Index (1976-1987) MSCI EM (Emerging Markets) (1988-2013)

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. 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 (1926-2013)
- Bonds - Ibbotson Intermediate-Term Government Bonds - Total Return (1926-2013)
- Stocks - Ibbotson Large Company Stocks - Total Return (1926-2013)

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 uses a specialized methodology called Beyond Monte Carlo™, a statistical analysis technique that provides results that are as accurate as traditional Monte Carlo simulations with 10,000 trials, but with fewer iterations and greater consistency. Beyond Monte Carlo™ is based on Sensitivity Simulations, which re-runs the Plan only 50 to 100 times using small changes in the return. This allows a sensitivity of the results to be calculated, which, when analyzed with the mean return and standard deviation of the portfolio, allows the Probability of Success for your Plan to be directly calculated.

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 S&P GSCI Commodity - Total Return	-19.87% N/A	N/A 23.21%

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: a cash-bond-stock portfolio, the impact of a Bear Market Loss (either the Great Recession or the Bond Bear Market, whichever is lower) on this portfolio, and a graph showing 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 Target Band 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.

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.

IMPORTANT DISCLOSURE INFORMATION

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.

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.

IMPORTANT DISCLOSURE INFORMATION

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.

IMPORTANT DISCLOSURE INFORMATION

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.

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 10,000 times, and if 6,000 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 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."

IMPORTANT DISCLOSURE INFORMATION

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, in Play Zone, and in the Presentation.

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. A Safety Margin of zero indicates the portfolio was depleted before the Plan ended.

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 Band

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

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".

IMPORTANT DISCLOSURE INFORMATION

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.

Presentation

Overview

Welcome John and Joan Smith

Overview

Goals for John and Joan Smith

	Current Scenario
Retirement	
Retirement Age	
John	65 in 2015
Joan	61 in 2015
Planning Age	
John	100 in 2050
Joan	100 in 2054
Goals	
Needs	
Retirement - Living Expense	
Both Retired	$72,000
Joan Alone Retired	$54,000
BMW	$25,000
Starting	2017
Years between occurrences	5
Ending	End of plan
Lexus	$25,000
Starting	2015
Years between occurrences	5
Number of occurrences	4
Wants	
Annual Luxury Vacation	$10,000
Starting	At John's retirement
Years between occurrences	1
Number of occurrences	15
Coastal Vacation Home	$300,000
Starting	At John's retirement
Coastal Vacation Home Expenses	$20,000
Starting	At John's retirement
Years between occurrences	1
Ending	End of plan

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

Overview

Goals for John and Joan Smith

	Current Scenario
Wishes	
$250k Term Life Policy Premiums	$0
Starting	At John's retirement
Years between occurrences	1
Number of occurrences	15
Total Spending for Life of Plan	**$4,358,000**
Savings	
Qualified	$0
Total Savings This Year	**$0**
Portfolios	
Allocation Before Retirement	**Current**
Percent Stock	63%
Total Return	9.03%
Worst One-Year Return since 1970	-21.21%
Standard Deviation	10.72%
Great Recession Return 11/07 - 2/09	-27%
Bond Bear Market Return 7/79 - 2/80	7%
Allocation During Retirement	**Current**
Percent Stock	63%
Total Return	9.03%
Worst One-Year Return since 1970	-21.21%
Standard Deviation	10.72%
Great Recession Return 11/07 - 2/09	-27%
Bond Bear Market Return 7/79 - 2/80	7%
Inflation	**4.22%**

Current portfolio asset allocation

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

Overview

Goals for John and Joan Smith

Investments

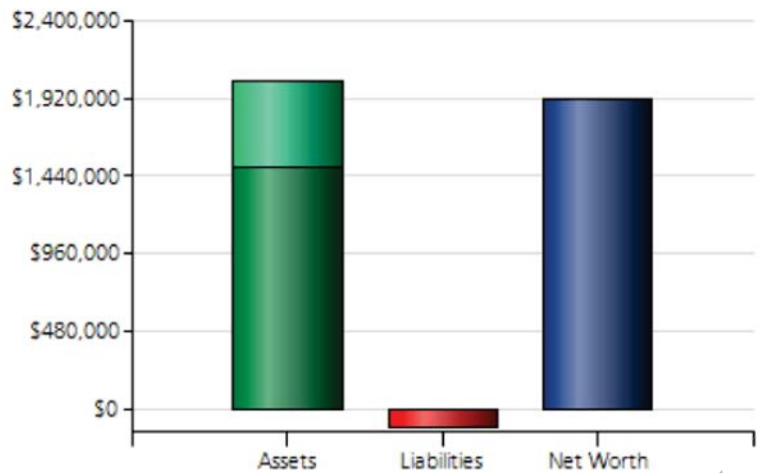
Total Investment Portfolio	**$1,500,000**
Total Investment Assets	**$1,500,000**

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

Overview

Net Worth for John and Joan Smith

This is your Net Worth Summary as of 04/14/2015. 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		$1,500,000
Other Assets	+	$525,000
Total Assets		$2,025,000
Total Liabilities	-	$110,000
Net Worth		$1,915,000

Description	Total
Investment Assets	
Employer Retirement Plans	$550,000
Individual Retirement Accounts	$300,000
Annuities & Tax-Deferred Products	$220,000
Taxable and/or Tax-Free Accounts	$430,000
Total Investment Assets:	**$1,500,000**
Other Assets	
Personal Asset	$495,000
Cash Value Life	$30,000
Total Other Assets:	**$525,000**
Liabilities	
Personal Real Estate Loan:	$100,000
Vehicle Loan:	$10,000
Total Liabilities:	**$110,000**
Net Worth:	**$1,915,000**

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

Overview

Net Worth for John and Joan Smith

This is your Net Worth Detail as of 04/14/2015. 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	John	Joan	Joint	Total
Investment Assets				
Employer Retirement Plans				
Joan SEP IRA				$0
John 401(k)	$550,000			$550,000
Individual Retirement Accounts				
Joan Rollover IRA		$300,000		$300,000
Annuities & Tax-Deferred Products				
John Non-Qualified Annuity	$220,000			$220,000
Taxable and/or Tax-Free Accounts				
Bank Accounts			$80,000	$80,000
Joint Brokerage			$350,000	$350,000
Total Investment Assets:	**$770,000**	**$300,000**	**$430,000**	**$1,500,000**
Other Assets				
Personal Asset				
BMW	$25,000			$25,000
House			$450,000	$450,000
Lexus		$20,000		$20,000
Cash Value Life				
Joan Whole Life	$30,000			$30,000
Total Other Assets:	**$55,000**	**$20,000**	**$450,000**	**$525,000**
Liabilities				
Personal Real Estate Loan:				
Mortgage on House			$100,000	$100,000

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

Overview

Net Worth for John and Joan Smith

Description	John	Joan	Joint	Total
Liabilities				
Vehicle Loan:				
BMW Loan	$10,000			$10,000
Total Liabilities:	**$10,000**	**$0**	**$100,000**	**$110,000**
Net Worth:				**$1,915,000**

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

Overview

Target Band for John and Joan Smith

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 4.22%. 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.

								Average Return			
Current	**Risk Based**	**Target Band**	**Name**	**Cash**	**Bond**	**Stock**	**Alternative**	**Total**	**Real**	**Worst 1 Year Loss**	**Standard Deviation**
			Capital Preservation I	5%	67%	28%	0%	7.75%	3.53%	-5.59%	5.77%
			Capital Preservation II	5%	57%	38%	0%	8.11%	3.89%	-10.06%	7.01%
		→	Balanced I	4%	51%	45%	0%	8.35%	4.13%	-13.08%	8.02%
			Balanced II	4%	42%	54%	0%	8.64%	4.42%	-17.32%	9.35%
			Total Return I	4%	35%	61%	0%	8.89%	4.67%	-21.11%	10.49%
→			Current	9%	28%	63%	0%	9.03%	4.81%	-21.21%	10.72%
	→		Total Return II	3%	25%	72%	0%	9.26%	5.04%	-26.29%	12.32%
			Capital Growth I	2%	16%	82%	0%	9.71%	5.49%	-30.73%	14.05%
			Capital Growth II	0%	9%	91%	0%	9.99%	5.77%	-35.19%	15.59%
			Equity Growth	0%	0%	100%	0%	10.27%	6.05%	-39.57%	17.19%

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

Overview

Retirement Income Sources for John and Joan Smith

Social Security

Description	Owner	Value	File Status	Assign to Goal
Social Security	John	$26,880 starting At John's retirement	Normal	Fund All Goals
Social Security	Joan	$12,600 starting At Joan's retirement	Normal	Fund All Goals

Retirement Income

Description	Owner	Value	Inflate?	Assign to Goal
John Pension	John	$48,000 from 2012 to End of John's Plan (100% to Survivor)	No	Fund All Goals

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

Results

You have a simple question. Can I reach my Goals?

Unfortunately, because FUTURE RETURNS ARE UNPREDICTABLE, there isn't one simple answer.
We'll consider 3 different answers: Average Returns, Bad Timing, and Probability of Success.

Start with Average Returns

- Assume Average Return each year
- % equals portion of Goals funded - not probability

Estimated % of Goal Funded

Average Return	Bad Timing
100%	97%

Likelihood of Funding All Goals

Probability of Success: 63%

Below Confidence Zone

Test for Bad Timing

- Assume average returns overall, but with 2 bad year(s) starting at John's retirement.
- % equals portion of Goals funded - not probability

Calculate Probability of Success

What is the likelihood you can Fund All Your Goals?

- Monte Carlo analysis simulates thousands of possible return sequences
- % equals Probability of Success

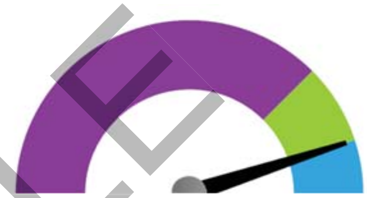
Are you in your Confidence Zone?

- Your Probability of Success should be high enough to make you feel confident about the future without sacrificing too much today.

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

Results

Results	Current Scenario		Recommended Scenario	
	Average Return	Bad Timing	Average Return	Bad Timing
Estimated % of Goals Funded	100%	97%	100%	100%
Likelihood of Funding All Goals				



	Current Scenario	Recommended Scenario
Your Confidence Zone: 75% - 90%	**Probability of Success: 63%** **Below Confidence Zone**	**Probability of Success: 90%** **In Confidence Zone**

	Current Scenario	Recomended	Changes In Value
Retirement			
Retirement Age			
John	65 in 2015	67 in 2017	2 year(s) later
Joan	61 in 2015	63 in 2017	2 year(s) later
Planning Age			
John	100 in 2050	75 in 2025	25 year(s) earlier
Joan	100 in 2054	100 in 2054	

By reducing the goals by a modest amount and increasing savings in a SEP IRA with a lower risk asset allocation the probability of success goes even with a lower life expectancy for John.

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

Results

Less frequent car replacements mean lower trade in values requiring a higher cost at replacement.

Small reduction in vacation budget and coastal vacation home

Smaller vacation home and lower annual expenses

	Current Scenario	Recomended	Changes In Value
Goals			
Needs			
Retirement - Living Expense			
Both Retired	$72,000	$72,000	
Joan Alone Retired	$54,000	$54,000	
BMW	$25,000	$25,000	
Starting	2017	2017	
Years between occurrences	5	7	Increased 2
Ending	End of plan	End of plan	
Lexus	$25,000	$25,000	
Starting	2015	2015	
Years between occurrences	5	7	Increased 2
Number of occurrences	4	3	Decreased 1
Wants			
Annual Luxury Vacation	$10,000	$9,000	Decreased $1,000
Starting	At John's retirement	At John's retirement	
Years between occurrences	1	1	
Number of occurrences	15	15	
Coastal Vacation Home	$300,000	$250,000	Decreased $50,000
Starting	At John's retirement	At John's retirement	
Coastal Vacation Home Expenses	$20,000	$18,000	Decreased $2,000
Starting	At John's retirement	At John's retirement	
Years between occurrences	1	1	
Ending	End of plan	End of plan	
Wishes			
$250k Term Life Policy Premiums	$0	$2,000	Increased $2,000
Starting	At John's retirement	At John's retirement	
Years between occurrences	1	1	
Number of occurrences	15	8	Decreased 7
Total Spending for Life of Plan	**$4,358,000**	**$3,524,000**	**Decreased 19%**
Savings			
Qualified	$0	$39,601	Increased $39,601
Total Savings This Year	**$0**	**$39,601**	**Increased $39,601**

Increased savings

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

Results

	Current Scenario	Recomended	Changes In Value
Portfolios			
Allocation Before Retirement	**Current**	**Balanced I**	**18% Less Stock**
Percent Stock	63%	45%	
Total Return	9.03%	8.35%	Lower risk portfolio
Worst One-Year Return since 1970	-21.21%	-13.08%	
Standard Deviation	10.72%	8.02%	
Great Recession Return 11/07 - 2/09	-27%	-15%	
Bond Bear Market Return 7/79 - 2/80	7%	2%	
Allocation During Retirement	**Current**	**Balanced I**	**18% Less Stock**
Percent Stock	63%	45%	
Total Return	9.03%	8.35%	
Worst One-Year Return since 1970	-21.21%	-13.08%	
Standard Deviation	10.72%	8.02%	
Great Recession Return 11/07 - 2/09	-27%	-15%	
Bond Bear Market Return 7/79 - 2/80	7%	2%	
Inflation	**4.22%**	**4.22%**	
Investments			
Total Investment Portfolio	**$1,500,000**	**$1,500,000**	
Total Investment Assets	**$1,500,000**	**$1,500,000**	

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

Stress Tests

Bear Market Test for Recommended Scenario

Likelihood of Reaching Goals After Loss of 15% - Using All Assets to Fund Goals by Importance

Needs Only	Needs and Wants Only	Needs, Wants, and Wishes
		
Probability of Success: 99%	Probability of Success: 77%	Probability of Success: 75%
Above Confidence Zone	In Confidence Zone	In Confidence Zone

Goals	Needs Only	Needs and Wants Only	Needs, Wants, and Wishes
Needs			
10 - Retirement - Living Expense	☑	☑	☑
8 - BMW	☑	☑	☑
8 - Lexus	☑	☑	☑
Wants			
6 - Annual Luxury Vacation		☑	☑
5 - Coastal Vacation Home		☑	☑
5 - Coastal Vacation Home Expenses		☑	☑
Wishes			
1 - $250k Term Life Policy Premiums			☑

This test assumes your investment allocation matches the Balanced I portfolio. If your investments suffered a loss of 15% this year, your portfolio value would be reduced by $225,000. 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.

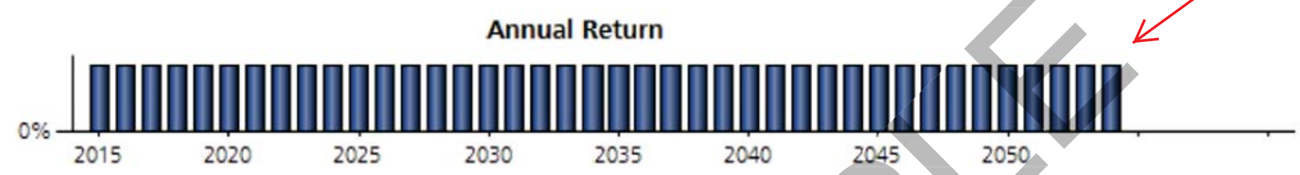
See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

Inside The Numbers

Start with Average Return - Recommended Scenario

- Average Return assumes you receive 8.35% every year before Retirement and 8.35% every year during Retirement.
- This is a good starting point, since it's the calculation method that people find most familiar.
- It provides a good base result for comparison to Bad Timing - a high End of Plan value can help protect against bad returns at retirement.

What the plan looks like with steady average annual returns



Return Assumption

Average Return for Entire Plan: 8.35%

% of All Goals Funded

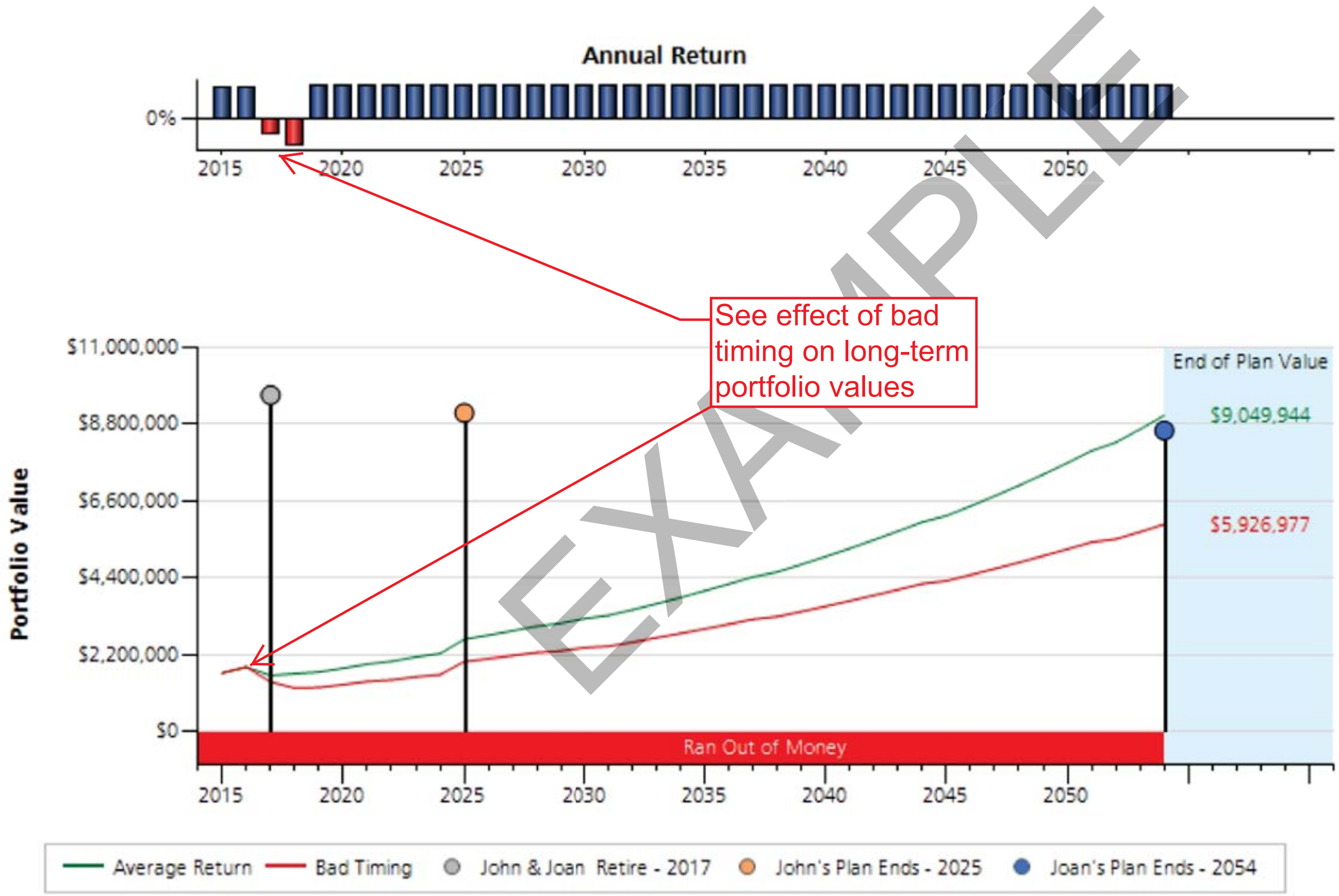
100%

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

Inside The Numbers

See What Happens if you Experience Bad Timing - Recommended Scenario

- Bad Timing assumes you get the same Average Return over the entire Plan but with 2 year(s) of bad returns at John's retirement.
- This illustrates that it's not only the Average Return that matters - the sequence of returns can make a big difference in your results.
- Usually, the worst time to get bad returns is just before or after you retire. That's just bad timing.



Return Assumption

Average Return for Entire Plan:
8.23%

Year(s) of Bad Returns:
2017 : -4.41%
2018 : -7.62%

% of All Goals Funded

100%

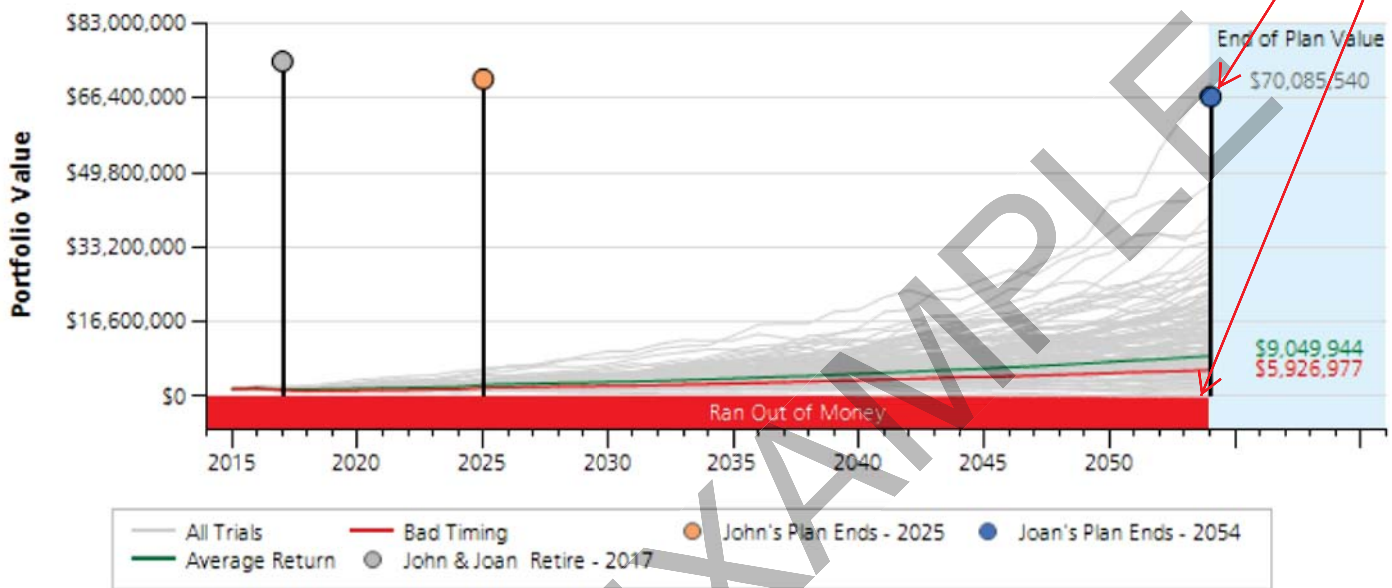
See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

Inside The Numbers

Notice the variation in returns

Calculate the Probability of Success - Recommended Scenario

- The graph below shows the results for a Sample of 100 Monte Carlo Trials, but that is not enough Trials to determine your Probability of Success.
- Your Probability of Success, as shown by the meter, uses a mathematical simulation, equivalent to 10,000 Trials, to calculate your Final Result.
- Your Probability of Success represents the percentage of 10,000 Trials in which you could expect to attain all your Goals.



Final Result

Simulation Equivalent to 10,000 Trials

Probability of Success: 90%

In Confidence Zone

(75% - 90%)

The table below is a numerical representation of the above Sample of 100 trials. It is provided for informational purposes to illustrate the general range of results you might expect. However, neither the graph nor the table reflects the Final Result, which is your Probability of Success as shown by the meter to the right.

In the Sample of 100 Trials table, the trials are ranked from best to worst (from 1 to 100) based on the End of Plan value. For each trial listed (1st, 25th, 50th, 75th and 100th), the corresponding portfolio values for that trial will be illustrated in the years of the trial that are indicated.

Trials	Year 5	Year 10	Year 15	Year 20	Year 25	End of Plan	Year Money Goes to $0
Best	$2,887,101	$5,688,501	$8,282,672	$11,420,919	$18,824,954	$70,085,540	
25th	$1,634,587	$2,003,123	$4,314,765	$6,459,626	$7,369,183	$18,993,202	
50th	$1,863,441	$2,475,288	$2,924,538	$4,056,144	$5,423,030	$12,251,000	
75th	$1,520,154	$2,380,265	$3,196,695	$4,686,136	$4,126,923	$7,230,298	
Worst	$1,262,468	$954,607	$865,783	$623,613	$219,467	$0	2041

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

Inside The Numbers

Results Summary

Goals	Estimated % of Goal Funded			
	Current Scenario		Recomended	
	Average Return	Bad Timing	Average Return	Bad Timing
Needs				
10 Retirement	100%	100%	100%	100%
8 BMW	100%	100%	100%	100%
8 Lexus	100%	100%	100%	100%
Wants				
6 Annual Luxury Vacation	100%	100%	100%	100%
5 Coastal Vacation Home	100%	100%	100%	100%
5 Coastal Vacation Home Expenses	100%	85%	100%	100%
Wishes				
1 $250k Term Life Policy Premiums	N/A	N/A	100%	100%
Safety Margin (Value at End of Plan)				
Current dollars (in thousands) :	$1,063	$0	$1,732	$1,134
Future dollars (in thousands) :	$5,555	$0	$9,050	$5,927

Monte Carlo Results	Likelihood of Funding All Goals	
Your Confidence Zone: 75% - 90%		
	Probability of Success: 63% **Below Confidence Zone**	**Probability of Success: 90%** **In Confidence Zone**

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

Inside The Numbers

Changes in Red

Results Summary

Total Spending :	$4,358,000	$3,524,000

Key Assumptions	Current Scenario	Recomended
Stress Tests		
Method(s)	Bad Timing Program Estimate Years of bad returns: 2015: -7.67% 2016: -13.66%	Bad Timing Program Estimate Years of bad returns: 2017: -4.41% 2018: -7.62%
Funding Order		
Assets - Ignore Earmarks	No	No
Retirement Income - Ignore Earmarks	No	No
Hypothetical Average Rate of Return		
Before Retirement :	Current	Balanced I
Total Return :	9.03%	8.35%
Standard Deviation :	10.72%	8.02%
Total Return Adjustment :	0.00%	0.00%
Adjusted Real Return :	4.81%	4.13%
After Retirement :	Current	Balanced I
Total Return :	9.03%	8.35%
Standard Deviation :	10.72%	8.02%
Total Return Adjustment :	0.00%	0.00%
Adjusted Real Return :	4.81%	4.13%
Base inflation rate :	4.22%	4.22%
Tax-Free Options		
Before Retirement		
Reallocate a portion of bonds to tax-free:	No	No
Percent of bond allocation to treat as tax-free:	0.00%	0.00%
After Retirement		
Reallocate a portion of bonds to tax-free:	No	No
Percent of bond allocation to treat as tax-free:	0.00%	0.00%

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

Inside The Numbers

Results Summary

Key Assumptions	Current Scenario	Recomended
Goals		
Living Expense		
Retirement Age		
John	65	67
Joan	61	63
Planning Age		
John	100	75
Joan	100	100
One Retired		
John Retired and Joan Employed	$24,000	$24,000
Joan Retired and John Employed	$0	$0
Both Retired		
Both Retired	$72,000	$72,000
One Alone - Retired		
Joan Alone Retired	$54,000	$54,000
John Alone Retired	$48,000	$48,000
One Alone - Employed		
John Alone Employed	$0	$0
Joan Alone Employed	$0	$0
BMW		
Year :	2017	2017
Cost :	$25,000	$25,000
Is recurring :	Yes	Yes
Years between occurrences :	5	7
This goal will end at End of plan.		
Lexus		
Year :	2015	2015
Cost :	$25,000	$25,000

John's shorter life expectancy for planning purposes

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

Inside The Numbers

Results Summary

Key Assumptions	Current Scenario		Recomended
Goals			
Is recurring :	Yes		Yes
Years between occurrences :	5	•	7
Number of occurrences :	4	•	3
Annual Luxury Vacation			
Year :	At John's retirement		At John's retirement
Cost :	$10,000	•	$9,000
Is recurring :	Yes		Yes
Years between occurrences :	1		1
Number of occurrences :	15		15
Coastal Vacation Home			
Year :	At John's retirement		At John's retirement
Cost :	$300,000	•	$250,000
Coastal Vacation Home Expenses			
Year :	At John's retirement		At John's retirement
Cost :	$20,000	•	$18,000
Is recurring :	Yes		Yes
Years between occurrences :	1		1
This goal will end at End of plan.			
$250k Term Life Policy Premiums			
Year :	At John's retirement		At John's retirement
Cost :	$0	•	$2,000
Is recurring :	Yes		Yes
Years between occurrences :	1		1
Number of occurrences :	15	•	8

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

Inside The Numbers

Results Summary

Key Assumptions	Current Scenario		Recomended
Retirement Income			
John Pension (John)			
Annual Income :	$48,000		$48,000
Start Year :	2012		2012
Select when income will end :	End of John's Plan		End of John's Plan
Year to end retirement income :			
Survivor Benefit :	100%		100%
Social Security			
Select Social Security Strategy	At retirement	•	Customize Benefits
John			
Select Filing Method:	Normal		Normal
Select when benefits will begin:	At John's retirement	•	Enter Your Own Age
Age to begin retirement benefits:	65	•	70 yrs 0 mos
Select benefit to use:	Base on PIA		Base on PIA
Social Security Amount:	$26,880	•	$38,016
Widower annual benefit:	$0		$0
Reduce benefits by:	0%		0%
Joan			
Select Filing Method:	Normal	•	Restricted Application
Select when benefits will begin:	At Joan's retirement	•	Enter Your Own Age
Age to begin retirement benefits:	62	•	70 yrs 0 mos
Select benefit to use:	Base on PIA		Base on PIA
Social Security Amount:	$12,600	•	$14,400
Widower annual benefit:	$0		$0
Reduce benefits by:	0%		0%

Inside The Numbers

Results Summary

Key Assumptions	Current Scenario	Recomended
Asset Additions		
John 401(k)	Maximum	Maximum
Roth:	N/A	N/A
Maximum contribution each year:	Yes	Yes
% Designated as Roth:	0.00%	0.00%
Plan addition amount:	$27,600	$27,600
Year additions begin:	2015	2015
John - Fund All Goals		
SEP IRA		
Include In Plan :		Yes
Pre-Tax Amount :		$12,000
Year additions begin:		2015
Year additions end:		Joan's Retirement
Joan - Qualified - Fund All Goals		
Extra Savings by Tax Category		
John's Qualified		$0
Joan's Qualified		$0
John's Roth		$0
Joan's Roth		$0
John's Tax-Deferred		$0
Joan's Tax-Deferred		$0
Taxable		$0

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

Inside The Numbers

Results Summary

Key Assumptions	Current Scenario	Recomended
Other Assets		
Joan Whole Life		
Include in Plan :	Yes	Yes
When received :	2015	2015
Amount of cash received :	$30,000	$30,000
$250k Term Policy		
Include in Plan :	Yes	Yes
When received :	2025	2025
Amount of cash received :	$0	$250,000
Tax Options		
Include Tax Penalties :	Yes	Yes
Change Tax Rate?	No	No
Year To Change :		
Change Tax Rate by this % (+ or -) :	0.00%	0.00%

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

Executive Summary

Reaching Your Goals	Status

Probability of Success: 90%

In Confidence Zone

Net Worth	
Assets	$2,025,000
Liabilities	$110,000
Net Worth	**$1,915,000**

Results

If you implement the following suggestions, there is a 90% 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.

Executive Summary

Goals

Plan to reduce your Total Goal Spending to $3,524,000 which is $834,000, or 19%, less than your Target.

John retires at age 67, in the year 2017. This is 2 year(s) later than your retirement age.

Joan retires at age 63, in the year 2017. This is 2 year(s) later than your retirement age.

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

Executive Summary

Goal	Amount	Changes
Needs		
10 Retirement - Living Expense		
Both Retired	$72,000	
Joan Alone Retired	$54,000	
8 BMW	$25,000	
Starting	2017	
Years between occurrences	7	Increased 2
Ending	End of plan	
8 Lexus	$25,000	
Starting	2015	
Years between occurrences	7	Increased 2
Number of occurrences	3	Decreased 1
Wants		
6 Annual Luxury Vacation	$9,000	Decreased $1,000
Starting	At John's retirement	
Years between occurrences	1	
Number of occurrences	15	
5 Coastal Vacation Home	$250,000	Decreased $50,000
Starting	At John's retirement	
5 Coastal Vacation Home Expenses	$18,000	Decreased $2,000
Starting	At John's retirement	
Years between occurrences	1	
Ending	End of plan	
Wishes		
1 $250k Term Life Policy Premiums	$2,000	Increased $2,000
Starting	At John's retirement	
Years between occurrences	1	
Number of occurrences	8	Decreased 7

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

Executive Summary

Save and Invest	Status

Savings

Joan - SEP IRA: Increase qualified additions by $12,000. Make this change in 2015.

Invest

Your Portfolio should be re-allocated

Investment Portfolio Asset Allocation

Current

Balanced I

Changes Required to match Balanced I

Asset Class	Increase By	Decrease By
Cash & Cash Alternatives		-$78,550
Short Term Bonds	$422,450	
Intermediate Term Bonds		-$77,000
Large Cap Value Stocks		-$72,600
Large Cap Growth Stocks		-$42,000
Mid Cap Stocks		-$172,000
Small Cap Stocks	$36,500	
International Developed Stocks	$11,800	
International Emerging Stocks		-$28,600
Total :	**$470,750**	**-$470,750**

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