

FINANCIAL ANALYSIS

Designed For:

Martin and Mary Moderate

August 22, 2011

Prepared By:

David M Stitt, CLU, ChFC, CEP, CSA, CFP, RFC

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August 22, 2011

Dear Martin and Mary,

I am pleased to have this opportunity to review your financial analysis with you. During this session, we will discuss the following topics:

1. Your present situation
2. Details of your financial analysis
3. A recommended financial strategy
4. Implementation of your strategy

Before we discuss the details of your analysis, it is helpful to review some key money management ideas so you can keep them in mind as we progress through your reports.

My objective is to provide you with an analysis that is easy-to-understand and a clearly defined course of action for implementing your strategy. Please feel free to ask as many questions as you like.

Sincerely,

David M Stitt, CLU, ChFC, CEP, CSA, CFP, RFC

IMPORTANT DISCLOSURE

Personal financial planning involves many interrelated yet distinct disciplines. By applying the principles of cash management, risk management, tax planning, investment and estate planning to your specific needs, you can make the maximum use of your pretax and after-tax dollars. This can be time-consuming, yet the result - a practical financial plan and investment program - can be important in helping you reach your goals.

Purpose and Nature of this Report

This confidential report has been developed to provide you background information on issues you may want to discuss further as part of your personal financial planning. You may be familiar with some of these subjects. Others may be new to you and may present aspects that you have not yet considered.

This financial plan is a general plan based on information you supplied. Where we had no information from you, we made a few general assumptions which may not be suitable for you depending on your own specific needs and circumstances. The usefulness of this analysis will depend on the accuracy and completeness of that information. The results provide:

1. An overall view of your present financial position
2. An analysis of your family's future financial needs
3. An examination of the impact of time and potential inflation
4. An evaluation of your goals to see if they are practical and achievable
5. Possible adjustments or changes to help achieve your goals

This financial analysis will show you how much money you need to save and invest, the rate of return needed to reach your goals, and how much insurance you need, if any. It will also show you how to carry out your course of action. Setting goals, planning, implementing and monitoring, results in a complete program.

During the plan delivery session, you may discuss more facts and circumstances relevant to your family's finances that may alter the recommendations made here. I can work with you to tailor this program to your changing situation by making the necessary adjustments.

Changes that occur in your financial circumstances as well as in the economy can affect this plan. Information about market values reflects values on the date provided by you. It is important that you keep track of your progress and make changes as needs arise; therefore we recommend annual updates. As with any plan, the final responsibility for any action you take rests with you.

Methodology

We believe the information, data and explanations here are accurate, but should not be relied on for preparing returns or investing decisions. There is no warranty about correctness or application to your personal circumstances. This information has neither been audited nor corroborated by the companies listed below and is therefore not guaranteed by them in any way.

IMPORTANT DISCLOSURE (continued)

Information about legal, tax, or accounting matters that you read in this plan is necessarily general in nature and is not meant as specific legal, tax, or accounting advice to you. You should consult with your attorney, accountant, and other professional advisers to ensure the portions of this plan that you choose to implement are suitable in your particular circumstances.

Federal Income Tax Considerations

This plan uses federal tax laws as enacted on June 7, 2001 and subsequently revised by Congressional action. The 2001 tax act provided for its sunset and returning to 2001 tax rates in 2011. The software can show the affect of the law expiring (sun setting) in 2011 or the effect of making various provisions permanent. We work closely with CCH, Inc. to ensure the most accurate calculations possible considering the data available.

General Tax Disclaimer

Any discussion of taxes included in this plan is for general information only. Such information does not claim to be complete or to cover every situation. Current tax law is subject to interpretation and legislative change. Tax results and the appropriateness of any product for any specific taxpayer may vary depending on the specific set of facts and circumstances. You should consult with and rely on your own independent accounting, legal and other tax advisors.

IRS Circular 230 Notice

The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This may support the promotion and marketing of the concept and or product being discussed. You should seek advice based on your particular circumstances from an independent tax advisor.

Social Security Benefits

The estimated benefits illustrated in this plan are based on tables provided by William Mercer and Company. The software can also use the PIA amount the client received from the Social Security Administration.

College Costs

The software uses Peterson's Four Year College Cost database to estimate the costs for colleges within the United States. This database is updated twice a year to match the semester schedule.

Asset Allocation

The plan may include a recommendation for reallocating your investment portfolio. This recommendation is based on your answers to a risk tolerance questionnaire as well as the information you have provided about your circumstances and objectives. There is no guarantee the recommended portfolio will produce the desired investment results. You should closely watch your progress toward your goals regularly.

IMPORTANT DISCLOSURE (continued)

Monte Carlo simulation

This plan may include a Monte Carlo simulation analysis. The software is powered by Crystal Ball the premier risk analysis tool used by Fortune 500 companies and leading MBA schools. It uses historic rates of return of standard indices assigned to the various asset classes.

This Report is not an Account Statement

This plan is not an account statement with any financial institution. We have made every effort to provide you with correct information. We cannot be responsible for the timeliness or accuracy of the information received from third parties. Please view these values as a general guide to portfolio values. Prices may vary from liquidation value and will fluctuate with changes in market conditions such that you may experience a gain or loss. This report should not be relied on for the computation of income taxes or to make investment decisions related to buying, selling, or holding any particular security or product. Always contact the financial institution directly for the most up-to-date account values.

Limitations on the Scope of Advice

Neither I nor any of my agents, representatives, or employees provide any legal, tax, nor accounting advice. Therefore you should consult with your personal attorney, accountant or tax advisor for this advice independently or in conjunction with implementing your plan. Additionally, together with your advisors, you should carefully consider each recommendation in light of your particular situation before deciding on a specific course of action.

No Duty to Monitor or Revise

Unless otherwise engaged, we are under no obligation to oversee the implementation of any recommendations included in this plan, monitor your financial or other personal circumstances, or suggest future revisions to this report.

We recommend you review your plan and implement any necessary changes at least yearly and more often in response to material changes in your situation. Such changes can have a dramatic impact on the outcome of this plan.

Privacy

We treat the information gathered during the planning process as strictly confidential and will use any such information only for business purposes you have with me. The information obtained will not be disclosed to any unaffiliated third-party except if such information is required by law or regulatory process or authorized by you in writing.

IMPORTANT DISCLOSURE (continued)

Implementation of the Plan

The investment advice in this plan is “generic” in that it covers only broad categories of securities, insurance, annuities, banking, trust services and other financial investments and services. We will not make specific securities or product recommendations or provide analysis of specific securities or life insurance policies as part of our financial planning services. We will only make broad generic recommendations of categories of investments or insurance products with certain features available to meet your needs. You may choose to implement the plan (that is buy securities, insurance or other financial products) through me or any other individual or financial institution you may choose.

Should you choose to implement this plan in whole or in part through me, my capacity will be that of a registered representative of a broker-dealer. In that sales capacity I may recommend specific investment, risk protection, and other financial products through which the plan can be implemented. You are under no obligation to buy any products or services from or through me. However, if you do, this may result in my receiving additional compensation.

IMPORTANT

The projections or other information made by Plan Builder about the likelihood of various investment outcomes are hypothetical in nature, and do not reflect actual investment results and are not guarantees of future results.

Results may vary with each use and over time.

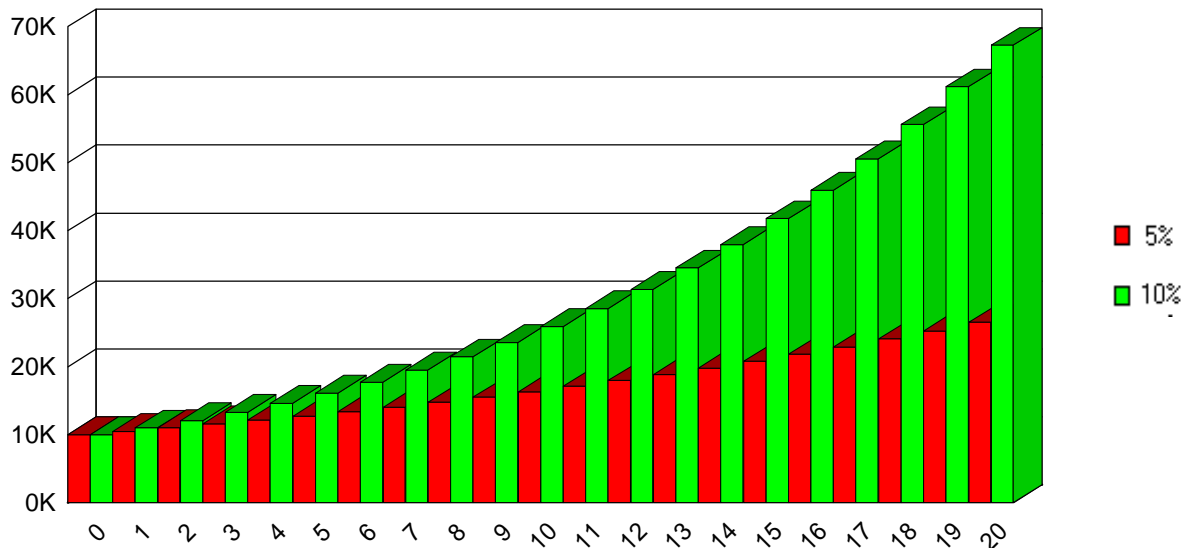
COMPOUND RETURNS

Compound returns are a powerful tool you can use to help achieve your financial goals. The rate of return you realize and the length of time you keep your principal and earnings invested are the key elements of compound returns.

The illustration below compares two hypothetical investment accounts earning two different rates of return. After ten years, the account earning 10 percent* is \$9,648 larger than the account earning only 5 percent*; after 20 years, it is \$40,742 larger. Just a few percentage points in the rate of return can make a tremendous difference. For example, by increasing from 10 to 12 percent*, the value at the end of 20 years would be \$96,463.

We have utilized the principles of compound return in your analysis to show you how your specific needs and goals can be affected by this money management concept.

\$10,000 Lump Sum (Compounded Annually)



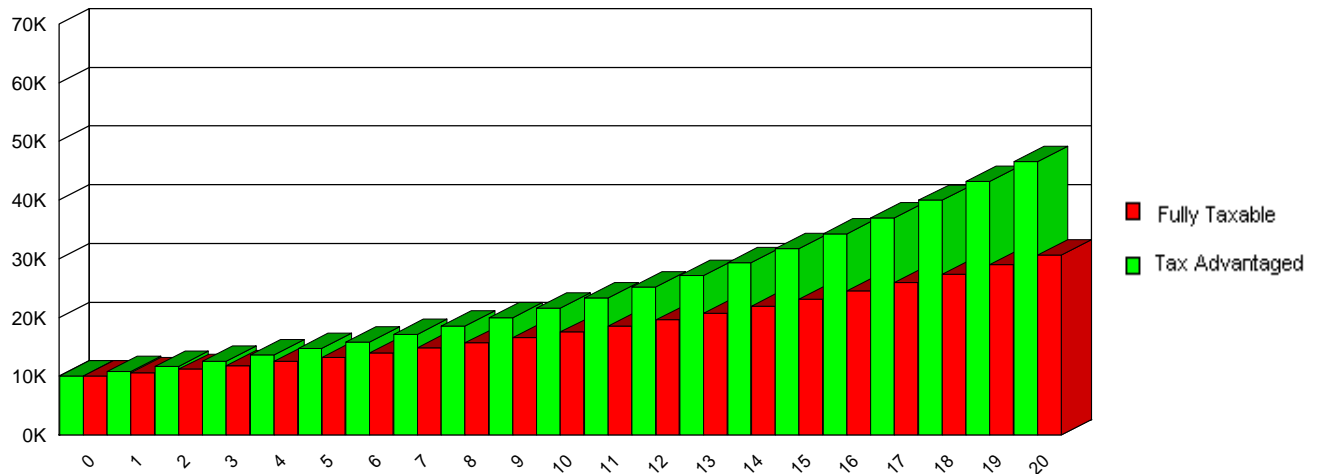
* This is a hypothetical illustration and does not assume any particular investment. The rates of return are not guaranteed. The illustration assumes reinvestment of all earnings and does not account for taxes or transaction costs.

TAX PLANNING

When you pay a dollar in taxes, you not only lose the dollar you lose its earning power. The graph shown below compares two equal investments, both earn the same rate of return. Taxes are paid on the annual interest earned on the first investment, while the second investment grows tax-deferred for the same period of time. At the end of the time period the second investment is considerably larger, due to the effects of tax deferral and compound return. Even when the tax consequences of a complete liquidation are considered, the tax-deferred investment outperforms the investment taxed annually.

In order to compare two or more investments that may be taxed differently, we will determine the weighted-average after tax rate of return for each investment in your portfolio. In order for you to achieve real growth in your portfolio, your after tax rate of return must be greater than the average rate of inflation over time. While inflation is beyond your control, this analysis will show you how to utilize tax-deferred instruments to increase your after tax rate of return.

\$10,000 Lump Sum (8% Compounded Annually*)



	Fully Taxable	Tax Advantaged
Initial Investment	\$10,000	\$10,000
Return @ 8%	\$800	\$800
Less Taxes (28% Bracket)	\$224	\$0
Return	5.76 %	8.00 %

* This is a hypothetical illustration only and the rates of return are not indicative of any particular investment. If both investments were liquidated at the end of the holding period, The investment taxed annually would yield \$30,650, while the tax-deferred investment would yield \$36,359 (both liquidations are net of ordinary federal taxes).

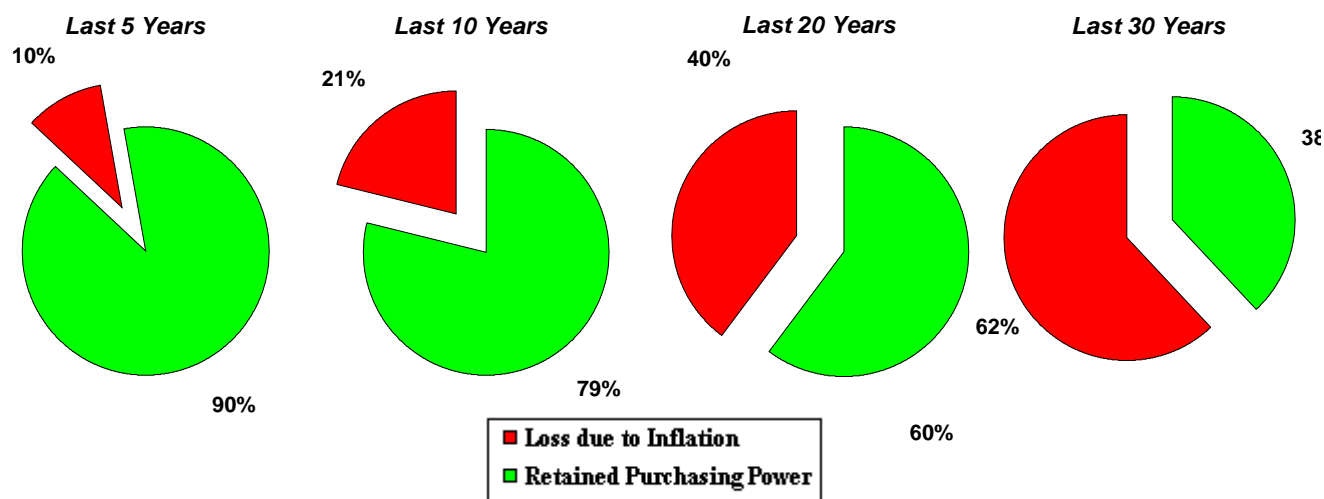
INFLATION

Inflation has been defined as the persistent increase in the level of consumer prices causing a decline in the purchasing power of money. One of the biggest obstacles to financial security is inflation. Even at moderate rates, inflation can significantly erode your standard of living.

The chart below shows the compound average rates of inflation for selected time periods.

Period From Through	Number of Years	Compound Rate of Inflation
1931 - 2010	80	3.4
1941 - 2010	70	4.1
1951 - 2010	60	3.7
1961 - 2010	50	4.1
1971 - 2010	40	4.4
1981 - 2010	30	3.2
1991 - 2010	20	2.5
2001 - 2010	10	2.4
2006 - 2010	5	2.2
2010	1	1.5

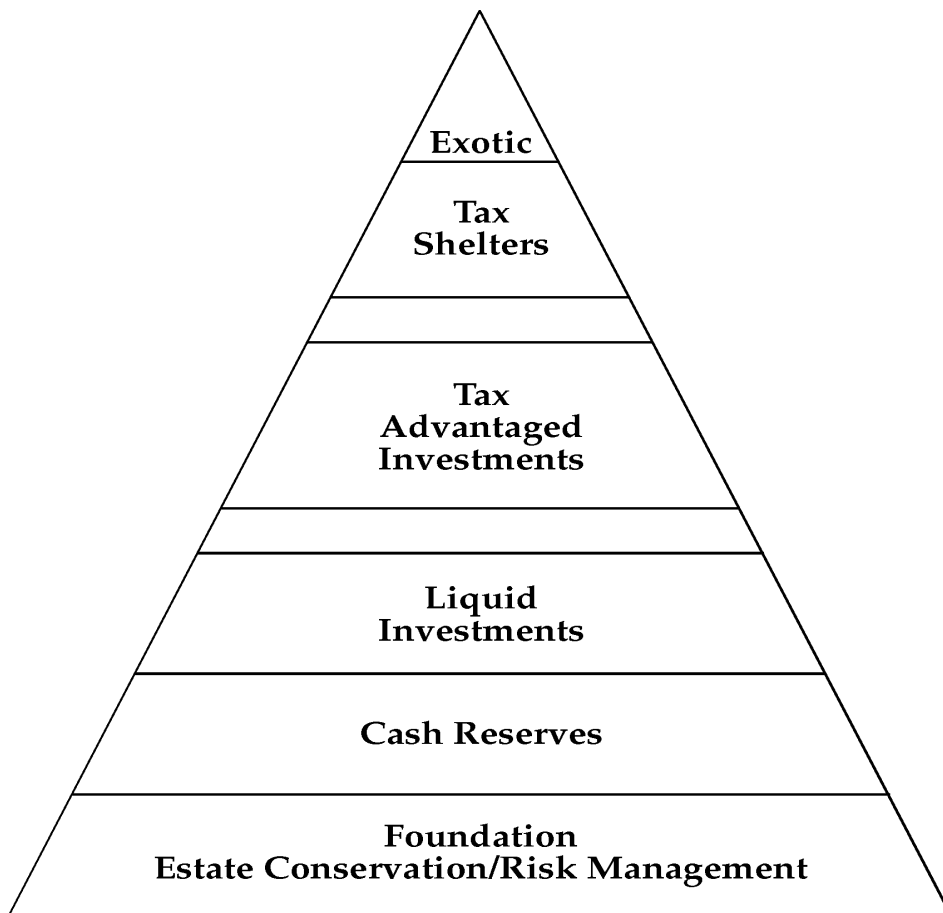
The graphs below illustrate the impact of inflation over the time periods indicated above the chart.



Source: Bureau of Labor Statistics, Consumer Price Index (CPI-U). Data through year-end 2009.

SUCCESS TRIANGLE

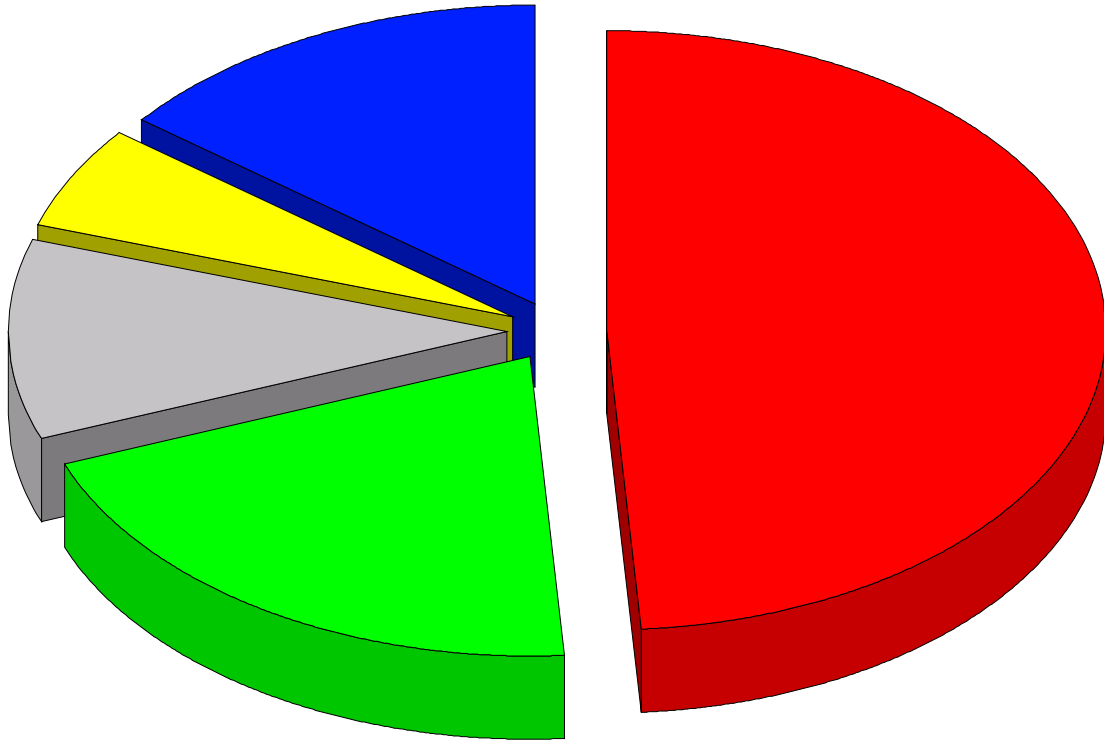
To make compound interest work for you, and to provide you with tax benefits, we will apply the concept of diversification to your investment program. The importance of proper diversification cannot be overlooked. The diversification of your investments must reflect your needs and goals, since no set of rules applies to everyone. We use the Success Triangle to help you visualize your diversification.



INCOME TAX ANALYSIS

	Martin	Mary	Combined
Earned Income			
Salary, Wages, & Bonus	108,000	36,000	144,000
Net Income From Self-Employment	0	0	0
Less Qualified Plan Contributions	2,400	0	2,400
Total Earned Income	105,600	36,000	141,600
Unearned Income			
Taxable Interest Income	52	52	104
Dividend Income	75	75	150
Taxable Anticipated Income	0	0	0
Alimony Received	0	0	0
Capital Gains	0	0	0
Trust Income	0	0	0
IRA/Keogh Distributions, Withdrawals	0	0	0
Pension and Annuity Income	0	0	0
Rent, Royalty, or Partnership Income	0	0	0
Other	0	0	0
Other	0	0	0
Other	0	0	0
Total Unearned Income	127	127	254
Social Security Income	0	0	0
Taxable Social Security Benefits	0	0	0
Total Present Income	\$105,727	\$36,127	\$141,854
Less Adjustments to Income			
IRA Deduction	0	0	0
50% of Self-Employment tax	0	0	0
SEP, Keogh, SIMPLE Deductions	0	0	0
Alimony and Other Adjustments	0	0	0
Adjusted Gross Income	\$105,727	\$36,127	\$141,854
Less:			
Number of Exemptions			3
Dollar Amount of Exemptions			11,100
Standard or Itemized Deductions			18,622
Taxable Income (Including Capital Gains)			\$112,132
Federal Income Tax			
Marginal Tax Bracket			25.0%
Subtotal Tax			20,283
Less Credits			1,000
Marginal Capital Gain Bracket			15.0%
Capital Gain Taxes			0
Total Federal Income Tax			\$19,283
State Income Tax			
Tax Bracket			3.0%
Total State Income Tax			4,255
Local Income Tax			2,159
FICA and Medicare Tax			8,084
Total Income Taxes			\$33,781

TAX ANALYSIS - ANNUAL



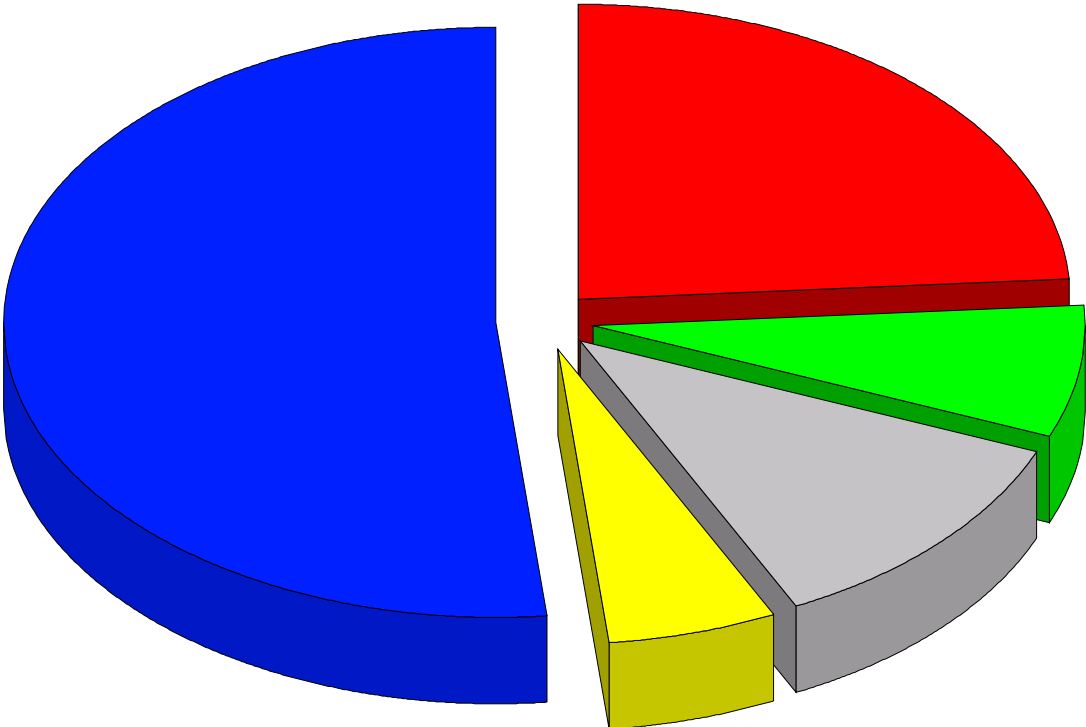
■ Federal Income	19,283	48.8%
■ FICA and Medicare	8,084	20.5%
■ State Income	4,255	10.8%
■ Local Income	2,159	5.5%
■ Property	5,748	14.5%
Total:	39,529	100.0%

This report does not include sales and use taxes or personal property taxes.

CASH FLOW ANALYSIS

Monthly Gross Income	\$13,854	
Monthly Expenses		% of Total
Cash Reserves	0	0.00%
Investments	666	4.81%
Deferred Annuities	0	0.00%
Insurance Policies	0	0.00%
Qualified Plans	359	2.59%
Total Savings & Investments	\$1,025	7.40%
Federal Taxes	1,606	11.59%
State Income Taxes	354	2.56%
Local Income Taxes	179	1.29%
FICA and Medicare Taxes	673	4.86%
Property Taxes	479	3.46%
Total Taxes	\$3,294	23.78%
Life Insurance	93	0.67%
Disability / LTC Insurance	0	0.00%
Medical Insurance	500	3.61%
Homeowner's / Property Insurance	64	0.46%
Auto Insurance	124	0.90%
Other Insurance	0	0.00%
Total Insurance	\$781	5.64%
Mortgage Payments	1,923	13.88%
Liability Payments	719	5.19%
Food	700	5.05%
Medical / Dental	100	0.72%
Entertainment / Recreation / Vacation	500	3.61%
Charity/ Tithing/ Gifts	750	5.41%
Clothing	200	1.44%
Home Maintenance / Furnishings	125	0.90%
Utilities & Miscellaneous Costs	425	3.07%
Unreimbursed Employee Business Expenses	0	0.00%
Auto Maintenance & Leases	750	5.41%
Rent	0	0.00%
Education	450	3.25%
Vacation	500	3.61%
	0	0.00%
	0	0.00%
Total Standard of Living	\$7,142	51.55%
Total Monthly Expenses	\$12,242	88.36%
Unallocated Monthly Income	\$1,612	11.64%
Additional Monthly Amount to Save (as indicated on data form)	\$0	

CASH FLOW ANALYSIS - ANNUAL

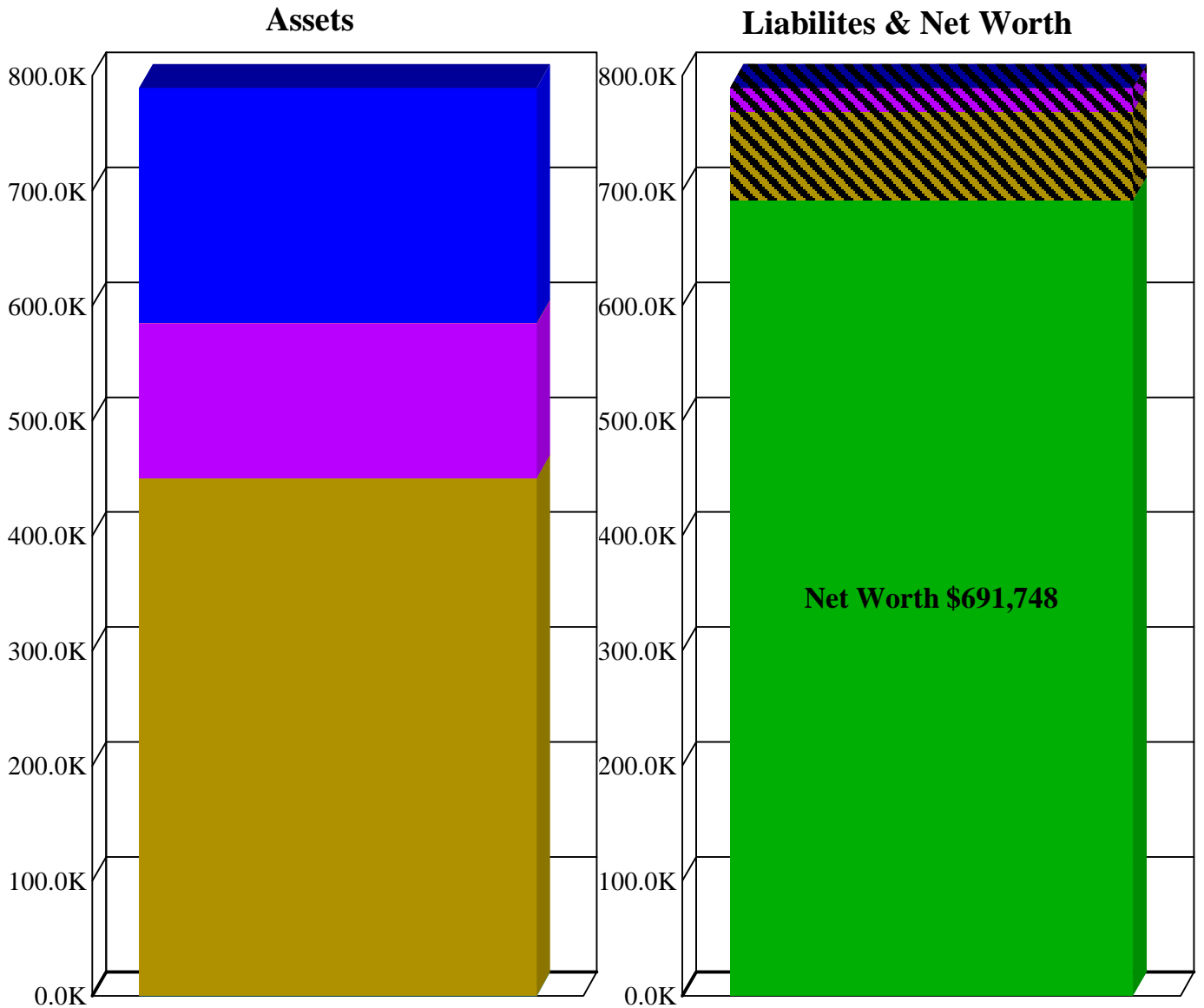


■ Taxes	3,294	23.8%
■ Savings	1,025	7.4%
■ Unallocated	1,612	11.6%
■ Insurance	781	5.6%
■ Standard of Living	7,142	51.6%
Total:	13,854	100.0%

NET WORTH STATEMENT

Investment Assets	Amount	% of Total
Cash (Checking, Savings, Money Mkt, T-Bill)	22,500	2.85%
Certificates of Deposit	0	0.00%
Life Insurance Cash Value	10,000	1.27%
Fixed Annuities	0	0.00%
Variable Annuities	0	0.00%
Stocks	0	0.00%
Bonds	0	0.00%
Mutual Funds	55,464	7.02%
Tangible Assets	0	0.00%
IRAs	21,432	2.71%
SEP-IRAs	0	0.00%
401(k), Profit Sharing	95,152	12.05%
403(b) TSA	0	0.00%
Keogh Plans	0	0.00%
457, Deferred Compensation	0	0.00%
Other Qualified Plan	0	0.00%
Roth IRA	0	0.00%
Limited Partnerships	0	0.00%
Unit Investment Trusts	0	0.00%
Investment Real Estate	0	0.00%
Money Owed You	0	0.00%
Total Investment Assets	\$204,548	25.91%
Personal Assets		
Personal Real Estate (Market Value)	450,000	56.99%
Personal Property	135,000	17.10%
Total Personal Assets	\$585,000	74.09%
Total Business Assets	\$0	0.00%
Total Assets	\$789,548	100.00%
Investment Liabilities		
Investment Real Estate Mortgages	0	0.00%
Subordinate Loans against Investment Real Estate	0	0.00%
Loans Against Insurance Cash Value	0	0.00%
Loans or Debts Against Investments	0	0.00%
Total Investment Liabilities	0	0.00%
Personal Liabilities		
Real Estate Mortgages	77,000	78.73%
Subordinate Loans against Real Estate	0	0.00%
Consumer Debt	20,800	21.27%
Total Personal Liabilities	97,800	100.00%
Total Liabilities	\$97,800	100.00%
Net Worth	\$691,748	

NET WORTH STATEMENT CHART



Investment Assets	204,548	25.9%
Investment Real Estate	0	0.0%
Personal Property	135,000	17.1%
Personal Real Estate	450,000	57.0%
Business Assets	0	0.0%

Investment Liabilities	0	0.0%
Investment RE Mortgages	0	0.0%
Consumer Debt	20,800	2.6%
Personal RE Mortgages	77,000	9.8%
Net Worth	691,748	87.6%

Total **\$789,548** **100%**

Total **\$789,548** **100%**

PROJECTED CASH FLOW AND INVESTMENT ASSETS SUMMARY

Year	Age of Martin/Mary	Total Income	Expenses	Annual Taxes	Total Savings	Year End Asset Value
2012	49 / 46	174,433	92,810	45,713	16,397	231,764
2013	50 / 47	181,762	95,174	53,323	16,899	261,276
2014	51 / 48	189,449	94,487	56,369	17,431	293,275
2015	52 / 49	197,508	90,317	59,577	17,995	327,965
2016	53 / 50	183,960	71,184	62,633	13,592	360,566
2017	54 / 51	203,963	83,850	67,058	14,225	384,685
2018	55 / 52	226,174	98,015	72,087	14,894	397,634
2019	56 / 53	237,785	102,500	75,824	15,606	409,302
2020	57 / 54	240,066	98,517	78,317	16,363	429,302
2021	58 / 55	232,816	86,199	79,182	17,162	468,427
2022	59 / 56	244,070	89,571	84,255	18,016	510,549
2023	60 / 57	255,871	93,074	88,315	18,919	555,888
2024	61 / 58	268,252	96,714	92,580	19,877	604,682
2025	62 / 59	281,242	100,495	97,061	20,899	657,190
2026	63 / 60	294,870	104,432	101,987	21,983	713,689
2027	64 / 61	309,168	108,517	107,193	23,134	774,473
2028	65 / 62	324,174	112,764	112,668	24,364	839,865
Total		\$4,045,563	\$1,618,620	\$1,334,142	\$307,756	

Total income is the sum of income from all sources. Expenses reflects the current budget inflated at the client's rate of return, insurance premiums, and mortgage and liability payments during amortization. Annual taxes is the total of all taxes including capital gains taxes, FICA and Medicare and real estate. Annual Savings is the sum of before tax, after tax and employer matching contributions. Year End Asset Value is the total of investment assets as of the end of the year.

PROJECTED INCOME SUMMARY

Year	Age of Martin/Mary	Earned Income	Pension Income	Anticipated Income	Investment Income	Total Income
2012	49 / 46	150,838	0	22,000	1,595	174,433
2013	50 / 47	158,006	0	22,000	1,756	181,762
2014	51 / 48	165,518	0	22,000	1,931	189,449
2015	52 / 49	173,388	0	22,000	2,120	197,508
2016	53 / 50	181,637	0	0	2,323	183,960
2017	54 / 51	190,281	0	0	13,682	203,963
2018	55 / 52	199,339	0	0	26,835	226,174
2019	56 / 53	208,833	0	0	28,952	237,785
2020	57 / 54	218,782	0	0	21,284	240,066
2021	58 / 55	229,208	0	0	3,608	232,816
2022	59 / 56	240,136	0	0	3,934	244,070
2023	60 / 57	251,589	0	0	4,282	255,871
2024	61 / 58	263,592	0	0	4,660	268,252
2025	62 / 59	276,172	0	0	5,070	281,242
2026	63 / 60	289,357	0	0	5,513	294,870
2027	64 / 61	303,177	0	0	5,991	309,168
2028	65 / 62	317,661	0	0	6,513	324,174
Total		\$3,817,514	\$0	\$88,000	\$140,049	\$4,045,563

Earned Income is the total income earned from wages and self employment. Pension Income is the total income from pensions. Anticipated Income is the total income from anticipated sources. Investment Income is the total income from asset liquidations, interest, and dividends. Total Income is the total of all sources.

PROJECTED INVESTMENT INCOME DETAIL

Year	Age Martin/Mary	Dividends & Interest	Cap Gains & Qualified Plans	Return of Basis & ROTH	Insurance & Annuity Income	Other	Total Income
2012	49 / 46	1,595	0	0	0	0	1,595
2013	50 / 47	1,756	0	0	0	0	1,756
2014	51 / 48	1,931	0	0	0	0	1,931
2015	52 / 49	2,120	0	0	0	0	2,120
2016	53 / 50	2,323	0	0	0	0	2,323
2017	54 / 51	2,542	6,239	4,901	0	0	13,682
2018	55 / 52	2,777	14,435	9,623	0	0	26,835
2019	56 / 53	3,033	16,329	9,590	0	0	28,952
2020	57 / 54	3,312	12,084	5,888	0	0	21,284
2021	58 / 55	3,608	0	0	0	0	3,608
2022	59 / 56	3,934	0	0	0	0	3,934
2023	60 / 57	4,282	0	0	0	0	4,282
2024	61 / 58	4,660	0	0	0	0	4,660
2025	62 / 59	5,070	0	0	0	0	5,070
2026	63 / 60	5,513	0	0	0	0	5,513
2027	64 / 61	5,991	0	0	0	0	5,991
2028	65 / 62	6,513	0	0	0	0	6,513
Total		\$60,960	\$49,087	\$30,002	\$0	\$0	\$140,049

Dividends & Interest is the earnings on Investment Assets. Capital Gains & Qualified Plans are the total income from assets which are subject to capital gains taxes + total income from qualified assets. Return of Basis & ROTH is the amount of original investment returned in the period. Insurance & Annuity Income is the total of insurance loans taken, deferred annuity withdrawals, and immediate annuity payments. Other includes any income not specifically identified in another column. Total Income is the sum of Insurance Loans + Annuity Income + Dividends + Interest + Capital Gains + Return of Basis + Real Estate Income.

PROJECTED EXPENSE DETAIL

Year	Age of Martin/Mary	Client Savings	Total Taxes	Total Insurance	Standard of Living	Total Expense
2012	49 / 46	23,076	8,628	9,372	68,131	109,207
2013	50 / 47	23,076	8,628	9,699	70,670	112,073
2014	51 / 48	23,076	5,464	10,044	73,334	111,918
2015	52 / 49	19,645	2,158	10,401	76,108	108,312
2016	53 / 50	0	0	10,772	74,004	84,776
2017	54 / 51	0	0	11,159	86,916	98,075
2018	55 / 52	0	0	11,560	101,349	112,909
2019	56 / 53	0	0	11,978	106,128	118,106
2020	57 / 54	0	0	12,413	102,467	114,880
2021	58 / 55	0	0	12,865	90,496	103,361
2022	59 / 56	0	0	13,334	94,253	107,587
2023	60 / 57	0	0	13,824	98,169	111,993
2024	61 / 58	0	0	14,332	102,259	116,591
2025	62 / 59	0	0	14,861	106,533	121,394
2026	63 / 60	0	0	15,411	111,004	126,415
2027	64 / 61	0	0	15,983	115,668	131,651
2028	65 / 62	0	0	16,577	120,551	137,128
Total		\$88,873	\$24,878	\$214,585	\$1,598,040	\$1,926,376

Mortgage Payments is the total annual payments made for mortgages. Liability Payments is the total of other liability payments. Insurance Expenses is the total insurance premiums. Total expenses is the future value of the monthly budget + Mortgage Payments + Liability Payments + Insurance Expenses, or the future value of the Retirement Income Objective. The Standard of Living is the difference between the Total Expense Level and the sum of Monthly Mortgage Payments + Monthly Liability Payments + Insurance Expenses.

PROJECTED TAX DETAIL

Year	Age of Martin/Mary	Federal Taxes	State & Local Taxes	Property Taxes	FICA & Medicare Taxes	Self Emp Taxes	Total Taxes
2012	49 / 46	21,907	6,698	5,979	11,129	0	45,713
2013	50 / 47	30,657	7,019	6,219	9,428	0	53,323
2014	51 / 48	32,913	7,355	6,467	9,634	0	56,369
2015	52 / 49	35,296	7,707	6,726	9,848	0	59,577
2016	53 / 50	37,488	8,077	6,995	10,073	0	62,633
2017	54 / 51	40,825	8,652	7,275	10,306	0	67,058
2018	55 / 52	44,666	9,304	7,566	10,551	0	72,087
2019	56 / 53	47,362	9,786	7,869	10,807	0	75,824
2020	57 / 54	48,956	10,105	8,184	11,072	0	78,317
2021	58 / 55	49,109	10,211	8,511	11,351	0	79,182
2022	59 / 56	53,061	10,702	8,851	11,641	0	84,255
2023	60 / 57	55,949	11,216	9,205	11,945	0	88,315
2024	61 / 58	58,988	11,756	9,574	12,262	0	92,580
2025	62 / 59	62,189	12,322	9,957	12,593	0	97,061
2026	63 / 60	65,778	12,916	10,355	12,938	0	101,987
2027	64 / 61	69,585	13,539	10,769	13,300	0	107,193
2028	65 / 62	73,599	14,192	11,200	13,677	0	112,668
Total		\$828,328	\$171,557	\$141,702	\$192,555	\$0	\$1,334,142

Federal Taxes include Federal Income Taxes, Capital Gains Taxes, and any Federal Tax Penalties. State & Local includes State Income Taxes and any Local taxes on Earned Income. Property taxes are the future value of current property taxes at the property's assumed growth rate. FICA taxes include the employee portion of both FICA and Medicare taxes. Self-Employment taxes include applicable Medicare and FICA taxes on self-employment income. Total is the sum of all tax columns.

PROJECTED SAVINGS DETAIL

Year	Age of Martin/Mary	Pre-Tax Savings	After-Tax Savings	Reinvested Earnings	Total Client Savings	Employer Contributions	Total Savings
2012	49 / 46	4,535	8,000	1,595	14,130	2,267	16,397
2013	50 / 47	4,762	8,000	1,756	14,518	2,381	16,899
2014	51 / 48	5,000	8,000	1,931	14,931	2,500	17,431
2015	52 / 49	5,250	8,000	2,120	15,370	2,625	17,995
2016	53 / 50	5,513	3,000	2,323	10,836	2,756	13,592
2017	54 / 51	5,789	3,000	2,542	11,331	2,894	14,225
2018	55 / 52	6,078	3,000	2,777	11,855	3,039	14,894
2019	56 / 53	6,382	3,000	3,033	12,415	3,191	15,606
2020	57 / 54	6,701	3,000	3,312	13,013	3,350	16,363
2021	58 / 55	7,036	3,000	3,608	13,644	3,518	17,162
2022	59 / 56	7,388	3,000	3,934	14,322	3,694	18,016
2023	60 / 57	7,758	3,000	4,282	15,040	3,879	18,919
2024	61 / 58	8,145	3,000	4,660	15,805	4,072	19,877
2025	62 / 59	8,553	3,000	5,070	16,623	4,276	20,899
2026	63 / 60	8,980	3,000	5,513	17,493	4,490	21,983
2027	64 / 61	9,429	3,000	5,991	18,420	4,714	23,134
2028	65 / 62	9,901	3,000	6,513	19,414	4,950	24,364
Total		\$117,200	\$71,000	\$60,960	\$249,160	\$58,596	\$307,756

Pre-Tax Savings includes all contributions to qualified retirement plans. After-Tax Savings includes all savings and contributions made after first paying income tax on the income. Reinvested Earnings includes the value of all reinvested investment earnings. Total Client Savings is the total amount saved by the client in any manner. Employer Contributions reflects the amount contributed by an employer for a client in a qualified retirement plan. Total Savings is the grand total of all savings by or for a client.

PROJECTED ASSET DETAIL

Year	Age of Martin/Mary	Insurance/ Annuities	Real Estate	Qualified Ret. Plans	Business Assets	Investment Assets	Total Assets
2012	49 / 46	10,498	0	129,148	0	92,118	231,764
2013	50 / 47	11,021	0	142,679	0	107,576	261,276
2014	51 / 48	11,571	0	157,242	0	124,462	293,275
2015	52 / 49	12,149	0	172,907	0	142,909	327,965
2016	53 / 50	12,755	0	189,746	0	158,065	360,566
2017	54 / 51	13,392	0	207,840	0	163,453	384,685
2018	55 / 52	14,060	0	227,271	0	156,303	397,634
2019	56 / 53	14,762	0	248,128	0	146,412	409,302
2020	57 / 54	15,499	0	270,503	0	143,300	429,302
2021	58 / 55	16,272	0	294,498	0	157,657	468,427
2022	59 / 56	17,085	0	320,218	0	173,246	510,549
2023	60 / 57	17,938	0	347,777	0	190,173	555,888
2024	61 / 58	18,834	0	377,292	0	208,556	604,682
2025	62 / 59	19,775	0	408,893	0	228,522	657,190
2026	63 / 60	20,763	0	442,713	0	250,213	713,689
2027	64 / 61	21,800	0	478,895	0	273,778	774,473
2028	65 / 62	22,889	0	517,591	0	299,385	839,865

Insurance & Annuities is total cash values minus loans + the value of deferred annuities. Real Estate is the sum of the market values of the property minus outstanding mortgages. Qualified Ret. Plans is the sum of qualified assets. Business assets represents the estimated value of all businesses. Investment Assets is the total of all other assets available to provide income for retirement. Only Real Estate and Business Assets available for retirement needs are included in the value of real estate and or business value.

PROJECTED CASH FLOW AND NET WORTH SUMMARY

Year	Age of Martin/Mary	Total Income	Expenses	Annual Taxes	Client Savings	Surplus or Deficit	Net Worth
2012	49 / 46	174,433	95,077	45,713	14,130	19,513	761,434
2013	50 / 47	181,762	97,555	53,323	14,518	16,366	836,273
2014	51 / 48	189,449	96,987	56,369	14,931	21,162	913,457
2015	52 / 49	197,508	92,942	59,577	15,370	29,619	989,398
2016	53 / 50	183,960	73,940	62,633	10,836	36,551	1,043,056
2017	54 / 51	203,963	86,744	67,058	11,331	38,830	1,089,074
2018	55 / 52	226,174	101,054	72,087	11,855	41,178	1,124,798
2019	56 / 53	237,785	105,691	75,824	12,415	43,855	1,160,152
2020	57 / 54	240,066	101,867	78,317	13,013	46,869	1,204,785
2021	58 / 55	232,816	89,717	79,182	13,644	50,273	1,269,529
2022	59 / 56	244,070	93,265	84,255	14,322	52,228	1,338,295
2023	60 / 57	255,871	96,953	88,315	15,040	55,563	1,411,343
2024	61 / 58	268,252	100,786	92,580	15,805	59,081	1,488,955
2025	62 / 59	281,242	104,771	97,061	16,623	62,787	1,571,433
2026	63 / 60	294,870	108,922	101,987	17,493	66,468	1,659,101
2027	64 / 61	309,168	113,231	107,193	18,420	70,324	1,752,301
2028	65 / 62	324,174	117,714	112,668	19,414	74,378	1,851,406
Total		\$4,045,563	\$1,677,216	\$1,334,142	\$249,160	\$785,045	

Total Income is the sum of income from all sources. Expenses reflect the current budget inflated at the assumed rate of inflation plus insurance premiums, mortgage and liability payments during amortization. Annual taxes is the total of all taxes including capital gains, FICA, Medicare and real estate. Annual Savings is the total of personal qualified contributions, savings and reinvested earnings on investment assets. Annual Surplus/Deficit is the difference between income and expenses, taxes and savings for each year. Net Worth is total assets less total liabilities.

EARNINGS OF PRESENT INVESTMENT ASSETS

This is a list of your current investments as submitted on your data form. In cases where you did not clearly indicate a before-tax rate of return or yield, an estimate is used. The estimate reflects average rates of return for similar investments based upon published indices. Your marginal federal and state income tax rates are used to calculate current after-tax results. Past performance is no guarantee of future results.

Asset	Tax	Value	% of Total	Before Tax % Return	Tax % Yield	After Tax % Return	% Yield
Cash & Equivalents							
Savings	4	15,000	7.33	5.00	5.00	3.64	3.64
Money Market	4	5,000	2.44	2.50	2.50	1.82	1.82
Checking	4	2,500	1.22	2.50	2.50	1.82	1.82
Money Market Funds	6	2,694	1.32	2.50	2.50	2.50	2.50
FFB - CD	6	21,432	10.48	5.00	5.00	5.00	5.00
		46,626	22.79	4.45	4.45	3.91	3.91
Equity							
Large Cap Mutual Fund	4	32,967	16.12	9.00	2.00	8.45	1.46
Growth Fund	4	22,497	11.00	10.00	0.00	10.00	0.00
		55,464	27.12	9.41	1.19	9.08	0.86
Fixed Income							
Whole Life Policy - Mary	1	4,000	1.96	5.00	0.00	5.00	0.00
XYZ Government Fund	6	92,458	45.20	5.00	0.00	5.00	0.00
Whole Life Policy - Martin	1	6,000	2.93	5.00	0.00	5.00	0.00
		102,458	50.09	5.00	0.00	5.00	0.00
Current Investment Assets		204,548					
Weighted Average Rate of Return				6.07%		5.86%	
Weighted Average Cash Yield					1.34%		1.12%
Marginal Tax Bracket		27.25%					

Tax Status:
 1 = Non - Taxable or Insurance
 2 = Federal Only

3 = State Only
 4 = Fully Taxable
 5 = Tax Deferred

6 = Deductible & Deferred
 7 = Tax Credit

EDUCATION FUNDING NEEDS ANALYSIS

The cost of higher education has increased dramatically, particularly at private colleges and universities. It may cost \$15,000 to \$40,000 per year in tuition, books, fees and room and board for a student to attend some private schools. This does not include transportation, clothing, laundry and incidental expenses that often equal or exceed the basic tuition. This can result in a financial drain for a family with college age children.

HOW MUCH SHOULD I SAVE?

The size of the fund depends on the number of children, their ages, educational plans, school selection, scholarships and student loans that may be available to them, student earnings and family income.

It also depends on the attitudes of the family toward education. Some people feel they should provide their children with all the education they can profit from and want. Others, however, feel that children should earn at least part of their educational expenses themselves. If costs are substantial, it may even be necessary to finance a major portion with student loans.

The following analysis calculates the amount necessary to meet your stated educational goals.

The total cost is the projected future cost using your rate of inflation for education expenses. We calculate the unfunded need by comparing the projected values of any assets earmarked for the goal to the total cost.

The present value of the unfunded need is the amount you must set aside today growing at your weighted average annual rate of return to meet the future need.

The requisite monthly amount will decrease as each school year passes, thereby reducing savings in remaining years to fund remaining years of school.

If a dependent is starting school immediately, the first year's costs are not in the projections.

This analysis is for illustrative purposes only, and calculates an estimated need. It may not reflect all the issues that are specific to your situation.

EDUCATION FUNDING NEEDS ANALYSIS SUMMARY

College Funding for Marty - Miami University

Age to Begin	18	Tuition Cost	\$7,019	Total Expenses	\$14,108
Years to Attend	4	Room & Board Expense	\$5,970	Contribution %	100.00%
Starting Year	2017	Mandatory Fees	\$1,119		
Ending Year	2021	Other Expenses	\$0		

Rates of Increase

College Tuition Inflation	7.00%
Investment Appreciation Rate	6.07%

Education Need vs Funding



EDUCATION FUNDING NEEDS ANALYSIS EARMARKED ASSETS

Description	Asset Description	Current Value	Rate of Return
College Funding for Marty - Miami University Growth Fund	Mutual Fund	\$22,497 \$22,497	10.00%
Weighted Average Rate of Return for Education Funding Assets	10.00%		

EDUCATION FUNDING NEEDS ANALYSIS DETAIL

Description	Year	Total Cost	Cost Funded	Unfunded Need	Present Value	Monthly Required
College Funding for Marty - Miami University						
	2017	9,893	9,894	0	0	0
	2018	21,172	21,172	0	0	0
	2019	22,654	22,655	0	0	0
	2020	24,240	15,556	8,684	5,419	60
	2021	12,968	0	12,968	7,630	78
					\$13,049	\$138
Lump Sum Savings Required to Fund Education Goals					\$13,049	
Monthly Savings Required To Fund Education Goals						\$138

RETIREMENT PLANNING NEEDS ANALYSIS

For some people, retirement is that part of life they look toward after their working days are over. The reports in this section project all sources of income after you retire and compares that to your Retirement Income Objective.

EFFECTS OF INFLATION

The Effects of Inflation report explains the effect inflation has on your retirement income objective. It also shows you the purchasing power of your income objective in today's dollars.

RETIREMENT PLANNING ANALYSIS

The Retirement Planning Analysis report summarizes your retirement goal and calculates total income, expenses and taxes during your retirement period. It also estimates your Social Security Benefits if you chose to include them. The report considers the investment assets you currently have, adds planned future contributions and accumulates the funds at the rate of return shown.

If there is a shortfall of income during retirement, this report shows two alternatives for funding the shortfall. First covering the shortfall with an investment where all distributions are tax-free such as a Roth IRA or loans from a life insurance policy. The other alternative is in an investment where all distributions are fully taxed at ordinary income tax rates such as a qualified retirement plan. The answer typically lies somewhere on the continuum between these alternatives.

RETIREMENT PLANNING ANALYSIS DETAILS

The Retirement Planning Analysis Detail report details the year-by-year calculations of the Retirement Planning Analysis. It supports the graphs that picture your Income and After-Tax Expenses and the value of Retirement Assets. More detail reports may be included as appropriate.

GRAPHS

The graphs are a picture of the numbers in the Retirement Planning Analysis Detail report.

EFFECTS OF INFLATION ON YOUR MONTHLY GOALS

A practical financial analysis must take inflation into account when projecting financial requirements. All the objectives you supplied have been projected using your estimated rate of inflation. Some people find it difficult to believe the profound effect inflation has on income requirements and purchasing power. The following table illustrates the importance of considering inflation.

Assumed Annual Rate of Inflation: 4.00%

Age of Martin/Mary	Desired Monthly Income (Today's \$)	Desired Monthly Income (Inflated)	Purchasing Power of Desired Income
48 / 45	\$6,000	\$6,000	\$6,000
49 / 46	6,000	6,240	5,769
50 / 47	6,000	6,490	5,547
51 / 48	6,000	6,749	5,334
52 / 49	6,000	7,019	5,129
55 / 52	6,000	7,896	4,560
60 / 57	6,000	9,606	3,748
65 / 62	6,000	11,687	3,080
66 / 63	6,000	12,155	2,962
70 / 67	6,000	14,220	2,532
75 / 72	6,000	17,300	2,081
80 / 77	6,000	21,048	1,710
85 / 82	6,000	25,609	1,406
- / 85	6,000	28,806	1,250

RETIREMENT PLANNING NEEDS ANALYSIS SUMMARY

Assumptions	Martin	Mary
Current Age	48	45
Current Earned Income	108,000	36,000
Annual Salary Increase (%)	5.00%	4.00%
Retirement Age	66	66
Age to Start Social Security	66	Not Eligible
Life Expectancy	85	85
Monthly Desired Income at Retirement (Current \$)	\$6,000	
Assumed Inflation Rate Pre-Retirement	4.00%	
Monthly Desired Income at Retirement (Inflated \$)	\$12,154	
Assumed Inflation Rate Post-Retirement	4.00%	
Expenses and Taxes During Retirement		
Estimated Expenses During Retirement	3,532,716	
Estimated Taxes During Retirement	721,887	
Total Expenses & Taxes	\$4,254,603	
Income Sources During Retirement		
Estimated Social Security Benefits	1,169,897	
COLA Adjustment for Social Security	3.00%	
Estimated Value of Defined Benefit Pensions	0	
Other Income Sources (Dividends, Interest, Anticipated Income, Money Owed You, Salary, Minimum Dist., Real Estate Income)	290,558	
Total Income Sources	\$1,460,455	
Investment Assets		
Current Investment Assets (Does not include Money Owed You)	204,548	
Current Weighted Average Rate Of Return	6.07%	
Capital Available at Beginning of First Retirement	839,865	
Asset Shortfall During Retirement (Unfunded Retirement Need)		\$1,631,503
To Meet Capital Need in a Non-Taxable Investment		
Assets Required at First Retirement to Meet Shortfall		\$699,801
Invest Now, at Current Rate		\$242,269
Invest Monthly until Retirement (in addition to current savings)		\$1,873
Invest Monthly until Retirement, Inflated Annually @ 4.00%		\$1,344
To Meet Capital Need in a Fully Taxed Investment		
Assets Required at First Retirement to Meet Shortfall		\$1,106,062
Invest Now, at Current Rate		\$382,918
Invest Monthly until Retirement (in addition to current savings)		\$2,962
Invest Monthly until Retirement, Inflated Annually @ 4.00%		\$2,126

Assets Required at First Retirement to Meet Shortfall is the total amount of assets required to provide the desired monthly income increasing at the assumed inflation rate during retirement. It includes taxes where applicable on both income and liquidation of assets.

The assumed investment yields are for illustrative purposes only and make no guarantee of future results. The listed assumptions form the basis for all figures, calculations and projections.

RETIREMENT PLANNING NEEDS ANALYSIS MONTHLY SUMMARY

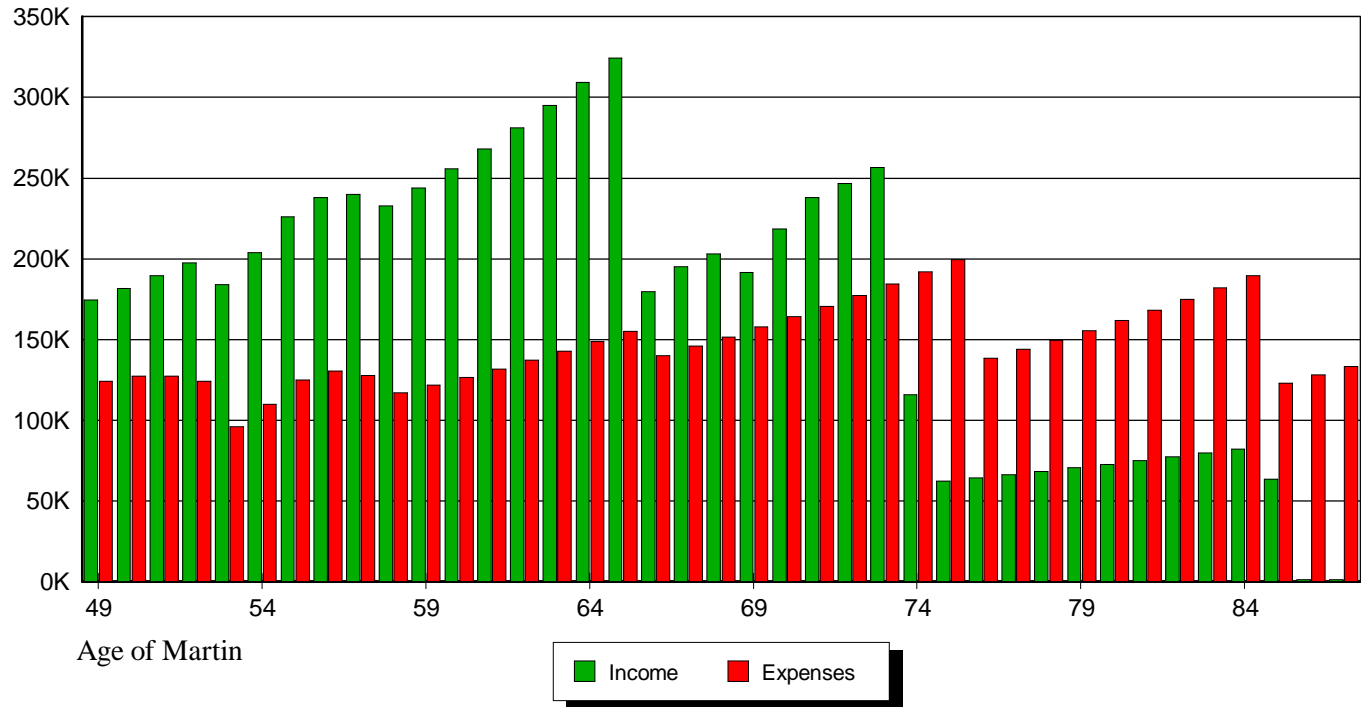
Assumptions	Martin	Mary
Current Age	48	45
Current Earned Income	9,000	3,000
Annual Salary Increase (%)	5.00%	4.00%
Retirement Age	66	66
Age to Start Social Security	66	Not Eligible
Life Expectancy	85	85
Monthly Desired Income at Retirement (Current \$)	\$6,000	
Assumed Inflation Rate Pre-Retirement	4.00%	
Monthly Desired Income at Retirement (Inflated \$)	\$12,154	
Assumed Inflation Rate Post-Retirement	4.00%	
Income Sources During Retirement		
Estimated Monthly Social Security Benefits at Retirement	\$3,881	
COLA Adjustment for Social Security	3.00%	
Estimated Monthly Pension Benefits at Retirement	\$0	
Total Income Sources	\$3,881	
Additional Monthly Income Needed at Retirement		\$8,273
Investment Assets		
Current Investment Assets (Does not include Money Owed You)	\$204,548	
Current Weighted Average Rate of Return	6.07%	
Capital Available at Beginning of First Retirement	\$839,865	
Additional Capital Needed at Retirement		\$1,631,503
To Meet Capital Need in a Non-Taxable Investment		
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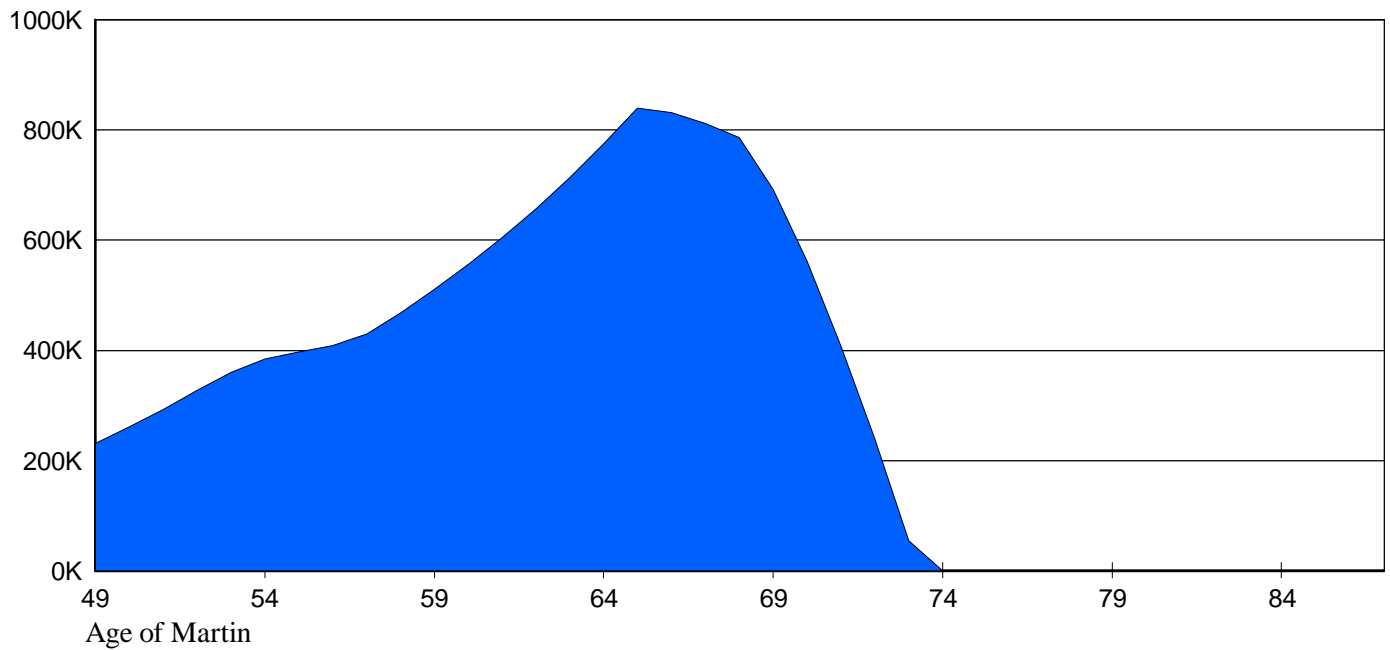
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RETIREMENT PLANNING NEEDS ANALYSIS SUMMARY CHARTS

Income vs Expenses



Year End Assets



RETIREMENT PLANNING NEEDS ANALYSIS DETAIL

Year	Age of Martin/Mary	Total Income	Expenses	Annual Taxes	Total Savings	Unfunded Retirement Need	Year End Asset Value
2028	65 / 62						839,865
2029	66 / 63	179,654	140,244	39,410	0	0	831,465
2030	67 / 64	195,191	145,848	49,343	0	0	812,124
2031	68 / 65	203,073	151,692	51,381	0	0	786,501
2032	69 / 66	191,425	157,752	33,673	0	0	691,630
2033	70 / 67	218,659	164,064	54,252	0	0	561,610
2034	71 / 68	238,141	170,628	65,014	0	0	407,931
2035	72 / 69	246,763	177,456	66,855	0	0	239,541
2036	73 / 70	256,778	184,548	69,789	0	0	54,369
2037	74 / 71	115,991	191,940	16,512	0	92,461	0
2038	75 / 72	62,548	199,608	16,579	0	153,639	0
2039	76 / 73	64,460	138,396	17,242	0	91,178	0
2040	77 / 74	66,431	143,928	17,932	0	95,429	0
2041	78 / 75	68,463	149,688	18,649	0	99,874	0
2042	79 / 76	70,558	155,676	19,395	0	104,513	0
2043	80 / 77	72,718	161,904	20,171	0	109,357	0
2044	81 / 78	74,944	168,384	20,978	0	114,418	0
2045	82 / 79	77,240	175,116	21,817	0	119,693	0
2046	83 / 80	79,608	182,124	22,690	0	125,206	0
2047	84 / 81	82,048	189,408	23,597	0	130,957	0
2048	- / 82	63,655	123,108	24,541	0	83,994	0
2049	- / 83	1,213	128,040	25,523	0	152,350	0
2050	- / 84	1,274	133,164	26,544	0	158,434	0
Total		\$2,630,835	\$3,532,716	\$721,887	\$0	\$1,631,503	

Total income is the sum of income from all sources summarized on detail reports. Expenses represents the Retirement Income Objective or the current budget adjusted for inflation. Annual taxes is the total of all taxes including capital gains taxes. Annual Savings is the sum of before-tax, after-tax and employer matching contributions. Unfunded Retirement Need is the shortfall between income and expenses + taxes. The need is calculated after assets have been liquidated to cover the shortfall. Year-End Asset Value represents the total of assets available to meet retirement needs.

RETIREMENT PLANNING NEEDS ANALYSIS INCOME DETAIL

Year	Age of Martin/Mary	Earned Income	Social Security	Pension Income	Anticipated Income	Investment Income	Total Income
2029	66 / 63	72,929	46,578	0	0	60,147	179,654
2030	67 / 64	75,846	47,975	0	0	71,370	195,191
2031	68 / 65	78,880	49,415	0	0	74,778	203,073
2032	69 / 66	0	50,897	0	0	140,528	191,425
2033	70 / 67	0	52,424	0	0	166,235	218,659
2034	71 / 68	0	53,997	0	0	184,144	238,141
2035	72 / 69	0	55,617	0	0	191,146	246,763
2036	73 / 70	0	57,285	0	0	199,493	256,778
2037	74 / 71	0	59,004	0	0	56,987	115,991
2038	75 / 72	0	60,774	0	0	1,774	62,548
2039	76 / 73	0	62,597	0	0	1,863	64,460
2040	77 / 74	0	64,475	0	0	1,956	66,431
2041	78 / 75	0	66,409	0	0	2,054	68,463
2042	79 / 76	0	68,402	0	0	2,156	70,558
2043	80 / 77	0	70,454	0	0	2,264	72,718
2044	81 / 78	0	72,567	0	0	2,377	74,944
2045	82 / 79	0	74,744	0	0	2,496	77,240
2046	83 / 80	0	76,987	0	0	2,621	79,608
2047	84 / 81	0	79,296	0	0	2,752	82,048
2048	- / 82	0	0	0	0	63,655	63,655
2049	- / 83	0	0	0	0	1,213	1,213
2050	- / 84	0	0	0	0	1,274	1,274
Total		\$227,655	\$1,169,897	\$0	\$0	\$1,233,283	\$2,630,835

Earned Income is the total income earned from wages and self-employment. Social Security represents Social Security Benefits received. Pension Income is the total income from pensions. Anticipated Income is the total income from expected sources. Investment Income is the total income from asset liquidations, interest, dividends, and minimum distributions. Total Income is the total from all sources.

RETIREMENT PLANNING NEEDS ANALYSIS INVESTMENT INCOME DETAIL

Year	Age of A / B	Dividends & Interest	Capital Gains	Qualified Plans	ROTH & Return of Basis	Insurance & Annuity Income	Other	Total Income
2029	66 / 63	7,075	4,809	0	48,263	0	0	60,147
2030	67 / 64	5,280	45,518	0	20,572	0	0	71,370
2031	68 / 65	4,328	49,934	0	20,516	0	0	74,778
2032	69 / 66	3,222	99,067	0	38,239	0	0	140,528
2033	70 / 67	702	28,198	127,936	9,399	0	0	166,235
2034	71 / 68	0	22	183,781	341	0	0	184,144
2035	72 / 69	0	160	188,496	2,490	0	0	191,146
2036	73 / 70	0	137	196,893	2,463	0	0	199,493
2037	74 / 71	0	156	18,901	2,433	35,497	0	56,987
2038	75 / 72	0	0	0	0	1,774	0	1,774
2039	76 / 73	0	0	0	0	1,863	0	1,863
2040	77 / 74	0	0	0	0	1,956	0	1,956
2041	78 / 75	0	0	0	0	2,054	0	2,054
2042	79 / 76	0	0	0	0	2,156	0	2,156
2043	80 / 77	0	0	0	0	2,264	0	2,264
2044	81 / 78	0	0	0	0	2,377	0	2,377
2045	82 / 79	0	0	0	0	2,496	0	2,496
2046	83 / 80	0	0	0	0	2,621	0	2,621
2047	84 / 81	0	0	0	0	2,752	0	2,752
2048	- / 82	0	0	0	62,500	1,155	0	63,655
2049	- / 83	0	0	0	0	1,213	0	1,213
2050	- / 84	0	0	0	0	1,274	0	1,274
Total		\$20,607	\$228,001	\$716,007	\$207,216	\$61,452	\$0	\$1,233,283

Dividends & Interest is the earnings on Investment Assets. Capital Gains is the total income from assets which are subject to capital gains taxes. Qualified Plans is the total of distributions from tax-qualified assets. ROTH & Return of Basis qualified distributions and original investment returned in the period. Insurance & Annuity Income represents insurance loans taken, deferred annuity withdrawals, and immediate annuity payments. Other includes any income not specifically identified in another column. Total Income is the sum of all Investment Income.

RETIREMENT PLANNING NEEDS ANALYSIS EXPENSE DETAIL

Year	Age of Martin/Mary	Client Savings	Total Taxes	Total Insurance	Standard of Living	Total Expense
2029	66 / 63	0	0	16,775	123,469	140,244
2030	67 / 64	0	0	17,418	128,430	145,848
2031	68 / 65	0	0	18,089	133,603	151,692
2032	69 / 66	0	0	18,783	138,969	157,752
2033	70 / 67	0	0	19,508	144,556	164,064
2034	71 / 68	0	0	20,260	150,368	170,628
2035	72 / 69	0	0	21,043	156,413	177,456
2036	73 / 70	0	0	21,856	162,692	184,548
2037	74 / 71	0	0	22,704	169,236	191,940
2038	75 / 72	0	0	23,583	176,025	199,608
2039	76 / 73	0	0	24,500	113,896	138,396
2040	77 / 74	0	0	25,452	118,476	143,928
2041	78 / 75	0	0	26,441	123,247	149,688
2042	79 / 76	0	0	27,471	128,205	155,676
2043	80 / 77	0	0	28,542	133,362	161,904
2044	81 / 78	0	0	29,657	138,727	168,384
2045	82 / 79	0	0	30,815	144,301	175,116
2046	83 / 80	0	0	32,019	150,105	182,124
2047	84 / 81	0	0	33,273	156,135	189,408
2048	- / 82	0	0	5,693	117,415	123,108
2049	- / 83	0	0	5,912	122,128	128,040
2050	- / 84	0	0	6,140	127,024	133,164
Total		\$0	\$0	\$475,934	\$3,056,782	\$3,532,716

Mortgage Payments is the total annual payments made for mortgages. Liability Payments is the total of other liability payments. Insurance Expenses is the total insurance premiums. Total expenses is the future value of the monthly budget + Mortgage Payments + Liability Payments + Insurance Expenses, or the future value of the Retirement Income Objective. The Standard of Living is the difference between the Total Expense Level and the sum of Monthly Mortgage Payments + Monthly Liability Payments + Insurance Expenses.

RETIREMENT PLANNING NEEDS ANALYSIS TAX DETAIL

Year	Age Martin/Mary	Federal Taxes	State & Local Taxes	Property Taxes	FICA & Medicare Taxes	Self Emp Taxes	Total Taxes
2029	66 / 63	17,358	4,825	11,648	5,579	0	39,410
2030	67 / 64	25,268	6,159	12,114	5,802	0	49,343
2031	68 / 65	26,478	6,437	12,598	5,868	0	51,381
2032	69 / 66	16,205	4,366	13,102	0	0	33,673
2033	70 / 67	34,584	6,041	13,627	0	0	54,252
2034	71 / 68	43,952	6,890	14,172	0	0	65,014
2035	72 / 69	45,040	7,077	14,738	0	0	66,855
2036	73 / 70	47,090	7,371	15,328	0	0	69,789
2037	74 / 71	0	571	15,941	0	0	16,512
2038	75 / 72	0	0	16,579	0	0	16,579
2039	76 / 73	0	0	17,242	0	0	17,242
2040	77 / 74	0	0	17,932	0	0	17,932
2041	78 / 75	0	0	18,649	0	0	18,649
2042	79 / 76	0	0	19,395	0	0	19,395
2043	80 / 77	0	0	20,171	0	0	20,171
2044	81 / 78	0	0	20,978	0	0	20,978
2045	82 / 79	0	0	21,817	0	0	21,817
2046	83 / 80	0	0	22,690	0	0	22,690
2047	84 / 81	0	0	23,597	0	0	23,597
2048	- / 82	0	0	24,541	0	0	24,541
2049	- / 83	0	0	25,523	0	0	25,523
2050	- / 84	0	0	26,544	0	0	26,544
Total		\$255,975	\$49,737	\$398,926	\$17,249	\$0	\$721,887

Federal Taxes include Federal Income Taxes, Capital Gains Taxes, and any Federal Tax Penalties. State & Local includes State Income Taxes and any Local taxes on Earned Income. Property taxes are the future value of current property taxes at the property's assumed growth rate. FICA taxes include the employee portion of both FICA and Medicare taxes. Self-Employment taxes include applicable Medicare and FICA taxes on self-employment income. Total is the sum of all tax columns.

RETIREMENT PLANNING NEEDS ANALYSIS FUNDING DETAIL

Year	Age Martin/Mary	Annual Shortfall	Assets Liquidated	Retirement Unfunded Need	Excess From Liquidation	Year End Asset Value
2028	65 / 62					839,865
2029	66 / 63	45,579	45,579	0	0	831,465
2030	67 / 64	49,536	49,536	0	0	812,124
2031	68 / 65	52,897	52,897	0	0	786,501
2032	69 / 66	116,831	116,831	0	0	691,630
2033	70 / 67	124,586	124,586	0	343	561,610
2034	71 / 68	111,967	111,967	0	2,499	407,931
2035	72 / 69	122,859	122,859	0	2,452	239,541
2036	73 / 70	134,828	134,828	0	2,441	54,369
2037	74 / 71	148,165	52,972	92,461	0	0
2038	75 / 72	155,413	1,774	153,639	0	0
2039	76 / 73	93,041	1,863	91,178	0	0
2040	77 / 74	97,385	1,956	95,429	0	0
2041	78 / 75	101,928	2,054	99,874	0	0
2042	79 / 76	106,669	2,156	104,513	0	0
2043	80 / 77	111,621	2,264	109,357	0	0
2044	81 / 78	116,795	2,377	114,418	0	0
2045	82 / 79	122,189	2,496	119,693	0	0
2046	83 / 80	127,827	2,621	125,206	0	0
2047	84 / 81	133,709	2,752	130,957	0	0
2048	- / 82	147,649	63,655	83,994	0	0
2049	- / 83	153,563	1,213	152,350	0	0
2050	- / 84	159,708	1,274	158,434	0	0
Total		\$2,534,745	\$900,510	\$1,631,503	\$7,735	

Annual Shortfall is the difference between Income and Expenses + Taxes in the given year. Assets Liquidated is the amount of assets liquidated to cover the Annual Income Objective. Retirement Unfunded Need is the shortfall which could not be met by Liquidating Assets. Excess from Liquidation is the amount of money converted to cash, but not needed to cover the Annual Need. Excess Liquidations typically occur when selling an asset that cannot be partially liquidated such as a business or real estate parcel. Year-End Asset Value is the total remaining assets at year-end.

RETIREMENT PLANNING NEEDS ANALYSIS ASSET DETAIL

Year	Age of Martin/Mary	Insurance/ Annuities	Real Estate	Qualified Ret. Plans	Business Assets	Investment Assets	Total Assets
2028	65 / 62						839,865
2029	66 / 63	24,032	0	543,368	0	264,065	831,465
2030	67 / 64	25,233	0	570,431	0	216,460	812,124
2031	68 / 65	26,494	0	598,845	0	161,162	786,501
2032	69 / 66	27,817	0	628,676	0	35,137	691,630
2033	70 / 67	29,207	0	532,060	0	343	561,610
2034	71 / 68	30,666	0	374,766	0	2,499	407,931
2035	72 / 69	32,199	0	204,890	0	2,452	239,541
2036	73 / 70	33,808	0	18,120	0	2,441	54,369
2037	74 / 71	0	0	0	0	0	0
2038	75 / 72	0	0	0	0	0	0
2039	76 / 73	0	0	0	0	0	0
2040	77 / 74	0	0	0	0	0	0
2041	78 / 75	0	0	0	0	0	0
2042	79 / 76	0	0	0	0	0	0
2043	80 / 77	0	0	0	0	0	0
2044	81 / 78	0	0	0	0	0	0
2045	82 / 79	0	0	0	0	0	0
2046	83 / 80	0	0	0	0	0	0
2047	84 / 81	0	0	0	0	0	0
2048	- / 82	0	0	0	0	0	0
2049	- / 83	0	0	0	0	0	0
2050	- / 84	0	0	0	0	0	0

Insurance & Annuities is total cash values minus loans + the value of deferred annuities. Real Estate is the sum of the market values of the property minus outstanding mortgages. Qualified Ret. Plans is the sum of qualified assets. Business assets represents the estimated value of all businesses. Investment Assets is the total of all other assets available to provide income for retirement. Only Real Estate and Business Assets available for retirement needs are included in the value of real estate and or business value.

QUALIFIED PLAN / TAX DEFERRED INVESTMENT ANALYSIS

The benefits of tax deductibility and deferral inherent with IRAs are also available through other IRS approved programs, referred to as qualified plans. Qualified plans have higher contribution limits than do IRAs, making the difference even greater. Investments in fixed and variable annuities and cash-value life insurance policies, while not tax-deductible, do provide tax deferral.

	Martin
Pretax Annual Return	6.07%
Federal Income Tax Bracket	25.00%
State Income Tax Bracket	3.00%
Before-Tax contribution	\$5,000 *
Marginal Combine Tax Bracket	27.25%

If your contribution is made with after-tax dollars, the comparable amount available would be \$3,638. The comparable after-tax return would be 4.42%.

Age of Martin	Ordinary Investment	Nondeductible IRA / Annuity	Fully Deductible IRA / Qualified Plan
49	\$3,638	\$3,638	\$5,000
50	8,163	8,223	11,303
51	12,889	13,087	17,990
52	17,823	18,247	25,082
53	22,975	23,719	32,604
55	33,971	35,681	49,047
60	66,004	72,548	99,722
65	105,762	122,047	167,762
66	114,798	133,820	183,945
70	155,109	188,506	259,115
75	216,358	277,738	381,771
80	292,378	397,546	546,455
85	386,732	558,405	767,567

* An individual over 50 years old may make an additional \$1,000 catch-up contribution to an IRA or \$5,000 to a qualified retirement plan. A 6% penalty is imposed for contributions that exceed the annual contribution limit.

The hypothetical investment results are for illustrative purposes only and are not representative of past or future investment results. Actual investment results may be more or less than those shown. This does not represent any specific product.

IRA withdrawals before 59 1/2 are generally subject to a 10% penalty, with some exceptions such as for first time home buyers and the certain medical expenses. The money in an IRA is subject to minimum distributions after the age of 70 1/2. Withdrawals made from an IRA are generally fully taxable at the marginal tax bracket of the individual. Failure to take the minimum distribution can result in a 50% excise tax penalty on the amount not taken.

IRA CONTRIBUTION ANALYSIS

Every working individual is eligible to have an Individual Retirement Account (IRA), a tax-favored savings and investment plan. You may contribute up to \$5,000* each year to this account and, depending on your income and filing status, subtract up to 100% of your contribution from your taxable income on your federal and (where allowed) state income tax. No taxes are payable on your IRA until you withdraw your money and withdrawals generally must start when you reach age 70 1/2.

A married couple may be able to contribute up to \$5,000 to a spousal IRA if the couple has enough earned income. The phase-out limits that apply to deductible contributions also apply to the spousal IRA.

	Martin	Mary
Federal Income Tax Bracket	25.00%	25.00%
State Income Tax Bracket	3.00%	3.00%
Marginal Combined Tax Bracket	27.25%	27.25%
Earned Income	\$108,000	\$36,000
Modified AGI	\$141,854	\$141,854
Filing Status	Married Joint	Married Joint
Qualified Plan Participant?	Yes	No
Eligible to Contribute	\$5,000	\$5,000
Eligible to Deduct	\$0	\$5,000

* An individual over 50 years old may make an extra \$1,000 catch-up contribution to an IRA or \$5,000 to a qualified retirement plan. There is a 6% penalty for contributions that exceed the annual contribution limit.

Individual or Spouse is a Qualified Plan Participant deductibility limits for 2011:

Filing Status	Modified AGI Phase-Out Range
MFJ (participating)	90,000 – 110,000
MFJ (non-participating spouse)	169,000 – 179,000
MFS	0 - 10,000
Single or Head of Household	56,000 – 66,000

IRA withdrawals before 59 1/2 are generally subject to a 10% penalty, with some exceptions such as for first time home buyers and the certain medical expenses. The money in an IRA is subject to minimum distributions after age 70 1/2. Withdrawals made from an IRA are generally fully taxable at the marginal tax bracket of the individual. Failure to take the minimum distribution can result in a 50% excise tax penalty on the amount not taken.

CONVERSION FROM TRADITIONAL IRA TO ROTH ANALYSIS

This analysis can help you evaluate whether a conversion from a Traditional IRA to a Roth IRA is suitable and worthwhile for you. The analysis assumes you convert now and pay any taxes due in the current year, and you continue to contribute until age 65. The Investment Advantage line compares the choices of paying taxes from the roll-over funds or paying the taxes from other nonqualified funds.

The analysis assumes you would liquidate each account at retirement. This is a conservative assumption; there are key advantages to the Roth IRA which are beyond the scope of this analysis. Among those are the ability to pass the funds at life expectancy without income tax liability and Roth IRA's are not subject to minimum distributions rules. You should explore these advantages further with a financial planner.

For tax years beginning after December 31, 2009, there is no income limit on converting a Traditional IRA to a Roth. Contributions to a Roth IRA are made after-tax. A taxpayer's Modified Adjusted Gross Income (MAGI) may limit allowable contributions. Qualified distributions from a Roth IRA are not taxable to the recipient. Eligibility for Qualified Distributions begins five years after reaching the age of 59 ½. There is a 10% penalty for nonqualified distributions.

Assumptions

	Mary
Current Age	45
Retirement Age	66
Value of IRA	21,432
Marginal Tax Bracket	27.25%
Investment Appreciation Rate (Before Tax)	6.07%
Annual Contributions	5,000 *

	Traditional IRA	Roth IRA Tax paid with roll-over funds	Roth IRA Tax paid with other funds
Starting Value	21,432		
Roll-over amount		21,432	21,432
Conversion tax		5,840	5,840
Early distribution penalty		584	
Net Investment	21,432	15,008	21,432
At Retirement			
Value At Retirement	301,264	279,120	301,264
Opportunity Cost	0	0	14,472
Taxes due on liquidation	82,095	0	0
Net Benefit	219,170	279,120	286,792
Investment Advantage		27.35%	30.85%

* An individual over 50 years old may make an extra \$1,000 catch-up contribution to an IRA.

The analysis presented makes assumptions that are general in nature. Before implementing a course of action presented on this report, you should consult a qualified tax adviser.

RETIREMENT TIME TABLE

CONTINUOUSLY BEGINNING AT LEAST 10 YEARS IN ADVANCE

- Audit Social Security records
- Study all existing retirement plans
- Analyze assets
- Evaluate liabilities - plan to have paid off by retirement date
- Determine if there will be an income deficiency
- Develop a plan
- Review will(s) and trust(s)
- Confirm beneficiary designations on insurance and retirement plans

5 YEARS BEFORE RETIREMENT

- Re-evaluate projected retirement income level
- Audit Social Security records
- Review status of company retirement programs - get projections
- Maximize contributions to all retirement plans
- Confirm company retirement provided medical benefits
- Re-evaluate liabilities - plan to have paid off by retirement date
- "Practice" living on anticipated retirement income for at least 3 months
- Review will(s) and trust(s)
- Confirm beneficiary arrangements
- Make house repairs now (will help whether staying or moving)
- If planning to move away, visit potential sites now during different times of year
- Consider LifeStyle issues
 - Attitude adjustments
 - Role adjustments
 - Meaningful use of time
 - Housing changes
 - Health requirements
 - Will you choose to work during retirement

RETIREMENT TIME TABLE (continued)

1 YEAR BEFORE RETIREMENT

- Start shopping for medical insurance you will need after retirement
- Initiate housing changes if planned
- Set up or renew Home Equity Line of Credit to have available for emergency
- Liquidate liabilities
- Review your plan
- Consolidate IRAs for simplicity
- Obtain needed health care, dental, operations, etc.
- Check for available property tax relief
- Try out "second/third" career on weekends if planning to work
- Check with previous employers for possible retirement benefits
- Collect all documents necessary for Social Security
 - Social Security card
 - Proof of age, birth certificate
 - Copy of latest W-2(s)
 - Spouse Social Security card (if married)
 - Marriage license (if married)

6 MONTHS BEFORE RETIREMENT

- Begin shopping for Medigap insurance
- Review life insurance needs
- Review personal investments
- If selling home, put on market
- Emergency and Home Equity Line of Credit should equal 1 year expenses
- Finish paying off debts, if not already liquidated

3 MONTHS BEFORE RETIREMENT

- Apply for Social Security benefits (3 months prior to retirement)
- Inquire about Veteran's benefits (if applicable)
- Complete paperwork for company retirement benefits
- Apply for needed medical insurance 2 months prior to retirement
- Confirm direct deposit arrangements

RETIREMENT

- Take advantage of all benefits of retirement and age
 - State and federal tax credits and increased deductions
 - Property tax credits
 - Senior discounts
- Fine tune budget yearly
- Review financial plan regularly with your advisor
- Enjoy the fruits of your planning

LIFE INSURANCE NEEDS ANALYSIS

In today's economy, the death of one individual can cause a great financial hardship for survivors. On the following pages is an analysis of your insurance needs. Using your current insurance information, we calculated the additional money needed, in today's dollars, if any, to provide for your needs and goals after your death. For illustrative purposes, we assume that your death occurs this year.

In calculating your needs, we analyze two areas. First, we find out if there are enough funds to cover the immediate expenses. The second part of the analysis calculates the value of the loss of income. The total amount of life insurance needed includes any shortfall of assets to cover immediate expenses plus enough money to replace the lost income. From this total, we subtract any life insurance in force and any available assets to calculate the needed life insurance.

Immediate expenses include burial costs and final expenses. You may need more funds for mortgage or debt liquidation and funding educational expenses. You may also need an emergency cash reserve for survivors. Finally we estimate probate fees and estate taxes. Immediate Cash Needs At Death is the difference between the immediate expenses and the total life insurance available plus liquid assets.

Next we calculate the value of the lost income for each of three periods: Until Children are 18, Until Retirement of the surviving spouse, and During Retirement of surviving spouse.

If the surviving spouse has earned income, the calculation includes that as well as applicable Social Security Benefits, and the income produced by assets remaining after settlement of the estate of the deceased. We use your Survivor Income Objective or your budget information with suitable adjustments (such as mortgages paid) as the basis for the annual income need. The first year's total expenses include immediate expenses, income needed to preserve standard of living, and applicable taxes. In succeeding years, if total income is less than expenses and taxes, then you will need to liquidate assets to provide income until they are gone.

The conclusion on the Life Insurance Needs Detail report is the Total Additional Capital (Lump Sum Needed to Fund Survivor's Income and Meet Immediate Cash Needs. This is the additional amount of money that you would need to have, invested at the Assumed Investment Appreciation Rate listed in the report, to meet your goals and the income needs of survivors.

Once we know how much life insurance you need, we can evaluate what type policy best suits your current financial situation. In making this decision, we consider your cash flow, other investments and savings pattern.

This analysis is for illustrative purposes only, and calculates an approximate need. It may not reflect all the issues that are specific to your situation. You should discuss all of your individual needs with your insurance agent to make sure that you satisfy all your wishes.

LIFE INSURANCE NEEDS ANALYSIS SUMMARY

In the Event of Martin's Death with Spouse as Beneficiary

	Martin	Mary
Current Age	48	45
Assumed Life Expectancy	49	85
Current Earned Income	108,000	36,000
Life Insurance (Face Amount, Less Loans)	150,000	
Insured Mortgages	0	
Insured Consumer Debt	0	
Total Life Insurance	\$150,000	
Total Liquid Assets	\$98,029	
Immediate Expenses		
Burial Costs & Final Expenses	12,000	
Mortgages	77,000	
Consumer Debt	7,800	
Children's Education	37,491	
Cash Reserves (6 months)	24,000	
Probate Costs (4.00%)	1,000	
Estate Taxes	0	
Total Immediate Expenses	\$159,291	
Immediate Cash Needs At Death	\$0	
Income Sources For Survivor(s) (in First Year)		
Earned Income	37,439	
Social Security Benefits	21,135	
Pension Benefits	0	
Other Income	22,000	
Investment Income	1,409	
Remaining Investment Assets	\$316,983	
(invested to provide income to survivor(s))		
Rates of Increase		
Assumed Investment Appreciation Rate Pre-retirement	6.07%	
Assumed Investment Appreciation Rate Post-retirement	6.07%	
Rate of Inflation Pre-Retirement	4.00%	
Rate of Inflation Post-Retirement	4.00%	
Adjustment to Standard of Living	100.00%	
Required Capital to Fund Survivor's Income Needs		
Additional Capital Needed (With Children)	0	
Additional Capital Needed (Until Retirement)	0	
Additional Capital Needed (During Retirement)	80,756	
Total Additional Capital (Lump Sum) Needed to Fund Survivor's Income and Meet Immediate Cash Needs	\$80,756	

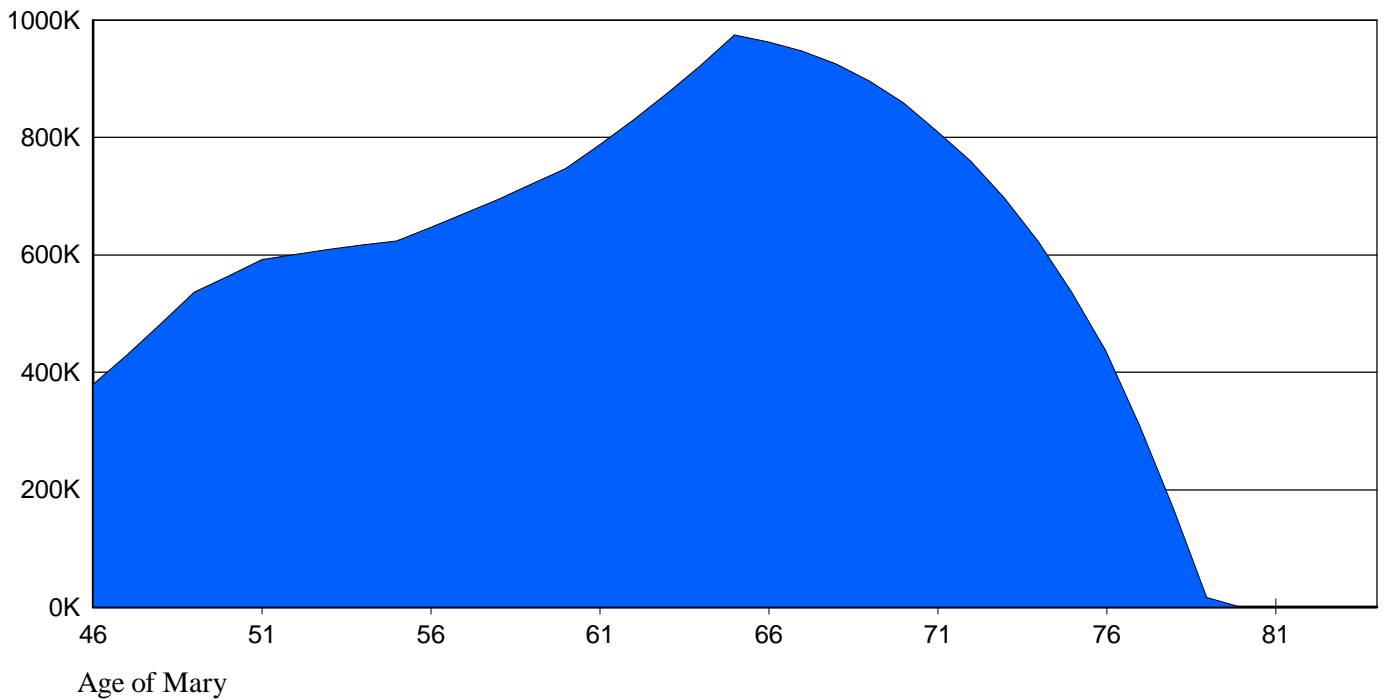
LIFE INSURANCE NEEDS ANALYSIS CHARTS

In the Event of Martin's Death with Spouse as Beneficiary

Income vs Expenses & Taxes



Year End Assets



LIFE INSURANCE NEEDS ANALYSIS ANNUAL DETAIL

In the Event of Martin's Death with Spouse as Beneficiary

Year	Age of Mary	Earned Income	Social Security	Unearned Income	Expenses & Taxes	Unfunded Need	Need Today's Dollars
2012	46	37,439	21,135	23,409	60,611	0	0
2013	47	38,937	21,769	23,516	64,837	0	0
2014	48	40,495	22,422	23,629	67,463	0	0
2015	49	42,114	23,094	23,751	70,823	0	0
2016	50	43,799	23,787	10,638	78,224	0	0
2017	51	45,551	24,501	11,425	81,477	0	0
2018	52	47,373	0	32,714	80,087	0	0
2019	53	49,268	0	34,288	83,556	0	0
2020	54	51,239	0	36,738	87,360	0	0
2021	55	53,288	0	38,460	91,195	0	0
2022	56	55,420	0	22,689	78,109	0	0
2023	57	57,637	0	23,841	81,478	0	0
2024	58	59,942	0	25,049	84,991	0	0
2025	59	62,340	0	26,313	88,653	0	0
2026	60	64,833	0	27,642	92,475	0	0
2027	61	67,427	0	16,602	84,029	0	0
2028	62	70,124	0	17,467	87,591	0	0
2029	63	72,929	0	18,340	91,269	0	0
2030	64	75,846	0	19,262	95,108	0	0
2031	65	78,880	0	20,036	98,916	0	0
2032	66	0	0	84,508	84,508	0	0
2033	67	0	0	88,623	88,623	0	0
2034	68	0	0	95,252	95,252	0	0
2035	69	0	0	99,650	99,650	0	0
2036	70	0	0	103,737	103,737	0	0
2037	71	0	0	108,600	108,600	0	0
2038	72	0	0	107,738	107,738	0	0
2039	73	0	0	114,982	114,982	0	0
2040	74	0	0	119,860	119,860	0	0
2041	75	0	0	124,957	124,957	0	0
2042	76	0	0	130,320	130,320	0	0
2043	77	0	0	149,689	149,471	0	0

LIFE INSURANCE NEEDS ANALYSIS ANNUAL DETAIL (continued)

Year	Age of Mary	Earned Income	Social Security	Unearned Income	Expenses & Taxes	Unfunded Need	Need Today's Dollars
2044	78	0	0	156,442	156,248	0	0
2045	79	0	0	160,463	160,463	0	0
2046	80	0	0	17,132	136,510	119,378	15,176
2047	81	0	0	1,100	141,977	140,877	16,885
2048	82	0	0	1,155	147,649	146,494	16,553
2049	83	0	0	1,213	153,563	152,350	16,230
2050	84	0	0	1,274	159,708	158,434	15,912
Totals		\$1,114,881	\$136,708	\$2,142,504	\$4,032,068	\$717,533	

Additional Capital Needed

\$80,756

Earned Income is the sum of the survivor's wages and self employment income. Social Security is the total of estimated Social Security benefits. Unearned Income is the total of all other sources of income including asset liquidations, minimum distributions, interest and dividends. Expenses and taxes is the sum of all expenses, insurance premiums, and taxes adjusted for the deceased. Unfunded need is the shortfall between the total of income sources and the total of expenses and taxes. Need in Today's Dollars is the present value of the shortfall. In other words, this is the amount of insurance which would be necessary to be invested at the assumed rate of return to provide for the income shortfall in the given year.

LIFE INSURANCE NEEDS ANALYSIS ANNUAL INCOME DETAIL

In the Event of Martin's Death with Spouse as Beneficiary

Year	Age of Mary	Earned Income	Social Security	Pension Income	Anticipated Income	Investment Income	Total Income
2012	46	37,439	21,135	0	22,000	1,409	81,983
2013	47	38,937	21,769	0	22,000	1,516	84,222
2014	48	40,495	22,422	0	22,000	1,629	86,546
2015	49	42,114	23,094	0	22,000	1,751	88,959
2016	50	43,799	23,787	0	0	10,638	78,224
2017	51	45,551	24,501	0	0	11,425	81,477
2018	52	47,373	0	0	0	32,714	80,087
2019	53	49,268	0	0	0	34,288	83,556
2020	54	51,239	0	0	0	36,738	87,977
2021	55	53,288	0	0	0	38,460	91,748
2022	56	55,420	0	0	0	22,689	78,109
2023	57	57,637	0	0	0	23,841	81,478
2024	58	59,942	0	0	0	25,049	84,991
2025	59	62,340	0	0	0	26,313	88,653
2026	60	64,833	0	0	0	27,642	92,475
2027	61	67,427	0	0	0	16,602	84,029
2028	62	70,124	0	0	0	17,467	87,591
2029	63	72,929	0	0	0	18,340	91,269
2030	64	75,846	0	0	0	19,262	95,108
2031	65	78,880	0	0	0	20,036	98,916
2032	66	0	0	0	0	84,508	84,508
2033	67	0	0	0	0	88,623	88,623
2034	68	0	0	0	0	95,252	95,252
2035	69	0	0	0	0	99,650	99,650
2036	70	0	0	0	0	103,737	103,737
2037	71	0	0	0	0	108,600	108,600
2038	72	0	0	0	0	107,738	107,738
2039	73	0	0	0	0	114,982	114,982
2040	74	0	0	0	0	119,860	119,860
2041	75	0	0	0	0	124,957	124,957
2042	76	0	0	0	0	130,320	130,320
2043	77	0	0	0	0	149,689	149,689
2044	78	0	0	0	0	156,442	156,442
2045	79	0	0	0	0	160,463	160,463

LIFE INSURANCE NEEDS ANALYSIS ANNUAL INCOME DETAIL (continued)

Year	Age of Mary	Earned Income	Social Security	Pension Income	Anticipated Income	Investment Income	Total Income
2046	80	0	0	0	0	17,132	17,132
2047	81	0	0	0	0	1,100	1,100
2048	82	0	0	0	0	1,155	1,155
2049	83	0	0	0	0	1,213	1,213
2050	84	0	0	0	0	1,274	1,274
Totals		\$1,114,881	\$136,708	\$0	\$88,000	\$2,054,504	\$3,394,093

Earned Income is the sum of the survivor's wages and self employment income. Social Security is the total of estimated Social Security benefits. Unearned Income is the total of all other sources of income including asset liquidations, minimum distributions, interest and dividends. Expenses and taxes is the sum of all expenses, insurance premiums, and taxes adjusted for the deceased. Unfunded need is the shortfall between the total of income sources and the total of expenses and taxes. Need in Today's Dollars is the present value of the shortfall. In other words, this is the amount of insurance which would be necessary to be invested at the assumed Weighted Average Rate of Return to provide for the income shortfall in the given year.

CURRENT LIFE INSURANCE POLICIES

Life Insurance on Martin

Group Term Insurance

Martin's Group

Beneficiary Mary

Face Value \$100,000 Monthly Premium \$35

Cash Value \$0 Annual Return

Loans \$0 Loan Rate

Whole Life Insurance

Whole Life Policy - Martin

Beneficiary Mary

Face Value \$50,000 Monthly Premium \$39

Cash Value \$6,000 Annual Return 5.00%

Loans \$0 Loan Rate 0.00%

Total Face Value \$150,000

Total Cash Value \$6,000

Life Insurance on Mary

Whole Life Insurance

Whole Life Policy - Mary

Beneficiary Martin

Face Value \$50,000 Monthly Premium \$19

Cash Value \$4,000 Annual Return 5.00%

Loans \$0 Loan Rate 0.00%

Total Face Value \$50,000

Total Cash Value \$4,000

ESTATE PLANNING ANALYSIS

This portion of your financial plan contains an analysis of your present estate settlement arrangements. Our purpose is to discover the expected settlement expenses and reveal any potential problems in your present plan. This section will provide facts on which to base decisions about changes in your estate plan. For an estate plan to be effective, it should meet the following objectives:

1. Discover the most useful means of owning property
2. Simplify disposing of your estate in a manner that meets your objectives
3. Provide enough money to meet known and expected settlement expenses due to death
4. Preserve the assets you have worked hard to accumulate
5. Provide funds for educational expenses and for debt repayment
6. Provide a satisfactory income for your survivors
7. Reduce estate and income taxes, administrative expenses, executor's fees and attorney fees

ESTATE PLANNING TAX ANALYSIS

The Estate Planning Tax Analysis summarizes the costs of settling the estate given your current arrangements. This report calculates expenses at the first death and then projects assets and expenses to the selected age for the second death.

We can vary the estate arrangement, the inflation assumptions and year of death assumptions as well as specific personal and charitable bequests to test the effectiveness of any proposed estate plan arrangement.

LIQUIDITY ANALYSIS SUMMARY AND DETAIL

These reports compare the liquid assets, those easy to convert to cash quickly and inexpensively, to the costs associated with settling an estate. Each asset is "discounted" to a liquidated value to reflect the costs incurred with converting a specific asset to cash.

If you said you did not want to sell certain assets to pay for estate expenses, those assets will not be on these reports.

CHARTS AND FLOWCHARTS

Various charts illustrate the numbers of the previous reports.

ESTATE PLANNING ANALYSIS (continued)

LIFE INSURANCE NEEDS ANALYSIS

If applicable, reports detailing the sufficiency of existing life insurance will show if you need more life insurance to provide income for your survivors.

LIFE INSURANCE NEEDS ANALYSIS CAPITAL NEEDS SUMMARY

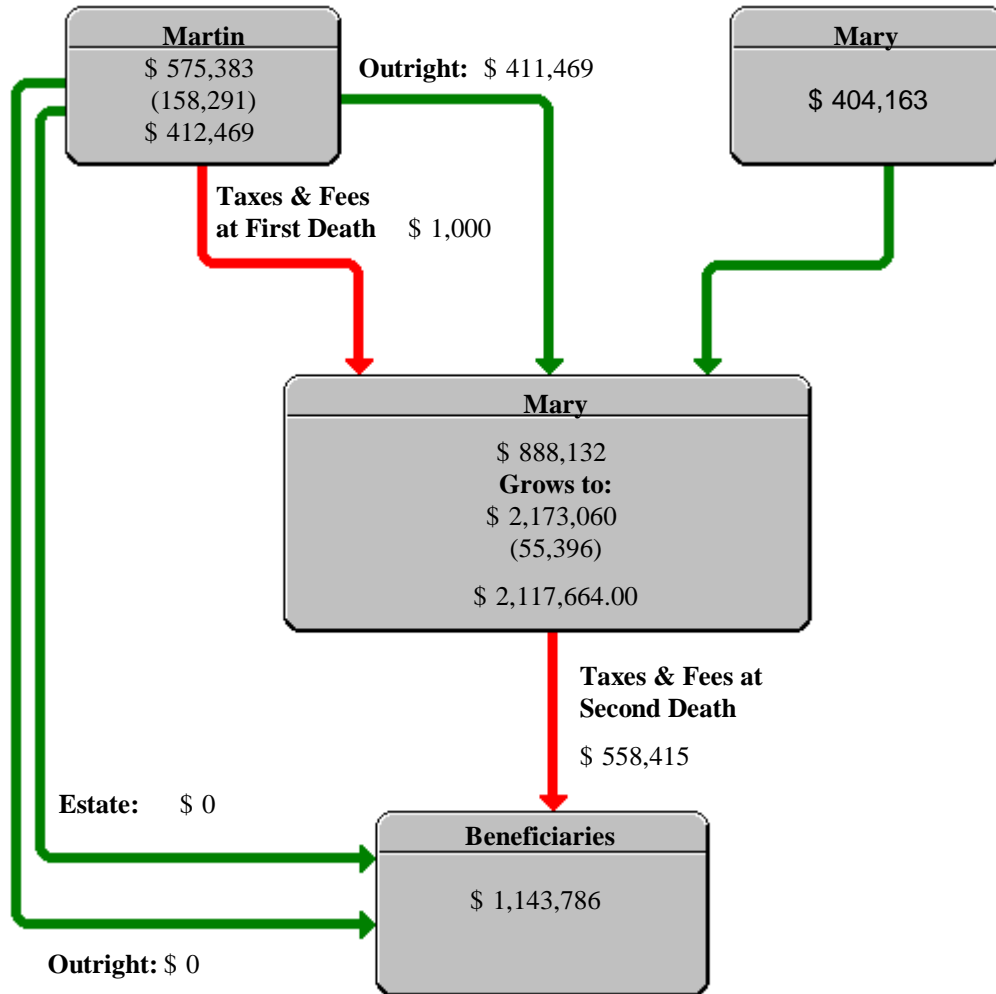
This report can provide the total amount of life insurance needed to take care of settlement expenses, to provide survivor income and to ensure funds are available to make planned charitable bequests.

ESTATE SETTLEMENT FLOWCHART

Settlement Option: Spouse

First Death: 2012 (Martin, age 49)

Second Death: 2051 (Mary, age 85)



ESTATE PLANNING TAX ANALYSIS

Decedent: Martin, age 49 - Spouse

Gross Estate	Martin, age 49	Mary, age 85
Real Estate	0	2,077,315
Stocks and Bonds	0	0
Mortgages, Notes and Cash	7,500	0
Insurance on Decedent's Life	150,000	23,245
Jointly Owned Property	260,231	0
Other Miscellaneous Property	62,500	72,500
Transfers During Decedent's Life	0	0
Retirement Plans and Annuities	95,152	0
Total Gross Estate	\$575,383	\$2,173,060

Deductions

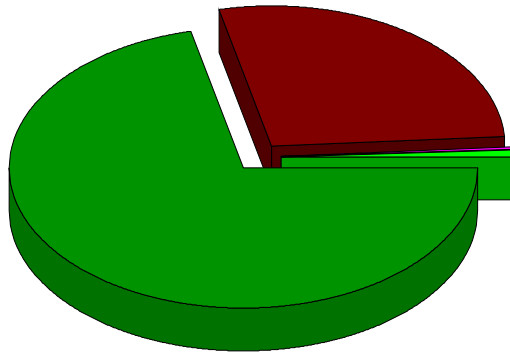
Funeral Expenses	12,000	55,396
Administrative Expenses	1,000	128,133
Debts of the Decedent	3,900	0
Mortgages and Liens	38,500	0
Bequests to Surviving Spouse	439,369	0
Charitable Bequests	0	0
State Inheritance Tax	0	0
Total Allowable Deductions	\$494,769	\$183,529

Tax Computation

Taxable Estate	\$80,614	\$1,989,531
Tentative Tax	0	776,082
Tax on Estate Value in Excess of \$10,000,000	0	0
Gross Estate Tax	0	776,082
Allowable Unified Tax Credit	1,730,800	345,800
Credit for State Inheritance Tax	0	98,845
Net Estate Tax	0	331,437
Generation Skipping Transfer Tax	0	0
State Inheritance Tax	0	0
Total Estate Transfer Taxes	\$0	\$331,437

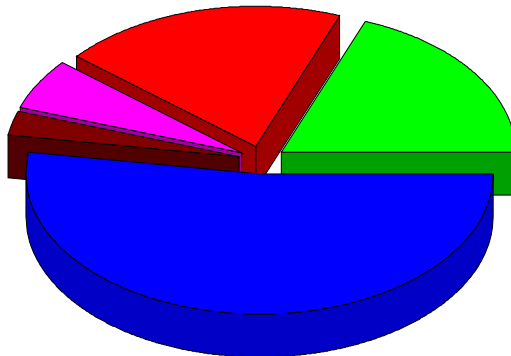
ESTATE PLANNING ANALYSIS CHARTS

Martin, Age 49 - Spouse



Spouse	\$411,469	71.5%
QTIP/QDOT	\$0	0.0%
Family	\$0	0.0%
Non-Family	\$0	0.0%
Credit Shelter Trust	\$0	0.0%
GST	\$0	0.0%
Charity	\$0	0.0%
Debts, Expenses	\$158,291	27.5%
Probate, Fees	\$1,000	0.2%
Taxes	\$0	0.0%
Prior Lifetime Gifts	\$0	0.0%
Liquidity Shrinkage	\$4,623	0.8%
Irrevocable Trust	\$0	0.0%
Total:	\$575,383	100.0%

Mary's Subsequent Death, Age 85 - Outright to Family



Spouse	\$0	0.0%
QTIP/QDOT	\$0	0.0%
Family	\$1,143,786	52.6%
Non-Family	\$0	0.0%
Credit Shelter Trust	\$0	0.0%
GST	\$0	0.0%
Charity	\$0	0.0%
Debts, Expenses	\$55,396	2.5%
Probate, Fees	\$128,133	5.9%
Taxes	\$430,282	19.8%
Prior Lifetime Gifts	\$0	0.0%
Liquidity Shrinkage	\$415,463	19.1%
Irrevocable Trust	\$0	0.0%
Total:	\$2,173,060	100.0%

ESTATE PLANNING ANALYSIS LIQUIDITY DETAIL

Decedent: Martin, age 49 - Spouse

Liquid Capital

Assets	Liquid Value
XYZ Government Fund	87,835
Money Market Funds	2,694
Checking	2,500
Money Market	5,000
Total Liquid Assets	\$98,029
Life Insurance Policies	Face Value
Martin's Group	100,000
Whole Life Policy - Martin	50,000
Total Life Insurance Policies	\$150,000

Capital Required

Decedent's Mortgages	Current Balance
Primary Mortgage: Residence	38,500
Total Mortgages	\$38,500
Decedent's Liabilities	Current Balance
Credit Card's	3,900
Total Liabilities	\$3,900
Survivor's Liabilities to be Paid	Current Balance
Primary Mortgage: Residence	38,500
Credit Card's	3,900
Total Liabilities	\$42,400
Other Capital Required	
Final Expenses	12,000
Probate Expenses	500
Administrative Expenses	500
Federal Estate Tax	0
State Inheritance Tax	0
Education Funding Needs	37,491
Cash Reserves	24,000
Total Other Capital	\$74,491

ESTATE PLANNING ANALYSIS LIQUIDITY DETAIL (continued)

Decedent: Martin, age 49 - Spouse

Summary

Total Liquid Capital	248,029
Total Capital Required	159,291
Liquid Capital Surplus (Deficit)	\$88,738

DISABILITY INCOME NEEDS ANALYSIS

Because members of your household may be dependent on the income of either wage earner, the financial impact of a disability can be devastating. If you are unable to work, the resulting loss of income can interfere with your family's capacity to meet its monthly expenses or save for retirement income needs.

Consider these statistics based upon the Commissioner's Disability Table:

- Between ages 35 and 65 seven out of ten people will be disabled for three-months or longer.
- One of seven employees will be disabled for five-years or more before retirement.
- At age 32, a disability of three months or longer is six times more likely than death.

For illustrative purposes, we assume that a disability occurs this year and all projections begin next year. This analysis shows the shortfall in your income during a permanent disability, using your current standard of living and available income sources. Although your income may stop, your family's monthly expenses will continue during your disability, and occasionally, may even increase.

If you become disabled, there are five possible ways to deal with the financial issues:

1. Personal savings and investments - but according to a 2004 A.G. Edwards survey, more than 70% of working Americans do not have enough savings to meet short-term emergencies.
2. Borrow - but from whom? Families may have limited resources. Lending institutions make loans based on income. If you become disabled, a significant portion of your income could be lost.
3. Sell assets - which ones and at what price? You rarely receive true value in a forced sale.
4. Social Security - this can help but it only replaces a portion of your earned income.
5. Transfer the risk - a practical and prudent alternative is to transfer the risk to an insurance company.

Because this analysis assumes complete and total disability, we include Social Security disability benefits in your analysis as a default. It can be difficult for many people to qualify for Social Security disability benefits and those who do qualify often face a long waiting period, during which they may exhaust their assets. In addition, Social Security benefits may reduce the benefits paid by some disability income policies. We can remove the estimated benefit, at your direction, so you can see a worst possible case scenario.

Disability income insurance typically pays a monthly benefit if you are unable to work because of an accident or illness. Benefits begin following the applicable waiting period. The benefit period may be for a period such as two or five years, or to age 65.

Other considerations may affect your choice of suitable disability insurance. These include your occupation, age, health, and other circumstances. We can work together to develop a disability program that will help you accomplish your financial objectives should you be unable to work because of disability.

This analysis is for illustrative purposes only, and designed to calculate an estimated need. It may not reflect all the issues that are specific to your situation. You should discuss all of your individual needs with your insurance agent to make sure you are able to satisfy your wishes.

DISABILITY INCOME NEEDS ANALYSIS SUMMARY

In the Event of Martin's Disability

Annual Available Income

Earned Income	37,439
Rate of Increase	4.00%
Disability Income Benefits	27,000
Estimated Social Security Benefits	41,250
Other Income	23,595

Total Income **\$129,284**

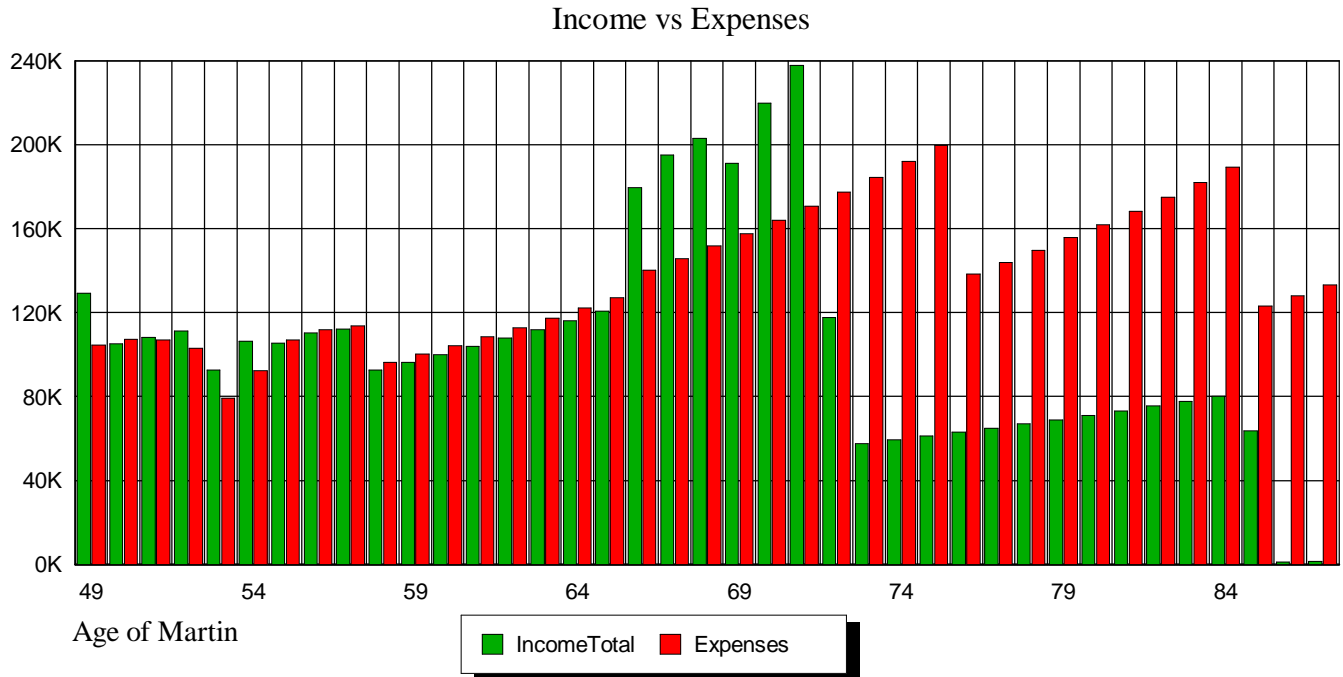
Pre-Retirement Rate of Inflation	4.00%
Post-Retirement Rate of Inflation	4.00%

Annual Expenses

Savings and Investments	9,596
Standard-of-Living Costs (100% of current)	85,704
Insurance	9,372

Total Expenses **\$104,672**

Surplus in Year of Disability **\$24,612**



This report assumes that a disability will be both COMPLETE and PERMANENT. As such, Social Security benefits are included in the calculations.

DISABILITY INCOME NEEDS ANALYSIS ANNUAL DETAIL

In the Event of Martin's Disability

Year	Age of Martin/Mary	Total Income	Total Expense	Total Taxes	Savings	Shortfall	Surplus
2012	49 / 46	129,284	96,672	17,935	8,000	0	6,677
2013	50 / 47	105,182	99,311	13,951	8,000	16,080	0
2014	51 / 48	108,188	98,918	14,788	8,000	13,518	0
2015	52 / 49	111,310	95,062	15,669	8,000	7,421	0
2016	53 / 50	92,550	76,263	16,434	3,000	3,147	0
2017	54 / 51	106,393	89,285	17,865	3,000	3,757	0
2018	55 / 52	105,510	103,832	21,216	3,000	22,538	0
2019	56 / 53	110,300	108,724	23,111	3,000	24,535	0
2020	57 / 54	112,014	110,731	24,470	3,000	26,187	0
2021	58 / 55	92,778	93,325	21,136	3,000	24,683	0
2022	59 / 56	96,313	97,199	22,459	3,000	26,345	0
2023	60 / 57	99,986	101,235	23,548	3,000	27,797	0
2024	61 / 58	103,811	105,446	24,748	3,000	29,383	0
2025	62 / 59	107,796	109,841	26,074	3,000	31,119	0
2026	63 / 60	111,943	114,435	27,457	3,000	32,949	0
2027	64 / 61	116,263	119,222	28,905	3,000	34,864	0
2028	65 / 62	120,768	124,227	30,418	3,000	36,877	0
2029	66 / 63	179,508	140,244	39,264	0	0	0
2030	67 / 64	195,049	145,848	49,201	0	0	0
2031	68 / 65	202,927	151,692	51,235	0	0	0
2032	69 / 66	191,312	157,752	33,560	0	0	0
2033	70 / 67	219,735	164,064	55,318	0	0	353
2034	71 / 68	237,871	170,628	64,989	0	0	2,254
2035	72 / 69	117,693	177,456	15,607	0	75,370	0
2036	73 / 70	57,512	184,548	15,328	0	142,364	0
2037	74 / 71	59,269	191,940	15,941	0	148,612	0
2038	75 / 72	61,082	199,608	16,579	0	155,105	0
2039	76 / 73	62,950	138,396	17,242	0	92,688	0
2040	77 / 74	64,876	143,928	17,932	0	96,984	0
2041	78 / 75	66,861	149,688	18,649	0	101,476	0
2042	79 / 76	68,908	155,676	19,395	0	106,163	0

DISABILITY INCOME NEEDS ANALYSIS ANNUAL DETAIL (continued)

In the Event of Martin's Disability

Year	Age of Martin/Mary	Total Income	Total Expense	Total Taxes	Savings	Shortfall	Surplus
2043	80 / 77	71,018	161,904	20,171	0	111,057	0
2044	81 / 78	73,194	168,384	20,978	0	116,168	0
2045	82 / 79	75,437	175,116	21,817	0	121,496	0
2046	83 / 80	77,751	182,124	22,690	0	127,063	0
2047	84 / 81	80,136	189,408	23,597	0	132,869	0
2048	- / 82	63,655	123,108	24,541	0	83,994	0
2049	- / 83	1,213	128,040	25,523	0	152,350	0
2050	- / 84	1,274	133,164	26,544	0	158,434	0

This report assumes that a disability will be both COMPLETE and PERMANENT. As such, Social Security benefits are included in the calculation unless the client asked to ignore any Social Security benefits potentially available.

Total Income is the sum of income from all sources including asset liquidations. Total Expense is the total of all expenses including insurance premiums, mortgage, and liability payments. Total Taxes is the the sum of FICA, Federal, State, and Local Income taxes plus Property taxes. Savings is the total of after-tax savings. The shortfall is the amount which Expenses + Taxes + Savings is larger than income. This amount represents potential disability insurance needs to maintain your standard of living in the event of a disability. If Total Income is larger than Expenses + Taxes + Savings, the amount by which income exceeds is listed in the Surplus column.

DISABILITY INCOME NEEDS ANALYSIS ANNUAL INCOME DETAIL

In the Event of Martin's Disability

Year	Age of Martin/Mary	Earned Income	Disability Income	Social Security	Unearned Income	Investment Income	Total Income
2012	49 / 46	37,439	27,000	41,250	22,000	1,595	129,284
2013	50 / 47	38,937	0	42,489	22,000	1,756	105,182
2014	51 / 48	40,495	0	43,762	22,000	1,931	108,188
2015	52 / 49	42,114	0	45,076	22,000	2,120	111,310
2016	53 / 50	43,799	0	46,428	0	2,323	92,550
2017	54 / 51	45,551	0	47,821	0	13,021	106,393
2018	55 / 52	47,373	0	32,837	0	25,300	105,510
2019	56 / 53	49,268	0	33,822	0	27,210	110,300
2020	57 / 54	51,239	0	34,837	0	25,938	112,014
2021	58 / 55	53,288	0	35,882	0	3,608	92,778
2022	59 / 56	55,420	0	36,959	0	3,934	96,313
2023	60 / 57	57,637	0	38,067	0	4,282	99,986
2024	61 / 58	59,942	0	39,209	0	4,660	103,811
2025	62 / 59	62,340	0	40,386	0	5,070	107,796
2026	63 / 60	64,833	0	41,597	0	5,513	111,943
2027	64 / 61	67,427	0	42,845	0	5,991	116,263
2028	65 / 62	70,124	0	44,131	0	6,513	120,768
2029	66 / 63	72,929	0	45,454	0	61,125	179,508
2030	67 / 64	75,846	0	46,818	0	72,385	195,049
2031	68 / 65	78,880	0	48,223	0	75,824	202,927
2032	69 / 66	0	0	49,669	0	141,643	191,312
2033	70 / 67	0	0	51,159	0	168,576	219,735
2034	71 / 68	0	0	52,694	0	185,177	237,871
2035	72 / 69	0	0	54,275	0	63,418	117,693
2036	73 / 70	0	0	55,903	0	1,609	57,512
2037	74 / 71	0	0	57,580	0	1,689	59,269
2038	75 / 72	0	0	59,308	0	1,774	61,082
2039	76 / 73	0	0	61,087	0	1,863	62,950
2040	77 / 74	0	0	62,920	0	1,956	64,876
2041	78 / 75	0	0	64,807	0	2,054	66,861
2042	79 / 76	0	0	66,752	0	2,156	68,908
2043	80 / 77	0	0	68,754	0	2,264	71,018

DISABILITY INCOME NEEDS ANALYSIS ANNUAL INCOME DETAIL (continued)

In the Event of Martin's Disability

Year	Age of Martin/Mary	Earned Income	Disability Income	Social Security	Unearned Income	Investment Income	Total Income
2044	81 / 78	0	0	70,817	0	2,377	73,194
2045	82 / 79	0	0	72,941	0	2,496	75,437
2046	83 / 80	0	0	75,130	0	2,621	77,751
2047	84 / 81	0	0	77,384	0	2,752	80,136
2048	- / 82	0	0	0	0	63,655	63,655
2049	- / 83	0	0	0	0	1,213	1,213
2050	- / 84	0	0	0	0	1,274	1,274

This report assumes that a disability will be both COMPLETE and PERMANENT. As such, Social Security benefits are included in the calculation unless the client asked to ignore any Social Security benefits potentially available.

Earned Income is the total amount of income from wages and self employment. Disability Income is the total payout from Disability Insurance policies. Social Security is total amount of Social Security benefits received. Unearned Income is the income from other sources such as anticipated future income and pensions. Investment income is the total amount of income received from asset liquidations, dividends, and interest.

CURRENT DISABILITY INCOME INSURANCE

Disability Insurance on Martin

Martin's Group Short Term Disability

Monthly Benefit	\$9,000
Annual Increase	0.00%
Waiting Period, in Months	0
Maximum Benefit Period	3 Months
Monthly Premium	0

Multiple disability policies may be subject to coordination of benefits provisions. The result is a benefit when both policies are paying that is smaller than the total benefit provided by each policy. Consult your financial advisor for more information.

LONG TERM CARE NEEDS ANALYSIS

An analysis of your long-term care insurance needs is an important part of retirement planning. This report shows how a long-term health need could exhaust your assets. Some patients who need care exhaust their life savings within months of entering a convalescent care facility. Others seriously erode their sources of retirement income.

The costs associated with long-term health care include much more than just nursing home care for the aged. Today's long-term refers to a broad range of health care, personal care, rehabilitation, and social services for ill or disabled people who need help with their daily activities. In addition, because of recent Medicare changes, convalescent nursing-facility care and rehabilitation therapy after patients leave the hospital.

Most Americans mistakenly believe they will never need long-term care; however, at least 70% of people over age 65 will require some long term care.¹

Although many people believe Medicare will pay their expenses, Medicare only finances about 20 percent of national long-term care spending.² Health insurance policies also provide little long-term care protection. As a result, unless one meets Medicaid qualifications, the patients and their family members must pay long-term care costs. Many care facilities do not accept Medicaid patients; this can force the patient to compromise the quality of care they receive.

Long-term care insurance usually provides a named daily benefit for covered care. After a waiting period, the policy will pay the stated amount during the benefit period in the contract. This insurance picks up where traditional health insurance, Medicare and Medigap benefits stop. An insurance professional can work with you to choose a policy that will protect your assets while providing for long-term care needs.

The pages that follow show the potential problem should you need long-term care. First we take a look at the income and projected assets in the first year of need. Then we project income and expenses for the healthy spouse's life expectancy, if there is one, to show how your assets may be exhausted by the costs associated with a long-term care stay. We also include graphs that reflect the numbers in the reports.

¹US department of Health and Human Services

²Testimony of Josefina L. Carbonell, the U.S. HHS Assistant Secretary of Aging, before U.S. Senate Subcommittee on Security and Aging, May 17, 2005.

This analysis is for illustrative purposes only, and designed to calculate an estimated need. It may not reflect all the issues that are specific to your situation. You should discuss all of your individual needs with your insurance agent to make sure that you can satisfy all your wishes.

LONG TERM CARE NEEDS ANALYSIS SUMMARY

In the Event Martin Requires Care

Age When Care Is Needed	70
Length of Care, in Months	36
Monthly Cost of Care	\$4,575

Monthly Expenses

Monthly Income Needed (Today's \$)	\$6,000
Standard-of-Living Multiplier	100.00%
Monthly Income Needed at Retirement	\$11,687

Rates of Increase

Pre-Retirement Inflation	4.00%
Post-Retirement Inflation	4.00%
Social Security COLA	3.00%
Medical Cost Inflation	6.00%

Investment Information

Investment Assets	\$204,548
Assumed Investment Appreciation Rate	6.07%

Anticipated Income in Year Care Begins

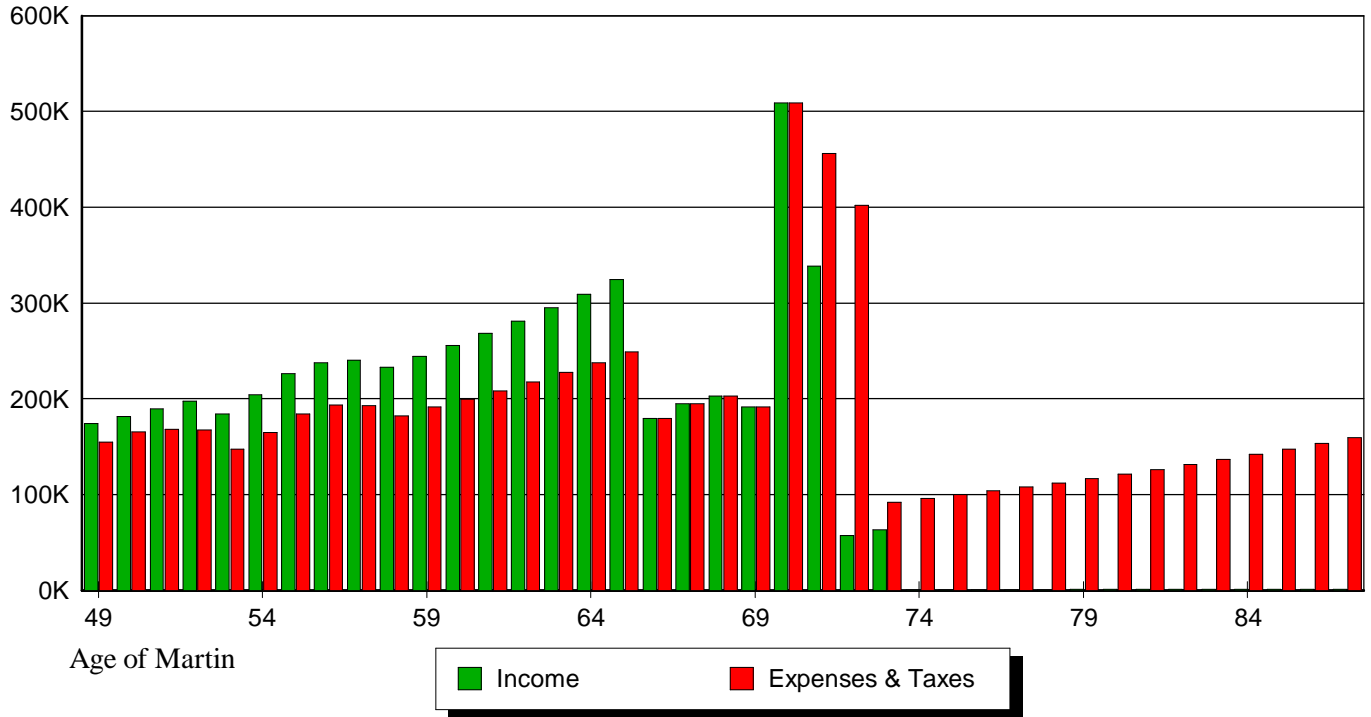
Pension Income	\$0
Social Security Income	\$52,424
Long Term Care Insurance	\$0

Annual Deficit in Year Care Begins **\$0**

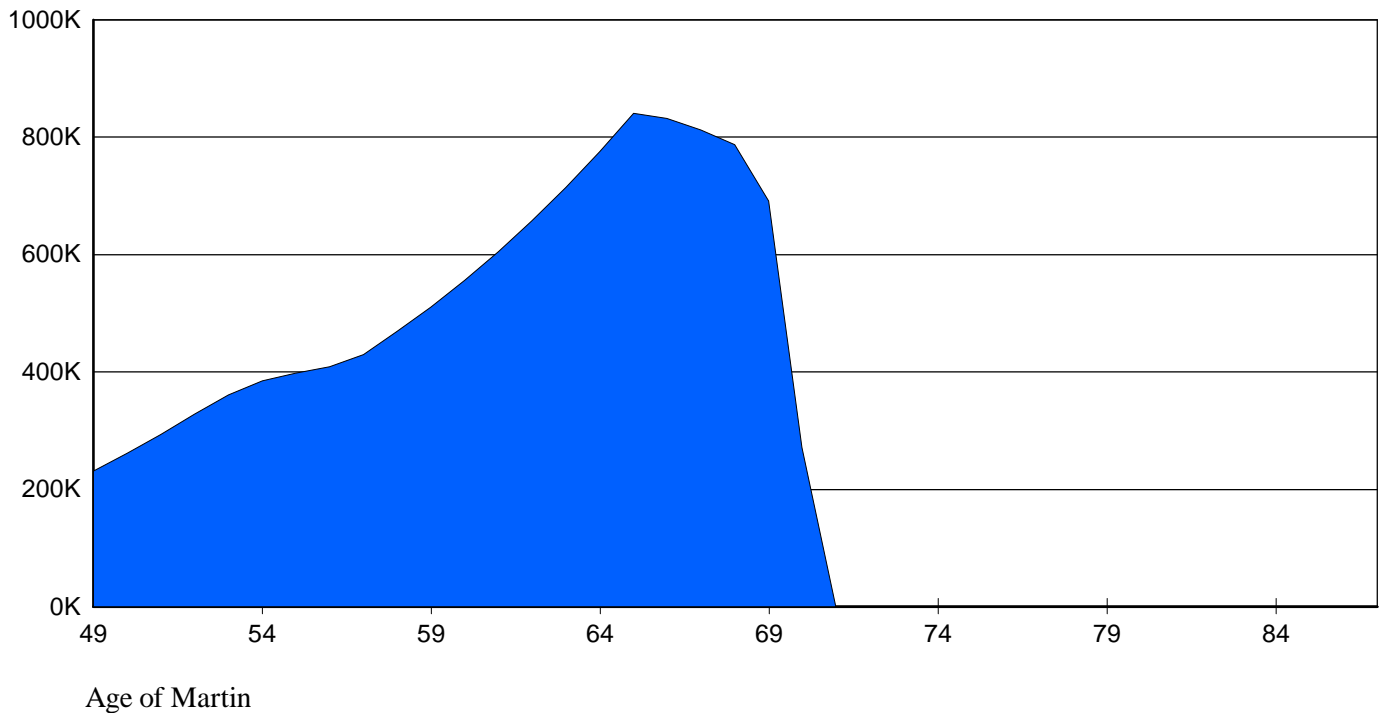
LONG TERM CARE NEEDS ANALYSIS CHARTS

In the Event Martin Requires Care

Income vs Expenses & Taxes



Year End Assets



LONG TERM CARE NEEDS ANALYSIS ANNUAL DETAIL

In the Event Martin Requires Care

Year	Age of Martin/Mary	Total Income	LTC Benefits	Expenses & Taxes	Cost of Care	Unfunded Need	Year End Asset Value
2012	49 / 46	174,433	0	154,920	0	0	231,764
2013	50 / 47	181,762	0	165,227	0	0	261,276
2014	51 / 48	189,449	0	168,087	0	0	293,275
2015	52 / 49	197,508	0	167,655	0	0	327,965
2016	53 / 50	183,960	0	147,139	0	0	360,566
2017	54 / 51	203,963	0	164,767	0	0	384,685
2018	55 / 52	226,174	0	184,513	0	0	397,634
2019	56 / 53	237,785	0	193,387	0	0	409,302
2020	57 / 54	240,066	0	192,646	0	0	429,302
2021	58 / 55	232,816	0	182,055	0	0	468,427
2022	59 / 56	244,070	0	191,301	0	0	510,549
2023	60 / 57	255,871	0	199,711	0	0	555,888
2024	61 / 58	268,252	0	208,514	0	0	604,682
2025	62 / 59	281,242	0	217,733	0	0	657,190
2026	63 / 60	294,870	0	227,485	0	0	713,689
2027	64 / 61	309,168	0	237,841	0	0	774,473
2028	65 / 62	324,174	0	248,703	0	0	839,865
2029	66 / 63	179,654	0	179,654	0	0	831,465
2030	67 / 64	195,191	0	195,191	0	0	812,124
2031	68 / 65	203,073	0	203,073	0	0	786,501
2032	69 / 66	191,425	0	191,425	0	0	691,630
2033	70 / 67	508,664	0	321,986	186,636	0	271,304
2034	71 / 68	338,749	0	258,511	197,834	117,596	0
2035	72 / 69	57,150	0	192,194	209,704	344,748	0
2036	- / 70	63,143	0	92,224	0	29,081	0
2037	- / 71	675	0	95,909	0	95,234	0
2038	- / 72	709	0	99,751	0	99,042	0
2039	- / 73	745	0	103,738	0	102,993	0
2040	- / 74	782	0	107,884	0	107,102	0
2041	- / 75	821	0	112,201	0	111,380	0

LONG TERM CARE NEEDS ANALYSIS ANNUAL DETAIL (continued)

In the Event Martin Requires Care

Year	Age of Martin/Mary	Total Income	LTC Benefits	Expenses & Taxes	Cost of Care	Unfunded Need	Year End Asset Value
2042	- / 76	862	0	116,691	0	115,829	0
2043	- / 77	905	0	121,355	0	120,450	0
2044	- / 78	950	0	126,218	0	125,268	0
2045	- / 79	998	0	131,257	0	130,259	0
2046	- / 80	1,048	0	136,510	0	135,462	0
2047	- / 81	1,100	0	141,977	0	140,877	0
2048	- / 82	1,155	0	147,649	0	146,494	0
2049	- / 83	1,213	0	153,563	0	152,350	0
2050	- / 84	1,274	0	159,708	0	158,434	0
Total						\$594,174	

Total Income is the sum of income from all sources, including asset liquidations, interest, and dividends less any Long Term Care Insurance Payouts. LTC Benefits is the total payout from all Long Term Care policies. Expenses and Taxes is the sum of all expenses, insurance premiums, mortgages, liability payments, and taxes less any Long Term Care Medical expenses. Cost of Care is the total of medical costs associated with a Long Term Care event. Unfunded need is the total amount of expenses not covered by asset liquidations. Year End Asset Value is the total value of remaining assets net of any liabilities.

LONG TERM CARE NEEDS ANALYSIS ANNUAL INCOME DETAIL

In the Event Martin Requires Care

Year	Age of Martin/Mary	Earned Income	Social Security	Pension Income	Anticipated Income	Investment Income	Total Income
2012	49 / 46	150,838	0	0	22,000	1,595	174,433
2013	50 / 47	158,006	0	0	22,000	1,756	181,762
2014	51 / 48	165,518	0	0	22,000	1,931	189,449
2015	52 / 49	173,388	0	0	22,000	2,120	197,508
2016	53 / 50	181,637	0	0	0	2,323	183,960
2017	54 / 51	190,281	0	0	0	13,682	203,963
2018	55 / 52	199,339	0	0	0	26,835	226,174
2019	56 / 53	208,833	0	0	0	28,952	237,785
2020	57 / 54	218,782	0	0	0	21,284	240,066
2021	58 / 55	229,208	0	0	0	3,608	232,816
2022	59 / 56	240,136	0	0	0	3,934	244,070
2023	60 / 57	251,589	0	0	0	4,282	255,871
2024	61 / 58	263,592	0	0	0	4,660	268,252
2025	62 / 59	276,172	0	0	0	5,070	281,242
2026	63 / 60	289,357	0	0	0	5,513	294,870
2027	64 / 61	303,177	0	0	0	5,991	309,168
2028	65 / 62	317,661	0	0	0	6,513	324,174
2029	66 / 63	72,929	46,578	0	0	60,147	179,654
2030	67 / 64	75,846	47,975	0	0	71,370	195,191
2031	68 / 65	78,880	49,415	0	0	74,778	203,073
2032	69 / 66	0	50,897	0	0	140,528	191,425
2033	70 / 67	0	52,424	0	0	456,240	508,664
2034	71 / 68	0	53,997	0	0	284,752	338,749
2035	72 / 69	0	55,617	0	0	1,533	57,150
2036	- / 70	0	0	0	0	63,143	63,143
2037	- / 71	0	0	0	0	675	675
2038	- / 72	0	0	0	0	709	709
2039	- / 73	0	0	0	0	745	745
2040	- / 74	0	0	0	0	782	782
2041	- / 75	0	0	0	0	821	821
2042	- / 76	0	0	0	0	862	862

LONG TERM CARE NEEDS ANALYSIS ANNUAL INCOME DETAIL (continued)

In the Event Martin Requires Care

Year	Age of Martin/Mary	Earned Income	Social Security	Pension Income	Anticipated Income	Investment Income	Total Income
2043	- / 77	0	0	0	0	905	905
2044	- / 78	0	0	0	0	950	950
2045	- / 79	0	0	0	0	998	998
2046	- / 80	0	0	0	0	1,048	1,048
2047	- / 81	0	0	0	0	1,100	1,100
2048	- / 82	0	0	0	0	1,155	1,155
2049	- / 83	0	0	0	0	1,213	1,213
2050	- / 84	0	0	0	0	1,274	1,274

Earned Income is the sum of income from wages and self employment. Social Security is the total of Social Security Benefits. Pension Income is the total of pension benefits. Anticipated Income is the total of income anticipated in future years. Investment Income is the total of income from assets, including liquidations, minimum distributions, interest, and dividends. Total Income is the sum of Earned Income + Social Security + Pension Income + Anticipated Income + Investment Income.

CURRENT LONG TERM CARE INSURANCE POLICIES

Daily Benefit
Annual Increase
Waiting Period in Months
Maximum Benefit Period in Months
Monthly Premium

ASSET ALLOCATION ANALYSIS

Academic studies conducted over the last twenty years have shown that the asset allocation decision is the most important variable in determining the return from a portfolio of securities. This means the importance of the percentage of your dollars that are invested in stocks, bonds, real estate and cash may far outweigh the effects of the individual security decisions. Your asset allocation is more critical to your long range portfolio goals than the individual securities choices over which you have agonized time and time again.

The purpose of the asset allocation decision is to weigh the expected rewards from an investment against the risk associated with that decision. This information, in conjunction with the investor's tolerance for risk, is the primary consideration necessary to determine a proper asset allocation mix.

This mix will depend on an individual's circumstances. For example, a young, single individual with a steady income can afford to take more risk in an asset allocation mix than can a person who is retired with little excess income.

Most investors recognize the importance of having an equity position in their portfolio. It is a potential means of achieving capital appreciation, which can offset the negative influence of inflation on personal wealth. However, equities carry an expensive price tag, which is that they can also generate losses over certain periods of time. This element of risk and volatility is what investors hope to eliminate using asset allocation.

By allocating investment dollars among many categories of assets, you diversify your portfolio. This reduces, but does not eliminate risk. Generally, as the economics and the politics of the world change, certain types of assets will perform well; others will perform extremely well, while some will perform poorly. You will have periods of time when equities do poorly. However, this poor performance might be offset by increasing values for bonds or T-Bills.

ALLOCATION TECHNIQUES

There are two primary ways of allocating assets. The first method is to use a stable policy over time. Based on your income needs and risk tolerance, you might pursue a balanced strategy. This might require putting twenty five percent of your dollars in each category of assets, such as stocks, bonds, cash and real estate. Then each quarter or year, you re-balance those dollars back to your original allocation of twenty five percent in each category. This forces you to sell some of the best performing assets, while buying more of the weakest performers. This allocation system can eliminate the need to make decisions on the expected return for each category and instead allows for more stable returns over long periods.

ASSET ALLOCATION ANALYSIS (continued)

The second means of allocating assets is through an active strategy. In this method, you first determine your tolerance for risk and your long-term goals. Then you allocate ranges of your total portfolio you will invest in each category. Thus, if you need a good mix of growth and income, you might allow your investment in stocks to range from 35% to 65% of your portfolio based on the market. You would develop these ranges for each asset category.

This active strategy involves making a prediction of the performance you expect from each category of asset over the next year. If you believe we are in a period of time that is very conducive to good returns from stocks, you would put the maximum amount of dollars into common stocks or common stock mutual funds.

Therefore, you would be lowering the amount of dollars invested in other asset categories. Likewise, if you believe that we are in a period of great risk for the markets, you would put more dollars into cash as a means of protecting your portfolio.

As you can see, this active strategy requires a lot of homework and a good knowledge of the financial markets and what affects them. It is a higher risk strategy, because if you make the wrong decision, you put your portfolio at a greater risk than if you had pursued a stable strategy.

CONTROLLING RISK

Asset allocation can be used to control risk or to increase risk, depending on how you use it. A stable, fixed allocation reduces risk by allowing you to be involved in each market all of the time. An active strategy increases risk since you are making commitments on particular asset categories based upon your outlook for those categories.

This can be beneficial by protecting your assets in weak markets and allowing faster growth in strong markets, but it can prove to be seriously detrimental if you make the wrong decision.

Therefore, this is an individual decision that is different for everyone. It requires a good understanding of your goals and your tolerance for risk. It also requires an honest answer as to how well you will stay very current with the financial markets.

ASSET ALLOCATION ANALYSIS (continued)

ASSET ALLOCATION REPORTS

The reports in this section show the allocation of your current portfolio both in a tabular report and in colorful graphs. Recommendations detail the suggested portfolio allocation based upon the information you provided.

Asset Allocation involves distributing funds among diversified asset categories of investments such as equities fixed income and cash equivalents. It is a tool of the Modern Portfolio Theory that allows an investor to classify, estimate and control both the kind and the amount of expected risk and return but it is not a guarantee against loss.

ASSET ALLOCATION ANALYSIS (continued)

HISTORICAL COMPARISONS - ANNUAL PERCENTAGE RETURNS

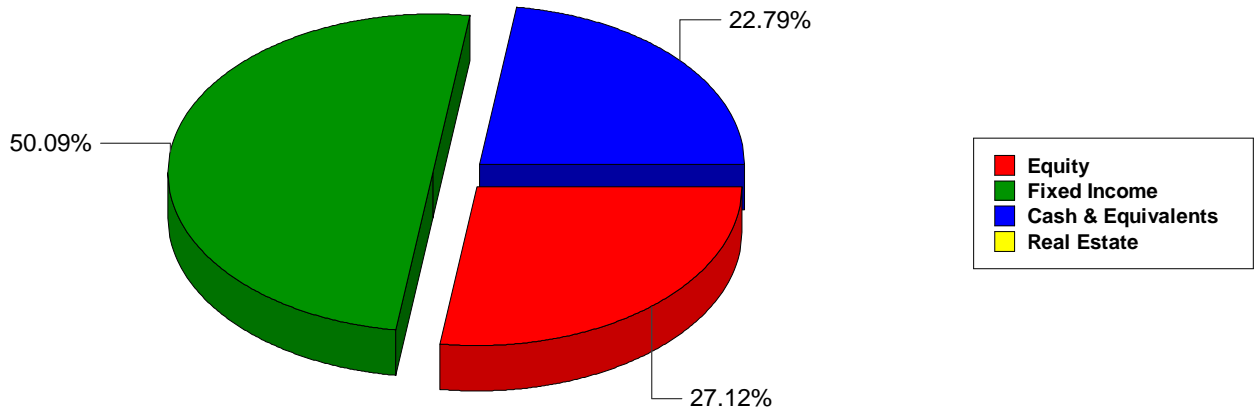
The following chart, adjusted for inflation, shows some of the fluctuations of different asset categories.

Year	Large Company Stocks	Government Bonds	U.S. Treasury Bills
2010	15.06	3.22	0.14
2009	26.46	3.26	0.15
2008	-37.60	3.66	1.37
2007	3.50	4.63	4.36
2006	15.79	4.80	4.73
2005	4.91	4.29	3.15
2004	10.87	4.27	1.37
2003	28.67	4.01	1.01
2002	-22.09	4.61	1.61
2001	-11.88	5.02	2.92
2000	-9.10	6.03	5.63
1999	21.04	5.65	4.53
1998	28.58	5.26	4.53
1997	33.36	6.35	4.81
1996	23.07	6.44	4.69
1995	37.43	6.57	5.08
1994	1.31	7.09	4.11
1993	9.99	5.87	2.81
1992	7.67	7.01	3.20
1991	30.55	7.86	4.93
1990	-3.17	8.55	7.05
1989	31.49	8.49	7.77
1988	16.81	8.85	6.43
1987	5.23	8.39	5.41
1986	18.47	7.67	5.44

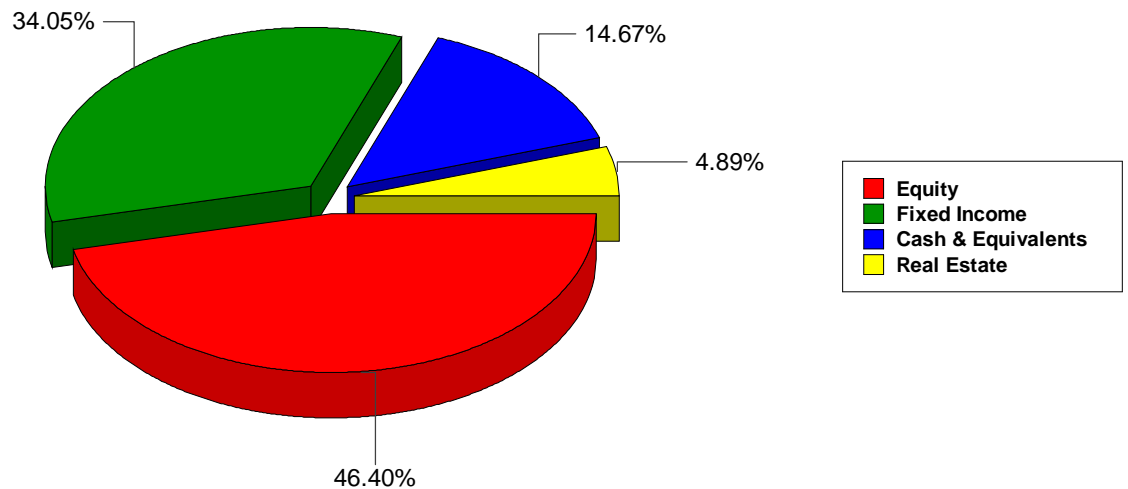
Sources: Large Company Stocks - S&P 500
Government Bonds - 10-year US Government Bonds
US Treasury Bills - 3-month T-Bills

ASSET ALLOCATION GRAPH

Original Allocation



Revised Allocation



ASSET ALLOCATION

	Original	Percent	Revised	Percent
Cash & Equivalents				
Money Owed You	0	0.00%	0	0.00%
CD's	21,432	10.48%	7,500	3.67%
Cash	25,194	12.32%	22,500	11.00%
Total	\$46,626	22.79%	\$30,000	14.67%
Equity				
Limited Partnership	0	0.00%	0	0.00%
Growth & Income Fund	0	0.00%	0	0.00%
Small Cap Stock	0	0.00%	20,000	9.78%
Growth Fund	22,497	11.00%	22,497	11.00%
Aggressive Growth Fund	0	0.00%	0	0.00%
Balanced Fund	0	0.00%	0	0.00%
Tangible Asset	0	0.00%	0	0.00%
Business Asset	0	0.00%	0	0.00%
Large Cap Stock	32,967	16.12%	32,406	15.84%
Mid Cap Stock	0	0.00%	20,000	9.78%
Small Cap Aggressive Growth	0	0.00%	0	0.00%
International Fund	0	0.00%	0	0.00%
Total	\$55,464	27.12%	\$94,903	46.40%
Fixed Income				
Fixed Annuities & Subaccounts	0	0.00%	0	0.00%
Corporate Bonds	0	0.00%	0	0.00%
Municipal Bonds & Funds	0	0.00%	0	0.00%
Unit Investment Trusts	0	0.00%	0	0.00%
International	0	0.00%	0	0.00%
Balanced	0	0.00%	0	0.00%
Life Insurance Cash Value	10,000	4.89%	10,000	4.89%
US Gov Securities	92,458	45.20%	59,645	29.16%
Total	\$102,458	50.09%	\$69,645	34.05%
Real Estate				
Personal Real Estate	0	0.00%	0	0.00%
Investment Real Estate	0	0.00%	10,000	4.89%
Total	\$0	0.00%	\$10,000	4.89%
	\$204,548	100.00%	\$204,548	100.00%