
Financial Goal Plan

John and Jane Smith

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RAYMOND JAMES®

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IMPORTANT DISCLOSURE INFORMATION

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

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

Goal Planning & Monitoring results may vary with each use and over time.

Goal Planning & Monitoring Assumptions and Limitations

Information Provided by You

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

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

Assumptions and Limitations

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

All Goal Planning & Monitoring calculations use asset class returns, not returns of actual investments. The projected return assumptions used in this Report are estimates based on average annual returns for each asset class. The portfolio returns are calculated by weighting individual return assumptions for each asset class according to your portfolio allocation. The portfolio returns may have been modified by including adjustments to the total return and the inflation rate. The portfolio returns assume reinvestment of interest and dividends at net asset value without taxes, and also assume that the portfolio has been rebalanced to reflect the initial recommendation. No portfolio rebalancing costs, including taxes, if applicable, are deducted from the portfolio value. No portfolio allocation eliminates risk or guarantees investment results.

Goal Planning & Monitoring does not provide recommendations for any products or securities.

IMPORTANT DISCLOSURE INFORMATION

| Asset Class | Projected Return Assumption |
|--|-----------------------------|
| Cash & Cash Alternatives | 1.00% |
| U.S. Large Cap Blend | 7.30% |
| U.S. Large Cap Value | 7.30% |
| U.S. Large Cap Growth | 7.30% |
| U.S. Mid Cap Equity | 7.69% |
| U.S. Small Cap Equity | 8.87% |
| Non-U.S. Developed Market Equity | 8.38% |
| Non-U.S. Emerging Market Equity | 9.56% |
| Global Equity Strategies | 8.10% |
| Equity Sector Strategies | 7.20% |
| Real Estate | 6.75% |
| Investment Grade Long Maturity Fixed Income | 3.77% |
| Investment Grade Intermediate Maturity Fixed Inc | 3.43% |
| Investment Grade Short Maturity Fixed Income | 2.84% |
| Non-Investment Grade Fixed Income | 6.06% |
| Global Fixed Income Strategies | 2.74% |
| Multi-Sector Fixed Income Strategies | 5.37% |
| Alternative Strategies | 5.89% |
| Commodities | 4.16% |
| Private Market Strategies | 9.66% |
| Allocation Strategies (Equity Weighted) | 7.19% |
| Allocation Strategies (Fixed Income Weighted) | 5.39% |
| World Allocation Strategies | 8.29% |
| AMS Conservative Strategies | 5.69% |
| AMS Moderate Conservative Strategies | 6.39% |
| AMS Moderate Strategies | 7.08% |
| AMS Moderate Aggressive Strategies | 7.73% |
| Equity - Non-classified | 7.00% |
| Fixed Income - Non-classified | 3.00% |

IMPORTANT DISCLOSURE INFORMATION

Risks Inherent in Investing

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

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

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

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

Commodities are generally considered speculative because of the significant potential for investment loss. Commodities are volatile investments and should only form a small part of a diversified portfolio. There may be sharp price fluctuations even during periods when prices overall are rising.

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

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

This information is provided for your convenience, but should not be used as a substitute for your account's monthly statements and trade confirmations. It has been gathered from information provided by you and other sources believed to be reliable.

Goal Planning & Monitoring Methodology

Goal Planning & Monitoring offers several methods of calculating results, each of which provides one outcome from a wide range of possible outcomes. The methods used are: "Average Returns," "Bad Timing," "Class Sensitivity," and "Monte Carlo Simulations."

Results Using Average Returns

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

Results with Bad Timing

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

The default for the first year of low returns is two standard deviations less than the average return, and the default for the second year is one standard deviation less than the average return.

IMPORTANT DISCLOSURE INFORMATION

Results Using Class Sensitivity

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

Results Using Monte Carlo Simulations

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

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

Goal Planning & Monitoring Presentation of Results

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

Estimated % of Goal Funded

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

Safety Margin

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

Bear Market Loss and Bear Market Test

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

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

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

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

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

IMPORTANT DISCLOSURE INFORMATION

Even though you are using projected returns for all other Goal Planning & Monitoring results, the Bear Market Loss and Bear Market Test use returns calculated from historical indices. These results are calculated using only three asset classes – Cash, Bonds, and Stocks. Alternative asset classes (e.g., real estate, commodities) are included in the Stocks asset class. The indices and the resulting returns for the Great Recession and the Bond Bear Market are:

| Asset Class | Index | Great Recession Return 11/2007 – 02/2009 | Bond Bear Market Return 07/1979 – 02/1980 |
|-------------|--|---|--|
| Cash | Ibbotson U.S. 30-day Treasury Bills | 2.31% | 7.08% |
| Bonds | Ibbotson Intermediate-Term Government Bonds – Total Return | 15.61% | -8.89% |
| Stocks | Ibbotson Large Company Stocks – Total Return | -50.95% | 14.61% |

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

Goal Planning & Monitoring Risk Assessment

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

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

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Summary of Goals and Resources



Personal Information and Summary of Financial Goals

John and Jane Smith

Needs

10 Retirement - Living Expense



John
Jane
Both Retired (2018-2043)
Jane Alone Retired (2044-2046)

65 / 2018
66 / 2018
\$210,000
\$200,000
Base Inflation Rate (2.50%)

Personal Information

John

Male - born 01/01/1953, age 60
Business Owner - \$185,000

Jane

Male - born 01/01/1952, age 61
Employed - \$75,000

Married, US Citizens living in FL

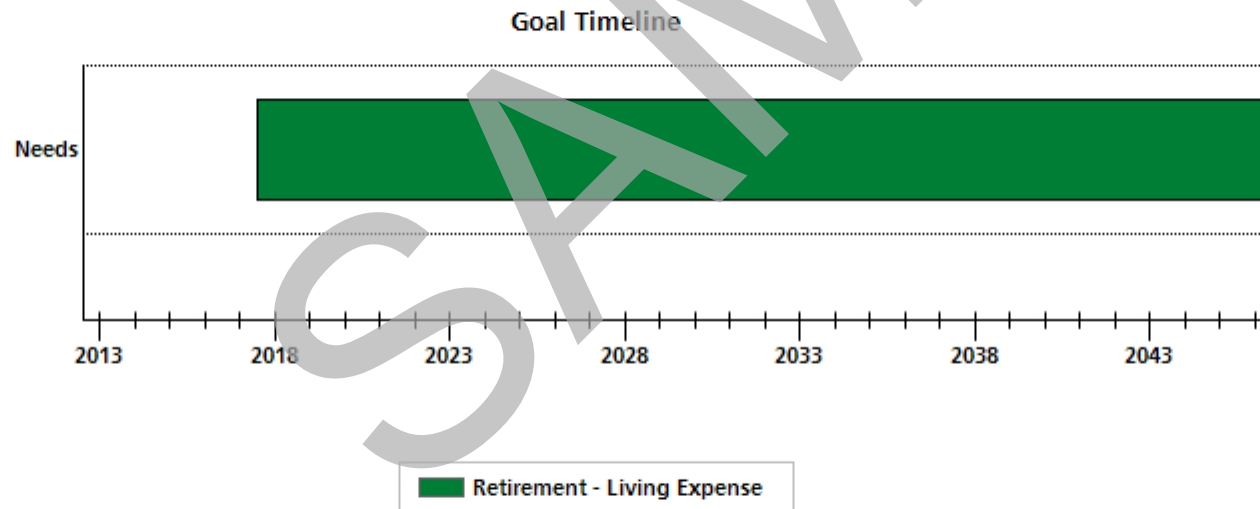
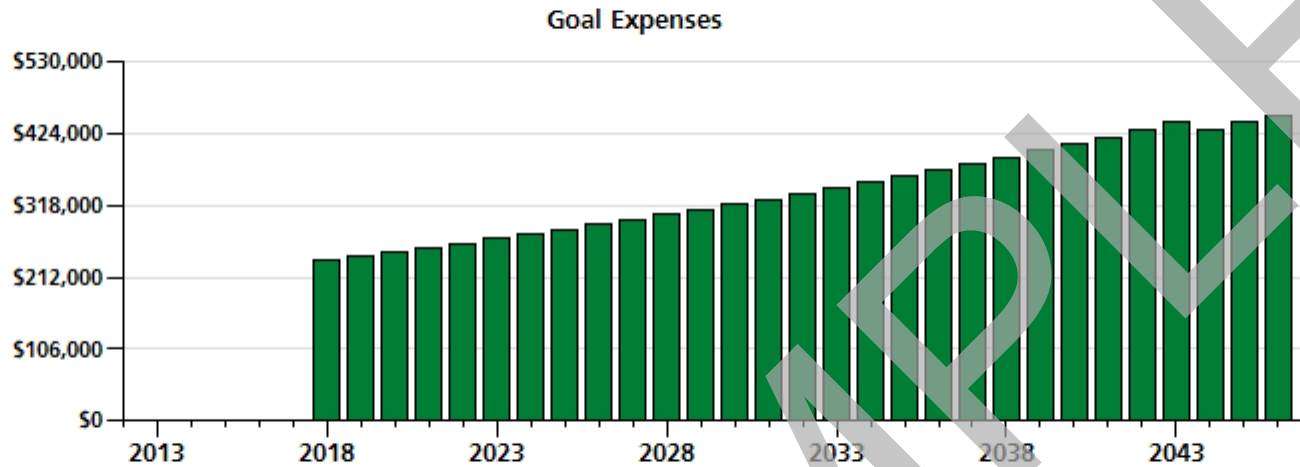
- This section lists the Personal and Financial Goal information you provided, which will be used to create your Report. It is important that it is accurate and complete.

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

Current Financial Goals Graph

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



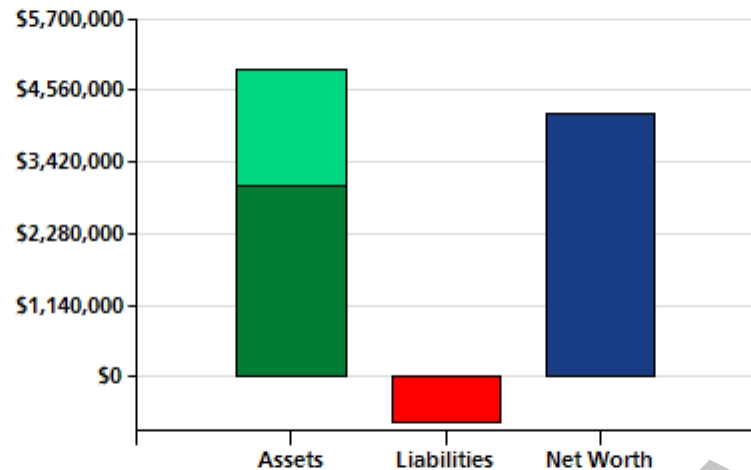
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See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

Net Worth Summary - All Resources

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This is your Net Worth Summary as of 11/25/2013. Your Net Worth is the difference between what you own (your Assets) and what you owe (your Liabilities). To get an accurate Net Worth statement, make certain you have entered all of your Assets and Liabilities.



| | | |
|--|---|-------------|
| ■ Investment Assets | | \$3,054,076 |
| ■ Other Assets | + | \$1,850,000 |
| Total Assets | | \$4,904,076 |
| ■ Total Liabilities | - | \$725,000 |
| Net Worth | | \$4,179,076 |

| Description | Total |
|----------------------------------|--------------------|
| Investment Assets | |
| Employer Retirement Plans | \$639,050 |
| Taxable and/or Tax-Free Accounts | \$1,189,300 |
| Individual Retirement Accounts | \$1,225,726 |
| Total Investment Assets: | \$3,054,076 |
| Other Assets | |
| Personal Asset | \$1,100,000 |
| Business and Property | \$750,000 |
| Total Other Assets: | \$1,850,000 |
| Liabilities | |
| Personal Real Estate Loan: | \$725,000 |
| Total Liabilities: | \$725,000 |
| Net Worth: | \$4,179,076 |

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

Resources Summary

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Investment Assets

| Description | Owner | Current Value | Additions | Assign to Goal |
|-----------------------------|--------------------|---------------|-----------|----------------|
| 401(k) | Jane | \$185,000 | \$23,000 | Fund All Goals |
| Account Total | | \$185,000 | | |
| Chase Checking | Joint Survivorship | \$75,000 | | Fund All Goals |
| Taxable Account Total | | \$75,000 | | |
| Raymond James Joint Account | Joint Survivorship | \$1,114,300 | | Fund All Goals |
| Taxable Account Total | | \$1,114,300 | | |
| Smith & Assoc. DBP | John | \$454,050 | \$37,000 | Fund All Goals |
| Account Total | | \$454,050 | | |
| Traditional IRA - Account | John | \$758,277 | | Fund All Goals |
| Account Total | | \$758,277 | | |
| Traditional IRA - Account | Jane | \$467,449 | | Fund All Goals |
| Account Total | | \$467,449 | | |

Total Investment Assets : **\$3,054,076**

Other Assets

| Description | Owner | Current Value | Future Value | Assign to Goal |
|--------------------------|--------------------|---------------|--------------|------------------|
| Coral Gables Home | Joint Survivorship | \$850,000 | | Not Used In Plan |
| North Carolina Townhouse | Joint Survivorship | \$250,000 | | Not Used In Plan |
| Smith & Assoc. Stock | John | \$750,000 | \$725,000 | Fund All Goals |

Total of Other Assets : **\$1,850,000**

Social Security

| Description | Owner | Value | File Status | Assign to Goal |
|-----------------|-------|---|-------------|----------------|
| Social Security | John | \$30,252 starting At John's Full Retirement Age | Normal | Fund All Goals |
| Social Security | Jane | \$26,440 starting At Jane's Full Retirement Age | Normal | Fund All Goals |

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

Resources Summary

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Liabilities

| Type | Description | Owner | Outstanding Balance | Interest Rate | Monthly Payment |
|------------------------------------|-------------------------|-------|---------------------|---------------|-----------------|
| 1st Mortgage | Coral Gables Morgage | Joint | \$350,000 | 6.00% | \$2,999 |
| Equity Line | HELOC | John | \$175,000 | 3.75% | \$546 |
| 2nd Mortgage | North Carolina Mortgage | Joint | \$200,000 | 4.00% | \$1,849 |
| Total Outstanding Balance : | | | \$725,000 | | |

SAMPLE

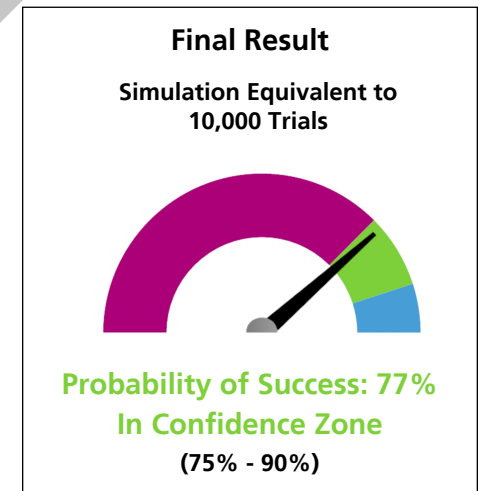
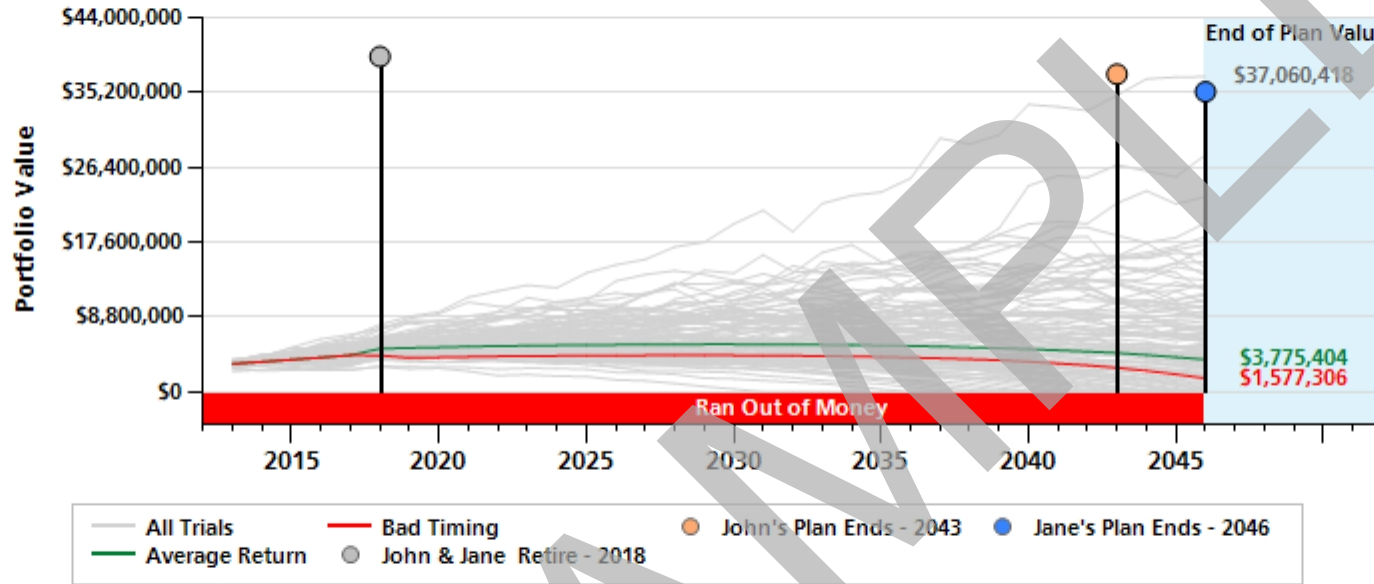
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See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

Worksheet Detail - Inside the Numbers Final Result

Inside the Numbers - Final Result For What If 1

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



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

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

| Trials | Year 5 | Year 10 | Year 15 | Year 20 | Year 25 | End of Plan | Year Money Goes to \$0 |
|--------|-------------|--------------|--------------|--------------|--------------|--------------|------------------------|
| Best | \$6,444,996 | \$11,845,899 | \$15,560,128 | \$18,818,069 | \$29,813,108 | \$37,060,418 | |
| 25th | \$4,677,542 | \$6,934,876 | \$6,834,621 | \$7,247,583 | \$7,576,466 | \$9,385,821 | |
| 50th | \$4,922,445 | \$7,063,398 | \$7,236,694 | \$8,882,912 | \$6,723,632 | \$5,074,924 | |
| 75th | \$5,164,393 | \$5,192,321 | \$4,302,819 | \$3,484,638 | \$3,258,887 | \$1,455,180 | |
| Worst | \$2,637,360 | \$1,877,307 | \$1,262,541 | \$0 | \$0 | \$0 | 2031 |

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | | 2018 65/66 | 2019 66/67 | 2020 67/68 | 2021 68/69 | 2022 69/70 | 2023 70/71 | 2024 71/72 | 2025 72/73 |
|---|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Retirement and Strategy Income Assign To | | | | | | | | | |
| Social Security - John | Fund All Goals | 0 | 35,083 | 35,960 | 36,859 | 37,781 | 38,725 | 39,694 | 40,686 |
| Social Security - Jane | Fund All Goals | 29,914 | 30,662 | 31,429 | 32,214 | 33,020 | 33,845 | 34,691 | 35,559 |
| Total Retirement and Strategy Income | | 29,914 | 65,745 | 67,389 | 69,074 | 70,801 | 72,571 | 74,385 | 76,245 |
| Other Additions Assign To | | | | | | | | | |
| Smith & Assoc. Stock | Fund All Goals | 725,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Additions | | 725,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investment Earnings | | 274,540 | 278,923 | 283,145 | 287,425 | 291,372 | 293,855 | 295,949 | 297,782 |
| Total Income and Earnings | | 1,029,455 | 344,669 | 350,535 | 356,498 | 362,173 | 366,426 | 370,334 | 374,027 |
| Cash Used To Fund Goals Estimated % Funded | | | | | | | | | |
| Retirement - Living Expense | 100% | 237,596 | 243,536 | 249,624 | 255,865 | 262,261 | 268,818 | 275,538 | 282,427 |
| Total Goal Funding | | (237,596) | (243,536) | (249,624) | (255,865) | (262,261) | (268,818) | (275,538) | (282,427) |
| Total Taxes and Tax Penalty | | (16,686) | (22,787) | (21,456) | (20,007) | (30,363) | (54,346) | (55,868) | (57,482) |
| Cash Surplus/Deficit (Net Change in Portfolio) | | 775,174 | 78,346 | 79,455 | 80,627 | 69,548 | 43,263 | 38,928 | 34,118 |

Portfolio Value

| Future Dollars | | | | | | | | | |
|----------------------------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Value | | 4,282,349 | 5,057,522 | 5,135,868 | 5,215,323 | 5,295,950 | 5,365,498 | 5,408,761 | 5,447,689 |
| Cash Surplus/Deficit | | 775,174 | 78,346 | 79,455 | 80,627 | 69,548 | 43,263 | 38,928 | 34,118 |
| Investment Asset Additions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Value | | 5,057,522 | 5,135,868 | 5,215,323 | 5,295,950 | 5,365,498 | 5,408,761 | 5,447,689 | 5,481,806 |
| Current Dollars | | | | | | | | | |
| Ending Value | | 4,361,085 | 4,320,627 | 4,280,458 | 4,240,617 | 4,191,519 | 4,122,259 | 4,050,661 | 3,976,614 |
| Cash Surplus/Deficit | | 668,430 | 65,910 | 65,212 | 64,560 | 54,331 | 32,972 | 28,945 | 24,750 |

Taxes

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | 2018 65/66 | 2019 66/67 | 2020 67/68 | 2021 68/69 | 2022 69/70 | 2023 70/71 | 2024 71/72 | 2025 72/73 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Taxes | 16,686 | 22,787 | 21,456 | 20,007 | 30,363 | 54,346 | 55,868 | 57,482 |
| Tax Penalty | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Marginal Tax Rate | 25.00% | 25.00% | 25.00% | 25.00% | 25.00% | 28.00% | 28.00% | 28.00% |

Estimated Required Minimum Distribution (RMD)

| | | | | | | | | |
|------|---|---|---|---|--------|--------|--------|--------|
| John | 0 | 0 | 0 | 0 | 0 | 88,249 | 92,944 | 97,877 |
| Jane | 0 | 0 | 0 | 0 | 45,672 | 48,102 | 50,655 | 53,336 |

| | | | | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Adjusted Portfolio Value | 5,007,349 | 5,057,522 | 5,135,868 | 5,215,323 | 5,295,950 | 5,365,498 | 5,408,761 | 5,447,689 |
| Portfolio Withdrawal Rate | 4.48% | 3.97% | 3.97% | 3.97% | 4.19% | 4.67% | 4.75% | 4.84% |

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | | 2026 73/74 | 2027 74/75 | 2028 75/76 | 2029 76/77 | 2030 77/78 | 2031 78/79 | 2032 79/80 | 2033 80/81 |
|---|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Retirement and Strategy Income Assign To | | | | | | | | | |
| Social Security - John | Fund All Goals | 41,703 | 42,746 | 43,814 | 44,910 | 46,032 | 47,183 | 48,363 | 49,572 |
| Social Security - Jane | Fund All Goals | 36,448 | 37,359 | 38,293 | 39,250 | 40,231 | 41,237 | 42,268 | 43,325 |
| Total Retirement and Strategy Income | | 78,151 | 80,104 | 82,107 | 84,160 | 86,264 | 88,420 | 90,631 | 92,897 |
| Other Additions Assign To | | | | | | | | | |
| Smith & Assoc. Stock | Fund All Goals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Additions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investment Earnings | | 299,328 | 300,556 | 301,432 | 301,924 | 302,004 | 301,631 | 300,775 | 299,395 |
| Total Income and Earnings | | 377,479 | 380,661 | 383,539 | 386,083 | 388,267 | 390,051 | 391,406 | 392,291 |
| Cash Used To Fund Goals Estimated % Funded | | | | | | | | | |
| Retirement - Living Expense | 100% | 289,487 | 296,725 | 304,143 | 311,746 | 319,540 | 327,528 | 335,717 | 344,109 |
| Total Goal Funding | | (289,487) | (296,725) | (304,143) | (311,746) | (319,540) | (327,528) | (335,717) | (344,109) |
| Total Taxes and Tax Penalty | | (59,196) | (61,015) | (62,946) | (64,905) | (66,899) | (69,077) | (71,169) | (73,350) |
| Cash Surplus/Deficit (Net Change in Portfolio) | | 28,795 | 22,921 | 16,450 | 9,432 | 1,829 | (6,554) | (15,480) | (25,168) |
| Portfolio Value | | | | | | | | | |
| Future Dollars | | | | | | | | | |
| Beginning Value | | 5,481,806 | 5,510,601 | 5,533,522 | 5,549,972 | 5,559,404 | 5,561,233 | 5,554,679 | 5,539,199 |
| Cash Surplus/Deficit | | 28,795 | 22,921 | 16,450 | 9,432 | 1,829 | (6,554) | (15,480) | (25,168) |
| Investment Asset Additions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Value | | 5,510,601 | 5,533,522 | 5,549,972 | 5,559,404 | 5,561,233 | 5,554,679 | 5,539,199 | 5,514,031 |
| Current Dollars | | | | | | | | | |
| Ending Value | | 3,900,002 | 3,820,706 | 3,738,600 | 3,653,613 | 3,565,673 | 3,474,606 | 3,380,412 | 3,282,978 |
| Cash Surplus/Deficit | | 20,379 | 15,826 | 11,081 | 6,199 | 1,173 | (4,100) | (9,447) | (14,985) |

Taxes

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | 2026 73/74 | 2027 74/75 | 2028 75/76 | 2029 76/77 | 2030 77/78 | 2031 78/79 | 2032 79/80 | 2033 80/81 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Taxes | 59,196 | 61,015 | 62,946 | 64,905 | 66,899 | 69,077 | 71,169 | 73,350 |
| Tax Penalty | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Marginal Tax Rate | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% |

Estimated Required Minimum Distribution (RMD)

| | | | | | | | | |
|------|---------|---------|---------|---------|---------|---------|---------|---------|
| John | 103,057 | 108,494 | 114,199 | 120,182 | 125,858 | 132,401 | 138,539 | 144,897 |
| Jane | 56,150 | 59,102 | 62,199 | 65,136 | 68,523 | 71,699 | 74,990 | 78,393 |

| | | | | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Adjusted Portfolio Value | 5,481,806 | 5,510,601 | 5,533,522 | 5,549,972 | 5,559,404 | 5,561,233 | 5,554,679 | 5,539,199 |
| Portfolio Withdrawal Rate | 4.94% | 5.04% | 5.15% | 5.27% | 5.40% | 5.54% | 5.69% | 5.86% |

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | | 2034 81/82 | 2035 82/83 | 2036 83/84 | 2037 84/85 | 2038 85/86 | 2039 86/87 | 2040 87/88 | 2041 88/89 |
|---|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Retirement and Strategy Income Assign To | | | | | | | | | |
| Social Security - John | Fund All Goals | 50,811 | 52,081 | 53,383 | 54,718 | 56,086 | 57,488 | 58,925 | 60,398 |
| Social Security - Jane | Fund All Goals | 44,408 | 45,518 | 46,656 | 47,822 | 49,018 | 50,243 | 51,500 | 52,787 |
| Total Retirement and Strategy Income | | 95,219 | 97,599 | 100,039 | 102,540 | 105,104 | 107,731 | 110,425 | 113,185 |
| Other Additions Assign To | | | | | | | | | |
| Smith & Assoc. Stock | Fund All Goals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Additions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investment Earnings | | 297,447 | 294,884 | 291,658 | 287,726 | 283,055 | 277,593 | 271,287 | 264,080 |
| Total Income and Earnings | | 392,666 | 392,484 | 391,697 | 390,266 | 388,159 | 385,325 | 381,712 | 377,265 |
| Cash Used To Fund Goals Estimated % Funded | | | | | | | | | |
| Retirement - Living Expense | 100% | 352,712 | 361,530 | 370,568 | 379,832 | 389,328 | 399,061 | 409,038 | 419,264 |
| Total Goal Funding | | (352,712) | (361,530) | (370,568) | (379,832) | (389,328) | (399,061) | (409,038) | (419,264) |
| Total Taxes and Tax Penalty | | (75,622) | (77,982) | (80,430) | (82,778) | (84,824) | (86,856) | (88,857) | (90,803) |
| Cash Surplus/Deficit (Net Change in Portfolio) | | (35,668) | (47,029) | (59,301) | (72,344) | (85,994) | (100,593) | (116,183) | (132,801) |

Portfolio Value

| Future Dollars | | | | | | | | | |
|----------------------------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Value | | 5,514,031 | 5,478,362 | 5,431,334 | 5,372,033 | 5,299,688 | 5,213,695 | 5,113,102 | 4,996,919 |
| Cash Surplus/Deficit | | (35,668) | (47,029) | (59,301) | (72,344) | (85,994) | (100,593) | (116,183) | (132,801) |
| Investment Asset Additions | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Value | | 5,478,362 | 5,431,334 | 5,372,033 | 5,299,688 | 5,213,695 | 5,113,102 | 4,996,919 | 4,864,117 |
| Current Dollars | | | | | | | | | |
| Ending Value | | 3,182,187 | 3,077,922 | 2,970,065 | 2,858,602 | 2,743,627 | 2,625,065 | 2,502,846 | 2,376,906 |
| Cash Surplus/Deficit | | (20,718) | (26,651) | (32,786) | (39,022) | (45,253) | (51,644) | (58,194) | (64,895) |

Taxes

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | 2034 81/82 | 2035 82/83 | 2036 83/84 | 2037 84/85 | 2038 85/86 | 2039 86/87 | 2040 87/88 | 2041 88/89 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Taxes | 75,622 | 77,982 | 80,430 | 82,778 | 84,824 | 86,856 | 88,857 | 90,803 |
| Tax Penalty | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Marginal Tax Rate | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% | 28.00% |

Estimated Required Minimum Distribution (RMD)

| | | | | | | | | |
|------|---------|---------|---------|---------|---------|---------|---------|---------|
| John | 151,474 | 158,265 | 165,265 | 172,464 | 178,633 | 184,832 | 191,030 | 197,186 |
| Jane | 81,908 | 85,531 | 89,257 | 92,449 | 95,658 | 98,865 | 102,051 | 105,192 |

| | | | | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Adjusted Portfolio Value | 5,514,031 | 5,478,362 | 5,431,334 | 5,372,033 | 5,299,688 | 5,213,695 | 5,113,102 | 4,996,919 |
| Portfolio Withdrawal Rate | 6.04% | 6.24% | 6.46% | 6.70% | 6.96% | 7.25% | 7.58% | 7.94% |

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | | 2042 89/90 | 2043 90/91 | 2044 -/92 | 2045 -/93 | 2046 -/94 |
|---|----------------|------------------|------------------|------------------|------------------|------------------|
| Retirement and Strategy Income Assign To | | | | | | |
| Social Security - John | Fund All Goals | 61,908 | 63,456 | 0 | 0 | 0 |
| Social Security - Jane | Fund All Goals | 54,107 | 55,459 | 65,042 | 66,668 | 68,335 |
| Total Retirement and Strategy Income | | 116,015 | 118,915 | 65,042 | 66,668 | 68,335 |
| Other Additions Assign To | | | | | | |
| Smith & Assoc. Stock | Fund All Goals | 0 | 0 | 0 | 0 | 0 |
| Total Other Additions | | 0 | 0 | 0 | 0 | 0 |
| Investment Earnings | | 255,930 | 246,810 | 234,126 | 220,143 | 204,930 |
| Total Income and Earnings | | 371,945 | 365,725 | 299,168 | 286,811 | 273,265 |
| Cash Used To Fund Goals Estimated % Funded | | | | | | |
| Retirement - Living Expense | 100% | 429,746 | 440,489 | 430,001 | 440,751 | 451,770 |
| Total Goal Funding | | (429,746) | (440,489) | (430,001) | (440,751) | (451,770) |
| Total Taxes and Tax Penalty | | (92,392) | (93,304) | (103,425) | (102,903) | (100,846) |
| Cash Surplus/Deficit (Net Change in Portfolio) | | (150,192) | (168,068) | (234,258) | (256,844) | (279,352) |

Portfolio Value

| Future Dollars | | | | | | |
|----------------------------|--|-----------|-----------|-----------|-----------|-----------|
| Beginning Value | | 4,864,117 | 4,713,925 | 4,545,858 | 4,311,600 | 4,054,756 |
| Cash Surplus/Deficit | | (150,192) | (168,068) | (234,258) | (256,844) | (279,352) |
| Investment Asset Additions | | 0 | 0 | 0 | 0 | 0 |
| Ending Value | | 4,713,925 | 4,545,858 | 4,311,600 | 4,054,756 | 3,775,404 |
| Current Dollars | | | | | | |
| Ending Value | | 2,247,329 | 2,114,346 | 1,956,477 | 1,795,053 | 1,630,617 |
| Cash Surplus/Deficit | | (71,603) | (78,171) | (106,299) | (113,705) | (120,654) |

Taxes

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

| Year Age (John / Jane) | 2042 89/90 | 2043 90/91 | 2044 -/92 | 2045 -/93 | 2046 -/94 |
|---------------------------|---------------|---------------|--------------|--------------|--------------|
| Total Taxes | 92,392 | 93,304 | 103,425 | 102,903 | 100,846 |
| Tax Penalty | 0 | 0 | 0 | 0 | 0 |
| Federal Marginal Tax Rate | 28.00% | 28.00% | 33.00% | 33.00% | 33.00% |

Estimated Required Minimum Distribution (RMD)

| | | | | | |
|------|---------|---------|---------|---------|---------|
| John | 203,254 | 207,340 | 0 | 0 | 0 |
| Jane | 107,307 | 109,243 | 334,460 | 338,859 | 338,558 |

| | | | | | |
|----------------------------------|------------------|------------------|------------------|------------------|------------------|
| Adjusted Portfolio Value | 4,864,117 | 4,713,925 | 4,545,858 | 4,311,600 | 4,054,756 |
| Portfolio Withdrawal Rate | 8.35% | 8.80% | 10.30% | 11.06% | 11.94% |

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

Worksheet Detail - Retirement Distribution Cash Flow Chart

Scenario : What If 1 using Average Returns

Notes

- Additions and withdrawals occur at the beginning of the year.
- The Income section includes Retirement Income, Strategy Income, Stock Options, Restricted Stock, Other Assets, proceeds from Insurance Policies, and any remaining asset value after 72(t) distributions have been completed.
- Retirement Income includes the following: Social Security, pension, annuity, rental property, royalty, alimony, part-time employment, trust, and any other retirement income as entered in the Plan.
- When married, if either Social Security Program Estimate or Use This Amount and Evaluate Annually is selected for a participant, the program will default to the greater of the selected benefit or the age adjusted spousal benefit based on the other participant's benefit.
- Strategy Income is based on the particulars of the Goal Strategies selected. Strategy Income from immediate annuities, 72(t) distributions, and variable annuities with a guaranteed minimum withdrawal benefit (GMWB) is pre-tax. Strategy Income from Net Unrealized Appreciation (NUA) is after-tax.
- Stock Options and Restricted Stock values are after-tax.
- Income from Other Assets and proceeds from Insurance Policies are after-tax values. Any remaining asset value after 72(t) distributions have been completed is a pre-tax value.
- Investment Earnings are calculated on all assets after any withdrawals for funding goals, taxes on withdrawals, and tax penalties, if applicable, are subtracted.
- Shortfalls that occur in a particular year are denoted with an 'x' in the Cash Used to Fund Goals section of the chart.
- Portfolio Withdrawal Rate (%) is the percentage withdrawn from the investment portfolio to cover cash deficits.
- The Total Taxes are a sum of (1) taxes on retirement income, (2) taxes on strategy income, (3) taxes on withdrawals from qualified assets for Required Minimum Distributions, (4) taxes on withdrawals from taxable assets' untaxed gain used to fund Goals in that year, (5) taxes on withdrawals from tax-deferred or qualified assets used to fund goals in that year, and (6) taxes on the investment earnings of taxable assets. Tax rates used are detailed in the Tax and Inflation Options page. (Please note, the Total Taxes do not include any taxes owed from the exercise of Stock Options or the vesting of Restricted Stock.)
- Tax Penalties can occur when Qualified and Tax-Deferred Assets are used prior to age 59½. If there is a value in this row, it illustrates that you are using your assets in this Plan in a manner that may incur tax penalties. Generally, it is better to avoid tax penalties whenever possible.
- The Cash Surplus/Deficit is the net change in the Portfolio Value for the specified year. This value is your income and earnings minus what was spent to fund goals minus taxes.
- The Ending Value of the Portfolio in Current Dollars is calculated by discounting the Ending Value of the Portfolio in Future Dollars by the Base Inflation Rate for this Plan.
- The Cash Surplus/Deficit in Current Dollars is calculated by discounting the Cash Surplus/Deficit in Future Dollars by the Base Inflation Rate for this Plan.
- These calculations do not incorporate penalties associated with use of 529 Plan withdrawals for non-qualified expenses.
- When married, ownership of qualified assets is assumed to roll over to the surviving co-client at the death of the original owner. It is also assumed the surviving co-client inherits all assets of the original owner.

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

Glossary

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Asset Allocation

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

Asset Class

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

Cash and Cash Alternatives

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

Commodities

A commodity is food, metal, or another fixed physical substance that investors buy or sell, usually via futures contracts, and generally traded in very large quantities.

Bonds

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

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

Stocks

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

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

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

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

Asset Mix

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

Bear Market Loss

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

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Bear Market Test

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

Bond Bear Market Return

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

Bypass Trust

An estate planning device used to pass down assets after death without subjecting them to the estate tax.

Cash Receipt Schedule

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

Concentrated Position

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

Confidence Zone

See Monte Carlo Confidence Zone.

Current Dollars

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

Current Portfolio

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

Fund All Goals

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

Future Dollars

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

Great Recession Return

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

Inflation Rate

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

Irrevocable Life Insurance Trust

An irrevocable trust set up with a life insurance policy as the asset, allowing the grantor of the policy to exempt the asset away from his or her taxable estate.

Liquidity

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

Monte Carlo Confidence Zone

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

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Monte Carlo Probability of Success / Probability of Failure

The Monte Carlo Probability of Success is the percentage of trials of your Plan that were successful. If a Monte Carlo simulation runs your Plan 10,000 times, and if 6,000 of those runs are successful (i.e., all your goals are funded and you have at least \$1 of Safety Margin), then the Probability of Success for that Plan, with all its underlying assumptions, would be 60%, and the Probability of Failure would be 40%.

Monte Carlo Simulations

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

Needs / Wants / Wishes

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

Portfolio Set

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

Portfolio Total Return

A Portfolio Total Return is determined by weighting the return assumption for each Asset Class according to the Asset Mix.

Probability of Success / Probability of Failure

See Monte Carlo Probability of Success / Probability of Failure.

Real Return

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

Recommended Scenario

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

Retirement Start Date

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

Risk

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

Risk-based Portfolio

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

Safety Margin

The Safety Margin is the hypothetical portfolio value at the end of the Plan. A Safety Margin of zero indicates the portfolio was depleted before the Plan ended.

Standard Deviation

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

Star Track

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

Target Band

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

Target Goal Amount

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

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Target Portfolio

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

Target Retirement Age

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

Target Savings Amount

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

Time Horizon

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

Total Return

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

Wants

See "Needs / Wants / Wishes".

Willingness

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

Wishes

See "Needs / Wants / Wishes".

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Plan Delivery Acknowledgement

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This plan should be reviewed periodically to ensure that the decisions made continue to be appropriate, particularly if there are changes in family circumstances including, but not limited to an inheritance, birth of a child, death of a family member, or material change in incomes or expenses.

We (John and Jane Smith) have reviewed and accept the information contained within this plan and understand the assumptions associated with it. We believe that all information provided by us is complete and accurate to the best of our knowledge. We recognize that performance is not guaranteed and that all future projections are included simply as a tool for decision making and do not represent a forecast of our financial future.

Your advisor (Brett Hixon) will review this plan with you on a periodic basis to determine whether your stated goals and assumptions in this plan are still relevant. It is not expected that the plan will change frequently. In particular, short-term changes in the financial markets should not generally require adjustments to the plan. It is your obligation to notify all interested parties of any material changes that would alter the objectives of this plan. If all interested parties are not notified of any material changes, then the current plan document would become invalid.

Client signature & date

Co-Client signature & date

Advisor signature & date

Delivery Date

Notes

We have prepared this plan based on information provided by you. We have not attempted to verify the accuracy or completeness of this information. As the future cannot be forecast with certainty, actual results will vary from these projections. It is possible that these variations may be material. The degree of uncertainty normally increases with the length of the future period covered.

Financial Advisor : Brett Hixon

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Plan Name : Financial Goal Plan

Report Name : Financial Goal Plan

11/25/2013