



**REPORT PREPARED FOR**

# **John Client & Jane Client**

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SurePath Wealth Management**

## Important Information

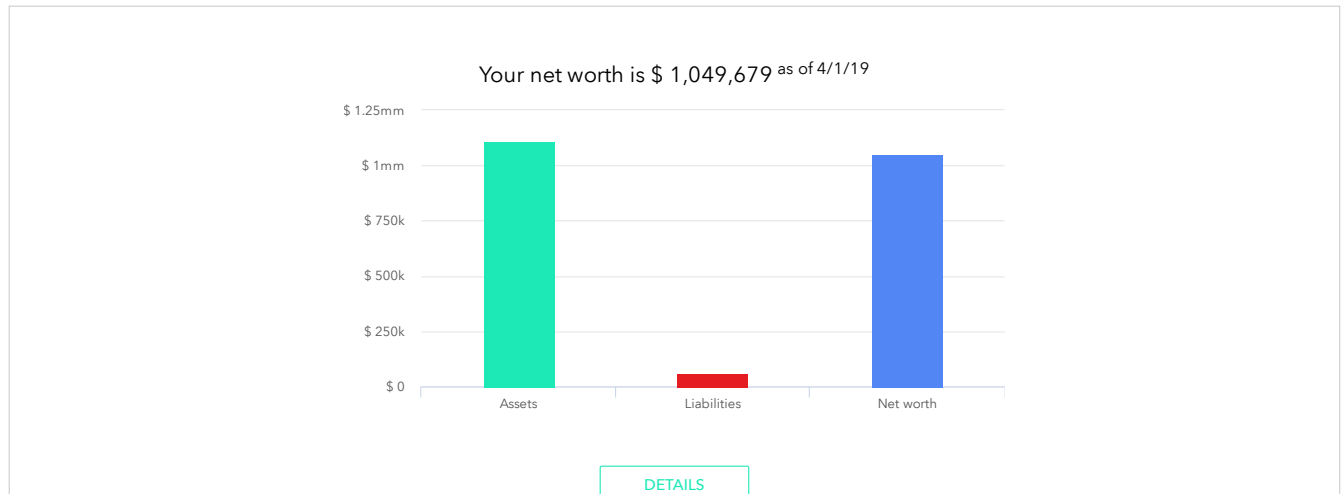
This report is intended to provide you with an analysis of your financial plan. It is based on the data and assumptions provided by you and your financial advisor including but not limited to asset expected returns, volatility, and inflation assumptions. Detailed information regarding assumptions can be found on the disclosure page of this report.

The report shows comparisons of your current plan and a proposed plan. The proposed plan is a recommendation formulated by your financial advisor. The report also shows comparisons of your current asset allocation and a proposed asset allocation. The proposed asset allocation is the recommendation formulated by your advisor.

The report shows the Probability of Success of your plan using a Monte Carlo simulation calculated by running the projection 1,000 separate times. Some sequences of returns used in the Monte Carlo simulation will give you better results, and some will give you worse results. These multiple trials provide a range of possible results. RightCapital considers a trial to be "successful" if, at the end of your planning horizon, your invested assets are greater than zero. The percentage of trials that were successful is the Probability of Success of your plan, with all its underlying assumptions. Detailed disclosure regarding the calculations can be found on the disclosure page of this report.

# Balance Sheet

Just like any well-run business, your personal balance sheet should always be in check. Your net worth is the difference between your assets and your liabilities. Assets are everything you own such as your home and investments, and liabilities are everything you owe such as the balance on your mortgage and other debt.

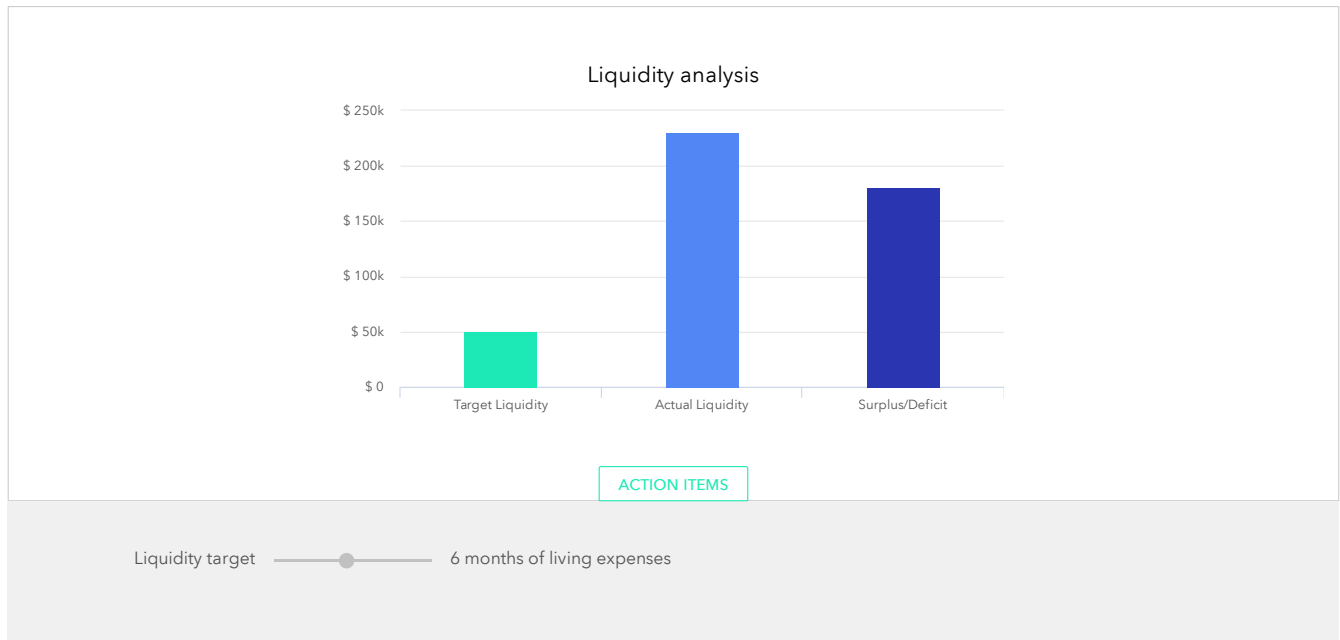


| Assets                    | Liabilities              | Net Worth           |
|---------------------------|--------------------------|---------------------|
| Bank                      | Credit cards             | <b>\$ 1,049,679</b> |
| Invested assets           | Mortgages                |                     |
| Real estate assets        | Home equities            |                     |
| Life insurance cash value | Student loans            |                     |
| Other assets              | Other debts              |                     |
| <b>Total assets</b>       | <b>Total liabilities</b> |                     |

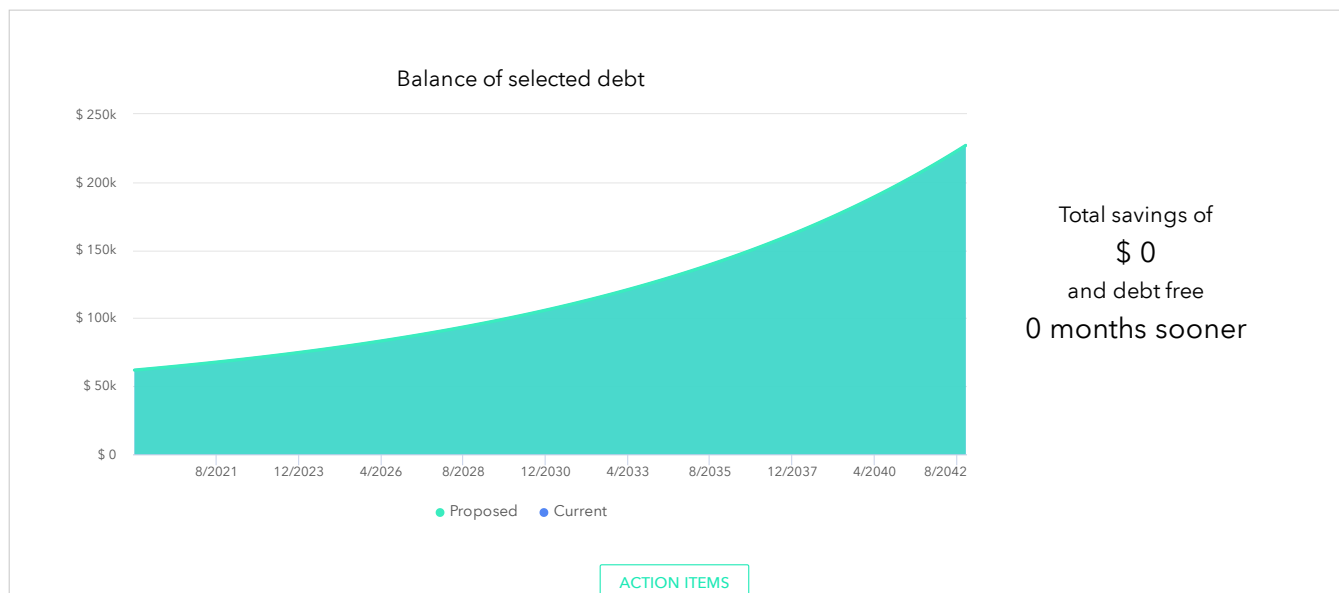
| Description                           | John              | Jane              | Joint             | Trust       | Total               |
|---------------------------------------|-------------------|-------------------|-------------------|-------------|---------------------|
| <b>Cash and Invested Assets</b>       |                   |                   |                   |             |                     |
| John's Traditional IRA                | \$ 200,179        |                   |                   |             | \$ 200,179          |
| Jane's Traditional IRA                |                   | \$ 247,000        |                   |             | \$ 247,000          |
| John's 401k                           | \$ 20,370         |                   |                   |             | \$ 20,370           |
| John & Jane Joint Brokerage           | \$ 169,599        |                   |                   |             | \$ 169,599          |
| John's IBM Stock                      | \$ 30,000         |                   |                   |             | \$ 30,000           |
| Jane's Roth IRA                       |                   | \$ 84,506         |                   |             | \$ 84,506           |
| John's Brokerage Account              | \$ 30,109         |                   |                   |             | \$ 30,109           |
| <b>Total Cash and Invested Assets</b> | <b>\$ 450,257</b> | <b>\$ 331,506</b> | <b>\$ 0</b>       | <b>\$ 0</b> | <b>\$ 781,763</b>   |
| <b>Other Assets</b>                   |                   |                   |                   |             |                     |
| Primary Home                          |                   |                   | \$ 291,132        |             | \$ 291,132          |
| John's Car                            | \$ 29,000         |                   |                   |             | \$ 29,000           |
| Jane's Car                            |                   | \$ 9,610          |                   |             | \$ 9,610            |
| <b>Total Other Assets</b>             | <b>\$ 29,000</b>  | <b>\$ 9,610</b>   | <b>\$ 291,132</b> | <b>\$ 0</b> | <b>\$ 329,742</b>   |
| <b>Liabilities</b>                    |                   |                   |                   |             |                     |
| John's Wells Fargo Credit Card        | \$ 7,000          |                   |                   |             | \$ 7,000            |
| John's Car Loan                       | \$ 25,909         |                   |                   |             | \$ 25,909           |
| John's Discover Card                  | \$ 3,917          |                   |                   |             | \$ 3,917            |
| Home Depot Card                       | \$ 5,000          |                   |                   |             | \$ 5,000            |
| Amy's School Loan                     | \$ 20,000         |                   |                   |             | \$ 20,000           |
| <b>Total Liabilities</b>              | <b>\$ 61,826</b>  | <b>\$ 0</b>       | <b>\$ 0</b>       | <b>\$ 0</b> | <b>\$ 61,826</b>    |
| <b>Total Net Worth</b>                | <b>\$ 417,431</b> | <b>\$ 341,116</b> | <b>\$ 291,132</b> | <b>\$ 0</b> | <b>\$ 1,049,679</b> |

# Liquidity

If a job loss or other financial hardship arises, a liquid emergency fund can help pay bills without dipping into savings or using high interest credit or loans. Your emergency fund should include easily accessible funds like cash and money market funds.



# Debt Management



## Proposed debt strategy

Strategy

Keep current payment

### Include the following debts in the payment strategy

|  |           |
|--|-----------|
| <input checked="" type="checkbox"/> Mick's Car Loan                | \$ 25,909 |
| <input checked="" type="checkbox"/> Amy's School Loan              | \$ 20,000 |
| <input checked="" type="checkbox"/> John's Wells Fargo Credit Card | \$ 7,000  |
| <input checked="" type="checkbox"/> John's Discover Card           | \$ 3,917  |
| <input checked="" type="checkbox"/> Home Depot Card                | \$ 5,000  |

## Proposed monthly payment

Current total monthly payment \$ 0

Proposed additional monthly payment  \$ 0

Proposed total monthly payment \$ 0.00

Proposed payments for next month

| Debt Name                      | Balance | Interest Rate | Minimum Payment | Current Payment | Proposed Payment |
|--------------------------------|---------|---------------|-----------------|-----------------|------------------|
| Mick's Car Loan                | 25909   | 0             | 0               | 0               | 0                |
| Amy's School Loan              | 20000   | 4             | 0               | 0               | 0                |
| John's Wells Fargo Credit Card | 7000    | 10            | 0               | 0               | 0                |
| John's Discover Card           | 3917    | 10            | 0               | 0               | 0                |
| Home Depot Card                | 5000    | 10            | 0               | 0               | 0                |

# Student Loans

A proper student loan strategy can help minimize your payments or take advantage of the Public Service Loan Forgiveness program.

## Student Loans Analysis

Summary

\$ 0

● Proposed ● Current

ACTION ITEMS

### John's Information

New borrower as of

Months in public sector job

Tax filing status

### Proposal for John

Planned career

Proposed payment plan

### Jane's Information

New borrower as of

Months in public sector job

Tax filing status

### Proposal for Jane

Planned career

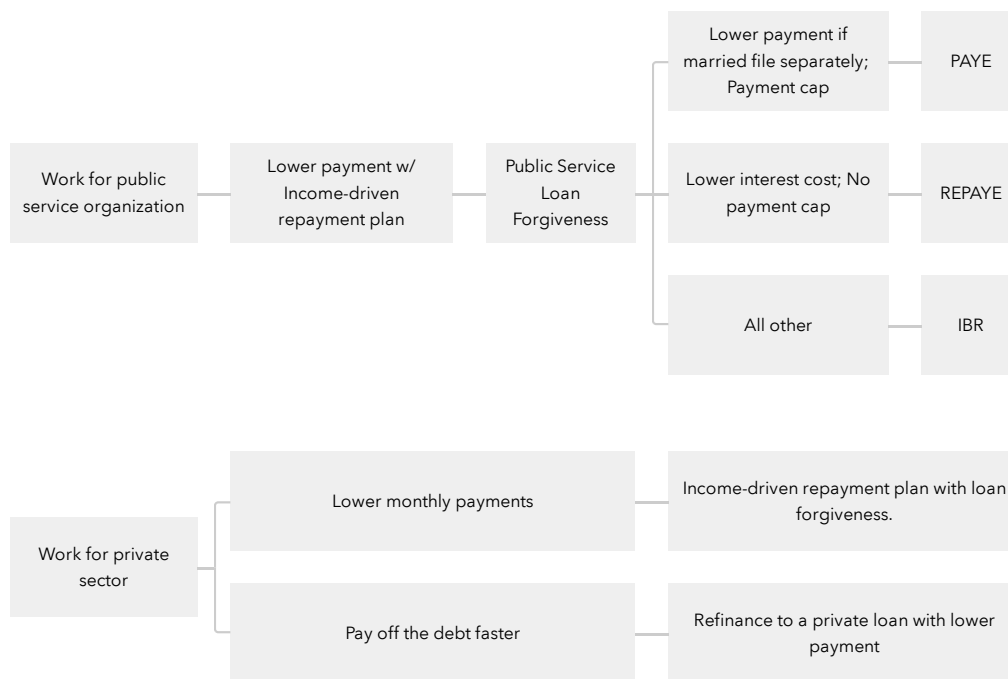
Proposed payment plan



## Student loan options

| Loan Name         | Loan Type                   | Balance   | Rate | Payment | Income-driven Repayment Plan Eligibility | PSLF Eligibility | Private Refinance |
|-------------------|-----------------------------|-----------|------|---------|--|------------------|-------------------|
| Amy's School Loan | Private/institutional lo... | \$ 20,000 | 4%   | \$ 0    |  | Ineligible       | Possible          |

## Student loan strategy



# Tasks

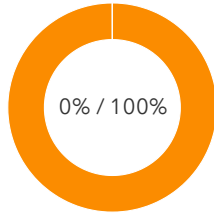
Below are important tasks that you need to complete. After the tasks are completed, please check off the proper boxes.

| Status | Due date ▼ | Assigned to | Task |
|--------|------------|-------------|------|
|--------|------------|-------------|------|

# Asset Allocation

## Current allocation

All Accounts



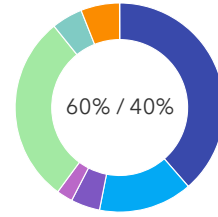
Equity / Fixed Income

Annual return: 2.4%  
Standard deviation: 1.9%

|      |                        |       |
|------|------------------------|-------|
| 0%   | U.S. Equities          | 38.6% |
| 0%   | International Equities | 14.5% |
| 0%   | Emerging Markets       | 4.5%  |
| 0%   | Real Estate            | 2.5%  |
| 0%   | U.S. Bonds             | 29.1% |
| 0%   | International Bonds    | 4.8%  |
| 100% | Cash                   | 6%    |
| 0%   | Other                  | 0%    |

## Target allocation

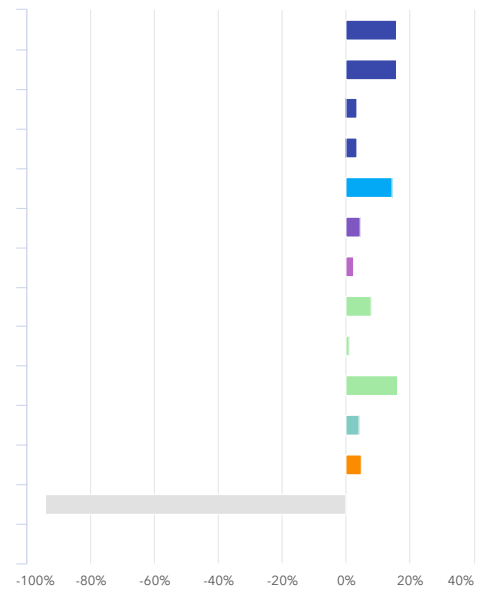
Moderate



Equity / Fixed Income

Annual return: 6.9%  
Standard deviation: 10.2%

|                        |                        | Current | Target |
|------------------------|------------------------|---------|--------|
| U.S. Equities          | Large Growth           | 0%      | 16%    |
|                        | Large Value            | 0%      | 16%    |
|                        | Mid Cap                | 0%      | 3.3%   |
|                        | Small Cap              | 0%      | 3.3%   |
| International Equities | International Equities | 0%      | 14.5%  |
| Emerging Markets       | Emerging Markets       | 0%      | 4.5%   |
| Real Estate            | Real Estate            | 0%      | 2.5%   |
| U.S. Bonds             | Government             | 0%      | 8%     |
|                        | Municipal              | 0%      | 1%     |
|                        | Corporate              | 0%      | 16.1%  |
|                        | High Yield             | 0%      | 4%     |
| International Bonds    | International Bonds    | 0%      | 4.8%   |
| Cash                   | Cash                   | 100%    | 6%     |
| Other                  | Other                  | 0%      | 0%     |



Please refer to sections 5 and 8.4 of the disclosure section for more information.

## ACTION ITEMS

To balance back to your target portfolio

|               |              |                        |              |                     |             |
|---------------|--------------|------------------------|--------------|---------------------|-------------|
| U.S. Equities | ▲ \$ 301,760 | International Equities | ▲ \$ 113,356 | Emerging Markets    | ▲ \$ 35,179 |
| Real Estate   | ▲ \$ 19,544  | U.S. Bonds             | ▲ \$ 227,493 | International Bonds | ▲ \$ 37,525 |
| Cash          | ▼ \$ 734,857 | Other                  | ▼ \$ 0       |                     |             |

This page shows a need to increase or decrease the amounts currently represented in these asset classes of the current portfolio.

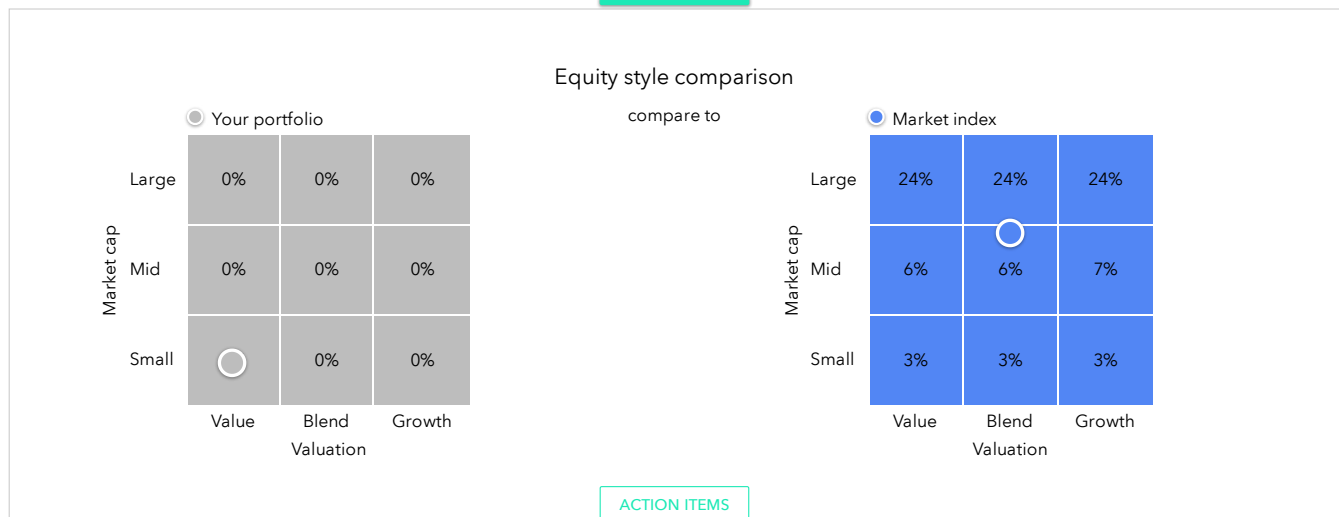
# Equity Sector and Style

Equity investments can be categorized according to sectors. They are also each assigned a style based on their market cap and valuation. It is important to construct a well-diversified equity portfolio across sectors and styles that balances risk with return, while at the same time meeting your specific financial goals. Sector and Style data is provided by Morningstar.



#### Comparison to a broad market index

Amongst the equity sector, you are most overweight in Utilities and underweight Technology.



#### Comparison to a broad market index

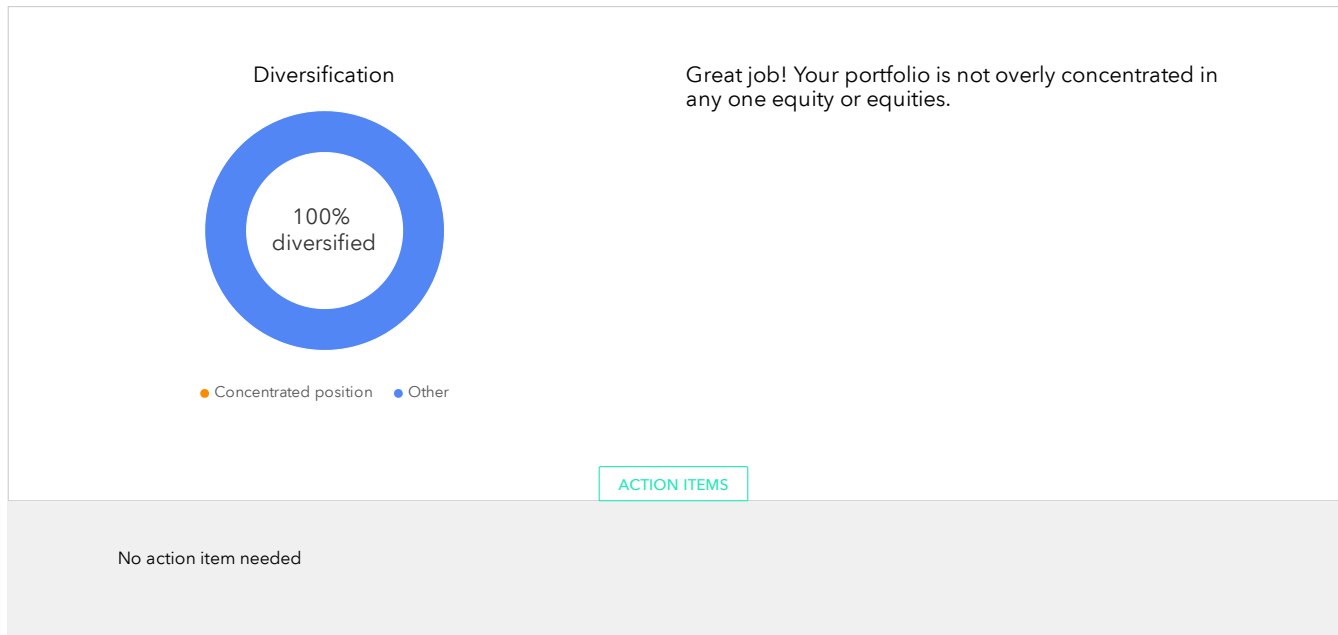
Amongst the equity styles, you are most overweight in Small Value and most underweight in Large Value.

\* Broad market index refers to the Vanguard Total Stock Market Index.

These broad investment categories are not specific securities, funds, or investment products. The assumed rates of return of these broad categories are based on the return of indices. Please refer to section 8.4 of the disclosure section for more information.

# Concentrated Position

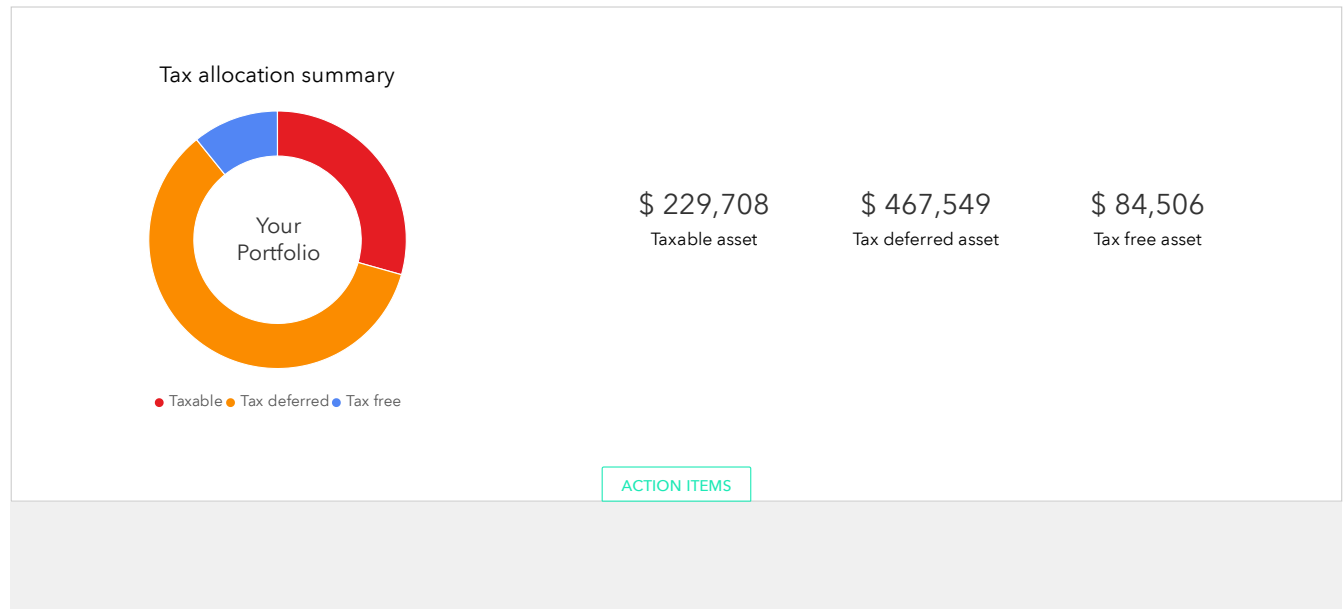
A portfolio that is too heavy in just one security poses a substantial downside risk. This is often defined as "putting all your eggs in one basket." Your concentration position is identified as individual stocks that exceed 5% of the entire portfolio.



The transaction cost of liquidation is not included in the analysis. The liquidation will also result in the loss of future earnings.

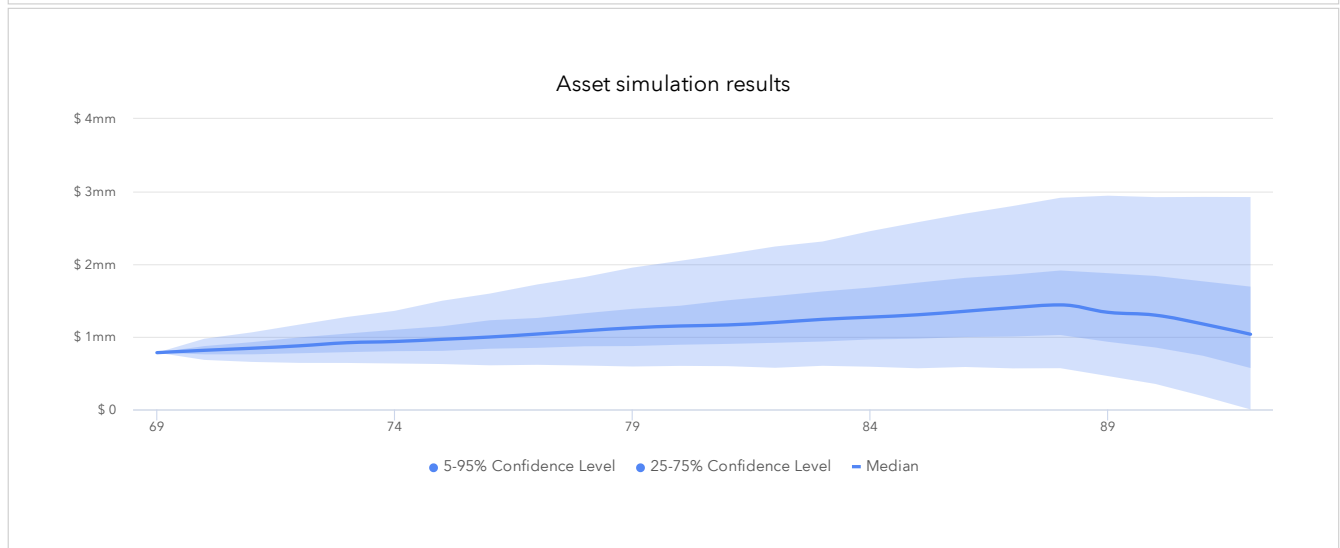
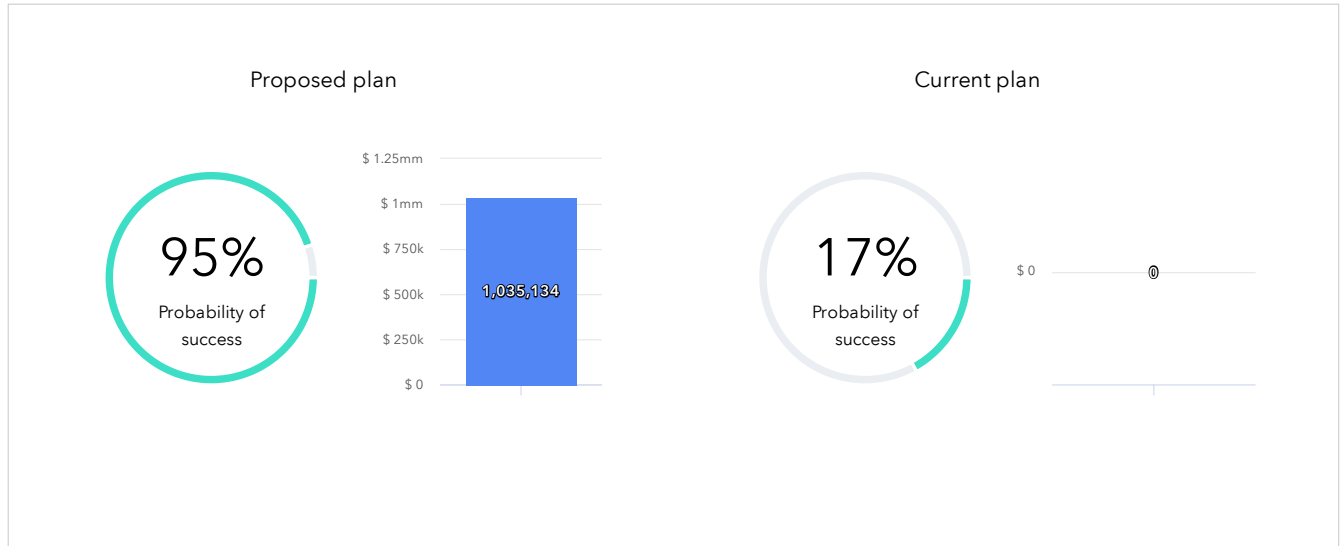
# Tax Allocation

Tax deferred asset include assets in your 401(k)/403(b), Traditional IRA, SEP IRA, Simple IRA and other accounts you specified as tax deferred. Tax free assets include assets in your Roth 401(k), Roth IRA, 529, Health saving accounts and other account you specified as tax free accounts. The taxability of the aforementioned are based on a variety of factors. Please consult a qualified tax professional to discuss your individual tax situation.



# Retirement Analysis

Use of a detailed retirement analysis tool is important to help determine whether you are on track for a successful retirement. Monte Carlo simulations, stress tests, and viewing specific scenarios can help you evaluate your retirement plans and see the impact of potential changes.



This section of the report displays the results of Monte Carlo simulations run on the current and proposed plans. The results are derived from 1000 simulations and the specified retirement cash flows. The first chart of probability of success represents the overall likelihood of success in both the current and proposed plan. The second chart illustrates the likelihood of achieving a given net worth over time.

**IMPORTANT:** The projections or other information generated by RightCapital regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results are based on return and volatility assumptions from a number of market indices shown in disclosure sections 5, 6 and 8.4. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fees. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome. Results may vary with each use and over time. The analysis must be reviewed in conjunction with assumptions, limitations and methodologies in the disclosure section. This report is not complete without the accompanying disclosure page.



ACTION ITEMS

| Financial goals               |  | Proposed | Current  | Strategies              |                     | Proposed | Current            |
|-------------------------------|--|----------|----------|-------------------------|---------------------|----------|--------------------|
| John's retirement age         |  | 65       | 65       | Asset allocation        | Growth              |          | Current allocation |
| Jane's retirement age         |  | 66       | 66       | Social Security         | Full retirement age |          | Current strategy   |
| Retirement Monthly Expense    |  | \$ 5,500 | \$ 5,333 | Debt strategy           | Current payments    |          | Current payments   |
| Income, savings and expenses  |  |          |          | Student loan strategy   | Current payments    |          | Current payments   |
| John's 401(k)                 |  | 0 %      | 0%       | Income strategy         | \$ 0                |          | Select an account  |
| Jane's 401(k)                 |  | 0 %      | 0%       | Property and relocation |                     |          |                    |
| Pre-retirement Living Expe... |  | \$ 7,500 | \$ 7,500 |                         |                     |          |                    |

IMPORTANT: The projections or other information generated by RightCapital regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results are based on return and volatility assumptions from a number of market indices shown in disclosure sections 5, 6 and 8.4. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fees. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome. Results may vary with each use and over time. The analysis must be reviewed in conjunction with assumptions, limitations and methodologies in the disclosure section. This report is not complete without the accompanying disclosure page.

# Stress Test

Even the best retirement plans will be exposed to various risks. These risks can include market volatility, taxation, low Social Security payments, longevity, inflation, and short and long-term health care expenses. It is important to both anticipate and plan for such risks. Doing so can substantially increase your probability of success.

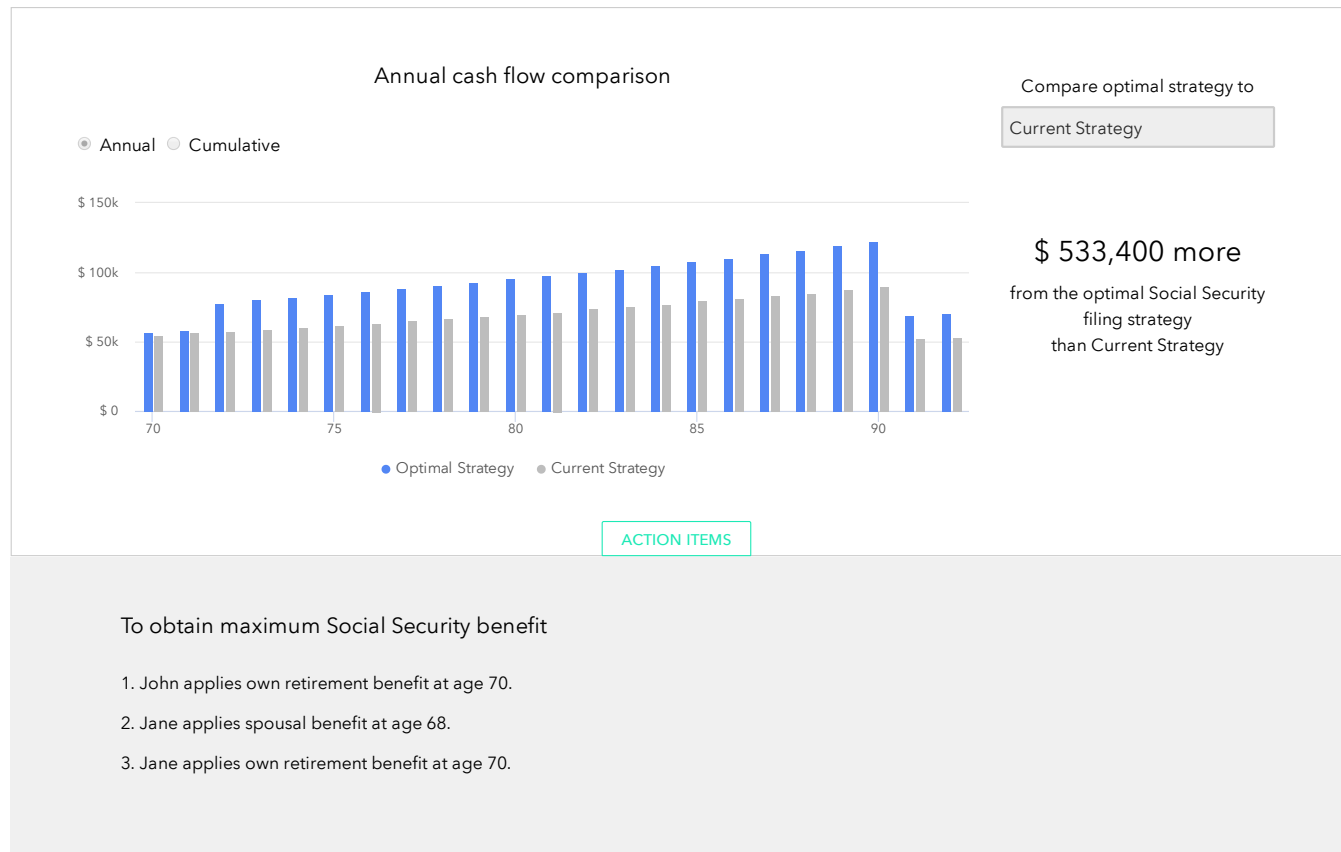


This section of the report displays the results of Monte Carlo simulations run on various stressed tests. The results are derived from 1000 simulations and the specified retirement cash flows. The probability of success represents the overall likelihood of success in various stress tests.

**IMPORTANT:** The projections or other information generated by RightCapital regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results are based on return and volatility assumptions from a number of market indices shown in disclosure sections 5, 6 and 8.4. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fees. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome. Results may vary with each use and over time. The analysis must be reviewed in conjunction with assumptions, limitations and methodologies in the disclosure section. This report is not complete without the accompanying disclosure page.

# Optimal Social Security Strategy

There are as many as 700 different Social Security filing strategies that can be tested in order to identify the optimal Social Security benefit for your specific retirement needs. Compare your optimal strategy to others to see the potential benefit of optimization.



# Medicare

It is important to select the Medicare options that meet your needs and enroll in Medicare on time. Delayed enrollment can result in penalties and coverage gaps.

## Your Medicare Considerations



Location Consideration

I spend most of my time at home and visit in-network Dr. in my area



Health Consideration

I'm healthy and can work with deductible/copay/coinsurance for lower premiums



Risk Consideration

I prefer more predictable cost with an out of pocket limit

Proposed option  
Original Medicare, Part A, B, D

✔ Flexibility on doctor choices

✔ Deductible/copay

✘ No out of pocket limit

## Coverage Analysis

| Description                | Coverage                     |
|----------------------------|------------------------------|
| Hospital Insurance         | ✔ Covered in Medicare Part A |
| Medical insurance          | ✔ Covered in Medicare Part B |
| Prescription drug          | ✔ Covered in Medicare Part D |
| Dental, vision and hearing | ✘ Not covered                |
| Long term Care             | ✘ Not covered                |

Proposed option  
Original Medicare, Part A, B, D

## Medicare Enrollment Period

John Client

Social Security at 65

I will not have received retirement benefits at age 65

Group Plan Coverage at 65

I have group coverage from me/spouse. Plan covers more than 20 employees

Jane Client

Social Security at 65

I will not have received retirement benefits at age 65

Group Plan Coverage at 65

I have group coverage from me/spouse. Plan covers more than 20 employees

## Medicare Tips

| Scenario                              | Tip  |
|---------------------------------------|--|
| I'm turning 65                        | Medicare enrollment is NOT automatic   |
| I have group retiree benefit or COBRA | You still need Medicare  |
| I missed my enrollment period         | You have a LIFETIME penalty of higher premiums.<br>You are likely to have months of a coverage gap |
| I enrolled in Medicare                | You cannot contribute to an HSA  |
| I enrolled in Medicare Advantage      | You don't need a MediGap policy  |
| What's my total health care cost?     | Varying by plan, premium plus out of pocket expenses range from \$5,000 to \$8,000 per year.       |

### ACTION ITEMS

## Proposed Medicare Choices

Original Medicare, Part A, B, D

Original Medicare Part A, B, D covers Hospital insurance, Medical insurance and prescription drugs. Dental and vision is NOT included. Original Medicare enables you to see Dr. in any location in U.S. Original Medicare has less predictable costs with deductibles, copays, and no out of pocket limit.

## Your Enrollment Period

John should talk to the group benefit administrator and ask about signing up for Medicare 3 months before John's 65th birthday. John can consider delaying Medicare enrollment and continuing to use Group plan coverage. John needs to enroll in Medicare when John loses Group plan coverage.

Jane should talk to the group benefit administrator and ask about signing up for Medicare 3 months before Jane's 65th birthday. Jane can consider delaying Medicare enrollment and continuing to use Group plan coverage. Jane needs to enroll in Medicare when Jane loses Group plan coverage.

## Start Enrollment

To enroll in Medicare part A and B: [www.ssa.gov](http://www.ssa.gov)

To enroll in MediGap, Medicare Advantage and Medicare Part D, you need to compare plans from private insurance companies. Start at [www.medicare.gov](http://www.medicare.gov)

## Summary

Proposed plan

| Year | Age   | Cash Inflows   |                      |               |               | Cash Outflows |       |             |                 | Net Flows |                |
|------|-------|----------------|----------------------|---------------|---------------|---------------|-------|-------------|-----------------|-----------|----------------|
|      |       | Income Inflows | Planned Distribution | Other Inflows | Total Inflows | Expenses      | Goals | Tax Payment | Planned Savings |           | Total Outflows |
| 2020 | 70/68 | 57,636         | 0                    | 0             | 57,636        | 78,251        | 0     | 0           | 0               | 78,251    | (20,615)       |
| 2021 | 71/69 | 59,044         | 9,306                | 0             | 68,349        | 80,144        | 0     | 0           | 0               | 80,144    | (11,794)       |
| 2022 | 72/70 | 60,487         | 21,148               | 0             | 81,635        | 82,089        | 0     | 1,394       | 0               | 83,483    | (1,848)        |
| 2023 | 73/71 | 61,968         | 22,632               | 0             | 84,600        | 84,090        | 0     | 1,774       | 0               | 85,864    | (1,264)        |
| 2024 | 74/72 | 63,485         | 24,212               | 0             | 87,697        | 86,147        | 0     | 2,174       | 0               | 88,321    | (624)          |
| 2025 | 75/73 | 65,040         | 25,846               | 0             | 90,886        | 88,262        | 0     | 2,654       | 0               | 90,916    | (30)           |
| 2026 | 76/74 | 66,634         | 27,591               | 0             | 94,225        | 90,437        | 0     | 4,078       | 0               | 94,516    | (291)          |
| 2027 | 77/75 | 68,267         | 29,446               | 0             | 97,713        | 92,674        | 0     | 4,842       | 0               | 97,517    | 196            |
| 2028 | 78/76 | 69,942         | 31,302               | 0             | 101,244       | 94,975        | 0     | 5,618       | 0               | 100,593   | 652            |
| 2029 | 79/77 | 71,659         | 33,230               | 0             | 104,890       | 97,341        | 0     | 6,424       | 0               | 103,765   | 1,125          |
| 2030 | 80/78 | 73,417         | 35,244               | 0             | 108,661       | 99,775        | 0     | 7,276       | 0               | 107,051   | 1,610          |
| 2031 | 81/79 | 75,221         | 37,231               | 0             | 112,451       | 102,279       | 0     | 8,136       | 0               | 110,415   | 2,036          |
| 2032 | 82/80 | 77,070         | 39,288               | 0             | 116,358       | 104,855       | 0     | 9,040       | 0               | 113,895   | 2,463          |
| 2033 | 83/81 | 78,965         | 41,390               | 0             | 120,355       | 107,505       | 0     | 10,448      | 0               | 117,953   | 2,402          |
| 2034 | 84/82 | 80,906         | 43,509               | 0             | 124,415       | 110,232       | 0     | 12,491      | 0               | 122,723   | 1,692          |
| 2035 | 85/83 | 82,897         | 45,677               | 0             | 128,574       | 113,039       | 0     | 14,074      | 0               | 127,113   | 1,461          |
| 2036 | 86/84 | 84,938         | 47,782               | 0             | 132,721       | 115,927       | 0     | 15,241      | 0               | 131,168   | 1,553          |
| 2037 | 87/85 | 87,029         | 49,694               | 0             | 136,723       | 118,899       | 0     | 16,377      | 0               | 135,275   | 1,447          |
| 2038 | 88/86 | 89,172         | 51,564               | 0             | 140,736       | 121,958       | 0     | 17,548      | 0               | 139,506   | 1,230          |
| 2039 | 89/87 | 91,370         | 53,423               | 0             | 144,794       | 229,723       | 0     | 6,524       | 0               | 236,247   | (91,453)       |
| 2040 | 90/88 | 93,622         | 55,240               | 0             | 148,861       | 238,195       | 0     | 6,212       | 0               | 244,408   | (95,546)       |
| 2041 | 91/89 | 52,662         | 56,769               | 0             | 109,431       | 224,645       | 0     | 4,901       | 0               | 229,546   | (120,114)      |
| 2042 | 92/90 | 53,962         | 57,925               | 0             | 111,887       | 233,162       | 0     | 4,796       | 0               | 237,958   | (126,071)      |

Projection Details of Income Inflows

Proposed plan

| Year | Age   | Salary | Self-employment | Social Security | Pension | Annuity | Business Distribution | Trust Income | Other Income | Total Income Inflows |
|------|-------|--------|-----------------|-----------------|---------|---------|-----------------------|--------------|--------------|----------------------|
| 2020 | 70/68 | 0      | 0               | 56,352          | 1,284   | 0       | 0                     | 0            | 0            | 57,636               |
| 2021 | 71/69 | 0      | 0               | 57,760          | 1,284   | 0       | 0                     | 0            | 0            | 59,044               |
| 2022 | 72/70 | 0      | 0               | 59,203          | 1,284   | 0       | 0                     | 0            | 0            | 60,487               |
| 2023 | 73/71 | 0      | 0               | 60,684          | 1,284   | 0       | 0                     | 0            | 0            | 61,968               |
| 2024 | 74/72 | 0      | 0               | 62,201          | 1,284   | 0       | 0                     | 0            | 0            | 63,485               |
| 2025 | 75/73 | 0      | 0               | 63,756          | 1,284   | 0       | 0                     | 0            | 0            | 65,040               |
| 2026 | 76/74 | 0      | 0               | 65,350          | 1,284   | 0       | 0                     | 0            | 0            | 66,634               |
| 2027 | 77/75 | 0      | 0               | 66,983          | 1,284   | 0       | 0                     | 0            | 0            | 68,267               |
| 2028 | 78/76 | 0      | 0               | 68,658          | 1,284   | 0       | 0                     | 0            | 0            | 69,942               |
| 2029 | 79/77 | 0      | 0               | 70,375          | 1,284   | 0       | 0                     | 0            | 0            | 71,659               |
| 2030 | 80/78 | 0      | 0               | 72,133          | 1,284   | 0       | 0                     | 0            | 0            | 73,417               |
| 2031 | 81/79 | 0      | 0               | 73,937          | 1,284   | 0       | 0                     | 0            | 0            | 75,221               |
| 2032 | 82/80 | 0      | 0               | 75,786          | 1,284   | 0       | 0                     | 0            | 0            | 77,070               |
| 2033 | 83/81 | 0      | 0               | 77,681          | 1,284   | 0       | 0                     | 0            | 0            | 78,965               |
| 2034 | 84/82 | 0      | 0               | 79,622          | 1,284   | 0       | 0                     | 0            | 0            | 80,906               |
| 2035 | 85/83 | 0      | 0               | 81,613          | 1,284   | 0       | 0                     | 0            | 0            | 82,897               |
| 2036 | 86/84 | 0      | 0               | 83,654          | 1,284   | 0       | 0                     | 0            | 0            | 84,938               |
| 2037 | 87/85 | 0      | 0               | 85,745          | 1,284   | 0       | 0                     | 0            | 0            | 87,029               |
| 2038 | 88/86 | 0      | 0               | 87,888          | 1,284   | 0       | 0                     | 0            | 0            | 89,172               |
| 2039 | 89/87 | 0      | 0               | 90,086          | 1,284   | 0       | 0                     | 0            | 0            | 91,370               |
| 2040 | 90/88 | 0      | 0               | 92,338          | 1,284   | 0       | 0                     | 0            | 0            | 93,622               |
| 2041 | 91/89 | 0      | 0               | 52,020          | 642     | 0       | 0                     | 0            | 0            | 52,662               |
| 2042 | 92/90 | 0      | 0               | 53,320          | 642     | 0       | 0                     | 0            | 0            | 53,962               |

Projection Details of Other Inflows

Proposed plan

| Year | Age   | Rental Income | Sale of Real Estate | Sale of Businesses | Sale of Other Assets | Options and RSU | Insurance Death Benefit | Life Insurance Distribution | Disability Insurance Benefit | LTC Insurance Benefit | Total Other Inflows |
|------|-------|---------------|---------------------|--------------------|----------------------|-----------------|-------------------------|-----------------------------|------------------------------|-----------------------|---------------------|
| 2020 | 70/68 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2021 | 71/69 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2022 | 72/70 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2023 | 73/71 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2024 | 74/72 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2025 | 75/73 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2026 | 76/74 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2027 | 77/75 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2028 | 78/76 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2029 | 79/77 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2030 | 80/78 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2031 | 81/79 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2032 | 82/80 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2033 | 83/81 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2034 | 84/82 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2035 | 85/83 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2036 | 86/84 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2037 | 87/85 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2038 | 88/86 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2039 | 89/87 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2040 | 90/88 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2041 | 91/89 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |
| 2042 | 92/90 | 0             | 0                   | 0                  | 0                    | 0               | 0                       | 0                           | 0                            | 0                     | 0                   |



Projection Details of Expenses

Proposed plan

| Year | Age   | Living Expense | Housing | Debt | Health Care | Insurance Premium | Rental Outflows | Vacation Home Outflows | Other Expense | Total Expense |
|------|-------|----------------|---------|------|-------------|-------------------|-----------------|------------------------|---------------|---------------|
| 2020 | 70/68 | 66,000         | 7,200   | 0    | 4,655       | 0                 | 0               | 0                      | 396           | 78,251        |
| 2021 | 71/69 | 67,650         | 7,200   | 0    | 4,888       | 0                 | 0               | 0                      | 406           | 80,144        |
| 2022 | 72/70 | 69,341         | 7,200   | 0    | 5,132       | 0                 | 0               | 0                      | 416           | 82,089        |
| 2023 | 73/71 | 71,075         | 7,200   | 0    | 5,389       | 0                 | 0               | 0                      | 426           | 84,090        |
| 2024 | 74/72 | 72,852         | 7,200   | 0    | 5,658       | 0                 | 0               | 0                      | 437           | 86,147        |
| 2025 | 75/73 | 74,673         | 7,200   | 0    | 5,941       | 0                 | 0               | 0                      | 448           | 88,262        |
| 2026 | 76/74 | 76,540         | 7,200   | 0    | 6,238       | 0                 | 0               | 0                      | 459           | 90,437        |
| 2027 | 77/75 | 78,453         | 7,200   | 0    | 6,550       | 0                 | 0               | 0                      | 471           | 92,674        |
| 2028 | 78/76 | 80,415         | 7,200   | 0    | 6,878       | 0                 | 0               | 0                      | 482           | 94,975        |
| 2029 | 79/77 | 82,425         | 7,200   | 0    | 7,221       | 0                 | 0               | 0                      | 495           | 97,341        |
| 2030 | 80/78 | 84,486         | 7,200   | 0    | 7,583       | 0                 | 0               | 0                      | 507           | 99,775        |
| 2031 | 81/79 | 86,598         | 7,200   | 0    | 7,962       | 0                 | 0               | 0                      | 520           | 102,279       |
| 2032 | 82/80 | 88,763         | 7,200   | 0    | 8,360       | 0                 | 0               | 0                      | 533           | 104,855       |
| 2033 | 83/81 | 90,982         | 7,200   | 0    | 8,778       | 0                 | 0               | 0                      | 546           | 107,505       |
| 2034 | 84/82 | 93,256         | 7,200   | 0    | 9,217       | 0                 | 0               | 0                      | 560           | 110,232       |
| 2035 | 85/83 | 95,588         | 7,200   | 0    | 9,677       | 0                 | 0               | 0                      | 574           | 113,039       |
| 2036 | 86/84 | 97,977         | 7,200   | 0    | 10,161      | 0                 | 0               | 0                      | 588           | 115,927       |
| 2037 | 87/85 | 100,427        | 7,200   | 0    | 10,669      | 0                 | 0               | 0                      | 603           | 118,899       |
| 2038 | 88/86 | 102,937        | 7,200   | 0    | 11,203      | 0                 | 0               | 0                      | 618           | 121,958       |
| 2039 | 89/87 | 105,511        | 7,200   | 0    | 116,379     | 0                 | 0               | 0                      | 633           | 229,723       |
| 2040 | 90/88 | 108,149        | 7,200   | 0    | 122,198     | 0                 | 0               | 0                      | 649           | 238,195       |
| 2041 | 91/89 | 94,225         | 7,200   | 0    | 123,220     | 0                 | 0               | 0                      | 0             | 224,645       |
| 2042 | 92/90 | 96,580         | 7,200   | 0    | 129,381     | 0                 | 0               | 0                      | 0             | 233,162       |

Projection Details of Other Expenses

Proposed plan

| Year | Age   | Property Purchase | Annuity Purchase | Business Purchase | Other Asset Purchase | Option Exercise | All Other Expense | Total Other Expense |
|------|-------|-------------------|------------------|-------------------|----------------------|-----------------|-------------------|---------------------|
| 2020 | 70/68 | 0                 | 0                | 0                 | 0                    | 0               | 396               | 396                 |
| 2021 | 71/69 | 0                 | 0                | 0                 | 0                    | 0               | 406               | 406                 |
| 2022 | 72/70 | 0                 | 0                | 0                 | 0                    | 0               | 416               | 416                 |
| 2023 | 73/71 | 0                 | 0                | 0                 | 0                    | 0               | 426               | 426                 |
| 2024 | 74/72 | 0                 | 0                | 0                 | 0                    | 0               | 437               | 437                 |
| 2025 | 75/73 | 0                 | 0                | 0                 | 0                    | 0               | 448               | 448                 |
| 2026 | 76/74 | 0                 | 0                | 0                 | 0                    | 0               | 459               | 459                 |
| 2027 | 77/75 | 0                 | 0                | 0                 | 0                    | 0               | 471               | 471                 |
| 2028 | 78/76 | 0                 | 0                | 0                 | 0                    | 0               | 482               | 482                 |
| 2029 | 79/77 | 0                 | 0                | 0                 | 0                    | 0               | 495               | 495                 |
| 2030 | 80/78 | 0                 | 0                | 0                 | 0                    | 0               | 507               | 507                 |
| 2031 | 81/79 | 0                 | 0                | 0                 | 0                    | 0               | 520               | 520                 |
| 2032 | 82/80 | 0                 | 0                | 0                 | 0                    | 0               | 533               | 533                 |
| 2033 | 83/81 | 0                 | 0                | 0                 | 0                    | 0               | 546               | 546                 |
| 2034 | 84/82 | 0                 | 0                | 0                 | 0                    | 0               | 560               | 560                 |
| 2035 | 85/83 | 0                 | 0                | 0                 | 0                    | 0               | 574               | 574                 |
| 2036 | 86/84 | 0                 | 0                | 0                 | 0                    | 0               | 588               | 588                 |
| 2037 | 87/85 | 0                 | 0                | 0                 | 0                    | 0               | 603               | 603                 |
| 2038 | 88/86 | 0                 | 0                | 0                 | 0                    | 0               | 618               | 618                 |
| 2039 | 89/87 | 0                 | 0                | 0                 | 0                    | 0               | 633               | 633                 |
| 2040 | 90/88 | 0                 | 0                | 0                 | 0                    | 0               | 649               | 649                 |
| 2041 | 91/89 | 0                 | 0                | 0                 | 0                    | 0               | 0                 | 0                   |
| 2042 | 92/90 | 0                 | 0                | 0                 | 0                    | 0               | 0                 | 0                   |

Projection Details of Financial Goals

Proposed plan

| Year | Age   | College | Car | Vacation | Wedding | Legacy | Other Goals | Total Goals |
|------|-------|---------|-----|----------|---------|--------|-------------|-------------|
| 2020 | 70/68 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2021 | 71/69 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2022 | 72/70 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2023 | 73/71 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2024 | 74/72 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2025 | 75/73 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2026 | 76/74 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2027 | 77/75 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2028 | 78/76 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2029 | 79/77 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2030 | 80/78 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2031 | 81/79 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2032 | 82/80 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2033 | 83/81 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2034 | 84/82 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2035 | 85/83 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2036 | 86/84 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2037 | 87/85 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2038 | 88/86 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2039 | 89/87 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2040 | 90/88 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2041 | 91/89 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |
| 2042 | 92/90 | 0       | 0   | 0        | 0       | 0      | 0           | 0           |

Projection Details of Taxes

Proposed plan

| Year | Age   | Federal | State | FICA | Local | Total  |
|------|-------|---------|-------|------|-------|--------|
| 2020 | 70/68 | 0       | 0     | 0    | 0     | 0      |
| 2021 | 71/69 | 0       | 0     | 0    | 0     | 0      |
| 2022 | 72/70 | 1,394   | 0     | 0    | 0     | 1,394  |
| 2023 | 73/71 | 1,774   | 0     | 0    | 0     | 1,774  |
| 2024 | 74/72 | 2,174   | 0     | 0    | 0     | 2,174  |
| 2025 | 75/73 | 2,650   | 4     | 0    | 0     | 2,654  |
| 2026 | 76/74 | 3,975   | 104   | 0    | 0     | 4,078  |
| 2027 | 77/75 | 4,641   | 202   | 0    | 0     | 4,842  |
| 2028 | 78/76 | 5,318   | 300   | 0    | 0     | 5,618  |
| 2029 | 79/77 | 6,022   | 402   | 0    | 0     | 6,424  |
| 2030 | 80/78 | 6,767   | 509   | 0    | 0     | 7,276  |
| 2031 | 81/79 | 7,520   | 617   | 0    | 0     | 8,136  |
| 2032 | 82/80 | 8,310   | 729   | 0    | 0     | 9,040  |
| 2033 | 83/81 | 9,597   | 850   | 0    | 0     | 10,448 |
| 2034 | 84/82 | 11,507  | 984   | 0    | 0     | 12,490 |
| 2035 | 85/83 | 12,947  | 1,127 | 0    | 0     | 14,074 |
| 2036 | 86/84 | 13,963  | 1,279 | 0    | 0     | 15,242 |
| 2037 | 87/85 | 14,950  | 1,427 | 0    | 0     | 16,376 |
| 2038 | 88/86 | 15,954  | 1,594 | 0    | 0     | 17,548 |
| 2039 | 89/87 | 3,309   | 3,215 | 0    | 0     | 6,524  |
| 2040 | 90/88 | 2,993   | 3,219 | 0    | 0     | 6,212  |
| 2041 | 91/89 | 0       | 4,901 | 0    | 0     | 4,901  |
| 2042 | 92/90 | 0       | 4,796 | 0    | 0     | 4,796  |

Net Worth

Proposed plan

| Year | Age   | Non-Qualified Assets | Qualified Assets | Options and RSUs | Primary and Vacation Homes | Investment Properties | Business Assets | Trust Assets | Other Assets | Mortgages | Other Loans | Net Worth |
|------|-------|----------------------|------------------|------------------|----------------------------|-----------------------|-----------------|--------------|--------------|-----------|-------------|-----------|
| 2020 | 70/68 | 226,415              | 593,684          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 64,218      | 1,047,012 |
| 2021 | 71/69 | 231,590              | 628,873          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 66,801      | 1,084,794 |
| 2022 | 72/70 | 246,982              | 654,540          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 69,592      | 1,123,063 |
| 2023 | 73/71 | 263,970              | 680,276          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 72,610      | 1,162,767 |
| 2024 | 74/72 | 282,695              | 705,929          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 75,877      | 1,203,879 |
| 2025 | 75/73 | 303,206              | 731,378          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 79,413      | 1,246,303 |
| 2026 | 76/74 | 324,736              | 756,422          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 83,245      | 1,289,045 |
| 2027 | 77/75 | 348,062              | 780,853          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 87,400      | 1,332,647 |
| 2028 | 78/76 | 373,229              | 804,548          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 91,907      | 1,377,003 |
| 2029 | 79/77 | 400,329              | 827,310          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 96,798      | 1,421,973 |
| 2030 | 80/78 | 429,444              | 848,908          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 102,111     | 1,467,373 |
| 2031 | 81/79 | 460,585              | 869,210          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 107,884     | 1,513,042 |
| 2032 | 82/80 | 493,809              | 887,974          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 114,160     | 1,558,754 |
| 2033 | 83/81 | 528,682              | 904,974          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 120,987     | 1,603,800 |
| 2034 | 84/82 | 564,567              | 919,994          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 128,417     | 1,647,276 |
| 2035 | 85/83 | 601,905              | 932,782          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 136,507     | 1,689,312 |
| 2036 | 86/84 | 641,243              | 943,555          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 145,319     | 1,730,610 |
| 2037 | 87/85 | 682,456              | 952,375          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 154,923     | 1,771,040 |
| 2038 | 88/86 | 725,480              | 959,135          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 165,393     | 1,810,354 |
| 2039 | 89/87 | 677,904              | 963,720          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 176,813     | 1,755,943 |
| 2040 | 90/88 | 622,834              | 966,020          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 189,274     | 1,690,712 |
| 2041 | 91/89 | 539,433              | 966,193          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 202,876     | 1,593,882 |
| 2042 | 92/90 | 444,745              | 964,479          | 0                | 291,132                    | 0                     | 0               | 0            | 0            | 0         | 217,729     | 1,482,627 |

Invested Assets

Proposed plan

| Year | Age   | Beginning Balance | Planned Saving | Employer Match | Planned Distribution | Net Cash Flows | Annuity Adjustment | Portfolio Return | Ending Balance |
|------|-------|-------------------|----------------|----------------|----------------------|----------------|--------------------|------------------|----------------|
| 2020 | 70/68 | 781,763           | 0              | 0              | 0                    | (20,615)       | 0                  | 58,950           | 820,098        |
| 2021 | 71/69 | 820,098           | 0              | 0              | (9,306)              | (11,794)       | 0                  | 61,465           | 860,463        |
| 2022 | 72/70 | 860,463           | 0              | 0              | (21,148)             | (1,848)        | 0                  | 64,056           | 901,523        |
| 2023 | 73/71 | 901,523           | 0              | 0              | (22,632)             | (1,264)        | 0                  | 66,618           | 944,246        |
| 2024 | 74/72 | 944,246           | 0              | 0              | (24,212)             | (624)          | 0                  | 69,214           | 988,623        |
| 2025 | 75/73 | 988,623           | 0              | 0              | (25,846)             | (30)           | 0                  | 71,837           | 1,034,584      |
| 2026 | 76/74 | 1,034,584         | 0              | 0              | (27,591)             | (291)          | 0                  | 74,456           | 1,081,158      |
| 2027 | 77/75 | 1,081,158         | 0              | 0              | (29,446)             | 196            | 0                  | 77,006           | 1,128,915      |
| 2028 | 78/76 | 1,128,915         | 0              | 0              | (31,302)             | 652            | 0                  | 79,513           | 1,177,777      |
| 2029 | 79/77 | 1,177,777         | 0              | 0              | (33,230)             | 1,125          | 0                  | 81,968           | 1,227,640      |
| 2030 | 80/78 | 1,227,640         | 0              | 0              | (35,244)             | 1,610          | 0                  | 84,347           | 1,278,352      |
| 2031 | 81/79 | 1,278,352         | 0              | 0              | (37,231)             | 2,036          | 0                  | 86,637           | 1,329,794      |
| 2032 | 82/80 | 1,329,794         | 0              | 0              | (39,288)             | 2,463          | 0                  | 88,813           | 1,381,783      |
| 2033 | 83/81 | 1,381,783         | 0              | 0              | (41,390)             | 2,402          | 0                  | 90,861           | 1,433,656      |
| 2034 | 84/82 | 1,433,656         | 0              | 0              | (43,509)             | 1,692          | 0                  | 92,722           | 1,484,561      |
| 2035 | 85/83 | 1,484,561         | 0              | 0              | (45,677)             | 1,461          | 0                  | 94,341           | 1,534,687      |
| 2036 | 86/84 | 1,534,687         | 0              | 0              | (47,782)             | 1,553          | 0                  | 96,340           | 1,584,797      |
| 2037 | 87/85 | 1,584,797         | 0              | 0              | (49,694)             | 1,447          | 0                  | 98,280           | 1,634,831      |
| 2038 | 88/86 | 1,634,831         | 0              | 0              | (51,564)             | 1,230          | 0                  | 100,118          | 1,684,615      |
| 2039 | 89/87 | 1,684,615         | 0              | 0              | (53,423)             | (91,453)       | 0                  | 101,885          | 1,641,624      |
| 2040 | 90/88 | 1,641,624         | 0              | 0              | (55,240)             | (95,546)       | 0                  | 98,016           | 1,588,854      |
| 2041 | 91/89 | 1,588,854         | 0              | 0              | (56,769)             | (120,114)      | 0                  | 93,656           | 1,505,626      |
| 2042 | 92/90 | 1,505,626         | 0              | 0              | (57,925)             | (126,071)      | 0                  | 87,594           | 1,409,224      |

Accounts

Ending balance by accounts

Proposed plan

| Year | Age   | Taxable | 401(k)/403(b) | Roth 401(k)/403(b) | Traditional IRA | Roth IRA | 529 | Health Saving Account | Qualified Annuity | Non-Qualified Annuity | Pension | Total     |
|------|-------|---------|---------------|--------------------|-----------------|----------|-----|-----------------------|-------------------|-----------------------|---------|-----------|
| 2020 | 70/68 | 226,415 | 21,906        | 0                  | 480,899         | 90,878   | 0   | 0                     | 0                 | 0                     | 0       | 820,098   |
| 2021 | 71/69 | 231,590 | 22,688        | 0                  | 508,495         | 97,689   | 0   | 0                     | 0                 | 0                     | 0       | 860,462   |
| 2022 | 72/70 | 246,982 | 23,458        | 0                  | 526,120         | 104,962  | 0   | 0                     | 0                 | 0                     | 0       | 901,522   |
| 2023 | 73/71 | 263,970 | 24,207        | 0                  | 543,351         | 112,718  | 0   | 0                     | 0                 | 0                     | 0       | 944,246   |
| 2024 | 74/72 | 282,695 | 24,929        | 0                  | 560,020         | 120,980  | 0   | 0                     | 0                 | 0                     | 0       | 988,624   |
| 2025 | 75/73 | 303,206 | 25,617        | 0                  | 575,990         | 129,771  | 0   | 0                     | 0                 | 0                     | 0       | 1,034,584 |
| 2026 | 76/74 | 324,736 | 26,261        | 0                  | 591,051         | 139,111  | 0   | 0                     | 0                 | 0                     | 0       | 1,081,159 |
| 2027 | 77/75 | 348,062 | 26,851        | 0                  | 604,983         | 149,019  | 0   | 0                     | 0                 | 0                     | 0       | 1,128,915 |
| 2028 | 78/76 | 373,229 | 27,386        | 0                  | 617,648         | 159,515  | 0   | 0                     | 0                 | 0                     | 0       | 1,177,778 |
| 2029 | 79/77 | 400,329 | 27,848        | 0                  | 628,847         | 170,616  | 0   | 0                     | 0                 | 0                     | 0       | 1,227,640 |
| 2030 | 80/78 | 429,444 | 28,234        | 0                  | 638,335         | 182,338  | 0   | 0                     | 0                 | 0                     | 0       | 1,278,351 |
| 2031 | 81/79 | 460,585 | 28,535        | 0                  | 645,979         | 194,696  | 0   | 0                     | 0                 | 0                     | 0       | 1,329,795 |
| 2032 | 82/80 | 493,809 | 28,739        | 0                  | 651,536         | 207,699  | 0   | 0                     | 0                 | 0                     | 0       | 1,381,783 |
| 2033 | 83/81 | 528,682 | 28,837        | 0                  | 654,780         | 221,357  | 0   | 0                     | 0                 | 0                     | 0       | 1,433,656 |
| 2034 | 84/82 | 564,567 | 28,820        | 0                  | 655,501         | 235,673  | 0   | 0                     | 0                 | 0                     | 0       | 1,484,561 |
| 2035 | 85/83 | 601,905 | 28,674        | 0                  | 653,458         | 250,650  | 0   | 0                     | 0                 | 0                     | 0       | 1,534,687 |
| 2036 | 86/84 | 641,243 | 28,414        | 0                  | 648,756         | 266,384  | 0   | 0                     | 0                 | 0                     | 0       | 1,584,797 |
| 2037 | 87/85 | 682,456 | 28,037        | 0                  | 641,434         | 282,904  | 0   | 0                     | 0                 | 0                     | 0       | 1,634,831 |
| 2038 | 88/86 | 725,480 | 27,534        | 0                  | 631,372         | 300,229  | 0   | 0                     | 0                 | 0                     | 0       | 1,684,615 |
| 2039 | 89/87 | 777,904 | 26,902        | 0                  | 618,431         | 318,387  | 0   | 0                     | 0                 | 0                     | 0       | 1,641,624 |
| 2040 | 90/88 | 822,834 | 26,133        | 0                  | 602,491         | 337,396  | 0   | 0                     | 0                 | 0                     | 0       | 1,588,854 |
| 2041 | 91/89 | 879,433 | 25,247        | 0                  | 583,662         | 357,284  | 0   | 0                     | 0                 | 0                     | 0       | 1,505,626 |
| 2042 | 92/90 | 944,745 | 24,242        | 0                  | 562,167         | 378,071  | 0   | 0                     | 0                 | 0                     | 0       | 1,409,225 |

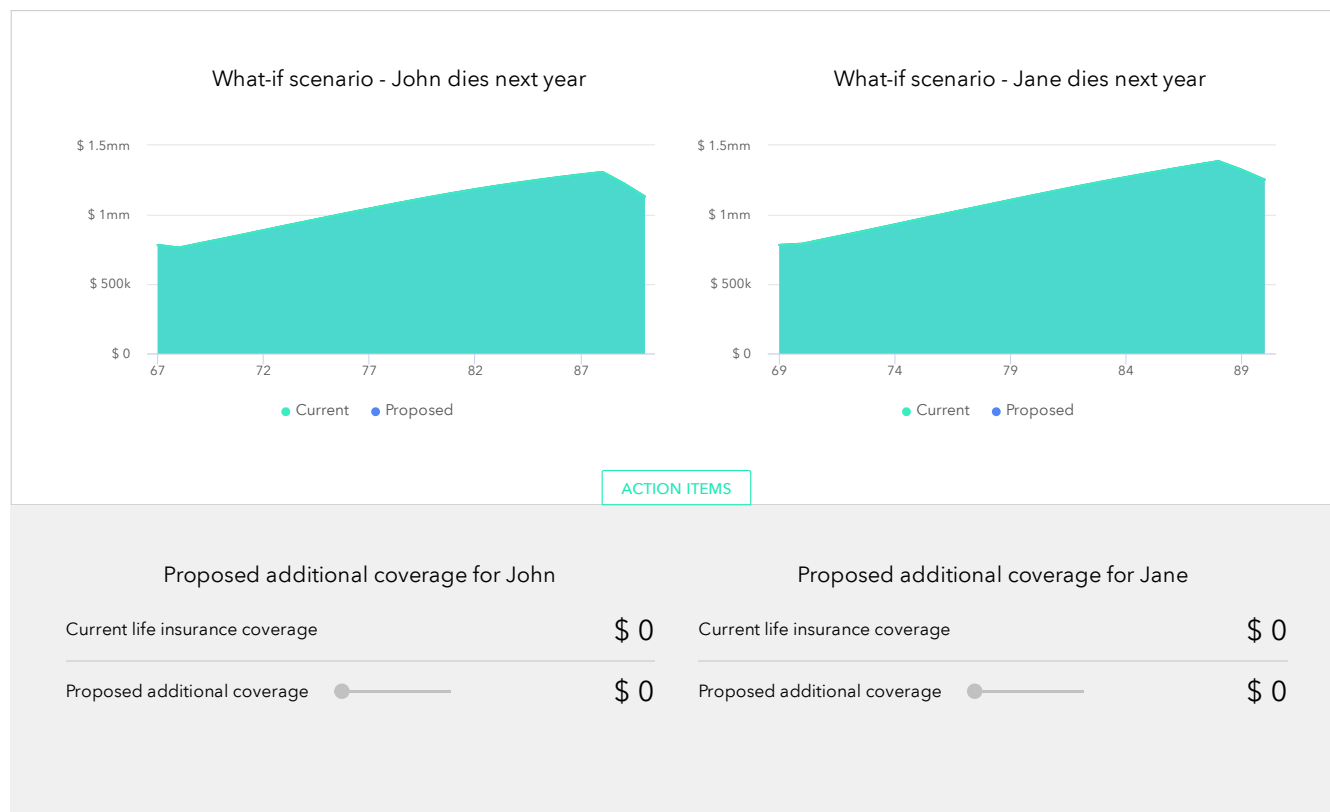
You don't have any options.

|  | Shares | Cash Flows | Taxes |
|--|--------|------------|-------|
|--|--------|------------|-------|



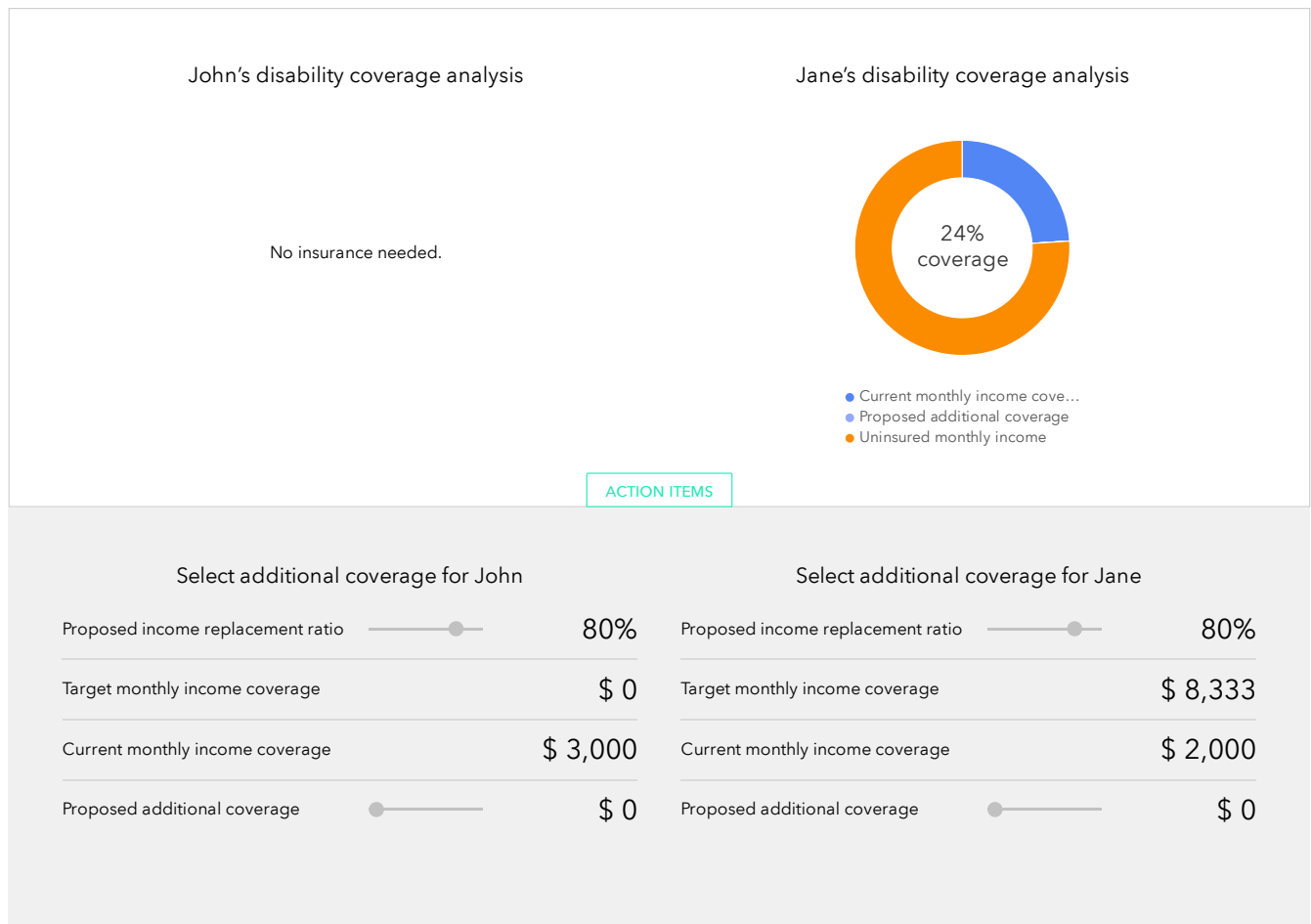
# Life Insurance Analysis

Most financial plans are considered incomplete without life insurance protection. The need for life insurance is analyzed by projecting all future cash flows for an individual's survivors. The objective is to provide a life insurance coverage level so that the survivors have a positive portfolio value at the end of the planning horizon.



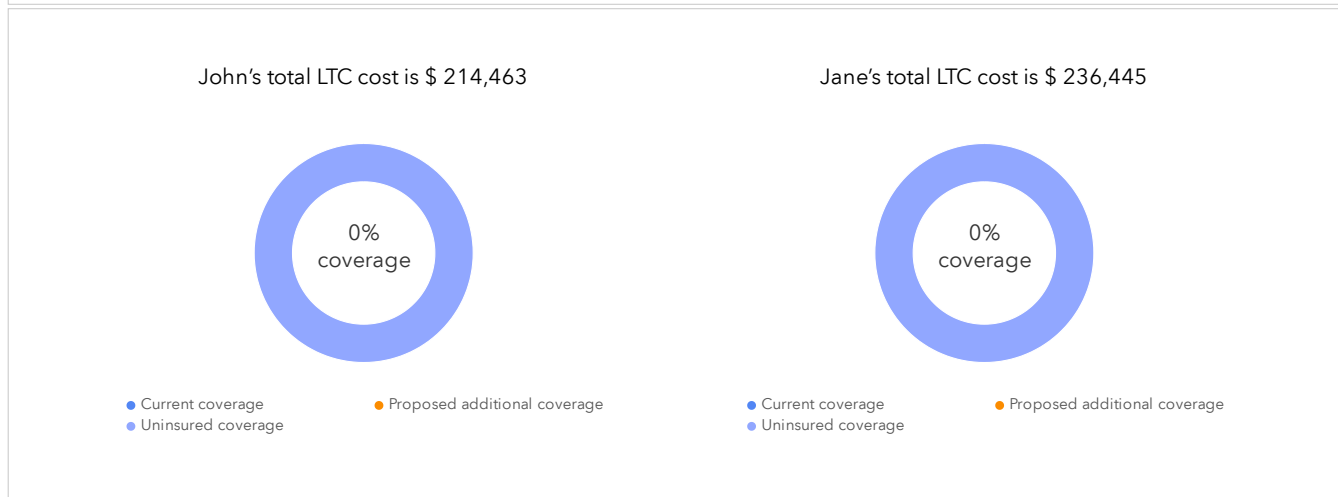
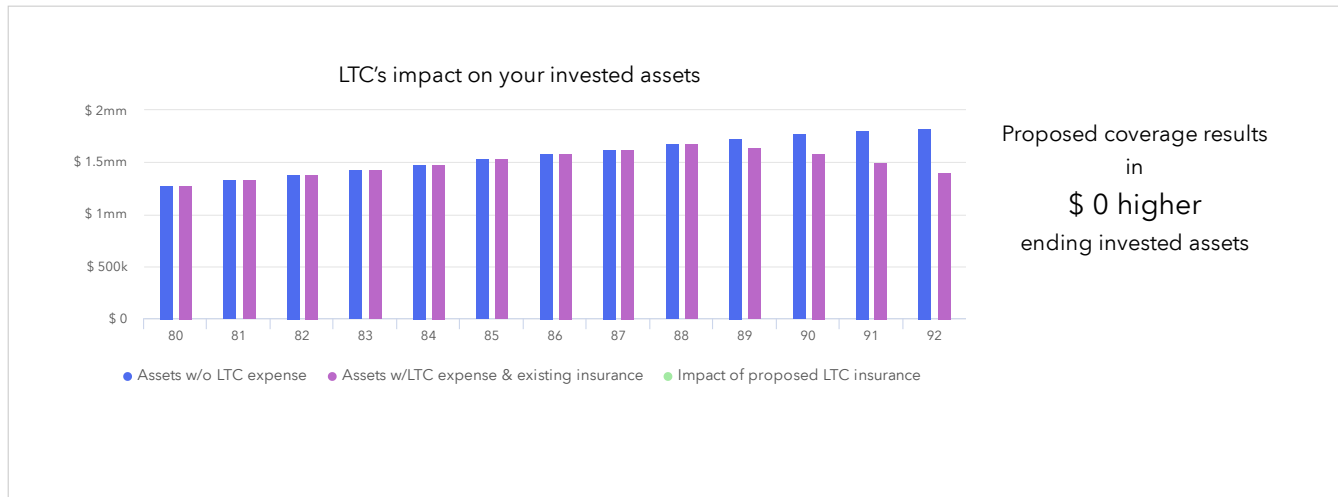
# Disability Insurance Analysis

According to the Social Security Administration, the chance of becoming disabled before you retire is 1 in 4 - and for most people, disability will result in a lower living standard due to the loss of income. Having a disability insurance policy can replace lost earnings.



# Long-Term Care Insurance Analysis

U.S. Department of Health and Human Services indicates that 70% of people turning age 65 can expect to use some form of long-term care during their lives. Long-term care insurance may help you offset some of the cost.



ACTION ITEMS

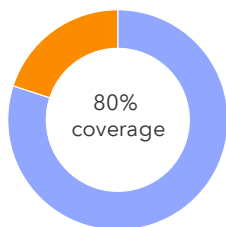
| Proposed additional coverage for John |                                       |      | Proposed additional coverage for Jane |                                       |      |
|---------------------------------------|---------------------------------------|------|---------------------------------------|---------------------------------------|------|
| Current long term care daily coverage |                                       | \$ 0 | Current long term care daily coverage |                                       | \$ 0 |
| Proposed additional daily coverage    | <input type="range"/>                 | \$ 0 | Proposed additional daily coverage    | <input type="range"/>                 | \$ 0 |
| Proposed benefit period               | <input type="text" value="2 years"/>  |      | Proposed benefit period               | <input type="text" value="2 years"/>  |      |
| Proposed elimination period           | <input type="text" value="None"/>     |      | Proposed elimination period           | <input type="text" value="None"/>     |      |
| Proposed inflation adjustment         | <input type="range"/>                 | 0%   | Proposed inflation adjustment         | <input type="range"/>                 | 0%   |
| Proposed inflation type               | <input type="text" value="Compound"/> |      | Proposed inflation type               | <input type="text" value="Compound"/> |      |
| Proposed annual premium               | <input type="range"/>                 | \$ 0 | Proposed annual premium               | <input type="range"/>                 | \$ 0 |

The LTC cost is calculated based on estimated LTC cost today adjusted by health inflation assumption. The LTC cost today used is documented in the Summary of User Input page. The health inflation assumption used is documented in section 7 of the disclosure page.

# Property and Casualty Insurance

Liabilities associated with your home, auto, or other incidents can have a significant negative impact on your finances. Ensure that your insurance coverage is up to date and sufficient.

## Homeowners Insurance Coverage



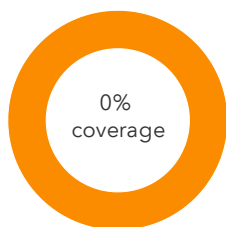
- Current coverage
- Proposed additional coverage
- Uninsured amount

|              | Current value | Current coverage | Coverage % | Target % | Proposed addition |
|--------------|---------------|------------------|------------|----------|-------------------|
| Primary Home | \$ 291,132    | \$ 0             | 0%         | 80%      | \$ 232,906        |

## Auto Insurance Coverage

Your family currently doesn't have any auto insurance policies. You may add one on Profile > Net Worth page.

## Umbrella Insurance Coverage



- Current coverage
- Proposed additional coverage
- Uninsured amount

|                    | Net worth    | Current coverage | Proposed addition | Total umbrella coverage |
|--------------------|--------------|------------------|-------------------|-------------------------|
| Umbrella Insurance | \$ 1,049,679 | \$ 0             | \$ 0              | \$ 0                    |

ACTION ITEMS

Proposed additional coverage

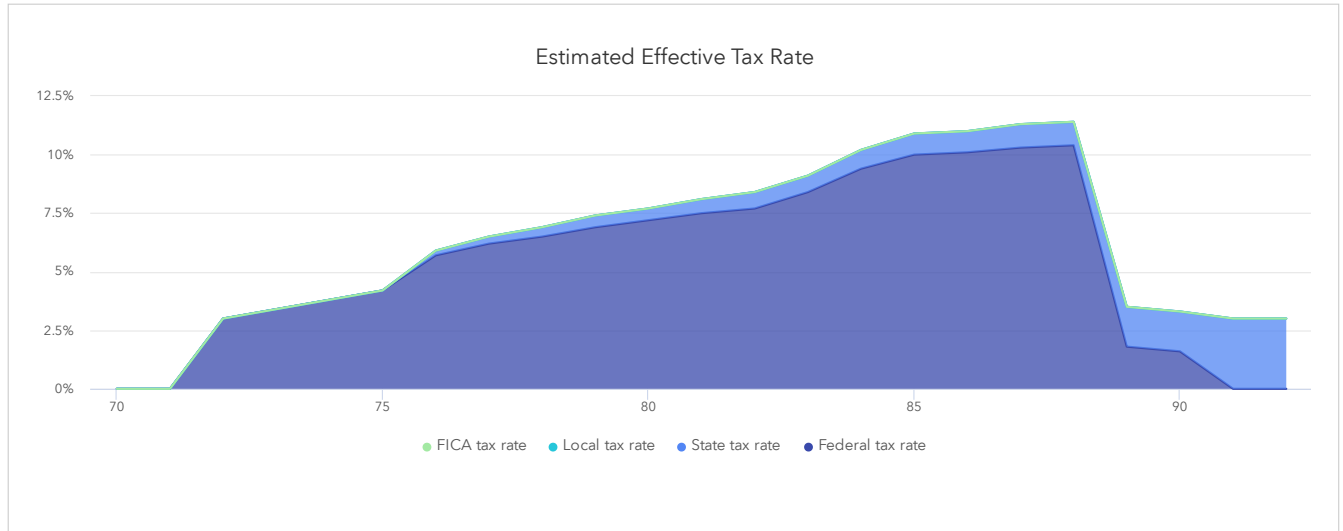
Homeowner insurance target %   80%

Auto insurance plan

Proposed additional umbrella   \$ 0

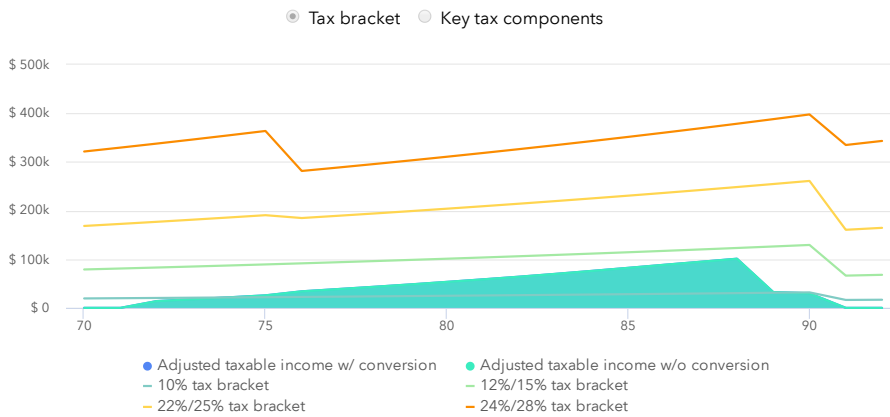
# Tax Estimate

Taxes can have a significant impact on your future and are an important factor in financial planning. Estimated taxes below are based on your inputs and your proposed retirement plan, using current tax rates and methodologies.



# Distribution and Conversion

## Adjusted taxable income and tax bracket

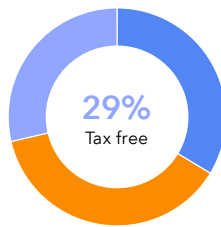


Proposed Strategy  
**\$ 84,930 more**  
 tax adjusted ending portfolio than  
 a pro-rata withdrawal strategy  
 w/o conversion

## Comparison to strategy w/o conversion

Tax adjusted ending wealth (orange), Withdrawal (blue), Account balance (grey)

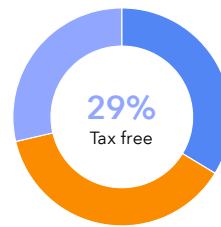
### Proposed strategy



● Taxable ● Tax deferred ● Tax free

\$ 1,321,263 ending portfolio value

### Sequential withdrawal w/o conversion



● Taxable ● Tax deferred ● Tax free

\$ 1,321,263 ending portfolio value

### ACTION ITEMS

## Proposed distribution strategy

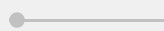
### 1. Withdrawal strategy

Sequential withdrawal

Withdraw from taxable accounts first; then tax deferred accounts; lastly tax free accounts.

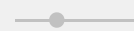
### 2. Roth IRA conversion

Fill up the tax bracket



0%

Estimated terminal tax rate



15%



| Year | Age   | Conversion amount | Income from taxable account | Income from tax deferred account | Income from tax free account | Taxable account balance | Tax deferred account balance | Tax free account balance |
|------|-------|-------------------|-----------------------------|----------------------------------|------------------------------|-------------------------|------------------------------|--------------------------|
| 2020 | 70/68 | 0                 | 20,615                      | 0                                | 0                            | 226,415                 | 502,805                      | 90,878                   |
| 2021 | 71/69 | 0                 | 11,794                      | 9,306                            | 0                            | 231,590                 | 531,184                      | 97,689                   |
| 2022 | 72/70 | 0                 | 1,848                       | 21,148                           | 0                            | 246,982                 | 549,579                      | 104,962                  |
| 2023 | 73/71 | 0                 | 1,264                       | 22,632                           | 0                            | 263,970                 | 567,558                      | 112,718                  |
| 2024 | 74/72 | 0                 | 624                         | 24,212                           | 0                            | 282,695                 | 584,948                      | 120,980                  |
| 2025 | 75/73 | 0                 | 30                          | 25,846                           | 0                            | 303,206                 | 601,607                      | 129,771                  |
| 2026 | 76/74 | 0                 | 291                         | 27,591                           | 0                            | 324,736                 | 617,312                      | 139,111                  |
| 2027 | 77/75 | 0                 | 0                           | 29,446                           | 0                            | 348,062                 | 631,834                      | 149,019                  |
| 2028 | 78/76 | 0                 | 0                           | 31,302                           | 0                            | 373,229                 | 645,034                      | 159,515                  |
| 2029 | 79/77 | 0                 | 0                           | 33,230                           | 0                            | 400,329                 | 656,694                      | 170,616                  |
| 2030 | 80/78 | 0                 | 0                           | 35,244                           | 0                            | 429,444                 | 666,570                      | 182,338                  |
| 2031 | 81/79 | 0                 | 0                           | 37,231                           | 0                            | 460,585                 | 674,514                      | 194,696                  |
| 2032 | 82/80 | 0                 | 0                           | 39,288                           | 0                            | 493,809                 | 680,275                      | 207,699                  |
| 2033 | 83/81 | 0                 | 0                           | 41,390                           | 0                            | 528,682                 | 683,617                      | 221,357                  |
| 2034 | 84/82 | 0                 | 0                           | 43,509                           | 0                            | 564,567                 | 684,322                      | 235,673                  |
| 2035 | 85/83 | 0                 | 0                           | 45,677                           | 0                            | 601,905                 | 682,132                      | 250,650                  |
| 2036 | 86/84 | 0                 | 0                           | 47,782                           | 0                            | 641,242                 | 677,171                      | 266,384                  |
| 2037 | 87/85 | 0                 | 0                           | 49,694                           | 0                            | 682,456                 | 669,471                      | 282,904                  |
| 2038 | 88/86 | 0                 | 0                           | 51,564                           | 0                            | 725,480                 | 658,906                      | 300,229                  |
| 2039 | 89/87 | 0                 | 91,453                      | 53,423                           | 0                            | 677,904                 | 645,333                      | 318,387                  |
| 2040 | 90/88 | 0                 | 95,546                      | 55,240                           | 0                            | 622,834                 | 628,624                      | 337,396                  |
| 2041 | 91/89 | 0                 | 120,114                     | 56,769                           | 0                            | 539,433                 | 608,909                      | 357,284                  |
| 2042 | 92/90 | 0                 | 126,071                     | 57,925                           | 0                            | 444,745                 | 586,408                      | 378,071                  |

Conversion refers to a process converting assets in a Traditional IRA or 401k account to a Roth IRA account. It is important to evaluate whether a conversion is appropriate for your specific financial circumstances and evaluate any consequences and tax implications of this strategy. Tax Cuts and Jobs Act repeals the rules permitting recharacterizations of Roth conversions, effective starting in 2018.

# Estate Planning

To protect and control the financial future of your family and loved ones, keep track of your progress on creating important estate planning documents.

## Important estate planning tasks

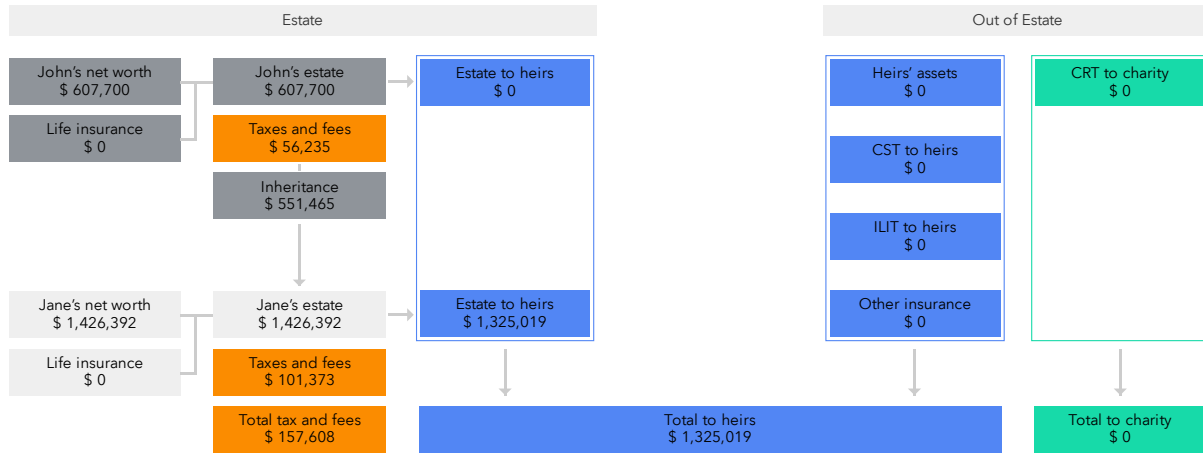
|                          | John                                | Jane                                |
|--------------------------|-------------------------------------|-------------------------------------|
| Will                     | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Power of Attorney        | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Beneficiary Designations | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Living Will              | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Living Trust             | <input type="checkbox"/>            | <input type="checkbox"/>            |
| Health Care Proxy        | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

ACTION ITEMS

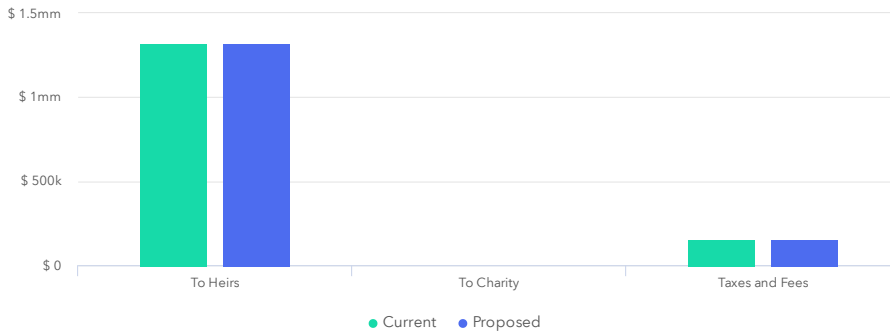
# Estate Planning

Effective use of living trust strategies can reduce taxes and expenses so that more of your assets are passed on to heirs or charity.

Estate flow chart



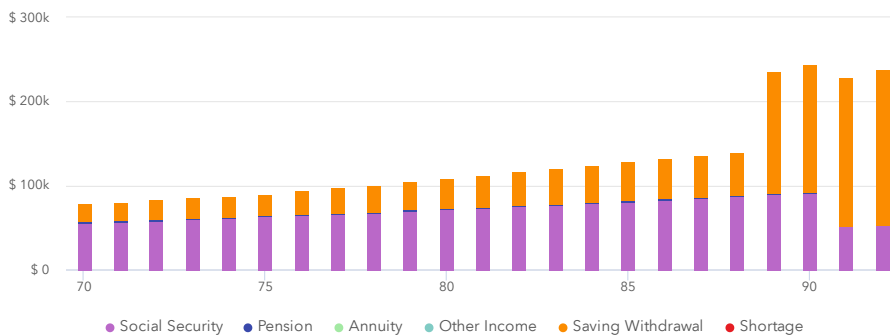
Estate planning analysis



Proposed strategy results in

- \$0 more to heirs
- \$0 more to charity
- \$0 less in taxes and fees

Retirement income



- \$0 income shortage
- 56% income is stable

| John's Estate                   |                   | Jane's Estate                   |                     | Out of Estate               |      |
|---------------------------------|-------------------|---------------------------------|---------------------|-----------------------------|------|
| Investment                      | \$ 651,408        | Investment                      | \$ 1,352,989        | Heirs' assets               | \$ 0 |
| Real estate                     | \$ 145,566        | Real estate                     | \$ 291,132          | Credit shelter trust        | \$ 0 |
| Other assets                    | \$ 0              | Other assets                    | \$ 0                | Charitable remainder trust  | \$ 0 |
| Annuities                       | \$ 0              | Annuities                       | \$ 0                | Irrevocable insurance trust | \$ 0 |
| Debt                            | \$ 189,274        | Debt                            | \$ 217,729          | Other owned insurance       | \$ 0 |
| Mortgage                        | \$ 0              | Mortgage                        | \$ 0                |                             |      |
| Insurance                       | \$ 0              | Insurance                       | \$ 0                |                             |      |
| <b>Gross estate</b>             | <b>\$ 607,700</b> | <b>Gross estate</b>             | <b>\$ 1,426,392</b> |                             |      |
| Funeral expense                 | \$ 16,386         | Funeral expense                 | \$ 17,216           |                             |      |
| Probate                         | \$ 39,849         | Probate                         | \$ 84,157           |                             |      |
| Estate tax                      | \$ 0              | Estate tax                      | \$ 0                |                             |      |
| <b>Total taxes and expenses</b> | <b>\$ 56,235</b>  | <b>Total taxes and expenses</b> | <b>\$ 101,373</b>   |                             |      |
| <b>Net estate</b>               | <b>\$ 551,465</b> | <b>Net estate</b>               | <b>\$ 1,325,019</b> |                             |      |
| To heirs                        | \$ 0              | To heirs                        | \$ 1,325,019        | To heirs                    | \$ 0 |
| To co-client                    | \$ 551,465        |                                 |                     | To charity                  | \$ 0 |

ACTION ITEMS

Basic Information

Funeral expense  \$ 10,000

Probate expense  5 %

Trust Strategy

Credit Shelter Trust

Charitable Remainder Trust

Irrevocable Life Insurance Trust

Please refer to sections 8.6 and 8.7 of the disclosure section for more information.

# Summary of User Input

| Family | Date of Birth | Planning Horizon | Relationship |  |
|--------|---------------|------------------|--------------|--|
| John   | Jul 19, 1949  | 90               | Client       |  |
| Jane   | May 13, 1951  | 90               | Co-client    |  |
| Justin | Jan 8, 1979   |                  | Child        |  |
| Mika   | Jun 19, 1984  |                  | Child        |  |
| Trust  |               |                  | Trust        |  |

| Income                 | Annual Amount | Starting        | Ending            | Annual Increase |
|------------------------|---------------|-----------------|-------------------|-----------------|
| John's Salary          | \$ 0          | Already started | John's retirement | 0%              |
| Jane's Salary          | \$ 125,000    | Already started | Jane's retirement | 3%              |
| IBM Pension            | \$ 1,284      | Already started |                   | 0%              |
| John's Social Security | \$ 2,581      | 66              |                   |                 |
| Jane's Social Security | \$ 2,115      | 65              |                   |                 |

| Savings       | Annual Amount | Starting        | Ending            | Annual Increase |
|---------------|---------------|-----------------|-------------------|-----------------|
| John's 401(k) | 0%            | Already started | John's retirement |                 |
| Jane's 401(k) | 0%            | Already started | Jane's retirement |                 |

| Expenses                       | Monthly Amount | Starting        | Ending             | Annual Increase |
|--------------------------------|----------------|-----------------|--------------------|-----------------|
| Pre-retirement Living Expenses | \$ 7,500       | Already started |                    |                 |
| Texas Timeshare                | \$ 33          | Already started | John's end of plan |                 |

| Goals | Retirement age | Annual retirement Health care | Annual retirement Long term care | Long term care duration |
|-------|----------------|-------------------------------|----------------------------------|-------------------------|
| John  | 65             | \$ 1,826                      | \$ 41,400                        | 2                       |
| Jane  | 66             | \$ 2,829                      | \$ 41,400                        | 2                       |

|                            | Amount   | Starting          | Ending            | Frequency    |
|----------------------------|----------|-------------------|-------------------|--------------|
| Retirement Monthly Expense | \$ 5,333 | John's retirement | End of both plans | Every 1 year |

| Insurance                         | Type                       | Owner | Benefit  |
|-----------------------------------|----------------------------|-------|----------|
| John's Group Life Insurance       | Group Life Insurance       | John  | \$ 0     |
| Jane's Group Life Insurance       | Group Life Insurance       | Jane  | \$ 0     |
| John's Group Disability Insurance | Group Disability Insurance | John  | \$ 3,000 |
| Jane's Group Disability Insurance | Group Disability Insurance | Jane  | \$ 2,000 |
| John's Whole Life Insurance       | Whole Life Insurance       | John  | \$ 0     |

# Disclosure

**1. No Warranties.** RightCapital makes no warranties, expressed or implied, as to accuracy, completeness, or results obtained from any information on www.rightcapital.com (the "Platform"). The Platform uses simplified assumptions derived and/or obtained from historical data that are used to create assumptions about potential investment returns.

**2. Advice.** RIGHTCAPITAL DOES NOT PROVIDE LEGAL, TAX, ACCOUNTING, INVESTMENT OR FINANCIAL ADVICE. RIGHTCAPITAL DOES NOT PROVIDE RECOMMENDATIONS FOR ANY PRODUCTS OR SECURITIES. Your advisor may not provide tax or legal advice. The appropriate professionals should be consulted on all legal and accounting matters prior to or in conjunction with implementation of any strategy. Use prospectus for any discussions about securities.

**3. Data** provided by you or your advisor for your assets, liabilities, goals, accounts, and other assumptions are key inputs for the calculations at RightCapital. The information should be reviewed periodically and updated whenever there is a change in information or circumstances.

**4. Monte Carlo Simulation methodology.** RightCapital generated Monte Carlo simulations calculating the results of your plan by running the projection 1000 times. 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. RightCapital considers a trial to be "successful" if at the end of the planning horizon your invested assets are greater than zero. The percentage of trials that were successful is the Probability of Success of your plan, with all its underlying assumptions.

**5. Asset classes used in Monte Carlo simulation** RightCapital uses only a few asset classes. The default return and volatility assumptions of the asset classes are estimated based on the historical return data of indices, which serve as proxies for their respective asset classes. They are not returns of actual investments. The historical return data used to derive returns for all asset classes are:

U.S. Large Growth, U.S. Large Value and Other: S&P500 Total Return Index - 12/1967 – 12/2017  
U.S. Mid Cap: Russell 1000 total return index - 12/1980 – 12/2017  
Small Cap: Russell 2000 total return index - 12/1980 – 12/2017  
International Equities: EAFE Total return (USD return) - 12/1969 – 12/2017  
Emerging Markets Equity: MSCI Emerging market index (USD return) - 12/1987 – 12/2017  
Real Estate: MSCI US REIT Index - 12/2008 – 12/2017  
U.S. Government: Treasury bonds - 12/1997 – 12/2017  
Municipal: Barclay Muni Bond Index - 12/1997 – 12/2017  
U.S. Corporate and International Bonds: Barclay Corporate Bond Index - 12/1997 – 12/2017  
High Yield: BofA Merrill Lynch US High Yield Index - 12/1997 – 12/2017  
Cash: 3 Month Treasury returns - 12/1997 – 12/2017

Note: The S&P500 Total Return Index is made up of both large cap growth and large cap value stocks. This index return and volatility data is used for both large cap growth and large cap value asset classes in the RightCapital system as it is an appropriate benchmark for both. RightCapital uses the S&P500 total return index as the best proxy for any unclassified assets labeled as 'Other'

## 6. Return and volatility assumptions used in Monte Carlo simulations

| Asset Class            | Total Return | Volatility | Asset Class         | Total Return | Volatility |
|------------------------|--------------|------------|---------------------|--------------|------------|
| Large Growth           | 8.79%        | 16.1%      | Real Estate         | 8.92%        | 16.3%      |
| Large Value            | 8.79%        | 16.1%      | Government          | 3.5%         | 5.1%       |
| Mid Cap                | 8.79%        | 16.1%      | Municipal           | 3%           | 3.95%      |
| Small Cap              | 10.18%       | 21.9%      | Corporate           | 3.85%        | 5.1%       |
| International Equities | 9.3%         | 18.5%      | High Yield          | 3.85%        | 5.1%       |
| Emerging Markets       | 11.55%       | 27.1%      | International Bonds | 3.85%        | 5.1%       |
| Asset Class            | Total Return | Volatility |                     |              |            |
| Cash                   | 2.39%        | 1.9%       |                     |              |            |
| Other                  | 8.79%        | 16.1%      |                     |              |            |

**7. Tax and Inflation assumptions used in Monte Carlo simulations** Starting federal and state standard deductions, exemptions and the tax brackets used in projections are as of 2019. The following inflation assumptions are used in the projection: General inflation 2.5%; Education inflation 5%; Tax inflation 2.5%; Social Security inflation 2.5%; Health inflation: 5%

## 8. Assumption and calculation limitations of Monte Carlo Simulations

**8.1 Your resources and goals may be different from the estimates that you provided:** The report is intended to help you in making decisions on your financial future based, in part, on information that you have provided and reviewed including, but not limited to, your age, income, assets, liabilities, anticipated expenses and retirement age. Some of this information may change in unanticipated ways in the future and those changes may make this RightCapital projection less useful.

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

**8.3 Results may vary with each use and over time:** The results presented in this report are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond the scope and control of this report. As investment returns, inflation, taxes, and other economic conditions vary from the assumptions, your actual results will vary from those presented in RightCapital. Small changes in these inputs and assumptions may have a significant impact on the results.

**8.4 RightCapital considers investments in only a few Broad Investment Categories:** RightCapital utilizes U.S. Large Growth, U.S. Large Value, U.S. Mid Cap, U.S. Small Cap, Real Estate, International Equities, Emerging Markets Equity, U.S. Government, U.S. Corporate, U.S. High Yield, International Bonds and Cash. These broad

investment categories are not specific securities, funds, or investment products. The assumed rates of return of these broad categories are based on the returns of indices. These indices do not include fees or operating expenses and are not available for investment. These indices are unmanaged and the returns are shown for illustrative purpose. It is important to note that the broad categories that are used are not comprehensive and other investments that are not considered may have characteristics that are similar or superior to the categories that are used in RightCapital.

**8.4.1 Investment Risk:** Clients and prospective clients should be prepared to bear investment loss including loss of original principal. Clients should assess their tolerance for risk with their advisor and update when a change in financial status occurs. Investments are subject to many risks depending on the asset class, including but not limited to: Large Growth, Large Value, Mid Cap, Small Cap, Real Estate: Either the stock market as a whole, or the value of an individual company, may go down resulting in a decrease in the value of client investments. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer. Small cap stocks may be subject to risks such as but not limited to volatility, lack of available information and liquidity due to low trading volume. International Equities, Emerging Markets: Foreign investments may carry risks associated with investing outside the United States, such as currency fluctuation, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Those risks are increased for investments in emerging markets. Foreign securities can be more volatile than domestic (U.S.) securities. Government, Municipal, Corporate, High Yield, International Bonds: Investments in fixed income are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk.

**8.5 Insurance, Annuities and other related calculations.** RightCapital may include Life insurance, annuity or other products in the calculation. The return or returns of any such life insurance product, annuity or other product, as may be included in the calculation, are hypothetical and shall not be used as proxy, replacement for nor construed as actual performance of the product or to predict or project investment results of those products. Product fees, expenses and detailed features may not be completely included and modeled in the calculation. This report should not be construed as an insurance policy application or pre-qualification.

**8.6 Fees and expense:** The portfolio returns assume that the portfolio is rebalanced on an annual basis to reflect the target allocation. No portfolio rebalancing costs are deducted from the portfolio value. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fee. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome.

**8.7 Taxes:** RightCapital includes limited accounting for taxes. RightCapital calculates taxes based on your input. RightCapital estimates federal, state and local taxes based on current laws with simplified deduction, exemption, and tax bracket parameters of the current year. In the projection, tax parameters are adjusted by an inflation assumption provided by you or your advisor. Future tax laws may be significantly different than current tax laws and may result in higher or lower taxes due than what are reflected within this report. Roth IRA distributions are tax free if made 5 years after the initial contribution to the plan and you are over 59 1/2. Before investing in a 529 plan, consider whether your state offers a 529 plan that provides residents with favorable state tax benefits.

RightCapital includes limited accounting for Federal Estate Tax with simplified deduction, exemption, and tax bracket parameters of the current year. RightCapital does not include any State Estate tax.

**8.8 Current Dollars and Future Dollars:** The results of RightCapital calculations are in future dollars. To help you compare dollar amounts in different years, results can also be expressed in current dollars by discounting the future dollars by the inflation rate you or your advisor provides.

**8.9 Current allocation and target allocation:** Current allocation is the allocation based on the current portfolio holdings entered in the system as well as asset classification data from Morningstar. The target allocation is the allocation recommended by your financial advisor.

**8.10 Current plan and proposed plan:** Current plan is the plan based on the information you and your advisor input in the profile section. Proposed plan is the plan recommended by your financial advisor, with the plan details as shown in the retirement analysis section.

**9. Liquidation of holdings:** this report may include liquidation of holdings, recommended by your financial advisor. The transaction cost of liquidation is not included in the analysis. The liquidation will also result in the loss of future earnings.