INCIGHT
FINANCIAL ALLIANCE
KNOWLEDGE IN ACTION

Life Goals

Chuck and Susie Sample

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Important Notes

This analysis provides only broad, general guidelines, which may be helpful in shaping your thinking about your financial needs. It can serve as a guide for discussions with your professional advisors. Each of the “life goals” illustrated in this analysis are calculated independently and are not intended to be a comprehensive financial plan.

Each scenario shown illustrates your current situation or an alternative strategy and its possible effects on the financial situation you provided. Inclusion of one or more of these strategies does not constitute a recommendation of that strategy over any other strategy.

Calculations contained in this analysis are estimates only based on the information you provided, such as the value of your assets today, and the rate at which the assets appreciate. The actual values, rates of growth, and tax rates may be significantly different from those illustrated. These assumptions are only a “best guess.” No guarantee can be made regarding values, as all rates are the hypothetical rates you provided. These computations are not a guarantee of future performance of any asset, including insurance or other financial products.

No legal or accounting advice is being rendered either by this report or through any other oral or written communications. Nothing contained in this report is intended to be used on any tax form or to support any tax deduction. Unless indicated, the tax aspect of the federal Generation-Skipping Transfer Tax (GSTT) is not reflected. The GSTT is similar to an additional level of estate tax on certain transfers to grandchildren, or individuals two or more generations removed from the transferor. State laws vary regarding the distribution of property, and individual circumstances are unique and subject to change. You should discuss all strategies, transfers, and assumptions with your legal and tax advisors.

To implement a strategy, it may be necessary to restructure the ownership of property, or change designated beneficiaries before specific will or trust provisions, prepared by the client’s counsel, become effective. The transfer of a life insurance policy may not result in its removal from the estate of the prior owner for three years.

Strategies may be proposed to support the purchase of various products such as insurance and other financial products. When this occurs, additional information about the specific product (including a prospectus, if required, or an insurer provided policy illustration) will be provided for your review.

IMPORTANT: The projections or other information generated by this investment analysis tool (Life Goals) regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

IRS CIRCULAR 230 NOTICE: To ensure compliance with requirements imposed by the IRS, this notice is to inform you that any U. S. federal tax advice contained in this presentation is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed in this presentation.

Confirmation of Facts

Personal Information

Chuck Sample, Male Born: May 05, 1975
Susie Sample, Female Born: Jul. 15, 1975

- Chuck and Susie are married.
- Include Social Security in analysis.

123 Any Street
Huntington Beach, California
12345
Home Phone: 714.555.1212
Email Address:
myemail@yahoo.com

Dependents: Johnny Born: Aug. 15, 2008
Mary Born: Oct. 15, 2010

Salaries

Chuck's Current Salary: $110,000
Susie's Current Salary: $87,000
Estimated Average Income Tax Rate: 25%

Other Income

Description	Owner	Lump Sum Amount	Monthly Amount	Annual Increase %	Start Age	End Age	Continues After Death to Survivors
Rental property	Susie		$1,200	0.00%	39	70	No

Assets

Total Assets: $42,000
Total Monthly Savings: $200
Average Growth Rate: 0.000%

Description	Owner	Current Amount	Monthly Savings	Growth Rate	Available for Emergency Fund?
Savings	Chuck / Susie	$42,000	$200	0.000%	Yes

Debts

Total Mortgage Balance: $225,000

Total Other Debts: $40,000

Description	Balance	Monthly Payment	Interest Rate
Mortgage	$225,000	$1,500	5.000%
Visa	$20,000	$500	9.000%
CArs	$20,000	$450	6.000%

Retirement Assets

Total Retirement Assets: $695,000
Total Monthly Contributions: $1,000
Average Growth Rate: 6.000%

Description	Owner	Current Amount	Monthly Savings	Company Match	Growth Rate
401k	Chuck	$250,000	$500	$250	6.000%
401k	Susie	$250,000	$500	$250	6.000%
Stocks/ Mutual Funds	Chuck	$75,000	$0	$0	6.000%
IRA	Susie	$120,000	$0	$0	6.000%

Confirmation of Facts (Continued)

Survivor Needs

Current Life Insurance Policies:

Description	Insured	Death Benefit	Premium
Chuck Term	Chuck	$1,000,000	$3,000
Susie Term	Susie	$1,000,000	$2,500

Disability Needs

Current Disability Insurance Policies:

Description	Insured	Monthly Premium	Monthly Benefit	Elimination Period	Benefit Period	COLA
DI	Chuck	$250.00	$6,000	90 Days	2 Years	3%
DI	Susie	$250.00	$6,000	90 Days	2 Years	3%

Long-Term Care Needs

Your Existing Long-Term Care Policies:

Description	Insured	Monthly Premium	Daily Benefit	Elimination Period	Benefit Period	COLA
LTC	Susie	$150.00	$150	90 Days	5 Years	3%

Isn't It Time You Started Dreaming Again?

Most dreams in life require having the money to achieve them—buying a new home or car, taking that trip of a lifetime, sending children to college, or retiring in comfort. But skyrocketing costs, mountains of debt, lack of savings and a lack of an understanding about how money works have forced many people to downsize or even eliminate their dreams.

We believe you shouldn't have to compromise your dreams. Instead, we advocate taking a practical approach to finances, one that incorporates powerful financial concepts and programs to provide you with the information and tools needed to make smart choices.

Using a comprehensive financial needs analysis program, our associates work with people, just like you, every day to create personalized Life Goals. The result is a strategy to help you move from dreaming to doing.

Your Goals and Dreams

The last time we met, I asked you to identify the goals and dreams you hope to achieve through your Life Goals. Here's what you told me:

My Short-term Dreams (1 to 3 years)

- Make a major purchase (car, furniture, boat, family vacation)
- Build savings for unexpected expenses (emergency fund)
- Build retirement wealth

My Mid-term Dreams (3 to 7 years)

- Alternate income in case of death or disability
- Build retirement wealth
- Reduce or pay off mortgage
- Help support aging parents
- College for child(ren)

My Long-term Dreams (7+ years)

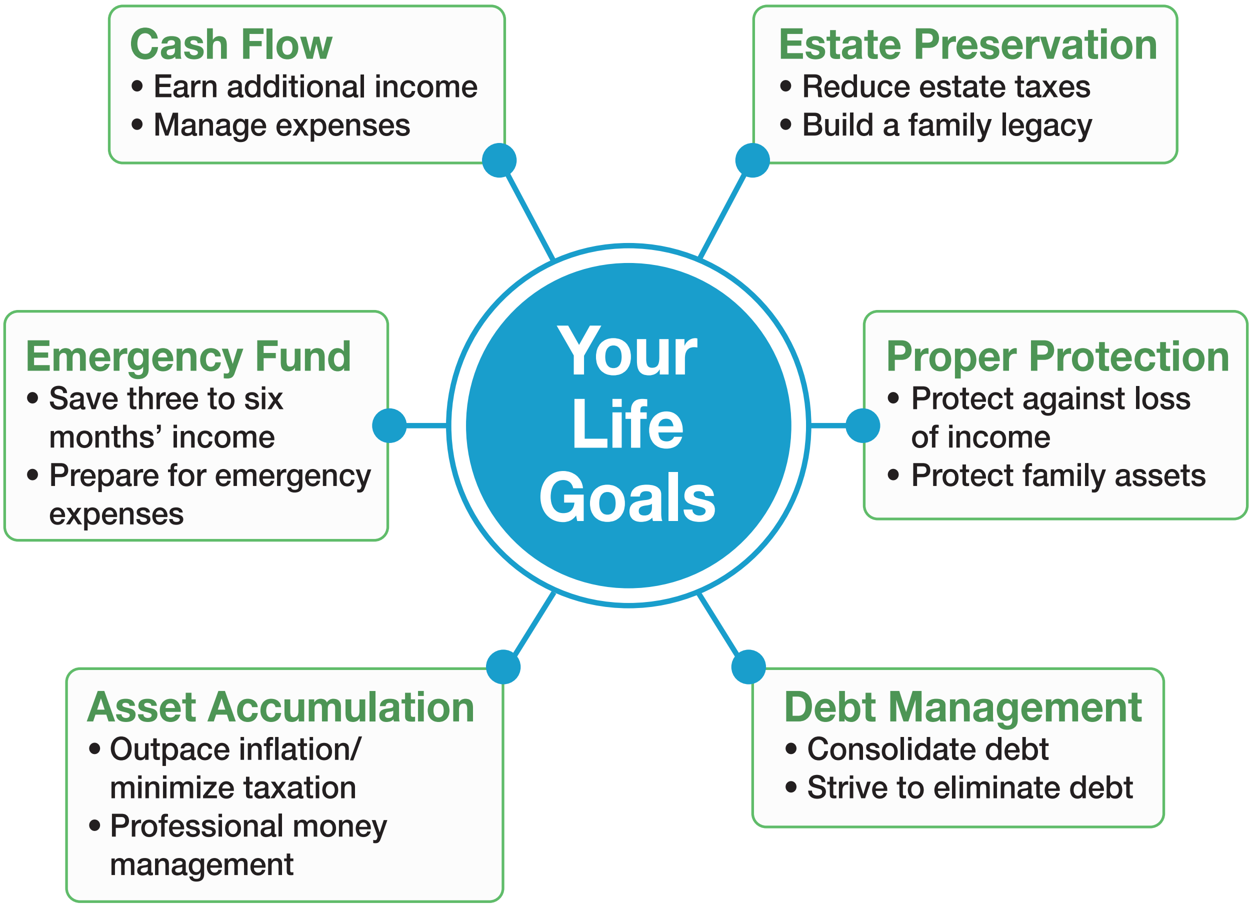
- Build retirement wealth

Now that you know where you want to go, let's take a look at how we get there.

Your Life Goals[1,2,3]

Charting a Course to Financial Independence

Your journey to financial independence begins today. As you move through each of the areas highlighted, you'll evaluate your current financial situation, identify your goals, objectives and dreams, and what products and services would be suitable to help you meet your objectives and dreams. The result is your personalized Life Goals.



[1] Life Goals is a suitability and needs analysis that is based upon information obtained from sources believed to be complete and accurate. However, discuss any legal, tax or financial matter with the appropriate professional. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any specific security or financial service.

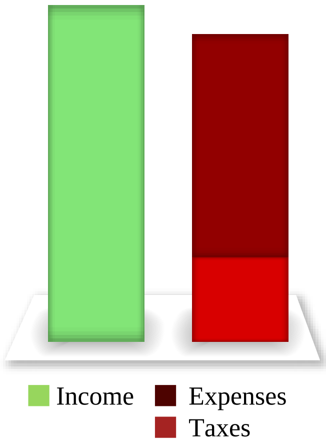
[2] All figures are for illustrative purposes only and do not reflect an actual investment in any product, nor do they reflect the performance risks, expenses or charges associated with any actual investment. Past performance is not an indication of future performance. Actual results may vary substantially from the figures in the example. All rates of return are hypothetical and are not a guarantee of future performance of any asset, including insurance or other financial products. Higher rates of return have been associated with higher volatility. All inflation rates and rates of return on current financial holdings are estimates provided by the client. Examples including information on Variable Universal Life and Variable Life insurance policies' death benefit and return of policy values are guarantees subject to the claims-paying ability of the issuing insurer.

[3] When investing, there are certain risks, fees, charges, and limitations that one must take into consideration.

Cash Flow

An important step along the path to financial independence is increasing the amount of money available to you. This money can help you reduce debt and build savings.

Your Monthly Cash Flow[1]



Salary	$16,417	
Other Income	$1,200	
Estimated Gross Monthly Income		**$17,617**
Estimated Monthly Taxes on Income	$4,404	
Mortgage, Rent, Other Debts	$2,450	
Savings (Education, Retirement, Other)	$1,400	
Life Insurance Premiums	$458	
Long-Term Care Premiums	$150	
Disability Insurance Premiums	$500	
Food and Clothing	$1,000	
Auto and Property Maint./Ins./Taxes	$2,700	
Utilities	$890	
Personal Expenses	$150	
Gifts, Charity	$650	
Entertainment	$250	
Pets	$250	
Hair / Nails	$350	
Misc	$500	
Estimated Monthly Expenses		**$16,102**
Estimated Discretionary Income		**$1,515**

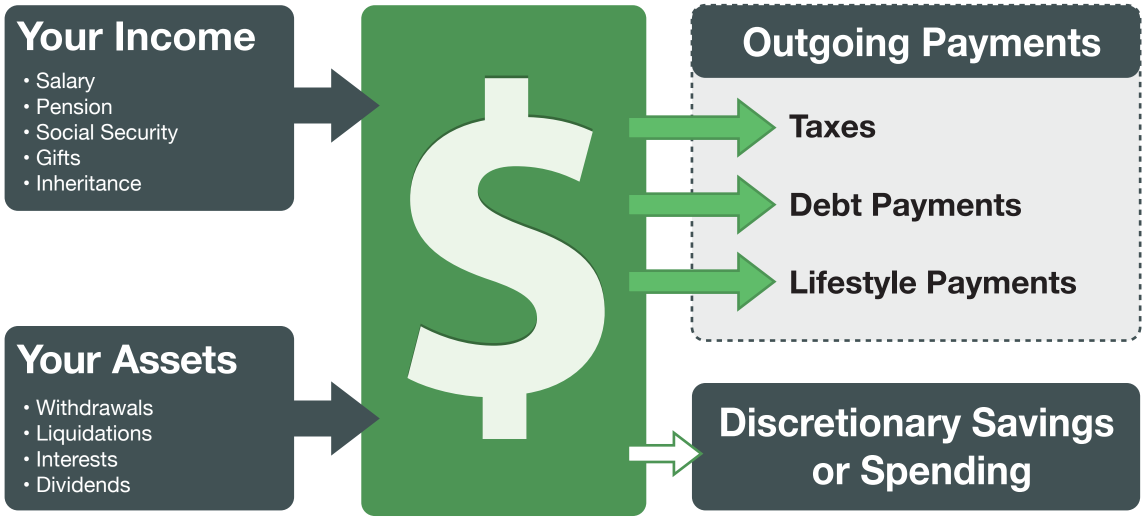
What Your Cash Flow Objectives Should Be:

- Pay all lifestyle expenses and outgoing payments
- After applying education funds, pay any remaining education costs
- Make payments on all loans

[1] These values represent average monthly values for the current year only. Your Monthly Cash Flow in future years may vary greatly from these values.

Increasing Cash Flow

The first step in developing your financial strategy is to evaluate your cash flow—the money that comes in and goes out every month. Money comes to you from both income sources (such as salary) and asset sources (such as cash dividends or withdrawals). This money is used for outgoing payments (such as taxes, debt payments or lifestyle expenses).



After all outgoing payments have been met each month, the portion of the money left over is known as **discretionary** income. Each month, you choose to spend this money on unspecified expenses, or you choose to save it. If outgoing payments exceed incoming cash flows, the difference between them is known as a **shortfall**.

Ways to Increase Cash Flow

Increasing your income and managing expenses are the keys to increasing your cash flow. Here are some ideas on ways to increase your cash flow.

Manage Expenses

- Strive to spend less than you earn
- Create a budget—weigh your monthly expenses as wants vs. needs
- Raise the deductibles to an appropriate level on your auto, homeowners and medical insurance policies
- Drop Private Mortgage Insurance (PMI) when equity in your home reaches 20% of your home's value
- Cancel credit life insurance on car loans, mortgages and credit cards
- Explore a qualified plan option
- Earn tax deductions by starting your own business

Increase Your Available Income

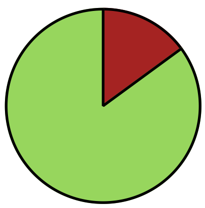
- Take on a second career or part-time opportunity for additional income
- Consult your tax advisor about adjusting your W-2 allowances if you are expecting a tax refund
- Look for ways to reposition low-interest savings accounts

Debt Management

Analyzing Your Debt

The effective use of debt can enhance your financial plans. Debt management starts with examining your existing debt. You should examine each individual debt as well as your total, overall debt. Total debt is often analyzed by comparing earned income to debt payments.

Finding the Right Ratio of Debt and Income



Total Monthly Debt Payments	$2,450
Total Monthly Earned Income	$16,417
Your Debt-to-Earned Income Ratio	**14.92%**

A debt-to-earned income ratio of 20% is considered average.
The lower your debt-to-earned income ratio, the better your financial flexibility will be. Depending on your particular circumstances a ratio of 20% or higher may be a sign that your credit is out of control, could lead to difficulty obtaining future loans and/or a lower credit rating. You may also be unable to qualify for the best rates and terms.

Your Existing Debt

Debt	Balance	Monthly Payment	Interest Rate	Years Until Debt is Paid Off[1]
Mortgage	$225,000	$1,500	5.000%	19 Years 8 Months
Visa	$20,000	$500	9.000%	4 Years
CArs	$20,000	$450	6.000%	4 Years 3 Months

Total Current Debt	**$265,000**
Total Current Credit Card Debt	**$20,000**
Average Interest Rate on Credit Cards	**9.000%**

Debt Management
Your Total Credit Card Debt **$20,000**

Progress
85%

[1] Assumes no additions to the balance, you continue the current monthly payment, and the current interest rate stays the same.

Emergency Fund

Whether natural or man-made, disasters and emergencies can happen at any time. Even a small "catastrophe", requiring cash, can occur with little or no warning. The key is to be prepared for whatever life throws your way.

Don’t Think You Need an Emergency Fund?

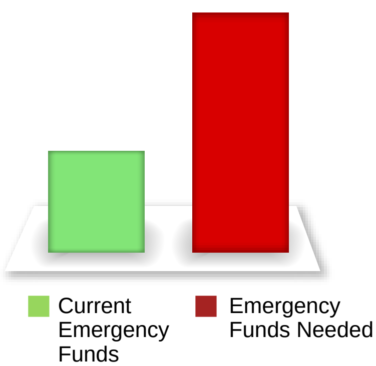
Consider how you would pay for any of the following unexpected events. A source of available funds will provide the peace of mind of knowing you can recover quickly—with the least disruption to your life.

- Major car repairs
- Major home repairs
- Major appliance replacement
- Job interruption
- Serious illness or hospitalization
- Rainy day fund

Your Emergency Fund: Do You Have Enough?

A good rule of thumb is that your emergency fund should equal to 3-6 months’ salary.

Emergency funds should be kept in cash or any other form of liquid assets that can quickly provide the resources needed after a short-term financial crisis.



Emergency Fund Needed (Monthly household salary of $16,417 x 6 mo.)	**$98,500**
Current Emergency Funds Available	**$42,000**
Savings $42,000	

Have - $42,000 **vs.** **Need - $98,500**

Emergency Fund
Your Remaining Need: **$56,500**

Progress
43%

Proper Protection

Common Uses for Life Insurance

Protect Your Family

- Income replacement
- Education funding
- Disability funds
- Home/property protection
- Protecting business interests
- Cash value accumulation

Final Expenses

- Funeral expenses
- Medical expenses
- Probate fees
- Administration fees

Debts

- Mortgage protection
- Settlement of individual
- Loans at death
- Consumer debt

Taxes

- Property
- Income taxes
- Estate taxes

How Much Life Insurance Protection Is Enough?

The basic rule of thumb is to have enough life insurance to provide approximately 10 times your annual family income. But there are many other factors that should be taken into consideration, including your age, your medical condition, how many dependents you have, your income or current financial status, and most importantly, which tasks, or uses, do you want to assign to your life insurance policy?

In the event of your death, you indicated you would use your life insurance policy to accomplish the following tasks:

- Pay all of your final expenses—including any final medical bills and funeral arrangements
- Immediately pay off your present debts (including your mortgage)
- Establish a fund to protect against a family emergency
- Establish a fund to pay your children's college education expenses
- Establish a fund to provide income for your survivor(s) for 20 years

Survivor Needs Goal

Assumes Chuck Dies Today

How Will Your Life Insurance Work for You?

Debts—Pay off present debts	$40,000
Income—Include survivor funding Income replacement at 80% of current household income while the children are at home, 60% for 20 years.	$366,611
Mortgage—Pay off mortgage	$225,000
Establish emergency fund	$98,500
Pay final expenses	$10,000

Total Cost of Your Life Insurance Tasks **$740,111**

Name	Insured/Owner	Face Amount	Annual Premium
Chuck Term	Chuck	$1,000,000	$3,000

Total Existing Life Insurance For Chuck **$1,000,000**

Have - $1,000,000 **vs.** **Need - $740,111**

You may wish to use some or all of your existing assets to pay for your survivor needs.

Available Assets

Chuck's Retirement Assets	$325,000
Susie's Retirement Assets	$370,000
Other Assets	$42,000

Assets Available to Fund Survivor Needs **$737,000**

Remaining Survivor Needs Using Available Assets **$0**

The amount of Needed Insurance reflected in the analysis is based on information that you provided, and may have been included in determining your final expenses, present debts, emergency fund, education fund and survivor fund. However, the amount of insurance that you may be able to obtain at this time will be subject to your current financial situations, including annual income, the type of insurance product being purchased, underwriting guidelines by the insurance carrier(s), and suitability guidelines that may be set by the insurance agency.

Proper Protection

Remaining Life Insurance Need for Chuck: **$0**

Progress

Survivor Needs Goal

Assumes Susie Dies Today

How Will Your Life Insurance Work for You?

Debts—Pay off present debts	$40,000
Income—Include survivor funding Income replacement at 80% of current household income while the children are at home, 60% for 20 years.	$206,517
Mortgage—Pay off mortgage	$225,000
Establish emergency fund	$98,500
Pay final expenses	$10,000

Total Cost of Your Life Insurance Tasks **$580,017**

Name	Insured/Owner	Face Amount	Annual Premium
Susie Term	Susie	$1,000,000	$2,500

Total Existing Life Insurance For Susie **$1,000,000**

Have - $1,000,000 **vs.** **Need - $580,017**

You may wish to use some or all of your existing assets to pay for your survivor needs.

Available Assets

Chuck's Retirement Assets	$325,000
Susie's Retirement Assets	$370,000
Other Assets	$42,000

Assets Available to Fund Survivor Needs **$737,000**

Remaining Survivor Needs Using Available Assets **$0**

The amount of Needed Insurance reflected in the analysis is based on information that you provided, and may have been included in determining your final expenses, present debts, emergency fund, education fund and survivor fund. However, the amount of insurance that you may be able to obtain at this time will be subject to your current financial situations, including annual income, the type of insurance product being purchased, underwriting guidelines by the insurance carrier(s), and suitability guidelines that may be set by the insurance agency.

Proper Protection

Remaining Life Insurance Need for Susie: **$0**

Progress

Disability Needs Goal

Assumes Chuck Becomes Disabled Today

Objective

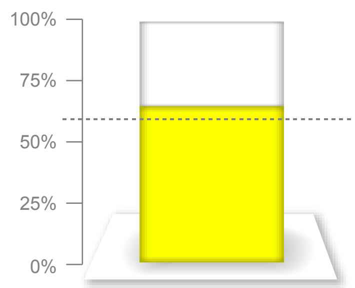
- Provide for 60% of your current salary ($110,000) if you become disabled today.

Your Disability Statistics

Chuck, before your age 65, a long-term disability is **2.82 times more likely** to occur than death![1]

Assuming your salary increases at…	Cost of Disability (in Terms of Lost Salary)				
	2 Year	**3 Year**	**5 Year**	**15 Year**	**To Age 67**
0%	$220,000	$330,000	$550,000	$1,650,000	$2,860,000
2%	$222,200	$336,600	$572,440	$1,902,230	$3,703,810
4%	$224,400	$343,420	$595,760	$2,202,640	$4,874,320

If You Become Disabled Today



☐	Current Annual Salary	$110,000
	Percent of Salary Needed During Disability	60%
	Annual Income Needed	**$66,000**
less ☐	Annual Disability Income Benefit	$72,000
■	**Additional Annual Income Needed**	**$0**

Not Everyone Qualifies for Social Security Disability Benefits

Just being eligible for Social Security benefits is not enough. In order to qualify for Social Security disability benefits, you must NOT be able to perform ANY substantial employment. If you qualify, benefits begin after a full five-month waiting period and continue as long as you remain disabled. **You should carefully consider the likelihood of receiving Social Security disability benefits when determining your disability needs.**

Additional Annual Income Needed **$0**

(Assuming potential annual Social Security Disability Benefits of $46,176)

Disability

Annual Insurance Need for Chuck: **$0**

Progress

100%

[1] Based on a disability expected to last more than 2 years following a 60 day elimination period (see "Assumptions & Notes" section).

Disability Needs Goal Details

Assumes Chuck Becomes Disabled Today

Your Disability Policies

Description	Type	Monthly Premium	Monthly Benefit	Elimination Period	Benefit Period	COLA
DI	Individual	$250.00	$6,000	90 Days	2 Years	3%

Your First Year of Disability

Beginning of Month	Monthly Income Need	Monthly Disability Policy Benefit	Potential Social Security Benefit	Additional Income Needed
1	$5,500	$0	$0	$5,500
2	5,500	0	0	5,500
3	5,500	0	0	5,500
4	5,500	6,000	0	0
5	5,500	6,000	0	0
6	5,500	6,000	3,848	0
7	5,500	6,000	3,848	0
8	5,500	6,000	3,848	0
9	5,500	6,000	3,848	0
10	5,500	6,000	3,848	0
11	5,500	6,000	3,848	0
12	5,500	6,000	3,848	0

Additional Income Needs in Year 1 (With Social Security)	**$0**
Additional Income Needs in Year 1 (With NO Social Security)	**$12,000**

Disability Needs Goal Details

Assumes Chuck Becomes Disabled Today

		Income			Shortfall		
Year	Chuck's Age	Annual Income Needed	Estimated Social Security	Disability Policy Benefit	Annual Shortfall	Annual Shortfall No SS	Shortfall (% of Salary)
1	39	$66,000	$26,932	$54,000	$0	$12,000	11
2	40	67,980	47,093	74,160	0	0	0
3	41	70,019	48,035	0	21,984	70,019	60
4	42	72,120	48,996	0	23,124	72,120	60
5	43	74,284	49,976	0	24,308	74,284	60
6	44	76,512	50,975	0	25,537	76,512	60
7	45	78,807	51,995	0	26,813	78,807	60
8	46	81,172	53,035	0	28,137	81,172	60
9	47	83,607	54,096	0	29,511	83,607	60
10	48	86,115	55,177	0	30,938	86,115	60
11	49	88,698	56,281	0	32,418	88,698	60
12	50	91,359	57,407	0	33,953	91,359	60
13	51	94,100	58,555	0	35,545	94,100	60
14	52	96,923	59,726	0	37,197	96,923	60
15	53	99,831	60,920	0	38,911	99,831	60
16	54	102,826	41,426	0	61,400	102,826	60
17	55	105,911	42,254	0	63,656	105,911	60
18	56	109,088	43,099	0	65,989	109,088	60
19	57	112,361	43,961	0	68,399	112,361	60
20	58	115,731	44,841	0	70,891	115,731	60
21	59	119,203	45,737	0	73,466	119,203	60
22	60	122,779	46,652	0	76,127	122,779	60
23	61	126,463	47,585	0	78,878	126,463	60
24	62	130,257	48,537	0	81,720	130,257	60
25	63	134,164	49,508	0	84,657	134,164	60
26	64	138,189	50,498	0	87,691	138,189	60
27	65	142,335	51,508	0	90,827	142,335	60
28	66	146,605	52,538	0	94,067	146,605	60

Disability Needs Goal

Assumes Susie Becomes Disabled Today

Objective

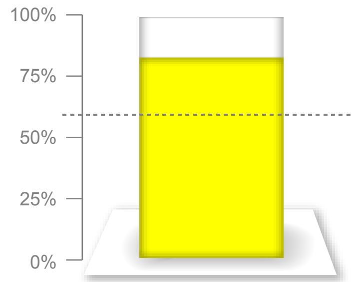
- Provide for 60% of your current salary ($87,000) if you become disabled today.

Your Disability Statistics

Susie, before your age 65, a long-term disability is **5.25 times more likely** to occur than death![1]

Assuming your salary increases at…	Cost of Disability (in Terms of Lost Salary)				
	2 Year	3 Year	5 Year	15 Year	To Age 67
0%	$174,000	$261,000	$435,000	$1,305,000	$2,262,000
2%	$175,740	$266,220	$452,748	$1,504,491	$2,929,377
4%	$177,480	$271,614	$471,192	$1,742,088	$3,855,144

If You Become Disabled Today



	Current Annual Salary	$87,000
	Percent of Salary Needed During Disability	60%
	Annual Income Needed	**$52,200**
less	Annual Disability Income Benefit	$72,000
	Additional Annual Income Needed	**$0**

Not Everyone Qualifies for Social Security Disability Benefits

Just being eligible for Social Security benefits is not enough. In order to qualify for Social Security disability benefits, you must NOT be able to perform ANY substantial employment. If you qualify, benefits begin after a full five-month waiting period and continue as long as you remain disabled. **You should carefully consider the likelihood of receiving Social Security disability benefits when determining your disability needs.**

Additional Annual Income Needed **$0**
(Assuming potential annual Social Security Disability Benefits of $53,868)

Disability
Annual Insurance Need for Susie: **$0**

Progress
100%

[1] Based on a disability expected to last more than 2 years following a 60 day elimination period (see "Assumptions & Notes" section).

Disability Needs Goal Details

Assumes Susie Becomes Disabled Today

Your Disability Policies

Description	Type	Monthly Premium	Monthly Benefit	Elimination Period	Benefit Period	COLA
DI	Individual	$250.00	$6,000	90 Days	2 Years	3%

Your First Year of Disability

Beginning of Month	Monthly Income Need	Monthly Disability Policy Benefit	Potential Social Security Benefit	Additional Income Needed
1	$4,350	$0	$0	$4,350
2	4,350	0	0	4,350
3	4,350	0	0	4,350
4	4,350	6,000	0	0
5	4,350	6,000	0	0
6	4,350	6,000	4,489	0
7	4,350	6,000	4,489	0
8	4,350	6,000	4,489	0
9	4,350	6,000	4,489	0
10	4,350	6,000	4,489	0
11	4,350	6,000	4,489	0
12	4,350	6,000	4,489	0

Additional Income Needs in Year 1 (With Social Security)	**$0**
Additional Income Needs in Year 1 (With NO Social Security)	**$0**

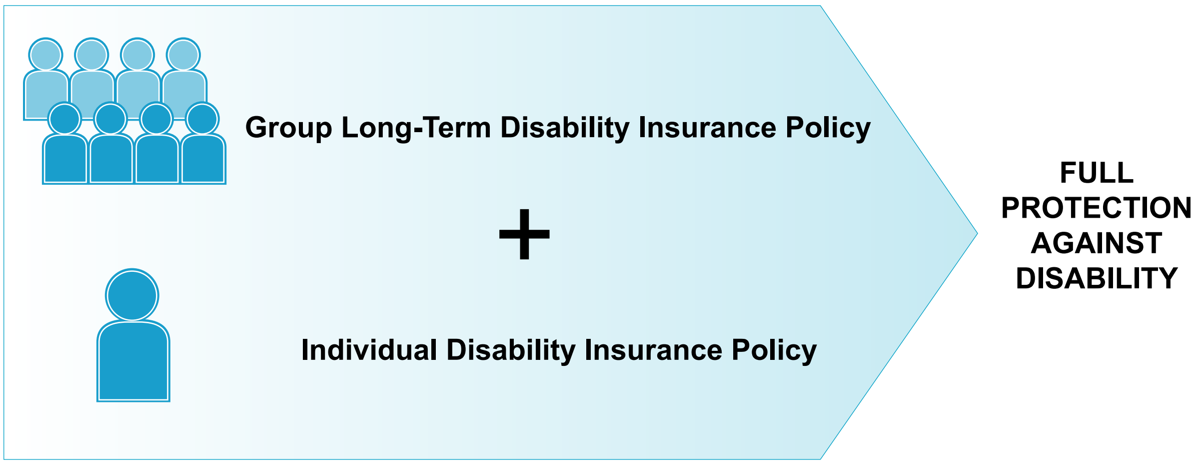
Disability Needs Goal Details

Assumes Susie Becomes Disabled Today

		Income			Shortfall		
Year	Susie's Age	Annual Income Needed	Estimated Social Security	Disability Policy Benefit	Annual Shortfall	Annual Shortfall No SS	Shortfall (% of Salary)
1	39	$52,200	$31,422	$54,000	$0	$0	0
2	40	53,766	54,944	74,160	0	0	0
3	41	55,379	56,043	0	0	55,379	60
4	42	57,040	57,164	0	0	57,040	60
5	43	58,752	58,307	0	445	58,752	60
6	44	60,514	59,473	0	1,041	60,514	60
7	45	62,330	60,662	0	1,667	62,330	60
8	46	64,199	61,876	0	2,324	64,199	60
9	47	66,125	63,113	0	3,012	66,125	60
10	48	68,109	64,376	0	3,734	68,109	60
11	49	70,152	65,663	0	4,489	70,152	60
12	50	72,257	66,976	0	5,281	72,257	60
13	51	74,425	52,551	0	21,874	74,425	60
14	52	76,657	53,602	0	23,056	76,657	60
15	53	78,957	54,674	0	24,283	78,957	60
16	54	81,326	37,178	0	44,148	81,326	60
17	55	83,766	37,922	0	45,844	83,766	60
18	56	86,279	38,680	0	47,598	86,279	60
19	57	88,867	39,454	0	49,413	88,867	60
20	58	91,533	40,243	0	51,290	91,533	60
21	59	94,279	41,048	0	53,231	94,279	60
22	60	97,107	41,869	0	55,239	97,107	60
23	61	100,021	42,706	0	57,314	100,021	60
24	62	103,021	43,560	0	59,461	103,021	60
25	63	106,112	44,431	0	61,680	106,112	60
26	64	109,295	45,320	0	63,975	109,295	60
27	65	112,574	46,227	0	66,348	112,574	60
28	66	115,951	47,151	0	68,800	115,951	60

Full Protection Against Disability

Many companies offer group long-term disability insurance as part of their employee group benefits. This is an important protection; however the benefits from this policy are usually a partial percentage of salary and are taxable as income.



If you are an employee and have disability coverage through your company, you need to review the policy coverage and the benefits. Normally, group long-term disability insurance doesn't provide sufficient coverage to maintain your standard of living and pay for the extra expenses associated with disability. In the event the amount generated by the group policy is not sufficient, you should consider purchasing an individual disability insurance policy to be fully protected.

An individual disability policy may help supplement the group disability policy provided at work.

Long-Term Care Needs Goal

Assumes Chuck Has a LTC Need at Age 75

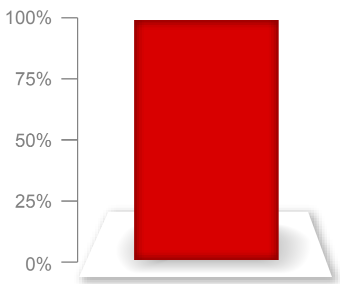
Objective

- Consider effects of a hypothetical long-term care need at age 75 for 3 years
- Assume monthly need (in today's dollars) of $6,000 and a 3% inflation rate

National Long-Term Care Statistics

Who will need Long-Term Care[1]?	 40% of people 65+	 90% of people 80+
$62,532	**Average cost**, semi-private room in a nursing home annually[2]	
8.2%	**Average inflation rate**, long-term care costs annually	

Monthly Long-Term Care Needs



	Hypothetical Monthly Long-Term Care Need at Age 75 (based on $6,000 per month in today's dollars)	$17,390
less	Existing LTC Policy Benefits ($0 Daily Benefit x 30 days) [3]	$0
	Remaining Monthly Long-Term Care Need at Age 75	**$17,390**

Funding a Long-Term Care Need for 3 Years

These are the amounts needed to fund your hypothetical long-term care need for 3 years, starting at age 75. These amounts are in addition to what you need for retirement.

Lump Sum Needed at Age 75	**$610,411**
Monthly Savings Needed Until Age 75 (Assumes a 5.66% rate of return)	**$460**

Long-Term Care

Remaining Monthly Need for Chuck: **$17,390**

Progress

0%

[1] Journal of Financial Service Professionals, January 2001 & 1996 National Nursing Home Study by AARP.
[2] "The MetLife Market Survey of Nursing Home and Home Care Costs," The MetLife Mature Market Institute, September 2006.
[3] Long-Term Care policy Daily Benefit is not adjusted for a COLA benefit.

Long-Term Care Details

Assumes Chuck Has a LTC Need at Age 75

Your Long-Term Care Need Details

			Income		Shortfall	
Year	Chuck/ Susie's Ages		Annual Long-Term Care Need	Long-Term Care Policy Benefit	Annual Shortfall	Cumulative Shortfall
37	75	75	$208,676	$0	$208,676	$208,676
38	76	76	214,936	0	214,936	423,612
39	77	77	221,384	0	221,384	644,997

Long-Term Care Needs Goal

Assumes Susie Has a LTC Need at Age 75

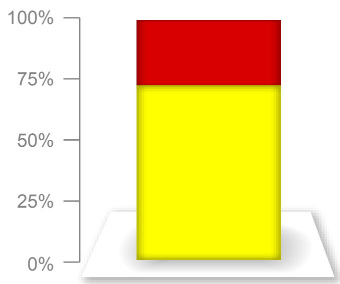
Objective

- Consider effects of a hypothetical long-term care need at age 75 for 3 years
- Assume monthly need (in today's dollars) of $6,000 and a 3% inflation rate

National Long-Term Care Statistics

Who will need Long-Term Care[1]?	 40% of people 65+	 90% of people 80+
$62,532	**Average cost**, semi-private room in a nursing home annually[2]	
8.2%	**Average inflation rate**, long-term care costs annually	

Monthly Long-Term Care Needs



	Hypothetical Monthly Long-Term Care Need at Age 75 (based on $6,000 per month in today's dollars)	$17,390
less	Existing LTC Policy Benefits ($150 Daily Benefit x 30 days) [3]	$12,662
	Remaining Monthly Long-Term Care Need at Age 75	**$4,728**

Funding a Long-Term Care Need for 3 Years

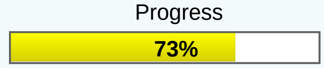
These are the amounts needed to fund your hypothetical long-term care need for 3 years, starting at age 75. These amounts are in addition to what you need for retirement.

Lump Sum Needed at Age 75	**$187,545**
Monthly Savings Needed Until Age 75 (Assumes a 5.66% rate of return)	**$141**

Long-Term Care

Remaining Monthly Need for Susie: **$4,728**

Progress



[1] Journal of Financial Service Professionals, January 2001 & 1996 National Nursing Home Study by AARP.
[2] "The MetLife Market Survey of Nursing Home and Home Care Costs," The MetLife Mature Market Institute, September 2006.
[3] Long-Term Care policy Daily Benefit adjusted for potential COLA benefits. See Confirmation of Facts for policy details.

Long-Term Care Details

Assumes Susie Has a LTC Need at Age 75

Your Existing Long-Term Care Policies

Description	Monthly Premium	Daily Benefit	Elimination Period	Benefit Period	COLA
LTC	$150.00	$150	90 Days	5 Years	3%

Your Long-Term Care Need Details

			Income		Shortfall	
Year	Chuck/ Susie's Ages		Annual Long-Term Care Need	Long-Term Care Policy Benefit	Annual Shortfall	Cumulative Shortfall
37	75	75	$208,676	$117,380	$91,296	$91,296
38	76	76	214,936	163,441	51,495	142,791
39	77	77	221,384	168,344	53,040	195,831

Medicare

Medicare is a government sponsored health insurance program designed to provide health care for individuals age 65 or older. There are two primary types of Medicare: Medicare Part A and Medicare Part B.

Medicare Part A

Medicare Part A benefits are provided automatically to persons eligible for Social Security retirement benefits when they reach age 65. Medicare Part A pays benefits for hospitalization, skilled nursing facilities, home health care services, hospice care and blood. Deductibles, co-payments and coinsurance apply to most of these services.

Hospitalization requires an initial deductible from the beneficiary for the first 60 days of hospitalization and Medicare covers 100% of the cost once this is paid. The 61st to the 90th day of hospitalization requires the beneficiary to pay a co-payment for each day of hospitalization. After the 90th day, the beneficiary is responsible for all expenses. There is an exception that allows the beneficiary a lifetime benefit of up to 60 additional days after the first 60 days has been exhausted.

Note: This can be used at separate periods but once the total 60 days has been used, the benefit ends.

Medicare pays limited benefits for services rendered in an approved skilled nursing facility for up to 100 days per occurrence. Solely custodial care is not covered. The first three days must be spent in a hospital and Medicare will then pay all allowed costs for the first 20 days of the nursing home stay and day 21 through 100 the beneficiary pays a co-payment.

Home health care services such as part-time skilled nursing care, physical therapy, etc. are provided up to 21 days per occurrence of illness. Hospice benefits for terminally ill patients are paid for a limit of 210 days.

Inpatient psychiatric hospital care costs can be covered for 190 days in a lifetime. All blood is covered after a deductible is paid for the first three pints per year.

Medicare Part B

Medicare Part B is a supplementary medical insurance and is offered as a voluntary program of which beneficiaries must pay a portion of the premium. Part B provides benefits for physician services, surgical procedures, hospital outpatient services and medical supplies. The beneficiary is required to pay a calendar year deductible and a 20% coinsurance. It does not cover prescription drugs, which are offered to beneficiaries under Medicare Part D.

Medicare Part D

Medicare Part D is prescription drug coverage that covers both brand name and generic prescription medications and effective January 1, 2006 is available to any person eligible to receive Medicare benefits. The eligible beneficiary may not be able to have both Medicare Part D and an employer sponsored prescription drug plan, therefore, the employee may have to make a choice of whether or not to accept Medicare Part D or keep the employer sponsored prescription drug plan. For specific information regarding your employer sponsored plan, contact your employee benefits department and ask what arrangements they have made with Medicare.

Long-Term Care Costs, By State

Long-term care expenses vary by state. Rather than receiving long-term care in your state of residence, you may choose to move to a different state so that you're closer to relatives. The median U.S. long-term care cost for 2012 was $81,030[1].

Median Long-Term Care Costs for 2012 by State

State	Average Cost	State	Average Cost
Alabama	$65,839	Montana	$75,008
Alaska	232,505	Nebraska	70,263
Arizona	82,308	Nevada	87,600
Arkansas	58,900	New Hampshire	105,120
California	93,988	New Jersey	114,975
Colorado	84,315	New Mexico	75,526
Connecticut	145,818	New York	123,005
Delaware	96,725	North Carolina	76,650
District of Columbia	94,353	North Dakota	80,607
Florida	84,552	Ohio	81,213
Georgia	63,875	Oklahoma	53,597
Hawaii	125,925	Oregon	91,250
Idaho	80,300	Pennsylvania	99,280
Illinois	69,350	Rhode Island	114,975
Indiana	82,125	South Carolina	71,175
Iowa	60,773	South Dakota	68,620
Kansas	60,225	Tennessee	69,806
Kentucky	75,555	Texas	61,503
Louisiana	56,721	Utah	67,343
Maine	105,120	Vermont	101,507
Maryland	95,995	Virginia	82,125
Massachusetts	127,750	Washington	96,842
Michigan	87,600	West Virginia	88,308
Minnesota	85,534	Wisconsin	93,075
Mississippi	74,825	Wyoming	80,391
Missouri	55,480		

[1] "Genworth 2012 Cost of Care Survey," Genworth Financial, Inc. and National Eldercare Referral Systems, LLC (CareScout), 2012

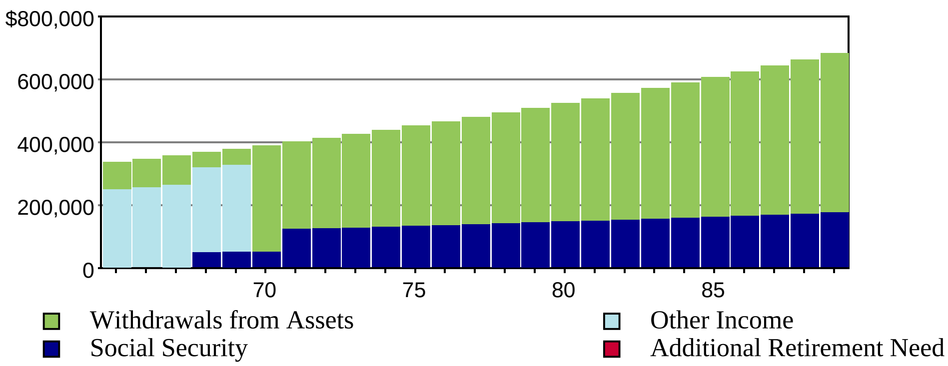
Asset Accumulation

Retirement Needs

Let's take a look at your long-term savings objectives and goals.

Objective

- Chuck retires at age 70, Susie retires at age 65
- Retirement lasts for 25 years
- Provide money to fund a retirement lifestyle equal to 80% of your current lifestyle



The Cost of Your Retirement Lifestyle

Lump Sum Needed When You Retire		**$7,585,152**
Provides 80% of Your Current Household Income ($197,000) for 25 Years of Retirement (Adjusted for Inflation)		
Lump Sum Value of Future Income Sources When You Retire		
Lump Sum Value of All Future SS Benefits	$1,700,438	
Lump Sum Value of All Future Salary	$1,163,533	
Lump Sum Value of All Future Other Income	$66,670	
Assets Values When You Retire		
Value of Chuck's Retirement Plans When You Retire	$2,196,387	
Value of Susie's Retirement Plans When You Retire	$2,401,109	
Value of Other Assets When You Retire	$134,527	
Lump Sum of Your Retirement Assets When You Retire		**$7,662,664**
Lump Sum Surplus When You Retire		**$77,512**

Based on your assumptions, you are currently on track to fully fund the cost of your retirement lifestyle.

* The Growth Rate(s) reflected in Life Goals for the Current Retirement Assets held by the Client(s) have been provided by the Client(s) and is not representative of any analysis or verification by the associate nor is a guaranteed representation of the likelihood of future returns on the assets currently held by the Client(s).

Retirement
Monthly Savings Need: **$0**

Progress
100%

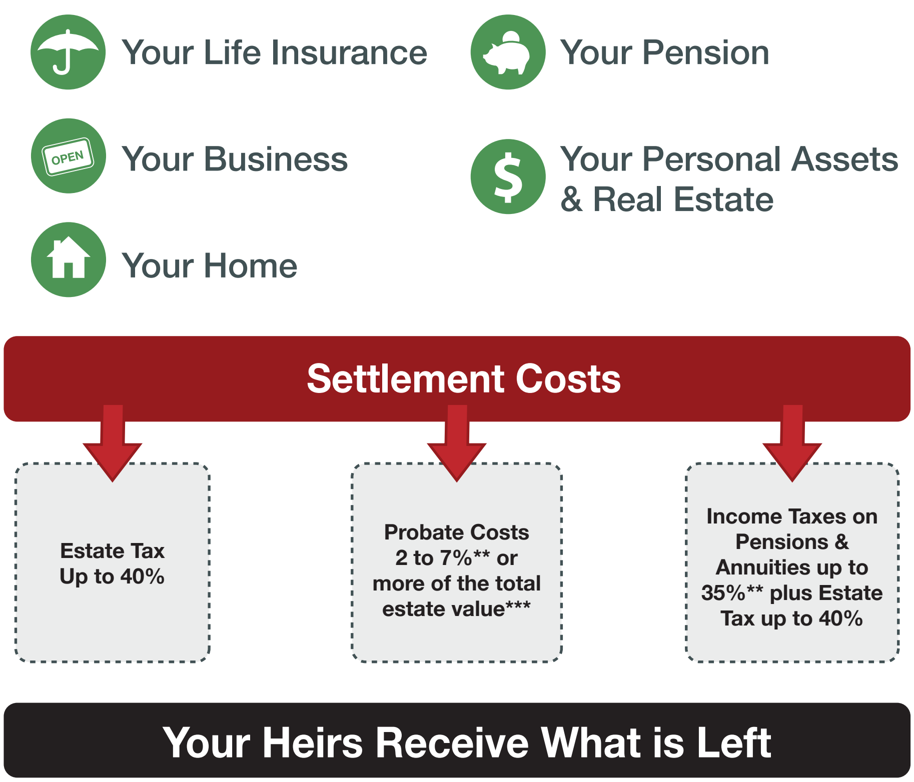
Estate Preservation

Don't let a lifetime of successful savings be devoured by taxes, lawyers and unintended heirs. A proper estate plan can take care of your family during your life and after your death. Estate planning can help you develop a firm strategy for the proper transfer of your wealth. By minimizing the costs associated with transferring wealth, you can increase the amount passed on to your heirs.

Keys to preserving your estate include:

- Have adequate life insurance protection
- Have a Will
- Understand the probate process for the state in which you reside
- Avoid probate
- Understand what a trust is
- Transfer assets through trusts
- Learn how to minimize estate taxes
- Don't delay

The Risks of Not Having an Adequate Estate Plan*



*Strategic planning may include the proper use of: life insurance, wills, trusts, gifts, charitable donations, appropriate ownership of property, implementation of buy-sell agreements and should include consultation with an attorney knowledgeable in estate planning. Please consult with your representative for services he/she can offer.
**Please consult with your personal tax professional for additional guidance regarding the estate tax and other tax matters.
***"Skipping Out on Probate Costs," Steven Merkel, CFP ChFC, Dec. 13, 2004, Investopedia.com.

Assumptions

Your Monthly Cash Flow

- Your Monthly Cash Flow represents an estimate of your current household income and expenses. This may not represent all of your current income and expenses, and your income and expenses may change in the future.

Calculation Assumptions

- Estimated Monthly Taxes equals Estimated Gross Monthly Income multiplied by the Estimated Average (Effective) Income Tax Rate of 25%.

Debt Management

Calculation Assumptions

- Debt-to-Earned Income Ratio equals your Total Household Current Monthly Debt Payments divided by Your Total Household Current Gross Monthly Salaries.
- Years Until Debt is Paid Off equals the number of years it will take to pay off the Current Balance, assuming you continue to pay the current Monthly Payment, at the current Interest Rate, with no additions to the current Balance.
- Average Interest Rate on Credit Cards represents a weighted average based on each credit card current Balance.

Emergency Fund

Calculation Assumptions

- Emergency Fund Needed based on total household current gross monthly salaries multiplied by 6 months.

Survivor Needs—Assumes Chuck Dies

Assumed Years of Death

- This presentation assumes Chuck dies immediately.

Income Needs Assumption

- Susie will require 80% of current household income while the children are at home.

  When the youngest child turns 18, Susie will require 60% of current household income for remaining years.

  Needs are provided for 20 years.

Assumptions (Continued)

Survivor Needs—Assumes Chuck Dies (Continued)

Interest Rate Assumptions

- Education costs are assumed to increase at a 5% annual inflation rate.
- All other living expenses are assumed to increase at a 3% annual inflation rate.
- All lump sum values in today's dollars are assumed to grow at 4.000% annually.

Social Security Assumptions

- Chuck and Susie's Social Security benefit amounts are based on their current salaries. Social Security survivor benefit ends when youngest child turns 16, however children's benefits are paid until age 18. Social Security retirement benefit begins at Susie's age 67. No Social Security benefits will be paid if there are years after the youngest child turns 18, but before Susie's age 67.

Survivor Needs—Assumes Susie Dies

Assumed Years of Death

- This presentation assumes Susie dies immediately.

Income Needs Assumption

- Chuck will require 80% of current household income while the children are at home.

  When the youngest child turns 18, Chuck will require 60% of current household income for remaining years.

  Needs are provided for 20 years.

Interest Rate Assumptions

- Education costs are assumed to increase at a 5% annual inflation rate.
- All other living expenses are assumed to increase at a 3% annual inflation rate.
- All lump sum values in today's dollars are assumed to grow at 4.000% annually.

Social Security Assumptions

- Chuck and Susie's Social Security benefit amounts are based on their current salaries. Social Security survivor benefit ends when youngest child turns 16, however children's benefits are paid until age 18. Social Security retirement benefit begins at Chuck's age 70. No Social Security benefits will be paid if there are years after the youngest child turns 18, but before Chuck's age 70.

Disability Needs—Assumes Chuck Becomes Disabled Today

Assumed Disability

- This presentation assumes Chuck becomes disabled immediately.

Assumptions (Continued)

Disability Needs—Assumes Chuck Becomes Disabled Today (Continued)

Income Needs Assumption

- Chuck will require 60% of current household income during disability.

Disability versus Death Probability

- The probabilities of dying before age 65 are based on the 1990-1995 U.S. Basic Male and Female Tables (Age Nearest Birthday) developed by the Society of Actuaries. The probabilities of becoming disabled before age 65 are based on the 1985 Commissioner's Individual Disability A Tables for occupation class 1 (white collar) and a 60-day elimination period. Disability is assumed to last at least two years or longer.

Social Security Assumptions

- Chuck's Social Security benefit amount is based on his current salary.

Disability Needs—Assumes Susie Becomes Disabled Today

Assumed Disability

- This presentation assumes Susie becomes disabled immediately.

Income Needs Assumption

- Susie will require 60% of current household income during disability.

Disability versus Death Probability

- The probabilities of dying before age 65 are based on the 1990-1995 U.S. Basic Male and Female Tables (Age Nearest Birthday) developed by the Society of Actuaries. The probabilities of becoming disabled before age 65 are based on the 1985 Commissioner's Individual Disability A Tables for occupation class 1 (white collar) and a 60-day elimination period. Disability is assumed to last at least two years or longer.

Social Security Assumptions

- Susie's Social Security benefit amount is based on her current salary.

Long-Term Care Needs—Assumes Chuck Has a LTC Need at Age 75

Long-Term Care Need Assumptions

- Monthly long-term care need (in today's dollars) of $6,000 with a 3% inflation rate. Long-term care need will begin at age 75 and continue for 3 years.

Assumptions (Continued)

Long-Term Care Needs—Assumes Chuck Has a LTC Need at Age 75 (Continued)

Annual Savings Assumptions

- The annual savings assumed rate of return (5.66%) is the average rate of return of all existing assets.

Long-Term Care Needs—Assumes Susie Has a LTC Need at Age 75

Long-Term Care Need Assumptions

- Monthly long-term care need (in today's dollars) of $6,000 with a 3% inflation rate. Long-term care need will begin at age 75 and continue for 3 years.

Annual Savings Assumptions

- The annual savings assumed rate of return (5.66%) is the average rate of return of all existing assets.

Retirement Needs

Years Illustrated

- This presentation continues until Chuck reaches age 85.

Income Needs Assumption

- Chuck retires at 70, Susie retires at 65.
- Chuck and Susie require 80% of current household income during retirement.

Interest Rate Assumptions

- All income needs are assumed to increase at a 3% annual general inflation rate.
- Income sources and asset balances increase annually based on the rate listed on the Your Personal Information page.
- All lump sum values at retirement are assumed to grow at 4.000% annually.
- All interest rates compounded annually with all monthly contributions for the year added at the end of the year.

Social Security Assumptions

- Chuck's and Susie's Social Security benefit amounts are based on their current salaries and their age when the benefit begins. Chuck starts Social Security benefits at 70, Susie starts Social Security benefits at 67.

Your Strategies

Many people today, whether through poor planning or lack of a financial education, have downsized or discarded their dreams. You have determined that your family deserves better—they deserve to achieve their dreams.

We believe that there is no room for compromise when it comes to someone's dreams. So let us work with you to help you move from dreaming to doing today.

Recommendations:

Debt Management Your Total Credit Card Debt: **$20,000**

85%

Average Credit Card Interest Rate:	9.000%
Total Debt/Income Ratio:	14.92%

Priority List for Managing Debt

1. ____________________
2. ____________________
3. ____________________

Emergency Fund Your Remaining Need: **$56,500**

43%

Total Need:	$98,500
Total Have:	$42,000

Committment to Building Emergency Fund

Monthly Amount: $

Proper Protection Remaining Life Insurance Need for Chuck: **$0**

100%

Total Current Need:	$740,111
Current Have:	$1,000,000
Assets Available to Fund Survivor Needs:	$737,000

Death Benefit: $

Monthly Premium: $

Policy Type:

Proper Protection Remaining Life Insurance Need for Susie: **$0**

100%

Total Current Need:	$580,017
Current Have:	$1,000,000
Assets Available to Fund Survivor Needs:	$737,000

Death Benefit: $

Monthly Premium: $

Policy Type:

Disability Insurance Need for Chuck: **$0**

100%

Total Current Monthly Need:	$66,000
Total Current Disability Income Have:	$72,000

Insurance Policy Details

Monthly Benefit: $

Monthly Premium: $

Your Strategies (Continued)

Disability Insurance Need for Susie: **$0**

100%

Total Current Monthly Need:	$52,200
Total Current Disability Income Have:	$72,000

Insurance Policy Details

Monthly Benefit: $

Monthly Premium: $

Long-Term Care Remaining Need for Chuck: **$17,390**

0%

Total Monthly Need:	$17,390
Total Current Policy Benefits Have:	$0

Insurance Policy Details

Monthly Benefit: $

Monthly Premium: $

Long-Term Care Remaining Need for Susie: **$4,728**

73%

Total Monthly Need:	$17,390
Total Current Policy Benefits Have:	$12,662

Insurance Policy Details

Monthly Benefit: $

Monthly Premium: $

Retirement Monthly Savings Need: **$0**

100%

Total Projected Need:	$7,585,152
Total Projected Have:	$7,662,664

Commitment to Building Your Retirement Fund

Monthly Amount: $