

Retirement Distribution Summary



Carl and Louise Sample-Retired
Ridgefield, Connecticut

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MAY 24, 2010

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Introduction

Planning and saving for retirement has been a priority for you. Now you have reached the next step towards retirement: retirement income distribution planning. At this stage, it is important to consider all of the factors that may come into play during your retirement to effectively manage your retirement income.

The following analysis will provide you with insights and tactical ideas designed to help you achieve your retirement goals. The objective is to provide you with a clear plan to manage what should be a wonderful time in your life, one where you can enjoy the fruits of your labor and enjoy a lifestyle that reflects your priorities, goals, and dreams.

As you approach and enter retirement, you need to be as diligent as ever in planning for how you will manage and spend your wealth, and avoid the risks that continue to be inherent in retirement. Specifically, you need to understand and manage the following:

Plan Considerations	Questions to explore
<p>Longevity – Due to significant advances in health care, life expectancy today is longer than ever before. You must ensure that your retirement nest egg is sufficient to last a lifetime.</p>	<p><i>Will your assets last throughout your retirement years?</i></p>
<p>Inflation – Inflation can be a subtle but significant adversary in your retirement. As the cost of most goods and services continues to rise each year, you have to be prepared to increase the amount you spend annually just to maintain your lifestyle.</p>	<p><i>How much is enough and how much will you need?</i></p>
<p>Overspending – While it may seem that your nest egg is so large it will last indefinitely, you have to establish an annual spending budget to minimize the chances of running out of money.</p>	<p><i>How much can I spend each year and do I have enough to cover my expenses?</i></p>
<p>Market risk – Everyone has to address how much risk they can tolerate in their portfolio. During retirement the tendency to take a very conservative approach to investing may or may not be the best course.</p>	<p><i>How should your assets be invested today and how should that strategy change during your retirement?</i></p>
<p>Health – Health care costs can be a major expense in retirement, and few people plan for them adequately. Since we face more health issues in retirement and the costs of health care continues to rise, you should carefully identify how you will fund all the health care related expenses that you will assuredly incur.</p>	<p><i>Can you sustain your retirement if your health care costs rise significantly?</i></p>

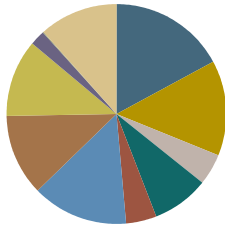
The following analysis is designed to help you answer each of the key questions regarding your retirement plan as well as how you can manage each of these risks. This plan can become the core foundation for your overall income planning and can guide you as you enjoy your retirement.

Assumptions - Current

The information below represents key assumptions that were used to produce the outcome of your current plan, including the retirement distribution that is expected from this plan.

Assumptions made related to risks that should be recognized in your retirement plan (such as inflation, longevity, spending, and market risk) can significantly affect it. Strategies that have been used to combat the risks that these assumptions may introduce in your plan are discussed in the illustrations of the proposed plan.

Current Asset Mix



- Inflation Rate - 3.00%
- Carl's Retirement - 2012 / 62
- Louise's Retirement - 2012 / 60
- Carl's Life Expectancy - 2040 / 90
- Louise's Life Expectancy - 2042 / 90
- Current Asset Mix ROR - 7.29%
- Current Asset Mix Standard Deviation - 11.26%
- Value of Unassigned Accounts - \$310,000

Asset Class	Current Asset Mix	
	(%)	(\$)
Large Cap Growth Equity	17.1	112,000
Large Cap Value Equity	14.0	91,000
Mid Cap Equity	4.6	30,000
Small Cap Equity	8.4	54,500
International Equity	4.5	29,000
Long Term Bonds	14.1	91,500
Intermediate Term Bonds	12.0	78,000
Short Term Bonds	11.4	74,000
High Yield Bonds	2.2	14,250
International Bonds	0.1	500
Cash	11.6	75,250
Total	100.0	650,000

Note: The reallocation table above does not reflect the tax effects that may occur when reallocating your assets; these tax effects are accounted for at the end of the year.

Planned Retirement Spending

The following table shows the planned expenses in your retirement years.

Expense	Member	Start Date	End Date	Annual Amount	Index Rate	Fixed
Life Insurance	Carl	Dec 31 2009	Never	\$900.00	3.00%	Y
Life Insurance	Louise	Dec 31 2009	Never	\$600.00	3.00%	Y
Personal Loans	Joint	Dec 31 2009	Nov 30 2013	\$3,000.00	N/A	Y
Housing (e.g. utilities, repairs)	Joint	Jan 1 2010	Aug 31 2012	\$12,000.00	3.00%	Y
Food	Joint	Jan 1 2010	Aug 31 2012	\$6,000.00	3.00%	Y
Transportation (e.g. gas, insurance)	Joint	Jan 1 2010	Aug 31 2012	\$12,000.00	3.00%	Y
Entertainment (e.g. restaurants, movies)	Joint	Jan 1 2010	Aug 31 2012	\$12,000.00	3.00%	Y
Personal (e.g. clothing, hobbies)	Joint	Jan 1 2010	Aug 31 2012	\$18,000.00	3.00%	Y
Other (e.g. child care, travel)	Joint	Jan 1 2010	Aug 31 2012	\$12,000.00	3.00%	Y
LTC Insurance	Carl	Jan 1 2012	Dec 31 2040	\$900.00	5.00%	Y
LTC Insurance	Louise	Jan 1 2012	Dec 31 2042	\$600.00	5.00%	Y
Retirement goal expense	Joint	Sep 1 2012	Dec 31 2042	\$106,938.72	3.00%	Y
Travel expense	Joint	Sep 1 2012	Aug 31 2022	\$26,734.68	3.00%	N
Medical expenses	Joint	Sep 1 2012	Dec 31 2042	\$5,308.74	3.00%	Y
Carl's Burial ¹	Carl	Dec 31 2040	Dec 31 2040	\$15,000.00	0.00%	Y
Lump Sum Need	Joint	Dec 31 2042	Dec 31 2042	\$530,450.00	3.00%	N
Louise's Burial ¹	Louise	Dec 31 2042	Dec 31 2042	\$15,000.00	0.00%	Y

¹ Expense is transferred to survivor upon member's death

The following table identifies the fixed expenses in the first year of retirement, the retirement years with the lowest and highest fixed needs as well as the average fixed needs throughout the retirement period.

Fixed Needs in First Retirement Year (yr)	Lowest Fixed Needs in Retirement (yr)	Average Fixed Needs Through Retirement	Highest Fixed Needs in Retirement (yr)
\$148,440 (2012)	\$148,440 (2012)	\$224,389	\$312,002 (2040)

Current

The starting point for your personalized retirement income planning is to analyze your planned expenses and retirement incomes, both fixed and total, that exist during your retirement.

Retirement Goal Progress

The assessment of your Current Plan results in **78%*** coverage of your retirement needs.

78%*

In order to fully achieve your retirement goal you should consider **one** of the following strategies:



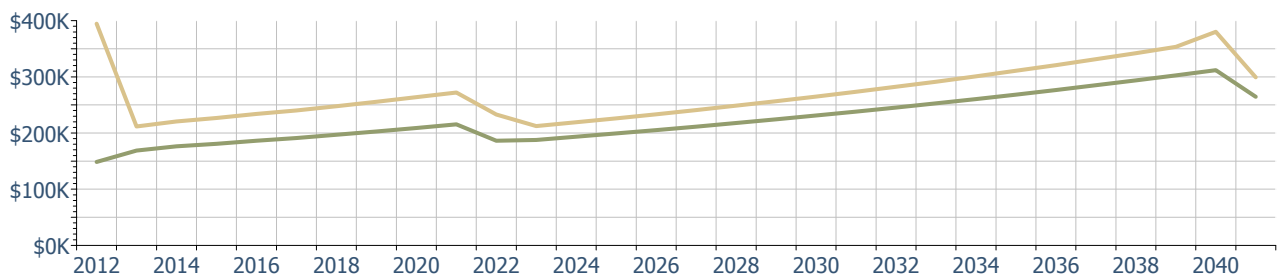
- Saving an additional \$20,233 /month in non-qualified investments (this may or may not be affordable).
- Investing a lump sum amount of \$467,944 in non-qualified investments for your retirement goal.
- Delay retirement until Carl is 67, in the year 2017 and Louise is 65, in the year 2017.

* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Fixed vs. Total Retirement Needs

It is important to note that your expenses increase each year due to the effects of inflation.

Fixed needs represent those expenses that are required for your basic retirement plans, while total needs also include expenses that are more discretionary, which you might be able to alter if needed.



— Fixed Needs	— Total Needs
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Average Fixed Needs

\$224,389

Average Total Needs

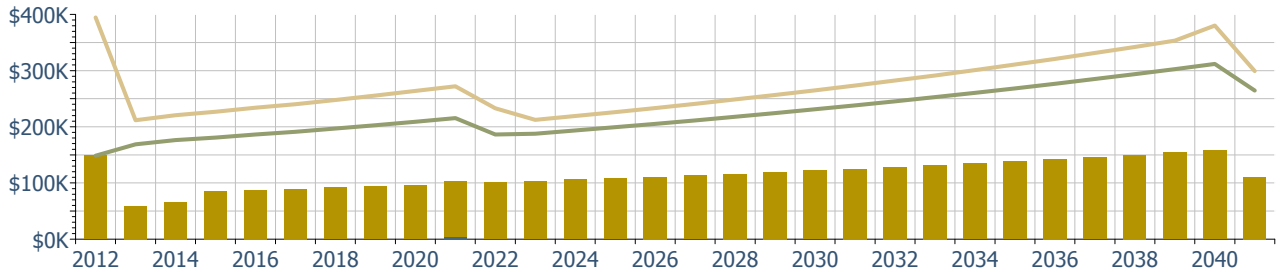
\$272,928

Fixed Income vs. Retirement Needs

This graph compares your retirement expenses with the fixed incomes you are scheduled to receive. A shortfall will be apparent in this graph when your fixed needs are greater than your fixed incomes.

When an income shortfall is apparent between your fixed incomes and your fixed needs you can adopt various strategies: consider another approach to managing your retirement needs, consider ways to increase your fixed incomes to match your fixed needs, or use other variable income sources to fund your planned retirement spending.

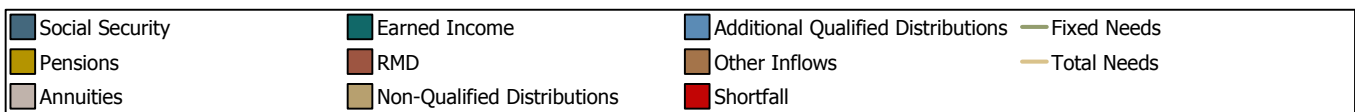
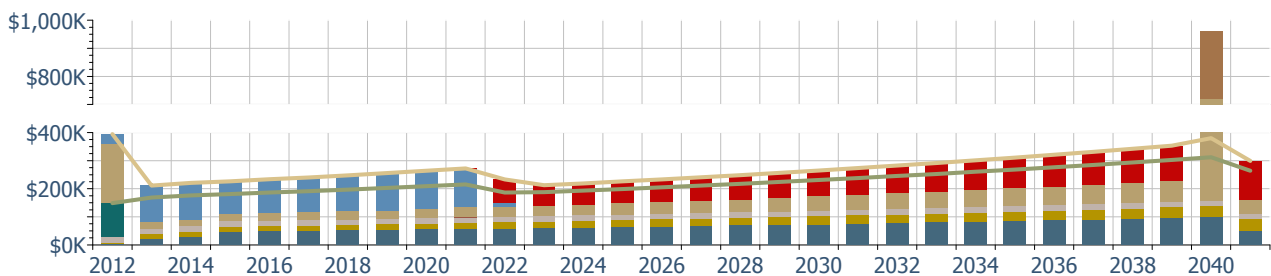
Review the *Total Income vs. Retirement Needs* graph to assess what income sources are available to implement one of these strategies.



Net worth at retirement \$1,987,669	Net worth at death \$1,165,265	Year capital exhausted 2041
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Total Income vs. Retirement Needs

This graph outlines your complete retirement income and needs situation by comparing your retirement needs with all available income sources to fund them. A shortfall in your total retirement income situation will exist when the total spending levels exceed the total cash inflows that are available.



% Fixed Needs Covered by Total Resources 83%	Goal Coverage* 78%
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*This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Addressing Retirement Risks

As you consider the strategies that can optimize your retirement plan, ensure that the risks that retirees face in retirement have been addressed using suitable planning strategies.

- Addressing the risk of outliving your incomes and assets requires planning for a realistic retirement duration based on your personal life expectancy. Average life expectancies are best derived from general population statistics as well as your family history. The life expectancy assumed in your current retirement plan is 90 for Carl and 90 for Louise.
- The inflation rate that you assume in your retirement plan should be reasonable, as this value may affect the amount of assets and income required to fully fund your retirement needs. If inflation is overstated or understated, it can drastically affect the planning that you've undertaken in your retirement plan. The inflation rate assumed in your current retirement plan is 3.00%.
- Have you considered the amount of risk and variability you can tolerate in your retirement portfolio? Does the inherent investment of your retirement assets suit the needs you have not only leading up to retirement but also when you require income from those assets during retirement? Your current retirement plan has a rate of return on your asset mix for retirement of 7.29%.
- Consider that retirement goals are different for you than for your neighbor. It is important to ensure that your retirement incomes are going to sustain the amount of fixed and discretionary spending that you have accounted for in your retirement plan. If shortfalls between the available income and the needs you have defined exist, it is important to revisit first the discretionary and then the fixed expenses in your retirement plan.
- Have you adequately accounted for rising healthcare costs throughout your retirement plan?

Proposed

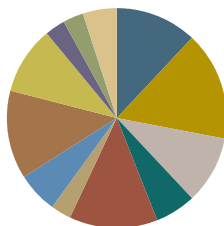
Your proposed retirement plan consists of strategies that will encourage you to move toward an optimal retirement plan that satisfies your goals, but may also address some of the risks faced in retirement.

The information shown in this section highlights the key differences between the assumptions made in your current retirement plan and those applied to your proposed retirement plan.

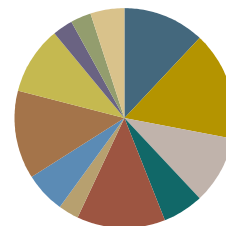
- Your retirement age has been changed to age 64 for Carl and to age 61 for Louise.
- The start date for Social Security retirement benefits has changed to October 1, 2020 for Carl and October 1, 2022 for Louise.
- \$166,400 is transferred from Joint Savings - Fleet Bank (Non-Qualified) to Joint Savings - Fleet Bank (Non-Qualified) on January 1, 2010.
- Additional annual incomes of \$92,992, which occur throughout the retirement period, have been added to your proposed retirement plan.

Asset Allocation

**Suggested Asset Mix
Pre-retirement**



**Suggested Asset Mix
Retirement**



Rate of Return	8.21%
Standard Deviation	13.30%

Rate of Return	8.21%
Standard Deviation	13.30%

Asset Class	Current Asset Mix		Change		Suggested Asset Mix	
	(%)	(\$)	(%)	(\$)	(%)	(\$)
Large Cap Growth Equity	17.1	112,000	-5.1	-2,800	12.0	109,200
Large Cap Value Equity	14.0	91,000	+2.0	+54,600	16.0	145,600
Mid Cap Equity	4.6	30,000	+5.4	+61,000	10.0	91,000
Small Cap Equity	8.4	54,500	-2.4	+100	6.0	54,600
International Equity	4.5	29,000	+8.5	+89,300	13.0	118,300
Emerging Markets Equity			+3.0	+27,300	3.0	27,300
Long Term Bonds	14.1	91,500	-8.1	-36,900	6.0	54,600
Intermediate Term Bonds	12.0	78,000	+1.0	+40,300	13.0	118,300
Short Term Bonds	11.4	74,000	-1.4	+17,000	10.0	91,000
High Yield Bonds	2.2	14,250	+0.8	+13,050	3.0	27,300
International Bonds	0.1	500	+2.9	+26,800	3.0	27,300
Cash	11.6	75,250	-6.6	-29,750	5.0	45,500
Total	100.0	650,000	+0.0	+260,000	100.0	910,000

Note: The reallocation table above does not reflect the tax effects that may occur when reallocating your assets; these tax effects are accounted for at the end of the year.

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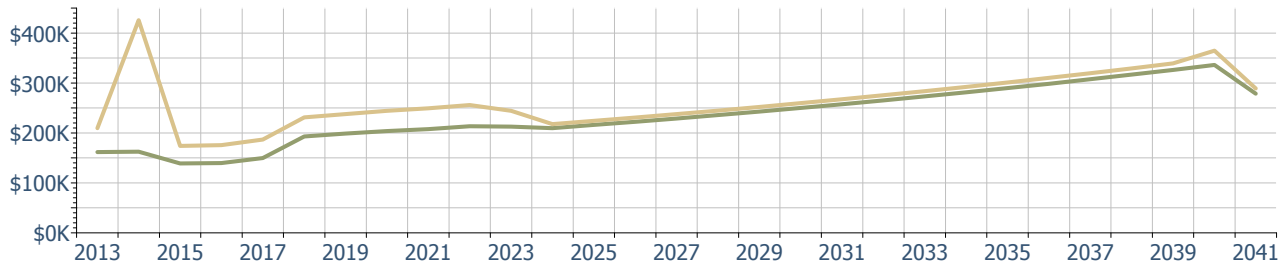
The assessment of your proposed plan results in **100%** coverage of your retirement needs.

Start analyzing the effects of these strategies on your proposed retirement plan by analyzing the changes to your retirement incomes that are available to fund your retirement needs.

Fixed vs. Total Retirement Needs

It is important to note that your expenses increase each year due to the effects of inflation.

Fixed needs represent those expenses that are required for your basic retirement plans, while total needs also include expenses that are more discretionary, which you might be able to alter if needed.



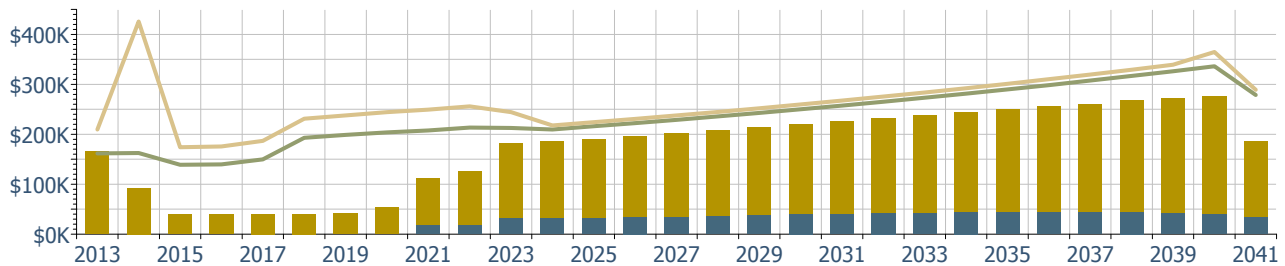
Fixed Needs	Total Needs			
Fixed Needs in First Retirement Year (yr)	Average Fixed Needs	Average Total Needs	Lowest retirement needs	Highest retirement needs
\$161,865 (2013)	\$235,150	\$264,580	\$139,065 (2015)	\$336,071 (2040)

Fixed Income vs. Retirement Needs

This graph compares your retirement expenses with the fixed incomes you are scheduled to receive. A shortfall will be apparent in this graph when your fixed needs are greater than your fixed incomes.

When an income shortfall is apparent between your fixed incomes and your fixed needs you can adopt various strategies: consider another approach to managing your retirement needs, consider ways to increase your fixed incomes to match your fixed needs, or use other variable income sources to fund your planned retirement spending.

Review the *Total Income vs. Retirement Needs* graph to assess what income sources are available to implement one of these strategies.



Net worth at retirement

\$2,134,438

Net worth at death

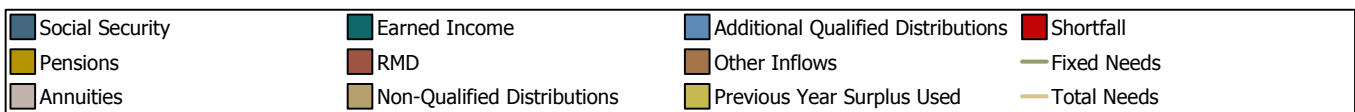
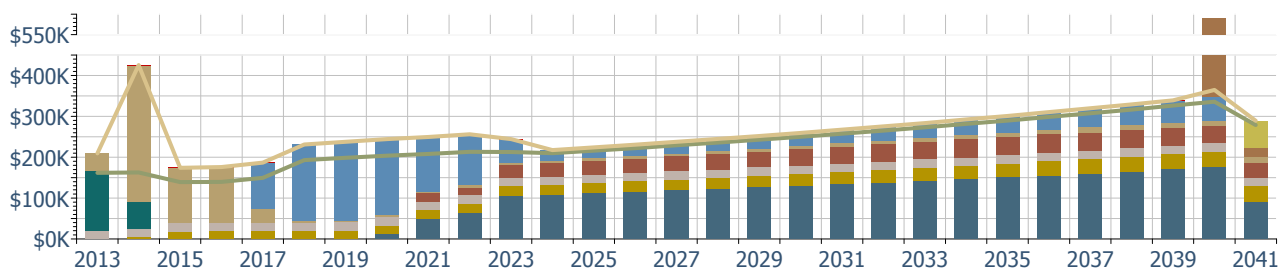
\$2,415,790

Year capital exhausted

Never

Total Income vs. Retirement Needs

This graph outlines your complete retirement income and needs situation by comparing your retirement needs with all available income sources to fund them. A shortfall in your total retirement income situation will exist when the total spending levels exceed the total cash inflows that are available.



% Fixed Needs Covered by Total Resources

100%

Goal Coverage*

100%

*This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Addressing Retirement Risks

As you review the strategies that have been recommended for your retirement plan, ensure that the risks that retirees face in retirement have been addressed using suitable planning strategies.

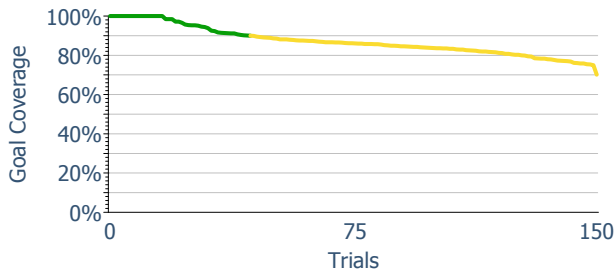
- Life expectancy assumptions can affect the risk of longevity. It is important to ensure your retirement nest egg is built to limit the chance of you outliving your assets. The life expectancy assumed in your proposed retirement plan is 90 for Carl and 90 for Louise.
- The inflation rate you assume on the cost of goods and services can be a risk throughout your life. You must plan prudently for this in retirement because your sources of earning may be less flexible and you must be prepared to increase the amount you spend annually just to maintain your lifestyle. The inflation rate assumed in your proposed retirement plan is 3.00%.
- Establishing a budget for the amount you have available to spend each year, and reviewing that budget annually will help you minimize the risk of overspending and running out of money in retirement.
- You have assessed the amount of risk and variability that is appropriate for your retirement portfolio, which is the first step in addressing market risk during retirement. Another important step in planning an investment strategy that works with your distribution planning is to revisit your asset growth and the types of investments you are using as you move through retirement is also an important step to planning an investment strategy that works with your distribution planning. Your proposed retirement plan has a rate of return on your asset mix for retirement of 8.21%.
- Identifying how you will fund health care related expenses that you may incur during retirement should be a careful consideration when planning for your retirement spending.

Probability Analysis

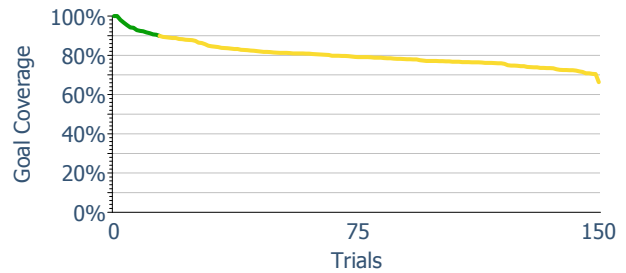
Due to market variability, it is important to consider the probability of achieving planned retirement distributions. The 150 probability trial results are generated by varying the return rates on available assets, and by determining if the available resources are adequate to cover fixed or total needs.

Current Plan

Fixed needs covered by total resources



Goal Coverage*

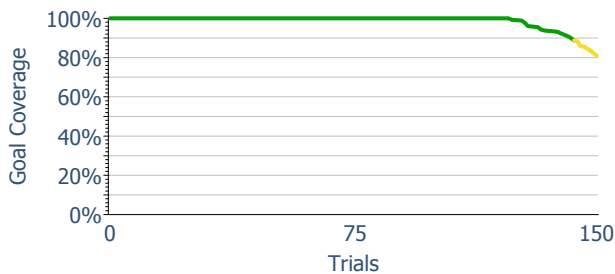


- In 43 trials 90% or more of the goal was covered
 - In 107 trials 65% or more, but less than 90%, of the goal was covered
 - In 0 trials less than 65% of the goal was covered
- It is projected that the earliest age (year) at which you could not cover your fixed needs is 67 / 67 (2017).

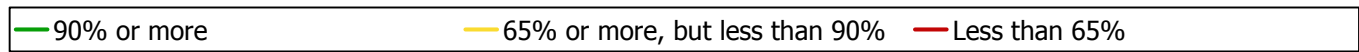
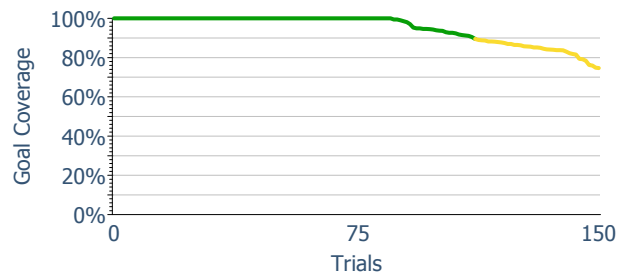
- In 14 trials 90% or more of the goal was covered
- In 136 trials 65% or more, but less than 90%, of the goal was covered
- In 0 trials less than 65% of the goal was covered

Proposed Plan

Fixed needs covered by total resources



Goal Coverage*



- In 142 trials 90% or more of the goal was covered
 - In 8 trials 65% or more, but less than 90%, of the goal was covered
 - In 0 trials less than 65% of the goal was covered
- It is projected that the earliest age (year) at which you could not cover your fixed needs is 69 / 69 (2019).

- In 111 trials 90% or more of the goal was covered
- In 39 trials 65% or more, but less than 90%, of the goal was covered
- In 0 trials less than 65% of the goal was covered

*This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Conclusion

Congratulations! You have taken a significant step in planning for what is an amazing transition in your overall financial life – building and saving for a comfortable retirement to enjoying the fruits of your efforts.

Your customized plan also addresses and highlights some of the key risks that face all people during their retirement years. At this point you should:

- review the plan in detail with your advisor
- discuss how this analysis affects your current planning and how you will address your retirement income needs
- define with your advisor the specific, tactical action steps you will take to enhance your savings and income planning situation.

Just as with any strategy or plan, you must be diligent about updating the plan. Working with your advisor, you should review your overall strategy each year. Included in this review should be discussions on any changes in your overall financial situation, health, or other changes that affect your overall spending. The changes can be factored into the plan to help you continually update your strategy.

Important: The calculations or other information generated by NaviPlan® version 12.0 regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. These calculations are shown for illustrative purposes only because they utilize return data that may not include fees or operating expenses, and are not available for investment. If included, fees and other operating expenses would materially reduce these calculations. See the Disclaimers section for more information.

Appendix A - Distribution Schedules - Current



Retirement Income and Expenses

The following report shows the annual sources of income that are used to cover your needs throughout retirement in your Current retirement plan.

Year	Age	Social Security	Pensions	Annuities	Earned Income	RMD	Non-Qualified Distributions	Additional Qualified Distributions	Other Inflows	Previous Year Surplus Used	Fixed Needs	Total Needs	Total Taxes	Current Surplus/(Deficit)
2012	*62/60*	5,420	4,244	19,196	120,235	0	212,448	32,942	0	0	148,440	394,484	51,448	0
2013	63/61	22,329	17,484	19,196	0	0	23,605	128,906	0	0	168,847	211,519	47,075	0
2014	64/62	28,797	18,008	19,196	0	0	24,471	130,212	0	0	176,477	220,685	53,892	0
2015	65/63	47,577	18,548	19,196	0	0	25,603	115,751	0	0	180,875	226,675	54,703	0
2016	66/64	49,005	19,105	19,196	0	0	26,787	119,728	0	0	186,367	233,820	56,500	0
2017	67/65	50,475	19,678	19,196	0	0	28,026	122,843	0	0	191,050	240,218	57,376	0
2018	68/66	51,989	20,268	19,196	0	0	29,322	127,042	0	0	196,869	247,818	59,276	0
2019	69/67	53,549	20,876	19,196	0	0	30,679	131,367	0	0	202,871	255,667	61,239	0
2020	70/68	55,155	21,503	19,196	0	0	32,098	135,822	0	0	209,059	263,774	63,268	0
2021	71/69	56,810	22,148	19,196	0	3,948	33,582	136,463	0	0	215,441	272,146	65,366	0
2022	72/70	58,514	22,812	19,196	0	534	35,136	14,104	0	0	186,291	233,088	31,805	(82,791)
2023	73/71	60,269	23,497	19,196	0	0	36,761	0	0	0	187,738	212,368	28,707	(72,644)
2024	74/72	62,078	24,201	19,196	0	0	38,462	0	0	0	193,364	219,133	29,652	(75,197)
2025	75/73	63,940	24,927	19,196	0	0	40,241	0	0	0	199,168	226,130	30,635	(77,825)
2026	76/74	65,858	25,675	19,196	0	0	42,102	0	0	0	205,157	233,365	31,657	(80,533)
2027	77/75	67,834	26,446	19,196	0	0	44,049	0	0	0	211,334	240,847	32,720	(83,322)
2028	78/76	69,869	27,239	19,196	0	0	46,087	0	0	0	217,708	248,586	33,825	(86,195)
2029	79/77	71,965	28,056	19,196	0	0	48,219	0	0	0	224,283	256,590	34,974	(89,154)
2030	80/78	74,124	28,898	19,196	0	0	50,449	0	0	0	231,067	264,868	36,169	(92,201)
2031	81/79	76,348	29,765	19,196	0	0	52,783	0	0	0	238,067	273,432	37,412	(95,340)
2032	82/80	78,638	30,658	19,196	0	0	55,224	0	0	0	245,290	282,290	38,704	(98,574)
2033	83/81	80,997	31,577	19,196	0	0	57,779	0	0	0	252,742	291,453	40,049	(101,904)
2034	84/82	83,427	32,525	19,196	0	0	60,451	0	0	0	260,431	300,933	41,447	(105,334)
2035	85/83	85,930	33,500	19,196	0	0	63,247	0	0	0	268,365	310,741	42,902	(108,867)
2036	86/84	88,508	34,505	19,196	0	0	66,173	0	0	0	276,553	320,888	44,416	(112,506)
2037	87/85	91,163	35,541	19,196	0	0	69,234	0	0	0	285,001	331,388	45,990	(116,254)
2038	88/86	93,898	36,607	19,196	0	0	72,436	0	0	0	293,720	342,252	47,628	(120,115)
2039	89/87	96,715	37,705	19,196	0	0	75,787	0	0	0	302,717	353,494	49,333	(124,091)
2040	90/88	99,616	38,836	19,196	0	0	562,181	0	240,000	0	312,002	380,128	51,107	579,701
2041	--/89	51,517	40,001	19,196	0	0	51,791	0	0	0	264,362	299,062	36,437	(136,557)
2042	--/90	53,062	41,201	19,196	0	0	2,533,792	0	160,000	0	272,422	1,900,397	309,611	906,855

* = Year of retirement

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Required Minimum Distributions

The following report illustrates the activity in your qualified accounts throughout your retirement period in your current retirement plan. Required minimum distributions and additional qualified distributions provide income that is used to cover your retirement needs.

Year	Ages	SOY Qualified Market Value	Qualified Distributions			Contributions for Qualified Assets	Reinvested Income for Qualified Assets	Qualified Growth	EOY Qualified Market Value
			Client's Minimum Distributions	Co-Client's Minimum Distributions	Additional Qualified Distributions				
2012	*62/60*	788,264	0	0	32,942	7,600	52,065	6,039	826,625
2013	63/61	826,625	0	0	128,906	0	53,980	6,262	757,962
2014	64/62	757,962	0	0	130,212	0	49,496	5,742	682,988
2015	65/63	682,988	0	0	115,751	0	44,600	5,174	617,011
2016	66/64	617,011	0	0	119,728	0	40,292	4,674	542,249
2017	67/65	542,249	0	0	122,843	0	35,410	4,108	458,924
2018	68/66	458,924	0	0	127,042	0	29,969	3,476	365,327
2019	69/67	365,327	0	0	131,367	0	23,857	2,767	260,584
2020	70/68	260,584	0	0	135,822	0	17,017	1,974	143,752
2021	71/69	143,752	3,948	0	136,463	0	9,248	1,073	13,663
2022	72/70	13,663	534	0	14,104	0	873	101	0
2023	73/71	0	0	0	0	0	0	0	0
2024	74/72	0	0	0	0	0	0	0	0
2025	75/73	0	0	0	0	0	0	0	0
2026	76/74	0	0	0	0	0	0	0	0
2027	77/75	0	0	0	0	0	0	0	0
2028	78/76	0	0	0	0	0	0	0	0
2029	79/77	0	0	0	0	0	0	0	0
2030	80/78	0	0	0	0	0	0	0	0
2031	81/79	0	0	0	0	0	0	0	0
2032	82/80	0	0	0	0	0	0	0	0
2033	83/81	0	0	0	0	0	0	0	0
2034	84/82	0	0	0	0	0	0	0	0
2035	85/83	0	0	0	0	0	0	0	0
2036	86/84	0	0	0	0	0	0	0	0
2037	87/85	0	0	0	0	0	0	0	0
2038	88/86	0	0	0	0	0	0	0	0
2039	89/87	0	0	0	0	0	0	0	0
2040	90/88	0	0	0	0	0	0	0	0
2041	--/89	0	0	0	0	0	0	0	0

* = Year of retirement

Distributions consist of capital withdrawals as well as any investment income that has not been reinvested.

Net Worth During Retirement

The following report shows the outlook of major net worth components throughout retirement in your current retirement plan.

Year	Ages	Non-Qualified Assets	Qualified Assets	Total Lifestyle Assets	Total Liabilities	Accumulated Surplus/(Deficit)	Total Net Worth
2012	*62/60*	687,464	826,625	904,066	2,568	0	2,415,586
2013	63/61	697,566	757,962	922,147	0	0	2,377,675
2014	64/62	708,388	682,988	940,590	0	0	2,331,966
2015	65/63	719,753	617,011	959,402	0	0	2,296,166
2016	66/64	731,687	542,249	978,590	0	0	2,252,526
2017	67/65	744,218	458,924	998,162	0	0	2,201,304
2018	68/66	757,377	365,327	1,018,125	0	0	2,140,828
2019	69/67	771,193	260,584	1,038,488	0	0	2,070,264
2020	70/68	785,699	143,752	1,059,257	0	0	1,988,708
2021	71/69	800,930	13,663	1,080,443	0	0	1,895,035
2022	72/70	816,920	0	1,102,051	0	(82,792)	1,836,180
2023	73/71	833,707	0	1,124,092	0	(155,436)	1,802,364
2024	74/72	851,331	0	1,146,574	0	(230,632)	1,767,272
2025	75/73	869,832	0	1,169,506	0	(308,458)	1,730,879
2026	76/74	889,253	0	1,192,896	0	(388,991)	1,693,158
2027	77/75	909,640	0	1,216,754	0	(472,313)	1,654,080
2028	78/76	931,040	0	1,241,089	0	(558,508)	1,613,620
2029	79/77	953,502	0	1,265,911	0	(647,662)	1,571,751
2030	80/78	977,080	0	1,291,229	0	(739,864)	1,528,445
2031	81/79	1,001,826	0	1,317,053	0	(835,204)	1,483,676
2032	82/80	1,027,799	0	1,343,395	0	(933,778)	1,437,416
2033	83/81	1,055,058	0	1,370,262	0	(1,035,682)	1,389,639
2034	84/82	1,083,667	0	1,397,668	0	(1,141,016)	1,340,319
2035	85/83	1,113,691	0	1,425,621	0	(1,249,883)	1,289,430
2036	86/84	1,145,200	0	1,454,133	0	(1,362,389)	1,236,945
2037	87/85	1,178,266	0	1,483,216	0	(1,478,643)	1,182,839
2038	88/86	1,212,964	0	1,512,880	0	(1,598,758)	1,127,087
2039	89/87	1,249,376	0	1,543,138	0	(1,722,849)	1,069,665
2040	90/88	804,695	0	1,574,001	0	(1,143,148)	1,235,548
2041	--/89	839,489	0	1,605,481	0	(1,279,704)	1,165,265

* = Year of retirement

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Appendix B - Distribution Schedules - Proposed



Retirement Income and Expenses

The following report shows the annual sources of income that are used to cover your needs throughout retirement in your Proposed retirement plan.

Year	Age	Social Security	Pensions	Annuities	Earned Income	RMD	Non-Qualified Distributions	Additional Qualified Distributions	Other Inflows	Previous Year Surplus Used	Fixed Needs	Total Needs	Total Taxes	Current Surplus/(Deficit)
2013	63/61*	0	0	20,218	145,697	0	43,678	0	0	0	161,865	209,593	61,724	0
2014	*64/62	0	4,502	20,218	67,531	0	333,431	0	0	0	162,552	425,682	39,217	0
2015	65/63	0	18,548	20,218	0	0	135,274	0	0	0	139,065	174,040	12,142	0
2016	66/64	0	19,105	20,218	0	0	136,442	0	0	0	139,794	175,765	9,926	0
2017	67/65	0	19,678	20,218	0	0	32,662	114,101	0	0	149,666	186,666	15,992	(7)
2018	68/66	0	20,268	20,218	0	0	4,122	186,412	0	0	192,950	231,015	55,356	6
2019	69/67	0	20,876	20,218	0	0	4,363	192,376	0	0	198,669	237,834	57,037	0
2020	70/68	12,125	21,503	20,218	0	0	4,619	185,718	0	0	203,878	244,182	58,088	0
2021	71/69	49,953	22,148	20,218	0	19,745	4,889	132,342	0	0	207,813	249,294	57,739	0
2022	72/70	64,387	22,812	20,218	0	18,728	5,175	124,636	0	0	213,256	255,955	58,770	0
2023	73/71	106,287	23,497	20,218	0	31,572	5,477	57,245	0	0	212,682	244,304	53,651	(9)
2024	74/72	109,475	24,201	20,218	0	31,754	5,797	26,154	0	0	209,712	217,596	46,000	5
2025	75/73	112,760	24,927	20,218	0	33,168	6,136	26,851	0	0	215,950	224,061	47,416	0
2026	76/74	116,142	25,675	20,218	0	34,616	6,495	27,585	0	0	222,380	230,732	48,880	0
2027	77/75	119,627	26,446	20,218	0	35,995	6,875	28,452	0	0	229,006	237,613	50,392	0
2028	78/76	123,216	27,239	20,218	0	37,484	7,277	29,277	0	0	235,835	244,711	51,953	0
2029	79/77	126,912	28,056	20,218	0	38,791	7,703	30,353	0	0	242,873	252,034	53,564	0
2030	80/78	130,719	28,898	20,218	0	40,150	8,153	31,450	0	0	250,126	259,588	55,227	0
2031	81/79	134,641	29,765	20,218	0	41,377	8,630	32,751	0	0	257,600	267,382	56,945	0
2032	82/80	138,680	30,658	20,218	0	42,526	9,134	34,206	0	0	265,303	275,423	58,718	0
2033	83/81	142,841	31,577	20,218	0	43,567	9,669	35,848	0	0	273,242	283,720	60,550	0
2034	84/82	147,126	32,525	20,218	0	44,459	10,234	37,719	0	0	281,425	292,281	62,441	0
2035	85/83	151,540	33,500	20,218	0	44,977	10,832	40,048	0	0	289,858	301,115	64,395	0
2036	86/84	156,086	34,505	20,218	0	45,212	11,466	42,744	0	0	298,549	310,231	66,412	0
2037	87/85	160,768	35,541	20,218	0	44,958	12,136	46,017	0	0	307,508	319,639	68,497	(1)
2038	88/86	165,591	36,607	20,218	0	44,234	12,846	49,850	0	0	316,741	329,348	70,650	(1)
2039	89/87	170,559	37,705	20,218	0	42,920	13,597	54,368	0	0	326,258	339,368	72,874	(1)
2040	90/88	175,676	38,836	20,218	0	40,644	14,392	59,956	240,000	0	336,071	364,714	75,176	225,009
2041	--/89	90,725	40,001	20,218	0	35,172	15,234	0	22,500	65,075	278,719	288,926	50,794	(65,075)
2042	--/90	93,447	41,201	20,218	0	36,843	1,886,544	416,038	182,838	0	389,885	1,991,479	429,638	685,649

* = Year of retirement

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Required Minimum Distributions

The following report illustrates the activity in your qualified accounts throughout your retirement period in your proposed retirement plan. Required minimum distributions and additional qualified distributions provide income that is used to cover your retirement needs.

Year	Ages	SOY Qualified Market Value	Qualified Distributions			Contributions for Qualified Assets	Reinvested Income for Qualified Assets	Qualified Growth	EOY Qualified Market Value
			Client's Minimum Distributions	Co-Client's Minimum Distributions	Additional Qualified Distributions				
2013	63/61*	886,895	0	0	0	8,800	64,296	9,333	976,124
2014	*64/62	976,124	0	0	0	3,600	70,364	10,215	1,063,903
2015	65/63	1,063,903	0	0	0	0	76,317	11,081	1,151,300
2016	66/64	1,151,300	0	0	0	0	82,586	11,991	1,245,877
2017	67/65	1,245,877	0	0	114,101	0	89,371	12,976	1,234,123
2018	68/66	1,234,123	0	0	186,412	0	88,527	12,853	1,149,091
2019	69/67	1,149,091	0	0	192,376	0	82,428	11,968	1,051,110
2020	70/68	1,051,110	0	0	185,718	0	75,399	10,947	951,739
2021	71/69	951,739	19,745	0	132,342	0	67,506	9,804	876,963
2022	72/70	876,963	18,728	0	124,636	0	62,182	9,030	804,812
2023	73/71	804,812	17,690	13,882	57,245	0	56,509	8,208	780,712
2024	74/72	780,712	17,888	13,866	26,154	0	54,773	7,956	785,532
2025	75/73	785,532	18,732	14,436	26,851	0	55,064	7,999	788,575
2026	76/74	788,575	19,600	15,016	27,585	0	55,226	8,022	789,623
2027	77/75	789,623	20,395	15,601	28,452	0	55,248	8,026	788,450
2028	78/76	788,450	21,299	16,186	29,277	0	55,106	8,005	784,799
2029	79/77	784,799	22,103	16,689	30,353	0	54,793	7,960	778,408
2030	80/78	778,408	22,896	17,254	31,450	0	54,282	7,886	768,977
2031	81/79	768,977	23,670	17,707	32,751	0	53,558	7,781	756,188
2032	82/80	756,188	24,409	18,117	34,206	0	52,596	7,641	739,693
2033	83/81	739,693	25,098	18,469	35,848	0	51,373	7,464	719,114
2034	84/82	719,114	25,714	18,745	37,719	0	49,862	7,245	694,042
2035	85/83	694,042	26,054	18,923	40,048	0	48,043	6,981	664,042
2036	86/84	664,042	26,244	18,967	42,744	0	45,882	6,667	628,636
2037	87/85	628,636	26,244	18,714	46,017	0	43,352	6,300	587,313
2038	88/86	587,313	25,995	18,239	49,850	0	40,416	5,873	539,517
2039	89/87	539,517	25,433	17,487	54,368	0	37,039	5,383	484,650
2040	90/88	484,650	24,256	16,388	59,956	0	33,191	4,824	422,065
2041	--/89	422,065	0	35,172	0	0	28,914	4,202	420,008

* = Year of retirement

Distributions consist of capital withdrawals as well as any investment income that has not been reinvested.

Net Worth During Retirement

The following report shows the outlook of major net worth components throughout retirement in your proposed retirement plan.

Year	Ages	Non-Qualified Assets	Qualified Assets	Total Lifestyle Assets	Total Liabilities	Accumulated Surplus/(Deficit)	Total Net Worth
2013	63/61*	927,413	976,124	703,581	0	0	2,607,118
2014	*64/62	635,412	1,063,903	943,863	0	0	2,643,177
2015	65/63	520,232	1,151,300	962,740	0	0	2,634,272
2016	66/64	394,868	1,245,877	981,995	0	0	2,622,740
2017	67/65	363,452	1,234,123	1,001,635	0	(7)	2,599,203
2018	68/66	358,564	1,149,091	1,021,668	0	0	2,529,323
2019	69/67	353,543	1,051,110	1,042,101	0	0	2,446,754
2020	70/68	348,387	951,739	1,062,943	0	0	2,363,069
2021	71/69	343,094	876,963	1,084,202	0	0	2,304,258
2022	72/70	337,662	804,812	1,105,886	0	0	2,248,360
2023	73/71	332,092	780,712	1,128,004	0	(10)	2,240,798
2024	74/72	326,381	785,532	1,150,564	0	(4)	2,262,473
2025	75/73	320,529	788,575	1,173,575	0	(4)	2,282,675
2026	76/74	314,536	789,623	1,197,047	0	(5)	2,301,201
2027	77/75	308,400	788,450	1,220,988	0	(5)	2,317,833
2028	78/76	302,123	784,799	1,245,407	0	(5)	2,332,325
2029	79/77	295,704	778,408	1,270,316	0	(5)	2,344,423
2030	80/78	289,145	768,977	1,295,722	0	(5)	2,353,838
2031	81/79	282,445	756,188	1,321,636	0	(5)	2,360,264
2032	82/80	275,608	739,693	1,348,069	0	(6)	2,363,364
2033	83/81	268,635	719,114	1,375,030	0	(6)	2,362,774
2034	84/82	261,529	694,042	1,402,531	0	(6)	2,358,096
2035	85/83	254,292	664,042	1,430,582	0	(7)	2,348,909
2036	86/84	246,930	628,636	1,459,193	0	(7)	2,334,751
2037	87/85	239,445	587,313	1,488,377	0	(8)	2,315,127
2038	88/86	231,844	539,517	1,518,145	0	(8)	2,289,497
2039	89/87	224,132	484,650	1,548,508	0	(9)	2,257,281
2040	90/88	216,317	422,065	1,579,478	0	225,000	2,442,859
2041	--/89	224,789	420,008	1,611,067	0	159,925	2,415,790

* = Year of retirement

Appendix C - Plan Data Summary



Plan Data Summary

This report summarizes the data, which was entered in your **Base Plan**.

General Information

Detail	Carl	Louise
Birth Date	Oct 1 1950	Sep 15 1952
Proposed Retirement Date	Oct 2012	Sep 2012
Life Expectancy	Dec 2040	Dec 2042
Pre-Retirement Income Tax Rates		
State Tax Rate	5.00%	5.00%
Average Federal Tax Rate	22.38%	22.38%
Marginal Federal Tax Rate	28.00%	28.00%
Long-Term Capital Gains Tax Rate	15.00%	15.00%
Retirement Income Tax Rates		
State Tax Rate	5.00%	5.00%
Average Federal Tax Rate	22.38%	22.38%
Marginal Federal Tax Rate	28.00%	28.00%
Long-Term Capital Gains Tax Rate	15.00%	15.00%
Year of Death Income Tax Rates		
State Tax Rate	5.00%	5.00%
Average Federal Tax Rate	22.38%	22.38%
Marginal Federal Tax Rate	28.00%	28.00%
Long-Term Capital Gains Tax Rate	15.00%	15.00%

Tax Options

The option "**As legislated**" was selected. In 2011, the calculations outlined will revert to the tax laws used in 2001, except where extended by the Pension Protection Act of 2006.

Assumptions

Detail	
Income Tax Method	Average Tax
Inflation Rate	3.00%
Tax Filing Status - Carl	Married Filing Jointly
Tax Filing Status - Louise	Married Filing Jointly
Investment Profile:	Moderate

Estate Assumptions

Detail	Carl	Louise
Is there a will?	Yes - Revised: Jan 1 2007	Yes - Revised: Jan 1 2007
Life Expectancy	2020	2025
Alternate Life Expectancy	2025	2020
Simultaneous Death	2010 ¹	2010
State Death Tax	2001 Credit Amount	2001 Credit Amount
Probate Fee	1.00%	1.00%
Administration Fee	1.00%	1.00%

¹ Carl dies first

Family Information

Client	
Name	Carl Sample-Retired
Date of Birth	Oct 1 1950
Gender	Male
Address	123 Orchard Street Ridgefield, Connecticut 12345
	United States
Citizenship	United States
Name	Louise Sample-Retired
Date of Birth	Sep 15 1952
Gender	Female
Address	123 Orchard Street Ridgefield, Connecticut 12345
	United States
Citizenship	United States

Extended Family Information

Dependents	
Name	Tanya Smith
Date of Birth	Mar 31 1970
Gender	Female
Address	233 Bergman Cresent Marigold, Connecticut 45644
	United States
Citizenship	United States
Name	Richard Green
Date of Birth	Jun 8 1971
Gender	Male
Address	7478 Watt St Marigold, Connecticut 69874
	United States
Citizenship	United States

Grandchildren	
Name	Jenny Green
Date of Birth	Apr 28 2002
Gender	Female
Address	7478 Watt St Marigold, Connecticut 69874
	United States
Citizenship	United States

Professional Advisors

Type	Name	Business Phone #	Cell Phone #
Advisor	Janet Lerner	555-1234	895-4545

Regular Income

Income Source	Member	Applicable	Amount	Indexed
Salary	Carl	Jan 1 2010 to Sep 30 2012	\$6,667/mo	Inflation
Salary	Louise	Jan 1 2010 to Aug 31 2012	\$6,667/mo	Inflation

Defined Benefit Pension Plans - Estimate Benefit

Description:	Pension	Annual Benefit:	\$4,244
Plan Owner:	Carl	Indexed by:	3.00%
Pct. payable to survivor:	100.00%		

Description:	Pension	Annual Benefit:	\$0
Plan Owner:	Louise	Indexed by:	3.00%
Pct. payable to survivor:	0.00%		

Social Security Retirement Benefits

Member	Start Age/Date	Calculated Monthly Benefit (% / \$) OR Est. Monthly Benefit (today's \$)	Indexed	Eligible for Spousal Benefits
Carl	Retirement	100% / \$1,703	Inflation	Yes
Louise	Retirement	100% / \$1,717	Inflation	Yes

Social Security Survivor Benefits

Member	Monthly Benefit to Survivor and Eligible Dependents (% / \$)	Monthly Benefit to Survivor at Retirement (% / \$)	Spouse's Revised Start Date During Retirement	Indexed
Carl	100% / \$0	100% / \$1,618	Retirement	Inflation
Louise	100% / \$0	100% / \$1,842	Retirement	Inflation

Regular Expenses

Expense	Member	Applicable	Amount	Indexed	Fixed Expense
Housing (e.g. utilities, repairs)	Joint	Jan 1 2010 to Aug 31 2012	\$1,000/mo	Inflation	Yes
Food	Joint	Jan 1 2010 to Aug 31 2012	\$500/mo	Inflation	Yes
Transportation (e.g. gas, insurance)	Joint	Jan 1 2010 to Aug 31 2012	\$1,000/mo	Inflation	Yes
Entertainment (e.g. restaurants, movies)	Joint	Jan 1 2010 to Aug 31 2012	\$1,000/mo	Inflation	Yes
Personal (e.g. clothing, hobbies)	Joint	Jan 1 2010 to Aug 31 2012	\$1,500/mo	Inflation	Yes
Other (e.g. child care, travel)	Joint	Jan 1 2010 to Aug 31 2012	\$1,000/mo	Inflation	Yes
LTC Expense	Carl	Not applicable	\$200/day	Inflation	No
LTC Expense	Louise	Not applicable	\$200/day	Inflation	No
Retirement goal expense	Joint	Sep 1 2012 to Dec 31 2042	\$8,400/mo	Inflation	Yes
Travel expense	Joint	Sep 1 2012 to Aug 31 2022	\$2,100/mo	Inflation	No
Medical expenses	Joint	Sep 1 2012 to Dec 31 2042	\$417/mo	Inflation	Yes
Property Taxes for Residence	Joint	Jun 1 1995 to Never	\$2,500/year	Inflation	Yes

Lump Sum Expenses

Expense	Member	Applicable	Amount	Indexed	Fixed Expense
Lump Sum Need	Joint	Dec 31 2042 (the latter of Carl and Louise's Deceased Date)	\$500,000	Inflation	No
Carl's Burial	Carl	Dec 31 2040 (Carl's Deceased Date)	\$15,000	No	Yes
Louise's Burial	Louise	Dec 31 2042 (Louise's Deceased Date)	\$15,000	No	Yes

Surplus Expenses

Surplus Of	Percentage	Applicable
Carl and Louise	0%	Jan 1 2010 to Dec 31 2041 (the latter of Carl and Louise's Deceased Date minus 1 years)

Lifestyle Assets

Asset Name	Purchase Date	Purchase Amount	Market Value Date	Market Value	Growth Rate ¹	Standard Deviation
Personal Use Property (Joint/Lifestyle)	Dec 31 2009	\$150,000	Jan 1 2010	\$150,000	2.00%	0.00%
Residence (Joint/Lifestyle)	Jun 1 1995	\$300,000	Jan 1 2010	\$500,000	2.00%	0.00%
Vacation Home (Joint/Major Purchase Objective)	Jul 1 2012	\$200,000	N/A	N/A	3.00%	0.00%

¹The growth rate is a pre-tax amount

Portfolio Assets

Asset Name	Goal	Market Value Date	Market Value	Basis	Int. (%)	Div. (%)	Cap. Gain (%)	Tax Free (%)	Def. Growth (%)	Std. Dev. (%)	Total (%)
Joint Savings - Fleet Bank (Non-Qualified)		Jan 1 2010	\$260,000	\$250,000	3.74	0.90	1.82	0.00	0.30	10.50	6.76
Louise's Investment - Ridgefield Bank (Non-Qualified)		Jan 1 2010	\$50,000	\$0	3.74	0.90	1.82	0.00	0.30	10.50	6.76
Vacation Home (Joint/Non-Qualified)	Vacation Home	Jan 1 2010	\$165,000	\$165,000	1.53	1.47	2.71	0.00	0.85	10.34	6.56
Carl's 401(k)	Retirement	Jan 1 2010	\$310,000	\$0	2.01	1.36	3.16	0.00	0.76	11.26	7.29
Carl's Roth IRA	Retirement	Jan 1 2010	\$40,000	N/A	2.01	1.36	3.16	0.00	0.76	11.26	7.29
Louise's 401(k)	Retirement	Jan 1 2010	\$270,000	\$0	2.01	1.36	3.16	0.00	0.76	11.26	7.29
Louise's IRA	Retirement	Jan 1 2010	\$30,000	\$0	2.01	1.36	3.16	0.00	0.76	11.26	7.29

The *Portfolio Assets* section includes your major investment assets. It supplies the market value and cost basis of these assets. Cost basis for non-qualified assets is equal to the amount you paid to acquire the assets, plus income reinvestments, less any amounts you received income tax-free. Your total pretax growth rate is broken down into specific return rate types, as some of these items currently receive special tax treatment. At present interest is taxed as ordinary income at the marginal tax rates. Dividends are taxed at the long-term capital gains tax rates in 2003-2010 and are otherwise taxed as ordinary income at the marginal tax rates. Capital gains are either long-term or short-term. For non-qualified assets, income from the deferred growth component is not subject to tax until the asset is sold and is usually subject to the capital gains tax rules. For qualified assets, income from the deferred growth component is usually subject to tax as ordinary income at the average tax rates. Tax-free returns are not subject to regular income tax, but may be subject to the Alternative Minimum Tax. The actual total return rates that you will receive will depend on many factors, including inflation, type of investment, market conditions and investment performance.

Deferred Annuities

Annuity:	Fixed Annuity		
Type:	Life Income (Joint Last To Die) 100% (Fixed)	Guaranteed Number of Years:	15
Ownership:	Joint	Effective Date:	Sep 1 2012
Annuitant(s):	Joint	Guaranteed Period End Date:	Sep 1 2026
Beneficiary:	Jenny	Frequency:	Annual
General Account			
Market Value:	\$310,000		
Payment per \$1000:	\$57.81		
Pre-Annuitization Return Rate:	3.50%		
Post-Annuitization Return Rate:	4.00%		
Partial Settlement %:	100.00%		
Index Rate:	0.00%		

Life Insurance Policies

Description:	Life Insurance		
Policy Type:	Term 10 Life	Owner:	Carl
Effective Date:	Dec 31 2009	Insured:	Carl
Death Benefit:	\$240,000	Beneficiary:	Louise
Cash Surrender Value (CSV):	\$0	Premium Payer:	Carl
Premiums cease on:	Never	Annual Premium Payments:	\$900
CSV payable with Death Benefit:	No	Coverage ceases on:	Never
		Disability Waiver:	Yes

Description:	Life Insurance		
Policy Type:	Term 10 Life	Owner:	Louise
Effective Date:	Dec 31 2009	Insured:	Louise
Death Benefit:	\$160,000	Beneficiary:	Carl
Cash Surrender Value (CSV):	\$0	Premium Payer:	Louise
Premiums cease on:	Never	Annual Premium Payments:	\$600
CSV payable with Death Benefit:	No	Coverage ceases on:	Never
		Disability Waiver:	Yes

Long-term Care Insurance Policies

Description:	LTC Insurance		
Insured:	Carl		
Company:		Effective Date:	Jan 1 2010
Policy #:		Premium payer:	Carl
Benefits are \$150/day (tax-free) indexed before LTC by inflation + 2.00%, and indexed during LTC by inflation + 2.00%. Benefits begin after 90 days and are paid until 4 years . Premiums are \$75/month and end on claim of LTC.			

Description:	LTC Insurance		
Insured:	Louise		
Company:		Effective Date:	Jan 1 2010
Policy #:		Premium payer:	Louise
Benefits are \$150/day (tax-free) indexed before LTC by inflation + 2.00%, and indexed during LTC by inflation + 2.00%. Benefits begin after 90 days and are paid until 4 years . Premiums are \$50/month and end on claim of LTC.			

Liabilities

Liability Name	Liability Date	End Date	Original Principal	Current Principal	Int. Rate	Payment Type	Linked to Asset
Personal Loans	Dec 31 2009	Nov 30 2013	\$10,000	\$10,000	8.00%	Principal & Interest	Personal Use Property

Regular Investment Strategies

Asset Name	Applicable	Amount	Indexed
Carl's 401(k)	Jan 1 2010 to Sep 30 2012		
Employee Pre-Tax Contribution		\$400/Month	0.0%
Employee Post-Tax Contribution		\$0/Month	0.0%
Employer Contribution		\$400/Month	0.0%
Louise's 401(k)	Jan 1 2010 to Aug 31 2012		
Employee Pre-Tax Contribution		\$500/Month	0.0%
Employee Post-Tax Contribution		\$0/Month	0.0%
Employer Contribution		\$250/Month	0.0%
Vacation Home (Joint/Non-Qualified)	Jan 1 2010 to Aug 31 2012	\$100/Month	0.0%
Joint Savings - Fleet Bank (Non-Qualified)	Jan 1 2010 to Aug 31 2012	\$100/Month	0.0%
Louise's Investment - Ridgefield Bank (Non-Qualified)	Jan 1 2010 to Aug 31 2012	\$100/Month	0.0%

The table above includes all your periodic (annual or monthly) investment contributions.

Lump Sum Asset Redemption Strategies

Asset Name	Applicable	Amount	Indexed
Vacation Home (Joint/Non-Qualified)	Jul 1 2012	\$190,269	No

Lump sum redemptions represent redemptions of your assets that do not occur on a regularly scheduled basis but rather occur on an as-needed basis. Any redemptions planned for future years that are indexed by inflation will be increased accordingly - Refer to your **Action Plan** to view the amounts to be transferred for the next three years.

No assets have been set aside to cover the emergency expense.

Estate Distribution

The Simple Will option has been selected.

Asset Gifting Strategies

Source Asset	Owner	Beneficiary	Amount	Split Gift	When
Fixed Annuity	Joint	Jenny	100%	No	Upon Death

Gifting Growth

Beneficiary	GSTT applicable for Carl's gifts	GSTT applicable for Louise's gifts	50% Charity	Growth Rate	Average Income Tax Rate	Net After-Tax Growth
Other (Other)	No	No		3.00%	0.0%	3.00%
Tanya Smith (Heir)	No	No		6.00%	20.0%	4.80%
Richard Green (Heir)	No	No		6.00%	20.0%	4.80%
Jenny Green (Heir)	Yes	Yes		6.00%	10.0%	5.40%
Cancer Society (Charity)			Yes	3.00%	0.0%	3.00%

Scenario Probability Assumptions

The *Plan Probability* graph illustrates the goal coverage percentage for each trial that was generated. When NaviPlan generates the probability analysis it goes through the entire plan from the current plan date through to the set life expectancy date and varies return rates on available assets based on their anticipated average rates of return and standard deviations. NaviPlan then determines the resources available. At this point, NaviPlan determines if the available resources are adequate to cover the need (essentially, the goal expense) and it draws down on the available assets where appropriate. NaviPlan displays its findings by giving a percentage that illustrates how much of the goal is covered. The percentage equals the *ability to cover the total needs* divided by *the total needs*, where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.

In this assessment, the *% Total Needs Covered By Total Resources* option is shown, and NaviPlan determines if the resources available will cover the total needs of the goal, where *total needs* equals all fixed and discretionary expenses (fixed expenses may also include implicit expenses such as loan payments, life insurance premiums and income taxes).

Assumptions

The following information lists the assumptions used during the generation of the *Scenario Probability* results located on the *Scenarios* pages and in the Variability section.

Life Expectancy is **not** randomized. All projections will end at age 90 for Carl and age 90 for Louise.

Full Deficit Coverage is not active for the plan. This means that in the pre-retirement period of the analysis, assets are not redeemed to cover periodic expenses and taxes.

The **Number of Projections** is the number of trials of your analysis that the software projects using random rates of return. A total of 150 trials have been generated.

Rate of Return Randomization indicates that a random number was generated (this process is repeated with a different random number for every projection) to determine a rate of return based on the standard deviation for each asset class assigned to your accounts. (The assumption is that all returns are normally distributed. This means that approximately 68% of the results are within one standard deviation above or below the *Rate of Return* and approximately 95% of the results are within two standard deviations). This calculation is repeated for every account in the analysis.

Please Note: The results of each projection will vary with each use and over time.

IMPORTANT: The projections or other information generated by *Scenario Probability* Simulation regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Tax Considerations

As Legislated

On May 26, 2001, the U.S. Congress adopted the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) of 2001 (the Act). This Act includes the largest tax cut in more than 20 years. It also provides for major changes to estate tax, gift tax, and generation-skipping transfer tax (GSTT) starting in the year 2002 and continuing through 2010.

The changes to personal and estate taxes (including credits, exemptions, etc.) are being phased in starting in 2002 and continue through 2009. In the year 2010, the estate tax and GSTT are repealed for one year. The gift tax, however, continues with a \$1 million exemption.

Gifts granted during the years 2002-2009, inclusive, are taxed under the same rate table as estates. Under the Act, the applicable exclusion amount for gift tax purposes is \$1 million and will remain at that amount. The maximum gift tax rate is reduced to 35% in 2010. The applicable exclusion amount for estate tax purposes does not apply in the year 2010 as the estate tax is scheduled for repeal.

The biggest change is a new carryover basis system that replaces the estate tax. Up to and including 2009, assets receive a step-up in basis equal to the fair market value of the asset at the time of death. In 2010 during estate tax repeal, assets do not automatically receive a step-up in basis at death. The effect of this is an increase in capital gains tax. However, there are provisions for a limited amount of assets to receive a step-up. Up to \$3 million of assets transferred to a spouse and \$1.3 million of assets transferred to *Other* are eligible for the increased basis at your death. Under this option, the new carryover basis system is applicable for only the one year that the estate tax is repealed.

On May 28, 2003, the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) was enacted. The JGTRRA provides an acceleration of various income tax provisions of the 2001 Act. In addition, the JGTRRA provides a reduction in the maximum long-term capital gains tax rate and preferential tax treatment for dividend income until 2008. The Tax Increase Prevention and Reconciliation Act of 2005 further extends the provision until the end of 2010, after which the provisions will revert to prior law.

Because of the sunset clause, the provisions in the Act are effective only to the end of 2010. In 2011, the tax laws revert to those in place in 2001, except where extended by the Pension Protection Act of 2006. For the purposes of your plan, we have illustrated the law as legislated, with one year of estate tax repeal, and the tax law reverting back to 2001 law in the year 2011.

On August 17, 2006, the Pension Protection Act (PPA) of 2006 was signed into law. The PPA permanently extends certain provisions of the EGTRRA. Specifically, the PPA makes permanent contribution limit increases to IRAs and certain employer-sponsored plans, permanently extends the availability of Roth 401(k) and Roth 403(b) plans, and permanently extends the non-taxability of qualified 529 plan distributions.

Important Terminology

Current plan

The current plan consists of information provided and reviewed by you and serves as the basis for some of the assumptions used in the proposed plan.

Proposed plan

The proposed plan is a system-generated plan that is calculated based on achieving your stated goals by applying the additional assumptions contained within the proposed scenarios.

Scenarios

A scenario is a modification of assumptions based on the current plan. A proposed scenario is incorporated into the proposed plan.

Rate of return (Current - Not Rebalanced)

Current - Not Rebalanced does not rebalance the accounts linked to a goal. Each account linked to a goal maintains a separate rate of return.

Rate of return (Current - Rebalanced)

Current - Rebalanced rebalances the accounts linked to a goal and uses the weighted average rate of return of the linked assets.

Rate of return (suggested asset mix)

The rate of return that is calculated based on the investment profile as determined by answers to a risk tolerance questionnaire.

Rate of return (proposed plan)

The dollar-weighted average rate of return of the assets that are used in the assumed/suggested asset mix. This rate of return is the same as the *Rate of return (assumed/suggested asset mix)*.

Standard deviation

Standard deviation is a statistical measure of the volatility of an asset or account. It measures the degree to which the rate of return in any one year varies from the historical average rate of return for that investment; the greater the standard deviation, the riskier the investment.

Unlinked accounts

Unlinked accounts represent all non-qualified accounts that are not linked to a goal. (Qualified accounts are automatically linked to the retirement goal.) Unlinked accounts are assumed to be allocated to the estate.

Investment profile

The investment profile is the result of an analysis of an individual's investment objectives, time horizon, and risk tolerance in reference to investing.

Portfolio

The combination of assets a client owns and that are considered in this plan to fund the client's goal.

Time horizon

The length of time desired to achieve a financial goal. A longer time horizon usually allows an individual to withstand more volatility, whereas a shorter time horizon typically requires less volatility and more liquidity.

Asset mix

The combination of asset classes within an investment portfolio. It can also be a further division within an asset class of assets such as a mix of small, medium, and large company stock assets.

Current asset mix

The combination of asset classes assigned to the assets included in the current plan.

Suggested asset mix

The asset mix that is derived based on the investment profile as determined by answers to a risk tolerance questionnaire.

Entire portfolio

The entire portfolio for the current plan represents the asset mix of all accounts in the plan. The entire portfolio for the proposed plan is the combined suggested and assumed asset mixes associated with all of the goals included in the plan.

Blended mix

For the entire portfolio, a blended mix of investment profiles indicates that the investment profile has been defined differently for each goal. For the retirement goal, a blended mix of investment profiles indicates that the investment profile has been defined differently for each type of account (qualified retirement accounts, non-qualified accounts, or non-qualified annuity retirement accounts).

Average tax rate

The assumed average tax rate that is applied against salary, self-employed, Social Security, defined benefit, pension, and other taxable income. The assumed average tax rate is typically less than the marginal tax rate based on the assumption that income is spread over multiple tax brackets.

Community property

In states with community property laws, any property acquired by a married couple residing in a community property state is considered to be equally owned by both parties.

Annuitize

The transition of an annuity contract from the accumulation phase into the income distribution phase. In the income distribution phase the accumulated value of the annuity is distributed via a computed stream of income payments over a duration of time or through varying withdrawals from the annuity.

Inflation rate/Index rate

The rate that dollar values are discounted over time. The rate is measured by an index that indicates the change in the cost of various goods and services as a percentage.

Marginal tax rate

The marginal tax rate is derived from the federal income tax brackets. It is the amount of tax that would be paid on any additional dollars of income. It is applied against interest, dividend (after 2010), royalty, alimony, and short-term capital gains income.

Required minimum distribution (RMD)

The amount required by the IRS to be withdrawn each year from traditional IRAs and employer-sponsored retirement plans, starting on the required beginning date, which generally (but not always) occurs in the year following the year in which the owner turns 70½.

Fixed expenses

Fixed expenses include ongoing expenses that you have determined cannot be easily changed or eliminated, such as basic living expenses or retirement expenses.

Fixed needs

Fixed needs include all your fixed expenses, plus other expenses that have been calculated based on your financial information. These expenses include liability payments, insurance premiums, property taxes, and income taxes.

Total needs

The definition of total needs includes all fixed needs, all other expenses that are not considered in the fixed needs definition, and total taxes. The total needs in the plan will account, in part, for expenses that are more discretionary in nature.

Fixed incomes

The definition of fixed incomes includes the pre-tax income from the following income sources; Benefit Formula and Estimate Benefit pensions, income entered with the type *Pension*, Social Security income of the client and co-client (retirement, survivor, and disability benefits), income entered with the type *Salary*, and annuity income (excluding income from annuities with the income option of *Withdrawals as Needed*).

Asset class

A category of investments grouped according to common characteristics such as relative liquidity, income characteristics, tax status, and growth characteristics.

Large Cap Growth Equity

Domestic U.S. equity stocks representing securities with a greater-than-average growth orientation, which tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields, and higher forecasted growth values.

Large Cap Value Equity

Domestic U.S. equity stocks representing securities with a less-than-average growth orientation, which generally have lower price-to-book and price-earnings ratios, higher dividend yields, and lower forecasted growth values.

Mid Cap Equity

Domestic U.S. equity stocks representing the Russell Mid Cap Index, which consists of the smallest 800 companies in the Russell 1000 index as ranked by total market capitalization.

Small Cap Equity

Domestic U.S. equity stocks representing the Russell 2000 Index, which is a small-cap index consisting of the smallest 2,000 companies in the Russell 3000 Index.

International Equity

Stocks representing the MSCI EAFE (Europe, Australasia, Far East) Index, which is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada.

Emerging Markets Equity

Equities representing the MSCI Emerging Markets Index, which is a free float-adjusted market capitalization index designed to measure equity market performance in the global emerging markets.

Long-Term Bonds

Bonds where the total returns are calculated for each year on a single bond issued by the U.S. Government with a term of approximately 20 years, and a reasonably current coupon with returns that did not reflect potential tax benefits, impaired negotiability, or special redemption or call privileges.

Intermediate-Term Bonds

These bonds represent one-bond portfolios used to construct the intermediate-term index. The bond chosen each year is the shortest non-callable bond with a maturity of not less than five years, and it is "held" for the calendar year.

Short-Term Bonds – U.S. 1-Year Government Bonds

Bonds represent yields on Treasury securities at "constant maturity" and are interpolated by the U.S. Treasury from the daily yield curve. This curve relates the yield on a security to its time to maturity, and is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market.

High-Yield Bonds

Bonds representing the universe of fixed rate, noninvestment grade debt.

International Bonds

Bonds reflecting the returns provided by investment in international (non-U.S.) fixed income securities.

Cash

Cash reflects the returns provided by short-term fixed income instruments. The index is based on the U.S. 3-month Treasury bills.

Important acronyms

SOY – Start of year
EOY – End of year
RMD – Required minimum distribution
ROR – Rate of return

Disclaimer

IMPORTANT: Please read this section carefully. It contains an explanation of some of the limitations of this report.

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

Below is an outline of several specific limitations of the calculations of financial models in general and of NaviPlan specifically.

The Calculations Contained in This Report Depend in Part, on Personal Data That You Provide

The assumptions used in this analysis are based on information provided and reviewed by you. Please review all assumptions in the Plan Data Summary section before reviewing the rest of the report to ensure the accuracy and reasonableness of the assumptions. These assumptions must be reconsidered on a frequent basis to ensure the results are adjusted accordingly. The smallest of changes in assumptions can have a dramatic impact on the outcome of this analysis. Any inaccurate representation by you of any facts or assumptions used in this analysis invalidates the results.

This Report is Not a Comprehensive Financial Report and Does Not Include, Among Other Things, a Review of Your Insurance Policies

We have made no attempt to review your property and liability insurance policies (auto and homeowners, for example). We strongly recommend that in conjunction with this analysis, you consult with your property and liability agent to review your current coverage to ensure it continues to be appropriate. In doing so, you may wish to review the dollar amount of your coverage, the deductibles, the liability coverage (including an umbrella policy), and the premium amounts.

NaviPlan Does Not Constitute Legal, Accounting, or Tax Advice

This analysis does not constitute advice in the areas of legal, accounting or tax. It is your responsibility to consult with the appropriate professionals in those areas either independently or in conjunction with this planning process.

Circular 230: Any income tax, estate tax or gift tax advice contained within this document was not intended or written to be used for, and cannot be used for, the purpose of avoiding penalties that may be imposed.

Discussion of the Limits of Financial Modeling

Inherent Limitations in Financial Model Results

Investment outcomes in the real world are the result of a near infinite set of variables, few of which can be accurately anticipated. Any financial model, such as NaviPlan, 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 analysis are hypothetical, do not reflect actual investment results, and are not guarantees of future results.

Results May Vary With Each Use and Over Time

The results presented in this analysis 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 analysis. Historical data is used to produce future assumptions used in the analysis, such as rates of return. Utilizing historical data has limitations as past performance is not a guarantee or predictor of future performance.

Outline of the Limitations of NaviPlan and Financial Modeling

Your Future Resources and Needs May Be Different From the Estimates That You Provide

This analysis is intended to help you in making decisions on your financial future based, in part, on information that you have provided and reviewed. The proposed asset allocation presented in this analysis is based, in part, on your answers to a risk tolerance questionnaire and may represent a more aggressive—and therefore more risky—investment strategy than your current asset allocation mix.

The calculations contained in the report utilize the information that you have provided and reviewed including, but not limited to, your age, tolerance for investment risk, income, assets, liabilities, anticipated expenses, and likely retirement age. Some of this information may change in unanticipated ways in the future and those changes may make NaviPlan less useful.

NaviPlan Considers Investment in Only a Few Broad Investment Categories

NaviPlan utilizes this information to estimate your future needs and financial resources and to identify an allocation of your current and future resources, given your tolerance for investment risk, to a few broad investment categories: large-cap equity, mid-cap equity, small-cap equity, international equity, emerging equity, bonds, and cash.

In general, NaviPlan favors the investment categories that have higher historical and expected returns. The extent of the recommended allocation to these favored investment categories is limited by the investor's disclosed tolerance for risk. In general, higher returns are associated with higher risk.

These broad investment categories are not specific securities, funds, or investment products and NaviPlan is not an offer or solicitation to purchase any securities 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 purposes only.

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 NaviPlan.

Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this analysis.

NaviPlan Calculates Investment Returns Far Into the Future Using Ibbotson Data

For all asset class forecasts, Ibbotson uses the building block approach to generate expected return estimates. The building block approach uses current market statistics as its foundation and adds historical performance relationships to build expected return forecasts. This approach separates the expected return of each asset class into three components: the real risk-free rate, expected inflation, and risk premia. The real risk-free rate is the return that can be earned without incurring any default or inflation risk. Expected inflation is the additional reward demanded to compensate investors for future price increases, and risk premia measures the additional reward demanded for accepting uncertainty associated with investing in a given asset class. Any calculation of future returns of any asset category, including any calculation using historical returns as a guide, has severe limitations. Changes in market conditions or economic conditions can cause investment returns in the future to be very different from returns in the past. Returns realized in the future can, in fact, be much lower, or even negative, for all or some of these asset categories and, if so, the calculations in NaviPlan will be less useful.

Any assets, including the broad asset categories considered in NaviPlan, that offer potential profits also entail the possibility of losses.

Furthermore, it is significant that the historical data for these investment categories does not reflect investment fees or expenses that an investor would pay when investing in securities or investment products. The fees and expenses would significantly reduce net investment returns and a calculation taking account of fees and expenses would result in lower expected asset values in the future.

Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this analysis.

NaviPlan Calculations Include Limited Accounting for Taxes

The federal and state income tax laws are extremely complex and subject to continuous change. NaviPlan has limited capability to model any individual's tax liability, and future tax laws may be significantly different from current tax laws. Any changes in tax law may affect returns for any given investment and make the calculations produced by NaviPlan less useful. The calculations contain limited support for the tax impact on transfers of money or redemptions of funds. Please review the tax assumptions outlined in the Plan Data Summary section of this report for more specific information regarding tax assumptions used in the calculations.

NaviPlan Calculations Do Not Include Fees and Expenses

The calculations utilize return data that do not include fees or operating expenses. If included, fees and other operating expenses would materially reduce these calculations. Recommendations included in the calculations to redeem funds from certain investments or transfer money to others do not account for fees and charges that may be incurred.

NaviPlan Calculations May Include Variable Products

Variable life insurance policies or deferred variable annuities are inherently risky and may be included in the calculations. The return rate assumptions used throughout this analysis do not relate to the underlying product illustrated. These returns should not be used as a proxy for actual performance as they may exaggerate the performance potential of the underlying investment accounts (subaccounts). Any calculations incorporating variable products are hypothetical and intended to show how the performance of the underlying subaccounts could affect the value and death benefit of the variable products; these calculations are not intended to predict or project investment results. Please review all assumptions in the Plan Data Summary section of this report to assess the reasonableness of the assumptions associated with any variable products used in the calculations.

The rates of return have not been adjusted to include mortality and expense fees attributable to variable annuities. These fees, and their effects on asset growth, are accounted for as a monthly expense of the annuity contract and can be observed in applicable net worth reports.

If a variable annuity included in this analysis contains a guaranteed minimum withdrawal rider, it is important to understand that if the contract value is greater than the guaranteed minimum withdrawal benefit once withdrawals begin, as an investor you will have paid for the rider and not actually used it.

Income taxes during the annuitization phase are accounted for in the calculations. See the section titled NaviPlan Calculations Include Limited Accounting for Taxes in this Disclaimer for further information on the tax methodology used.

Delivery Acknowledgement

We, Carl and Louise Sample-Retired, have reviewed and accept the information contained within this plan and understand the assumptions associated with it. We believe that all information provided by us is complete and accurate to the best of our knowledge. We recognize that performance is not guaranteed and that all future calculations are included simply as a tool for decision-making and do not represent a forecast of our financial future. This analysis should be reviewed periodically to ensure that decisions made continue to be appropriate, particularly if there are changes in family circumstances, such as an inheritance, birth of a child, death of a family member, or material change in incomes or expenses.

Carl Sample-Retired

Louise Sample-Retired

Date:

Note

This analysis has been prepared based on the information provided. There has been no attempt to verify the accuracy or completeness of this information. As the future cannot be forecast with certainty, actual results will vary from these calculations. It is possible that these variations may be material. The degree of uncertainty normally increases with the length of the future period covered.