



Financial Needs Analysis

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Introduction

When thinking about your future financial security, it is important to set goals, initiate action, and periodically review your progress.

Remember...a sound financial strategy can be more important than a lifetime of work!

This analysis uses the information you have shared about your current financial situation and your goals for the future.

The following pages analyze your needs:

- *In the event of death*
- *For college funding*
- *For your retirement years*
- *For your asset allocation*
- *In the event of a disability*

Understanding your needs



...can help reach your goals.

Important Note...

This illustration is based on the information you provided with regard to your financial needs and objectives. It is intended to provide only broad, general guidelines which may be helpful in assessing and making decisions about financial products (such as securities or insurance) and services available to you that may help meet those needs and objectives. This material may also contain general educational topics about investing and financial matters. It is most important that you understand that your actual experience will differ from this illustration. That is why you should reassess your situation with updated data and assumptions on a periodic basis.

This illustration estimates future asset values based on rates of return provided by you. It is not intended to be investment advice or a projection of future investment performance. No one can foresee the future and, it is not a projection of the potential return of any investment, nor is it a projection of future inflation rates or the state of the world or domestic economy. You should seek the guidance of a financial or investment professional before proceeding with an investment decision.

Although this illustration may contain income tax calculations and legal concepts, it does not constitute tax or legal advice. The application of some concepts may be considered practicing law and should, therefore, be handled by an attorney, while other concepts may require the guidance of a tax or accounting advisor.

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In creating the illustration certain assumptions were made with respect to investment returns, the economy, and your situation. The reports and graphics included are directly dependent on the quality and the accuracy of the data and assumptions (including rates of return) furnished by you.

Where future rates of return are assumed, these returns do not reflect the fees and charges associated with investments, which would reduce the results. You are encouraged to review and consider performance information, which you can request from your investment professional, for the mutual funds and other securities that may be referenced in this material when assuming any future rates of return. Keep in mind that past performance is not a guarantee of future results. A current prospectus must be read carefully when considering any investment in securities.

No liability is assumed resulting from the use of the information contained in this financial illustration. Responsibilities for financial decisions are assumed by you.

Net Worth

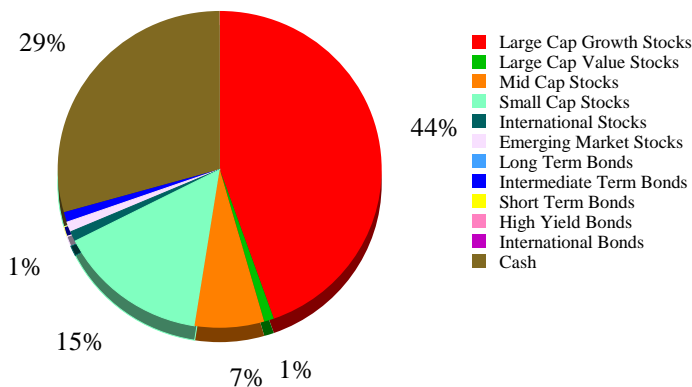
Assets			
	Owner	ROR	Market Value
<i>Bank Accounts and Investments</i>			
Checking	Both	0.00%	\$3,650
Savings	Both	2.00%	8,000
Home Depot	Both	8.50%	6,000
Qualcomm	Both	8.50%	6,000
<i>Retirement Plans</i>			
Oppenheimer Capital Appreciation A	Peter	8.00%	6,000
Oppenheimer Discovery A	Peter	8.00%	6,000
American Funds Growth Fund of Amer A	Susan	8.00%	3,100
Vanguard Balanced Index	Susan	8.00%	3,100
<i>Assets for College</i>			
Education Funds		9.00%	14,400
<i>Residence</i>			
Mortgage	Both	--	390,000
<i>Personal Property</i>			
Peter's Car	Both	--	16,058
Susan's Car	Both	--	12,450
Total Assets			\$474,758
Liabilities			
	Owner	Interest Rate	Liability Value
<i>Residence</i>			
Mortgage	Both	6.75%	(269,520)
<i>Personal Property</i>			
Peter's Car	Both	N/A	(11,113)
<i>Credit Cards & Personal Loans</i>			
Credit Card	Both	18.00%	(3,750)
Total Liabilities			(\$284,383)
Net Worth			\$190,375

Asset Allocation: Current vs. Recommended

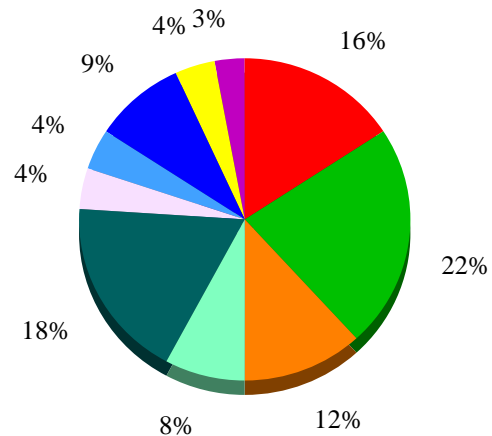
Based on your tolerance for risk and the timeframe in which you need to use the invested funds, you are considered a Moderate Aggressive Investor.

This type of investor is willing to accept more risk than the moderate investor, but is probably not willing to accept the short-term risk associated with achieving a long-term return dramatically above the inflation rate.

Your Current Portfolio



Medium to High Risk/Return Portfolio



To modify your portfolio to better match your risk tolerance you should make the following changes to your holdings:

Large Cap Growth Stocks	(\$11,620)
Large Cap Value Stocks	\$8,618
Mid Cap Stocks	\$2,120
Small Cap Stocks	(\$2,918)
International Stocks	\$7,196
Emerging Market Stocks	\$1,279
Long Term Bonds	\$1,519
Intermediate Term Bonds	\$3,147
Short Term Bonds	\$1,674
International Bonds	\$1,256
Cash	(\$12,270)

The recommended changes to your portfolio outlined here will bring your asset allocation closer inline with your risk tolerance. This recommendation does not take into consideration the cost of changing your holdings. These costs include taxes and commissions. You should discuss the tax implications with a tax professional.

This recommended allocation is not a promise of future performance and a prospectus should be carefully read before making any investment decisions.

All investments contain some form and degree of risk that investors should carefully consider prior to investing. Upon redemption, the principal value of investments in stocks and bonds may be worth more or less than when purchased. Small company stocks may be subject to a higher degree of market and liquidity risk than the stocks of larger companies. Investments in foreign stocks are subject to additional risks (e.g., foreign taxation, economic and political risks) and these risks can be accentuated in emerging markets. Bond prices will drop as interest rates rise. High yield bonds are more susceptible to certain risks (e.g., credit risk, default risk) and are more volatile than investment grade bonds.

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Some assets in this report have been classified based on returns-based style analysis and others have been manually classified.

Benchmark Descriptions

Large Cap Growth Stocks - Russell 1000® Growth Index

The Russell 1000 Growth Index contains those Russell 1000 securities with a greater-than-average growth orientation. Companies in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.

Large Cap Value Stocks - Russell 1000® Value Index

The Russell 1000 Value Index contains those Russell 1000 securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.

Mid Cap Stocks - Russell Midcap® Index

The Russell Mid Cap Index consists of the smallest 800 companies in the Russell 1000 index, as ranked by total market capitalization. This midcap index represents approximately 31% of the Russell 1000 total market capitalization. As of January 2009, the average market capitalization was approximately \$5.024 billion; the median market capitalization was approximately \$2.254 billion. The largest company in the index had an approximate market capitalization of \$13.815 billion.

Small Cap Stocks - Russell 2000® Index

The Russell 2000 Index is a small-cap index consisting of the smallest 2,000 companies in the Russell 3000 Index, representing approximately 10% of the Russell 3000® total market capitalization. As of January 2009, the average market capitalization was approximately \$0.823 billion; the median market capitalization was approximately \$0.277 billion. The largest company in the index had an approximate market capitalization of \$3.329 billion.

International Stocks - MSCI EAFE® Index

The MSCI EAFE (Europe, Australasia, Far East) Index is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of January 2009 the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. The index is maintained by Morgan Stanley Capital International which aims to include 60% coverage of the total market capitalization for each market.

Emerging Market Stocks - MSCI Emerging Markets Index

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of January 2009 the MSCI Emerging Markets Index consisted of the following 23 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey.

Long-Term Bonds - US Long-Term Government Bonds

The objective of this benchmark is to measure the returns of long-term bonds. To the greatest extent possible the total returns are calculated for each year on a single bond issued by the United States 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.

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Intermediate Term Bonds - US Intermediate Term Government Bonds

The objective of this benchmark is to measure the returns of intermediate-term bonds. As with long-term government bonds, one-bond portfolios are 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. Monthly returns are computed. Bonds with impaired negotiability or special redemption privileges are omitted, as are partially or fully tax-exempt bonds starting in 1943.

Short-Term Bonds - US 1-Year Government Bonds

The objective of this benchmark is to reflect the returns provided by the short-term fixed income instruments. Yields on Treasury securities at "constant maturity" are interpolated by the U.S. Treasury from the daily yield curve. This curve, which relates the yield on a security to its time to maturity, is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market. These market yields are calculated from composites of quotations obtained by the Federal Reserve Bank of New York. The constant maturity yield values are read from the yield curve at fixed maturities, currently 3 and 6 months and 1, 2, 3, 5, 7, 10, 20 and 30 years. This method provides a yield for a 10-year maturity, for example, even if no outstanding security has exactly 10 years remaining to maturity.

From the yield that is provided by the U.S. Treasury, the following are calculated:

Total Return = (ending flat price)/(beginning flat price) - 1

Beginning flat price = $100 * (1 - (\text{lagged decimal yield}) * 30/360)$

Ending flat price = 100

High Yield Bonds - Barclay's High Yield Index

The BarCap High Yield Index covers the universe of fixed rate, noninvestment grade debt. Criteria to be included in the index are as follows:

1. All bonds must be dollar-denominated and nonconvertible.
2. All bonds must have at least one year remaining to maturity and an outstanding par value of at least \$100 million. (Limit of \$100 million was raised from \$50 million in January 1993.)
3. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets are excluded, but Yankee and global bonds (SEC registered) of issuers in non-emerging countries are included.
4. Original issue zeroes and step-up coupon structures are also included.

In general, all securities must be rated Ba1 or lower by Moody's Investors Service, including defaulted issues. If no Moody's rating is available, bonds must be rated BB+ or lower by S&P; and if no S&P rating is available, bonds must be rated below investment grade by Fitch Investor's Service.

A small number of unrated bonds are included in the index; to be eligible they must have previously held a high yield rating or have been associated with a high yield issuer, and must trade accordingly. In 1998, 144A securities were added to this index.

International Bonds - Citigroup WGBI Non-U.S.

The objective of this benchmark is to reflect the returns provided by investment in international (non U.S.) fixed income securities. The World Government Bond Index is a market-capitalization weighted benchmark that tracks the performance of fixed-rate sovereign debt issued in the domestic market in the local currency with at least one year maturity. The minimum credit quality required is BBB-/Baa3 (by either S&P or Moody's) for all issuers to ensure that the WGBI remains an investment-grade benchmark.

Continued...

Cash - Citigroup US Domestic 3 Month T-Bill

The objective of this benchmark is to reflect the returns provided by the short term fixed income instruments. The index is based on the U.S. 3 month Treasury Bills. This index measures monthly return equivalents of yield averages that are not marked to market. Calculations are based on the last 3, 3-month T-Bill issues. Returns for this index are then calculated on a monthly basis.

All investments contain some form and degree of risk that investors should carefully consider prior to investing. Upon redemption, the principal value of investments in stocks and bonds may be worth more or less than when purchased. Small company stocks may be subject to a higher degree of market and liquidity risk than the stocks of larger companies. Investments in foreign stocks are subject to additional risks (e.g., foreign taxation, economic and political risks) and these risks can be accentuated in emerging markets. Bond prices will drop as interest rates rise. High yield bonds are more susceptible to certain risks (e.g., credit risk, default risk) and are more volatile than investment grade bonds.

All of the indices reflected above are unmanaged and you cannot invest directly in these indices.

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Returns-based Style Analysis

Asset allocation is a very important component of a financial strategy. Comparing current investment holdings to those that match a specific risk tolerance helps identify investment strategy imbalances. By identifying these imbalances, corrections can be implemented to achieve the desired overall performance.

In order to compare current allocations among asset classes to recommended allocations, the current investments must be analyzed and broken down to the asset class components. As mutual funds may invest in a number of different securities across a wide range of asset classes, it is particularly important to analyze the holdings within these funds to evaluate exposure to different asset classes. One method of analyzing the holdings of funds is to use a statistical method called returns-based style analysis.

Developed by Nobel Laureate William Sharpe in 1990, returns-based style analysis seeks to determine what a fund's overall "style" or behavior has been over a defined historical period. This behavior is communicated in the form of a style benchmark, or mix of basic asset classes. This is done with the assumption that a historical analysis of return volatility is applicable to the prediction of future fund behavior and manager performance.

It is important to note that returns-based style analysis does not attempt to find the exact investment holdings of a mutual fund. A prospectus or shareholder report can tell you a fund's objective or current holdings, but they cannot explain the past and present behavior of the fund. A fund's stated objective does not guarantee that it will behave in that fashion. Using statistical methods, returns-based style analysis discerns the mix of benchmark asset classes that is most similar to the fund's actual behavior. It is not the actual holdings, but the behavior and economics behind the fund that are of primary importance in this forum. A fund may call itself a "growth fund" but behave like a value fund and, therefore, should be used as a value component of an asset mix.

For example, a domestic equity mutual fund investing in stocks that derive a majority of their revenue from sales abroad will clearly be influenced by factors in foreign economies. If the foreign economies go into recession, the fund will be affected. In this way, the fund, although domestic, responds to factors in foreign economies with a manner similar to an international equity fund. This is essential information in mapping the fund into an asset mix derived from basic asset classes.

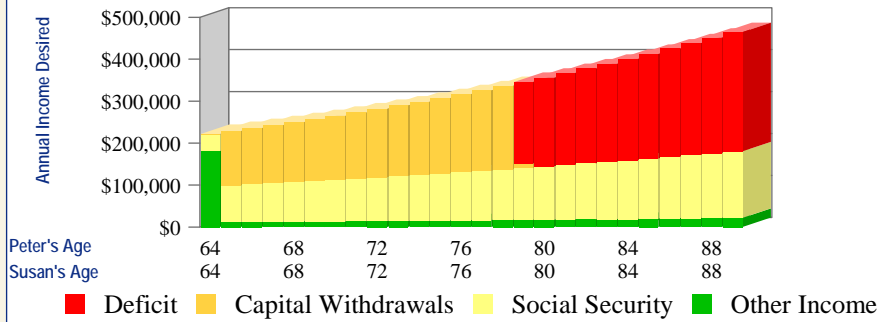
Retirement Needs Analysis

Will you have enough money when you retire? The earlier you begin setting money aside, the more likely you are to achieve your retirement goals.

Retirement income generally comes from three different sources:

- Social Security
- Employer Sponsored Plans
- Savings and Investments

This retirement analysis suggests that you might not have enough money to retire. It is estimated that your assets will be **depleted** by age 79. At that time, your remaining income sources will be limited to Social Security and Other Income sources, providing only 41% of your income.



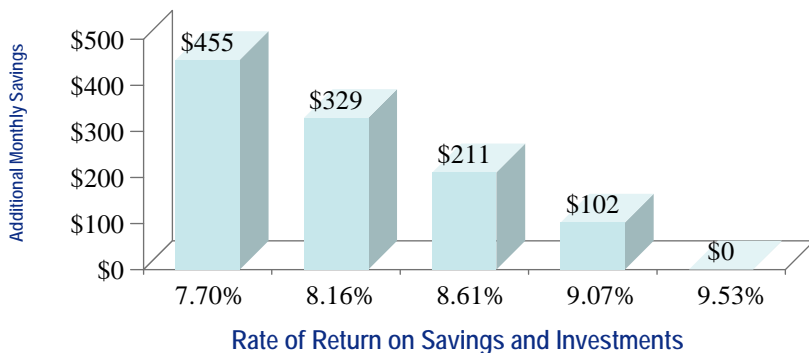
To provide for your desired retirement income, you will need additional capital at retirement age 64. In order to meet this need, you should consider:

- Saving more money
- Earning a higher return on your assets

If you are not able to accumulate this capital, you may need to consider:

- Postponing your retirement, or
- Reducing your standard of living

Save More or Earn More



This chart shows various options in order for you to meet your objectives. Based on your current average rate of return of 7.70%, you would need to save an additional \$455 a month. Alternatively, if you could increase your average rate of return to 9.53%, your objectives would be met. It is important to understand that in order to achieve an increased rate of return, it is likely you will face increased risk.

If these options are not attainable, work towards doing a little bit of both; saving more money and earning a higher rate of return.

Assumptions: Income increases at 3.00% annually. Rate of return during retirement is 7.00%. Social Security benefits increase at 2.50%.

Retirement Needs Analysis Detail

Income Objective				
	Current Household Income	Annual Need (Today's Dollars)	Annual Need (At Retirement)	Capital Value
At Susan's Age 64	\$126,700	\$88,690	\$221,732	\$3,615,533
Total Value of Income Objective				\$3,615,533

Income Sources						
Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value
Peter's Employment	\$72,500	64	65	3.00%	\$181,256	\$175,755
Peter's Social Security	21,808	65	90	2.50%	48,059	681,833
Susan's Social Security	17,956	64	90	2.50%	38,604	598,819
Pension	--	65	90	2.50%	12,000	170,248
Total Income Sources						\$1,626,654

Capital Needed to Meet Objectives	\$1,988,879
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Capital Available						
Account Name/ Asset Name	Market Value	Assumed Rate of Return	Total Annual Contribution	Assumed Savings Increase	Value At Retirement	
<i>Peter's 401(k) Plan</i>						
Oppenheimer Capital Appreciation A	\$6,000	8.00%	\$1,800	3.00%	\$387,270	
Oppenheimer Discovery A	6,000	8.00%	1,800	3.00%	387,270	
<i>Susan's 403(b) Plan</i>						
American Funds Growth Fund of Amer A	3,100	8.00%	900	3.00%	190,756	
Vanguard Balanced Index	3,100	8.00%	900	3.00%	190,756	
<i>Brokerage Account</i>						
Home Depot	6,000	8.50%	0	0.00%	76,299	
Qualcomm	6,000	8.50%	0	0.00%	76,299	
<i>Bank Account</i>						
Checking	3,650	0.00%	0	0.00%	3,411	
Savings	8,000	2.00%	0	0.00%	14,090	
Total Capital Available						\$1,326,153

Additional Capital Needed to Meet Objectives	\$662,726
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Assumptions

Income Replacement at Retirement in the year 2040	70%
Inflation	3.00%
Rate of Return for Assets during Retirement	7.00%
Mortality assumed for Peter and Susan	90 / 90

Your Retirement Timeline

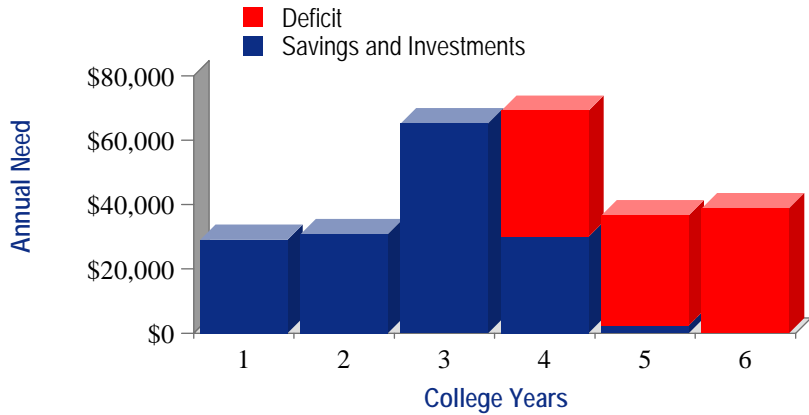
						Beginning Balance:	\$1,326,153
<i>Peter's Age</i>	<i>Susan's Age</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Interest And Dividends</i>	<i>Balance</i>	
64	64	\$221,732	\$38,604	\$181,256	\$92,760	\$1,417,041	
65	65	228,384	87,629	12,000	94,361	1,382,647	
66	66	235,236	89,820	12,300	91,790	1,341,322	
67	67	242,293	92,065	12,608	88,728	1,292,430	
68	68	249,561	94,367	12,923	85,131	1,235,289	
69	69	257,048	96,726	13,246	80,951	1,169,164	
70	70	264,760	99,144	13,577	76,136	1,093,261	
71	71	272,703	101,623	13,916	70,631	1,006,729	
72	72	280,884	104,163	14,264	64,375	908,648	
73	73	289,310	106,767	14,621	57,304	798,030	
74	74	297,989	109,437	14,986	49,349	673,812	
75	75	306,929	112,172	15,361	40,435	534,852	
76	76	316,137	114,977	15,745	30,482	379,918	
77	77	325,621	117,851	16,139	19,403	207,690	
78	78	335,390	120,797	16,542	7,107	16,747	
79	79	345,451	123,817	16,956	(6,508)	(194,440)	
80	80	355,815	126,913	17,380	(21,548)	(427,510)	
81	81	366,489	130,086	17,814	(38,128)	(684,228)	
82	82	377,484	133,338	18,259	(56,372)	(966,488)	
83	83	388,809	136,671	18,716	(76,413)	(1,276,322)	
84	84	400,473	140,088	19,184	(98,394)	(1,615,917)	
85	85	412,487	143,590	19,663	(122,467)	(1,987,617)	
86	86	424,862	147,180	20,155	(148,797)	(2,393,941)	
87	87	437,608	150,859	20,659	(177,561)	(2,837,591)	
88	88	450,736	154,631	21,175	(208,948)	(3,321,468)	
89	89	464,258	158,497	21,705	(243,162)	(3,848,686)	

College Needs Analysis

Will you have enough money when it is time to send your children to college? The earlier you begin setting money aside for college, the more likely you are to achieve your goals.

You currently have \$14,400 set aside and you are saving \$200 a month at 9.00% for college expenses.

This college needs analysis suggests that you may not meet your goals. In order to fully fund your children's college expenses, you will need to begin saving an additional \$192 a month.



Projected College Costs

Jennifer	\$142,536
Daniel	126,857
Total	\$269,393

Total College Cost in Today's Dollars



Monthly savings alternative

Begin saving an additional \$192 per month for the next 20 years.

Why should you begin preparing for college needs now?

If you wait until it's time for college to begin, you lose the advantage of spreading the costs over many years.

If you have to borrow money to pay for college, the amount of the loan and interest will have to be repaid.

If you start now, the interest earned on your savings will reduce the total amount that you need to save.

College Needs Analysis Detail

Goal Summary							
Name/ School	Age	Annual Need (today's Dollars)	Years Until Needed	Number Years Needed	Present Value of Total Cost	Percentage To Be Funded	Present Value of Total Cost To Be Funded
Jennifer Missouri State University	1	\$12,100	17	4	\$28,895	100%	\$28,895
Daniel Missouri State University	3	12,100	15	4	30,554	100%	30,554
Present Value of Total Need							\$59,449

Savings Summary	
Current Savings	\$14,400
Monthly Savings \$200 per month for 20 years at 9.00% grows to \$128,691 In today's dollars that is:	\$22,962
Present Value of Savings	\$37,362

Single Sum Needed Today to Fund Shortage	\$22,087
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Additional Monthly Savings Required	
Starting Age	Amount Needed
Peter's age 33 for 20 years	\$192

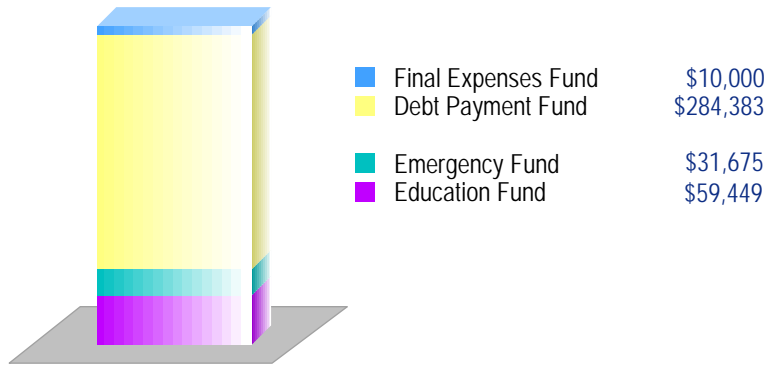
Assumptions	
College Cost Inflation Rate	6.00%
Average Rate of Return	9.00%
This analysis assumes that savings will continue until the start of the last year of college.	

Financial Needs in the Event of Peter's Death

This survivor needs analysis shows the impact Peter's death can have on your family. Funds need to be available for both Cash Needs and a family's continuing Income Needs. Peter and Susan, you need \$385,507 for your immediate cash needs. Cash Needs include:

- A Final Expenses fund for medical, legal, funeral, and other expenses
- A Debt Payment Fund to pay off your debts, including your mortgage
- An Emergency Reserve Fund for unexpected bills not readily payable from current income
- An Education Fund to provide for your children's education

Total Immediate Cash Needs: \$385,507



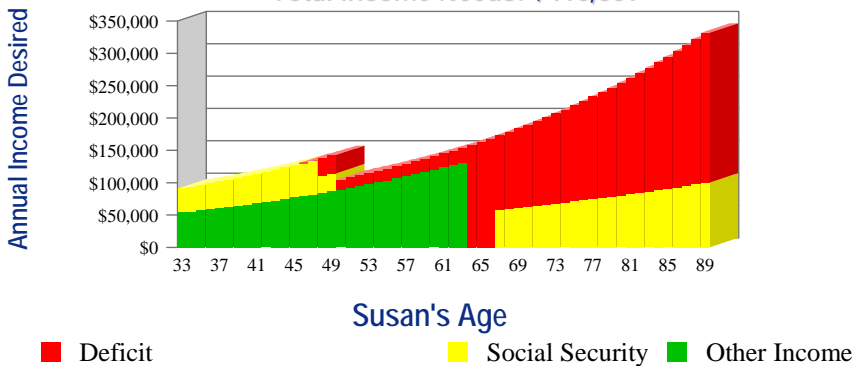
After a death, income generally comes from four different sources:

- Social Security
- Savings and Investments
- Life Insurance Proceeds
- Survivor's Earnings

This survivor needs analysis assumes that 70% of total household income be available after the death of a wage earner while there are children at home and 50% thereafter.

Based on the above assumptions, this survivor needs analysis suggests that you may not meet all of your goals. Your current household income is \$126,700. If Peter were to die today, it is estimated that your assets would be insufficient to meet your family's Immediate Cash Needs. Additionally, your family's Income Needs will only be 80% satisfied. To provide for your family's needs in the event of death you will need approximately \$530,816 of additional capital.

Total Income Needs: \$416,559



<i>Summary</i>	
Cash Needs:	\$385,507
Income Needs:	416,559
<i>Less Present Funds</i>	<i>271,250</i>
Additional Capital Needs	\$530,816

Survivor Needs Analysis Detail

In the Event of Peter's Death

Assumptions	
Income Replacement % of Total Household Income with Dependents	70%
Income Replacement % of Total Household Income without Dependents	50%
Inflation	3.00%
Survivor Rate of Return	6.00%
Susan's Mortality	90

Income Objective					
Susan's			Annual Need	Annual Need	Capital
Age	Income Need %	(Today's Dollars)		(Future Dollars)	Value
33	70%	\$88,690		\$88,690	\$1,178,485
50	50%	63,350		104,708	913,602
Total Capital Needed to Provide Income Objective					\$2,092,087

Income Sources							
Susan's	Payment					First	Capital
Income	In			COLA	Year's		
Sources	Today's Dollars	From	To		Payment	Value	
Employment	\$54,200	33	64	3.00%	\$54,200	\$1,099,055	
Social Security	36,658	33	90	2.50%	36,658	576,473	
Total Income Sources						\$1,675,528	

Capital Needed to Meet Income Goals	\$416,559
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Immediate Cash Needs		
<i>Final Expenses</i>	\$10,000	
<i>Debt Payment Fund</i>	\$284,383	
Mortgage	269,520	
Peter's Car	11,113	
Credit Card	3,750	
<i>Emergency Reserve Fund</i>	\$31,675	
<i>Education Fund</i>	\$59,449	
Jennifer: Lump Sum needed today	\$28,895	
\$12,100 needed for 4 years starting in 17 years.		
Daniel: Lump Sum needed today	\$30,554	
\$12,100 needed for 4 years starting in 15 years.		
Total Immediate Cash Needs		\$385,507

Continued...

Total Capital Needed to Meet Objectives**\$802,066****Capital Available****Account Name/****Asset Name****Market Value***Peter's 401(k) Plan*

Oppenheimer Capital Appreciation A

\$6,000

Oppenheimer Discovery A

6,000

Susan's 403(b) Plan

American Funds Growth Fund of Amer A

3,100

Vanguard Balanced Index

3,100

Brokerage Account

Home Depot

6,000

Qualcomm

6,000

Bank Account

Checking

3,650

Savings

8,000

Education Funds

14,400

Life Insurance

215,000

Total Capital Available**\$271,250****Additional Capital Needed to Meet Objectives****\$530,816**

Survivor Needs Analysis Timeline in the Event of Peter's Death

					Beginning Balance:	(\$114,257)
<i>Susan's Age</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Interest And Dividends</i>		
33	\$88,690	\$36,658	\$54,200	(\$6,786)	(\$118,875)	
34	91,351	37,574	55,826	(7,066)	(123,892)	
35	94,091	38,514	57,501	(7,372)	(129,340)	
36	96,914	39,476	59,226	(7,703)	(135,255)	
37	99,821	40,463	61,003	(8,062)	(141,672)	
38	102,816	41,475	62,833	(8,452)	(148,633)	
39	105,900	42,512	64,718	(8,875)	(156,179)	
40	109,078	43,575	66,659	(9,334)	(164,357)	
41	112,350	44,664	68,659	(9,830)	(173,214)	
42	115,720	45,781	70,719	(10,368)	(182,803)	
43	119,192	46,925	72,840	(10,950)	(193,179)	
44	122,768	48,098	75,025	(11,579)	(204,402)	
45	126,451	49,301	77,276	(12,260)	(216,536)	
46	130,244	50,533	79,595	(12,996)	(229,649)	
47	134,152	51,796	81,982	(13,791)	(243,812)	
48	138,176	26,546	84,442	(15,505)	(286,505)	
49	142,321	27,209	86,975	(18,097)	(332,739)	
50	104,708	0	89,584	(20,451)	(368,314)	
51	107,849	0	92,272	(22,601)	(406,492)	
52	111,085	0	95,040	(24,906)	(447,443)	
53	114,417	0	97,891	(27,379)	(491,348)	
54	117,850	0	100,828	(30,029)	(538,399)	
55	121,385	0	103,853	(32,869)	(588,800)	
56	125,027	0	106,968	(35,910)	(642,768)	
57	128,778	0	110,177	(39,165)	(700,533)	
58	132,641	0	113,483	(42,649)	(762,340)	
59	136,620	0	116,887	(46,376)	(828,449)	
60	140,719	0	120,394	(50,362)	(899,135)	
61	144,940	0	124,006	(54,622)	(974,692)	
62	149,288	0	127,726	(59,176)	(1,055,431)	
63	153,767	0	131,558	(64,041)	(1,141,681)	
64	158,380	0	0	(73,602)	(1,373,664)	
65	163,131	0	0	(87,674)	(1,624,470)	
66	168,025	0	0	(102,880)	(1,895,376)	
67	173,066	58,260	0	(117,421)	(2,127,602)	
68	178,258	59,717	0	(131,474)	(2,377,618)	
69	183,606	61,210	0	(146,600)	(2,646,613)	
70	189,114	62,740	0	(162,867)	(2,935,855)	
71	194,788	64,309	0	(180,354)	(3,246,688)	

Continued...

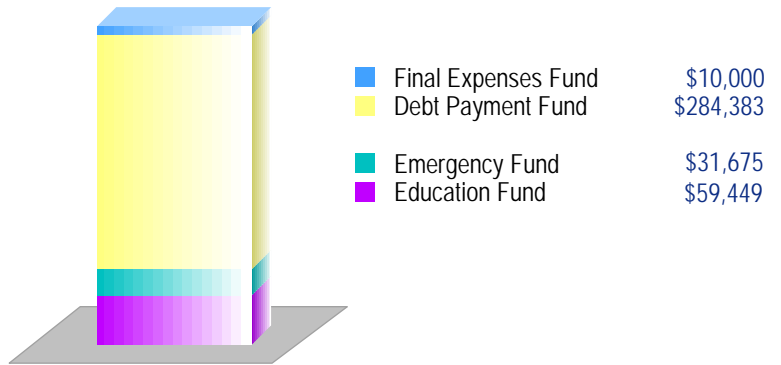
72	200,631	65,916	0	(199,141)	(3,580,543)
73	206,650	67,564	0	(219,313)	(3,938,941)
74	212,850	69,253	0	(240,962)	(4,323,499)
75	219,235	70,985	0	(264,185)	(4,735,935)
76	225,812	72,759	0	(289,086)	(5,178,074)
77	232,587	74,578	0	(315,774)	(5,651,856)
78	239,564	76,443	0	(344,366)	(6,159,343)
79	246,751	78,354	0	(374,985)	(6,702,725)
80	254,154	80,313	0	(407,763)	(7,284,329)
81	261,778	82,320	0	(442,840)	(7,906,627)
82	269,632	84,378	0	(480,365)	(8,572,245)
83	277,720	86,488	0	(520,494)	(9,283,972)
84	286,052	88,650	0	(563,397)	(10,044,770)
85	294,634	90,866	0	(609,250)	(10,857,787)
86	303,473	93,138	0	(658,242)	(11,726,364)
87	312,577	95,467	0	(710,575)	(12,654,050)
88	321,954	97,853	0	(766,461)	(13,644,612)
89	331,613	100,299	0	(826,127)	(14,702,053)

Financial Needs in the Event of Susan's Death

This survivor needs analysis shows the impact Susan's death can have on your family. Funds need to be available for both Cash Needs and a family's continuing Income Needs. Peter and Susan, you need \$385,507 for your immediate cash needs. Cash Needs include:

- A Final Expenses fund for medical, legal, funeral, and other expenses
- A Debt Payment Fund to pay off your debts, including your mortgage
- An Emergency Reserve Fund for unexpected bills not readily payable from current income
- An Education Fund to provide for your children's education

Total Immediate Cash Needs: \$385,507



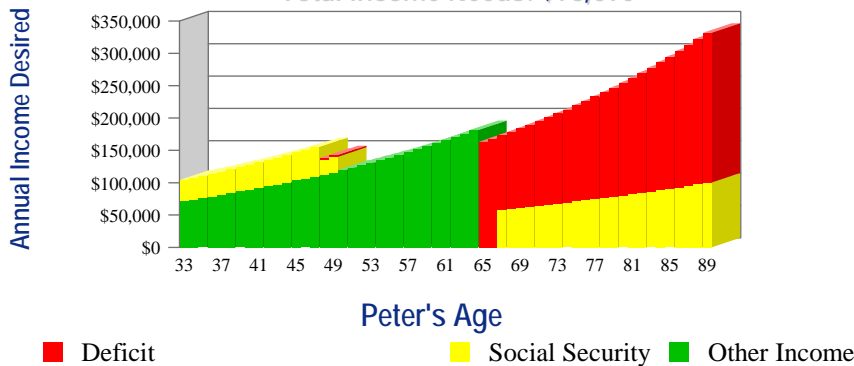
After a death, income generally comes from four different sources:

- Social Security
- Savings and Investments
- Life Insurance Proceeds
- Survivor's Earnings

This survivor needs analysis assumes that 70% of total household income be available after the death of a wage earner while there are children at home and 50% thereafter.

Based on the above assumptions, this survivor needs analysis suggests that you may not meet all of your goals. Your current household income is \$126,700. If Susan were to die today, it is estimated that your assets would be insufficient to meet your family's Immediate Cash Needs. Additionally, your family's Income Needs will only be 96% satisfied. To provide for your family's needs in the event of death you will need approximately \$342,947 of additional capital.

Total Income Needs: \$73,690



<i>Summary</i>	
Cash Needs:	\$385,507
Income Needs:	73,690
<i>Less Present Funds</i>	<i>116,250</i>
Additional Capital Needs	\$342,947

Survivor Needs Analysis Detail

In the Event of Susan's Death

Assumptions	
Income Replacement % of Total Household Income with Dependents	70%
Income Replacement % of Total Household Income without Dependents	50%
Inflation	3.00%
Survivor Rate of Return	6.00%
Peter's Mortality	90

Income Objective					
Peter's Age	Income Need %	Annual Need (Today's Dollars)	Annual Need (Future Dollars)	Capital Value	
33	70%	\$88,690	\$88,690	\$1,178,485	
50	50%	63,350	104,708	913,602	
Total Capital Needed to Provide Income Objective				\$2,092,087	

Income Sources						
Peter's Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value
Employment	\$72,500	33	65	3.00%	\$72,500	\$1,499,130
Social Security	31,987	33	90	2.50%	31,987	519,267
Total Income Sources						\$2,018,397

Capital Needed to Meet Income Goals	\$73,690
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Immediate Cash Needs	
<i>Final Expenses</i>	\$10,000
<i>Debt Payment Fund</i>	\$284,383
Mortgage	269,520
Peter's Car	11,113
Credit Card	3,750
<i>Emergency Reserve Fund</i>	\$31,675
<i>Education Fund</i>	\$59,449
Jennifer: Lump Sum needed today	\$28,895
\$12,100 needed for 4 years starting in 17 years.	
Daniel: Lump Sum needed today	\$30,554
\$12,100 needed for 4 years starting in 15 years.	
Total Immediate Cash Needs	\$385,507

Continued...

Total Capital Needed to Meet Objectives**\$459,197****Capital Available****Account Name/****Asset Name****Market Value***Peter's 401(k) Plan*

Oppenheimer Capital Appreciation A

\$6,000

Oppenheimer Discovery A

6,000

Susan's 403(b) Plan

American Funds Growth Fund of Amer A

3,100

Vanguard Balanced Index

3,100

Brokerage Account

Home Depot

6,000

Qualcomm

6,000

Bank Account

Checking

3,650

Savings

8,000

Education Funds

14,400

Life Insurance

60,000

Total Capital Available**\$116,250****Additional Capital Needed to Meet Objectives****\$342,947**

Survivor Needs Analysis Timeline in the Event of Susan's Death

					Beginning Balance:	(\$269,257)
<i>Peter's Age</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Interest And Dividends</i>		
33	\$88,690	\$31,987	\$72,500	(\$15,647)	(\$269,106)	
34	91,351	32,787	74,675	(15,627)	(268,623)	
35	94,091	33,606	76,915	(15,588)	(267,780)	
36	96,914	34,447	79,223	(15,527)	(266,552)	
37	99,821	35,308	81,599	(15,443)	(264,909)	
38	102,816	36,190	84,047	(15,333)	(262,821)	
39	105,900	37,095	86,569	(15,197)	(260,255)	
40	109,078	38,023	89,166	(15,032)	(257,176)	
41	112,350	38,973	91,841	(14,836)	(253,547)	
42	115,720	39,947	94,596	(14,607)	(249,331)	
43	119,192	40,946	97,434	(14,342)	(244,484)	
44	122,768	41,970	100,357	(14,039)	(238,964)	
45	126,451	43,019	103,368	(13,696)	(232,724)	
46	130,244	44,095	106,469	(13,309)	(225,714)	
47	134,152	45,197	109,663	(12,876)	(217,882)	
48	138,176	23,163	112,953	(13,139)	(233,081)	
49	142,321	23,742	116,341	(14,057)	(249,376)	
50	104,708	0	119,831	(14,475)	(248,727)	
51	107,849	0	123,426	(14,422)	(247,572)	
52	111,085	0	127,129	(14,338)	(245,865)	
53	114,417	0	130,943	(14,220)	(243,559)	
54	117,850	0	134,871	(14,065)	(240,602)	
55	121,385	0	138,917	(13,871)	(236,941)	
56	125,027	0	143,085	(13,635)	(232,518)	
57	128,778	0	147,378	(13,352)	(227,270)	
58	132,641	0	151,799	(13,019)	(221,131)	
59	136,620	0	156,353	(12,632)	(214,030)	
60	140,719	0	161,043	(12,187)	(205,892)	
61	144,940	0	165,875	(11,679)	(196,637)	
62	149,288	0	170,851	(11,104)	(186,178)	
63	153,767	0	175,977	(10,455)	(174,424)	
64	158,380	0	181,256	(9,729)	(161,277)	
65	163,131	0	0	(14,931)	(339,339)	
66	168,025	0	0	(25,773)	(533,137)	
67	173,066	58,260	0	(35,686)	(683,629)	
68	178,258	59,717	0	(44,836)	(847,007)	
69	183,606	61,210	0	(54,763)	(1,024,166)	
70	189,114	62,740	0	(65,521)	(1,216,060)	
71	194,788	64,309	0	(77,166)	(1,423,706)	

Continued...

72	200,631	65,916	0	(89,762)	(1,648,182)
73	206,650	67,564	0	(103,371)	(1,890,639)
74	212,850	69,253	0	(118,064)	(2,152,299)
75	219,235	70,985	0	(133,913)	(2,434,462)
76	225,812	72,759	0	(150,998)	(2,738,513)
77	232,587	74,578	0	(169,400)	(3,065,921)
78	239,564	76,443	0	(189,210)	(3,418,252)
79	246,751	78,354	0	(210,519)	(3,797,169)
80	254,154	80,313	0	(233,430)	(4,204,439)
81	261,778	82,320	0	(258,047)	(4,641,944)
82	269,632	84,378	0	(284,484)	(5,111,681)
83	277,720	86,488	0	(312,861)	(5,615,774)
84	286,052	88,650	0	(343,305)	(6,156,481)
85	294,634	90,866	0	(375,952)	(6,736,200)
86	303,473	93,138	0	(410,947)	(7,357,482)
87	312,577	95,467	0	(448,442)	(8,023,034)
88	321,954	97,853	0	(488,601)	(8,735,736)
89	331,613	100,299	0	(531,595)	(9,498,644)

Financial Needs in the Event of Peter's Disability

Disability is something most people don't like to think about. But the chances of your becoming disabled are probably greater than you realize. Studies show that a 20-year-old worker has a 3-in-10 chance of becoming disabled before reaching retirement age.¹ In fact, the Census Bureau reports there are currently over twenty-one million people of working age who are disabled.²

This disability needs analysis shows the impact a disability can have on your financial situation.

Your current annual income is \$72,500 and your current long-term disability coverage provides \$15,000 per year. Your disability goal is to provide 70% of your current income, or \$50,750.

Without additional coverage you may need to deplete your savings and investments to meet your ongoing living expenses.

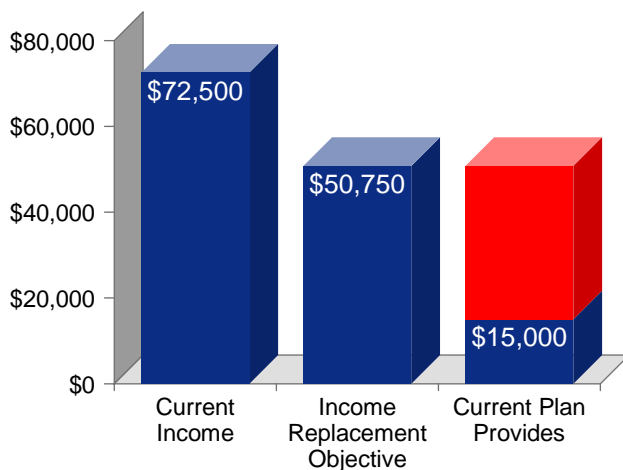
About Disability Income Insurance...



When purchasing disability income protection, there are a number of options to consider:

- Protection against inflation for future Benefits paid, referred to as Cost of Living Adjustment (COLA).
- Non-cancelable, guaranteed renewable provisions.
- Various waiting periods are available. The longer the waiting period, the lower the premium.
- Policies offer varying benefit periods. The longer the period covered by the policy, the higher the premium.
- Some Policies provide "Own Occupation" coverage and will pay benefits if the insured is unable to work in their specialized field.

Disability Income



A word about Social Security¹...

It's important that you understand how Social Security defines "disability." That's because other programs have different definitions for disability. Some programs pay for partial disability or for short-term disability. Social Security does **not**.

The Social Security Administration uses the strict definition of disability. Disability under Social Security is based on your inability to work. You will be considered disabled if you cannot do work you did before, and the SSA decides that you cannot adjust to other work because of your medical condition. Your disability also must last or be expected to last for at least a year or to result in death.

For these reasons, this analysis does not include any potential benefits from Social Security.

¹Source: SSA Publication No. 05-10029, November 2008.

²Source: U.S. Census Bureau, Disability Status 2000, Employment disability age 16-64.

Disability Needs Analysis Detail

In the event of Peter's Disability

In the first year following a disability				
After	Salary to Replace	Desired Replacement	Existing Insurance	(Shortage)/ Surplus
1 Month	\$72,500	\$50,750	\$0	(\$50,750)
2 Months	\$72,500	\$50,750	\$0	(\$50,750)
3 Months	\$72,500	\$50,750	\$15,000	(\$35,750)
6 Months	\$72,500	\$50,750	\$15,000	(\$35,750)

In the years following a disability					
	Peter's Age	Salary to Replace	Desired Replacement	Existing Insurance	(Shortage)/ Surplus
1 Year	34	\$74,675	\$52,273	\$15,450	(\$36,823)
2 Years	35	\$76,915	\$53,841	\$15,914	(\$37,927)
5 Years	38	\$84,047	\$58,833	\$17,389	(\$41,444)
10 Years	43	\$97,434	\$68,204	\$20,159	(\$48,045)
Age 64		\$181,256	\$126,879	\$37,501	(\$89,378)
Age 65		\$186,693	\$130,685	\$0	(\$130,685)

Disability Policies					
Policy Name	Monthly Benefit	Type	Waiting Period	Benefit Period	COLA
Long-Term Disability Coverage	\$1,250	Group	3 months	To age 65	3.00%

Assumptions	
Income Replacement % of Peter's Income	70%
Inflation	3.00%

Financial Needs in the Event of Susan's Disability

Disability is something most people don't like to think about. But the chances of your becoming disabled are probably greater than you realize. Studies show that a 20-year-old worker has a 3-in-10 chance of becoming disabled before reaching retirement age.¹ In fact, the Census Bureau reports there are currently over twenty-one million people of working age who are disabled.²

This disability needs analysis shows the impact a disability can have on your financial situation.

Your current annual income is \$54,200 and your current long-term disability coverage provides \$0 per year. Your disability goal is to provide 60% of your current income, or \$32,520.

Without additional coverage you may need to deplete your savings and investments to meet your ongoing living expenses.

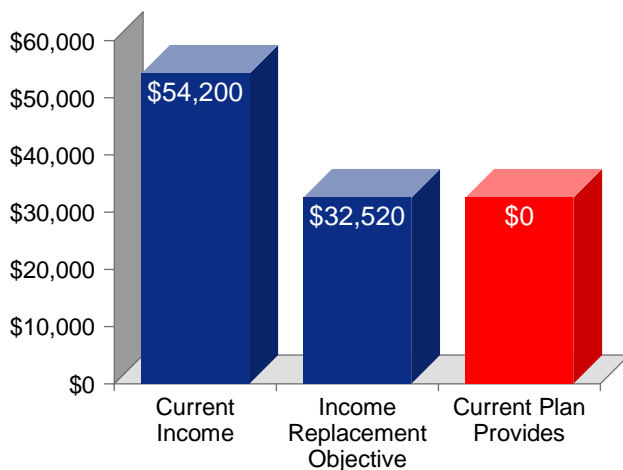
About Disability Income Insurance...



When purchasing disability income protection, there are a number of options to consider:

- Protection against inflation for future Benefits paid, referred to as Cost of Living Adjustment (COLA).
- Non-cancelable, guaranteed renewable provisions.
- Various waiting periods are available. The longer the waiting period, the lower the premium.
- Policies offer varying benefit periods. The longer the period covered by the policy, the higher the premium.
- Some Policies provide "Own Occupation" coverage and will pay benefits if the insured is unable to work in their specialized field.

Disability Income



A word about Social Security¹...

It's important that you understand how Social Security defines "disability." That's because other programs have different definitions for disability. Some programs pay for partial disability or for short-term disability. Social Security does **not**.

The Social Security Administration uses the strict definition of disability. Disability under Social Security is based on your inability to work. You will be considered disabled if you cannot do work you did before, and the SSA decides that you cannot adjust to other work because of your medical condition. Your disability also must last or be expected to last for at least a year or to result in death.

For these reasons, this analysis does not include any potential benefits from Social Security.

¹Source: SSA Publication No. 05-10029, November 2008.

²Source: U.S. Census Bureau, Disability Status 2000, Employment disability age 16-64.

Disability Needs Analysis Detail

In the event of Susan's Disability

In the first year following a disability				
After	Salary to Replace	Desired Replacement	Existing Insurance	(Shortage)/ Surplus
1 Month	\$54,200	\$32,520	\$0	(\$32,520)
2 Months	\$54,200	\$32,520	\$0	(\$32,520)
3 Months	\$54,200	\$32,520	\$0	(\$32,520)
6 Months	\$54,200	\$32,520	\$0	(\$32,520)

In the years following a disability					
	Susan's Age	Salary to Replace	Desired Replacement	Existing Insurance	(Shortage)/ Surplus
1 Year	34	\$55,826	\$33,496	\$0	(\$33,496)
2 Years	35	\$57,501	\$34,500	\$0	(\$34,500)
5 Years	38	\$62,833	\$37,700	\$0	(\$37,700)
10 Years	43	\$72,840	\$43,704	\$0	(\$43,704)
Age 64		\$135,504	\$81,303	\$0	(\$81,303)
Age 65		\$139,569	\$83,742	\$0	(\$83,742)

Disability Policies					
Policy Name	Monthly Benefit	Type	Waiting Period	Benefit Period	COLA
No policies are listed.					

Assumptions	
Income Replacement % of Susan's Income	60%
Inflation	3.00%

Personal Information Summary

This financial needs analysis report is based on the information and assumptions you provided.

Personal Data

Name	Date of Birth	Contributing to Social Security	Annual Employment Income
Peter A. Franklin	4/22/1975	Yes	\$72,500
Susan L. Franklin	3/1/1976	Yes	\$54,200

Married: Yes

Address

143 South Reed St.
Middletown, MO 64318

Phone: (818) 555-4875

E-Mail psfranklin@aol.com

Children

Name	Date of Birth
Jennifer	7/29/2007
Daniel	12/12/2005

Asset Allocation

Time Horizon	Risk Tolerance
Question 1: f. 11 years or more	Question 3: b. Portfolio 2
Question 2: e. 11 years or more	Question 4: c. Portfolio C
	Question 5: b. Keep risk to a minimum
	Question 6: a. Would not change portfolio
	Question 7: b. Portfolio B
Suggested Portfolio: Medium to High Risk/Return	Question 8: b. Disagree

Bank Accounts and Investments

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Asset Class
Both	Bank Account	Checking		\$3,650	0.00%	\$0	0.00%	Cash
Both	Bank Account	Savings		\$8,000	2.00%	\$0	0.00%	Cash
Both	Brokerage Account	Home Depot	HD	\$6,000	8.50%	\$0	0.00%	Large Cap Growth Stocks
Both	Brokerage Account	Qualcomm	QCOM	\$6,000	8.50%	\$0	0.00%	Large Cap Growth Stocks

Total..... \$23,650
 Monthly Savings..... \$0
 Average Rate of Return..... 4.99%

Retirement Funds

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Company Match	Asset Class
Peter	Peter's 401(k) Plan	Oppenheimer Capital Appreciation A	OPTFX	\$6,000	8.00%	\$100	3.00%	\$50	<Mixed>
Peter	Peter's 401(k) Plan	Oppenheimer Discovery A	OPOCX	\$6,000	8.00%	\$100	3.00%	\$50	<Mixed>
Susan	Susan's 403(b) Plan	American Funds Growth Fund of Amer A	AGTHX	\$3,100	8.00%	\$75	3.00%	\$0	<Mixed>
Susan	Susan's 403(b) Plan	Vanguard Balanced Index	VBINX	\$3,100	8.00%	\$75	3.00%	\$0	<Mixed>

Continued...

Total.....	\$18,200
Monthly Savings.....	\$350
Average Rate of Return.....	8.00%

Assets and Liabilities

Type	Name	Market Value	Current Liability	Monthly Payment	Interest Rate
Residence	Mortgage	\$390,000	\$269,520	\$1,816	6.75%
Personal Property	Peter's Car	\$16,058	\$11,113	\$0	0.00%
Personal Property	Susan's Car	\$12,450	\$0	\$0	0.00%
Credit Cards & Personal Loans	Credit Card	\$0	\$3,750	\$102	18.00%

Other Income Sources

Name	Description	Amount	Monthly/ Lump Sum	Begins at Age	Ends at Age	Annual Increase	Today's Value/ Future Value	Available for Survivors
Susan	Pension	\$1,000	Monthly	65	90	2.50%	Future	No

Needs In The Event Of Death

Income Needs Objective	With children at home: 70.00%	No children at home: 50.00%
Provide Income for	Lifetime	
Fund Children's Education	Yes	

Life Insurance Policies

Name	Company	Insurance Benefit	Annual Premium	Type
Peter	Group Insurance	\$90,000	\$0	Group
Peter	Nationwide	\$125,000	\$1,200	Universal Life
Susan	Group Insurance	\$60,000	\$0	Group

College Funding

Child's Name	School	Annual Amount (in Today's Dollars)	Years Needed	Percent Want To Provide
Jennifer	Missouri State University	\$12,100	4	100%
Daniel	Missouri State University	\$12,100	4	100%

Total Funds Presently Available	Monthly Savings	Rate of Return
\$14,400	\$200	9.00%

Retirement Needs

	Peter	Susan
Desired Retirement Age	65	64
Social Security Retirement Benefits Begin Age	65	64
Employer Offers Retirement Plans	Yes	Yes
Maximum amount being contributed	No	No
Percentage of pre-retirement income during retirement	70.00%	

Long-Term Disability

Annual Employment Income	\$72,500	\$54,200
Disability income replacement objective:	Peter - 70.00%	Susan - 60.00%

Existing Insurance

Insured	Company	Monthly Benefit	Group/ Personal	Annual Premium	Waiting Period (Months)	Benefit Period
Peter	Long-Term Disability Coverage	\$1,250	Group	\$0	3 months	To age 65

Continued...

Assumptions Used In This Analysis

<i>Rate of Return on Assets</i>	
<i>During Retirement.....</i>	7.00%
<i>In the Event of Death.....</i>	6.00%
<i>For College Needs.....</i>	9.00%
<i>Number of month's income to set aside for</i>	
<i>emergency reserves.....</i>	3
<i>Long-term inflation rate.....</i>	3.00%
<i>Social Security inflation rate.....</i>	2.50%
<i>Long-term inflation rate for College Costs.....</i>	6.00%
<i>Life expectancy age.....</i>	90
<i>Final Expenses.....</i>	\$10,000