



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.

Continued...

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%	15,300
<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			\$475,658

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)

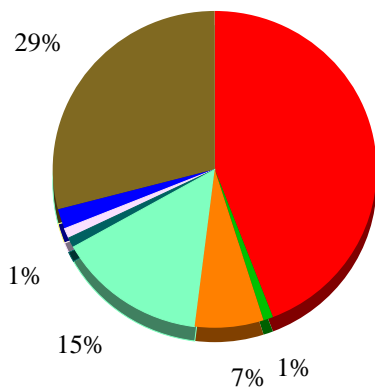
Net Worth	\$191,275
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Asset Allocation: Current vs. Recommended

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.

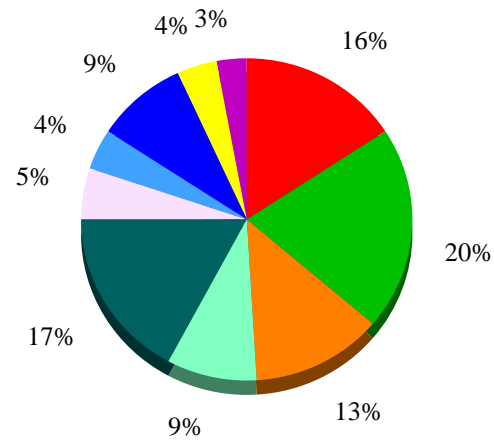
This type of investor is willing to accept more risk than the moderate investor, but is probably not willing to accept the short-term risk associated with achieving a long-term return dramatically above the inflation rate.

Your Current Portfolio



Medium to High Risk/Return Portfolio

- Large Cap Growth Stocks
- Large Cap Value Stocks
- Mid Cap Stocks
- Small Cap Stocks
- International Stocks
- Emerging Market Stocks
- Long Term Bonds
- Intermediate Term Bonds
- Short Term Bonds
- High Yield Bonds
- International Bonds
- Cash



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

Large Cap Growth Stocks	(\$11,560)
Large Cap Value Stocks	\$7,781
Mid Cap Stocks	\$2,388
Small Cap Stocks	(\$2,469)
International Stocks	\$6,900
Emerging Market Stocks	\$1,667
Long Term Bonds	\$1,519
Intermediate Term Bonds	\$3,116
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.

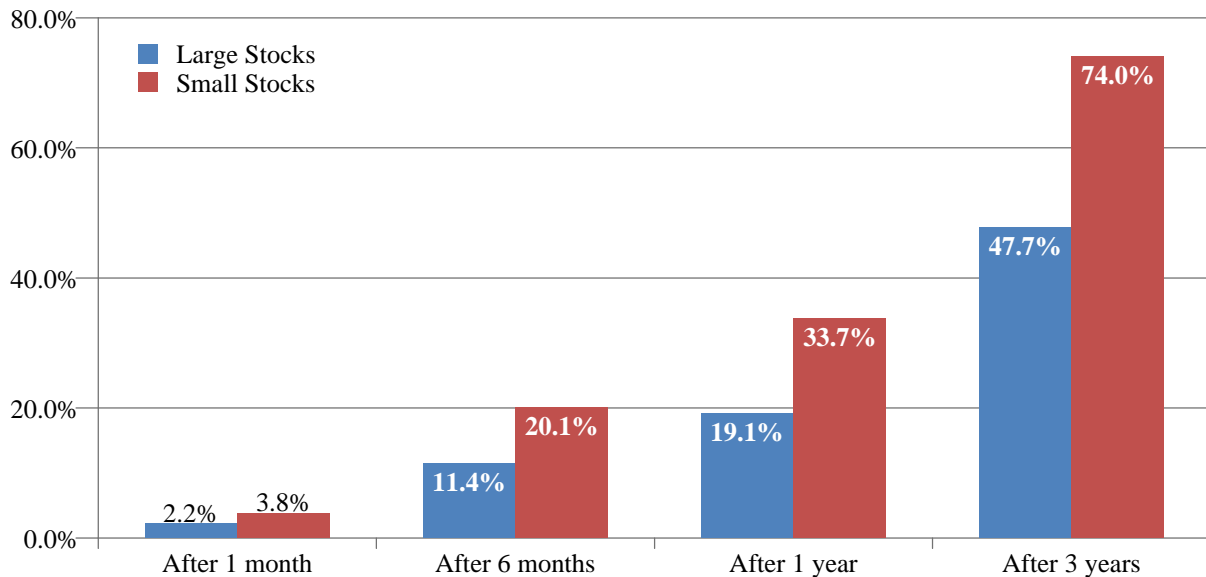
This recommended allocation is not a promise of future performance and a prospectus should be carefully read before making any investment decisions.

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.

Stock Performance After Recessions 1946 - 2009



Past performance is no guarantee of future results. Cumulative returns of large and small stocks after recessions 1946-2009. Note: The recession that began in December 2007 is still occurring and is not included in the analysis. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2010 Ibbotson Associates, Inc., a wholly owned subsidiary of Morningstar, Inc. All rights reserved. EISI has engaged Ibbotson to develop proprietary asset allocation tools for educational purposes. Ibbotson has granted to EISI a license for use thereof.

Stock Performance After Recessions 1946-2009

History reveals that small stocks have been one of the strongest performers after recessions.

Many investors fear the volatility of small stocks. Their fears, however, may not justify overlooking the potential of this asset class. The image shows that, on average, the cumulative returns of small stocks outperformed large stocks one month, six months, one year, and three years after the end of a recession.

Small stocks haven't outperformed large stocks after every recession, yet on average their potential to lead the way out of recessions is significant. Diversifying into small stocks may benefit investor portfolios, especially when the market is coming out of a recession.

Stocks are not guaranteed and have been more volatile than the other asset classes. Furthermore, small stocks are more volatile than large stocks and are subject to significant price fluctuations, business risks, and are thinly traded.

Continued...

About the data

Large stocks in this example are represented by the Standard & Poor's 500®, which is an unmanaged group of securities and considered to be representative of the stock market in general. Small stocks are represented by the fifth capitalization quintile of stocks on the NYSE for 1946-1981 and the performance of the Dimensional Fund Advisors, Inc. (DFA) U.S. Micro Cap Portfolio thereafter. An investment cannot be made directly in an index. Recession data is from National Bureau of Economic Research (NBER). The average cumulative returns are calculated from the end of each of the 10 recessions in U.S. history since 1946. The recession that began in December 2007 is still occurring and is not included in the analysis. The National Bureau of Economic Research (NBER) does not define a recession in terms of two consecutive quarters of decline in real GDP. Rather, a recession is a recurring period of decline in total output, income, employment, and trade usually lasting from six months to a year and marked by widespread contractions in many sectors of the economy. The data assumes reinvestment of income and does not account for taxes or transaction costs.

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 27% of the Russell 1000 total market capitalization. As of January 2010, the average market capitalization was approximately \$6.076 billion; the median market capitalization was approximately \$3.291 billion. The largest company in the index had an approximate market capitalization of \$15.709 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 8% of the Russell 3000® total market capitalization. As of January 2010, the average market capitalization was approximately \$0.974 billion; the median market capitalization was approximately \$0.383 billion. The largest company in the index had an approximate market capitalization of \$4.840 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 2010 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.

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 2010 the MSCI Emerging Markets Index consisted of the following 22 emerging market country indices: 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.

Continued...

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.

High Yield Bonds - Barclay's High Yield Index

The U.S. Corporate High-Yield Index covers the USD-denominated non-investment grade, fixed-rate, taxable corporate bond market. Securities are classified as high-yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. 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. The index excludes Emerging Markets debt.

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.

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.

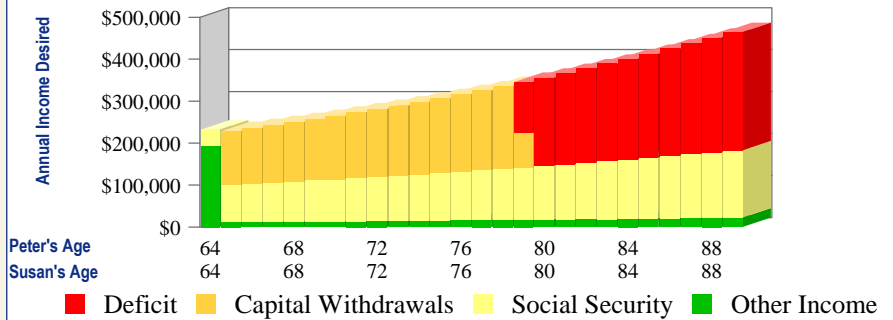
Retirement Needs Analysis

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.



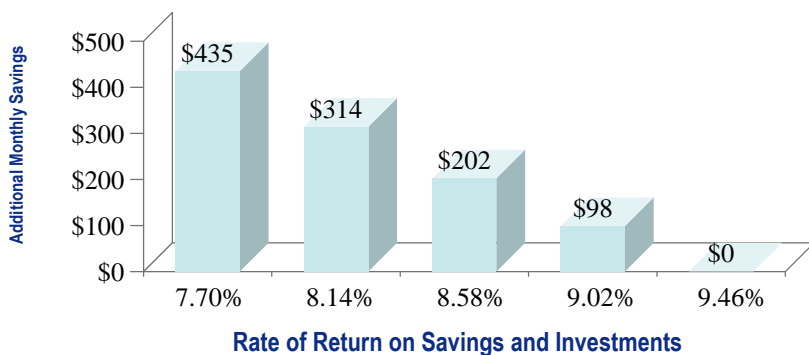
To provide for your desired retirement income, you will need additional capital at retirement age 64. In order to meet this need, you should consider:

- 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 \$435 a month. Alternatively, if you could increase your average rate of return to 9.46%, 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	22,102	65	90	2.50%	48,706	691,014
Susan's Social Security	18,100	64	90	2.50%	38,914	603,624
Pension	--	64	90	2.50%	12,000	186,140
Total Income Sources						\$1,656,532

Capital Needed to Meet Objectives	\$1,959,002
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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	\$632,849
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Assumptions

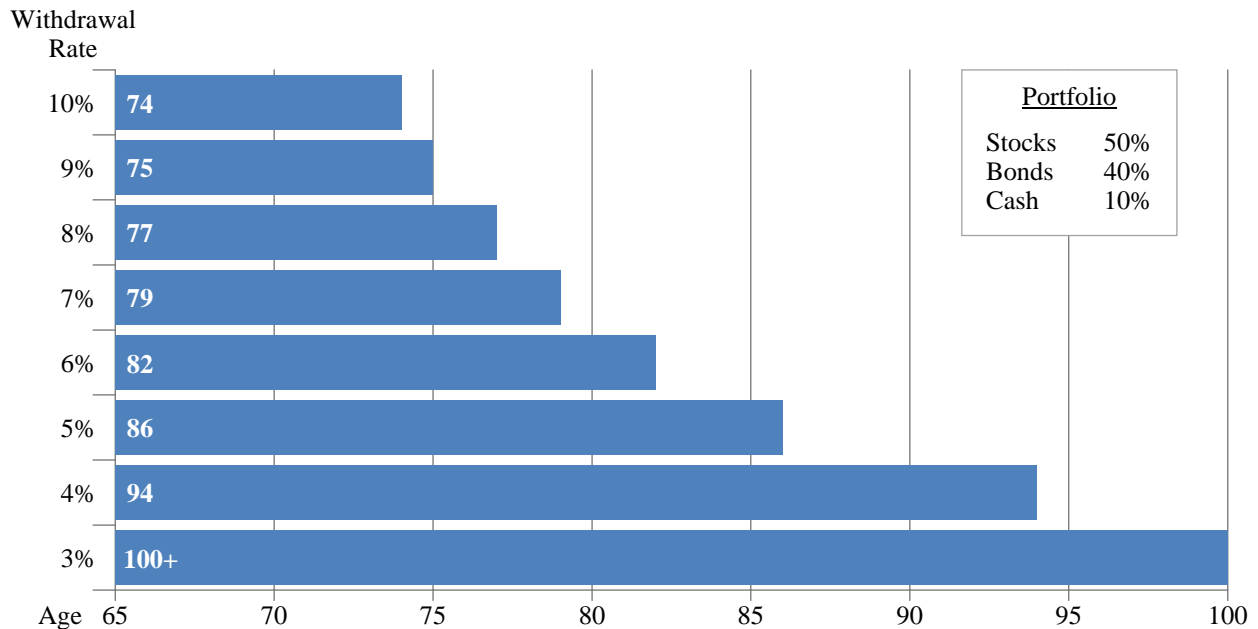
Income Replacement at Retirement in the year 2041	70%
Inflation	3.00%
Rate of Return for Assets during Retirement	7.00%
Mortality assumed for Peter and Susan	90 / 90

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	\$38,914	\$193,256	\$93,222	\$1,429,813	
65	65	228,384	88,594	12,300	95,303	1,397,625	
66	66	235,236	90,808	12,608	92,887	1,358,693	
67	67	242,293	93,079	12,923	89,994	1,312,396	
68	68	249,561	95,406	13,246	86,580	1,258,065	
69	69	257,048	97,791	13,577	82,598	1,194,983	
70	70	264,760	100,235	13,916	77,997	1,122,372	
71	71	272,703	102,741	14,264	72,724	1,039,398	
72	72	280,884	105,310	14,621	66,718	945,164	
73	73	289,310	107,943	14,986	59,918	838,701	
74	74	297,989	110,641	15,361	52,255	718,969	
75	75	306,929	113,407	15,745	43,657	584,849	
76	76	316,137	116,242	16,139	34,044	435,137	
77	77	325,621	119,148	16,542	23,332	268,539	
78	78	335,390	122,127	16,956	11,431	83,663	
79	79	345,451	125,180	17,380	(1,757)	(120,985)	
80	80	355,815	128,310	17,814	(16,338)	(347,014)	
81	81	366,489	131,518	18,259	(32,423)	(596,150)	
82	82	377,484	134,806	18,716	(50,135)	(870,247)	
83	83	388,809	138,176	19,184	(69,602)	(1,171,298)	
84	84	400,473	141,630	19,663	(90,966)	(1,501,444)	
85	85	412,487	145,171	20,155	(114,376)	(1,862,981)	
86	86	424,862	148,800	20,659	(139,993)	(2,258,376)	
87	87	437,608	152,520	21,175	(167,990)	(2,690,278)	
88	88	450,736	156,333	21,705	(198,552)	(3,161,528)	
89	89	464,258	160,241	22,247	(231,880)	(3,675,177)	

High Withdrawal Rates Will Quickly Deplete Your Assets

Age to which a portfolio may last based on withdrawal rate (90% confidence level)



Important: Projections generated by Morningstar regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Results may vary over time and with each simulation. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. © 2010 Ibbotson Associates, Inc., a wholly owned subsidiary of Morningstar, Inc. All rights reserved. EISI has engaged Ibbotson to develop proprietary asset allocation tools for educational purposes. Ibbotson has granted to EISI a license for use thereof.

High Withdrawal Rates Will Quickly Deplete Your Assets

Withdrawal rates have a dramatic impact on determining how long a portfolio can last in retirement. How much can a retiree safely withdraw each year from his or her portfolio? Finding the answer is like hitting a moving target--the optimal withdrawal rate is dependent upon investment performance and the impact of inflation.

Several issues should be examined when determining an investor's withdrawal rate. Asset allocation, time horizon, and consumption patterns are all important factors in shaping how long portfolio wealth will last. The image shows how a portfolio of 50% stocks, 40% bonds, and 10% cash investments might have lasted given inflation-adjusted withdrawal rates between 3% and 10%. As illustrated, the higher the withdrawal rate, the faster an investor will run out of money. The lower the rate, the less likely a retiree will outlive his or her portfolio. Therefore, retirees who anticipate long payout periods may want to consider assuming lower withdrawal rates.

Continued...

It is assumed that a person retires at age 65 and withdraws an inflation-adjusted percentage of the initial portfolio wealth (assumed \$1 million) each year beginning at age 66. The image was created using Monte Carlo parametric simulation that estimates the range of possible outcomes based on a set of assumptions including arithmetic mean (return), standard deviation (risk), and correlation for a set of asset classes. The inputs used are historical 1926-2009 figures. The risk and return of each asset class, crosscorrelation, and annual average inflation over this time period follow. Stocks: risk 20.5%, return 11.8%; Bonds: risk 5.7%, return 5.5%; Cash: risk 3.1%, return 3.7%; Correlations: -0.01 (stocks and bonds), -0.01 (stocks and cash), 0.47 (bonds and cash); Inflation: return 3.1%. Annual investment expenses were assumed to be 0.88% for stock mutual funds and 0.74% for bond mutual funds and cash. Other investments not considered may have characteristics similar or superior to those being analyzed.

The simulation is run 5,000 times, to give 5,000 possible 35-year scenarios. While simulation can produce results that show probabilities of an outcome, the analysis included herein is presented as the 90% confidence level. A 90% confidence level indicates that there is a 90% chance of the outcome being as shown or better. Higher confidence levels are chosen in order to view tougher market conditions. A limitation of the simulation model is that it assumes a constant inflation-adjusted rate of withdrawal, which may not be representative of actual retirement income needs. This type of simulation also assumes that the distribution of returns is normal. Should actual returns not follow this pattern, results may vary.

Government bonds and Treasury bills are guaranteed by the full faith and credit of the U.S. government as to the timely payment of principal and interest, while returns and principal invested in stocks are not guaranteed.

About the data

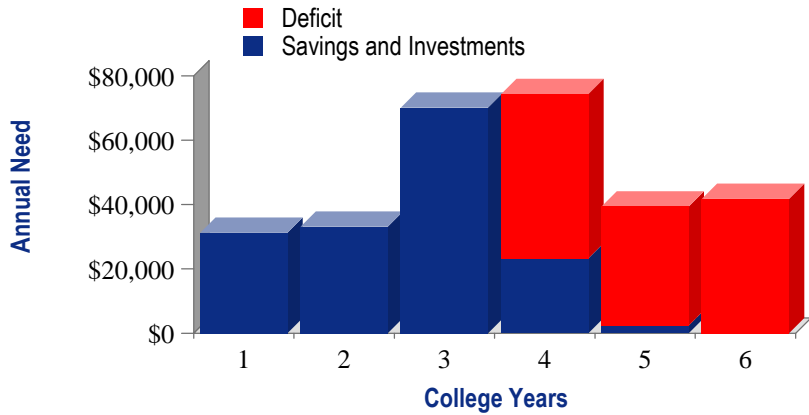
Stocks are represented by the Standard & Poor's 500®, which is an unmanaged group of securities and considered to be representative of the stock market in general. Bonds are represented by the five-year U.S. government bond, Treasury bills by the 30-day U.S. Treasury bill, inflation by the Consumer Price Index, and mutual fund expenses from Morningstar. The data assumes reinvestment of income and does not account for taxes or transaction costs.

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 \$15,300 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 \$224 a month.



Projected College Costs

Jennifer	\$153,279
Daniel	136,418
Total	\$289,697

Total College Cost in Today's Dollars



Monthly savings alternative

Begin saving an additional \$224 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	\$13,012	17	4	\$31,073	100%	\$31,073
Daniel Missouri State University	3	13,012	15	4	32,857	100%	32,857
Present Value of Total Need							\$63,930

Savings Summary	
Current Savings	\$15,300
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	\$38,262

Single Sum Needed Today to Fund Shortage	\$25,667
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Additional Monthly Savings Required	
Starting Age	Amount Needed
Peter's age 33 for 20 years	\$224

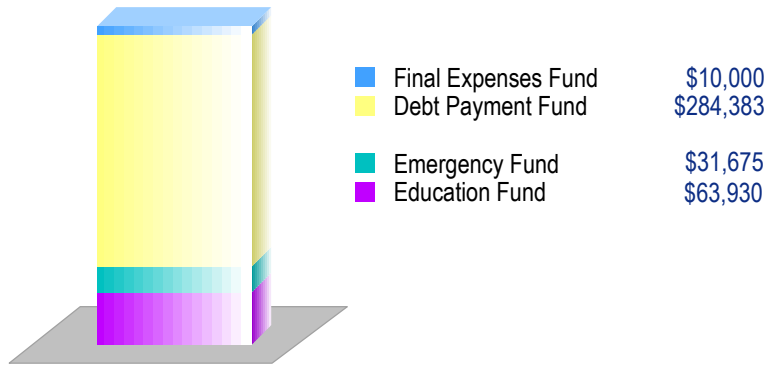
Assumptions	
College Cost Inflation Rate	6.00%
Average Rate of Return	9.00%
This analysis assumes that savings will continue until the start of the last year of college.	

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 \$389,988 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: \$389,988



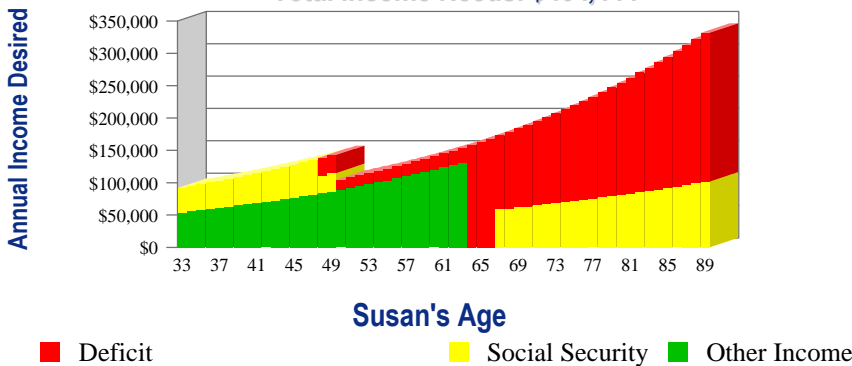
After a death, income generally comes from four different sources:

- 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 81% satisfied. To provide for your family's needs in the event of death you will need approximately \$521,949 of additional capital.

Total Income Needs: \$404,111



<i>Summary</i>	
Cash Needs:	\$389,988
Income Needs:	404,111
<i>Less Present Funds</i>	<i>272,150</i>
Additional Capital Needs	\$521,949

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 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

Susan's Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value
Employment	\$54,200	33	64	3.00%	\$54,200	\$1,099,055
Social Security	37,534	33	90	2.50%	37,534	588,921

Total Income Sources **\$1,687,976**

Capital Needed to Meet Income Goals

\$404,111

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>	\$63,930
Jennifer: Lump Sum needed today	\$31,073
\$13,012 needed for 4 years starting in 17 years.	
Daniel: Lump Sum needed today	\$32,857
\$13,012 needed for 4 years starting in 15 years.	

Total Immediate Cash Needs **\$389,988**

Continued...

Total Capital Needed to Meet Objectives**\$794,099****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

15,300

Life Insurance

215,000

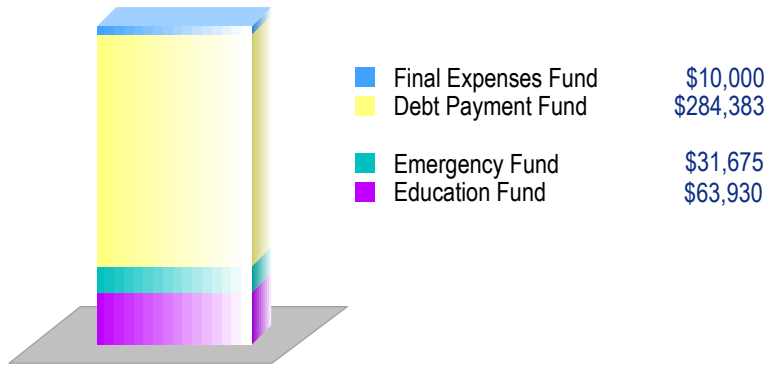
Total Capital Available**\$272,150****Additional Capital Needed to Meet Objectives****\$521,949**

Financial Needs in the Event of Susan's Death

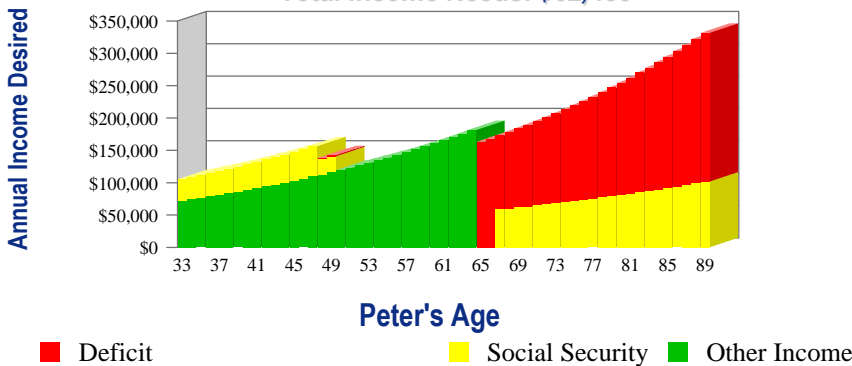
This survivor needs analysis shows the impact Susan's death can have on your family. Funds need to be available for both Cash Needs and a family's continuing Income Needs. Peter and Susan, you need \$389,988 for your immediate cash needs. Cash Needs include:

- 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: \$389,988



Total Income Needs: \$62,455



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 97% satisfied. To provide for your family's needs in the event of death you will need approximately \$335,292 of additional capital.

<i>Summary</i>	
Cash Needs:	\$389,988
Income Needs:	62,455
<i>Less Present Funds</i>	<i>117,150</i>
Additional Capital Needs	\$335,292

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	32,764	33	90	2.50%	32,764	530,502

Total Income Sources **\$2,029,632**

Capital Needed to Meet Income Goals

\$62,455

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>	\$63,930
Jennifer: Lump Sum needed today	\$31,073
\$13,012 needed for 4 years starting in 17 years.	
Daniel: Lump Sum needed today	\$32,857
\$13,012 needed for 4 years starting in 15 years.	

Total Immediate Cash Needs **\$389,988**

Continued...

Total Capital Needed to Meet Objectives**\$452,442****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

15,300

Life Insurance

60,000

Total Capital Available**\$117,150****Additional Capital Needed to Meet Objectives****\$335,292**

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.

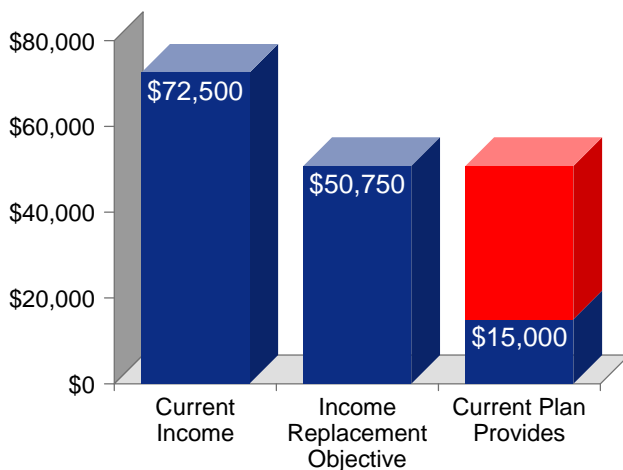
About Disability Income Insurance...



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, August 2009.

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

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.

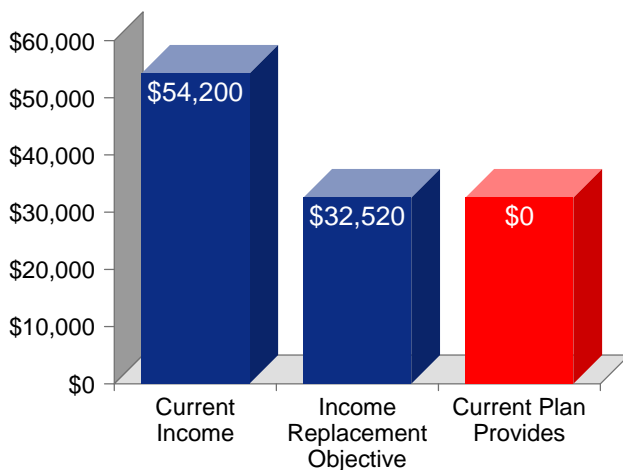
About Disability Income Insurance...



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, August 2009.

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

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	04/22/1976	Yes	\$72,500
Susan L. Franklin	03/01/1977	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	07/29/2008
Daniel	12/12/2006

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	64	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	\$13,012	4	100%
Daniel	Missouri State University	\$13,012	4	100%

Total Funds	Monthly	Rate of
Presently Available	Savings	Return
\$15,300	\$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