



Retirement Distribution Summary

Frank and Kathy Demo Client

Ridgefield, Connecticut

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Disclaimer

This financial plan is hypothetical in nature and is intended to help you in making decisions on your financial future based on information that you have provided and reviewed.

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

Criteria, Assumptions, Methodology, and Limitations of Plan

The assumptions used in this financial plan are based on information provided and reviewed by you. Those assumptions must be reconsidered on a frequent basis to ensure the results are adjusted accordingly. The smallest of changes in assumptions can have a dramatic impact on the outcome of this financial plan. Any inaccurate representation by you of any facts or assumptions used in this financial plan invalidates the results.

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

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

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

Results May Vary With Each Use and Over Time

The results presented in this financial plan are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond the scope and control of this financial plan. Historical data is used to produce future assumptions used in the financial plan, such as rates of return. Past performance is not a guarantee or predictor of future performance.

The results are based on your representation of risk and include information current as of April 15, 2006. You are responsible for confirming that the answers you provided to determine your individual risk tolerance used in this financial plan are accurately represented. The proposed asset allocation presented in this plan is based on your answers to a risk tolerance questionnaire and may represent a more aggressive and therefore more risky investment strategy than your current allocation mix. Actual return rates and performance may vary to a significant degree from that represented in this plan.

Investments Considered

This plan does not consider the selection of individual securities; the plan provides model portfolios. The results contained herein do not constitute an actual offer to buy, sell or recommend a particular investment or product. All investments are inherently risky. The asset classes and return rates used in the plan are broad in nature. The illustrations are not indicative of the future performance of actual investments, which will fluctuate over time and may lose value. Refer to the Asset Allocation section of this report for details on return rate assumptions used throughout this plan.

There are risks associated with investing, including the risk of losing a portion or all of your initial investment.

Fees and charges were not taken into account and will impact results.

Important Terminology

Current Plan

The Current Plan represents the assumptions used in the financial plan based on information provided and reviewed by you.

Proposed Plan or Recommended Plan

The Proposed Plan or Recommended Plan is a system-generated plan that achieves goal coverage by applying the additional assumptions contained within the recommended scenarios.

Assumed rate of return (current)

The dollar-weighted average rate of return of the assets in the Current Plan. A goal-based assumed rate of return (current) represents the dollar-weighted average rate of return of the assets linked to that particular goal.

Assumed rate of return (proposed)

The dollar-weighted average rate of return of the assets in the Proposed Plan based on the assumptions defined in the proposed/recommended scenarios. Based on the assumptions, the rate of return may or may not equal the proposed rate of return. A goal-based assumed rate of return (proposed) represents the dollar-weighted average rate of return of the assets linked to that particular goal based on the assumptions defined in the proposed/recommended scenario.

Proposed rate of return

The rate of return calculated based on your risk profile as determined by your answers to a risk tolerance questionnaire. Based on the assumptions defined in the proposed/recommended scenarios, this return may or may not equal the assumed rate of return (proposed).

Standard deviation

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

Asset Class

A category of investments grouped according to their relative liquidity, income characteristics, tax status, growth characteristics, etc.

Asset Mix

A set of assets defined within an investment portfolio such as stocks, bonds, equity, cash, etc. It is also a division within a class of assets such as a mix of small, medium, and large company stock.

Suggested asset mix

The asset mix that is derived from answering the investment profile questionnaire.

Assumed asset mix

The asset mix that results when the suggested asset mix has been overridden.

Average Tax Rate

The average tax rate is applied against salary, self-employed, Social Security, defined benefit, pension

and other taxable income. The average tax rate is typically less than the marginal tax rate based on the assumption that regular incomes are spread over multiple brackets.

Community Property

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

Inflation Rate

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

Marginal Tax Rate

The marginal tax rate is derived from the federal income tax brackets. It is the amount of tax that would be paid on any additional dollars of income. It is applied against interest, dividend (after 2009), royalty, alimony and short-term capital gains income.

Portfolio

The combination of assets a client owns and that are designated to fund the client's goal.

Required minimum distribution (RMD)

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

Time Horizon

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

Fixed needs (fixed expenses)

In NaviPlan, the definition of fixed needs includes all expenses that have been entered and for which the *Fixed Expense* check box has been selected as well as liability payments and insurance premiums.

Total needs

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

Fixed incomes

In NaviPlan, the definition of fixed incomes includes the pre-tax income from the following income sources Benefit Formula and Estimate Benefit pensions, income entered with the type *Pension*, Social Security income of the family head(s) (retirement, survivor and disability benefits), income entered with the type *Salary*, and annuity income (excluding income from annuities with the annuitization type of *Withdrawals As Needed*).

Important acronyms

SOY - Start of year
EOY - End of year
RMD - Required minimum distribution

Scenario Probability Assumptions

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

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

Assumptions

The following information lists the assumptions used during the generation of the Scenario Probability results located on the Scenarios pages and in the Variability section. Note: the following key assumptions may differ from the Monte Carlo assumptions found in the section titled, Monte Carlo Analysis.

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

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

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

Rate of Return Randomization

A random number was generated to determine a rate of return based on the standard deviation* shared by all of your accounts. This calculation is repeated for every account in the plan.

This process is repeated with a different random number for every projection.

*The assumption is that all returns are normally distributed. This means that approximately 67% of the results are within one standard deviation above or below the *Rate of Return* and approximately 95% of the results are within two standard deviations.

Please Note...

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

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

Introduction

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

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

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

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

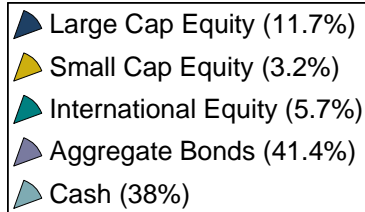
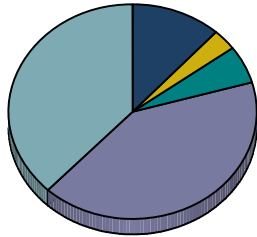
The following analysis is designed to help you answer each of the key questions regarding your retirement plan as well as how you can manage each of these risks. This plan can become the core foundation for your overall income planning and can guide you as you enjoy your retirement.

Assumptions - Current Plan

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

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

Current Asset Mix



- Inflation Rate - 3.00%
- Frank's Retirement - 2018 / 62
- Kathy's Retirement - 2018 / 60
- Frank's Life Expectancy - 2046 / 90
- Kathy's Life Expectancy - 2048 / 90
- Current Asset Mix ROR - 5.80%
- Current Asset Mix Standard Deviation - 5.59%

Planned Retirement Spending

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

Expense	Member	Start Date	End Date	Annual Amount	Index Rate	Fixed
Retirement goal expense	Joint	Jan 1 2018	Dec 31 2048	\$128,318.48	3.00%	Y
Travel	Joint	Jan 1 2018	Dec 31 2023	\$14,257.61	3.00%	N
Discretionay	Joint	Jan 1 2018	Dec 31 2048	\$85,545.65	3.00%	N
Burial Expense ¹	Frank	Dec 31 2046	Dec 31 2046	\$14,257.61	3.00%	N
Burial Expense ¹	Kathy	Dec 31 2048	Dec 31 2048	\$14,257.61	3.00%	N

¹ Expense is transferred to survivor upon member's death

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

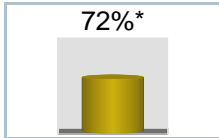
Fixed Needs in First Retirement Year (yr)	Lowest Fixed Needs in Retirement (yr)	Average Fixed Needs Through Retirement	Highest Fixed Needs in Retirement (yr)
\$167,685 (2018)	\$167,685 (2018)	\$259,070	\$320,390 (2046)

Current Plan

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

Retirement Goal Progress

The assessment of your Current Plan results in **72%*** coverage of your retirement needs.



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

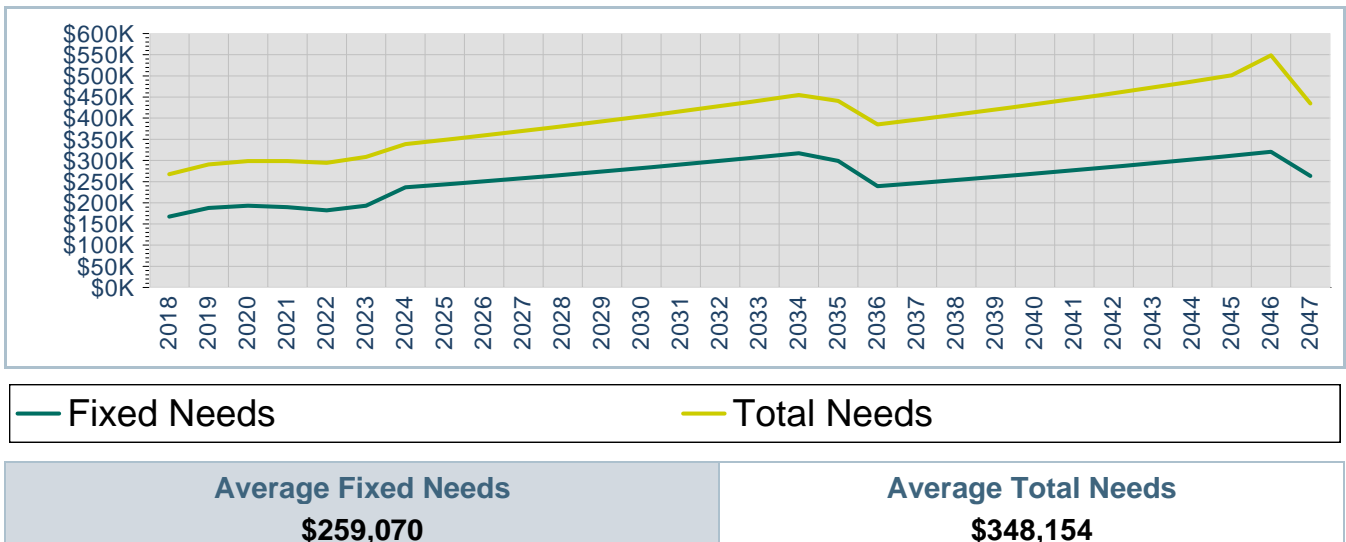
- Saving and additional \$5,938 /month in non-qualified investments.
- Investing a lump sum amount of \$669,044 in non-qualified investments for your retirement goal.
- Delay retirement until Frank is 67, in the year 2023 and Kathy is 65, in the year 2023.

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

Fixed vs. Total Retirement Needs

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

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

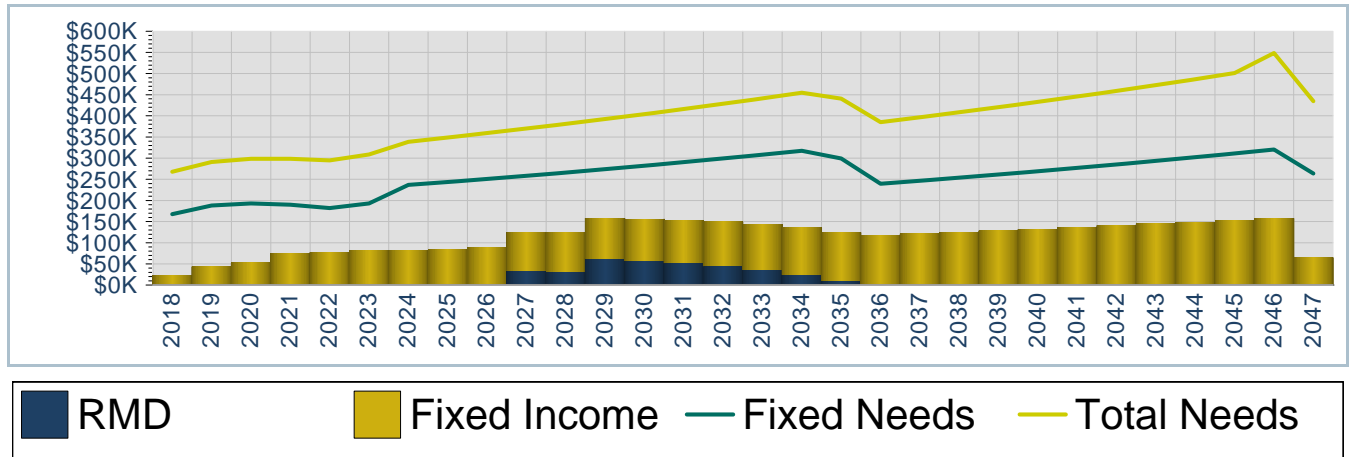


Fixed Income vs. Retirement Needs

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

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

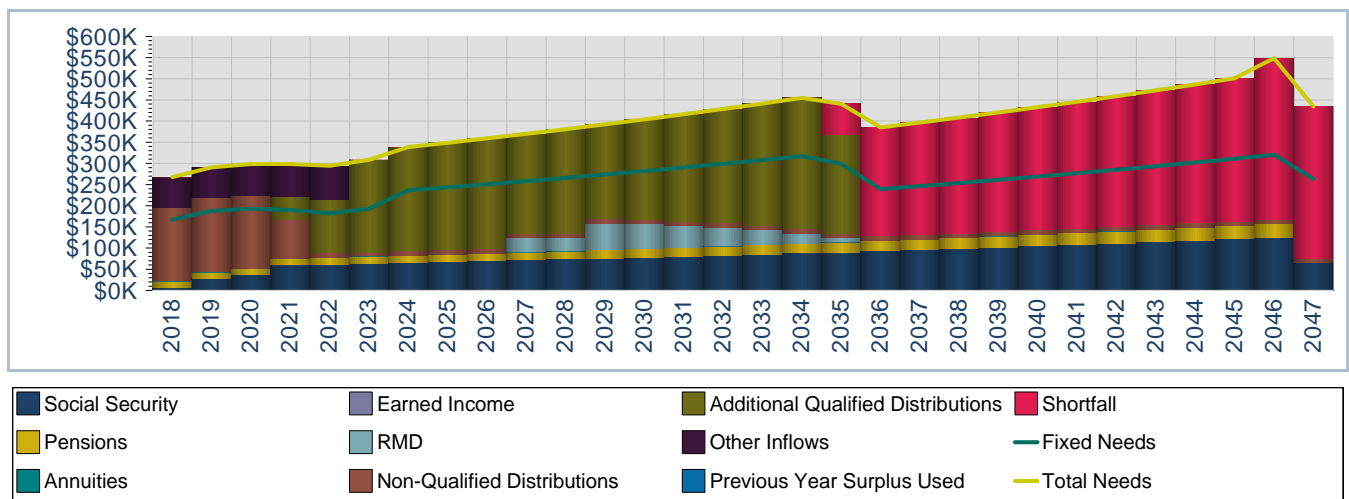
Review the *Total Income vs. Retirement Needs* graph to assess what income sources are available to implement one of these strategies.



Net worth at retirement \$3,702,644	Net worth at death \$421,727	Year capital exhausted Never
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Total Income vs. Retirement Needs

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



Percentage of your fixed needs that can be covered by all available resources 100%	Percentage of your total needs that can be covered by all available resources 69%
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Addressing Retirement Risks

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

- Addressing the risk of outliving your incomes and assets requires planning for a realistic retirement duration based on your personal life expectancy. Average life expectancies are best derived from general population statistics as well as your family history. The life expectancy assumed in your current retirement plan is 90 for Frank and 90 for Kathy.
- The inflation rate that you assume in your retirement plan should be reasonable, as this value may affect the amount of assets and income required to fully fund your retirement needs. If inflation is overstated or understated, it can drastically affect the planning that you've undertaken in your retirement plan. The inflation rate assumed in your current retirement plan is 3.00%.
- Have you considered the amount of risk and variability you can tolerate in your retirement portfolio? Does the inherent investment of your retirement assets suit the needs you have not only leading up to retirement but also when you require income from those assets during retirement? Your current retirement plan assumes a rate of return on your asset mix for retirement of 5.80%.
- Consider that retirement goals are different for you than for your neighbor. It is important to ensure that your retirement incomes are going to sustain the amount of fixed and discretionary spending that you have accounted for in your retirement plan. If shortfalls between the available income and the needs you have defined exist, it is important to revisit first the discretionary and then the fixed expenses in your retirement plan.
- Have you adequately accounted for rising healthcare costs throughout your retirement plan?

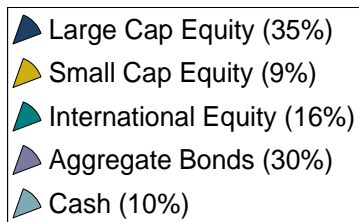
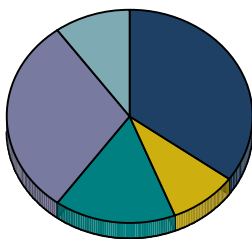
Proposed Plan

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

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

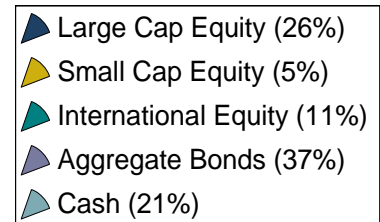
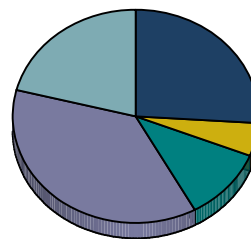
- Your retirement age has been changed to age 64 for Frank and to age 62 for Kathy.
- Additional monthly savings of \$700 indexed at 0.00% have been added to your proposed retirement plan.
- An annuitize-to-need strategy has been added to your proposed retirement plan. This strategy is intended to secure annuity income to cover some expenses.

**Suggested Asset Mix
Pre-retirement**



- Suggested Asset Mix ROR - 8.56%
- Standard Deviation - 12.32%

**Suggested Asset Mix
Retirement**



- Suggested Asset Mix ROR - 7.26%
- Standard Deviation - 9.02%

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

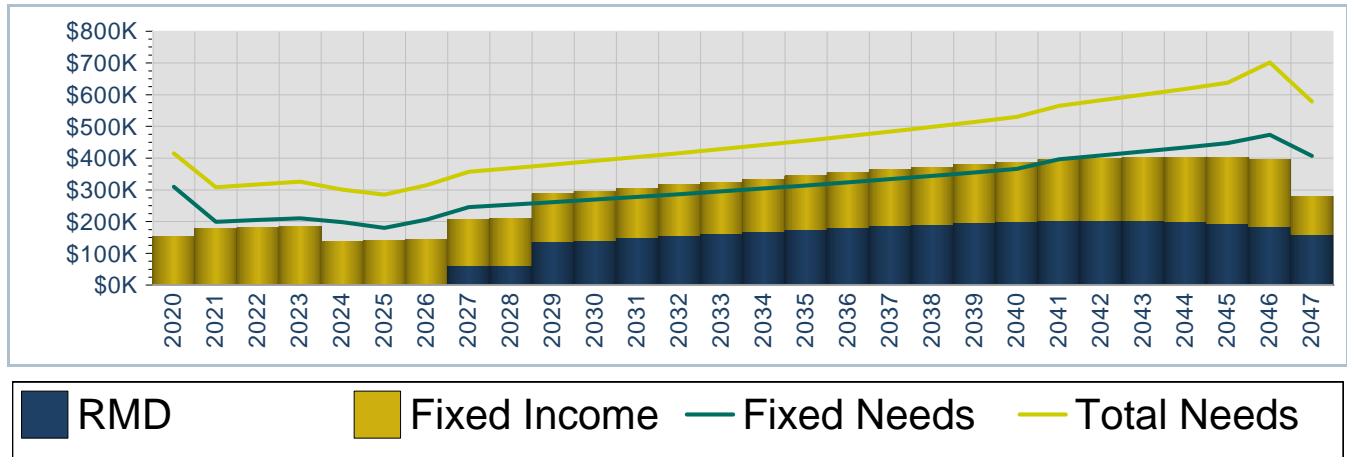
Start analyzing the effects of these strategies on your proposed retirement plan by analyzing the changes to your retirement incomes that are available to fund your retirement needs.

Fixed Income vs. Retirement Needs

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

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

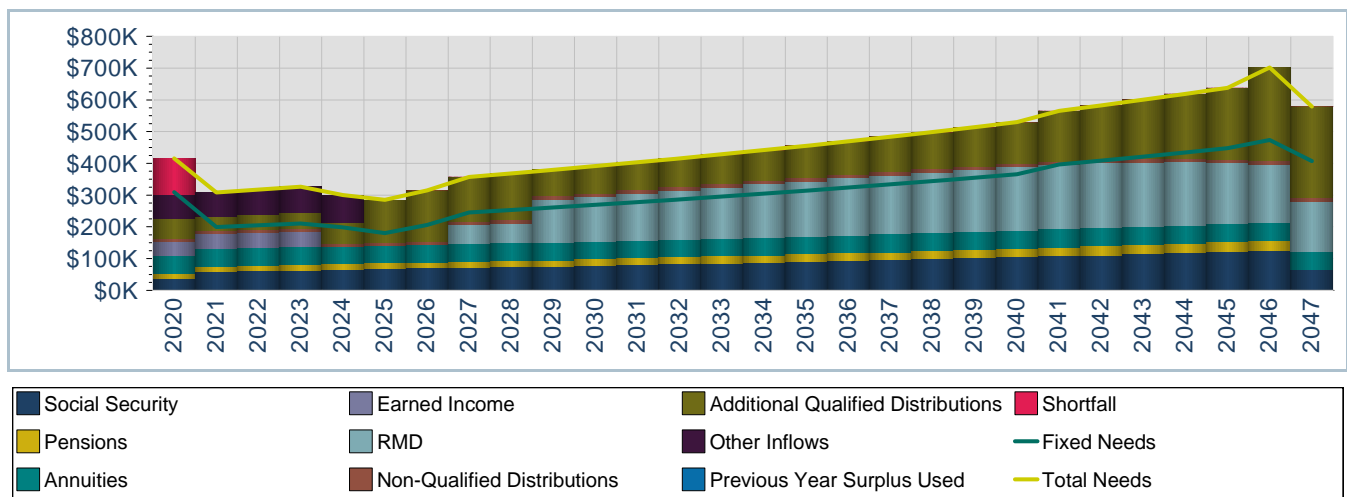
Review the *Total Income vs. Retirement Needs* graph to assess what income sources are available to implement one of these strategies.



Net worth at retirement \$4,082,339	Net worth at death \$4,169,978	Year capital exhausted Never
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Total Income vs. Retirement Needs

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

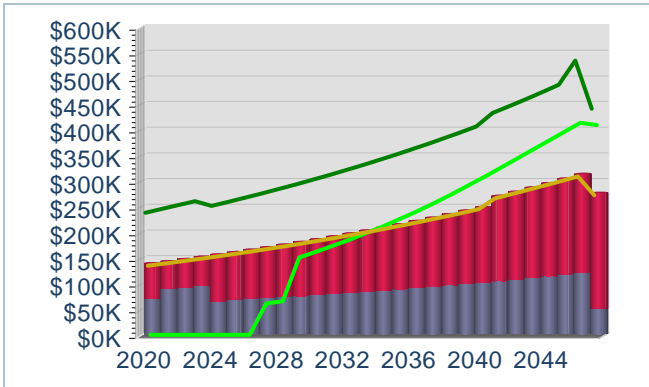


Percentage of your fixed needs that can be covered by all available resources 100%	Percentage of your total needs that can be covered by all available resources 100%
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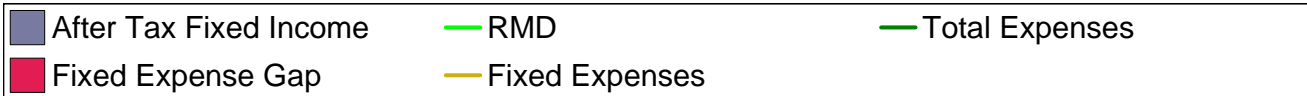
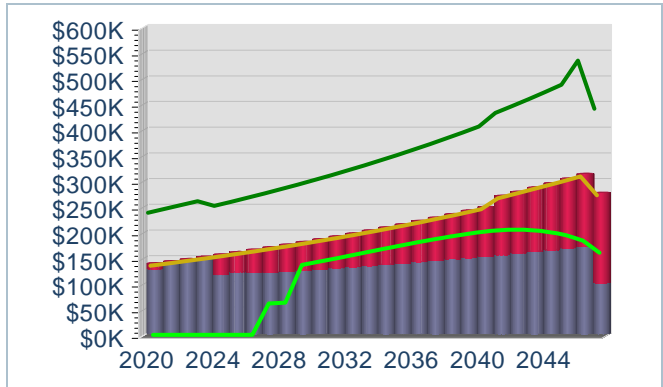
In retirement, one strategy that is used to secure the appropriate level of income to cover a specified level of needs is called an annuitize-to-need strategy. An annuitize-to-need strategy has been added to your proposed retirement plan in order to secure an additional income of \$50,000 after tax.

The following graphs provide a comparison of the before and after results once the annuitization strategy was applied to your proposed retirement plan.

Prior to annuitize-to-need strategy



After annuitize-to-need strategy



Addressing Retirement Risks

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

- Life expectancy assumptions can affect the risk of longevity. It is important to ensure your retirement nest egg is built to limit the chance of you outliving your assets. The life expectancy assumed in your proposed retirement plan is 90 for Frank and 90 for Kathy.
- The inflation rate you assume on the cost of goods and services can be a risk throughout your life. You must plan prudently for this in retirement because your sources of earning may be less flexible and you must be prepared to increase the amount you spend annually just to maintain your lifestyle. The inflation rate assumed in your proposed retirement plan is 3.00%.
- Establishing a budget for the amount you have available to spend each year, and reviewing that budget annually will help you minimize the risk of overspending and running out of money in retirement.
- You have assessed the amount of risk and variability that is appropriate for your retirement portfolio, which is the first step in addressing market risk during retirement. Another important step in planning an investment strategy that works with your distribution planning is to revisit your asset growth and the types of investments you are using as you move through retirement is also an important step to planning an investment strategy that works with your distribution planning. Your proposed retirement plan assumes a rate of return on your asset mix for retirement of 7.26%.
- Identifying how you will fund health care related expenses that you may incur during retirement should be a careful consideration when planning for your retirement spending.

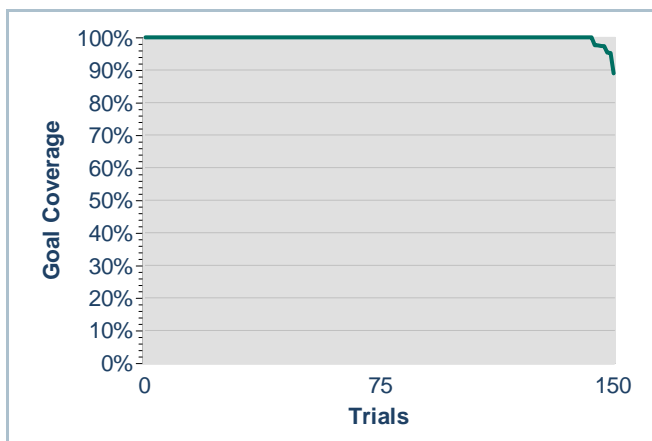
Probability Analysis

Based on the assumptions that have been made to determine your retirement plan it is important to consider the probability of achieving the planned distributions if, due to the variability in the market, the assumptions for market growth on your retirement assets varies over the course of your retirement years.

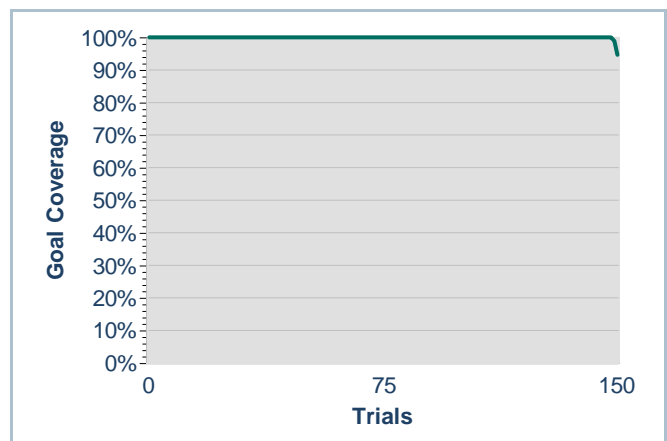
The following graphs illustrate the goal coverage percentage for each probability trial that was generated for the current and proposed retirement plans. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the needs (either fixed needs or total needs).

Fixed needs covered by total resources

Current Plan



Proposed Plan



— 90% or more of the goal was achieved — 65% or more of the goal was achieved — 64% or less of the goal was achieved

For the probability analysis, 150 trials were run. The results are as follows:

Current Plan

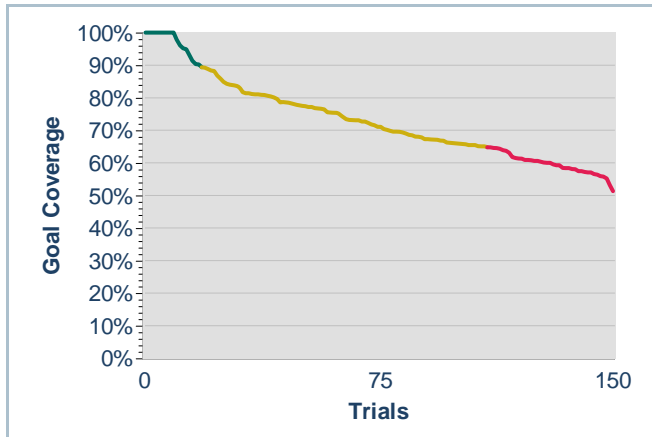
- In 149 trials, 90% or more of the goal was covered
- In 1 trials, 65% or more of the goal was covered
- In 0 trials, less than 65% of the goal was covered
- The earliest age (year) at which you could not cover your fixed needs is 85 / 83 (2041)

Proposed Plan

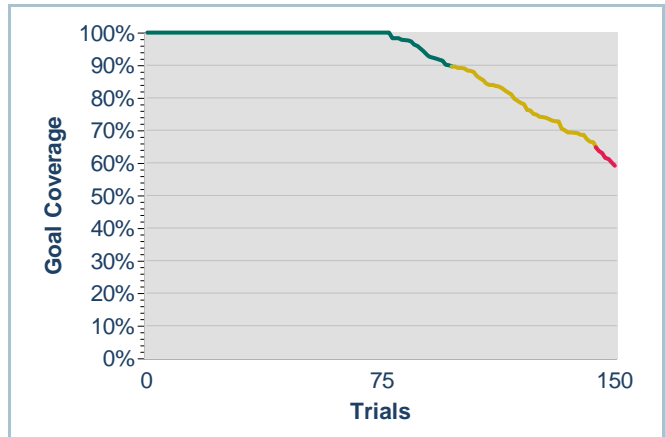
- In 150 trials, 90% or more of the goal was covered
- In 0 trials, 65% or more of the goal was covered
- In 0 trials, less than 65% of the goal was covered
- The earliest age (year) at which you could not cover your fixed needs is 88 / 86 (2044)

Total needs covered by total resources

Current Plan



Proposed Plan



— 90% or more of the goal was achieved — 65% or more of the goal was achieved — 64% or less of the goal was achieved

For the probability analysis, 150 trials were run. The results are as follows:

Current Plan

- In 18 trials, 90% or more of the goal was covered
- In 91 trials, 65% or more of the goal was covered
- In 41 trials, less than 65% of the goal was covered
- The earliest age (year) at which you could not cover your total needs is 70 / 68 (2026)

Proposed Plan

- In 97 trials, 90% or more of the goal was covered
- In 46 trials, 65% or more of the goal was covered
- In 7 trials, less than 65% of the goal was covered
- The earliest age (year) at which you could not cover your total needs is 70 / 68 (2026)

For details on the *Plan Probability* graph assumptions, refer to the Probability Assumptions section at the beginning of this document.

Conclusion

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

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

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

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

Delivery Acknowledgement

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

Frank Demo Client

Kathy Demo Client

Date:

Please Note...

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



Appendix A - Distribution Schedules - Current Plan

Retirement Income and Expenses

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

Year	Age	Social Security	Pensions	Annuities	Earned Income	RMD	Non-Qualified Distributions	Additional Qualified Distributions	Other Inflows	Previous Year Surplus Used	Fixed Needs	Total Needs	Total Taxes	Current Surplus/(Deficit)
2018	*62/60*	6,900	14,258	550	0	0	174,489	0	71,288	0	167,685	232,307	35,181	(3)
2019	63/61	28,428	14,685	550	0	0	173,799	0	73,427	0	188,089	236,225	54,661	3
2020	64/62	36,431	15,126	550	0	0	171,123	0	75,629	0	192,978	243,274	55,585	0
2021	65/63	59,619	15,580	550	0	0	92,342	52,842	77,898	0	189,773	250,535	48,296	0
2022	66/64	61,408	16,047	550	0	0	10,000	126,231	80,235	0	182,142	258,013	36,458	0
2023	67/65	63,250	16,528	550	0	0	10,000	218,462	0	0	193,091	265,716	43,075	0
2024	68/66	65,148	17,024	550	0	0	10,000	245,980	0	0	236,557	256,625	82,078	0
2025	69/67	67,102	17,535	550	0	0	10,000	253,623	0	0	243,600	264,286	84,525	0
2026	70/68	69,115	18,061	550	0	0	10,000	261,495	0	0	250,855	272,177	87,045	0
2027	71/69	71,189	18,603	550	0	34,539	10,000	235,064	0	0	258,327	280,304	89,641	0
2028	72/70	73,324	19,161	550	0	32,308	10,000	245,646	0	0	266,024	288,676	92,314	0
2029	73/71	75,524	19,736	550	0	62,625	10,000	223,932	0	0	273,951	297,298	95,068	0
2030	74/72	77,790	20,328	550	0	57,882	10,000	237,534	0	0	282,116	306,179	97,905	0
2031	75/73	80,123	20,938	550	0	51,909	10,000	252,633	0	0	290,526	315,327	100,826	0
2032	76/74	82,527	21,566	550	0	44,485	10,000	269,456	0	0	299,189	324,749	103,836	0
2033	77/75	85,003	22,213	550	0	35,285	10,000	288,338	0	0	308,111	334,453	106,935	0
2034	78/76	87,553	22,879	550	0	24,159	10,000	309,436	0	0	317,301	344,449	110,128	0
2035	79/77	90,180	23,566	550	0	10,599	10,000	232,224	0	0	299,102	354,745	85,751	(73,377)
2036	80/78	92,885	24,273	550	0	0	10,000	0	0	0	239,470	365,349	19,756	(257,398)
2037	81/79	95,671	25,001	550	0	0	10,000	0	0	0	246,528	376,272	20,261	(265,311)
2038	82/80	98,542	25,751	550	0	0	10,000	0	0	0	253,799	387,522	20,781	(273,461)
2039	83/81	101,498	26,523	550	0	0	10,000	0	0	0	261,287	399,110	21,317	(281,856)
2040	84/82	104,543	27,319	550	0	0	10,000	0	0	0	269,001	411,046	21,869	(290,503)
2041	85/83	107,679	28,139	550	0	0	10,000	0	0	0	276,945	423,339	22,438	(299,409)
2042	86/84	110,909	28,983	550	0	0	10,000	0	0	0	285,128	436,002	23,023	(308,583)
2043	87/85	114,237	29,852	550	0	0	10,000	0	0	0	293,557	449,044	23,626	(318,031)
2044	88/86	117,664	30,748	550	0	0	10,000	0	0	0	302,238	462,478	24,248	(327,763)
2045	89/87	121,194	31,670	550	0	0	10,000	0	0	0	311,180	476,314	24,887	(337,787)
2046	90/88	124,830	32,620	550	0	0	10,000	0	0	0	320,390	523,186	25,546	(380,733)
2047	--/89	65,041	0	0	0	0	10,000	0	0	0	263,586	428,927	6,014	(359,900)
2048	--/90	66,992	0	0	0	0	2,623,166	0	0	0	268,657	528,849	748,652	1,412,657

* = Year of retirement

Required Minimum Distributions

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

Year	Ages	Qualified Distributions				Contributions for Qualified Assets	Reinvested Income for Qualified Assets	Qualified Growth	EOY Qualified Market Value
		SOY Qualified Market Value	Client's Minimum Distributions	Co-Client's Minimum Distributions	Additional Qualified Distributions				
2018	*62/60*	1,754,727	0	0	0	0	87,054	33,154	1,874,936
2019	63/61	1,874,936	0	0	0	0	93,028	35,515	2,003,478
2020	64/62	2,003,478	0	0	0	0	99,416	38,045	2,140,939
2021	65/63	2,140,939	0	0	52,842	0	106,248	40,756	2,235,101
2022	66/64	2,235,101	0	0	126,231	0	111,050	43,446	2,263,366
2023	67/65	2,263,366	0	0	218,462	0	112,752	46,035	2,203,691
2024	68/66	2,203,691	0	0	245,980	0	109,867	47,031	2,114,609
2025	69/67	2,114,609	0	0	253,623	0	105,444	45,394	2,011,824
2026	70/68	2,011,824	0	0	261,495	0	100,341	43,493	1,894,163
2027	71/69	1,894,163	34,539	0	235,064	0	92,885	40,878	1,759,046
2028	72/70	1,759,046	32,308	0	245,646	0	86,347	38,276	1,606,391
2029	73/71	1,606,391	29,540	33,085	223,932	0	77,295	34,968	1,433,463
2030	74/72	1,433,463	26,848	31,034	237,534	0	68,935	31,623	1,239,867
2031	75/73	1,239,867	23,487	28,422	252,633	0	59,607	27,871	1,023,936
2032	76/74	1,023,936	19,339	25,146	269,456	0	49,237	23,680	783,885
2033	77/75	783,885	14,196	21,088	288,338	0	37,752	19,017	517,805
2034	78/76	517,805	8,054	16,105	309,436	0	25,064	13,845	223,653
2035	79/77	223,653	619	9,981	232,224	0	11,089	7,842	0
2036	80/78	0	0	0	0	0	0	0	0
2037	81/79	0	0	0	0	0	0	0	0
2038	82/80	0	0	0	0	0	0	0	0
2039	83/81	0	0	0	0	0	0	0	0
2040	84/82	0	0	0	0	0	0	0	0
2041	85/83	0	0	0	0	0	0	0	0
2042	86/84	0	0	0	0	0	0	0	0
2043	87/85	0	0	0	0	0	0	0	0
2044	88/86	0	0	0	0	0	0	0	0
2045	89/87	0	0	0	0	0	0	0	0
2046	90/88	0	0	0	0	0	0	0	0
2047	--/89	0	0	0	0	0	0	0	0

* = Year of retirement

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

Net Worth During Retirement

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

Year	Ages	Non-Qualified Assets	Qualified Assets	Total Lifestyle Assets	Total Liabilities	Accumulated Surplus/(Deficit)	Total Net Worth
2018	*62/60*	540,446	1,874,936	1,287,265	0	(3)	3,702,644
2019	63/61	395,122	2,003,478	1,313,011	0	0	3,711,611
2020	64/62	246,568	2,140,939	1,339,271	0	0	3,726,778
2021	65/63	170,757	2,235,101	1,366,056	0	0	3,771,915
2022	66/64	174,172	2,263,366	1,393,377	0	0	3,830,916
2023	67/65	177,656	2,203,691	1,421,245	0	0	3,802,592
2024	68/66	181,209	2,114,609	1,449,670	0	(1)	3,745,487
2025	69/67	184,833	2,011,824	1,478,663	0	(1)	3,675,319
2026	70/68	188,530	1,894,163	1,508,237	0	(1)	3,590,928
2027	71/69	192,300	1,759,046	1,538,401	0	(1)	3,489,747
2028	72/70	196,146	1,606,391	1,569,169	0	(1)	3,371,706
2029	73/71	200,069	1,433,463	1,600,553	0	(1)	3,234,084
2030	74/72	204,070	1,239,867	1,632,564	0	(1)	3,076,501
2031	75/73	208,152	1,023,936	1,665,215	0	(1)	2,897,303
2032	76/74	212,315	783,885	1,698,519	0	(1)	2,694,718
2033	77/75	216,561	517,805	1,732,490	0	(1)	2,466,856
2034	78/76	220,892	223,653	1,767,140	0	(1)	2,211,684
2035	79/77	225,310	0	1,802,482	0	(73,378)	1,954,415
2036	80/78	229,817	0	1,838,532	0	(330,776)	1,737,573
2037	81/79	234,413	0	1,875,303	0	(596,087)	1,513,629
2038	82/80	239,101	0	1,912,809	0	(869,548)	1,282,362
2039	83/81	243,883	0	1,951,065	0	(1,151,404)	1,043,544
2040	84/82	248,761	0	1,990,086	0	(1,441,908)	796,939
2041	85/83	253,736	0	2,029,888	0	(1,741,317)	542,307
2042	86/84	258,811	0	2,070,486	0	(2,049,900)	279,397
2043	87/85	263,987	0	2,111,895	0	(2,367,931)	7,951
2044	88/86	269,267	0	2,154,133	0	(2,695,694)	(272,294)
2045	89/87	274,652	0	2,197,216	0	(3,033,482)	(561,614)
2046	90/88	280,145	0	2,241,160	0	(3,414,214)	(892,909)
2047	--/89	285,748	0	2,285,983	0	(2,150,004)	421,727

* = Year of retirement



Appendix B - Distribution Schedules - Recommended Plan

Retirement Income and Expenses

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

Year	Age	Social Security			Earned Income	RMD	Non-Qualified Distributions	Additional Qualified Distributions	Other Inflows	Previous Year Surplus Used	Fixed Needs	Total Needs	Total Taxes	Current Surplus/(Deficit)
			Pensions	Annuities										
2020	*64/62*	36,444	15,126	56,312	45,378	0	10,000	62,038	75,629	0	309,593	243,274	172,200	0
2021	65/63	59,672	15,580	56,312	46,739	0	10,000	42,166	77,898	0	199,310	250,535	57,833	0
2022	66/64	61,462	16,047	56,312	48,141	0	10,000	45,116	80,235	0	204,985	258,013	59,301	0
2023	67/65	63,306	16,528	56,312	49,585	0	10,000	47,702	82,642	0	210,377	265,716	60,361	0
2024	68/66	65,206	17,024	56,312	0	0	10,000	66,976	85,122	0	198,494	256,625	44,015	0
2025	69/67	67,162	17,535	56,312	0	0	10,000	134,340	0	0	180,139	264,286	21,063	0
2026	70/68	69,177	18,061	56,312	0	0	10,000	161,212	0	0	206,395	272,177	42,585	0
2027	71/69	71,252	18,603	56,312	0	61,051	10,000	139,916	0	0	245,516	280,304	76,829	0
2028	72/70	73,389	19,161	56,312	0	62,578	10,000	146,738	0	0	253,212	288,676	79,503	0
2029	73/71	75,591	19,736	56,312	0	135,926	10,000	81,990	0	0	261,139	297,298	82,257	0
2030	74/72	77,859	20,328	56,312	0	142,073	10,000	84,701	0	0	269,305	306,179	85,093	0
2031	75/73	80,195	20,938	56,312	0	148,391	10,000	87,506	0	0	277,715	315,327	88,015	0
2032	76/74	82,600	21,566	56,312	0	154,869	10,000	90,426	0	0	286,377	324,749	91,024	0
2033	77/75	85,078	22,213	56,312	0	161,131	10,000	93,843	0	0	295,299	334,453	94,123	0
2034	78/76	87,631	22,879	56,312	0	167,833	10,000	97,110	0	0	304,489	344,449	97,316	0
2035	79/77	90,260	23,566	56,312	0	173,756	10,000	101,455	0	0	313,955	354,745	100,604	0
2036	80/78	92,967	24,273	56,312	0	180,054	10,000	105,734	0	0	323,704	365,349	103,990	0
2037	81/79	95,756	25,001	56,312	0	185,733	10,000	110,949	0	0	333,746	376,272	107,479	0
2038	82/80	98,629	25,751	56,312	0	191,143	10,000	116,760	0	0	344,089	387,522	111,072	0
2039	83/81	101,588	26,523	56,312	0	196,170	10,000	123,290	0	0	354,743	399,110	114,773	0
2040	84/82	104,636	27,319	56,312	0	200,668	10,000	130,696	0	0	365,716	411,046	118,585	0
2041	85/83	107,775	28,139	56,312	0	203,845	10,000	159,154	0	0	396,392	437,409	127,816	0
2042	86/84	111,008	28,983	56,312	0	204,708	10,000	171,501	0	0	408,615	450,493	132,019	0
2043	87/85	114,338	29,852	56,312	0	203,220	10,000	186,595	0	0	421,205	463,970	136,348	0
2044	88/86	117,768	30,748	56,312	0	199,672	10,000	204,158	0	0	434,172	477,851	140,807	0
2045	89/87	121,301	31,670	56,312	0	193,550	10,000	224,716	0	0	447,528	492,149	145,400	0
2046	90/88	124,940	32,620	56,312	0	183,558	10,000	294,496	0	0	473,584	539,496	162,430	1
2047	--/89	65,041	0	55,691	0	159,441	10,000	288,401	0	0	407,220	443,207	135,368	(1)
2048	--/90	66,992	0	55,691	0	140,197	2,623,166	1,568,705	0	0	769,057	574,931	1,889,205	1,990,615

* = Year of retirement

Required Minimum Distributions

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

Year	Ages	Qualified Distributions				Contributions for Qualified Assets	Reinvested Income for Qualified Assets	Qualified Growth	EOY Qualified Market Value
		SOY Qualified Market Value	Client's Minimum Distributions	Co-Client's Minimum Distributions	Additional Qualified Distributions				
2020	*64/62*	2,517,641	0	0	94,977	0	123,989	90,418	2,603,173
2021	65/63	2,603,173	0	0	42,166	0	129,901	59,190	2,750,121
2022	66/64	2,750,121	0	0	45,116	0	137,234	62,532	2,904,796
2023	67/65	2,904,796	0	0	47,702	0	144,952	66,050	3,068,121
2024	68/66	3,068,121	0	0	66,976	0	153,102	69,764	3,224,037
2025	69/67	3,224,037	0	0	134,340	0	160,883	73,310	3,323,917
2026	70/68	3,323,917	0	0	161,212	0	165,867	75,581	3,404,181
2027	71/69	3,404,181	61,051	0	139,916	0	166,903	76,670	3,448,146
2028	72/70	3,448,146	62,578	0	146,738	0	169,023	77,650	3,486,896
2029	73/71	3,486,896	63,967	71,959	81,990	0	167,389	77,646	3,517,007
2030	74/72	3,517,007	66,694	75,378	84,701	0	168,593	78,256	3,540,209
2031	75/73	3,540,209	69,476	78,915	87,506	0	169,444	78,707	3,555,727
2032	76/74	3,555,727	72,302	82,566	90,426	0	169,903	78,981	3,562,724
2033	77/75	3,562,724	74,806	86,325	93,843	0	169,948	79,063	3,560,306
2034	78/76	3,560,306	77,658	90,175	97,110	0	169,501	78,927	3,547,483
2035	79/77	3,547,483	80,089	93,667	101,455	0	168,573	78,562	3,523,228
2036	80/78	3,523,228	82,421	97,633	105,734	0	167,057	77,934	3,486,390
2037	81/79	3,486,390	84,623	101,110	110,949	0	164,942	77,026	3,435,761
2038	82/80	3,435,761	86,631	104,511	116,760	0	162,153	75,808	3,370,023
2039	83/81	3,370,023	88,383	107,787	123,290	0	158,628	74,251	3,287,756
2040	84/82	3,287,756	89,795	110,873	130,696	0	154,304	72,324	3,187,433
2041	85/83	3,187,433	90,156	113,689	159,154	0	149,143	70,002	3,048,063
2042	86/84	3,048,063	89,220	115,488	171,501	0	142,147	66,820	2,885,325
2043	87/85	2,885,325	87,384	115,836	186,595	0	134,098	63,135	2,697,215
2044	88/86	2,697,215	84,404	115,268	204,158	0	124,884	58,898	2,481,563
2045	89/87	2,481,563	80,003	113,547	224,716	0	114,421	54,064	2,236,048
2046	90/88	2,236,048	73,185	110,373	294,496	0	102,655	48,683	1,913,296
2047	--/89	1,913,296	0	159,441	288,401	0	87,722	43,370	1,598,248

* = Year of retirement

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

Net Worth During Retirement

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

Year	Ages	Non-Qualified Assets	Qualified Assets	Total Lifestyle Assets	Total Liabilities	Accumulated Surplus/(Deficit)	Total Net Worth
2020	*64/62*	167,409	2,603,173	1,339,271	0	0	4,109,852
2021	65/63	170,757	2,750,121	1,366,056	0	0	4,286,935
2022	66/64	174,172	2,904,796	1,393,377	0	0	4,472,345
2023	67/65	177,656	3,068,121	1,421,245	0	0	4,667,022
2024	68/66	181,209	3,224,037	1,449,670	0	0	4,854,916
2025	69/67	184,833	3,323,917	1,478,663	0	0	4,987,413
2026	70/68	188,530	3,404,181	1,508,237	0	0	5,100,947
2027	71/69	192,300	3,448,146	1,538,401	0	0	5,178,847
2028	72/70	196,146	3,486,896	1,569,169	0	0	5,252,211
2029	73/71	200,069	3,517,007	1,600,553	0	0	5,317,629
2030	74/72	204,070	3,540,209	1,632,564	0	0	5,376,843
2031	75/73	208,152	3,555,727	1,665,215	0	0	5,429,094
2032	76/74	212,315	3,562,724	1,698,519	0	0	5,473,558
2033	77/75	216,561	3,560,306	1,732,490	0	0	5,509,357
2034	78/76	220,892	3,547,483	1,767,140	0	0	5,535,514
2035	79/77	225,310	3,523,228	1,802,482	0	0	5,551,021
2036	80/78	229,817	3,486,390	1,838,532	0	0	5,554,738
2037	81/79	234,413	3,435,761	1,875,303	0	0	5,545,476
2038	82/80	239,101	3,370,023	1,912,809	0	0	5,521,932
2039	83/81	243,883	3,287,756	1,951,065	0	0	5,482,703
2040	84/82	248,761	3,187,433	1,990,086	0	0	5,426,279
2041	85/83	253,736	3,048,063	2,029,888	0	0	5,331,687
2042	86/84	258,811	2,885,325	2,070,486	0	0	5,214,621
2043	87/85	263,987	2,697,215	2,111,895	0	0	5,073,097
2044	88/86	269,267	2,481,563	2,154,133	0	(1)	4,904,963
2045	89/87	274,652	2,236,048	2,197,216	0	(1)	4,707,915
2046	90/88	280,145	1,913,296	2,241,160	0	0	4,434,601
2047	--/89	285,748	1,598,248	2,285,983	0	(1)	4,169,978

* = Year of retirement

Annuitize-to-need Results and Assumptions

Scenario Results

In retirement, one strategy that is used to secure the appropriate level of income to cover a specified level of expenses is called an annuitize-to-need strategy. An annuitize-to-need strategy has been applied to this scenario in order to cover an additional income of \$50,000 per year in future dollars after tax.

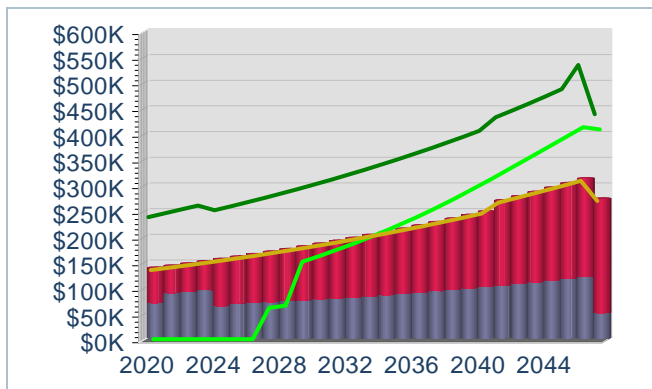
The following table lists the specific assets that were annuitized to provide the additional income (in order of annuitization), as well as the individual and total dollar value that were annuitized from the non-annuity portfolio asset in the plan. This table does not include information about existing annuities in the plan.

Order of Asset Annuitization	\$ Amount Annuitized	% of Asset Annuitized
Retirement Fund (Joint/Non-Qualified)	\$184,576	100.00%
Joint Savings Account (Non-Qualified)	\$158,388	100.00%
Ridgefield Bank - Savings (Joint/Non-Qualified)	\$87,531	100.00%
Fleet Bank - Savings (Joint/Non-Qualified)	\$687,161	100.00%
Frank's IRA Brokerage Account (Roth IRA)	\$32,939	8.52%
Total Assets Annuitized	\$1,150,595	

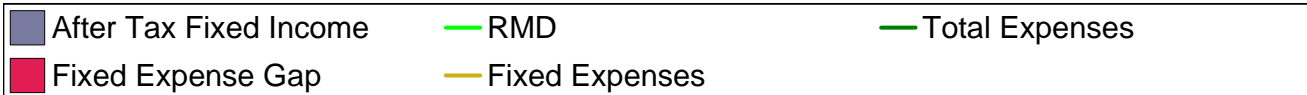
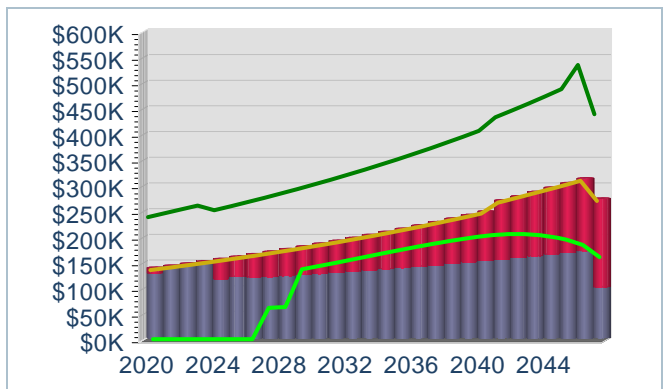
The following graphs provide a comparison of the scenario results before and after the annuitize-to-need strategy was applied to the scenario (in future dollars).

Annual Retirement Income and Expense Summary

Prior to annuitize-to-need strategy



After annuitize-to-need strategy



Annuity Assumptions

The following table outlines the details of the annuities that were used to carry out the annuitize-to-need strategy.

Annuity: Non-Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Joint	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$1,003,109		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity: Roth Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Frank	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$32,939		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity: Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Kathy	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$0		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

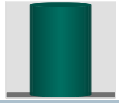
Annuity: Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Frank	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$0		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	



Appendix C - Alternate Scenarios

Retirement - Retire later with savings and annuitize

*100%



This scenario covers 100% of the desired Retirement goal objectives.

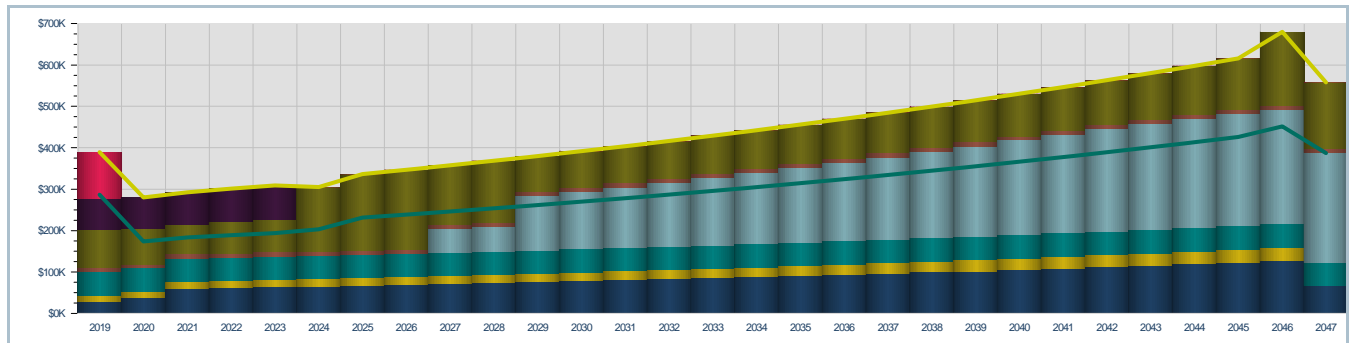
* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

	Frank	Kathy
Retirement Age/Year	63 / 2019	61 / 2019
Life Expectancy	90 / 2046	90 / 2048
Desired Fixed Expenses Covered		100%
Desired Discretionary Expenses Covered		100%
Additional Lump-Sum Savings		\$0
Current Monthly Savings		\$1,500
Additional Monthly Savings		\$1,274
Additional Monthly Savings indexed at		0.00%
Additional Monthly Savings Start Date		May 1, 2006
Annual Inflation Rate		3.00%
Rate of Return pre retirement		0.00%
Rate of Return retirement		0.00%
Overall Rate of Return - pre retirement		8.56%
Overall Rate of Return - retirement		8.56%

Analysis



Social Security	Earned Income	Additional Qualified Distributions	Shortfall
Pensions	RMD	Other Inflows	Fixed Needs
Annuities	Non-Qualified Distributions	Previous Year Surplus Used	Total Needs

- Net Worth at Retirement: \$4,887,397
- Net Worth at Death: \$5,593,014
- Year Capital Exhausted: 2048
- % Fixed Needs Covered by Total Resources: 100%
- % Total Needs Covered by total Resources: 100%

Additional Assumptions

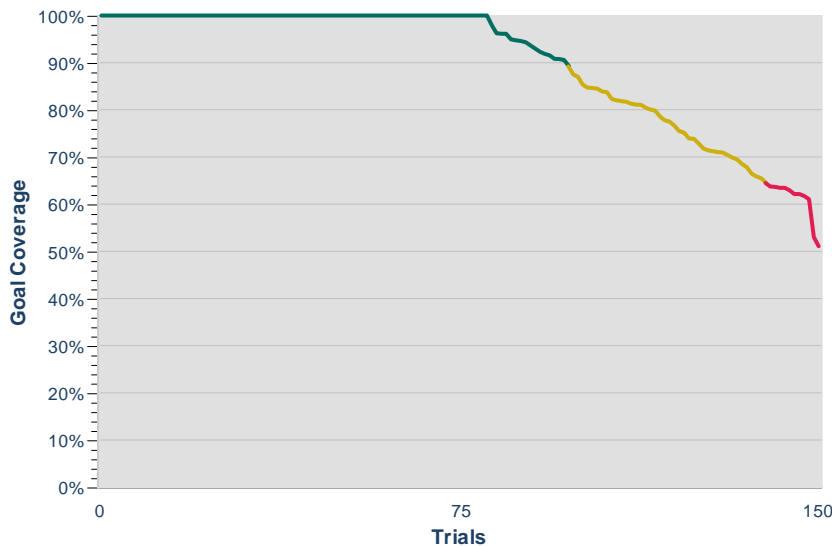
The following table details the additional assumptions used in the generation of this scenario:

Scenario Setting	Frank	Kathy
Capital Liquidation Order	Non-qualified, Roth, Qualified	
Social Security Start Age	63	62
Additional Annual Retirement Incomes	\$0	\$0
Additional Annual Retirement Expense	\$0	\$0
Annual amount Annuitized during Retirement	\$0	

Note: Numbers in bold indicate a change from the Current Plan

Probability Analysis

The graph below illustrates the goal coverage percentage for each trial that was generated. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the need. The *Goal Coverage* percentage equals *the ability to cover total needs* divided by *the total needs*, where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.



For this probability analysis, 150 trials were run. The results are as follows:

- In 97 trials 90% or more of the goal was covered
- In 41 trials 65% or more of the goal was covered
- In 12 trials less than 65% of the goal was covered

The earliest age at which you could not cover your fixed expenses is 66/64

— 90% or more of the goal was achieved — 65% or more of the goal was achieved — 64% or less of the goal was achieved

For details on the *Plan Probability* graph assumptions, refer to the section titled, Scenario Probability Assumptions at the beginning of this document.

Annuitize-to-need Results and Assumptions

Scenario Results

In retirement, one strategy that is used to secure the appropriate level of income to cover a specified level of expenses is called an annuitize-to-need strategy. An annuitize-to-need strategy has been applied to this scenario in order to cover an additional income of \$50,000 per year in future dollars after tax.

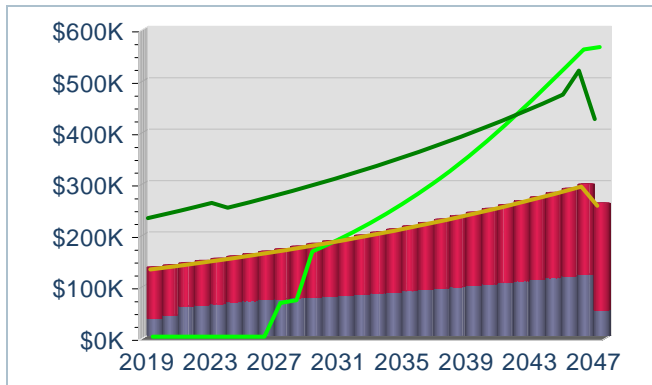
The following table lists the specific assets that were annuitized to provide the additional income (in order of annuitization), as well as the individual and total dollar value that were annuitized from the non-annuity portfolio asset in the plan. This table does not include information about existing annuities in the plan.

Order of Asset Annuitization	\$ Amount Annuitized	% of Asset Annuitized
Retirement Fund (Joint/Non-Qualified)	\$300,152	100.00%
Joint Savings Account (Non-Qualified)	\$148,518	100.00%
Ridgefield Bank - Savings (Joint/Non-Qualified)	\$80,912	100.00%
Fleet Bank - Savings (Joint/Non-Qualified)	\$644,340	100.00%
Frank's 401(k)	\$7,463	0.83%
Total Assets Annuitized	\$1,181,385	

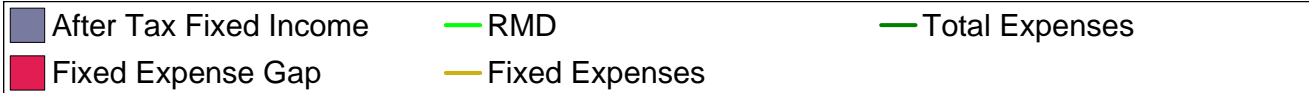
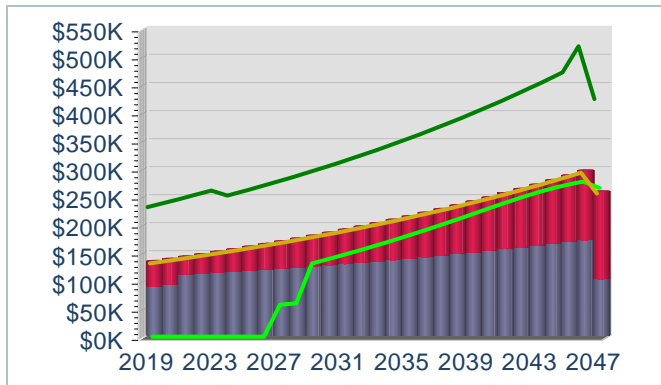
The following graphs provide a comparison of the scenario results before and after the annuitize-to-need strategy was applied to the scenario (in future dollars).

Annual Retirement Income and Expense Summary

Prior to annuitize-to-need strategy



After annuitize-to-need strategy



Annuity Assumptions

The following table outlines the details of the annuities that were used to carry out the annuitize-to-need strategy.

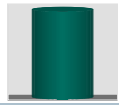
Annuity:		Non-Qualified Annuity	
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Joint	Effective Date:	Jan 1 2019
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$1,061,357		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity:		Qualified Annuity	
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Kathy	Effective Date:	Jan 1 2019
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$0		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity:		Qualified Annuity	
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Frank	Effective Date:	Jan 1 2019
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$7,463		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Retirement - Retire later with savings, annuitize, PT work, medical, SS, +5

*97%



This scenario covers 97% of the desired Retirement goal objectives.

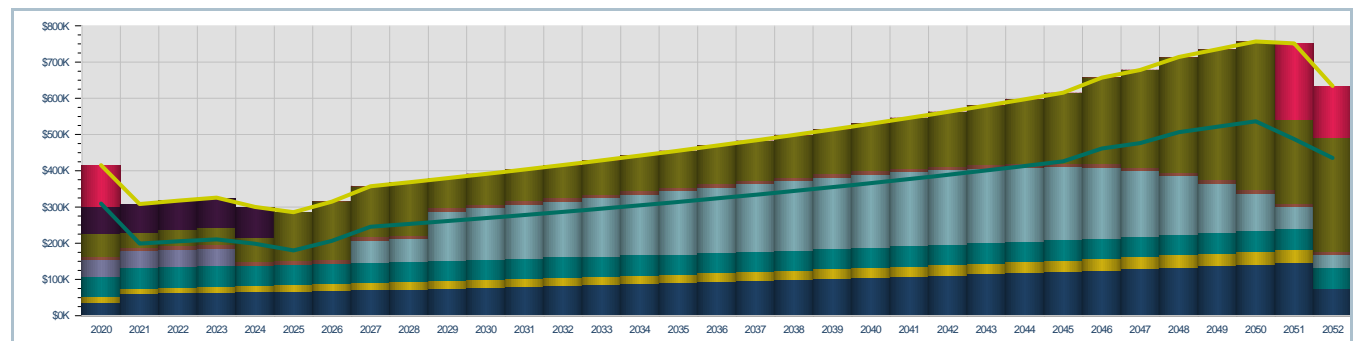
* This value indicates the percentage of your total retirement needs that can be covered by your total retirement resources during your retirement time period.

Assumptions

The following table details the key assumptions used in the generation of this scenario:

	Frank	Kathy
Retirement Age/Year	64 / 2020	62 / 2020
Life Expectancy	95 / 2041	95 / 2043
Desired Fixed Expenses Covered		100%
Desired Discretionary Expenses Covered		100%
Additional Lump-Sum Savings		\$0
Current Monthly Savings		\$1,500
Additional Monthly Savings		\$700
Additional Monthly Savings indexed at		0.00%
Additional Monthly Savings Start Date		May 1, 2006
Annual Inflation Rate		3.00%
Rate of Return pre retirement		0.00%
Rate of Return retirement		0.00%
Overall Rate of Return - pre retirement		8.56%
Overall Rate of Return - retirement		7.26%

Analysis



Social Security	Earned Income	Additional Qualified Distributions	Shortfall
Pensions	RMD	Other Inflows	Fixed Needs
Annuities	Non-Qualified Distributions	Previous Year Surplus Used	Total Needs

- Net Worth at Retirement: \$5,083,264
- Net Worth at Death: \$2,696,898
- Year Capital Exhausted: 2052
- % Fixed Needs Covered by Total Resources: 100%
- % Total Needs Covered by total Resources: 96%

Additional Assumptions

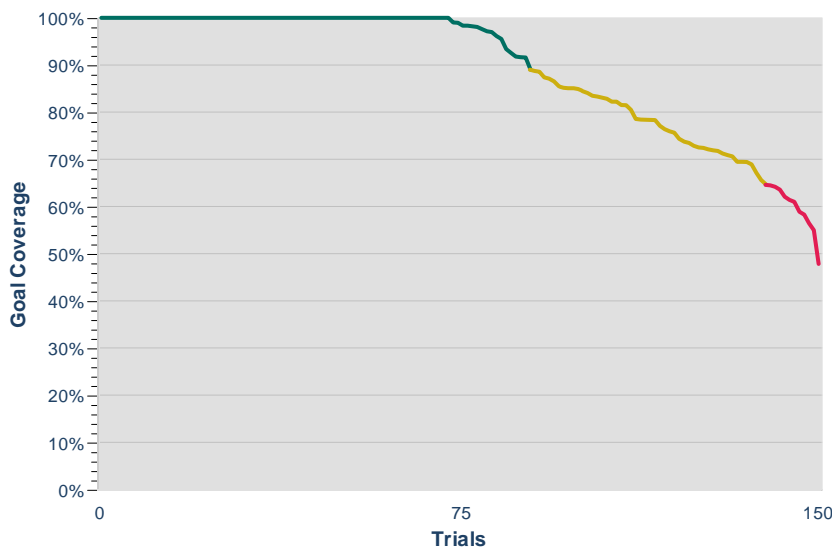
The following table details the additional assumptions used in the generation of this scenario:

Scenario Setting	Frank	Kathy
Capital Liquidation Order	Non-qualified, Roth, Qualified	
Social Security Start Age	62	62
Additional Annual Retirement Incomes (Kathy)		\$30,000
Indexed at		0%
Start Age/End Age		Ret - Ret + 3
Additional Annual Joint Retirement Expense		\$5,000
Indexed at		0%
Start Age/End Age		Death - 5 - Death
Annual amount Annuitized during Retirement		\$0

Note: Numbers in bold indicate a change from the Current Plan

Probability Analysis

The graph below illustrates the goal coverage percentage for each trial that was generated. The results are generated by varying the return rates on available assets and by determining if the available resources are adequate to cover the need. The *Goal Coverage* percentage equals *the ability to cover total needs* divided by *the total needs*, where both *the ability to cover total needs* and *the total needs* are adjusted for inflation.



For this probability analysis, 150 trials were run. The results are as follows:

- In 89 trials 90% or more of the goal was covered
- In 49 trials 65% or more of the goal was covered
- In 12 trials less than 65% of the goal was covered

The earliest age at which you could not cover your fixed expenses is 67/65

— 90% or more of the goal was achieved — 65% or more of the goal was achieved — 64% or less of the goal was achieved

For details on the *Plan Probability* graph assumptions, refer to the section titled, Scenario Probability Assumptions at the beginning of this document.

Annuitize-to-need Results and Assumptions

Scenario Results

In retirement, one strategy that is used to secure the appropriate level of income to cover a specified level of expenses is called an annuitize-to-need strategy. An annuitize-to-need strategy has been applied to this scenario in order to cover an additional income of \$50,000 per year in future dollars after tax.

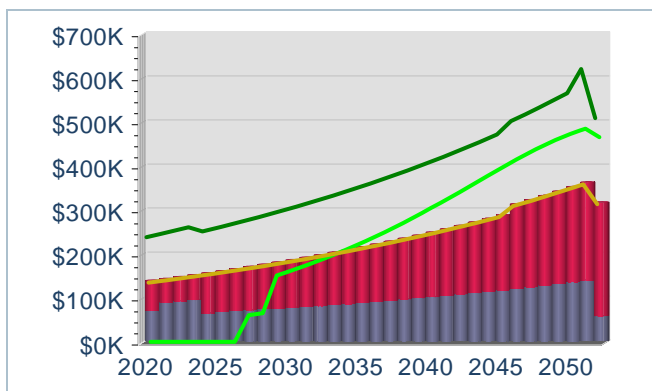
The following table lists the specific assets that were annuitized to provide the additional income (in order of annuitization), as well as the individual and total dollar value that were annuitized from the non-annuity portfolio asset in the plan. This table does not include information about existing annuities in the plan.

Order of Asset Annuitization	\$ Amount Annuitized	% of Asset Annuitized
Retirement Fund (Joint/Non-Qualified)	\$184,576	100.00%
Joint Savings Account (Non-Qualified)	\$158,388	100.00%
Ridgefield Bank - Savings (Joint/Non-Qualified)	\$87,531	100.00%
Fleet Bank - Savings (Joint/Non-Qualified)	\$687,161	100.00%
Frank's IRA Brokerage Account (Roth IRA)	\$32,939	8.52%
Total Assets Annuitized	\$1,150,595	

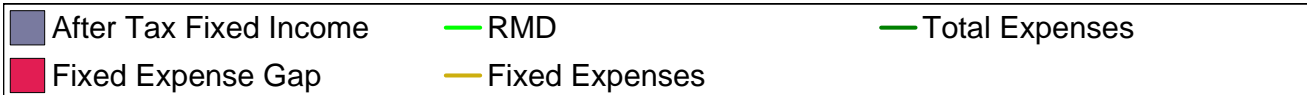
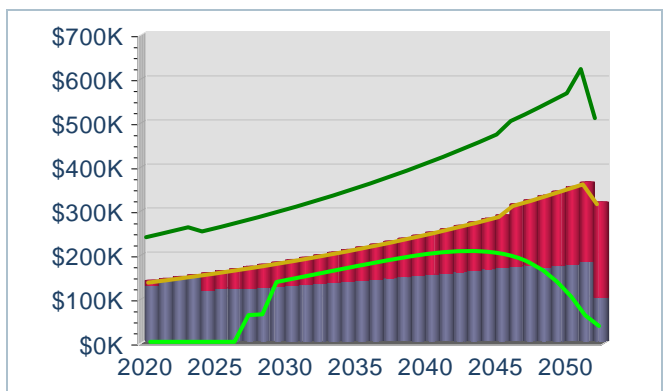
The following graphs provide a comparison of the scenario results before and after the annuitize-to-need strategy was applied to the scenario (in future dollars).

Annual Retirement Income and Expense Summary

Prior to annuitize-to-need strategy



After annuitize-to-need strategy



Annuity Assumptions

The following table outlines the details of the annuities that were used to carry out the annuitize-to-need strategy.

Annuity: Non-Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Joint	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$1,003,109		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity: Roth Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Frank	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$32,939		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity: Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Kathy	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$0		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	

Annuity: Qualified Annuity			
Type:	Life Income (Joint Last To Die) (Fixed)	Guaranteed Number of Years:	10
Ownership:	Frank	Effective Date:	Jan 1 2020
Annuitant(s):	Joint	Payment per \$1000:	\$4
Beneficiary:	Kathy	Frequency:	Monthly
Market Value:	\$0		
Separate Account Current Balance:		\$0	
Pre-Annuitization General Account Return Rate:		0.00%	
Post-Annuitization Return Rate:		3.00%	