Protect Your Family's Lifestyle

  

For

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and

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Important Notes

This report illustrates your financial lifestyle, or your hypothetical cash flow and its effects on your net worth. This analysis provides only broad, general guidelines, which may be helpful in shaping your thinking about your financial needs. It can serve as a guide for discussions with your professional advisors. Each of the needs illustrated in this analysis are calculated independently and are not intended to be a comprehensive financial plan.

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

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

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

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

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

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

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

Protecting Your Family's Lifestyle

Important Notes

When you think of protection, you think of your family. You think about protecting the lifestyle you have and are continuing to build together. Protection is best achieved through preparation. The following report uses the information you have shared—your assets, your wishes, and your thoughts about the future. This report uses estimated calculations based on this information so that you can better consider your options. Of course, the actual results may vary substantially from the figures shown. There are many areas of protection for your lifestyle. This report just considers the following:

Education Expenses

The education of your children continues to increase in importance. With educational costs increasing faster than inflation, it is necessary to prepare in advance in order to assure your children an education.

Building and Preparing for Retirement

A financially secure retirement requires careful preparation, as well as, coordination of your existing assets and qualified retirement plans.

Immediate Cash Needs if Death Occurs

Life can be unpredictable. If something were to happen to you, would your family have the ability to pay the expenses associated with your death? These expenses are immediate cash needs such as funeral expenses, legal fees, taxes, mortgages, and debts.

Survivor Income Needs if Death Occurs

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. Social Security benefits may provide a portion of the needed income, but usually this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

Family Income Needs if Disabled

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? Social Security benefits may provide a portion of needed income. How long would your present assets provide the necessary funds?

Long-Term Care

Long-term care, whether it is nursing home or home health care, depletes your accumulation of wealth. The extremely high costs associated with these types of care are seldom covered by regular health insurance. Assets intended for retirement are often used to cover these expenses.

Your Current Situation

Your financial lifestyle is determined by (a) your financial goals and desires and (b) your saving and spending habits. This analysis examines your current assets and liabilities, reviews the cash flow necessary for you to maintain your lifestyle, and then shows you the results or consequences of various scenarios. Below is a summary of your current financial situation.

	John	Sue	Joint	Total
Assets				
Liquid Assets				
cash			$5,000	$5,000
Savings			$25,000	$25,000
Investments			$50,000	$50,000
Retirement Plans				
Jack's Retirement Plan	$60,000			$60,000
Sue's Retirement Plan		$50,000		$50,000
Fixed Assets				
J. & R. Web Designs, Inc.	$200,000			$200,000
Residence				
Home			$200,000	$200,000
Educational Savings Plans				
Trip's 529 Plan	$25,000			$25,000
Total Assets Today	$285,000	$50,000	$280,000	$615,000
Liabilities				
Mortgages				
Loan for Home			$150,000	$150,000
Credit Cards				
Visa			$1,000	$1,000
Total Liabilities Today			$151,000	$151,000

Net Worth

Your Assets	$615,000
Less Your Liabilities	$151,000
Total Net Worth Today	**$464,000**

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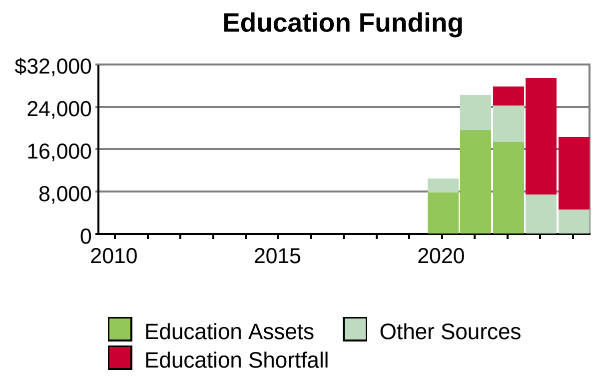
Education Funding

Education costs have been rising faster than general inflation. In the past ten years, the average annual increase has been ***twice*** that of the average annual increase in the Consumer Price Index.[1] These annual education cost estimates consider an education inflation rate of 6.00%.



How will you pay for college?

- Hope for scholarships
- Use college loans
- Pay as you go
- Begin a saving and investment strategy today

Education Goals

Education For	School	Education Cost Today	Start in Year[2]	Years
Trip	The University of North Carolina at Chapel Hill	$14,036	2020	4

Total Cost of Education Needs[3] $59,058

The amount needed today to fund all education goals invested at 5.00% provides the total costs for all years of education of $113,810 at the start of the individual education goal. This amount assumes inflation at 6.00% but does not consider your education assets or funding provided by other sources.

Education Funding Shortfall Today[4] $19,633

The remaining funds needed today consider your assets designated for education (current value $25,000) as well as anticipated funding from other sources. This amount is assumed to be invested until needed and with 5.00% growth would provide the additional money needed by the start of each education goal.

Monthly Savings Required to Fund Shortfall $207

An alternative way to provide the additional funds needed today of $19,633 would be a savings fund. These monthly deposits invested at 5.00% would provide the money needed by the start of each individual education need. The monthly amount would reduce as each education need is started.

[1] U.S. Bureau of Labor Statistics and "Trends in College Pricing 2006." The College Board (www.collegeboard.com), 2006.
[2] Annual costs are assumed paid in 12 monthly payments.
[3] The lump sum investment today that would grow to the amount needed at the start of the education need. Values assume that interest is earned at the rate of 5% each year until needed.
[4] Additional Funds Needed Today reflects the Total Projected Costs less Education Assets and the Portion from Other Sources.

Summary of Education Needs

Education Goals

Education For	School	Annual Education Cost Today	Start in Year[1]	First Year Cost[2]	For Years	Total Projected Costs[2]	Amount Required Today[3,4]
Trip	The University of North Carolina at Chapel Hill	$14,036	2020	$25,136	4	$113,810	$59,058
Total						**$113,810**	**$59,058**

Education Assets

Education Assets	Current Balance
Trip's 529 Plan	$25,000

Education Needs

Education For	Amount Required Today[3,4]	Portion Funded from Other Sources[5]	Additional Funds Needed Today[6]	Additional Monthly Savings Required[4]	Time Monthly Savings Required
Trip	$59,058	25.00%	$19,633	$207	10 yrs 1 mo.
Total	**$59,058**		**$19,633**	**$207**	

Annual Education Needs

Year	Annual Education Cost	Paid from Other Sources	Balance of Assets for Education[7]	Education Shortage for Year
2010	$0	$0	$25,770	$0
2011	0	0	27,212	0
2012	0	0	28,726	0
2013	0	0	30,315	0
2014	0	0	31,984	0
2015	0	0	33,736	0
2016	0	0	35,576	0
2017	0	0	37,508	0
2018	0	0	39,536	0
2019	0	0	41,666	0
2020	10,473	2,618	35,830	0
2021	26,645	6,661	17,185	0
2022	28,243	7,061	0	3,612
2023	29,938	7,484	0	22,453
2024	18,512	4,628	0	13,884

1 Annual costs are assumed paid in 12 monthly payments.
2 Estimated costs based on Annual Cost Today and inflation rate of 6.00%. Total Projected Costs is the sum of these costs throughout the education years. Annual costs are assumed paid in 12 monthly payments from August through July. The graph reflects costs by calendar year.
3 The lump sum investment today that would grow to the amount needed at the start of the education need.
4 Values assume that interest is earned at the rate of 5.00% each year until needed.
5 Other sources may include scholarships, financial aid, gifts, or student work.
6 Additional Funds Needed Today reflects the Total Projected Costs less Education Assets and the Portion from Other Sources.
7 Balance includes any predetermined deposits to education assets.

Once Retirement Begins

This page considers your expenses during retirement and whether you are currently saving enough to meet your retirement goals. *It does not consider your lifestyle prior to retirement.*

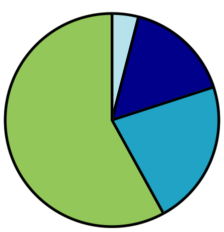
- Retirement begins at John's age 67, Sue's age 67
- Social Security retirement benefits begin at age 66 for John and at 66 for Sue
- Retirement is illustrated for 23 years.

Retirement Income Needed

Instead of asking you to estimate income needed to pay your expenses at retirement, this analysis examines your lifestyle expenses. It then considers sources of income such as any continuing salaries, other income, Social Security benefits, and your retirement plans. Assets you have designated for use at retirement are also considered. Assets you designated as "Do Not Use," have not been used to pay retirement expenses. Estimated retirement income and available assets are compared to all retirement expenses. Retirement success is defined as:

- Paying all expenses
- Not using any of those assets you have designated not to use
- Not running out of money

Sources of Retirement Income



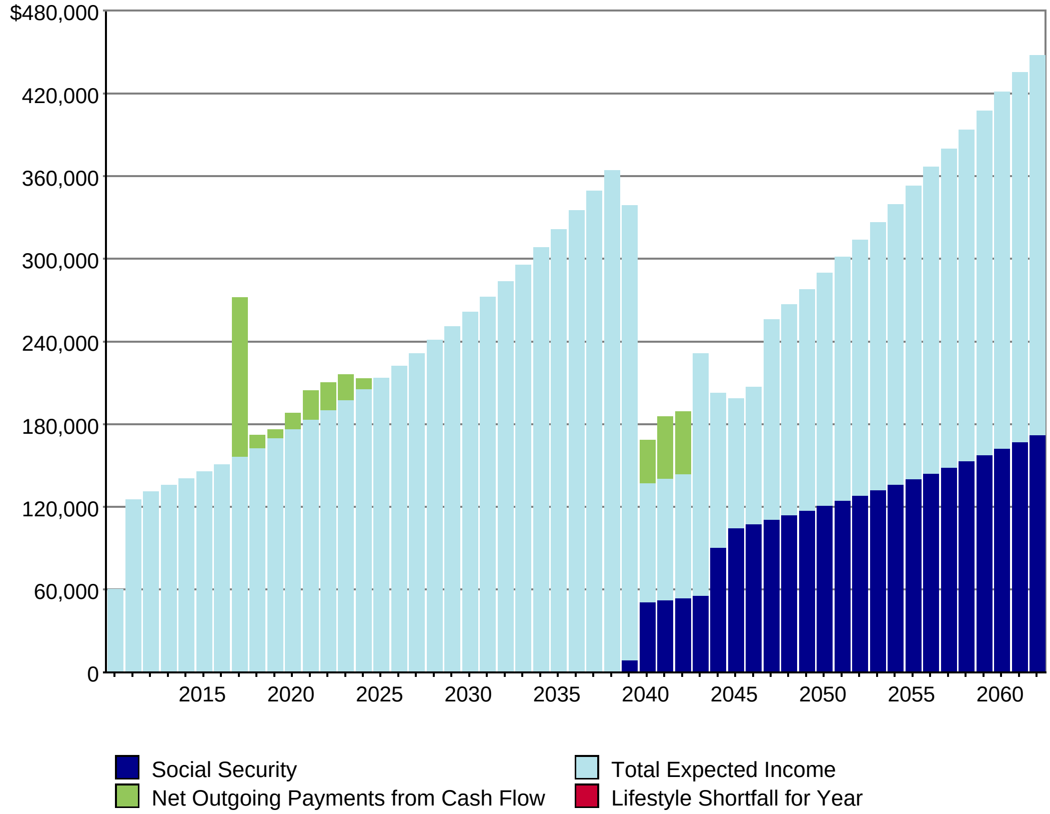
Salary and Other Income	4.00%
Estimated Social Security[1]	16.00%
Retirement Plans	22.00%
Assets Used	58.00%
Shortfall	0.00%

Retirement Success

Estimated income and assets available for your retirement appear to be sufficient to provide for the retirement lifestyle.

[1] Social Security benefits are based on a number of factors. One factor is the portion of your wages each year that are subject to Social Security taxes. Based on the information you provided, John's Social Security are estimates based on salary and Sue's Social Security are estimates based on salary. This is an estimate of the monthly benefit available. Actual retirement benefits may be greater or less than the amount shown.

Retirement is set to begin when John is age 67. Retirement is illustrated for 23 years. A successful retirement requires that all lifestyle expenses be satisfied before retirement. Otherwise, assets intended for retirement may be depleted.



Retirement is set to begin when John is age 67. Retirement is illustrated for 23 years. A successful retirement requires that all lifestyle expenses be satisfied before retirement. Otherwise, assets intended for retirement may be depleted.

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2010	$30,148	$0	$24,392	$60,000	$0	$0	-	$501,652
2011	64,171	0	49,735	125,470	0	0	-	582,194
2012	65,265	0	50,545	131,361	0	0	-	671,094
2013	66,465	0	52,917	135,984	0	0	-	767,400
2014	67,988	0	55,420	140,783	0	0	-	871,655
2015	69,563	0	58,053	145,775	0	0	-	984,460
2016	71,193	0	60,819	150,970	0	0	-	1,106,463
2017	209,072	0	63,727	156,448	0	116,351	-	1,241,170
2018	106,316	0	65,988	162,804	0	9,688	-	1,385,543
2019	108,123	0	67,406	170,157	0	6,469	-	1,543,663
2020	109,814	7,855	69,956	176,740	0	11,833	-	1,707,780
2021	111,570	19,983	72,661	183,578	0	21,388	-	1,873,949
2022	113,575	21,182	75,529	190,680	0	20,109	-	2,053,761
2023	115,651	22,453	78,562	198,066	0	18,806	-	2,248,361
2024	117,800	13,884	82,011	205,890	0	7,804	-	2,468,463
2025	109,961	0	85,553	214,285	0	0	-	2,722,017
2026	107,152	0	87,873	223,061	0	0	-	2,998,276
2027	109,540	0	91,518	232,237	0	0	-	3,297,353
2028	112,014	0	95,387	241,832	0	0	-	3,620,996
2029	114,577	0	99,477	251,867	0	0	-	3,971,107
2030	117,233	0	103,799	262,363	0	0	-	4,349,739
2031	119,985	0	108,367	273,341	0	0	-	4,759,114
2032	122,837	0	113,193	284,826	0	0	-	5,201,628
2033	125,792	0	118,291	296,841	0	0	-	5,679,879
2034	128,856	0	123,677	309,412	0	0	-	6,196,669
2035	132,032	0	129,365	322,567	0	0	-	6,755,036
2036	135,324	0	135,372	336,333	0	0	-	7,358,262
2037	138,738	0	141,715	350,739	0	0	-	8,009,905
2038	142,278	0	148,412	365,818	0	0	-	8,713,816
R 2039	140,943	0	138,318	332,209	8,148	0	-	9,447,594
2040	118,242	0	50,740	86,945	50,353	31,683	-	10,100,260
2041	120,635	0	65,419	88,684	51,864	45,507	-	10,788,691
2042	123,098	0	66,505	90,458	53,420	45,726	-	11,530,632
2043	125,633	0	67,595	176,822	55,022	0	-	12,330,657
2044	119,771	0	71,609	113,004	90,114	0	-	13,146,447

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.
R-Retirement assumed to begin in this year.

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	Outgoing Payments			Expected Income		Assets		
Year	**Living Expenses**[1]	**Education and Spending Goals**	**Tax Payments and Withholdings**[2]	**Salary and Other Income**[3]	**Social Security**[4]	**Payments Withdrawn from Available Assets**	**Shortfall**[5]	**Net Worth**[6]
2045	119,407	0	75,703	94,678	104,299	0	-	14,008,916
2046	121,939	0	82,663	100,176	107,428	0	-	14,934,245
2047	111,343	0	86,251	146,348	110,651	0	-	15,931,701
2048	95,544	0	105,009	154,003	113,970	0	-	16,991,818
2049	98,311	0	110,365	161,497	117,390	0	-	18,134,861
2050	101,161	0	115,875	169,937	120,911	0	-	19,368,313
2051	104,097	0	121,875	178,138	124,539	0	-	20,700,018
2052	107,121	0	127,939	186,692	128,275	0	-	22,139,054
2053	110,236	0	134,288	195,609	132,123	0	-	23,695,143
2054	113,444	0	140,933	204,649	136,087	0	-	25,378,952
2055	116,748	0	147,792	214,302	140,169	0	-	27,202,277
2056	120,151	0	155,053	224,047	144,374	0	-	29,177,873
2057	123,657	0	162,532	232,942	148,706	0	-	31,319,949
2058	127,268	0	169,888	242,022	153,167	0	-	33,644,485
2059	130,987	0	177,499	251,260	157,762	0	-	36,168,620
2060	134,817	0	185,361	260,624	162,495	0	-	38,911,188
2061	138,763	0	193,471	270,074	167,369	0	-	41,892,890
2062	142,827	0	201,818	277,240	172,390	0	-	45,136,479

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

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Sources of Retirement Income

Three sources of Retirement Income

For most people, Social Security will provide for less than one third of their retirement.

1. **Social Security**
   Social Security provides retirement benefits to most workers who are age 62 or older. These benefits are based on their earnings history and their normal retirement age. In addition, spouses are eligible for retirement benefits based on the worker's record. The normal retirement age for full benefits is age 67 for those born in 1960 and later. (Normal retirement age varies between age 65 and 67 for people born between 1937 and 1960.)

The rest of their retirement income must come from other sources, such as an employer sponsored retirement plan and personal savings.

2. **Qualified Retirement Plans**
   Your retirement plan is a major part of your retirement income, so before you can properly prepare for retirement, you must know what to expect from your plan. Most employer sponsored retirement plans are either defined benefit plans or defined contribution plans.

3. **Savings and Individual Investments**
   Multiple investment vehicles can be established to help you save for retirement. Examples of personal savings may be CDs, mutual funds or stock. Also, the government provides for tax deferred growth through investments like IRAs and annuities. These tax deferred investments have strict regulations governing their use.

No one income source, such as Social Security or your retirement plan, is intended to provide all of your retirement nest egg.

Build a retirement strategy based on all three of these sources of retirement income.

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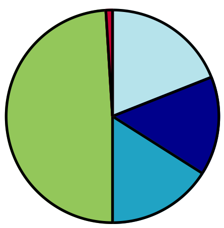
Income Needs at John's Death

If John was to die today, how would your loved ones pay the bills that will continue to come in? This analysis considers whether your survivors' income sources and assets will be able to support their cash flow needs after your death.

Survivor Income Needs

- Final expenses of $15,000 to pay final medical bills, provide funeral arrangements, and pay any final taxes.
- Continuing lifestyle expenses to pay everyday expenses such as food, bills, insurance, mortgages and other debts, taxes, etc. Often it may take some time for the survivors' expenses to "adjust" to a new lifestyle after a death. This period of time is called the adjustment period. This analysis assumes an adjustment period of 24 months.



Sue's Income Sources

Salary and Other Income	19.00%
Estimated Social Security[1]	15.00%
Retirement Plans	16.00%
Assets Used	49.00%
Shortfall	1.00%
Value of Shortfall Today	**$14,186**

Social Security Benefits

Social Security benefits are available to those who fulfill work requirements in positions covered by Social Security. If you die, benefits are payable to your spouse and children under 18 years of age, subject to a family maximum benefit. The monthly benefit is based on your earnings record at the date of your death. Survivor benefits each year may increase to reflect changes in the cost of living. In addition, there is a one-time lump sum death benefit of $255. The estimated initial monthly Social Security survivor benefit is $1,538.

Life Insurance on John

Life insurance on John's life will be paid to the designated beneficiary. The beneficiary designation is very important as it determines if the proceeds will be available to provide the income needs. This illustration has considered the life insurance on the life of John of $850,000.

Replacing Your Income for Your Survivors

Additional income is necessary to maintain your family's lifestyle. This income can be provided by increasing spouse's earnings, added withdrawals, and possible liquidation of existing assets, or through a fund provided by life insurance death proceeds. Life insurance death proceeds can provide the monthly income needed to maintain your family's lifestyle and provide cash to pay immediate expenses at your death.

Premiums may vary based on many factors, including the age, sex, and health of the insured. This presentation is not valid unless accompanied by an illustration of proposed policy values.

[1] This is an estimate of the monthly benefit available based on information provided by the client. Actual survivor benefits may be greater or less than the amount shown.

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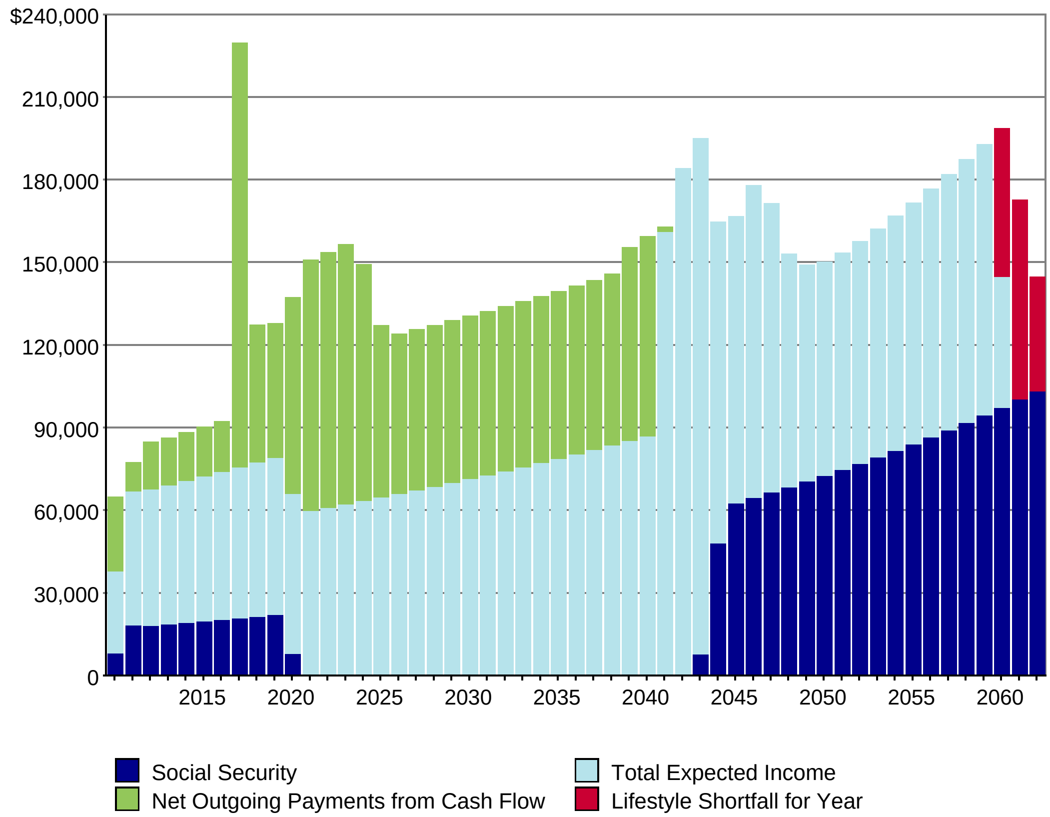
Income Needs at John's Death

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. Social Security benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.



Remaining Needs

Period	Start Year	Through Year	Amount Needed in Today's Dollars for Just this Period	Amount Needed Today to Fund Through Period
During Retirement	2039	2063	$14,186	$14,186

Lump Sum to Provide Total Amount Needed Today[1] **$14,186**

Life insurance can protect income needs.

Premiums may vary based on many factors, including the age, sex, and health of the insured. This presentation is not valid unless accompanied by an illustration of proposed policy values.

[1] Life Insurance proceeds of $850,000 from John's death have been considered.

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An Alternate Approach at John's Death

Rather than supplementing your survivors' income needs on a continuing basis, an alternative approach would be to use life insurance to relieve your survivors of the major financial burdens they would face in order to provide them with a head start on managing their own continuing income needs.

Objective

- Eliminate major financial burdens so that survivor income is less of a concern
- Use life insurance to provide cash immediately at death to pay the following expenses:

Final Expenses — $27,019

Estimated expenses associated with death include doctor bills, long hospital stays, expensive surgeries, funeral expenses, inheritance taxes, or estate taxes.

Present Debts — $151,000

It may not be necessary to pay off all of your acquired debts. Although by doing so, Sue will not have to repay the loans plus the interest on these debts and less income will be needed for your family.

Emergency Funds[1] — $30,000

The best financial analyses can be ruined by unexpected emergencies. Adequate cash reserves can often protect the plans you put in place.

Education Funds[2] — $19,633

Amount needed to fund education today.

Total Cash Needs at John's Death — $227,652

Immediate cash needs at death include debts, emergency funds, final expenses, taxes, and education funds.

Life Insurance on John

Wild Life	$100,000
Jack's Term	$750,000
Total	**$850,000**

Providing for these expenses at your death will reduce your survivor's income needs.

[1] Emergency funds are estimated at the greater of 5% of all liquid assets or three months salary.
[2] The amount needed today to fund total costs of education. This does not consider education assets and the portion that may be provided by other sources.

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Income Needs at John's Death

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. Social Security benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2010	$52,927	$0	$12,107	$30,000	$7,688	$27,347	-	$1,327,866
2011	53,635	0	23,983	48,960	17,970	10,689	-	1,408,224
2012	54,351	0	30,642	49,939	17,685	17,369	-	1,486,257
2013	55,154	0	31,372	50,938	18,216	17,373	-	1,568,942
2014	56,260	0	32,206	51,957	18,762	17,747	-	1,656,514
2015	57,398	0	33,063	52,996	19,325	18,140	-	1,749,318
2016	58,568	0	33,942	54,056	19,905	18,550	-	1,847,733
2017	195,964	0	34,843	55,137	20,502	155,169	-	1,954,977
2018	92,703	0	34,972	56,240	21,117	50,318	-	2,067,706
2019	93,978	0	34,424	57,364	21,750	49,287	-	2,189,377
2020	95,110	7,855	34,858	58,512	7,468	71,843	-	2,296,775
2021	96,280	19,983	35,240	59,682	0	91,821	-	2,391,733
2022	97,669	21,182	35,384	60,876	0	93,360	-	2,493,007
2023	99,098	22,453	35,496	62,093	0	94,954	-	2,601,269
2024	100,569	13,884	35,395	63,335	0	86,513	-	2,727,385
2025	92,407	0	35,164	64,602	0	62,969	-	2,878,256
2026	89,239	0	35,157	65,894	0	58,503	-	3,040,750
2027	90,842	0	35,167	67,212	0	58,797	-	3,215,810
2028	92,490	0	35,159	68,556	0	59,094	-	3,404,515
2029	94,187	0	35,136	69,927	0	59,396	-	3,608,036
2030	95,933	0	35,095	71,325	0	59,703	-	3,827,655
2031	97,730	0	35,037	72,752	0	60,014	-	4,064,770
2032	99,579	0	34,960	74,207	0	60,331	-	4,320,907
2033	101,481	0	34,863	75,691	0	60,653	-	4,597,735
2034	103,439	0	34,745	77,205	0	60,979	-	4,897,078
2035	105,454	0	34,605	78,749	0	61,310	-	5,220,929
2036	107,527	0	34,442	80,324	0	61,645	-	5,571,467
2037	109,661	0	34,254	81,931	0	61,985	-	5,951,076
2038	111,857	0	34,396	83,569	0	62,684	-	6,361,386
2039	114,117	0	41,842	85,241	0	70,718	-	6,796,839
2040	116,442	0	43,610	86,945	0	73,106	-	7,265,896
2041	118,835	0	44,715	161,643	0	1,907	-	7,772,340
2042	121,298	0	63,606	184,904	0	0	-	8,300,833
2043	123,833	0	72,046	188,504	7,374	0	-	8,872,531
2044	117,971	0	47,388	117,572	47,787	0	-	9,482,932

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

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Income Needs at John's Death (Continued)

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2045	117,607	0	49,825	104,890	62,542	0	-	10,131,251
2046	120,139	0	58,479	114,199	64,418	0	-	10,829,427
2047	109,543	0	62,513	105,706	66,351	0	-	11,587,574
2048	93,744	0	59,978	85,380	68,341	0	-	12,418,236
2049	96,511	0	53,084	79,203	70,392	0	-	13,332,699
2050	99,361	0	51,443	78,301	72,503	0	-	14,333,195
2051	102,297	0	51,774	79,392	74,678	0	-	15,425,878
2052	105,321	0	52,862	81,264	76,919	0	-	16,618,882
2053	108,436	0	54,258	83,468	79,226	0	-	17,921,649
2054	111,644	0	55,800	85,840	81,603	0	-	19,344,745
2055	114,948	0	57,425	88,322	84,051	0	-	20,899,849
2056	118,351	0	59,113	90,892	86,573	0	-	22,599,824
2057	121,857	0	60,857	93,544	89,170	0	-	24,458,814
2058	125,468	0	62,655	96,278	91,845	0	-	26,492,372
2059	129,187	0	64,508	99,094	94,600	0	-	28,717,590
2060	133,017	0	66,417	47,700	97,438	0	54,295	31,154,594
2061	136,963	0	36,355	0	100,362	0	72,956	33,858,793
2062	141,027	0	4,164	0	103,373	0	41,818	36,855,529

1 Basic expenses, loan payments, and retirement contributions.
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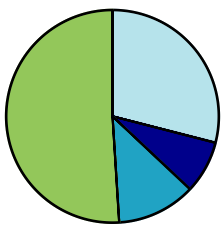
Income Needs at Sue's Death

If Sue was to die today, how would your loved ones pay the bills that will continue to come in? This analysis considers whether your survivors' income sources and assets will be able to support their cash flow needs after your death.

Survivor Income Needs

- Final expenses of $15,000 to pay final medical bills, provide funeral arrangements, and pay any final taxes.
- Continuing lifestyle expenses to pay everyday expenses such as food, bills, insurance, mortgages and other debts, taxes, etc. Often it may take some time for the survivors' expenses to "adjust" to a new lifestyle after a death. This period of time is called the adjustment period. This analysis assumes an adjustment period of 24 months.



John's Income Sources

Salary and Other Income	29.00%
Estimated Social Security[1]	8.00%
Retirement Plans	12.00%
Assets Used	51.00%
Shortfall	0.00%

Successful Cash Flow

Social Security Benefits

Social Security benefits are available to those who fulfill work requirements in positions covered by Social Security. If you die, benefits are payable to your spouse and children under 18 years of age, subject to a family maximum benefit. The monthly benefit is based on your earnings record at the date of your death. Survivor benefits each year may increase to reflect changes in the cost of living. In addition, there is a one-time lump sum death benefit of $255. The estimated initial monthly Social Security survivor benefit is $1,160.

Life Insurance on Sue

Life insurance on Sue's life will be paid to the designated beneficiary. The beneficiary designation is very important as it determines if the proceeds will be available to provide the income needs. This illustration has considered the life insurance on the life of Sue of $250,000.

Replacing Your Income for Your Survivors

Additional income is necessary to maintain your family's lifestyle. This income can be provided by increasing spouse's earnings, added withdrawals, and possible liquidation of existing assets, or through a fund provided by life insurance death proceeds. Life insurance death proceeds can provide the monthly income needed to maintain your family's lifestyle and provide cash to pay immediate expenses at your death.

Premiums may vary based on many factors, including the age, sex, and health of the insured. This presentation is not valid unless accompanied by an illustration of proposed policy values.

[1] This is an estimate of the monthly benefit available based on information provided by the client. Actual survivor benefits may be greater or less than the amount shown.

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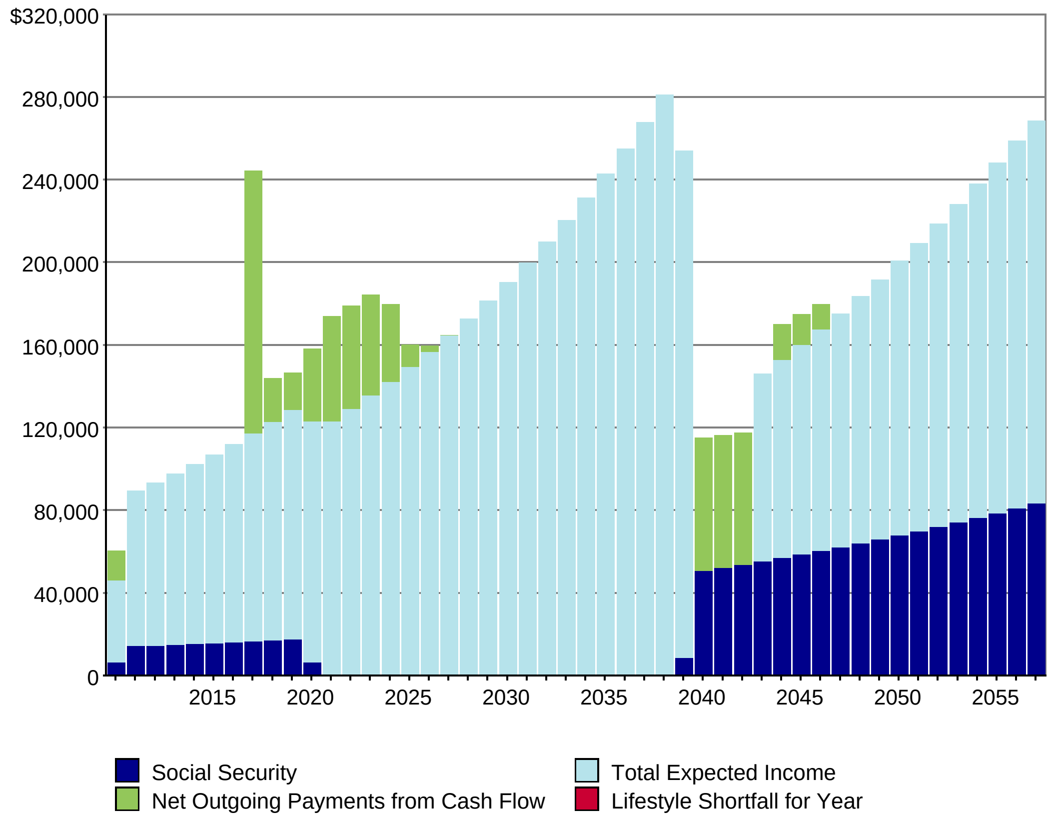
You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. Social Security benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.



Lump Sum to Provide Total Amount Needed Today[1]	$0

Life insurance can protect income needs.

Premiums may vary based on many factors, including the age, sex, and health of the insured. This presentation is not valid unless accompanied by an illustration of proposed policy values.

[1] Life Insurance proceeds of $250,000 from Sue's death have been considered.

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An Alternate Approach at Sue's Death

Rather than supplementing your survivors' income needs on a continuing basis, an alternative approach would be to use life insurance to relieve your survivors of the major financial burdens they would face in order to provide them with a head start on managing their own continuing income needs.

Objective

- Eliminate major financial burdens so that survivor income is less of a concern
- Use life insurance to provide cash immediately at death to pay the following expenses:

Final Expenses — $16,917

Estimated expenses associated with death include doctor bills, long hospital stays, expensive surgeries, funeral expenses, inheritance taxes, or estate taxes.

Present Debts — $151,000

It may not be necessary to pay off all of your acquired debts. Although by doing so, John will not have to repay the loans plus the interest on these debts and less income will be needed for your family.

Emergency Funds[1] — $30,000

The best financial analyses can be ruined by unexpected emergencies. Adequate cash reserves can often protect the plans you put in place.

Education Funds[2] — $19,633

Amount needed to fund education today.

Total Cash Needs at Sue's Death — $217,550

Immediate cash needs at death include debts, emergency funds, final expenses, taxes, and education funds.

Life Insurance on Sue

Calm Life	$100,000
Sue's Term	$150,000
Total	**$250,000**

Providing for these expenses at your death will reduce your survivor's income needs.

[1] Emergency funds are estimated at the greater of 5% of all liquid assets or three months salary.
[2] The amount needed today to fund total costs of education. This does not consider education assets and the portion that may be provided by other sources.

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Income Needs at Sue's Death

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. Social Security benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2010	$43,890	$0	$16,350	$40,000	$5,798	$14,443	-	$732,001
2011	56,436	0	31,487	75,600	13,914	0	-	803,668
2012	57,412	0	33,918	79,380	13,914	0	-	880,593
2013	58,493	0	35,863	83,349	14,331	0	-	964,225
2014	59,893	0	37,922	87,516	14,761	0	-	1,055,091
2015	61,343	0	40,101	91,892	15,204	0	-	1,153,761
2016	62,846	0	42,404	96,487	15,660	0	-	1,260,852
2017	200,595	0	44,837	101,311	16,130	127,991	-	1,379,844
2018	97,707	0	46,612	106,377	16,614	21,329	-	1,507,667
2019	99,379	0	47,530	111,696	17,112	18,101	-	1,648,382
2020	101,112	7,855	49,515	117,280	5,875	35,327	-	1,782,185
2021	102,908	19,983	51,587	123,144	0	51,334	-	1,909,953
2022	104,770	21,182	53,603	129,302	0	50,253	-	2,049,395
2023	106,699	22,453	55,735	135,767	0	49,121	-	2,201,612
2024	108,700	13,884	57,809	142,555	0	37,838	-	2,377,927
2025	100,709	0	59,915	149,683	0	10,941	-	2,586,126
2026	97,745	0	62,417	157,167	0	2,995	-	2,813,620
2027	99,975	0	65,128	165,025	0	78	-	3,061,522
2028	102,287	0	68,017	173,277	0	0	-	3,331,497
2029	104,686	0	71,094	181,940	0	0	-	3,625,349
2030	107,174	0	74,369	191,037	0	0	-	3,945,040
2031	109,754	0	77,857	200,589	0	0	-	4,292,690
2032	112,432	0	81,571	210,619	0	0	-	4,670,585
2033	115,209	0	85,520	221,150	0	0	-	5,081,211
2034	118,091	0	89,719	232,207	0	0	-	5,527,261
2035	121,082	0	94,184	243,818	0	0	-	6,011,652
2036	124,185	0	98,928	256,008	0	0	-	6,537,545
2037	127,406	0	103,967	268,809	0	0	-	7,108,373
2038	130,749	0	109,320	282,249	0	0	-	7,727,855
2039	129,214	0	97,839	246,968	8,148	0	-	8,373,456
2040	106,309	0	8,830	0	50,353	64,786	-	8,934,057
2041	108,493	0	8,035	0	51,864	64,665	-	9,540,910
2042	110,743	0	7,098	0	53,420	64,422	-	10,198,204
2043	113,061	0	6,127	91,402	55,022	0	-	10,910,389
2044	115,448	0	55,091	96,580	56,673	17,286	-	11,628,876

[1] Basic expenses, loan payments, and retirement contributions.
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Income Needs at Sue's Death (Continued)

	Outgoing Payments			Expected Income		Assets		
Year	**Living Expenses**[1]	**Education and Spending Goals**	**Tax Payments and Withholdings**[2]	**Salary and Other Income**[3]	**Social Security**[4]	**Payments Withdrawn from Available Assets**	**Shortfall**[5]	**Net Worth**[6]
2045	117,907	0	57,418	102,048	58,373	14,903	-	12,404,946
2046	120,439	0	59,835	107,820	60,124	12,329	-	13,243,761
2047	109,843	0	62,409	113,914	61,928	0	-	14,150,885
2048	94,044	0	65,184	120,346	63,786	0	-	15,132,156
2049	96,811	0	68,488	126,533	65,699	0	-	16,193,817
2050	99,661	0	71,862	133,661	67,670	0	-	17,343,291
2051	102,597	0	75,651	140,456	69,700	0	-	18,588,351
2052	105,621	0	79,395	147,552	71,791	0	-	19,938,036
2053	108,736	0	83,325	154,957	73,945	0	-	21,402,014
2054	111,944	0	87,450	162,675	76,164	0	-	22,990,897
2055	115,248	0	91,774	170,710	78,448	0	-	24,716,333
2056	118,651	0	96,305	179,063	80,802	0	-	26,591,111
2057	122,157	0	101,046	186,465	83,226	0	-	28,629,277

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
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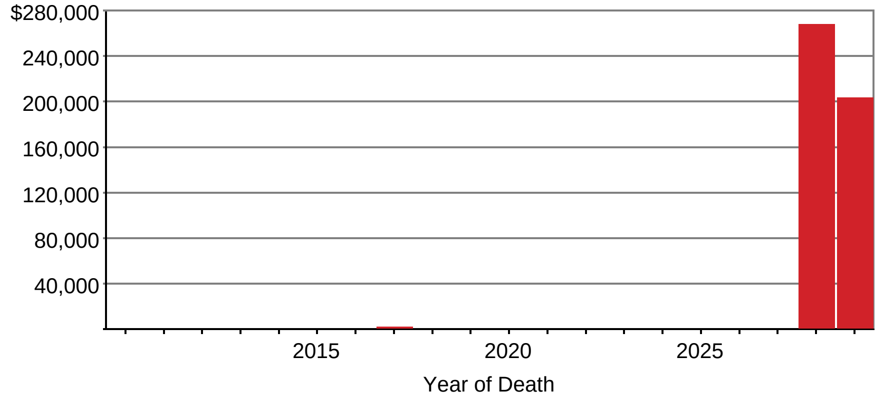
Needs if Death in Various Years

Needs change over time—incomes change, bills are paid and new living expenses are established, and others increase, some assets are sold and others acquired and some assets just increase or decrease in value. The prior charts illustrate the income needs if death occurred today. The charts below show the survivor income needs if death were to occur in any of the next 20 years. Analysis should consider the possibility of death in various years.

Value of all future needs at John's death.



At John's death, this is the amount that would need to be invested at 5% to provide the amounts needed for the shortages. The need if death occurred today is $0 and the largest need of $270,473 occurs if death is in year 19.

Value of all future needs at Sue's death.

This data was recalculated to determine the survivor's income needs if John dies next year, or any of the next 20 years. Based on this set of data and assumptions, the cash flow appears to be sufficient for the survivor income needs illustrated.

Life insurance can provide for the needs caused by death.

Why Create a Will?

Distributions Your Way or Their Way

The most important reason to have a will is to avoid dying intestate! If you die intestate, your estate will be subject to intestacy laws. These are state laws that prescribe how your property will pass to your heirs if you die without a valid will. Creating your own will allows you to express how you want your remaining property to pass.

Law—Their Way

A will determines how probate assets (assets not jointly owned or distributed according to contract) pass to heirs. If you die without a valid will, your assets will pass to your heirs according to state law.

Each state writes its own intestacy laws that serve as a "generic will" for its residents. Lawmakers design the "wills" to pass property as they think most people would want and to make provisions for all contingencies. These laws vary from state to state.

Usually, the distributions occur as follows:

- If your spouse survives you, and you have no children, your spouse inherits the estate. However, in some states, your parents and your spouse split the estate.
- If your spouse and children survive you, each inherits a portion of the estate
- If only your children survive you, they inherit the estate
- If you have no surviving spouse or descendants, your parents inherit the estate. If your parents are deceased, your siblings inherit the estate. If you have no surviving siblings, your next of kin inherits the estate.
- If you have no next of kin, your state of residence takes over possession of your estate

Will—Your Way

Creating a will allows you to express how you want your probate property to pass. Probate property consists of any assets not contractually promised or jointly owned.

Advantages of a Will:

- You choose who gets your remaining property
- You designate an executor of your choice to carry out your intentions
- You can design your will so that you actually reduce estate taxes
- You can appoint a trustee and/or guardian to manage your assets for your children
- You can amend or revoke the will at any time

Deed

Property owned jointly with survivorship rights passes to the surviving joint owner

Contract

A life insurance policy is an example of a contract that pays death benefits to a named beneficiary

Will

All remaining property is distributed according to the terms of the will

Law

If you have no will, the remaining property is distributed according to state law

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Gifts versus Bequests

During Lifetime or at Death

Gifts	Bequests
You give up control of gift	You retain full control until death
Donee's tax basis is the same as the donor's	Heir's tax basis is generally *"stepped up"* to the fair market value at the date of death
Your estate does not include the appreciation of the property after the date of the gift	Total appreciated value of the property is included in your estate
Any gift taxes are removed from your estate after three years	Bequests are generally net of estate taxes
You can observe and advise the donee about the management of the gift	Heirs must assume full management when bequests are received
Gifts of non-business assets can increase the percentage of business assets within the estate; thus, the business may qualify for favorable estate tax treatment	Family businesses and farms must meet minimum percentage tests for the estate to qualify for special tax treatment
Gifts of income producing property shift income and income taxes (if the gift is not to a child under age 14)	You retain income from income producing property that you may need to maintain standard of living

Why Use a Trust?

Benefits of Using Trusts

- **Allows greater flexibility**
- **May minimize probate expenses (at death)**
- **May save the expense of guardians**
  - Trustee acts on behalf of minor beneficiaries
  - May save expenses of guardianship, such as bonding requirements
- **May provide greater privacy (probate is a public record)**
- **Can provide effective asset management**
- **Can provide desired restrictions, limitations, and incentives**
  - Rules for use of trust funds
  - May protect trust assets from the creditors of trust beneficiaries
- **May reduce or eliminate estate taxes**
  - May remove some assets (including life insurance proceeds) from the taxable estate
  - May reduce or eliminate estate taxes at spouse's death

There are several types of trusts, including the revocable living trust and the irrevocable life insurance trust. Different trusts meet different needs. Consult with your legal/tax advisor to determine whether a particular type of trust would be beneficial for you.

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A Revocable Living Trust is a flexible estate planning tool that can be used to help reduce probate and administrative costs. It is a trust created by the Grantor during lifetime in which the Grantor retains the right to terminate the trust, change its terms, or remove trust property. It may be funded during lifetime (to obtain potential probate avoidance benefits) or remain unfunded until the Grantor's death. Since the Grantor hasn't irrevocably disposed of the trust assets, the entire trust will be includable in the Grantor's gross estate for estate tax purposes. However, to the extent the trust is funded during lifetime, the formal probate process may be avoided with respect to the trust assets. The major characteristics of a Revocable Living Trust are:

- The Grantor establishes the terms and conditions by which assets in the trust will be managed and names the beneficiaries to whom the trust assets will ultimately be distributed.
- Property is transferred to the trust during the Grantor's lifetime or pours over to the trust under the terms of the Grantor's Will.
- The trust can reduce probate and administrative costs, simplify asset management and provide greater privacy for the distribution of assets at death.

Advantages of a Revocable Living Trust

- In the event of the mental or physical incapacity of the Grantor, the Trustee continues to manage trust assets without interruption or the need for a court-appointed guardian.
- By avoiding the formal probate process, the Grantor's family may be afforded privacy with respect to the nature and amount of trust assets and the identity of the beneficiaries.
- The Trustee can distribute or manage trust assets immediately upon the Grantor's death and does not need to wait for admission of the will or other time consuming probate delays. *"Ancillary"* probate proceedings for property located in another state can be avoided.
- Probate and administrative costs can be reduced.
- Some estate planning can be accomplished.

Disadvantages of a Revocable Living Trust

- All trust assets are includable in the Grantor's gross estate for estate tax purposes.
- Establishment of the trust may generate legal costs and trustee fees.
- If probate avoidance is desired, assets generally need to be transferred to the trust during the lifetime of the Grantor.

In general, the proceeds of a life insurance policy pass free of probate unless the beneficiary of the policy is the insured person or the insured's estate. If the insured or the insured's estate is the beneficiary, the proceeds of the policy are payable to the insured's estate and are subject to the probate process.

The value of any policies owned by an individual at death are subject to estate taxes. If an individual possesses certain rights (known as incidents of ownership) over a policy insuring his or her own life, the value of the policy is generally included in the individual's gross estate for estate tax purposes at the individual's death.

Frequently, a couple will think they are safe from estate taxes if they own policies on each other. They may not be. Take for example the husband who is the owner and beneficiary of a policy on his wife. The wife dies first. The husband generally receives the proceeds of the life insurance policy free of income and estate taxes, but the funds remaining at his death become part of his gross estate for estate tax purposes. If the husband dies first, the value (not the death benefit, but the interpolated terminal reserve) of the policy would be includible in his estate.

Life insurance policies are often transferred to an irrevocable life insurance trust, in order to avoid the estate taxes that may result from owning a policy or from holding incidents of ownership in one. Other objectives may also be accomplished by such a transfer.

Pitfalls of Life Insurance in a Trust

The grantor cannot terminate or change the terms of an irrevocable life insurance trust once it is established and he does not have access to the funds in it.

If the insured transfers an existing policy to the trustee and then dies within the next three years, the value of the policy is includible in the estate for estate tax purposes under the Three Year Rule of IRC Section 2035. To avoid this possible pitfall, the trustee of the life insurance trust often purchases a new policy using cash in the trust, so that the insured is not transferring a policy to the trust.

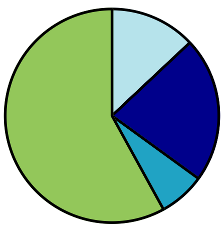
Frequently, the policy premiums for a policy in trust will be paid by the trustee with money received as a gift from the grantor. These transfers to the trust for premium payments may not qualify for the annual $13,000 gift tax exclusion because they are considered to be gifts of "future interest" rather than a "present interest." To avoid this possible pitfall, the beneficiaries of the trust are given a limited power to withdraw funds (known as a "Crummey power"). Proper withdrawal rights generally make the gift a present interest and may allow the gift to qualify for the annual gift tax exclusion. Gifts to an irrevocable trust which do not qualify for the annual gift tax exclusion may trigger a gift tax or a reduction in the available Applicable Credit Amount for federal estate tax purposes.

The $13,000 gift tax exclusion is adjusted annually for inflation. Adjustments will be rounded to the next lowest multiple of $1,000.

John's Disability Income Needs

Disability Income Needed

John, should you lose your ability to provide an income due to an accident or illness, how would your family maintain its lifestyle? If you suffered a long-term disability today, most of your needs, or monthly lifestyle expenses, would continue. These needs may change in later years. This illustration assumes they will increase for inflation at 3.00% per year.



Income Sources

Salary and Other Income	13.00%
Estimated Social Security[1]	22.00%
Retirement Plans	7.00%
Assets Used	58.00%
Shortfall	0.00%

Assumes John is disabled today and remains disabled until retirement.

Successful cash flow

Social Security Benefits

Social Security benefits are available to those who fulfill work requirements in positions covered by Social Security. If you are disabled for 6 months or longer prior to your normal retirement, you can receive a monthly benefit for you, your spouse and children under 18 years of age, subject to a family maximum benefit. To qualify for Social Security disability benefits, you must not be able to perform any substantial employment. Benefits begin after a full five-month waiting period and continue as long as you are disabled. The estimated initial monthly Social Security disability benefit is **$2,948.**

Disability Income Replacement

Long-term disability income coverage may be available through employer benefit programs and individual disability income plans. The maximum benefit available is usually limited to a portion of pre-disability earnings. Generally, group insurance has higher limits but must be coordinated with Social Security benefits and other employer disability plans. Individual coverage is normally limited to 60% of salary. Some policies pay benefits for a limited number of years, while others will pay benefits until retirement. The definition of disability is one of the most important features of any disability income policy.

[1] Social Security benefits are based on a number of factors. One factor is the portion of your wages each year that are subject to Social Security taxes. Based on the information you provided, John's Social Security are estimates based on salary and Sue's Social Security are estimates based on salary. This is an estimate of the monthly benefit available. Actual disability benefits may be greater or less than the amount shown.

Family Needs If John Is Disabled

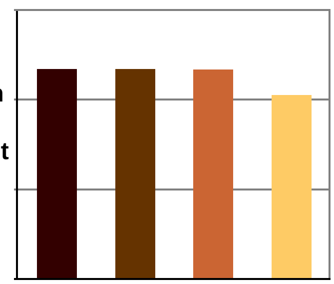
Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? Social Security benefits may provide a portion of needed income. How long would your present assets provide the necessary funds?

Long-term disability is another life uncertainty that prevents the accumulation of wealth.

- Salary stops
- Living expenses continue (medical care often increases)
- Retirement contributions stop

Before age 65, it is 2.81 times more likely that John will suffer a long-term disability than die![1]

Consider the effects of a long-term disability. What if you were out of work for two years? Five years? Until retirement?



Situation	Condition Considered	Net Worth at Retirement[2]	% Reduction in Net Worth at Retirement
■	Not Disabled	$9,447,594	—
■	Disabled for Next 2 Years	$9,447,157	0.00%
■	Disabled for Next 5 Years	$9,432,765	0.16%
■	Disabled Now until Retirement	$8,277,632	12.38%

A disability before retirement may greatly reduce the amount of assets you will have available for retirement. You should consider disability income insurance based on the amount of benefits for which you qualify.

Protect your greatest asset—your ability to earn!

[1] Based on a disability expected to last more than 2 years following a 60-day elimination period (see Assumptions).
[2] Estimated value at end of year of desired retirement.

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John's Disability Income Needs

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? Social Security benefits may provide a portion of needed income. How long would your present assets provide the necessary funds? This illustrates the estimated cash flow if John became disabled today and remained disabled until retirement.

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2010	$26,350	$0	$9,650	$36,000	$2,948	$0	-	$493,561
2011	56,215	0	18,745	86,982	35,370	0	-	598,423
2012	56,931	0	24,588	88,132	35,370	0	-	704,241
2013	57,734	0	26,624	90,276	36,431	0	-	816,210
2014	58,840	0	28,322	92,475	37,524	0	-	935,134
2015	59,978	0	29,839	94,730	38,650	0	-	1,061,710
2016	61,148	0	31,418	97,042	39,809	0	-	1,196,426
2017	198,544	0	33,063	99,412	41,004	91,191	-	1,342,618
2018	95,283	0	33,978	101,843	42,234	0	-	1,497,060
2019	96,558	0	34,265	104,336	43,501	0	-	1,663,337
2020	97,690	7,855	35,581	106,893	34,849	0	-	1,823,397
2021	98,860	19,983	36,918	109,514	30,767	15,480	-	1,977,154
2022	100,249	21,182	38,154	112,203	31,690	15,693	-	2,140,974
2023	101,678	22,453	39,427	114,960	32,640	15,958	-	2,315,685
2024	103,149	13,884	40,552	117,788	33,619	6,177	-	2,512,323
2025	94,597	0	41,612	120,689	34,628	0	-	2,738,361
2026	91,039	0	42,967	123,663	35,667	0	-	2,980,872
2027	92,642	0	44,419	126,714	36,737	0	-	3,240,597
2028	94,290	0	45,931	129,843	37,839	0	-	3,518,810
2029	95,987	0	47,505	133,053	38,974	0	-	3,816,892
2030	97,733	0	49,143	136,345	40,143	0	-	4,136,336
2031	99,530	0	50,849	139,723	41,348	0	-	4,478,762
2032	101,379	0	52,624	143,187	42,588	0	-	4,845,929
2033	103,281	0	54,471	146,740	43,866	0	-	5,239,745
2034	105,239	0	56,393	150,386	45,182	0	-	5,662,280
2035	107,254	0	58,392	154,125	46,537	0	-	6,115,787
2036	109,327	0	60,471	157,961	47,933	0	-	6,602,711
2037	111,461	0	62,633	161,897	49,371	0	-	7,125,715
2038	113,657	0	64,881	165,935	50,852	0	-	7,687,693
R 2039	115,917	0	67,217	155,938	52,378	0	-	8,277,632

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.
R-Retirement assumed to begin in this year.

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John's Disability Income Needs (Continued)

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2040	118,242	0	69,636	86,945	53,949	46,984	-	8,837,721
2041	120,635	0	71,356	88,684	55,568	47,739	-	9,441,619
2042	123,098	0	72,620	90,458	57,235	48,026	-	10,093,668
2043	125,633	0	73,911	107,311	58,952	33,282	-	10,798,094
2044	119,771	0	52,414	39,447	94,162	38,576	-	11,540,240
2045	119,407	0	54,533	16,844	108,468	48,627	-	12,327,540
2046	121,939	0	52,241	17,823	111,722	44,636	-	13,183,704
2047	111,343	0	53,571	59,219	115,074	0	-	14,111,041
2048	95,544	0	77,375	61,828	118,526	0	-	15,092,529
2049	98,311	0	80,214	64,453	122,082	0	-	16,155,999
2050	101,161	0	83,199	67,291	125,744	0	-	17,308,972
2051	104,097	0	86,340	70,132	129,517	0	-	18,559,690
2052	107,121	0	89,563	73,084	133,402	0	-	19,917,277
2053	110,236	0	92,910	76,150	137,404	0	-	21,391,701
2054	113,444	0	96,385	79,084	141,526	0	-	22,993,901
2055	116,748	0	99,901	82,374	145,772	0	-	24,735,974
2056	120,151	0	103,638	85,496	150,145	0	-	26,631,007
2057	123,657	0	107,410	88,494	154,650	0	-	28,693,570
2058	127,268	0	111,233	91,550	159,289	0	-	30,939,642
2059	130,987	0	115,175	94,657	164,068	0	-	33,386,694
2060	134,817	0	119,238	97,806	168,990	0	-	36,053,913
2061	138,763	0	123,421	100,988	174,059	0	-	38,962,369
2062	142,827	0	127,723	103,407	179,281	0	-	42,135,206

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

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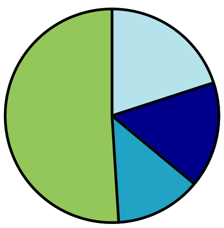
Disability Income Needed

Sue, should you lose your ability to provide an income due to an accident or illness, how would your family maintain its lifestyle? If you suffered a long-term disability today, most of your needs, or monthly lifestyle expenses, would continue. These needs may change in later years. This illustration assumes they will increase for inflation at 3.00% per year.



Income Sources

Salary and Other Income	20.00%
Estimated Social Security[1]	16.00%
Retirement Plans	13.00%
Assets Used	51.00%
Shortfall	0.00%

Assumes Sue is disabled today and remains disabled until retirement.

Successful cash flow

Social Security Benefits

Social Security benefits are available to those who fulfill work requirements in positions covered by Social Security. If you are disabled for 6 months or longer prior to your normal retirement, you can receive a monthly benefit for you, your spouse and children under 18 years of age, subject to a family maximum benefit. To qualify for Social Security disability benefits, you must not be able to perform any substantial employment. Benefits begin after a full five-month waiting period and continue as long as you are disabled. The estimated initial monthly Social Security disability benefit is **$2,319.**

Disability Income Replacement

Long-term disability income coverage may be available through employer benefit programs and individual disability income plans. The maximum benefit available is usually limited to a portion of pre-disability earnings. Generally, group insurance has higher limits but must be coordinated with Social Security benefits and other employer disability plans. Individual coverage is normally limited to 60% of salary. Some policies pay benefits for a limited number of years, while others will pay benefits until retirement. The definition of disability is one of the most important features of any disability income policy.

[1] Social Security benefits are based on a number of factors. One factor is the portion of your wages each year that are subject to Social Security taxes. Based on the information you provided, John's Social Security are estimates based on salary and Sue's Social Security are estimates based on salary. This is an estimate of the monthly benefit available. Actual disability benefits may be greater or less than the amount shown.

Family Needs If Sue Is Disabled

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? Social Security benefits may provide a portion of needed income. How long would your present assets provide the necessary funds?

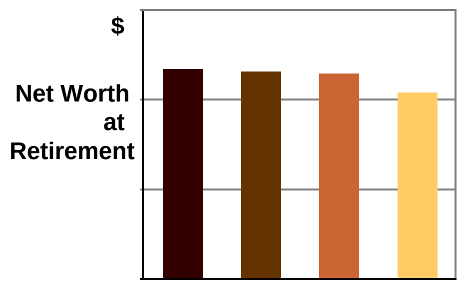
Long-term disability is another life uncertainty that prevents the accumulation of wealth.

- Salary stops
- Living expenses continue (medical care often increases)
- Retirement contributions stop

Before age 65, it is 5.47 times more likely that Sue will suffer a long-term disability than die![1]

Consider the effects of a long-term disability. What if you were out of work for two years? Five years? Until retirement?

Effects on Net Worth of Situation



Situation	Condition Considered	Net Worth at Retirement[2]	% Reduction in Net Worth at Retirement
■	Not Disabled	$9,447,594	—
■	Disabled for Next 2 Years	$9,348,128	1.05%
■	Disabled for Next 5 Years	$9,253,214	2.06%
■	Disabled Now until Retirement	$8,385,162	11.25%

A disability before retirement may greatly reduce the amount of assets you will have available for retirement. You should consider disability income insurance based on the amount of benefits for which you qualify.

Protect your greatest asset—your ability to earn!

[1] Based on a disability expected to last more than 2 years following a 60-day elimination period (see Assumptions).
[2] Estimated value at end of year of desired retirement.

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Sue's Disability Income Needs

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? Social Security benefits may provide a portion of needed income. How long would your present assets provide the necessary funds? This illustrates the estimated cash flow if Sue became disabled today and remained disabled until retirement.

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2010	$27,268	$0	$14,742	$36,000	$2,319	$3,691	-	$488,036
2011	58,296	0	30,299	76,259	27,828	0	-	563,277
2012	59,272	0	36,187	79,380	27,828	0	-	640,340
2013	60,353	0	38,139	83,349	28,663	0	-	724,532
2014	61,753	0	40,379	87,516	29,523	0	-	816,229
2015	63,203	0	42,746	91,892	30,408	0	-	916,016
2016	64,706	0	45,247	96,487	31,321	0	-	1,024,529
2017	202,455	0	47,889	101,311	32,260	116,773	-	1,145,262
2018	99,567	0	49,883	106,377	33,228	9,846	-	1,275,163
2019	101,239	0	51,031	111,696	34,225	6,350	-	1,418,310
2020	102,792	7,855	53,257	117,280	27,418	19,206	-	1,558,980
2021	104,408	19,983	56,204	123,144	24,206	33,245	-	1,695,645
2022	106,270	21,182	59,160	129,302	24,932	32,378	-	1,843,842
2023	108,199	22,453	62,039	135,767	25,680	31,245	-	2,004,656
2024	110,200	13,884	66,399	142,555	26,451	21,477	-	2,187,667
2025	102,209	0	68,885	149,683	27,244	0	-	2,402,902
2026	99,245	0	70,520	157,167	28,062	0	-	2,639,313
2027	101,475	0	73,060	165,025	28,903	0	-	2,897,391
2028	103,787	0	76,463	173,277	29,771	0	-	3,178,164
2029	106,186	0	80,078	181,940	30,664	0	-	3,483,455
2030	108,674	0	83,918	191,037	31,584	0	-	3,815,240
2031	111,254	0	87,995	200,589	32,531	0	-	4,175,655
2032	113,932	0	92,321	210,619	33,507	0	-	4,567,012
2033	116,709	0	96,911	221,150	34,512	0	-	4,991,815
2034	119,591	0	101,780	232,207	35,548	0	-	5,452,773
2035	122,582	0	106,943	243,818	36,614	0	-	5,952,824
2036	125,685	0	112,416	256,008	37,712	0	-	6,495,149
2037	128,906	0	118,216	268,809	38,844	0	-	7,083,197
2038	132,249	0	124,362	282,249	40,009	0	-	7,720,707
R 2039	130,714	0	113,708	246,968	49,357	0	-	8,385,162

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.
R-Retirement assumed to begin in this year.

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Sue's Disability Income Needs (Continued)

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[6]
2040	107,809	0	25,560	0	92,799	40,570	-	8,965,458
2041	109,993	0	22,358	0	95,583	36,769	-	9,596,296
2042	112,243	0	22,544	0	98,450	36,337	-	10,278,396
2043	114,561	0	22,752	84,555	101,404	0	-	11,016,206
2044	116,948	0	73,256	89,476	104,446	0	-	11,760,808
2045	119,407	0	76,486	94,678	107,579	0	-	12,564,187
2046	121,939	0	79,841	100,176	110,807	0	-	13,431,535
2047	111,343	0	83,392	113,622	114,131	0	-	14,368,448
2048	95,544	0	90,007	120,047	117,555	0	-	15,377,868
2049	98,311	0	94,549	126,267	121,081	0	-	16,468,691
2050	101,161	0	99,224	133,390	124,714	0	-	17,648,338
2051	104,097	0	104,351	140,227	128,455	0	-	18,924,603
2052	107,121	0	109,505	147,371	132,309	0	-	20,306,510
2053	110,236	0	114,905	154,829	136,278	0	-	21,803,727
2054	113,444	0	120,559	162,562	140,366	0	-	23,426,863
2055	116,748	0	126,460	170,664	144,577	0	-	25,187,577
2056	120,151	0	132,649	179,038	148,915	0	-	27,098,631
2057	123,657	0	139,098	186,538	153,382	0	-	29,174,077
2058	127,268	0	145,388	194,197	157,984	0	-	31,429,809
2059	130,987	0	151,899	201,992	162,723	0	-	33,882,876
2060	134,817	0	158,626	209,893	167,605	0	-	36,552,014
2061	138,763	0	165,566	217,864	172,633	0	-	39,457,819
2062	142,827	0	172,709	223,900	177,812	0	-	42,622,933

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)
[6] Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

What if You Need Long-Term Care?

Preparing for long-term care means thinking ahead and being prepared for the consequences of needing long-term care. While almost all people face long-term care at some point in their lives, few adequately consider its financial burden.

Odds of Needing Long-Term Care

The possibility of needing long-term care is one of the greatest threats to your personal well-being, financial goals and financial security.

Forty percent of people 65 and older will require some long-term care.
Journal of Financial Service Professionals, January 2001

Ninety percent of people 80 and older will require some long-term care.
1996 National Nursing Home Study by AARP

As people live longer, these odds are likely to increase.

What Will Long-Term Care Cost?

- **Cost Today**
  In 2002, the average annual cost for a nursing home stay in North Carolina was $52,322.[1]
- **Rapidly Increasing Costs**
  Historically, the cost of long-term care has doubled in the past 9 years.[2]
- **Your Possible Cost**
  If John had a nursing home stay at age 72, the expected cost could be $156,060, based on the general inflation rate of 3.00%.
  If Sue had a nursing home stay at age 72, the expected cost could be $180,916, based on the general inflation rate of 3.00%.

Paying for Long-Term Care

- **Medicare and Medicaid**
  These government benefits are occasionally available *after* you have depleted your assets.
- **Use Retirement Savings**
  Will you risk your life-long savings? Will you run out of money?
- **Depend on Family**
  What will be the total impact on your family?
- **Long-Term Care Insurance**
  Insurance is available to protect you and your family, but it must be obtained before incurring the long-term care expense.

[1] Your current state of residence based on a study by Milliman USA.
[2] Annual national rate of 8.2%. Source: US Consumer Index for Nursing Home Costs, 1978-2001.

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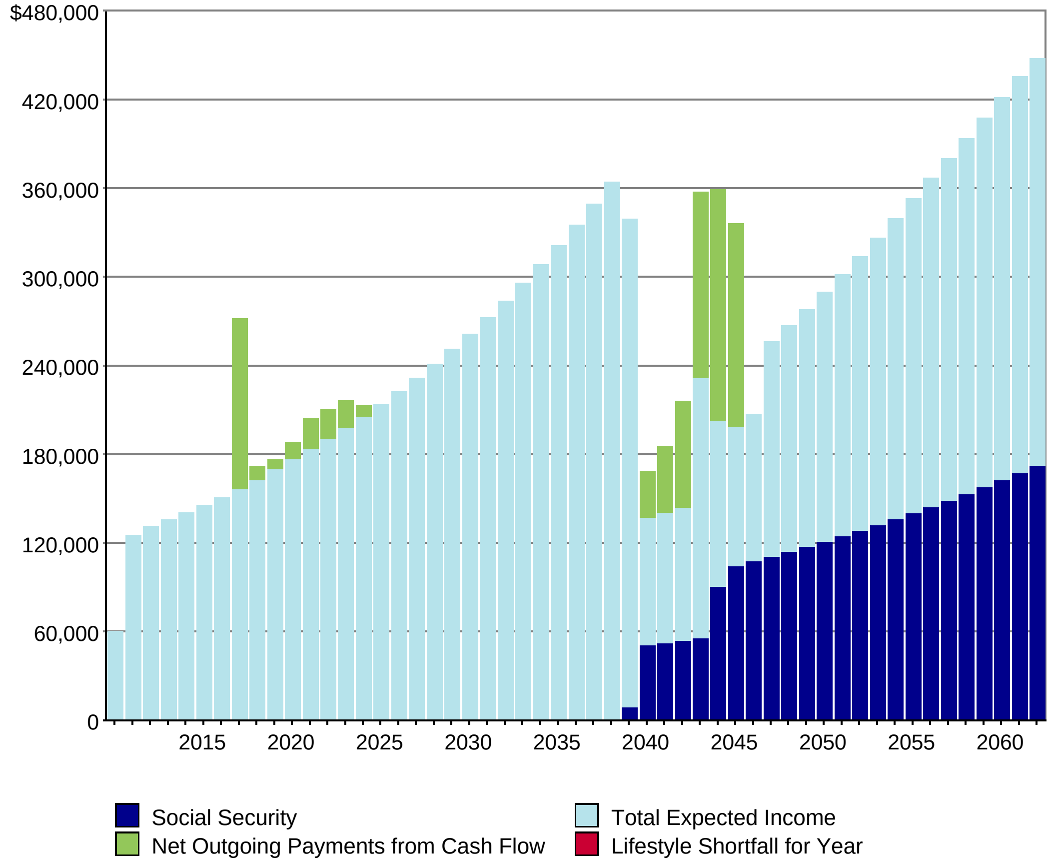
What if John Needs Long-Term Care?

This illustration assumes that John has a nursing home stay starting at age 70 ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.



Lump Sum to Provide Total Amount Needed Today **$0**

The best way to protect yourself from unexpected expenses like nursing home stays is through various forms of insurance. Long-term care insurance can provide additional funds to help cover the cost of a nursing home stay, but you cannot wait until you need it to get it.

Don't let an unexpected expense ruin your plans.

What if John Needs Long-Term Care?

This illustration assumes that John has a nursing home stay starting at age 70 ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.

		Outgoing Payments			Expected Income		Assets		
	Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[5]
	2010	$30,148	$0	$24,392	$60,000	$0	$0	-	$501,652
	2011	64,171	0	49,735	125,470	0	0	-	582,194
	2012	65,265	0	50,545	131,361	0	0	-	671,094
	2013	66,465	0	52,917	135,984	0	0	-	767,400
	2014	67,988	0	55,420	140,783	0	0	-	871,655
	2015	69,563	0	58,053	145,775	0	0	-	984,460
	2016	71,193	0	60,819	150,970	0	0	-	1,106,463
	2017	209,072	0	63,727	156,448	0	116,351	-	1,241,170
	2018	106,316	0	65,988	162,804	0	9,688	-	1,385,543
	2019	108,123	0	67,406	170,157	0	6,469	-	1,543,663
	2020	109,814	7,855	69,956	176,740	0	11,833	-	1,707,780
	2021	111,570	19,983	72,661	183,578	0	21,388	-	1,873,949
	2022	113,575	21,182	75,529	190,680	0	20,109	-	2,053,761
	2023	115,651	22,453	78,562	198,066	0	18,806	-	2,248,361
	2024	117,800	13,884	82,011	205,890	0	7,804	-	2,468,463
	2025	109,961	0	85,553	214,285	0	0	-	2,722,017
	2026	107,152	0	87,873	223,061	0	0	-	2,998,276
	2027	109,540	0	91,518	232,237	0	0	-	3,297,353
	2028	112,014	0	95,387	241,832	0	0	-	3,620,996
	2029	114,577	0	99,477	251,867	0	0	-	3,971,107
	2030	117,233	0	103,799	262,363	0	0	-	4,349,739
	2031	119,985	0	108,367	273,341	0	0	-	4,759,114
	2032	122,837	0	113,193	284,826	0	0	-	5,201,628
	2033	125,792	0	118,291	296,841	0	0	-	5,679,879
	2034	128,856	0	123,677	309,412	0	0	-	6,196,669
	2035	132,032	0	129,365	322,567	0	0	-	6,755,036
	2036	135,324	0	135,372	336,333	0	0	-	7,358,262
	2037	138,738	0	141,715	350,739	0	0	-	8,009,905
	2038	142,278	0	148,412	365,818	0	0	-	8,713,816
R	2039	140,943	0	138,318	332,209	8,148	0	-	9,447,594
	2040	118,242	0	50,740	86,945	50,353	31,683	-	10,100,260
	2041	120,635	0	65,419	88,684	51,864	45,507	-	10,788,691
L	2042	149,888	0	66,505	90,458	53,420	72,516	-	11,503,797
	2043	291,196	0	67,579	176,822	55,022	126,931	-	12,134,113
	2044	290,302	0	70,069	113,004	90,114	157,253	-	12,769,801

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)
R-Retirement assumed to begin in this year.
L -Long-term care assumed to begin in this year.

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What if John Needs Long-Term Care?

	Outgoing Payments			Expected Income		Assets		
Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[5]
2045	265,779	0	71,592	94,678	104,299	138,394	-	13,471,609
2046	121,939	0	75,855	100,176	107,428	0	-	14,382,110
2047	111,343	0	78,246	146,348	110,651	0	-	15,365,375
2048	95,544	0	96,796	154,003	113,970	0	-	16,410,938
2049	98,311	0	101,941	161,497	117,390	0	-	17,539,053
2050	101,161	0	107,235	169,937	120,911	0	-	18,757,193
2051	104,097	0	113,012	178,138	124,539	0	-	20,073,192
2052	107,121	0	118,849	186,692	128,275	0	-	21,496,119
2053	110,236	0	124,964	195,609	132,123	0	-	23,035,686
2054	113,444	0	131,369	204,649	136,087	0	-	24,702,547
2055	116,748	0	137,983	214,302	140,169	0	-	26,508,489
2056	120,151	0	144,992	224,047	144,374	0	-	28,466,255
2057	123,657	0	152,213	232,942	148,706	0	-	30,590,044
2058	127,268	0	159,303	242,022	153,167	0	-	32,895,821
2059	130,987	0	166,642	251,260	157,762	0	-	35,400,716
2060	134,817	0	174,225	260,624	162,495	0	-	38,123,550
2061	138,763	0	182,048	270,074	167,369	0	-	41,085,010
2062	142,827	0	190,102	277,240	172,390	0	-	44,307,837

[1] Basic expenses, loan payments, and retirement contributions.
[2] All payroll withholding taxes, including any FICA taxes, plus additional tax payments (income and capital gains tax). Refunds are shown as other income in the year received.
[3] Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions
[4] Benefits may be reduced for earnings from current work prior to full retirement age (FRA). FRA for John is age 67 and FRA for Sue is age 67.
[5] The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated “Do Not Use,” or restricted are not considered available.)

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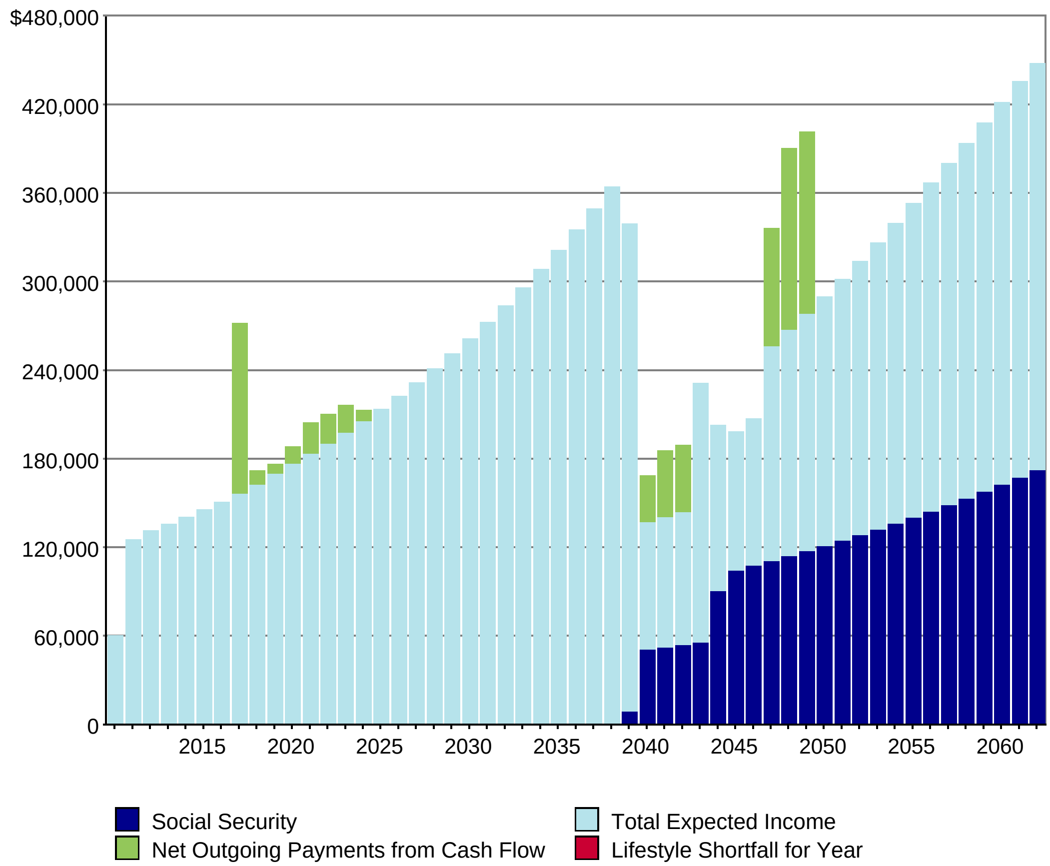
What if Sue Needs Long-Term Care?

This illustration assumes that Sue has a nursing home stay starting at age 70 ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.



Lump Sum to Provide Total Amount Needed Today **$0**

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Don't let an unexpected expense ruin your plans.

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What if Sue Needs Long-Term Care?

This illustration assumes that Sue has a nursing home stay starting at age 70 ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.

		Outgoing Payments			Expected Income			Assets	
	Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[5]
	2010	$30,148	$0	$24,392	$60,000	$0	$0	-	$501,652
	2011	64,171	0	49,735	125,470	0	0	-	582,194
	2012	65,265	0	50,545	131,361	0	0	-	671,094
	2013	66,465	0	52,917	135,984	0	0	-	767,400
	2014	67,988	0	55,420	140,783	0	0	-	871,655
	2015	69,563	0	58,053	145,775	0	0	-	984,460
	2016	71,193	0	60,819	150,970	0	0	-	1,106,463
	2017	209,072	0	63,727	156,448	0	116,351	-	1,241,170
	2018	106,316	0	65,988	162,804	0	9,688	-	1,385,543
	2019	108,123	0	67,406	170,157	0	6,469	-	1,543,663
	2020	109,814	7,855	69,956	176,740	0	11,833	-	1,707,780
	2021	111,570	19,983	72,661	183,578	0	21,388	-	1,873,949
	2022	113,575	21,182	75,529	190,680	0	20,109	-	2,053,761
	2023	115,651	22,453	78,562	198,066	0	18,806	-	2,248,361
	2024	117,800	13,884	82,011	205,890	0	7,804	-	2,468,463
	2025	109,961	0	85,553	214,285	0	0	-	2,722,017
	2026	107,152	0	87,873	223,061	0	0	-	2,998,276
	2027	109,540	0	91,518	232,237	0	0	-	3,297,353
	2028	112,014	0	95,387	241,832	0	0	-	3,620,996
	2029	114,577	0	99,477	251,867	0	0	-	3,971,107
	2030	117,233	0	103,799	262,363	0	0	-	4,349,739
	2031	119,985	0	108,367	273,341	0	0	-	4,759,114
	2032	122,837	0	113,193	284,826	0	0	-	5,201,628
	2033	125,792	0	118,291	296,841	0	0	-	5,679,879
	2034	128,856	0	123,677	309,412	0	0	-	6,196,669
	2035	132,032	0	129,365	322,567	0	0	-	6,755,036
	2036	135,324	0	135,372	336,333	0	0	-	7,358,262
	2037	138,738	0	141,715	350,739	0	0	-	8,009,905
	2038	142,278	0	148,412	365,818	0	0	-	8,713,816
R	2039	140,943	0	138,318	332,209	8,148	0	-	9,447,594
	2040	118,242	0	50,740	86,945	50,353	31,683	-	10,100,260
	2041	120,635	0	65,419	88,684	51,864	45,507	-	10,788,691
	2042	123,098	0	66,505	90,458	53,420	45,726	-	11,530,632
	2043	125,633	0	67,595	176,822	55,022	0	-	12,330,657
	2044	119,771	0	71,609	113,004	90,114	0	-	13,146,447

[1] Basic expenses, loan payments, and retirement contributions.
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What if Sue Needs Long-Term Care?

		Outgoing Payments			Expected Income		Assets		
	Year	Living Expenses[1]	Education and Spending Goals	Tax Payments and Withholdings[2]	Salary and Other Income[3]	Social Security[4]	Payments Withdrawn from Available Assets	Shortfall[5]	Net Worth[5]
	2045	119,407	0	75,703	94,678	104,299	0	-	14,008,916
	2046	121,939	0	82,663	100,176	107,428	0	-	14,934,245
L	2047	251,101	0	86,251	146,348	110,651	80,353	-	15,790,066
	2048	287,477	0	104,314	154,003	113,970	123,818	-	16,649,641
	2049	296,002	0	106,923	161,497	117,390	124,039	-	17,580,957
	2050	152,067	0	109,408	169,937	120,911	0	-	18,745,921
	2051	104,097	0	112,977	178,138	124,539	0	-	20,061,499
	2052	107,121	0	118,679	186,692	128,275	0	-	21,484,125
	2053	110,236	0	124,790	195,609	132,123	0	-	23,023,384
	2054	113,444	0	131,191	204,649	136,087	0	-	24,689,929
	2055	116,748	0	137,800	214,302	140,169	0	-	26,495,546
	2056	120,151	0	144,804	224,047	144,374	0	-	28,452,980
	2057	123,657	0	152,020	232,942	148,706	0	-	30,576,427
	2058	127,268	0	159,106	242,022	153,167	0	-	32,881,854
	2059	130,987	0	166,439	251,260	157,762	0	-	35,386,390
	2060	134,817	0	174,018	260,624	162,495	0	-	38,108,856
	2061	138,763	0	181,835	270,074	167,369	0	-	41,069,938
	2062	142,827	0	189,884	277,240	172,390	0	-	44,292,378

[1] Basic expenses, loan payments, and retirement contributions.
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L -Long-term care assumed to begin in this year.

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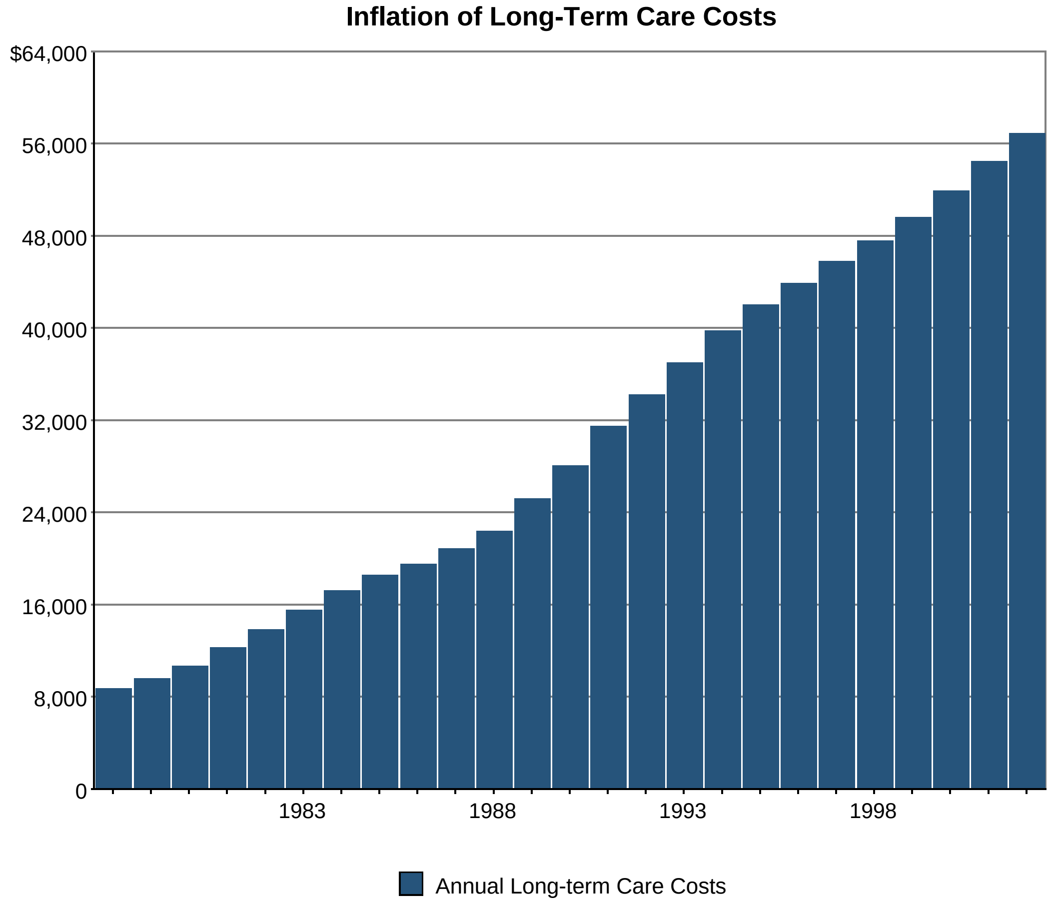
Historic Long-Term Care Costs

When predicting long-term care costs in the future, past average inflation rate is often sought. Historically, long-term care costs have increased at an average of 8.2% per year. However, past experience is no assurance of what will happen in the future. Preparing for the anticipated future expenses of long-term care is an important step towards developing a realistic analysis.



Even in this period of moderate inflation, the cost of long-term care increased by 8.2% annually.

Source: US Consumer Price Index for Nursing Home Costs, 1978-2001

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Long-Term Care Costs, By State

Long-term care expenses vary by state. Rather than receiving long-term care in your state of residence, you may choose to move to a different state so that you're closer to relatives. The average U.S. long-term care cost for 2002 was $57,131[1].

Average Long-Term Care Costs for 2002 by State

State	Avgerage Cost	State	Average Cost
Alabama	$57,772	Montana	$53,957
Alaska	197,842	Nebraska	38,696
Arizona	53,412	Nevada	57,227
Arkansas	34,881	New Hampshire	61,587
California	51,232	New Jersey	58,317
Colorado	53,957	New Mexico	50,687
Connecticut	71,398	New York	91,018
Delaware	53,412	North Carolina	52,322
Dist. of Columbia	109,549	North Dakota	51,777
Florida	51,777	Ohio	58,862
Georgia	46,872	Oklahoma	39,786
Hawaii	82,298	Oregon	49,052
Idaho	51,777	Pennsylvania	58,317
Illinois	47,962	Rhode Island	77,938
Indiana	47,417	South Carolina	46,327
Iowa	38,151	South Dakota	49,597
Kansas	43,057	Tennessee	41,422
Kentucky	51,777	Texas	41,422
Louisiana	35,971	Utah	44,147
Maine	61,042	Vermont	59,407
Maryland	58,317	Virginia	43,057
Massachusetts	59,952	Washington	62,677
Michigan	58,862	West Virginia	53,412
Minnesota	63,222	Wisconsin	50,142
Mississippi	43,602	Wyoming	51,232
Missouri	45,782		

The figures shown in the table above are prepared by Milliman, USA, and are based on *Milliman's Long-Term Care Guidelines*.

[1] National average based on a study by Milliman USA.

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Understanding the Costs of Long-Term Care

Home Health Care

One area of particular interest is being able to afford to have somebody come into your home and help out. Just about everybody would prefer to be able to stay in their own home as long as possible, and there are several health care options which can help you do this. But it can still hasten the erosion of your retirement assets. Home care costs, on a full time basis, can easily be equivalent to those costs in a nursing facility.

There are several issues that have been considered when evaluating your personal situation, and whether long-term care insurance is appropriate for you, long-term care insurance can:

- Protect assets from being eroded by health-care costs, in order to conserve them for future use
- Preserve an estate so that it may ultimately be passed to the next generation
- Protect against the catastrophic impact of a major long-term illness
- Provide you with the option of being able to stay in your home and receive the level of care needed

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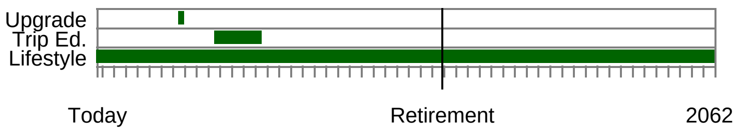
Financial Needs Summary

Will your present analyses provide the funds to meet your financial goals and maintain your lifestyle? Do your analyses work for different needs? Do your analyses consider death, disability, retirement, and long-term care?

Your financial timeline below assumes you pay for each need as it occurs. Funds designated for a specific need such as education or retirement are used for those needs. Some funds, such as your home, may be designated as "Do Not Use." The remaining assets supplement your income to provide the remaining needs and goals. These timelines show whether your cash flow is sufficient to meet your needs as they occur while using only those assets you have made available.

Retirement

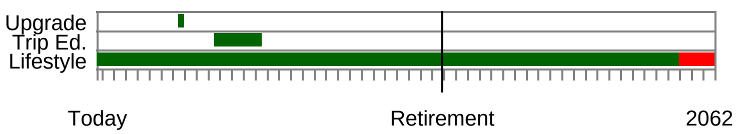
Cash Flow through Retirement



Successful cash flow
Cash Flow Failure

John Dies

Income Needs at John's Death



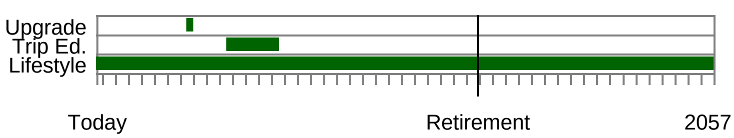
Cash Flow Failure

Value of Shortfall in Today's Dollars: $14,186

Successful cash flow
A cash flow failure occurred in January of 2060

Sue Dies

Income Needs at Sue's Death



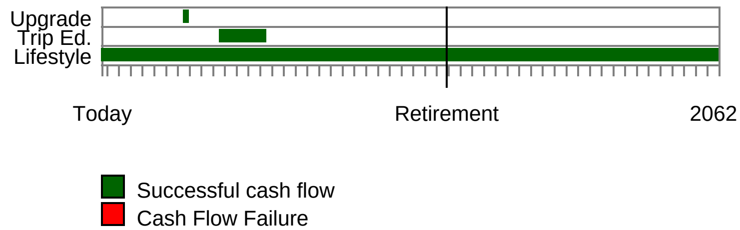
Successful cash flow
Cash Flow Failure

Evaluation Standard Footnote:You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

Financial Needs Summary (Continued)

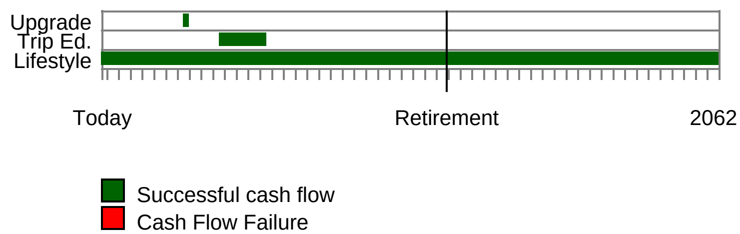
John Becomes Disabled

Cash Flow with a Long-Term Disability
Starting Today and Lasting until Retirement



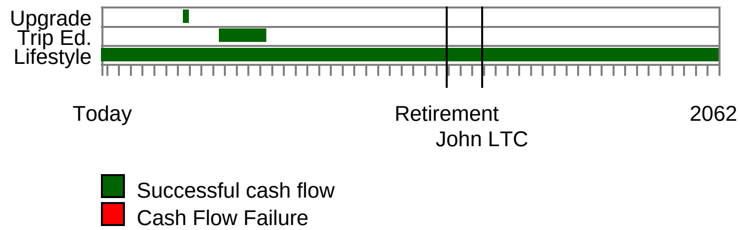
Sue Becomes Disabled

Cash Flow with a Long-Term Disability
Starting Today and Lasting until Retirement



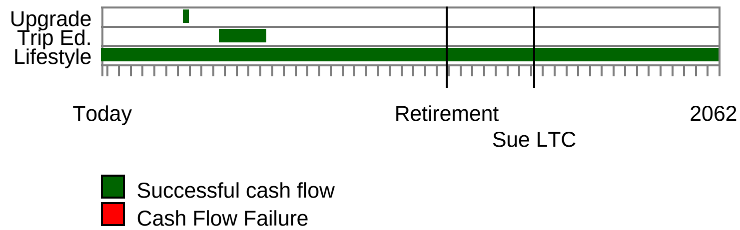
John's Long-Term Care Considered

Effect if John Requires Nursing Home Care



Sue's Long-Term Care Considered

Effect if Sue Requires Nursing Home Care



Your financial lifestyle is determined by (a) your financial goals and desires and (b) your saving and spending habits. This analysis examines your current assets and liabilities, reviews the cash flow necessary for you to maintain your lifestyle, and then shows you the results or consequences of various scenarios.

Confirmation of Facts

John Crawford, Jr.

Age: 37 **Male** **Born:** Nov. 01, 1972

Sue Crawford, Jr.

Age: 33 **Female** **Born:** Apr. 09, 1977

John and Sue are married.

Mailing Address

111 Fancy Lane
Somerset, NC, 28222

Children and Dependents

Name	Date of Birth	Gender	Relationship	Dependent of
Trip	Apr. 09, 2002	Male	Child	John, Sue

Salaries

Employer	Employee	Current Salary	Frequency	Inflation Rate
J & R Web Designs, Inc.	John	$6,000	Monthly	5.000%
Charlotte School System	Sue	$4,000	Monthly	2.000%

Checking, Savings, CDs

Account Name	Owner	Current Balance	Balance As Of	Interest Rate	
cash	John, Sue	$5,000	Jul. 29, 2010	0.000%	This asset is the Cash Account
Savings	John, Sue	$25,000	Jul. 29, 2010	4.000%	

Mutual Funds

					Rates		
Name/ Symbol	Owner	Account Balance	Balance As Of	Basis	Qual. Div.	Cap. Gains	App.
Investments	John, Sue	$50,000	Jul. 29, 2010	$50,000	0.000%[1]	0.000%[1]	6.000%

Educational Savings

Name	Owner	Account Balance	Balance As Of	Growth Rate	Type
Trip's 529 Plan	John	$25,000	Jul. 29, 2010	5.000%	529

Retirement Plans[2]

Name	Owner	Current Balance	Balance As Of	Growth Rate	Owner Contrib.	Employer Contrib.
Jack's Retirement Plan	John	$60,000	Jul. 29, 2010	6.000%	10.000%	5.000%
Sue's Retirement Plan	Sue	$50,000	Jul. 29, 2010	4.000%	12.000%	6.000%

Business Property

J. & R. Web Designs, Inc.

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
John	$200,000	Jul. 30, 2010	$50,000	10.000%

Business Form	% of Total Bus. Value	Income	Income Frequency	Monthly Expenses	Annual Expenses	Inflation Rate
S Corporation	5%	n/a	n/a	n/a	n/a	n/a

[1] Dividends are assumed to be reinvested in similar investments.
[2] There are no Required Minimum Distributions from Qualified Plans for 2009 only.

Confirmation of Facts

Residences

Home

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
John, Sue	$200,000	Jul. 29, 2010	$200,000	4.000%

Personal Loan Secured by this Asset

Balance as of	Mortgage Balance	Payment	Frequency	Interest Rate
Jul. 29, 2010	$150,000	$1,200	Monthly	5.000%

Life Insurance-Individual

Name	Insured	Owner	Beneficiary	Face Amount	Premium	Frequency	Cash Value
Wild Life	John	John	Sue	$100,000	$150	Monthly	$0
Calm Life	Sue	Sue	Sue	$100,000	$125	Monthly	$0
Jack's Term	John	John	Sue	$750,000	$65	Monthly	$0
Sue's Term	Sue	Sue	John	$150,000	$30	Monthly	$0

Disability Insurance-Individual

Name	Insured	Owner	Monthly Benefit	Waiting Period	Benefit Period	Premium	Frequency
LTDI	John	John	$3,000	90 Days	Age 67	$33	Monthly

Essential Living Expenses

Description	Amount	Frequency	Tax Deductible[1]	Percent Continuing after First Death	Percent Continuing after First Disability	Percent Continuing after First Retirement
Joint General Living Expenses	$2,500	Monthly	No	100%	100%	100%

Education Expenses

Description	Amount	Frequency	Percent of Estimated Aid
The University of North Carolina at Chapel Hill	$14,036	Annual	25%

Debt

Liability Name	Owner	Payment Amount	Frequency	Current Balance	Balance As Of	Interest Rate
Loan for Home	John, Sue	$1,200	Monthly	$150,000	Jul. 29, 2010	5.000%
Visa	John, Sue	$1,000	Monthly	$1,000	Jul. 29, 2010	12.000%

Future Purchase

Description	Future Owners	Anticipated Cost	Inflation	Start
Upgrade Home	John, Sue	$500,000	3.000%	Starting on Jul 01, 2017

Sweep Transaction

Description	From	To	Thres-hold	Min, Trans.	Frequency	Amount	Apply Inflation
excess checking to savings	cash	Savings	$0	$500	Monthly	100%	n/a

Already started and ending after the illustration.

[1] Deductions for charitable contributions and medical/prescriptions are subject to limitations.

No one knows the future or the exact sequence of events that may occur. Your plan is built on all of the facts you have shared, but it is still necessary to make various assumptions to illustrate your financial situation. You should be sure that you understand all of the assumptions listed here and that they correctly reflect your situation and desires. Assumptions appear with the section that are applicable. The following assumptions are of a more general nature and apply throughout your plan. Also, some assumptions required additional explanations.

John Crawford, Jr.	Age: 37	Male	Born: November 1, 1972
Sue Crawford, Jr.	Age: 33	Female	Born: April 9, 1977

John and Sue are married.

Social Security

John is eligible for Social Security benefits. John's Social Security benefits are estimated based on a ratio of salary to maximum benefits. John plans to take Social Security retirement benefits starting at age 66.

Sue is eligible for Social Security benefits. Sue's Social Security benefits are estimated based on a ratio of salary to maximum benefits. Sue plans to take Social Security retirement benefits starting at age 66.

Ages and Events

Ages illustrated are based on the age as of the last birthday.

Calculation Date

The starting date for the calculations in this report is July 30, 2010. Assets that were entered with a valuation date more than one month prior to this date have their value adjusted for appreciation to approximate the value of the asset on this calculation date.

Calendar Year Processing

Each year of the illustration ends with December. The current year will calculate from the month of the Calculation Date through December of that year.

Nature of Monthly Calculations

Calculations are made each month, based on the amounts available at the start of the month. No attempt is made to determine the exact date within a month various transactions occur.

Interest Rates and Earnings

Interest and earnings are credited for 1/12th of the annual amount requested for each month. This is for the purpose of helping to determine the applicable cash flow and does not represent a guarantee of this or any interest or earnings. All rates of return illustrated are hypothetical and are not associated with any particular investment product.

Qualified Retirement Plans

The estimated benefits of the qualified retirement plans are dependent upon the employer maintaining the present plan, continuing to make the illustrated contributions to the plan and that the government regulations concerning the plans remain unchanged. These assumptions are highly unlikely. The Plan Administrator of each qualified retirement plan should be consulted for specific details concerning that plan. Annual contributions are assumed to increase at the general inflation rate each year. This may or may not correspond to the annual limits adjusted by the U.S. Treasury each year and subject to future changes by Congress.

Insurance

The numbers produced by this analysis in no way guarantee the right to purchase life insurance in the amounts illustrated. If any new life insurance is illustrated, this presentation is not valid unless accompanied by a complete illustration of proposed policy values.

Probate and Expenses

John:
Final Expenses: $15,000
Administrative Fees (% of Gross Estate): 1.00%
Probate Fees (% of Probate Assets): 4.00%
Administrative Fees: $0
Estimated Probate Fees: $0

Sue:
Final Expenses: $15,000
Administrative Fees (% of Gross Estate): 1.00%
Probate Fees (% of Probate Assets): 4.00%
Administrative Fees: $0
Estimated Probate Fees: $0

Prior Taxable Gifts

John:
Taxable Gifts: $0
Gift Taxes Paid: $0
Applicable Credit Used: $0

Sue:
Taxable Gifts: $0
Gift Taxes Paid: $0
Applicable Credit Used: $0

Estate Assumptions

Not all property is transferred by your will. Property owned jointly with survivorship rights passes to the surviving joint owner. Life insurance proceeds are paid to your named beneficiary. This analysis applies the provisions below to the extent possible. State inheritance tax is based on North Carolina.

John's Plan

Your will leaves everything outright to Sue after providing for any other planning options.

Sue's Plan

Your will leaves everything outright to John after providing for any other planning options.

Loans, Credit Cards, and Lines of Credit

Any form of credit illustrated is not a guarantee that such credit will be accepted by a lending institution. Different forms of credit may have a number of fees associated with various uses of the credit. Please consult the lending institution for details as well as all fees and rules for using that credit.

Restrictive Uses of Assets

Assets that are marked for restricted use will only be used to provide cash for that purpose. It is assumed that you would never want to use your business or farm automatically for cash flow purposes.

Evaluation Standard Footnote:You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

Income Taxes

Income Tax Rates

Federal Income Tax Rate: 30%
State Income Tax Rate: 7%

Other Rates

Capital Gains Tax Rate: 15%
Income Tax Rate for Income in Respect of a Decedent: 30%
Inflation Rate for Federal Indexed Values: 3%
An IRC Sec. 7520 rate of 5% is used to calculate the remainder interests for trusts, annuities and income in respect of decedent.

Withholdings and FICA

Estimated withholdings and FICA taxes are deducted from each paycheck and applied toward the estimated taxes in January of the following year. Other estimated taxes are not paid from monthly cash flow, but are treated as a tax liability until January of the following year. Taxes are assumed paid in the monthly cash flow for January each year. Income designated as capital gains income is assumed to qualify for long-term capital gains treatment and has an effective tax rate of 15.00% applied. Calculations of short-term capital gains, adjusted net capital gain or qualified 5-year gain is beyond the scope of this analysis. Taxes are only calculated as an estimate to make cash flow analysis more realistic: You should consult your tax advisor concerning exact calculations of your taxes and for tax advice.

Assumed Retirement

Retirement is assumed to be when John reaches, or would have reached, age 67. Any change you indicated in the basic living expenses is applied at that time.

General Inflation Rate

A general inflation rate of 3% is used for all basic living expenses and where indicated.

Education Payments

Education costs are stated as annual amounts but are assumed to be paid in 12 monthly payments. Payments are assumed to start in August of each year unless a specific starting date is stated.

Education Inflation Rate

An education inflation rate of 6% is used for all education funding expenses. Historically, the cost of education has experienced a rate different than the general inflation rate of all goods and services. Adjustments for the education inflation rate are made in January of each year.

Costs Associated with Long-Term Care

Estimated costs of long-term care are based on the average costs for a nursing home stay in North Carolina, adjusted for current estimate of inflation rate. Basic living expenses are further adjusted as if disabled and any salary or retirement contributions are discontinued. (Estimated costs based on Milliman's Long-Term Care Guidelines.)

Sweep Excess Money to Other Assets

Monthly transfers of 100% from cash to Savings; already started and ending after the illustration. The minimum transfer will be $500. Apply general inflation rate.

Investment Risk Questionnaire

How tolerant are you to investment risk? Several factors can influence this—your age, net worth and the time frame for when you need your investments. This questionnaire will help quantify your investment risk tolerance level and guide you in recommending a suggested investment portfolio. If the questionnaire recommends more or less risk than you feel is appropriate, then you should allocate your investments based on your convictions. Answer the following questions by marking the appropriate letter.

Current Financial Situation

These first three questions will be automatically scored based on your fact finder results.

What is your household's gross annual income (before tax)?

a) Less than $50,000
b) $50,000 to $100,000
c) $100,001 to $200,000
d) $200,001 to $500,000
e) Greater than $500,000

What is your net worth (including your primary residence)?

a) Less than $50,000
b) $50,000 to $100,000
c) $100,001 to $200,000
d) $200,001 to $500,000
e) $500,001 to $750,000
f) $750,001 to $1,000,000
g) More than $1,000,000

What percent of net worth do your investment assets represent?

a) Less than 20%
b) 20% to 40%
c) 41% to 60%
d) 61% to 80%
e) 81% to 100%

Financial Goals, Investment Objective and Risk Tolerance

1. **Which statement best describes the type of products you have in your portfolio (both past and present)?**
   a) This is your first investment
   b) A mix of fixed-interest savings, high-quality bonds, or government backed bonds
   c) Primarily mutual funds
   d) A mix of mutual funds and individual stocks and/or bonds
   e) A mix of individual stocks and bonds

Investment Risk Questionnaire (Continued)

2. **What is your household's annual income requirement (if any) from your investment portfolio?**
   a) 0% (no income is required)
   b) 1% to 3%
   c) 4% to 6%
   d) 7% or 8%
   e) More than 8%

3. **Your major need for these investments is in?**
   a) Less than 2 years
   b) 2 to 5 years
   c) 5 to 7 years
   d) 7 to 9 years
   e) 10 or more years

4. **What is your primary investment objective?**
   a) To produce a steady income, even if the value of my capital is eroded over time.
   b) To produce moderate income, but preserve the value of my capital if possible.
   c) To generate long-term capital growth. I am not concerned about income from my investments.
   d) To generate maximum long-term capital growth. I don't need income from my investments at all.

5. **Will you need to withdraw any portion of your investment portfolio over the next 5 years?**
   a) I have no requirement to withdraw any portion of my portfolio within 5 years
   b) I will need to withdraw between 0% to 10% of my portfolio within 5 years
   c) I will need to withdraw between 11% to 20% of my portfolio within 5 years
   d) I will need to withdraw more than 20% of my portfolio within 5 years

6. **If you suddenly suffer a 20% loss in the market value on your portfolio, but the historical return over ten years is 9%, how would you react?**
   a) I would immediately pull out of the portfolio and cut my losses
   b) I would endure the current loss and hope for higher future returns
   c) I would invest more in the portfolio now that the price is lower

7. **The portfolios below describe the relationship between expected returns and volatility. Select the portfolio described below that best reflects your investment preference.**
   a) Portfolio A (minimal risk with lower expected returns)
   b) Portfolio B (increasing risk with a chance of higher returns)
   c) Portfolio C (greater risk with the highest possible returns)

8. **How often do you evaluate and consider changing your investments?**
   a) Monthly
   b) Quarterly
   c) Annually
   d) Less frequently than annually

Investment Risk Questionnaire (Continued)

9. **How would you define your investment knowledge?**
    a) You are completely new to investing
    b) You have a very low level of investment knowledge
    c) You have some investment knowledge
    d) You have a good understanding of investing
    e) You are an expert investor

10. **What do you expect the before-tax return on your investment portfolio to be over the long term (10+ years)?**
    a) 2% to 4%
    b) 4% to 6%
    c) 6% to 8%
    d) 8% to 10%
    e) 10% to 12%
    f) More than 12%

Documents Needed Checklist

As your unique situation is analyzed and a financial plan is developed it is helpful to have certain detailed planning records. The list below references many of these planning documents.

Personal Records and Estate Planning

__Income Tax Returns (last two years)
__Will(s) and Trust Document(s)
__Real Estate Deeds
__Appraisals of Collectibles
__Ownership of automobiles, boats, etc.
__Any Recent Major Purchases
__Other________________________

Information on Company Benefits

__Paycheck Stubs
__Employee Benefits Booklet
__Group Life Insurance Benefits
__Cafeteria Plan (Section 125 Information)
__Employer Sponsored Retirement Savings Plan
__Employee Stock Purchase Plans
__Stock Option Information
__Pension Plan
__Contact to verify and obtain benefit information ___________________
__Other________________________

Liability Information

__Mortgages (Last Refinancing Papers)
__Equity Loan or Equity Line Information
__Credit Card Statements
__Loans on Other Property
__Other________________________

Liquid Accounts

__Checking Account Statements
__Savings Account Statements
__Money Market Account Statements
__CD Statements:
__Note Maturity Date: ___________
__Other________________________

Investment Accounts

__Monthly Brokerage Statements
__Mutual Fund Statements
__IRA Account Statements
__Annuity Account Statements
__Other________________________

Insurance Policies

__Life Insurance Contracts
__Annual Statements (UL, VUL, Annuities)
__Health Insurance
__Long-Term Care/Critical Care Insurance
__Home Owners Insurance
__Auto Policies
__Umbrella Policies
__Other________________________

Business Planning

__Business Continuation Agreements
__Deferred Compensation Agreements
__Business Loans that are Personally Secured
__Other________________________

Comments

Planning Objectives and Profiles

Rank the importance of your planning objectives using the lists below:
(Rank assuming that 1 is the highest. Any blank objectives are assumed to be unimportant):

Cash Flow & Investment Planning

__Analyze ways to save more money for wealth accumulation
__Examine how money is being spent and identify cash flow problems
__Provide funding for education goals
__Determine how long your retirement funds will last
__Optimize the use of qualified retirement plans
__Debt consolidation and management

If Death Were to Occur

__Maintain desired standard of living for spouse's lifetime
__Establish a fund to pay for education needs
__Provide sufficient resources to pay off all debt at your death
__Provide funds for final expenses (funeral, medical and administrative fees)
__Review disability and long-term care needs

Orderly Distribution of Estate

__Minimize estate taxes at death
__Provide for estate liquidity at either death
__Ensure that qualified retirement plan distributions are maximized
__Annually gift money during your lifetime to family
__Develop a charitable gifting plan

Fringe Benefits and Business Planning

__Analyze fringe benefits (qualified plans, stock options, ESPPs, deferred compensation)
__Use money from business to fund personal planning goals
__Include continuation of business in considering financial plan
__Better coordination of business benefits and personal benefits
__Other____

Comments

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