



for

Jack Crawford

and

Diane Crawford

Presented by:

Producer Full Name, CLU, ChFC

For Evaluation Purposes Only

Agency Name Here

Suite 350 University Research Park

10735 David Taylor Drive

Charlotte, North Carolina 28262

Phone: 704 927 5555

Mobile Phone: 704 549 5555

Fax: 704 549 6666

Email: producername@impact-tech.com

Branch Name Here

University Research Park

10735 David Taylor Drive

Charlotte, North Carolina 28262

Table of Contents

Important Notes	1
Your Test Drive's Goals	2
Test Drive Results	3
Comparison of Scenarios	4
Test Drive Results	5
Sources of Retirement Income	6
Taxes During Retirement	7
Your Retirement Payments (Focus Graphs)	8
Your Retirement Needs (Focus Graphs)	11
Your Net Worth (Graphs)	16
Cash Flow (Ledger)	17
Net Worth Values	18
Probability of Success Cover	19
Probability Of Success	20
Current Situation Graphs	21
Proposed Scenario Graphs	22
Comparison Graphs	23

Important Notes

This analysis provides only broad, general guidelines, which may be helpful in shaping your thinking about your retirement needs. It can serve as a guide for discussions with your professional advisors. These pages depict certain wealth preservation strategies. These strategies may include simple wills, marital trusts, family trusts, credit shelter trusts, living trusts, grantor retained trusts, charitable remainder trusts, special business entities, life insurance (with or without a trust), taxable and charitable gifts. This illustration simply shows the effect of a strategy on your estate and potential estate taxes, based on certain assumptions detailed in the illustration.

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 Strategies) 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.

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)

Your Test Drive's Goals

Scenario: Current Situation

Many retirement goals have a cost associated with them. These goals then become expected outgoing payments for your retirement lifestyle. The goal of your retirement "test drive" is to see if your anticipated income, along with the assets and investments you indicated as available for retirement, are adequate for the expected outgoing payments for your lifestyle.

Goals necessary to maintain your retirement lifestyle:

Continue Jack and Diane's contributions to qualified retirement plans:

- Jack's Retirement Plan
- Diane's IRA

Maintain business properties:

- Real Estate
- J. & R. Web Designs, Inc.

Maintain insurance coverages:

- Variable UL for Jack
- Variable UL for Diane

Essential Living expenses:

- Joint General Living Expenses
- Church
- Miscellaneous Deductible Expenses

Education expense:

- The University of North Carolina at Chapel Hill

Pay debts:

- Loan for 123 Main Street
- Visa

Planned future purchases:

- Beach House Transaction

"Restricted Assets" that should not be used for retirement

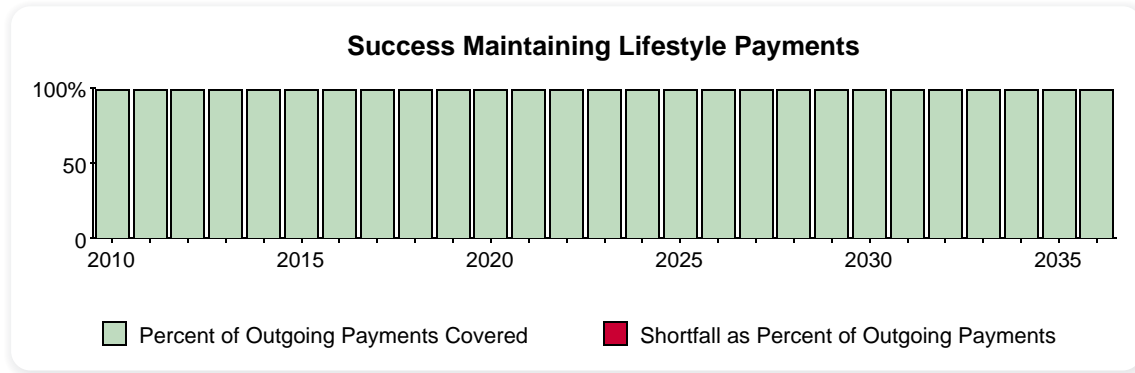
Asset	Limit Uses to	Current Balance
123 Main Street	Do Not Use	\$650,000
Real Estate	Do Not Use	\$500,000
J. & R. Web Designs, Inc.	Do Not Use	\$2,000,000
Personal Properties	Do Not Use	\$200,000
Beach House	Do Not Use	\$926,745

A successful "test drive" provides for these goals.

Test Drive Results

Scenario: Current Situation

If Jack lives to age 86 and Diane lives to age 86, does this scenario provide for all outgoing payments each year?



It appears that your expected income and available assets are sufficient to meet your outgoing payments during retirement.

You may want to “test drive” some additional lifestyle expenses during retirement.

Are there any future purchases you would want to consider during retirement?

Would you like to consider the distributions to your heirs?

Additional "test drives" can be taken to evaluate changes to your retirement plans.

Comparison of Scenarios

Is your plan on track, or should you change directions? Comparing different planning scenarios can help you decide which planning strategies and techniques work best for you. By comparing strategies, you can get the perspective you need in order to make better financial decisions.

Scenario 1: **Current Situation**

Scenario 2: **Proposed**

Major Scenario Differences

The complete analyses of scenarios being compared should be reviewed for differences. The chart below shows the differences in these two scenarios:

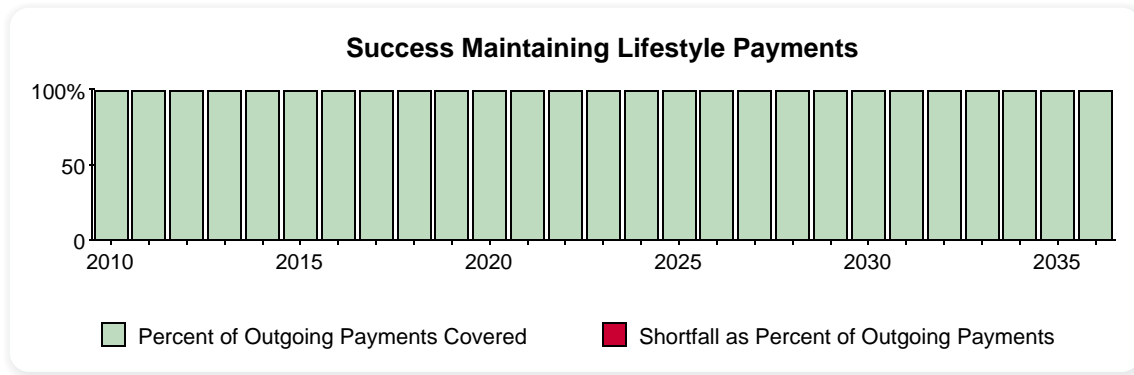
Scenario Name	Current Situation	Proposed
Life Insurance		
Life Insurance Policy - New Survivor Policy	Not included	Exists
Transactions		
Transaction - Sell Business at Age 70	Not included	Exists
Estate Assumptions		
Jack's Will		
Will Provisions	All To Spouse	Family Trust
Family Trust	Not included	Exists
Diane's Will		
Will Provisions	All To Spouse	Family Trust
Family Trust	Not included	Exists

The Assumptions page and the Other Facts Used page can provide more details for the items included within a scenario.

COMPARISON

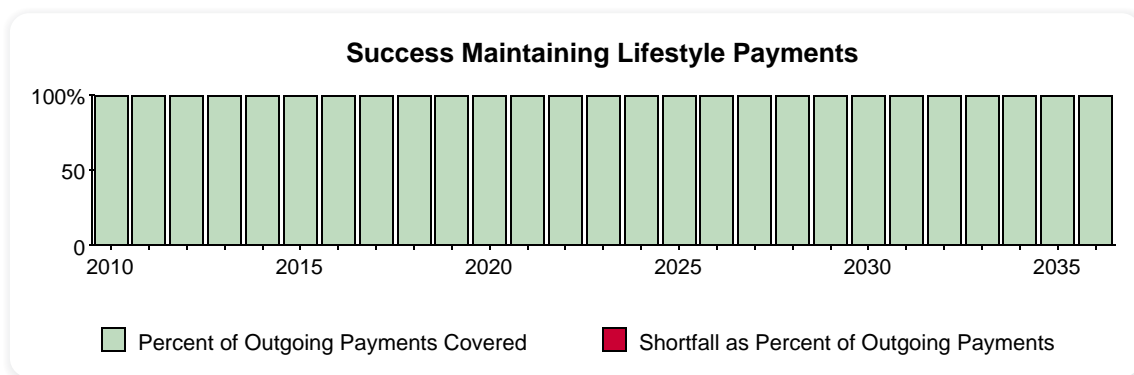
Test Drive Results

Scenario 1: Current Situation



It appears that all of the outgoing payments to maintain your lifestyle will be met in this scenario.

Scenario 2: Proposed



It appears that all of the outgoing payments to maintain your lifestyle will be met in this scenario.

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)

COMPARISON

Sources of Retirement Income

Scenario 1: Current Situation

The value of each source of income at the start of retirement



Scenario 2: Proposed

The value of each source of income at the start of retirement

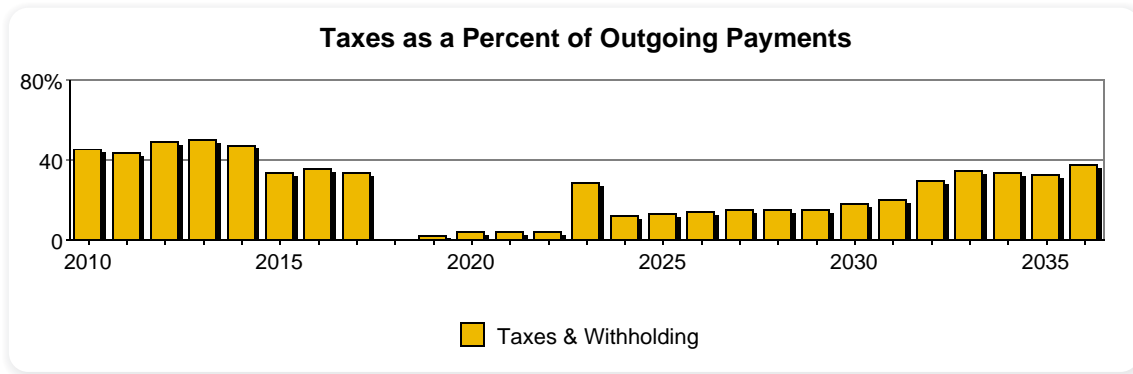


¹ Social Security benefits are based on a number of factors. One factor is the portion of your wages each year that are subject to Social Security taxes. Based on the information you provided, Jack's Social Security are estimates based on salary and Diane's Social Security are estimates based on salary.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

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)

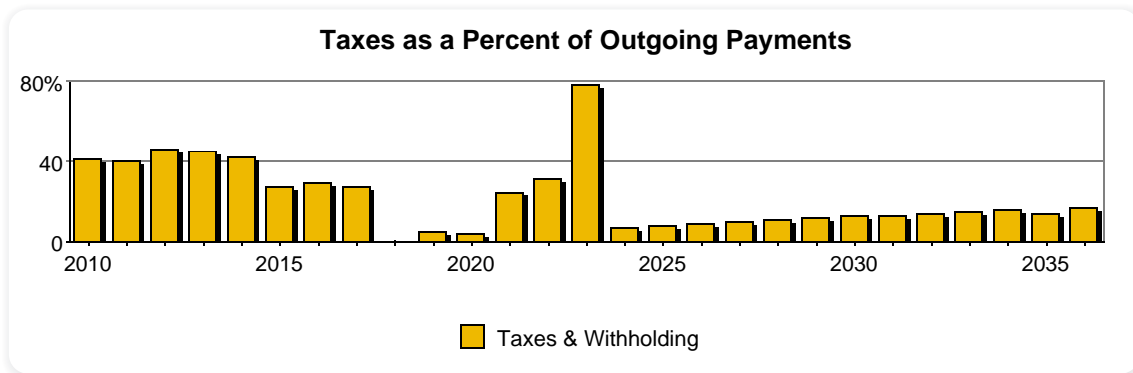
Taxes during Retirement

Scenario 1: Current Situation



This reflects the portion of outgoing payments that are likely to go for taxes in this scenario.

Scenario 2: Proposed

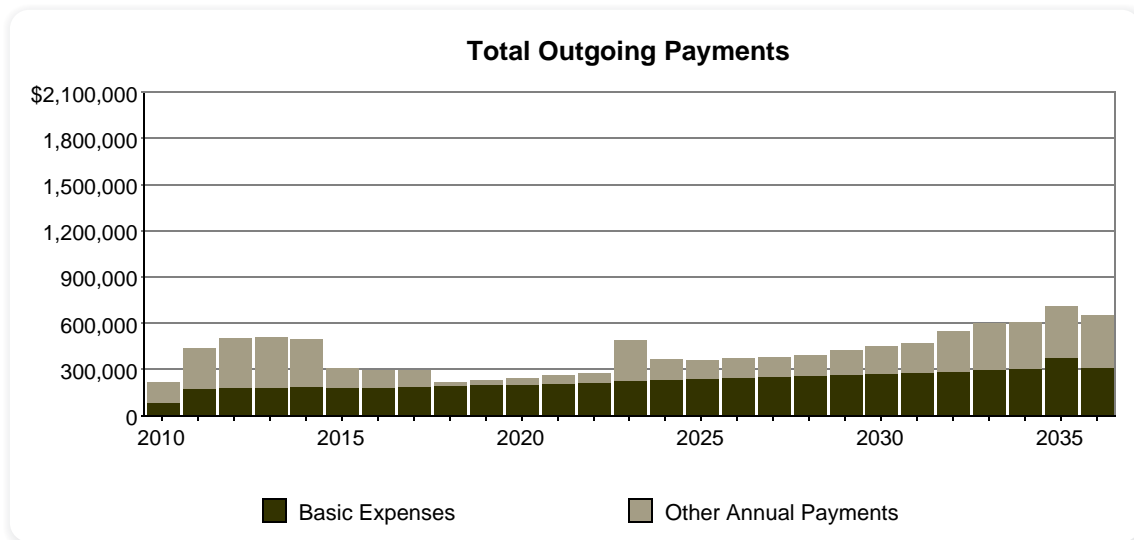


This reflects the portion of outgoing payments that are likely to go for taxes in this scenario.

COMPARISON

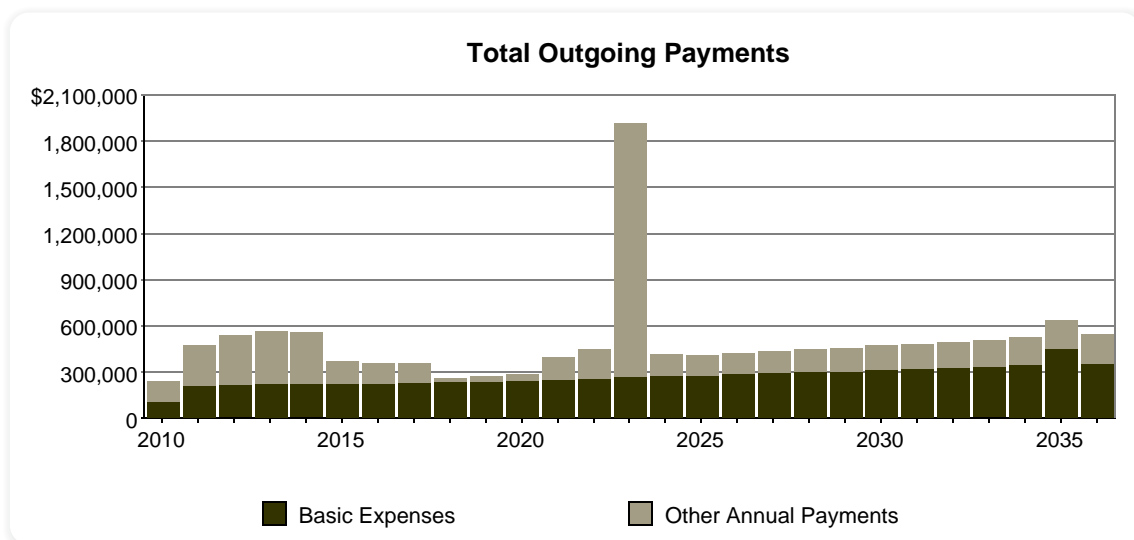
Your Retirement Payments

Scenario 1: Current Situation



This represents the outgoing payments necessary to support your lifestyle for this scenario.

Scenario 2: Proposed



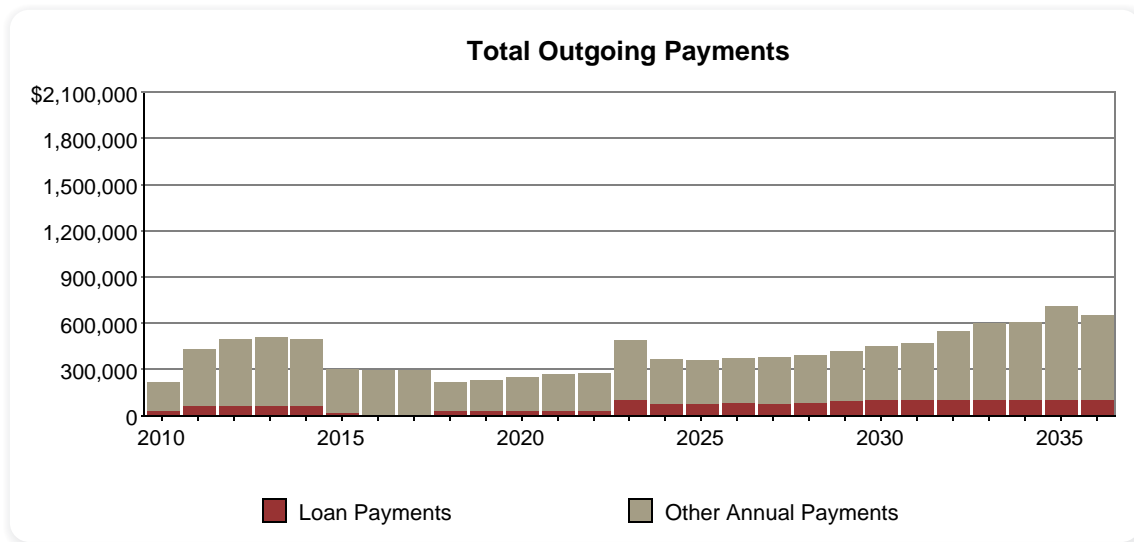
This represents the outgoing payments necessary to support your lifestyle for this scenario.

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)

COMPARISON

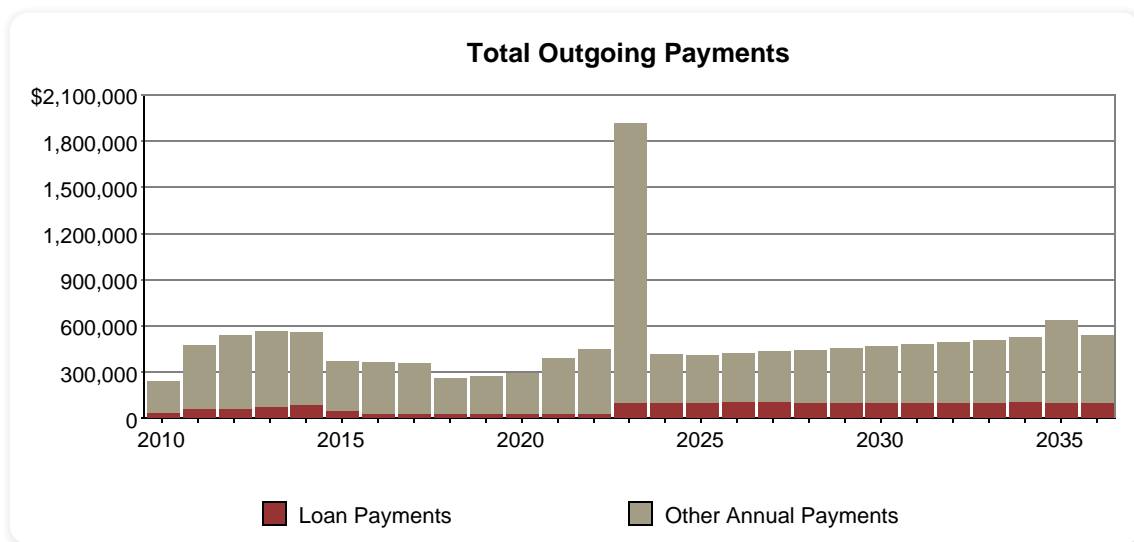
Your Retirement Payments

Scenario 1: Current Situation



This represents the outgoing payments necessary to support your lifestyle for this scenario.

Scenario 2: Proposed



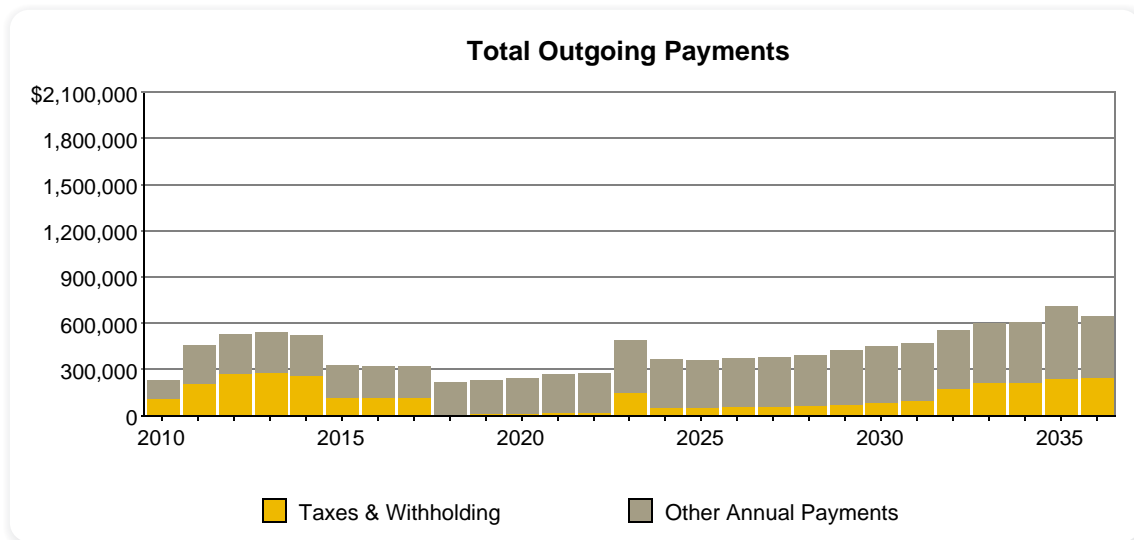
This represents the outgoing payments necessary to support your lifestyle for this scenario.

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)

COMPARISON

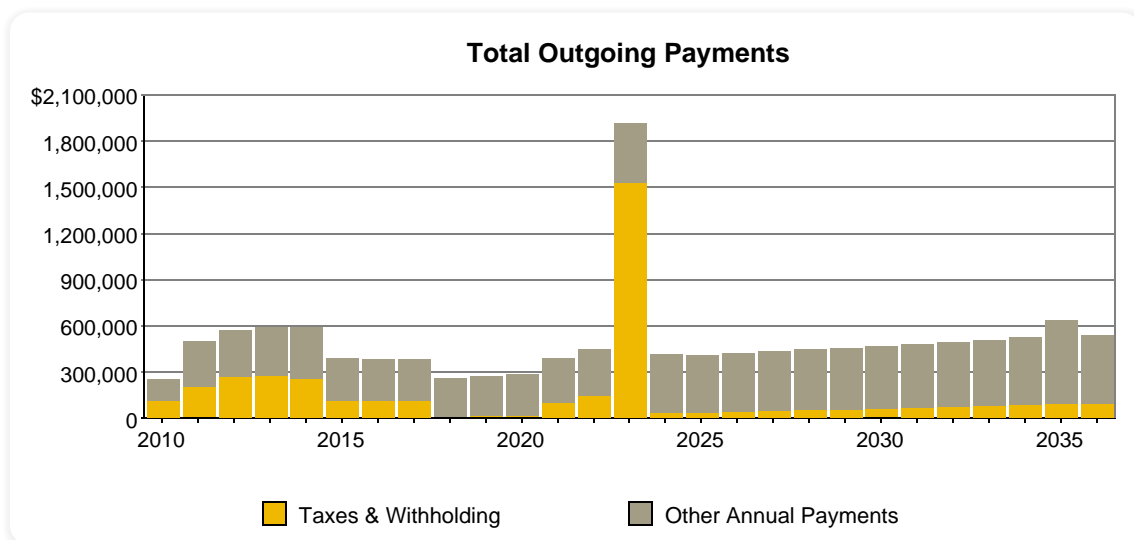
Your Retirement Payments

Scenario 1: Current Situation



This represents the outgoing payments necessary to support your lifestyle for this scenario.

Scenario 2: Proposed



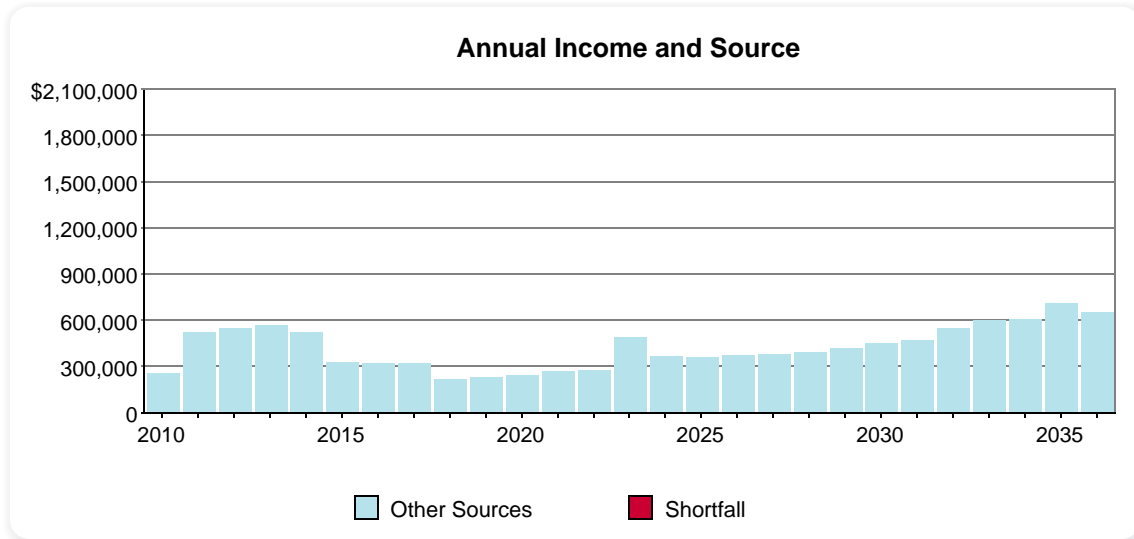
This represents the outgoing payments necessary to support your lifestyle for this scenario.

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)

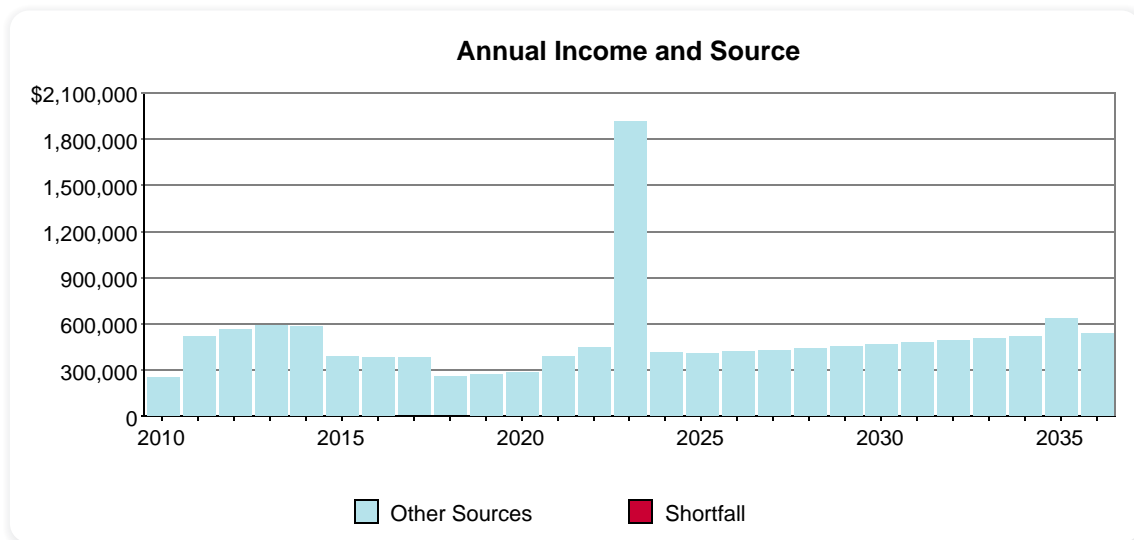
COMPARISON

Income and Shortfalls

Scenario 1: Current Situation



Scenario 2: Proposed

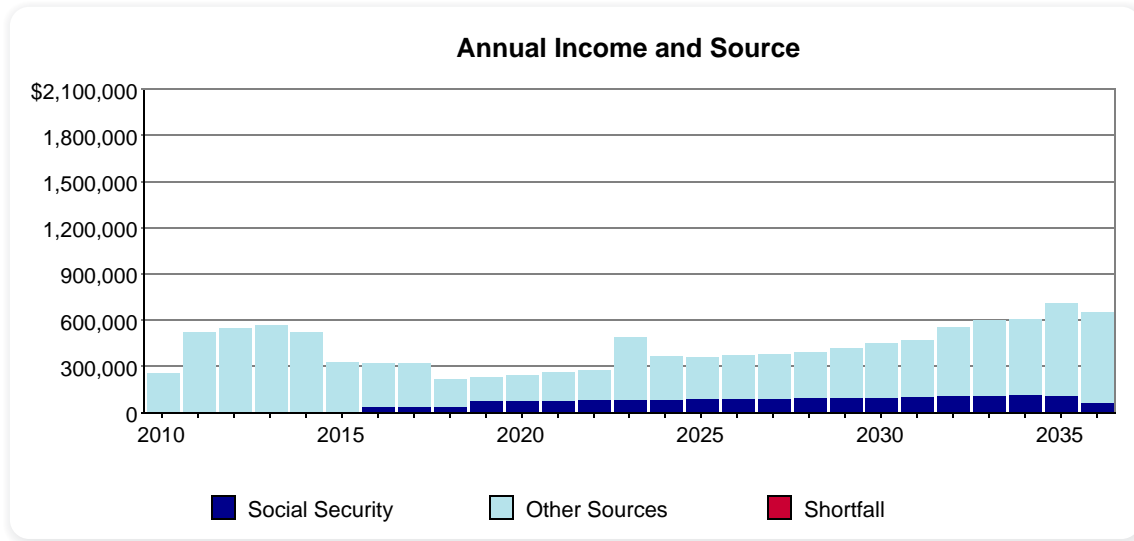


Evaluation Standard Footnote: You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

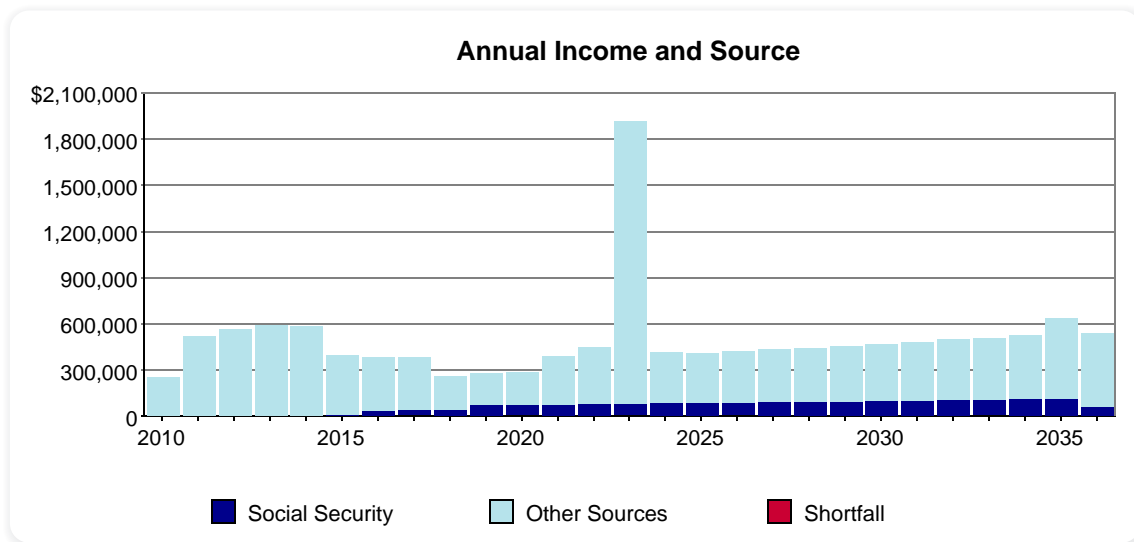
COMPARISON

Income and Shortfalls

Scenario 1: Current Situation



Scenario 2: Proposed

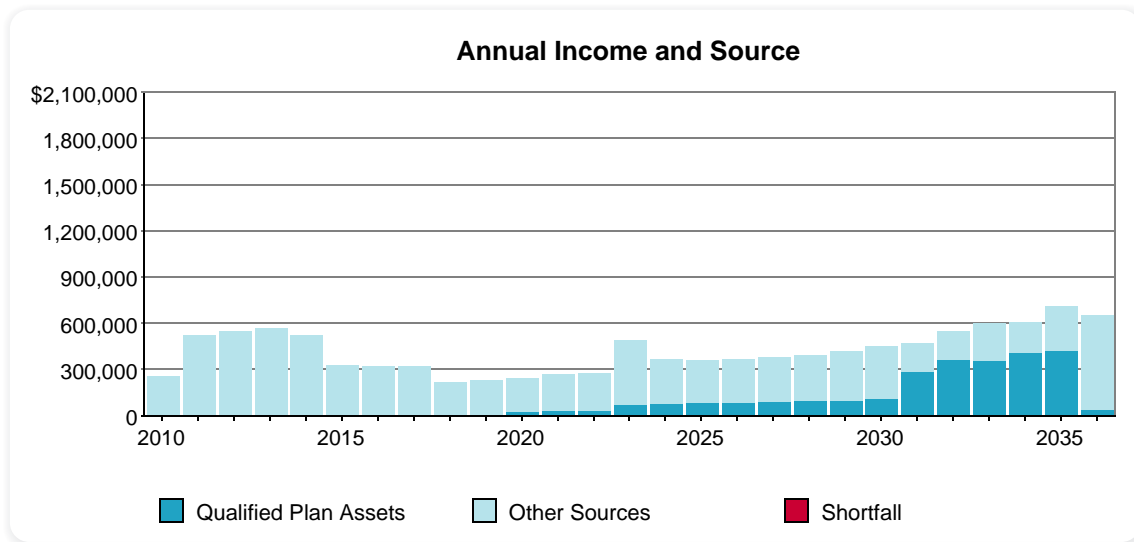


Evaluation Standard Footnote: You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

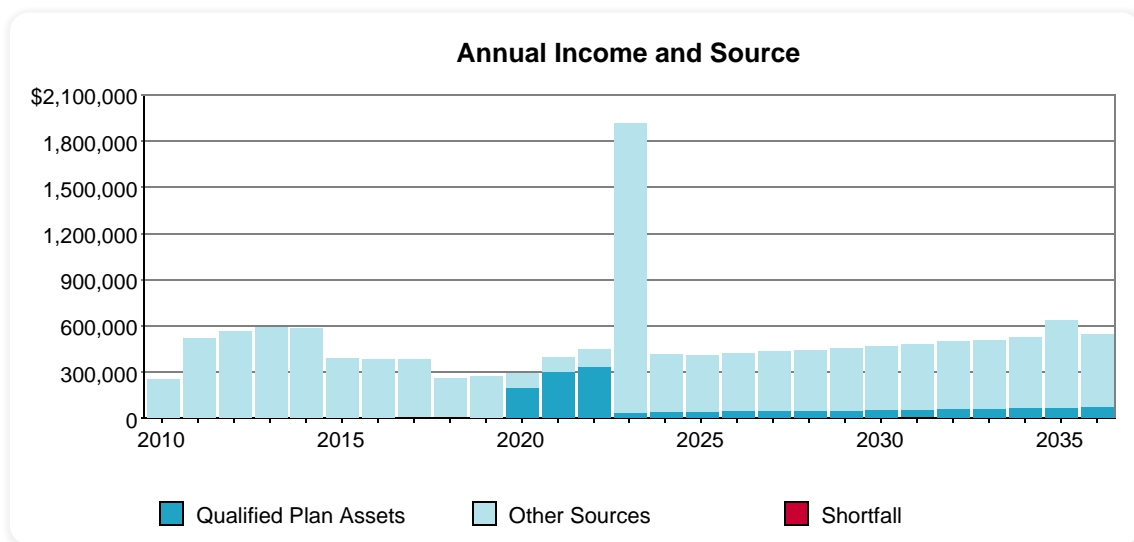
COMPARISON

Income and Shortfalls

Scenario 1: Current Situation



Scenario 2: Proposed

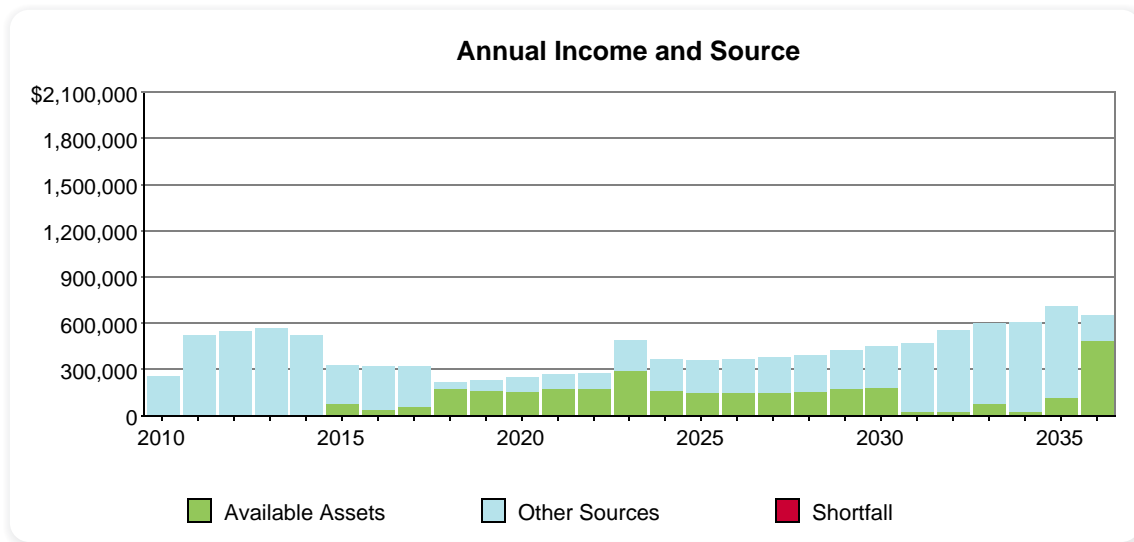


Evaluation Standard Footnote: You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

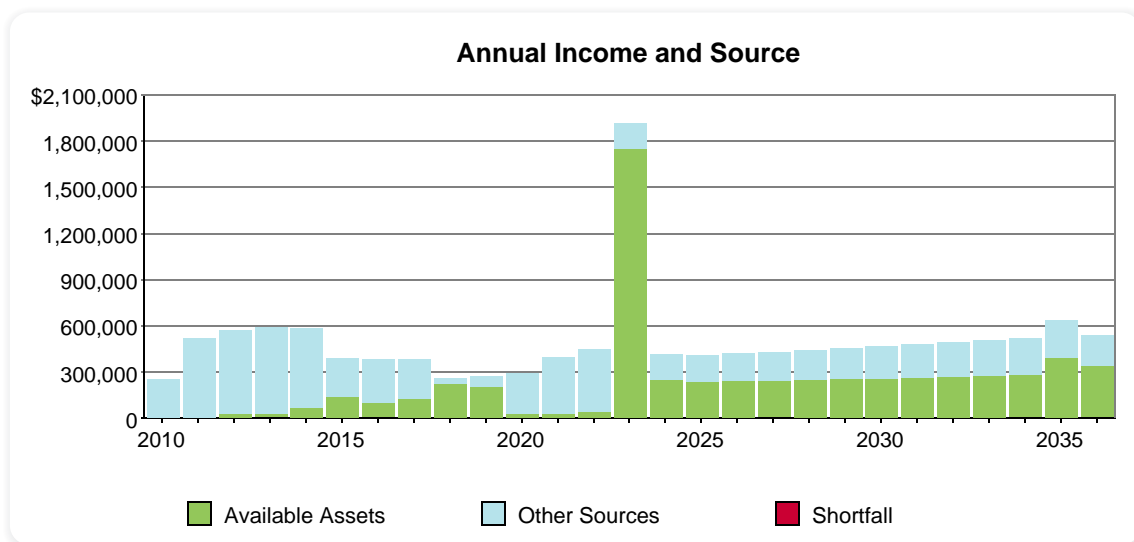
COMPARISON

Income and Shortfalls

Scenario 1: Current Situation



Scenario 2: Proposed

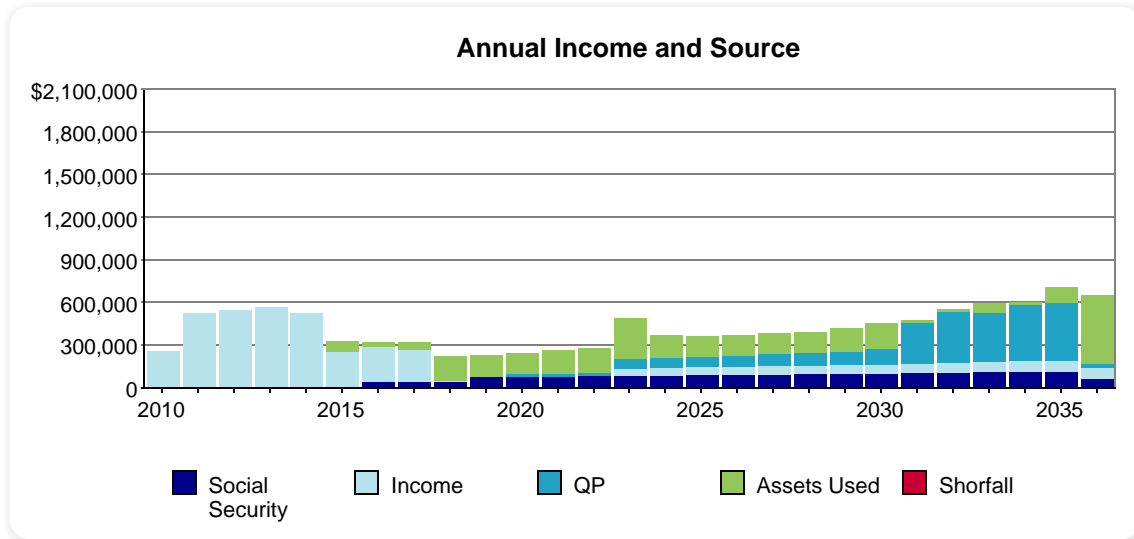


Evaluation Standard Footnote: You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

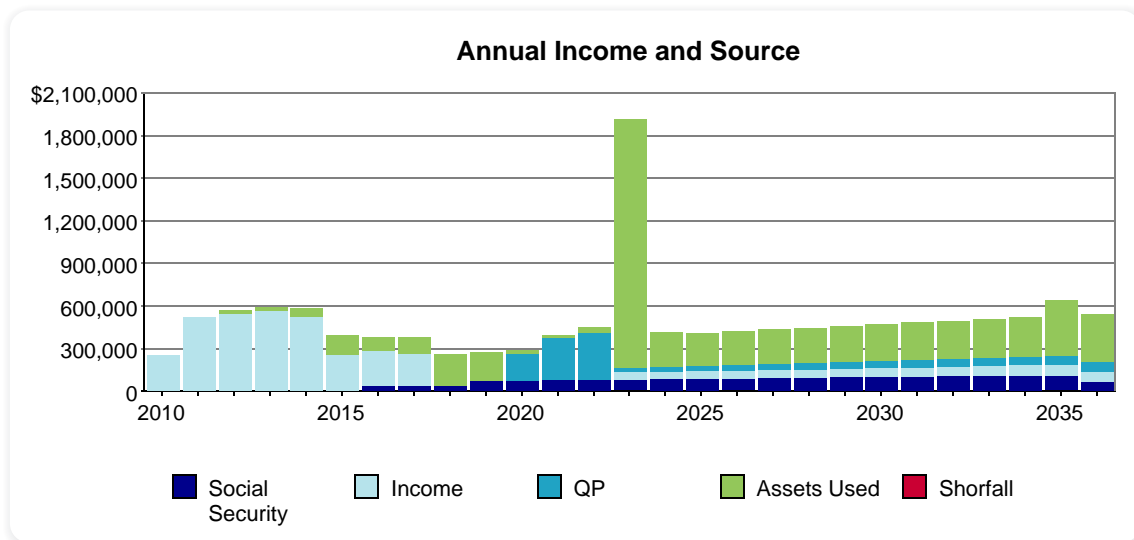
COMPARISON

Income and Shortfalls

Scenario 1: Current Situation



Scenario 2: Proposed

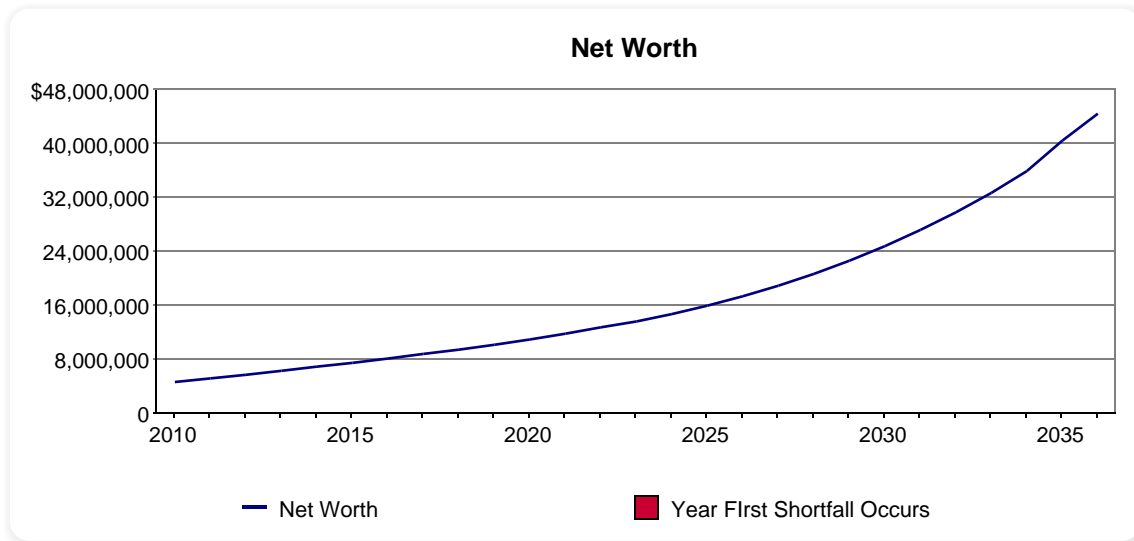


Evaluation Standard Footnote: You may supply one customized footnote that will appear on all printed analysis presentation pages for each product. (Allowance: Up to 2 full lines of static text in 9 pt. Arial font)

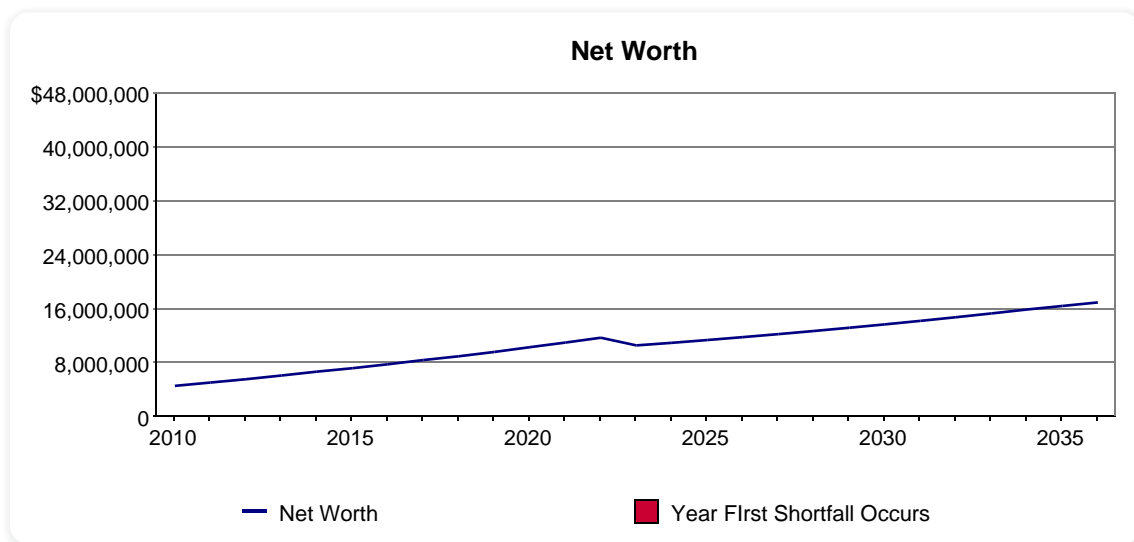
COMPARISON

Alternative Sources

Scenario 1: Current Situation



Scenario 2: Proposed



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)

Presented by: Producer Full Name, CLU, ChFC
For Evaluation Purposes Only

July 29, 2010
16 of 31

COMPARISON

Cash Flow

Scenario 1: Current Situation

Year	Total Outgoing Payments	Total Income	Shortfall
2010	227,768	250,002	0
2011	459,741	523,371	0
2012	526,721	545,971	0
2013	539,696	565,670	0
2014	522,080	524,907	0
2015	324,671	252,169	0
2016	317,182	287,845	0
2017	315,929	263,644	0
2018	213,734	39,510	0
2019	223,781	69,247	0
2020	242,019	71,324	0
2021	263,426	73,464	0
2022	271,902	75,668	0
2023	488,990	130,805	0
2024	364,242	134,729	0
2025	357,698	138,771	0
2026	368,205	142,934	0
2027	379,046	147,222	0
2028	390,368	151,639	0
2029	420,043	156,188	0
2030	451,037	160,874	0
2031	470,997	165,700	0
2032	551,603	170,671	0
2033	598,986	175,791	0
2034	606,229	181,065	0
2035	711,644	181,867	0
2036	651,199	134,865	0

Scenario 2: Proposed

Year	Total Outgoing Payments	Total Income	Shortfall
2010	248,768	250,002	0
2011	501,741	523,371	0
2012	568,721	545,971	0
2013	591,405	565,670	0
2014	588,080	524,907	0
2015	390,671	252,215	0
2016	383,182	284,622	0
2017	380,666	260,417	0
2018	255,734	34,128	0
2019	273,421	69,247	0
2020	287,974	71,324	0
2021	391,945	73,464	0
2022	447,593	75,668	0
2023	1,932,996	130,805	0
2024	415,362	134,729	0
2025	409,544	138,771	0
2026	420,680	142,934	0
2027	432,367	147,222	0
2028	444,399	151,639	0
2029	456,788	156,188	0
2030	469,438	160,874	0
2031	482,588	165,700	0
2032	496,004	170,671	0
2033	509,833	175,791	0
2034	524,084	181,065	0
2035	638,329	181,867	0
2036	542,970	134,865	0

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)

Presented by: Producer Full Name, CLU, ChFC
For Evaluation Purposes Only

July 29, 2010
17 of 31

COMPARISON

Your Net Worth Values

Scenario 1: Current Situation

Year	Cumulative Annual Shortfall	Net Worth
2010	0	4,458,217
2011	0	4,999,008
2012	0	5,540,345
2013	0	6,137,927
2014	0	6,765,845
2015	0	7,327,807
2016	0	7,979,933
2017	0	8,677,223
2018	0	9,315,890
2019	0	10,047,931
2020	0	10,845,123
2021	0	11,712,196
2022	0	12,671,882
2023	0	13,549,033
2024	0	14,660,369
2025	0	15,923,459
2026	0	17,337,526
2027	0	18,920,425
2028	0	20,692,001
2029	0	22,670,123
2030	0	24,859,193
2031	0	27,292,679
2032	0	29,937,366
2033	0	32,858,689
2034	0	36,135,690
2035	0	40,707,044
2036	0	44,758,903

Scenario 2: Proposed

Year	Cumulative Annual Shortfall	Net Worth
2010	0	4,437,217
2011	0	4,936,008
2012	0	5,435,345
2013	0	5,990,654
2014	0	6,574,714
2015	0	7,088,197
2016	0	7,682,814
2017	0	8,316,140
2018	0	8,882,366
2019	0	9,532,727
2020	0	10,247,110
2021	0	10,940,432
2022	0	11,667,451
2023	0	10,515,183
2024	0	10,902,577
2025	0	11,321,809
2026	0	11,757,234
2027	0	12,209,311
2028	0	12,678,745
2029	0	13,166,271
2030	0	13,672,774
2031	0	14,198,937
2032	0	14,745,736
2033	0	15,314,052
2034	0	15,904,808
2035	0	16,436,372
2036	0	16,968,969

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)

Presented by: Producer Full Name, CLU, ChFC
For Evaluation Purposes Only

July 29, 2010
18 of 31



PROBABILITY OF SUCCESS™

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)

Presented by: Producer Full Name, CLU, ChFC
For Evaluation Purposes Only

July 29, 2010
19 of 31

Probability of Success[®]

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. Additional assumptions appear at the end of this analysis.

Monte Carlo Simulation

A mathematical method for estimating the probability of uncertain events

A large number of possible simulations performed

Variables allowed to vary at random, but in accordance with their probable occurrence

Varying rates instead of average rates used – based on historical averages, volatilities, and correlations to each other

Statistical integrity so that analysis of results is meaningful

Retirement Uncertainties Considered

Death

- Mortality tables used for probability of death at various ages
- Possibility of death many years after life expectancy
- Possibility of an early death shortly after retirement

Special health care expenses

- Possibility of occurring and possible duration
- Nursing home stays
- Special home health care

Economy

- Stock market fluctuations
- Values of real estate and other assets fluctuate
- Cost of living and inflation

Large number of simulations of your plans

Your goals, needs, and desires used in each simulation

Retirement uncertainties considered at random

Each result is a realistic possible financial outcome

Each simulation is unique and will vary over time

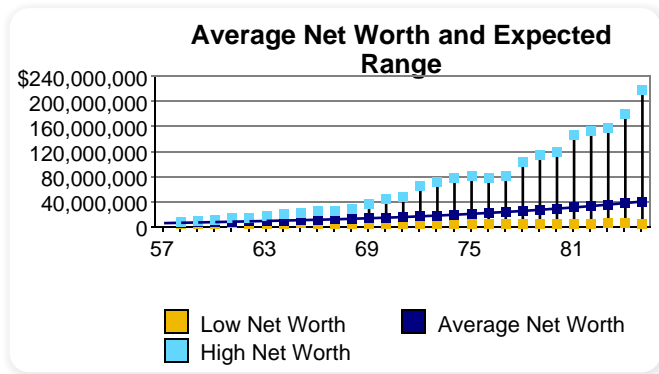
Monte Carlo simulation may help you understand and plan for your retirement.

Probability of Success[®]

Scenario: Current Situation

Running Out of Money

It is common to fear running out of money and depleting your assets during retirement. If that were to happen, your net worth would become zero. The average net worth of all simulations can be an indicator of the probability of that occurring. The expected range shows the result of 70% of the simulations.



Relative Error

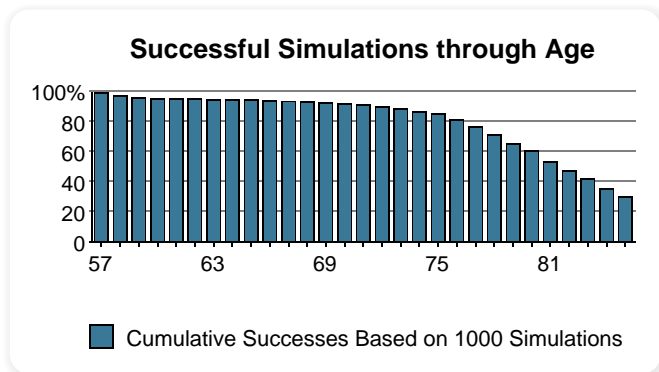
Supported by standard statistical theory, the relative error indicates a probability of greater than 99% that these values represent the true average result. Results cannot be guaranteed but are statistical measures applied to the results of a large number of simulations. Increasing the number of simulations will reduce the relative error. The average net worth of \$42,664,479 based on 1000 simulations has a relative error of 8.76%.

Net worth approaching ZERO – means you are running out of money and assets

Success is much more than "not running out of money"

Success is maintaining your lifestyle and enjoying your retirement goals

- Success is paying all lifestyle expenses and needs
- Success is not using any asset you designated as "do not use"
- Success is leaving your heirs special assets



Success

This graph shows the percent of simulations that were successful in paying all your lifestyle expenses without using any of your "restricted assets" through each year.

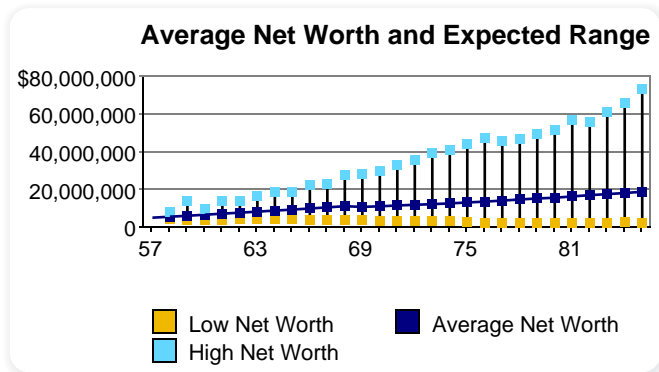
Success is more than not running out of money – it's maintaining your desired retirement lifestyle.

Probability of Success[®]

Scenario: Proposed

Running Out of Money

It is common to fear running out of money and depleting your assets during retirement. If that were to happen, your net worth would become zero. The average net worth of all simulations can be an indicator of the probability of that occurring. The expected range shows the result of 70% of the simulations.



Relative Error

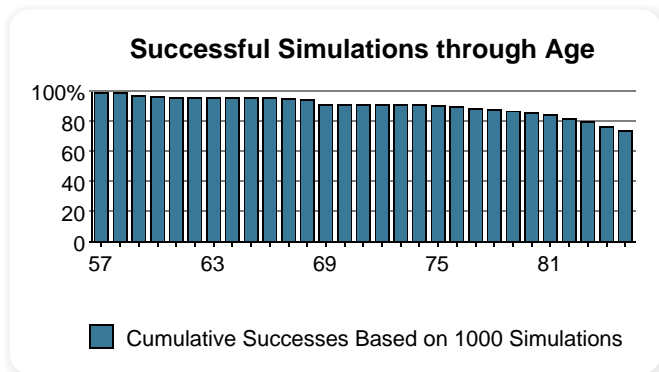
Supported by standard statistical theory, the relative error indicates a probability of greater than 99% that these values represent the true average result. Results cannot be guaranteed but are statistical measures applied to the results of a large number of simulations. Increasing the number of simulations will reduce the relative error. The average net worth of \$19,359,804 based on 1000 simulations has a relative error of 4.82%.

Net worth approaching ZERO – means you are running out of money and assets

Success is much more than "not running out of money"

Success is maintaining your lifestyle and enjoying your retirement goals

- Success is paying all lifestyle expenses and needs
- Success is not using any asset you designated as "do not use"
- Success is leaving your heirs special assets



Success

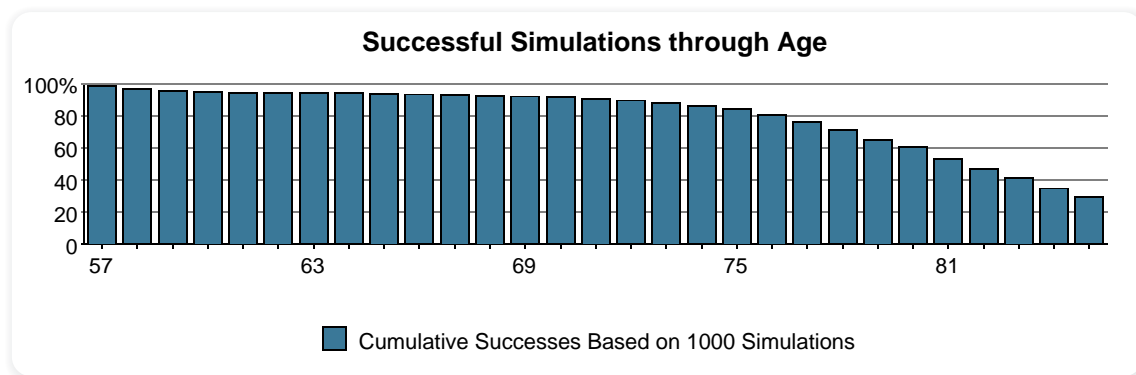
This graph shows the percent of simulations that were successful in paying all your lifestyle expenses without using any of your "restricted assets" through each year.

Success is more than not running out of money – it's maintaining your desired retirement lifestyle.

Probability of Success[®]

Scenario 1: Current Situation

When Will You Run Out of Money?

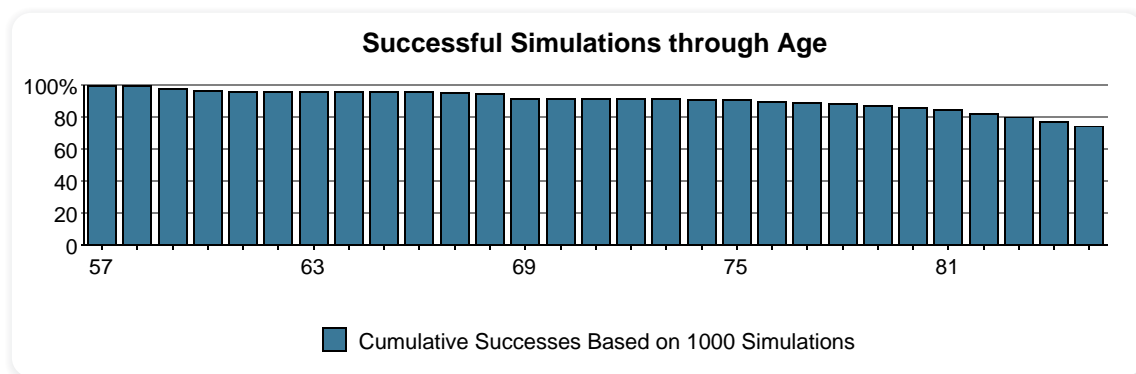


This illustration is the result of 1000 simulations for this scenario. A failure is the first year a shortfall occurs. The percent of simulations having its first shortfall is shown for each year.

The average net worth of \$42,664,479 based on 1000 simulations has a relative error of 8.76%.

Scenario 2: Proposed

When Will You Run Out of Money?



This illustration is the result of 1000 simulations for this scenario. A failure is the first year a shortfall occurs. The percent of simulations having its first shortfall is shown for each year.

The average net worth of \$19,359,804 based on 1000 simulations has a relative error of 4.82%.

Failures are defined as a simulation that experienced a shortfall without using restricted assets or assets designated “Do not use” in this scenario. In these cases, you would have to modify your desired lifestyle or use restricted assets for the needed income.

Probability of Success[®]

Assumptions

Methodology Used

Information is gathered from you about your assets, qualified retirement plans, income, liabilities, expenses, expected tax rates, as well as personal information and objectives. Details about these items are collected such as your expected rates of return, cost basis, and current value. Calculations are made assuming that everything performs as you specified. This set of results is referred to as the "deterministic" results.

Methodology Used for Probability Analysis

No actual securities nor indices are being used or recommended in this analysis. Additional calculations are made using your information as the basis, but varying the results each year based on the assumptions for simulations described on the "Probability of Success Details" pages. Each simulation is subjected to a number of "uncertainties" occurring that year: economic conditions will result in expected rates of returns being adjusted; mortality assumptions will determine if death is assumed for that year; disability assumptions will determine if a well person becomes disabled, or if a disabled person will recover; and inheritance assumptions will determine what, if any, inheritance may be received that year. All variations in the future are based on the historical averages of the past. (See page titled "Probability of Success Details" for specific sources of assumptions.)

By repeating this process many times and applying statistical measures to the results, it can be an indication of a statistically correlative result. The purpose of these calculations is not to predict the result of any specific investment or assets, but to see the interplay of all your assets and desired actions as they relate to your net worth, your net to heirs, and your cash flow sensitivity over time. Since all simulations are different, the results may vary with each use and over time.

Although each asset class may vary independently for any single year, all assets of the same class are assumed to vary similarly for each year. This is a limitation of this program. Assets of the same class may average the same returns and may have the same degree of risk, but in reality, they do not vary in the same manner each year. Other limitations of this program are described in the "Important Notes" pages.

Total returns and risk, as measured by volatility, vary directly: low risk usually have low returns, and high risk has the potential for higher returns, although any investment could also experience losses. The more the risk, the greater the probability of losses. Historical returns over the past 40 years have been used with a heavier weighting on the most recent ten years. The volatility for each asset class was based on standard deviations and the coefficient of volatility as shown for each class below:

Low Volatility = 0%
(Almost no risk)

Moderate = 90%
(Average risk)

Very Conservative = 10%
(Low risk)

Aggressive = 120%
(Higher than average risk)

Conservative = 40%
(Below average risk)

Dynamic = 160%
(Very high risk)

Assumptions in this Analysis

Scenario: Proposed

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.

Jack Crawford	Age: 58	Male	Born: December 2, 1952
Diane Crawford	Age: 61	Female	Born: November 30, 1949

Jack and Diane are married.

Social Security

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

Diane is eligible for Social Security benefits. Diane's Social Security benefits are estimated based on a ratio of salary to maximum benefits. Diane 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 29, 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.

Assumptions in this Analysis (Continued)

Scenario: Proposed

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

Jack:

Final Expenses: \$10,000
Administrative Fees (% of Gross Estate): 1.00%
Probate Fees (% of Probate Assets): 4.00%
Administrative Fees: \$0
Estimated Probate Fees: \$0

Diane:

Final Expenses: \$10,000
Administrative Fees (% of Gross Estate): 1.00%
Probate Fees (% of Probate Assets): 4.00%
Administrative Fees: \$0
Estimated Probate Fees: \$0

Prior Taxable Gifts

Jack:

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

Diane:

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.

Jack's Plan

A family trust. All other property passes to the surviving spouse using the will.

Diane's Plan

A family trust. All other property passes to the surviving spouse using the will.

Assumptions in this Analysis (Continued)

Scenario: Proposed

Trust for Family

A Family Trust will be created using an amount equal to the Applicable Credit Amount if available. The trust corpus is assumed to grow or earn 5% annually between your death and Diane's death.

Trust for Family

A Family Trust will be created using an amount equal to the Applicable Credit Amount if available. The trust corpus is assumed to grow or earn 5% annually between your death and Jack's death.

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.

Income Taxes

Income Tax Rates

Federal Income Tax Rate: 30%

State Income Tax Rate: 7%

Change in Income Tax Rates (starting on Jan 01, 2012)

Federal Income Tax Rate: 40%

State Income Tax Rate: 8%

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 3% 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.

Assumptions in this Analysis (Continued)

Scenario: Proposed

Assumed Retirement

Retirement is assumed to be when Diane reaches, or would have reached, age 65. 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 6.000% 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.

Other Facts Used

Scenario: Proposed

Jack Crawford

Age: 57 **Male** **Born:** Dec. 02, 1952

Email Address: name@provider.com

Do not use Email for Notifications

Jack and Diane are married.

Home Phone: 704 549 5555

Business Phone: 704 927 5555

Fax: 704 549 5700

Mailing Address

123 Main Street
Hillsville, NC, 28262

Diane Crawford

Age: 60 **Female** **Born:** Nov. 30, 1949

Email Address: name@provider.com

Do not use Email for Notifications

Children and Dependents

Name	Date of Birth	Gender	Relationship	Dependent of
Jack Junior	Nov. 01, 1972	Male	Child	Diane, Jack
Missy	Oct. 09, 1974	Female	Child	Diane, Jack
Trip	Apr. 09, 2002	Male	Grandchild	Diane, Jack

Salaries

Employer	Employee	Current Salary	Frequency	Inflation Rate
J. & R. Web Designs, Inc.	Jack	\$16,667	Monthly	3.000%
Crawford's Accounting	Diane	\$25,000	Monthly	3.000%

Checking, Savings, CDs

Account Name	Owner	Current Balance	Balance As Of	Interest Rate
Checking (Cash Account)	Diane, Jack	\$5,000	Jul. 26, 2010	0.000%
Savings Account	Diane, Jack	\$45,000	Jul. 26, 2010	3.000%

This asset is the Cash Account

Mutual Funds

Name/ Symbol	Owner	Account Balance	Balance As Of	Basis	Rates		
					Qual. Div.	Cap. Gains	App.
Mutual Funds	Jack	\$100,000	Jul. 26, 2010	\$100,000	0.000% ¹	0.000% ¹	6.000%

Stocks

Name/ Symbol	Owner	Current Value	Balance As Of	Basis	Rates		
					Div. Rate	App. Rate	
Various Stocks	Jack	\$300,000	Jul. 26, 2010	\$300,000	0.000% ¹	7.000%	

¹ Dividends are assumed to be reinvested in similar investments.

Other Facts Used (Continued)

Scenario: Proposed

Retirement Plans¹

Name	Owner	Current Balance	Balance As Of	Growth Rate	Owner Contrib.	Employer Contrib.
Jack's Retirement Plan	Jack	\$367,000	Jul. 26, 2010	6.000%	10.000%	3.000%

IRAs

Name	Owner	Current Balance	Balance As Of	Growth Rate	Type
Diane's IRA	Diane	\$300,000	Jul. 26, 2010	6.000%	Deductible

Business Property

J. & R. Web Designs, Inc.

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate	Business Form	% of Total Bus. Value	Income	Income Frequency	Monthly Expenses	Annual Expenses	Inflation Rate
Jack	\$2,000,000	Jul. 26, 2010	\$0	12.000%	Private Corporation	100%	n/a	n/a	n/a	n/a	n/a

Other Real Estate

Real Estate

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate	Rental Income	Frequency	Monthly Expenses	Annual Expenses	Rental Inflation
Diane	\$500,000	Jul. 26, 2010	\$500,000	8.000%	n/a	n/a	n/a	n/a	n/a

Residences

123 Main Street

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Diane, Jack	\$650,000	Jul. 26, 2010	\$650,000	4.000%

Personal Loan Secured by this Asset

Balance as of	Mortgage Balance	Payment	Frequency	Interest Rate
Jul. 26, 2010	\$250,000	\$5,000	Monthly	5.000%

Personal Property

Name	Owner	Current Value	Value As Of	Basis	Growth Rate
Personal Properties	Diane	\$200,000	Jul. 26, 2010	\$200,000	0.000%

¹ There are no Required Minimum Distributions from Qualified Plans for 2009 only.

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)

Other Facts Used (Continued)

Scenario: Proposed

Life Insurance-Individual

Name	Insured	Owner	Beneficiary	Face Amount	Premium	Frequency	Cash Value
Variable UL	Jack	Jack	Diane	\$1,500,000	\$1,000	Monthly	\$0
Variable UL	Diane	Diane	Jack	\$1,000,000	\$750	Monthly	\$0
New Survivor Policy	Survivor	ILIT	ILIT	\$6,000,000	\$3,500	Monthly	\$0

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	\$9,000	Monthly	No	90%	100%	90%
Miscellaneous Deductible Expenses	\$1,000	Monthly	Yes	100%	100%	100%
Church	\$2,000	Monthly	Yes	100%	100%	100%

Education Expenses

Description	Amount	Frequency	Percent of Estimated Aid
The University of North Carolina at Chapel Hill	\$14,036	Annual	10%

Debt

Liability Name	Owner	Payment Amount	Frequency	Current Balance	Balance As Of	Interest Rate
Loan for 123 Main Street	Diane, Jack	\$5,000	Monthly	\$250,000	Jul. 26, 2010	5.000%
Visa	Diane, Jack	\$2,000	Monthly	\$2,000	Jul. 27, 2010	12.000%

Future Purchase

Description	Future Owners	Anticipated Cost	Inflation	Start
Beach House	Diane, Jack	\$650,000	3.000%	Starting when Jack turns 70

Reposition Assets

Description	From	To	Frequency	Amount	Apply Inflation
Sell Business at Age 70 <i>Starting when Jack turns 70.</i>	J. & R. Web Designs, Inc.	Mutual Funds	n/a	n/a	n/a

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