eFinPLAN

Personalized Plan

Jim Jones and Jill Jones

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Introduction

Important Information

Congratulations for taking this important step to start planning. We know that you have concerns as you work to attain and preserve financial security. Today's financial environment is complex and in many regards, uncertain. The decisions you make regarding work, spending, investment, and retirement, both now and in the future, will significantly affect your financial security over the long term.

In an effort to help you learn, understand, and formulate your personal basis for decision making, this web-based 'Personal Financial Plan' is offered to interactively enhance your knowledge of important topics and demonstrate some of the intricacies of the financial world. The plan represents a framework to help you clarify and structure your financial matters.

This plan is based upon information you provide regarding your present resources and objectives. While illustrations within this plan can be a valuable aid in the examination of your finances, it does not represent the culmination of your planning efforts. Financial planning is an ongoing process.

This hypothetical illustration of mathematical principles is custom-made to model some potential situations and transitions you may face in your financial future. Hypothetical assumptions used in this illustration are specifically chosen to communicate and demonstrate your current financial position and highlight the complex future interacting effects of combined incomes, expenses, savings, asset growth, taxes, retirement benefits, and insurance.

This document is not an advertisement or solicitation for any specific investment, investment strategy, or service. No recommendation, prediction or projection of any specific investment or investment strategy is made or implied. Any illustrations of asset growth contained herein are strictly used to demonstrate mathematical concepts and relationships while presenting a balanced and complete picture of certain financial principles. Growth assumptions are applied to generalized accounts based upon differing tax treatment. Illustrations, charts and tables do not predict or project actual future investment performance, or imply that any past performance will recur. Information in this report is based on financial figures input on the date above: results provided may vary with subsequent uses and over time.

This plan does not provide tax or legal advice, but may illustrate some tax rules or effects and mention potential legal options for educational purposes. Tax rates, rules and laws are subject to change at any time in the future. Information contained herein is not a substitute for consultation with a competent legal professional or tax advisor and should only be used in conjunction with his or her advice.

How to Utilize This Plan and The Website

Your plan has been organized to cover many of the areas of financial planning, most sections provide an Analysis and Action Steps. Section 7 provides a consolidated Checklist report of these Action Steps, and information regarding the use of trusted professional advisors to help you implement them, to help you keep track of the things you want to accomplish. The Analysis and Action Steps are general, and may change depending upon the consultation with your advisors.

You should update your personal information on eFinPlan.com when significant changes happen, and when you implement any of the aspects of your plan (see “When to Update Your Financial Plan” article on the website).

Your actual future investment returns, tax levels and inflation are unknown. This illustration uses representative assumptions in a financial planning calculation model to generate a report for education and discussion purposes. Calculations and assumptions within this report may not reflect all potential fees, charges, and expenses that might be incurred over the time frame covered by these illustrations which, if included, would result in lower investment returns and less favorable illustration results. Do not rely upon the results of this report to predict actual future investment performance, market conditions, tax effects or inflation rates. Actual future investment returns, taxes and inflation are unknown. This report, and its hypothetical illustrations, are intended to form a basis for further discussion with your legal, accounting, and financial advisors.

Summary

This report uses financial models to present a picture of your current financial situation and illustrations of possible directions your finances may take. Future economic and market conditions are unknown, and will change. The assumptions used are representative of economic and market conditions that could occur, and are designed to promote a discussion of appropriate actions that may need to be taken, now or in the future, to help you manage and maintain your financial situation under changeable conditions.

Your Current Situation:

- You have assets of approximately $490,500.
- You have liabilities of approximately $155,000.
- Your net worth is approximately $335,500.
- You now have $217,500 in working assets and are adding $13,000 per year.

Your Goals:

- Jim wants to retire at age 67 and Jill wants to retire at age 67.
- Monthly after-tax income needed at that time is $4,500 (in today's dollars).
- You will need the income until the last life expectancy of age 100.

Analysis Details:

- Asset Allocation: Type of Investor - Moderate
- Long-term care assets at risk: $716,738
- Net Estimated Life Insurance Needs Shortage for Jim: None
- Net Estimated Life Insurance Needs Shortage for Jill: $136,000

Retirement Analysis

Using the information you provided, calculations have been made to estimate whether your current retirement program will meet your stated retirement goals. The analysis begins now and extends through life expectancy. It includes tax advantaged, taxable investments, defined benefit pensions, if applicable, and Social Security benefits. The analysis calculates growth and depletion of capital assets over time. This analysis is the basis for the following summarized statement.

Actions:

It appears you may run out of money before the last survivor's life expectancy of age 100. The range of possible options you might consider to improve your situation include the following:

- Increase the rate of return on your investments.
- Increase your annual savings by $25,800/year ($2,150 month).
- Reduce your retirement spending needs by $19,500 to $34,500/year ($2,872/month).
- Defer your retirement by about 9 years.
- Shorten life expectancy assumption.
- Examine Section 5: Your Spending for measures to increase the amount of money available for investing.
- Combining a portion of any of the above will improve your retirement analysis.

This report is for informational and educational purposes only. The information and assumptions used are estimates. The resulting calculations are designed to help illustrate financial concepts and general trends.

Net Worth Statement

Your Net Worth Statement is an itemization all of your assets and their values, minus the total of all of your liabilities. Or it could be simply stated that it is what you own minus what you owe.

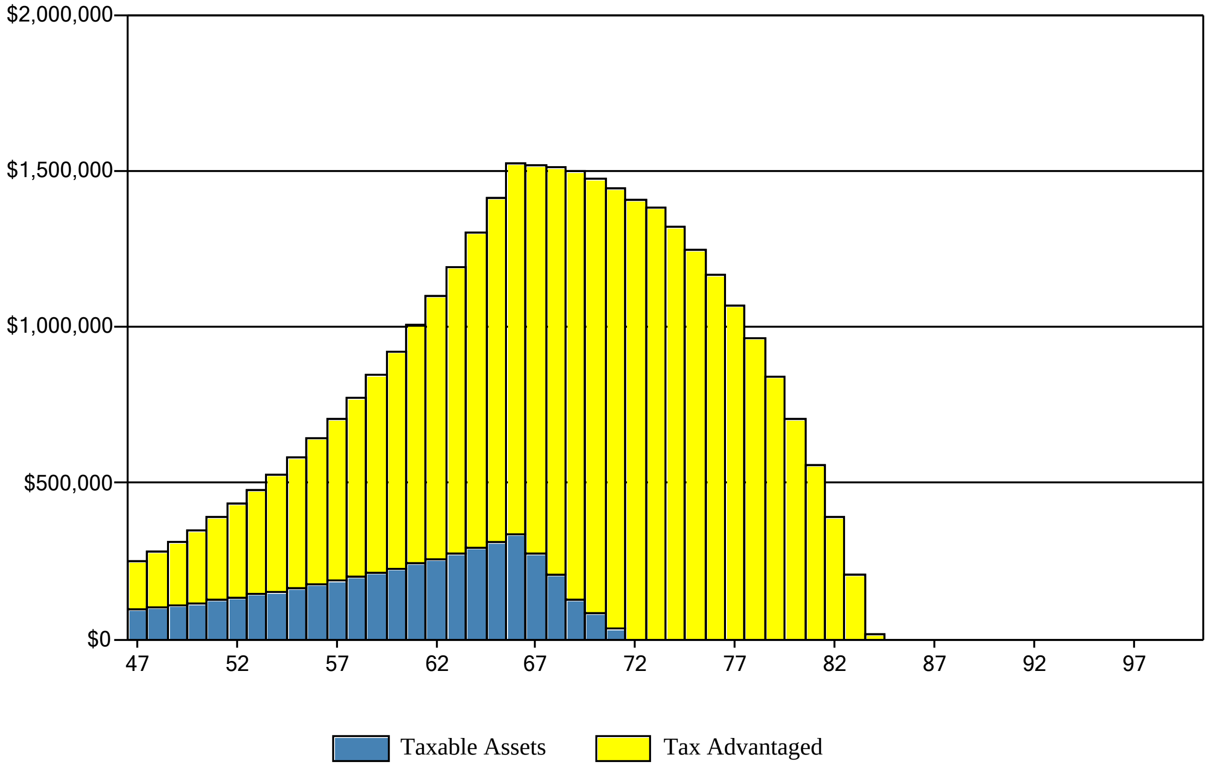
A negative net worth is when you owe more than you own, and a positive net worth is when you own more than you owe.

The graph helps you to track, over time the rate that your net worth is increasing or decreasing, so that you can estimate how your net worth is growing or shrinking.

ASSETS		
Savings and Investments		
	XYZ Mutual Life	$10,000
	Swamp Mutual	5,000
	Checking	50,000
	Savings / CD's	30,000
	Investment Portfolio	10,000
		$105,000
Retirement Accounts		
	401(k) Plan	$50,000
	IRA Roll Over	10,000
	Roth IRA	5,000
	403(b)	25,000
	IRA Roll Over	5,000
	Roth IRA	5,000
	prev. employer 401(k)	7,500
	prev. employer 401(k)	5,000
		$112,500
Education Accounts		
	Bill	$110,000
		$110,000
Other Assets		
	Residence	$225,000
	Personal Property	25,000
	Auto #1	13,000
	Auto #2	10,000
		$273,000
	TOTAL ASSETS	**$600,500**
LIABILITIES		
	Residence Mortgage	$125,000
	Credit Card #1	10,000
	Credit Card #2	5,000
	Home Equity Loan	10,000
	Auto Loan #1	5,000
	TOTAL LIABILITIES	**$155,000**
Net Worth (Assets less Liabilities)		**$445,500**

Note: Potential taxes due on unrealized gains or assets in tax-deferred retirement plans are not accounted for in this Net Worth Statement.

Total Capital Assets



The Total Capital Assets graph displays taxable assets, combined with the value of the tax advantaged assets over time. The illustration shows assets from current age through life expectancy. Estimated capital growth is based on the rate of return for the assets, plus any annual additions or expenses. When the taxable accounts have been consumed, tax-advantaged accounts may be drawn on for additional funds.

Generally, the IRS requires that by age 70 1/2, minimum distributions must be made from qualified tax-deferred accounts. These annual distributions must be made on a schedule calculated to consume the account balances during the life expectancy. Money distributed from these tax-deferred accounts will first be used to meet current spending needs. Excess funds will be reinvested into taxable accounts.

Note: education savings are not included in this graph.

Data Confirmation

This section is a synopsis of the information that you put on your online eFinPlan questionnaire and the assumptions used for the financial calculations. This is provided for your records and to inform you of some of the factors that affect your plan, for example inflation and investment rates of return.

Review these items for accuracy and personal preference. You can easily change your questionnaire, or the assumptions, online to customize your plan.

About You

	You	Your Spouse
First Name	Jim	Jill
Birthdate	1/2/1967	1/2/1967
Annual Income	$45,000	$45,000
State of Residence	OH	
Married?	Yes	

Your Children

Bill	12
Mary	10
	0
	0
	0

Data Confirmation

Savings and Investments

Your Assets

Type	Description	Class	Today's Balance	Employer Additions	Personal Additions	Start Year	Num. Years
Defined Contribution Plan	401(k) Plan	Large Cap Stock	50,000	3,000	5,000	2013	20
IRA	IRA Roll Over	Mid Cap Stock	10,000	0	0	2007	0
Roth IRA	Roth IRA	Small Cap Stock	5,000	0	0	2007	0
Annuity	XYZ Mutual Life	Foreign Stock	10,000	0	0	2007	0
Defined Contribution Plan	prev. employer 401(k)	Bonds	7,500	0	0	2014	0

Your Spouse's Assets

Type	Description	Class	Today's Balance	Employer Additions	Personal Additions	Start Year	Num. Years
Defined Contribution Plan	403(b)	Large Cap Stock	25,000	2,000	3,000	2013	20
IRA	IRA Roll Over	Mid Cap Stock	5,000	0	0	2007	0
Roth IRA	Roth IRA	Small Cap Stock	5,000	0	0	2013	0
Annuity	Swamp Mutual	Foreign Stock	5,000	0	0	2007	0
Defined Contribution Plan	prev. employer 401(k)	Bonds	5,000	0	0	2014	0

Joint Assets

Type	Description	Class	Today's Balance	Employer Additions	Personal Additions	Start Year	Num. Years
Taxable	Checking	Cash Reserves	50,000	0	0	2007	0
Taxable	Savings / CD's	Large Cap Stock	30,000	0	0	2007	0
Taxable	Investment Portfolio	Foreign Stock	10,000	0	0	2007	0

Data Confirmation

Personal Assets/Liabilities

Assets

Description	Amount	Owner
Residence	225,000	Joint
Personal Property	25,000	Joint
Auto #1	13,000	Joint
Auto #2	10,000	Joint

Liabilities

Description	Amount	Owner	Term	Payment	Rate
Residence Mortgage	125,000	Joint	28 years	915	3.50 %
Credit Card #1	10,000	Joint	open ended	500	12.00 %
Credit Card #2	5,000	Joint	open ended	250	12.00 %
Home Equity Loan	10,000	Joint	open ended	250	3.00 %
Auto Loan #1	5,000	Joint	2 years	2500	6.00 %

Retirement Benefits

	You		Your Spouse	
Planned Retirement Age	67		67	
Pensions	1st Pension	2nd Pension	1st Pension	2nd Pension
Annual Pension benefit expected	6,000			
Age when defined pension benefit will start				
Annual increase rate before starting age				
Annual increase rate after starting age				
Percentage available to surviving spouse	100.00%			

Social Security

	You	Your Spouse
Include Social Security in calculations?	Yes	Yes
Social Security start age	67	67
Estimated actual annual S.S. benefits (if known)	0	0
Ineligible to receive survivor S.S. benefit	No	No

Data Confirmation

Your Spending

Living Expenses (in current after tax dollars)

Current annual expenses	60,000

Special Incomes

Description	Amount	Inflation	First Year	Number of Years
Inheritance	25,000	0.00%	2040	1

Your Insurance

	You	Your Spouse
Life Insurance		
Term Insurance	500,000	500,000
	0	0
Permanent Insurance	0	0
	0	0
Current Disability Insurance		
Benefit	Monthly	Monthly
Benefit Amount	5,000	2,000
Current Coverage Period	20 years	20 years
Current Long-Term Care Insurance		
Benefit	Daily	Daily
Benefit Amount	100	100
Current Coverage Period	5 years	5 years

Data Confirmation

Your Children's Education

Your Children

Name	Age	College Start Age	Number of Years	Cost Per Year
Bill	12	18	4	10,000
Mary	10	18	4	10,000
	0	18	4	0
	0	18	4	0
	0	18	4	0

College Savings Assets

Type	Child	Today's Balance
529	Bill	60,000
529	Bill	50,000

Data Confirmation

Assumptions

Miscellaneous

Life Expectancy: You 95 Your Spouse 100

Expected Rate of inflation (expenses and income) 4.00%

Include net cost of education expenses in retirement calculations. No

Annual expenses during retirement (% of current) 90.00%

Annual expenses for a survivor (% of current) 80.00%

Assumed Rates of Return	Before Retirement	After Retirement	Cost Basis Percentage
Long-term savings, not retirement funds	8.00%	5.00%	50.00%
Tax Free Bonds	3.00%	3.00%	
Retirement Funds	8.00%	5.00%	
Annuity Assets	7.00%	4.00%	50.00%
Average Tax Rate (federal + state)	15.00%	15.00%	
Discount Rate for Survivor Needs NPV Calculation*	5.00%		

Increase Rates

Capital Additions: Savings & Investment Accounts	3.00%
Capital Additions: Your IRA/401k/TSA Accounts	0.00%
Capital Additions: Your Spouse's IRA/401k/TSA Accounts	0.00%
Social Security Benefits	1.00%

*Discount rate for Survivor Needs NPV (Net Present Value) calculation is used for determining life insurance needs. The net rate is net of taxes and fees. Higher discount rates would illustrate a lower dollar amount of life insurance needed. 4% and 5% would be considered moderate assumptions. Less than 4% would be conservative. Over 5% would be aggressive.

Retirement/Financial Independence - Goals & Assumptions

Developing a Retirement Plan

Developing a retirement plan means understanding your current situation, deciding among alternatives, and taking appropriate action. This report will help you define your current retirement goals, identify your current planning, and estimate the results for your review.

Your Current Retirement Goals

	Jim	Jill
Age:	47	47
Retirement Age:	67	67
Years until Retirement:	20	20
Years of Retirement:	28	33

Annual Combined Retirement Spending $54,000 *(expressed in today's dollars)*

Assumptions

	Pre-Retirement	*Retirement*
Inflation Rate:	4.0%	4.0%
Income Tax Rate (Average):	15.0%	15.0%
Return on Investments (Average):	7.9%	4.9%

Calculations assume that you maintain your current residence(s). Related debt will be paid per existing mortgage schedule(s).

Retirement/Financial Independence - Available Resources

Funds to meet your goals can come from several sources: Personal Investing, Retirement Plans, Defined Benefit Pensions, Social Security, and Other Income.

	Current Balances
Personal Investments	
Savings/Taxable Investments	$90,000
Annuity Investments	15,000
	$105,000
Retirement Plans	
Qualified Plans-Jim	$57,500
Qualified Plans-Jill	30,000
IRA Assets-Jim	10,000
IRA Assets-Jill	5,000
Roth IRA/401k Assets-Jim	5,000
Roth IRA/401k Assets-Jill	5,000
	$112,500
Total Investment Assets	**$217,500**

Social Security	Jim	Jill
Starting Age	67	67
Benefit at Starting Age (After-tax)*	$21,931	$21,931

Pension Plans	Jim	Jill
Pension Amount per Year (After-tax)	$5,100	N/A
Pension Starting Age	0	
Increase Rate Pre-Retirement	0.0%	
Increase Rate in Retirement	0.0%	
Survivor Percentage	100%	

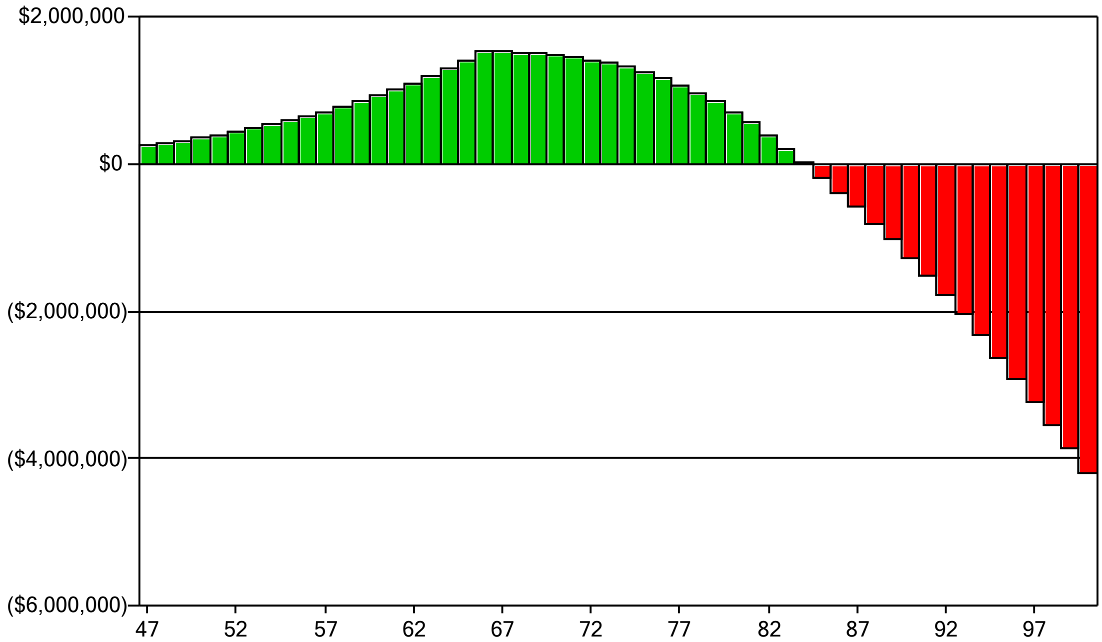
Other Income

Inheritance: $25,000/year starting 2040, increase rate of 0%, for 1 year.

*Social Security benefit was either provided by you or automatically calculated based upon benefit start age, current age, and current earned income. Automatic calculations are only estimates. Contact the Social Security Administration (ssa.gov) to request a statement.

Retirement/Financial Independence - Results

Analysis: It appears you may run out of money before the last survivor's life expectancy of age 100.



The analysis begins at your current age and extends through your life expectancy. It includes all assets, both tax advantaged and taxable, all expenses, including education funding if applicable, other income and expense estimates, defined benefit pensions, and Social Security benefits. The graph illustrates the growth and depletion of your capital assets, and in cases of capital shortages shows accumulating deficits.

General Assumptions:

Rates of Return Before and After Retirement Used in Illustration:		
Taxable RORs:	8%	5%
Tax Def. RORs:	8%	5%
Tax Free RORs:	3%	3%
Annuity RORs:	7%	4%

Retirement Spending Needs*	$54,000
Survivor Spending Needs*	$48,000
Retirement Age	Jim - 67
Retirement Age	Jill - 67
Inflation - Current	4%
Inflation - Retirement	4%
Tax Rate - Current	15%
Tax Rate - Retirement	15%

Retirement Capital Illustration Results:

It appears you may run out of money before the last survivor's life expectancy of age 100. The range of possible options you might consider to improve your situation include the following:

- Increase the rate of return on your investments.
- Increase your annual savings by $25,800/year ($2,150 month).
- Reduce your retirement spending needs by $19,500 to $34,500/year ($2,872/month).
- Defer your retirement by about 9 years.
- Shorten life expectancy assumption.
- Examine Section 5: Your Spending for measures to increase the amount of money available for investing.
- Combining a portion of any of the above will improve your retirement analysis.

* Spending needs are stated in today's after tax-dollars. See Assumptions page for complete listing of assumptions.

Actual future returns, taxes, expenses, and benefits are unknown. This illustration uses representative estimates and assumptions for educational and discussion purposes only. Do not rely on this report for investment analysis.

Retirement Cash Flow Explanation

Working Years

Cash flows are the sources and uses of money. Primary sources of funds are income from work, Social Security, pensions, savings, insurance proceeds, and other income events. Regular living expenses, education costs, and other planned expenses are the primary uses of funds. In retirement, Social Security, pension benefits, and cash withdrawn from investment accounts are the major sources of cash to cover expenses. Having income greater than expenses (or sufficient asset sources) will help you meet your living expenses and other planned needs indefinitely.

Cash Flow Report Explanation

Earned Income:	This is your combined household income with inflation.
Retire/Roth Account:	Numbers in red represent additions made to those accounts. Numbers in black represent withdrawals; these are sources of funds to meet retirement needs.
Investments Accounts:	Numbers in red represent contributions that you make into these accounts; numbers in black are withdrawals.
Pension/Social Security:	Income received from Social Security and employer provided Defined Benefit Retirement Plans.
Other Income:	Expenses in red represent Large Purchases and College Expenses, black numbers represent additional sources of income.
Total Sources of Income:	From Earned Income, Pensions/Soc. Sec., Special Incomes, and money taken from Retire/Roth or Investment Accounts. The total will be reduced for additions or contributions made into the accounts.
Less Living Expenses and Taxes:	Total expenses that you have entered and income taxes. Tax estimates are based on earned income and investment income (adjusted for contributions to qualified retirement accounts) multiplied by the estimated net effective tax rates. The resulting tax estimate is added to inflation adjusted living expenses to create an estimated annual figure.
Shortage or Surplus:	The difference between *Total Sources of Income* and *Less Living Expenses and Taxes*. Numbers in black represent a surplus. Numbers in red indicate a shortage.

The combination of Total Sources and Living Expenses & Taxes can create a surplus or shortage. A shortage indicates that expenses exceed incomes and sources. A surplus can indicate that incomes exceed expenses. During retirement, if money is withdrawn at the same level of need, no surplus or shortage will occur. Withdrawal needs and investment returns can vary. Careful monitoring is essential to ensure savings doesn't run out.

Retirement Cash Flow Calculations

Ages Indv. 1	2	Earned Income	Retire/Roth Accounts*	Investment Accounts*	Pension/ Soc Sec.	Other Income	Total Sources	Less Living Expense & Taxes	Shortage or Surplus
		Cash Flow Sources							
67 R	67 R			$74.445	$43.862		$118.307	($118.307)	
68	68			78.739	44.300		123.039	(123.039)	
69	69			83.217	44.743		127.960	(127.960)	
70	70		45.752	48.997	45.191		139.940	(139.940)	
71	71		47.902	52.041	45.643		145.586	(145.586)	
72	72		76.636	32.696	46.099		155.431	(155.432)	
73	73		91.921		46.560	25.000	163.481	(163.482)	
74	74		126.505		47.026		173.531	(173.531)	
75	75		134.602		47.496		182.098	(182.098)	
76	76		141.662		47.971		189.633	(189.633)	
77	77		149.021		48.451		197.472	(197.472)	
78	78		156.691		48.935		205.626	(205.626)	
79	79		164.685		49.425		214.110	(214.109)	
80	80		173.016		49.919		222.935	(222.935)	
81	81		181.698		50.418		232.116	(232.116)	
82	82		190.745		50.922		241.667	(241.667)	
83	83		200.172		51.431		251.603	(251.603)	
84	84		193.515		51.946		245.461	(245.461)	
85	85		16.759		52.465		69.224	(239.658)	(170.434)
86	86				52.990		52.990	(249.244)	(196.254)
87	87				53.520		53.520	(259.213)	(205.693)
88	88				54.055		54.055	(269.581)	(215.526)
89	89				54.595		54.595	(280.364)	(225.769)
90	90				55.141		55.141	(291.578)	(236.437)
91	91				55.693		55.693	(303.241)	(247.548)
92	92				56.250		56.250	(315.370)	(259.120)
93	93				56.812		56.812	(327.984)	(271.172)
94	94				57.380		57.380	(341.103)	(283.723)
95 L	95				57.954		57.954	(354.747)	(296.793)
	96				29.267		29.267	(324.777)	(295.510)
	97				29.560		29.560	(334.520)	(304.960)
	98				29.855		29.855	(344.555)	(314.700)
	99				30.154		30.154	(354.891)	(324.737)
	100L				30.455		30.455	(365.537)	(335.082)

This report, and its hypothetical illustrations, are intended to form a basis for further discussion with your legal, accounting, and financial advisors. Actual future investment returns, taxes and inflation are unknown. Do not rely upon this report to predict future investment performance.

Monte Carlo Simulation Explanation

The financial planning process can help you evaluate your status in relationship to your financial goals and objectives. In preparing a hypothetical financial illustration for discussion, a series of representative fixed assumptions are made, such as inflation rates, rates of return, retirement benefits and tax rates. While such static hypothetical illustrations are still useful for education and discussion purposes, they are based upon unchanging long-term assumptions. In fact, economic and financial environments are unpredictable and constantly changing.

Monte Carlo Simulation is one way to visualize the effect of unpredictable financial market volatility on your retirement plan. Monte Carlo Simulation introduces random uncertainty into the annual assumptions of a retirement capital illustration model, and then runs the model a large number of times. Observing results from all these changing results can offer a view of trends, patterns and potential ranges of future outcomes illustrated by the randomly changing simulation conditions. While Monte Carlo Simulation cannot and does not predict your financial future, it may help illustrate for you some of the many different possible hypothetical outcomes.

Monte Carlo Simulation Technique:
Based upon the trends, changes, and values shown in your hypothetical financial program, the simulation process uses a different random rate of return for each year of a new hypothetical financial plan. Ten thousand full financial plan calculations are performed utilizing the volatile annual rates of return. The result is ten thousand new hypothetical financial plan results illustrating possible future financial market environments.

By using random rates from a statistically appropriate collection of annual returns, and repeating the process thousands of times, the resulting collection can be viewed as a representative set of potential future results. The tendencies within the group of Monte Carlo Simulation results; the highs, lows and averages, offer insight into potential plan performance which may occur under various combinations of broad market conditions.

Note: No investment products, investment strategy or particular investment style is projected or illustrated by this process. Simulation results demonstrate effects of volatility on rate of return assumptions for education and discussion purposes only.

Standard Deviation:
The simulated level of volatility in future financial markets is represented by a Standard Deviation value. This statistical measure of variation is used within the Monte Carlo Simulation to indicate how dramatically return rates can change year by year. The Standard Deviation controls the magnitude of the random changes in each annual rate of return as it is varied each year above or below the average annual rate to simulate market volatility.

The simulation model uses a Standard Deviation based upon the rate of return assumptions used in the Retirement Capital Illustration, and limits the rate of return variation to plus or minus five standard deviations in any year. Low assumed return rates generate low Standard Deviation values, higher returns relate to higher Standard Deviations.

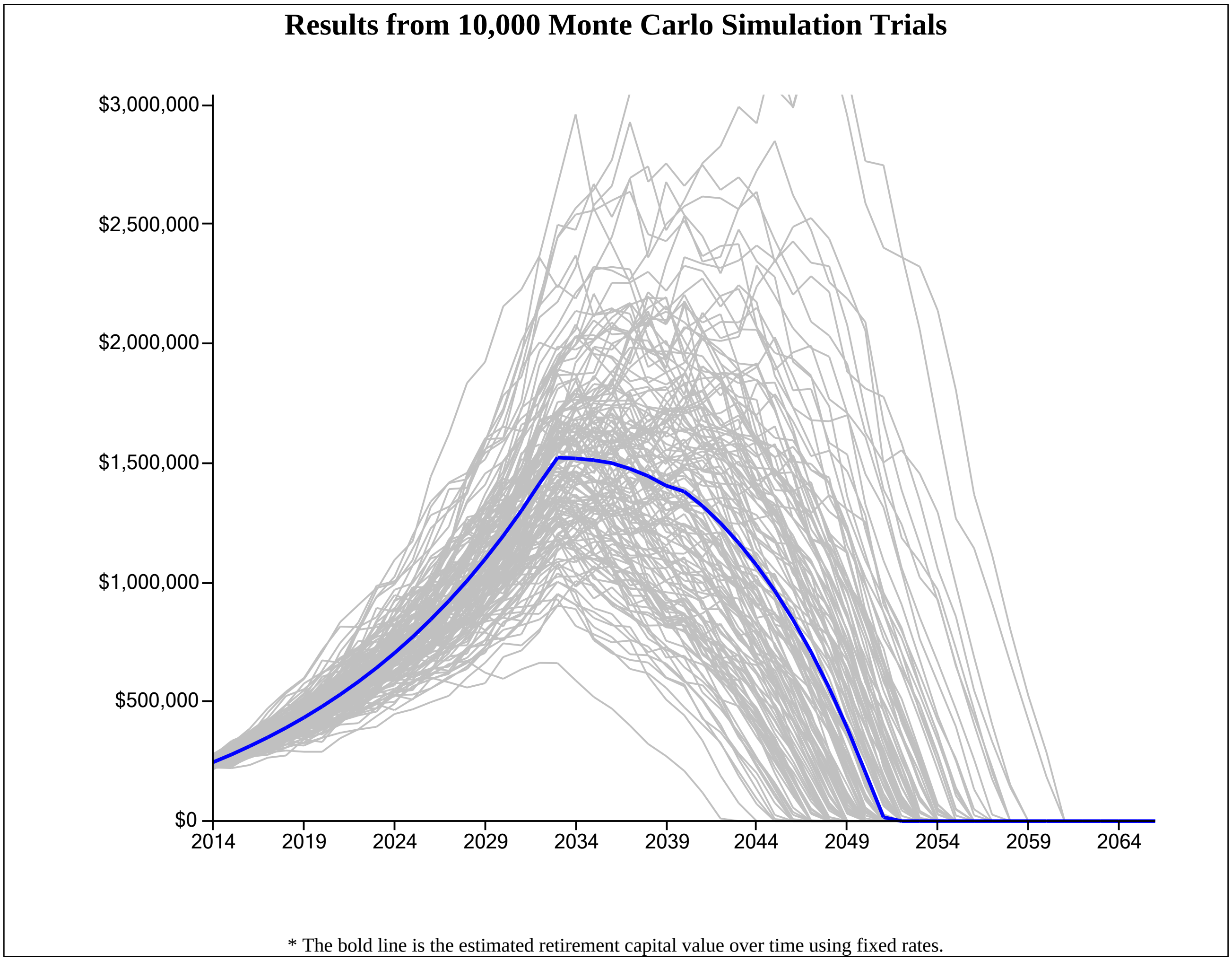
The Bold Line
The bold line in the Monte Carlo Simulation Results graph tracks the value of assets over the length of the illustration if all rates of return are held stable at the assumed rates of return (see Assumptions). The estimate uses annual expected portfolio rates of return and inflation rates to model the growth and use of assets as indicated under Assumptions (page 3). The bold line represents the values shown in the Retirement Capital Analysis.

Percentage of Monte Carlo Results Above Zero at Selected Ages
These results represent the percentage of Monte Carlo simulation outcomes that show positive retirement asset value remaining at different ages. A percentage above 70 at last life expectancy is an indication that the underlying retirement plan offers a substantial probability of success even under volatile market conditions. Additional ages shown give the percentage of simulation outcomes with positive asset amounts at various ages.

Monte Carlo Simulation Minimum, Average and Maximum Dollar Results
These values indicate the best, worst and average dollar results at the end of the five thousand Monte Carlo Simulations. These show the range of results (high and low), and the average of all Monte Carlo results. All values are based on results at the life expectancy of the last to die.

IMPORTANT: The projections or other information generated by the Personalized Financial Plan regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Each Monte Carlo Simulation is unique; results vary with each use and over time.

Monte Carlo Retirement Simulation



This Monte Carlo Retirement Simulation illustrates possible variations in growth and/or depletion of retirement capital under unpredictable future conditions. The simulation introduces uncertainty by fluctuating annual rates of returns on assets. The graph and related calculations do not presuppose or analyze any particular investment or investment strategy. This long-term hypothetical model is used to help show potential effects of broad market volatility and the possible impact on your financial plans. This is not a projection, but an illustration of uncertainty.

The simulations begin in the current year and model potential asset level changes over time. Included are all capital assets, both tax advantaged and taxable, all expenses, including education funding if applicable, pension benefits, and Social Security benefits. Observing results from this large number of simulations may offer insight into the shape, trends, and potential range of future retirement plan outcomes under volatile market conditions.

Retirement Capital Analysis Results, at Life Expectancy, of 10,000 Monte Carlo Simulations:

Percent with funds at last life expectancy	0%	Retirement Capital Estimate	$0
Percent with funds at age 89	10%	Minimum (Worst Case) result	$0
Percent with funds at age 78	99%	Average Monte Carlo result	$515
Percent with funds at age 67	100%	Maximum Monte Carlo result	$2,265,901

Life insurance proceeds are not included in the final year balances of these calculations.
Illustration based on random rates of return which average 6.1%, with a std. dev. of 6% (95% of values fall between -5.9% and 18.1%).

IMPORTANT: The projections or other information generated in this report regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each report and over time. Results of this simulation are neither guarantees nor projections of future performance. Information is for illustrative purposes only. Do not rely upon the results of this report to predict actual future performance of any investment or investment strategy.

College Education Illustration

You have indicated that you would like to assist in funding the higher education expenses of your child(ren). This page illustrates the cost and funding

Assuming an inflation rate of 6%, the total projected cost of education will be $131,778

You are currently saving $10,000 each year for education costs, but the following analysis illustrates the contributions needed to fund this expense (not taking into consideration the current savings).

If you can invest your education funds at 6%* after taxes you may ...

- Make a single deposit now in the amount of $42,399
- Make level annual payments in the amount of ... $0
- Make level monthly payments in the amount of ... $0

Student Name	Starting Year	Number of Years	Per Year in Today's $	Total Cost at 6% Inf.	Current College Funds Saved	One Time Deposit	Annual Deposits
Bill	2020	4	$10,000	$62,054	$110,000		
Mary	2022	4	10,000	69,724		42,399	5,072
	2032	4					
	2032	4					
	2032	4					
				$131,778	$110,000	$42,399	$5,072 **

The following schedule demonstrates the option of making level annual payments until the last year of education expenses. Any current funds saved will be utilized as educational expenses are incurred.

Annual Breakdown of Educational Funding

Year	Additions to fund	Paid to school from fund	Ending Balance at 6%*
2015			$116,600
2016			123,596
2017			131,012
2018			138,872
2019			147,205
2020		14,185	141,001
2021		15,036	133,523
2022		31,876	107,746
2023		33,790	78,393
2024		17,908	64,114
2025		18,983	47,839

** Annual deposit total shown may be higher than the level payment amount, but decreases as each student graduates.

* This hypothetical rate of return is for illustrative purposes and does not represent a particular investment.

College Education Funding Sources

The previous page provided estimates projecting the higher education costs for your child(ren), and how much you will need to save and invest.

However, not everyone is able to fully fund their children's college expenses and also implement other aspects of their financial plan. Most who attend college today receive funding from several sources.

The following chart illustrates a simplified overview of education funding

Scholarships	**Federal/State Grants**	**Family Funds**	**Loans**
• Academic	• Hope Scholarship	• 529 Savings	• Federal Stafford
• Sports, music, theatre, etc.	• Pell Grant	• Regular savings and investments	• Federal Perkins Loans
• University or College awards	• Federal Supplemental Educational Opportunity Grant	• Borrowing from home equity and 401(k)	• PLUS loans to parents
• Private	• Veterans and GI Bill	• Coverdell Education Savings Account	• State Loan Programs
	• Federal Work Study Program	• Student Employment 1. Federal Work Study program 2. Regular Employment 3. If Self Employed ask your tax advisor about employing your children	• Loans from other lending institutions
	• State Grants		

Please see the eFinPlan website for additional information that may help you with your college education planning.

Education Funding Considerations

Overview

Many issues need to be addressed when saving for a child's education. Ownership and control of the assets are often as important as the method chosen to fund education expenses. In addition, laws have been enacted to increase education funding ability. These topics are discussed below.

Section 529 College Savings Plans

Section 529 plans are state-sponsored plans designed to help families save for future college costs. They are named for part of the tax code (IRS Code Section 529) that defines them. Details and options differ from state to state, but all plans have federal and state tax advantages.

Please see the expanded Section 529 College Savings Plan information on page 3 for further details.

Custodial Accounts

Custodial (UGMA/UTMA) accounts established for a child may help to reduce the taxes imposed on assets earmarked for education by shifting income to the child’s lower tax rate. For income tax purposes, assets held within custodial accounts are considered wholly owned by the child, but the custodian retains control over the account until the child reaches the age of majority. Any contribution to these accounts is considered a gift, subject to gift tax rules - up to $14,000 per year per donor may be given to a child without incurring gift taxes. If the custodian of the account is also the donor of the gift, the account may be included in the custodian’s taxable estate.

Assets owned by the child often reduce the amount of potential financial aid. Also, because custodial accounts become the property of the child at the age of majority, care should be taken to ensure that the child clearly understands the purpose for which the account was established.

Investment ("unearned") income for minor children is subject to special tax rules commonly referred to as the "Kiddie Tax" rules. These rules generally limit the amount of money a parent can save in the name of a child under 14 years of age in an effort to reduce taxes.

Trust for Minors, Section 2503(c)

The major provisions of this trust are as follows:

- Gifts to the trust are treated as present interest gifts under IRS Code Section 2503(c), and the assets are removed from the grantor's estate. Undistributed income is taxed at trust tax rates.
- Income and principal can be distributed by the trustee for the child's welfare and education prior to age 21.
- At age 21, the child is given the right to all of the trust assets during a limited period. Once that period ends (and the child chooses to have the trust continue), income and principal are distributed according to the trust instructions, which could specify distributions for welfare and education, portions at stated ages, etc.

Deferred Taxes, Tax Credits, and Deductions

Other techniques can reduce the net cost of education expenses. ***Deferral of taxation*** into the future is advantageous, since a tax-deferred asset grows faster than a taxed asset. ***Tax credits*** are a direct reduction of income taxes. ***Deductions*** reduce the amount of income that is subject to taxation.

Tax-deferred annuities, life insurance, qualified retirement plans, tax-efficient mutual funds, and Series EE or Series I Savings Bonds can be used effectively for education expenses. Other tax-advantaged methods are discussed in more detail below. It is important to discuss the method(s) that might provide the most benefit with a qualified financial advisor.

Education Funding Considerations - page 2

Coverdell Education Savings Account (formerly known as an Education IRA)

A Coverdell Education Savings Account may be established for any child under age 18, if your modified adjusted gross income is below the established amount. The total of all contributions cannot exceed $2,000 per year for each child. Although contributions are not deductible for income tax purposes, earnings accumulate on a tax-deferred basis. In addition, income tax is not imposed on any withdrawals provided they are used for qualified higher education expenses. Since the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA 2001), "qualified educational expenses" also include expenses related to elementary and secondary school education. For information refer to IRS.gov Publication 970.

Traditional and Roth IRA Withdrawals

Early (prior to age 59½) distributions from both traditional and Roth IRAs may be used to pay for qualified education expenses without incurring a 10% tax penalty. *(Income taxes are still payable on the distribution. Only the penalty is waived.)*

American Opportunity Credit

The American Opportunity Credit is available, on a per-student basis, for the first four years of post-secondary education to whoever claims the student as a dependent. This maximum tax credit of $2,500 is indexed with inflation and is phased out at higher income levels.

Lifetime Learning Credit

A Lifetime Learning Credit may be claimed for a portion of the qualified expenses incurred for students in the taxpayer’s family who are enrolled in eligible educational institutions. The student must be enrolled on at least a half-time basis, unless the classes are to acquire or improve job skills. Continuing in 2006, the amount that may be claimed as a credit is equal to 20% of the taxpayer’s first $10,000 of qualified expenses paid for all the students in the family. The Lifetime Learning Credit is available on a per-taxpayer basis, so any tax return may claim only up to the maximum amount regardless of the number of students involved. This maximum credit is phased out at higher income levels.

Deduction for Qualified Higher Education Expenses

EGTRRA 2001 provides an above-the-line deduction for qualified higher education expenses (as defined for purposes of the Hope credit) paid during the tax year. The Hope or Lifetime Learning credit and this deduction may not be taken in the same year with respect to the same student. Barring Congressional action, this deduction has terminated as of December 31, 2005 and has continued to be renewed. Taxpayers should consult with their tax advisors for details on qualifying.

Educational Loan Interest Deduction

Taxpayers who have taken loans to pay the cost of attending an eligible educational institution for themselves or their dependents may deduct the interest on their tax returns. The maximum deduction per taxpayer is $2,500, and is phased out at higher income levels. The student must be enrolled on at least a half-time basis when the debt is incurred. Under the new law, the deduction is also allowed for voluntary interest payments such as those made during the forbearance, or postponement period.

Education Funding Considerations - page 3

Section 529 College Savings Plans

Overview

Section 529 plans are state-sponsored college funding plans designed to help families save for future college costs. Nearly every state has a plan currently in place or is in the process of creating one. EGTRRA 2001 expands eligible "qualified state tuition programs" to include those established by all types of educational institutions.

There are two basic types of Section 529 plans. One is the ***Prepaid Tuition Plan*** and the other is the ***College Savings Plan***. Both types are state sponsored, so the details and options differ from state to state. Some states are now offering hybrids of the two plans.

The ***Prepaid Tuition Plan*** allows contributions to an account that guarantees that money put into it grows tax-deferred at the same rate as in-state tuition costs. Distributions are tax-free as long as they are used for qualified higher education expenses. You can buy tuition in years or in units, and payments can be made in a lump sum or in monthly installments. You can also use these savings to pay for the child's education at an out-of-state or private school, but there is no guarantee that the money you have saved will cover the entire cost of these schools. The goal of this type of plan is to keep pace with tuition inflation. Its assets are considered to be owned by the student for financial aid purposes.

The ***College Savings Plan*** allows contributions to an investment account that grows tax-deferred, and distributions are tax-free if used by the beneficiary for qualified higher education expenses. When the account is established, there is usually a choice of investment allocations. There is no limit on earnings, and the account balance could fluctuate up or down depending on the allocation and market conditions. The goal of this type of plan is to provide the opportunity for the money to grow faster than the tuition inflation rate. Its assets are considered to be owned by the account owner for financial aid purposes.

Features

- Both are federally tax-deferred accounts until the child goes to college, and distributions from the accounts are tax-free as long as the money is used for qualified higher education expenses. For qualified tuition programs established and maintained by non-state entities, the effective date for qualifying tax-free distributions began back in 2004.
- In most states, qualified distributions from both plans are exempt from state income tax. To receive favorable income tax treatment, the distributions must be for qualified higher education expenses.
- Some states allow residents to deduct contributions for state income tax purposes.
- Contributions are not restricted by the individual's income, unlike Education IRAs.
- Individuals (often parents and grandparents) can contribute up to $14,000 per person or $28,000 per couple, per beneficiary, per year without incurring any federal gift tax. Contributions over these limits in a single year can be prorated over 5 years.
- You can elect to use the Hope Tax Credit or Lifetime Learning Credit in the same year that money from a Section 529 plan is used, as long as distributions are not used for the same expenses for which the credit is claimed.
- You can contribute to a Section 529 plan and an Education IRA for the same child in the same tax year. If distributions from an Education IRA and a qualified tuition program exceed the beneficiary's qualified higher education expenses for any year, the beneficiary must allocate the expenses between the distributions to determine the amount includible in income.
- These plans resolve the problems of control inherent in custodial accounts (UGMA or UTMA). The Section 529 plan is established in the name of the person funding the account.

Education Funding Considerations - page 4

- The Section 529 account owner can change the beneficiary of the account to another person in the family. EGTRRA 2001 has expanded the definition of "family member" to include first cousins.
- If you choose to withdraw the money instead of using it for higher education expenses, you must pay taxes and a 10% tax penalty.
- Refund policies differ from state to state and plan to plan. Some states and/or plans may only refund your contributions but not the gains.
- The new law makes qualified tuition plans more flexible by easing the tax-free rollover rules and allowing one transfer within any 12-month period for the same beneficiary (i.e., transfer between a prepaid tuition program and savings plan maintained by the same state or vice versa).

Considerations

- Refund Features - Some plans do not allow you to get your money back; others have substantial penalties.
- Age Limits - Some plans require you to start using money once the beneficiary reaches a certain age, and others will not allow you to start plans for children over a certain age.
- Minimums and Maximums - Most plans can be started with small minimum amounts (Ohio’s state college savings plan can be started with $15.00). Each state sets its own maximum limits. Ohio’s current maximum is $273,000, while Rhode Island’s maximum is $330,690. Additional contributions can no longer be made once the account total (contributions plus account earnings) reaches the maximum limit.
- Definition of Qualified Educational Expenses - Tuition and fees certainly qualify, but other expenses, such as room and board, vary by state. The new law expands the scope of qualified higher education expenses to include actual living expenses and those incurred by special needs students in connection with enrollment or attendance.
- As always with mutual fund-based investments, review management expenses and annual fees. High expenses can diminish returns.
- Investment Options - Individual college savings program have different investment options. Typical investment options include age-based, growth, and balanced portfolios.

Future Goals Synopsis and Action Steps

Retirement at 67

It appears you may run out of money before the last survivor's life expectancy of age 100. The range of possible options you might consider to improve your situation include the following:

- Increase the rate of return on your investments.
- Increase your annual savings by $25,800/year ($2,150 month).
- Reduce your retirement spending needs by $19,500 to $34,500/year ($2,872/month).
- Defer your retirement by about 9 years.
- Shorten life expectancy assumption.
- Examine Section 5: Your Spending for measures to increase the amount of money available for investing.
- Combining a portion of any of the above will improve your retirement analysis.

College Education

It appears you do not have sufficient funds to fully pay for your children's college education expenses. The range of possible options you might consider to improve your situation include the following:

- Decrease the amount of dollars that you contribute to retirement plan; however most advisors recommend against this.
- Consider alternative sources of funding such as described in your report and on the eFinPlan website.
- Consider using accumulated retirement funds, however most advisors recommend not doing so due to negative tax implications and/or retirement is usually a higher priority.
- Examine Section 5: Your Spending, for measures to increase the amount of money available for savings and investing.

Asset Management

Asset Management has sometimes been defined as:

> *Managing assets and resources in relationship*
> *to your personal and financial goals, in order*
> *to most efficiently accomplish desired results.*

Achieving financial goals involves the use of many techniques, financial concepts and tools. Perhaps one of the most important is the proper use of savings, investments and retirement accounts. During your financial life you will accumulate funds from various sources including savings, your surplus income, inheritances, gifts, company contributions to retirement accounts, and other types of financial resources.

Since savings and investment accounts are acquired over a broad time frame, it is not unusual to find that the funds have been put into savings or investment accounts with inadequate thought as to how the various accounts relate to each other, or how they fit with your own long term goals for financial success.

One objective of any financial plan is to determine the proper mix of asset types, classes, or groups. In order to achieve the desired results for your financial future, it may be prudent to consider repositioning assets from an existing account to other accounts that more appropriately match your goals and comfort level.

As a result of the analysis of your financial goals and the resources available to achieve those goals, it may be determined that some changes to your assets or their management would enhance your potential for your future success. Any recommendation relating to changes will take into consideration:

Your investment time horizon (time left to accumulate or use investments.)

- Your risk tolerance level.
- Your experience and training in investment management.
- The amount of time or interest you have for investment analysis or research.
- The amount of funds available relative to the amount required to achieve your goals.

Once a portfolio mix has been designed and assets positioned to accomplish your goals, you should plan for regular reviews of your accounts. At that time re-evaluate your circumstances, economic and financial conditions, and determine whether any changes are in order to bring your asset mix or management back into proper balance.

Risk

In every aspect of life, we are faced with varying degrees of unknown outcomes. These uncertainties in life are sometimes referred to as areas of "Risk". In particular, financial matters are commonly described as either "Safe" or "Risky" or somewhere in between the two extremes.

It is important to recognize that the term "Risk" can refer to more than simply the loss of your money. Some of the different types of risk are described below.

Loss of Principal:
If you have $10,000 invested in a stock, the stock declines in value to $5,000, and you sell the stock, then you have suffered a loss of principal. On the other hand, if you do NOT sell the stock while the value is down, and the stock recovers to $10,000 then you have not suffered a loss. Time and diversification are keys to mitigating this type of loss.

Loss of Purchasing Power:
If you own a $10,000 certificate of deposit earning 5% interest, you will receive $500 per year interest. Since the account is insured by the FDIC and the interest is guaranteed for a set time frame, this may seem like a "safe" investment. If we experience inflation at the rate of 3% per year, the purchasing power of the $500 income will be reduced after the first year to $485, and after 10 years to $372. The purchasing power of the $10,000 after 10 years will be reduced to $7,441. This loss is a permanent one with no chance for recovery unless our economy goes into a protracted deflationary cycle.

Tax Loss:

Using the same $10,000 as above, and assuming you are in the 25% tax bracket, the $500 interest would be reduced to $375 after taxes. After 10 years, the $500 interest after taxes and inflation would provide purchasing power of only $277.

Non-liquid:
If you place all or most of your financial assets into **non-liquid** assets like real estate, mortgages or notes, small business interests or even tax deferred retirement accounts with severe early withdrawal penalties, then you may find that you no longer have control of your financial future. If your personal financial affairs take a turn for the worse due to a disability, loss of employment, death in the family or other unforeseen event, and you cannot readily reposition your assets to meet your new needs, then you are exposed to the risk of not being in control of your financial well being.

Although there are other types of risk that could be considered, the above examples will illustrate that it is important to properly plan and balance your financial assets so that all possibilities are considered. As your financial plan is created, take into consideration your levels of comfort with different types of assets and with attention to your personal situation and goals.

Asset Pyramid

Proper management of your assets requires an understanding of the relationship between RISK and REWARD. The pyramid below illustrates the assets by levels, with the safest at the bottom and the risk generally increasing as you near the top of the pyramid.

Dollar Amount	*More Aggressive*	*Percent of Total*
	NON-LIQUID	
	Business Interest etc.	
	Partnerships, Real Estate	
	LIQUID: Stocks/Stock Mutual	
$25,000	Foreign Stock	5.1%
$10,000	US Small Cap Stock	2.0%
$15,000	US Mid Cap Stock	3.1%
$105,000	US Large Cap Stock	21.4%
$110,000	Diversified Portfolio	22.4%
	LIQUID: Fixed Funds	
$12,500	Investment Grade Gov't and Corp Bonds and Bond Funds	2.5%
$50,000	Checking, Savings, CD's, US Savings Bonds, Money Market	10.2%
	PERSONAL ASSETS & PROTECTION	
$273,000	Personal Property and Residence	55.7%
	Life, Property, Medical and Disability Insurance	
	More Conservative	

$490,500	**TOTAL**	100%

Cap or Capitalization refers to the size of a corporation.

Education assets are included in 'Diversified Portfolio'.

Asset Classes

The task of managing your assets is a lifetime undertaking, and should be managed with careful regard to your present and future financial goals. Of particular importance is maintaining an appropriate mix of assets in respect to your current objectives and the constantly changing economic and market conditions.

ASSET CLASSES:
There are many different types of assets available to which funds may be allocated. The characteristics of each asset will vary but will generally fit into one of the following categories.

Cash Reserves
Bond
Large Cap Stock
Mid Cap Stock
Small Cap Stock
Foreign Stock

The amount of funds you place in each of these categories will be determined by a number of factors including your need for income, growth, tax sensitivity, inflation expectations and other items.

As your goals and objectives change, and as the current economic and market outlook varies it is expected that your use of the various asset classes will also change, requiring a periodic review and repositioning of your saving and investment assets.

Asset allocation does not guarantee a profit or protect against loss in a declining market.

Three Ways to Manage Money

Every investment decision uses one, or a combination of the following, and every investor should be aware of how they work.

- Asset Allocation
- Security Selection
- Market Timing

Security Selection or Stock Picking

Q. What is it?

A. It is deciding which stock or bond to purchase or sell. This is what you hear so much talk about in the media. This is because it is sexy. Business news likes to talk about up-and-coming companies, highlighted by stock pickers from Wall Street. These opinions are educated guesses.

Q. How does it work?

A. It involves the careful evaluation of which stock to purchase. The goal is to purchase low and sell high.

Q. What does it take to be a successful stock picker?

A. In order to do this well, you need a lot of information about all stocks. However, there are just too many stocks and too little information available about each one, and the information is quickly outdated. Secondly, it takes a lot of knowledge and experience to be able to process and interpret the information. Investment skill requires understanding and knowledge of economics, demographics, accounting, corporations, industries, and countries, to name a few.

Q. Are there good stock pickers to be found?

A. Yes, but you have to do your research. Most stock pickers do not beat their respective index. Stock pickers can be stock brokers who sell stock. The second type are private money managers who usually have a staff of research people who pick stock for clients, but you are required to give them a minimum amount of money to invest. The last type is mutual fund companies; they employ a large staff of expert researchers and analysts to help them pick securities.

Three Ways to Manage Money 2

Market Timing

Q. What is it?

A. Market timing is seeing where a market or security currently is, and then betting where it may be going, and when.

Q. What does it take to be a successful market timer?

A. To win at market timing, accuracy of over 60% of the time is required to cover the losses caused by mistakes of the other 40%. It's not 50/50 because of commissions, taxes, and other transaction costs associated with trading securities. You have to be right in all four decisions: what to buy and when to buy it, what to sell and when to sell it. A mistake in any of these may eliminate the gains in the other three. Very few market timers have shown a consistent track record of being correct more than they are incorrect.

Q. I have heard about alternative types of investments, such as hedge funds, commodities and sector investing. Is this market timing?

A. Yes, these types of investments are based upon market timing strategies, utilizing different analytical approaches. In addition they employ sophisticated devices such as stock options to help hedge or protect their guesses, and to enhance returns.

Asset Allocation

Q. What is asset allocation?

A. Asset allocations are based upon the famous and comprehensive study by Gary P. Brinson, Brian D. Singer, and Gilbert L. Beebower in 1991. They found that over 91% of long-term portfolio performance is derived from the decisions made regarding asset allocation, and not market timing or security selection. (Gary Brinson, Brian Singer, & Gilbert Beebower "Determinants of Portfolio Performance: An Update," Financial Analysts Journal, June '91)

Q. You don't hear that much about asset allocation in the media.

A. Asset allocation is boring, and it doesn't make exciting news. You won't hear about it much in the news, and it is sure to draw a yawn at a cocktail party as compared to a hot new stock you may have heard about.

Q. How does asset allocation work?

A. Asset allocation means that money in a portfolio gets divided up between the different asset classes. Most investments can be categorized into one of four asset classes: stocks, bonds, tangibles (things you can touch), and cash. There are dozens of asset classes in the U.S., and most also have mirror images in the foreign markets.

Q. How do I design the correct asset allocation for my investments?

A. There are many fine software packages that can help match the best allocation for you depending upon your reward expectations, risk and volatility expectations. Your eFinPlan Financial Plan has a Risk Tolerance Test, which is scored, weighted according to your preferences, and totaled. The results of your responses show which of the five most commonly used investment risk tolerance categories best matches your preferences. Your investment advisor should refer to this and also utilize their own questionnaire to make sure that your investment preferences are accurate and followed.

Q. What are the other benefits of asset allocation?

A. Asset allocation takes the emotion out of investing. Emotions can run high during market cycles, and can cause investors to make hasty investment decisions. Those who are committed to their choice of Asset Allocation understand the historical market ups and downs and focus on long term results as they monitor their investments throughout all market cycles.

Source ToolsforMoney.com

Asset Allocation

As you manage your portfolio of savings and investment assets, it is important that you consider how the characteristics of each asset matches your overall level of risk tolerance and your current financial goals. The chart below illustrates a suggested percentage of assets for various risk tolerance levels.

At your age 47 we have prepared this plan for a **Moderate** investor, based upon your investment questionnaire.

Typical percent of assets allocated for various risk levels.

Asset Class	Very Conservative	Conservative	**Moderate**	Aggressive	Very Aggressive
Cash Reserves	10	7.5	5	2.5	0
Bond	50	40	30	20	10
Large Cap Stock	20	25	30	35	37.5
Mid Cap Stock	10	12.5	10	15	20
Small Cap Stock	5	7.5	10	12.5	15
Foreign Stock	5	7.5	15	15	17.5
	100%	100%	100%	100%	100%

Historical Index Performance Information - Average before fees

1 year	7.78	10.20	12.23	14.86	17.30
3 year	6.70	7.76	8.46	9.71	10.76
5 year	10.14	11.98	13.42	15.47	17.39
10 year	5.93	6.44	6.78	7.37	7.95
20 year	7.11	7.43	7.70	8.30	8.80
30 year	8.81	9.29	9.57	10.14	10.66

The allocation percentages illustrated above are only suggestions for your consideration, and are not intended to be a permanent allocation. As time passes and your goals change, it will be important that you review your portfolio to assure that the current mix of your assets is appropriate for your goals and for current economic and market conditions.

Returns are calculated March 31, 2014. Asset class indices used: Cash – Money Market (3-month CD) Intermediate Long Bond – Lehman Bros Aggregate Bond, Large Cap Value S&P 500, Mid Cap Russell Mid-Cap Index, Small Cap – Russell 2000, International Equity – MSCI EAFE Equity Index. Returns assume no charges for transaction charges or any other fees. Source of calculation: Toolsformoney.com and Morningstar Principia. This Asset Allocation does not guarantee a profit or protect against loss in declining markets. Investments in a particular asset class will not behave like the index in terms of volatility and returns. Many professional investment advisors will seek to outperform these benchmarks with the same or less volatility.

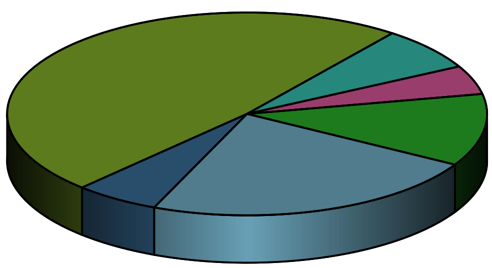
Some financial advisors recommend different asset allocation models depending upon life phases, such as 10 years before retirement, during retirement and the last 10 years. However, other financial advisors feel that this alone should not affect your allocation. The allocation that is best for you will in part depend upon anticipated needs for liquidity, your propensity to risk and your reward expectations. You should consult an advisor for further assistance.

Asset Allocation Graph

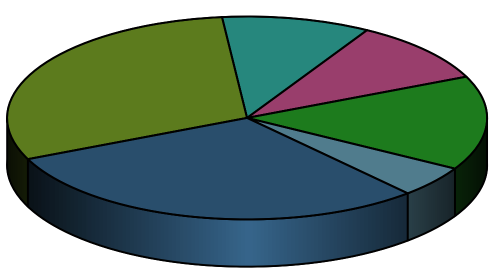
The following graph is provided to help you more easily visualize your present and suggested asset allocation. This suggested mix is intended only for the current period and you are encouraged to return regularly to review your personal goals and resources, the financial environment and determine whether changes to the suggested mix is appropriate. The percentages shown on the label area indicate the “Present / Suggested” percent for each asset class. The 'Diversified' category here represents investments unassigned to a category. Portfolios can be diversified across these asset classes to match your profile.

Education assets are not considered in this illustration.

Present



Suggested



	Present %	Suggested %
Cash Reserves	22.99%	5.00%
Bond	5.75%	30.00%
Large Cap Stock	48.28%	30.00%
Mid Cap Stock	6.90%	10.00%
Small Cap Stock	4.60%	10.00%
Foreign Stock	11.49%	15.00%
Diversified	0.00%	0.00%
Other	0.00%	0.00%

Suggested Allocation is based upon your responses to the investment questionnaire. Allocation percentages illustrated above are only suggestions for your consideration, and are not intended to be a permanent allocation. As time passes and your goals change, it will be important that you review your portfolio to assure that the current mix of your assets is appropriate for your goals and for current economic and market conditions

Asset Allocation Worksheet

The following worksheet compares your present assets to the percentages suggested for your particular goals and risk tolerance level. If the amount in a class is too large or small, then the amount you might consider moving into or out of a category is shown in the "Amount To Move" column. Apply this information to the review of your entire investment portfolio, including your employer provided retirement plan (e.g. 401k).

The first time you complete your financial plan, you may not know the asset classes for each of your investments. If you didn't indicate the asset class, then it is allocated to the Diversified category. In addition, the "Amount to Move in (or out)" column would not be accurate. After you determine the correct asset classes you may enter the corrections and run a new report.

Education assets are not considered in this illustration.

	Present		Suggested		Amount to Move in
Asset Class	Amount	Percent	Amount	Percent	(or out)
Cash Reserves	$50,000	22.99%	$10,875	5.00%	($39,125)
Bond	12,500	5.75%	65,250	30.00%	52,750
Large Cap Stock	105,000	48.28%	65,250	30.00%	(39,750)
Mid Cap Stock	15,000	6.90%	21,750	10.00%	6,750
Small Cap Stock	10,000	4.60%	21,750	10.00%	11,750
Foreign Stock	25,000	11.49%	32,625	15.00%	7,625
Diversified	0	0.00%	0	0.00%	0
Other	0	0.00%	0	0.00%	0
TOTAL*	$217,500		$217,500		

Re-Balancing

It will be important to re-evaluate your asset mix on a regular basis and determine which assets should be further increased or decreased. Additions to or withdrawals from your portfolio and investment performance will affect your asset allocation. Review your portfolio at least annually and at most quarterly.

Future Needs

As you make changes to your portfolio you should carefully review your current lifestyle needs and goals.

Please recognize that the asset mix suggested above is not intended as a guarantee or assurance of future results. The suggested asset classes and their percentages do not represent an offer to sell or a solicitation of a purchase of any particular security, but are provided only as an illustration of a possible portfolio mix based on your stated goals and risk level.

*Asset allocation does not guarantee a profit or protect against loss in declining markets.

Investment Synopsis and Action Steps

Knowledge	You indicated that you would like to increase your knowledge of investments. In order to expand your knowledge of investing: • Subscribe to financial periodicals • Purchase financial books • Subscribe to investment software • Attend evening courses • Talk to an Investment Advisor
Risk, Asset Allocation and Investment Methodology	Your risk tolerance test indicated that you fit the profile of a **Moderate** investor. Analyze the model asset allocation information provided. Your current investment portfolio does not match the model asset allocation. Reallocate Investment Portfolio including employer provided retirement plan, according to Asset Allocation model provided. Discuss your investment portfolio with a professional trusted investment advisor before making changes.
Tax Issues of Re-Allocation	The taxable portion of your investment portfolio may be subject to capital gains tax, if you sell any securities to reposition your portfolio. Determine if any of the taxable portion of your portfolio has unrealized capital gains. This information can be provided by your investment advisor, firm and or tax advisor.
Investment Advisor	You indicated your desire to hire an investment advisor. Look for an investment advisor, ask friends and relatives for a referral. Since you mentioned that your preferred method of investing is Asset Allocation be sure to look for an investment advisor who is proficient at this.

Emergency Reserves

Cash Reserves

Experts recommend that you maintain funds equal to 3 to 6 months of expenses, in savings accounts, certificates of deposit and money market accounts for unexpected expenses such as medical emergency, automobile repairs, emergency travel, insurance deductibles and other unforeseen expenses. Having liquid assets prevents you from utilizing assets earmarked for other goals as well as increasing debt.

You currently have $50,000 in cash and cash equivalents for these emergencies. This represents 10 months of expenses. $15,000 is the minimum amount of emergency reserves and $30,000 would be the upper end – unless you anticipate short term needs exceeding this amount.

ANALYSIS

You do not have a deficit in emergency funds: since you have excess cash flows, this should be put towards more long term goals and investments, unless you are anticipating short term needs and goals.

Property and Casualty Insurance

This plan has NOT analyzed all of the coverage of your insurance policies. This is a brief list of tips, so be sure to contact a professional agent.

RECOMMENDATION
The types of property and casualty are as follows; make sure that you have coverage in all areas that apply to you.

- Homeowner’s insurance
- Condominium insurance
- Renter’s insurance
- Watercraft insurance
- Automobile insurance
- Umbrella insurance
- Business insurance
- Professional insurance
- Identity theft insurance

Overall Tips

Cost Savings

- Multi-policy discount for using one insurance company
- Shopping around for low rates
- Some companies give discounts based on the number of years you've been with them with a good record
- Membership in some professional associations and organizations
- Higher deductibles
- Discount programs, for example for alarm systems and anti-theft devices

Coverage

- Having all policies with the same company will help avoid gaps in coverage
- Review all coverage with an independent professional property and casualty insurance agent. A great property and casualty insurance agent will work hard for you, go to bat for you, and will challenge you to be accountable so that you remain a good risk. A great property and casualty agent can be a great lifetime professional partner on your team.

Property and Casualty Insurance 2

Homeowner's, Condominium and Renter's Insurance Tips

- Verify replacement cost coverage on contents and structure
- Add hurricane, flood and earthquake coverage in specific zones
- Add riders to insure for such things as sewage back-up and sump pump failure
- Add riders to extend coverage for certain types of valuables and collections that may be limited by your policy
- Increase coverage for improvements that you make to your home or condo
- Investigate special unique riders for condominium insurance

Automobile Insurance Tips

- A young driver on your policy with an impressive grade point average may save you money
- Take a defensive driving course
- House your car in a garage versus on the street
- Discuss with your agent whether your coverage limits are high enough
- Consider increasing deductibles to lower your premium

Umbrella Insurance – The Insurance Most Neglect to Own and Why it Could be Very Beneficial

Umbrella insurance extends certain limits on your other insurances, up to $1 – 2 million in liability protection, for only a few hundred dollars. This coverage is designed to dovetail when the liability limits on other policies have been exhausted.

Life Insurance Current Policy Summary

Jim predeceases Jill, the policies on Jim pay:

Policy 1 (Term)	$500,000

Jill predeceases Jim, the policies on Jill pay:

Policy 2 (Term)	$500,000

Life Insurance Survivor Need

Survivor's Needs Analysis

- In the event of an untimely death, survivors may be left without the household income needed to sustain their existing lifestyle. Life insurance coverage is recommended in an amount that will ensure sufficient ongoing income, as well as cover immediate needs, such as final expenses.
- Determining proper levels of life insurance involves a comparison of current and future household expense levels with expected surviving spouse's earnings plus survivor benefits. Other resources are also taken into account such as: liquid assets, investments, pension, and retirement accounts.
- Insurance needs estimates are the calculated lump sum amounts which would provide a source of future cash flow to supplement the anticipated household income. The insurance levels suggested are just general guides and may not include all factors affecting your own situation.
- Spending needs for this report are based upon $48,000 per year, inflated at 3% each year until retirement and $48,000 per year (in today's dollars), inflated at 3% each year during retirement. This amount is based upon 80.00% of the current living expenses and college education expenses. This does not include contributions to investment accounts.

Suggested Additional Life Insurance Coverage

Jim	**$0**
Jill	**$135,656**

- Homemakers may choose to run two different calculations; one for your current income level and another at a full-time income level. This will help you determine the amount of life insurance needed to be able to stay at home after the death of your spouse, or the amount needed if you return to work full-time. Run both calculations using 'estimated income' in "About You".
- If you want more than the 80.00% expense replacement, you can increase the percentage under Assumptions. This would increase your life insurance need.

Important Note: Estimated insurance requirements can vary over time due to changes in asset levels, special expenses, education expenses, estate planning, and spouse's retirement needs. Additional insurance, held outside of an insurance trust, may have estate tax consequences. It may be prudent to purchase an amount of insurance appropriate to prepare for potential higher coverage needs. Consult with your financial advisor about factors that may suggest additional insurance coverage.

Life Insurance Summary

Your plan indicates that you may want to consider acquiring additional life insurance coverage on **Jill** in the amount of **$135,656** as soon as possible.

You should consult with a professional insurance advisor regarding the actual type of policy that will cover your individual needs.

The following grid will aid in your education of the types available to you.

Insurance	Brief Description	Advantages	Disadvantages	Other
Term	Lowest initial premium. Most financial experts and commentators recommend term as the best alternative for most people.	Low initial cost leaves more cash flow available for other financial planning needs.	No cash value build up. If someone wants to continue it for a long period of time the cost will be high.	Premium can go up annually or be guaranteed level for 5, 10, 15 and 20 years or longer to match the length of time you need the protection.
Universal Life	Can provide protection for a longer period of time than term and build up cash value.	Not as expensive as variable universal and whole life, but may provide life insurance for a longer period of time than term, and provide cash value for borrowing or if surrendered.	Higher initial cost than term insurance. Cash value accumulation may not be a good investment.	There are many variations of universal life available today. For example some have a low premium for a long period of time but with little cash value, while others are designed for cash value growth.
Variable Universal Life	Same as universal life except that it allows for the cash value to accumulate in separate sub-accounts.	In addition to the features mentioned for regular universal life, it also allows for accumulation of cash value growth potentially higher due to sub-account options.	Cash value may have fewer guarantees than universal life and whole life. The policy's internal charges can be quite high.	Some proponents of this insurance tout some of the tax advantage opportunities for growth and income.
Whole Life	Highest premium life insurance available, most types provide guaranteed protection for lifetime and cash value buildup.	Maximum guarantees.	High premium not affordable to many.	High net worth people sometimes utilize whole life insurance to help pay for their estate taxes. Universal and Variable universal is used for this also.

This is a very brief synopsis to aid in your insurance education. There may be exceptions to some of these generalizations due to state regulations and insurance company's innovative policy design. The insurance that is most appropriate for you depends upon your individual preferences. Please see company provided and approved literature for full information. Insurance illustrations should be provided, read all footnotes and ask for bad, good and best case illustrations. Please see eFinPlan website for more information.

Disability Insurance

Disability due to illness or injury can devastate your financial plans. At a time when you are unable to work for a living, household expenses may actually increase while your income decreases. You could be forced to deplete funds that might have been saved for your retirement years.

Generally, the goal of disability insurance is to replace the after-tax earnings of the insured wage earner and to allow you and your family to maintain your current lifestyle. **Based on your current situation, you would need to replace the following income if you were disabled.**

Jim		**Jill**	
Current Income:	$45,000/Yr.	Current Income:	$45,000/Yr.
Replacement Ratio*:	70%	Replacement Ratio*:	70%
Suggested Need:	$32,000/Yr.	Suggested Need:	$32,000/Yr.
Current Coverage	$60,000/Yr.		$24,000/Yr.
Additional Insurance Need	$0/Yr.		$8,000/Yr.

* Current underwriting standards allow only a portion of Current Income to be replaced, 65-70% is usually the maximum insurance will provide

There may be other factors that affect the amount of the suggested need above: for example investment income and government provided benefits. Consult with your financial advisor about factors that may suggest additional insurance coverage. These reports, and its hypothetical illustrations, are intended to form a basis for further discussion with your legal, accounting, and financial advisors.

The amount and type of disability insurance policy that you may qualify for depends upon numerous factors including the type of occupation that you have. In a best case scenario ask your insurance advisor to obtain several quotes from highly rated insurance companies, that have the following features:

- Non Cancellable: Policy can not be cancelled, usually until age 65; premiums locked in
- Guaranteed Renewable: Premiums can be increased, but policy can't be cancelled
- Benefit Period: Benefits paid to your age of 65
- Waiting Period: Period you must wait until disability income payments start (usually 90 days)
- Residual/Partial: Percentage of benefits paid if you are unable to return to work fulltime
- Not offset: Most of your benefit should not be reduced if you receive other benefits
- Occupation: Liberal definition of disability related to your occupation. Varies by company.
- Other riders: Various riders to increase benefits

Taxes If the policy is provided by your employer, you may have the option to pay the premiums with pre-tax dollars. However the disability benefit may be taxable. Consult your tax advisor.

Long Term Care Insurance

Long-Term Care Defined

Long-term care is sustained medical or custodial care in a hospital, nursing facility, or equivalent care at home. This care meets the needs of people when, for some reason, they cannot care for themselves. Long-term care insurance provides coverage for costs when the need for care extends beyond a pre-determined period. Benefits start when certain conditions and time frames specified by a long-term care insurance policy are met.

Generally the requirements to obtain insurance benefits fall into two categories:

An inability to perform two or more Activities of Daily Living (ADLs):

- Dressing
- Bathing
- Eating
- Toileting
- Transferring (mobility)
- Continence

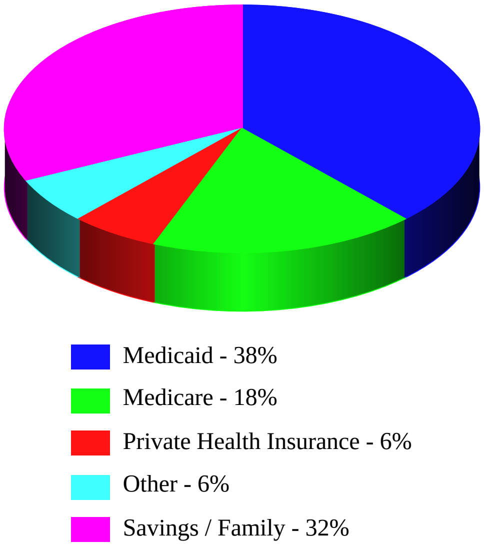
The second category is:

- Impaired Cognitive Ability: Loss of mental function can result from stroke, dementia or Alzheimer's Disease. Alzheimer's Disease is a disorder that progressively affects one's ability to carry out daily activities.

The Cost of Waiting to Plan

- 40% of all long-term care recipients are under the age of 65.
- Over 45% of seniors who reach age 65 will spend some time in a nursing home.
- Over 70% of seniors who reach age 65 will need some form of home health care in their lifetime.
- One out of every four families provides care to an elderly relative or loved one.
- 25% will stay in a Nursing Facility for more than one full year.
- The average nursing home stay is 2.5 years and the average Alzheimer's stay is 7 years.

Long Term Care Insurance - continued



Without benefits from long-term care insurance or a comparable plan, the cost of providing these services could devastate your lifetime savings, or a relative's life savings. For example; assisted living and nursing home care costs range from $42,000 to $87,600 (national median rate). Depending on the care required, most of these expenses are paid for by the patient or their family. Medicare may contribute toward the first 100 days expenses in a skilled care facility. There are no Medicaid benefits available for intermediate term or custodial care, unless the state finds the patient to be impoverished under local guidelines. Even then, care options would be restricted to care facilities that accept the very limited benefit payments Medicaid offers.

Medicaid and Medicare Facts

Medicaid is a welfare program designed as an emergency safety net to pay health care costs of the poor. Medicare is part of Social Security, and helps pay for the general health care needs of retired persons. Medicare typically only pays for doctors, hospitals, and short recuperative stays in nursing facilities. Private health insurance is designed for medical (doctors, hospitals, etc) not long-term care expenses. Most people end up relying on their own or relatives resources to pay for long-term care expenses.

Long Term Care Insurance - continued

Long-Term Care Need Analysis

Long-term care (LTC) requires long-term planning. LTC insurance is available to cover these expenses, protect your assets, your independence, and control the quality of the care you receive. You are able to choose the specified daily benefit level, as well as the types of medical and care services covered.

When is the best time to purchase LTC insurance? Generally, the premiums stay level once the policy is purchased, much like level term insurance. In practice, the earlier you buy a policy, the lower the premium. Since the odds of becoming disabled increase with age, purchasing coverage before the age of 55 is good planning. Consider the premium cost of several coverage levels to determine which is right for your budget.

Needs Estimate

These estimated long-term care cost examples are based upon your financial information. Consider the numbers here to be a starting point for analysis and discussion of your long-term care insurance needs. Median annual rate for a semi-private room is $77,380 in 2014.

	Jim	Jill
Estimated annual care costs	$73,000	$73,000
Estimated years of care	5	5
Assumed inflation rate (medical inflation is higher than standard inflation indices)	5%	5%
Current Long Term Care Coverage	$36,500	$36,500
Current Coverage Period (years)	5	5
Net Deficit (Estimated annual care - current coverage)	$36,500	$36,500
Current coverage percentage	50 %	50 %

Current financial assets exposed to potential long-term care expense risk : **$217,500**

ANALYSIS

Your plan indicates that you do not have the amount of long-term care insurance protection that you need.

- Most financial advisors recommend that you consider purchasing this type of insurance in your 40’s or 50’s.
- It is important that you apply for insurance while you are younger and without significant health history, as age and underwriting will affect policy availability and rate.
- Applying for or increasing long-term care insurance protection in the amount of $36,500/year for you and $36,500/year for your spouse, will provide sufficient coverage based on average costs. However, the coverage you purchase will depend upon affordability and policy availability.
- Consult with a trusted professional financial planner or insurance agent regarding your needs and the appropriate type and amount of insurance.
- Please see the eFinPlan website for more information regarding this type of insurance.

Long Term Care Insurance - continued

Alternative Options to Long-Term Care Insurance

- Self-Insurance
  This alternative to purchasing LTC insurance uses your existing investments to pay for long-term care if needed. This would be appropriate if sufficient assets are available and the potential loss of those assets to heirs is acceptable. Of course this means that you are willing to liquidate your assets, and if you don't have sufficient funds, you transfer the financial burden to your loved ones. While this alternative may be more flexible, the LTC insurance would be more beneficial if the coverage is eventually needed.

- Qualify for Medicaid
  Medicaid was enacted to provide health care services for the impoverished. Recent legislation has made it extremely difficult for a person of modest means to qualify for Medicaid benefits by gifting or otherwise disposing of personal assets for less than fair market value.

- Summary
  Be aware that the potential loss of financial assets to pay for long-term care costs is due to increasing life expectancies and advances in medical treatment for the elderly. This presents a risk to your lifetime savings and financial future. LTC insurance is available at varying levels of coverage and corresponding premiums to meet these risks. LTC insurance can allow you to maintain your desired level of independence and preserve personal assets. However, premium costs will be a significant factor in your decision. Consider discussing your LTC insurance needs and options with an insurance specialist who can explain specific policy details. Fully understanding available options can help you find the best choice for you and your family's future.

Risk Management Synopsis and Action Steps

The following is a synopsis of your risk management and insurance analysis. The Action Steps should be implemented with your trusted professional insurance and financial advisors, so that you can meet the goals of your financial plan.

Emergency Cash

You do not have a deficit in emergency funds: since you have excess cash flows, this should be put towards more long term goals and investments, unless you are anticipating short term needs and goals.

Property and Casualty

You indicated that you presently do not have umbrella insurance. Purchase umbrella insurance from your trusted professional insurance agent.

You indicated that you provide professional advice or consultation but do not have insurance for this profession. Purchase business insurance from a trusted professional insurance agent.

You indicated that you do not have all of your insurance with one company. Discuss with a trusted professional property and casualty insurance agent rates and coverage options for putting all insurance policies with one company.

You indicated that you have not reviewed your coverage and rates with an agent recently. Meet with an trusted professional insurance agent to review coverage, riders, rates, discounts, and deductibles. Obtain quotes from several companies.

Life Insurance

Your plan indicates that you have sufficient assets for your survivors, from savings, investments and insurance. The analysis regarding life insurance needs is based upon your input and general assumptions made for various factors. Review the information in the Data Confirmation and Assumptions reports for accuracy and preference.

Your plan indicates that your spouse does not have sufficient assets for survivors, from savings, investments and insurance. Apply for or increase life insurance in the amount of $135,656 for your spouse. Consult with a trusted professional financial planner or insurance agent regarding your needs and the appropriate type of insurance.

Disability Insurance

Your plan indicates that you have the maximum amount of disability insurance protection for which you may qualify. The analysis regarding disability insurance needs is based upon your input, and general assumptions made for various factors. Review the information in the Data Confirmation and Assumptions reports for accuracy and preference.

Your plan indicates that your spouse does not have the maximum amount of disability insurance protection for which they may qualify. Apply for or increase disability insurance in the amount of $8,000 for your spouse. Consult with a trusted professional financial planner or disability insurance agent regarding your needs and the appropriate type of insurance.

Long-Term Care

Your plan indicates that you do not have the amount of long-term care insurance protection that you may need. Apply for or increase long-term care insurance protection in the amount of $36,500/year. Consult with a trusted professional financial planner or insurance agent regarding your needs and the appropriate type of insurance.

Risk Management Synopsis and Action Steps

Your plan indicates that your spouse does not have the amount of long-term care insurance protection that they may need. Apply for or increase long-term care insurance protection in the amount of $36,500/year. Consult with a trusted professional financial planner or insurance agent regarding your needs and the appropriate type of insurance.

Professional Advice

You indicated that you do not have a trusted professional who consults with you regarding life, disability and long-term care insurance. Locate a trusted professional financial planner or insurance agent specializing in life, disability and long-term care insurance agent. Ask for a referral from a friend, or relative, or other trusted advisor.

You indicated that you have not reviewed your coverage and rates (life, disability and long-term-care insurance) recently. Meet with your trusted professional insurance agent(s) to review your coverage and rates to make sure that your needs are covered at a competitive price with an up-to-date policy.

A trusted professional is an individual who provides full fee and compensation disclosure, has professional credentials and experience, engages in constant ongoing continuing education and is highly regarded by clients, colleagues, and other professionals for the highest ethical and professional practices.

Debt Management: Debt to Income Ratio, Loan Costs, and Credit Ratings

Introduction: Debt Management is important for successful financial planning. The following components are interrelated:

1. Debt-to-Income Ratio: The percentage of monthly income that goes towards paying debt. Knowing your ratiowill helpyou to determine if you needto reduce or eliminate debt so that you have adequate income for necessary living expenses and wealth accumulation.

2. Loan Costs: Primarily the interest rates that you pay to borrow money. This section will provide a plan for reducing or eliminating non-mortgage debt, so that you may use your money to investand earn more than you pay out. This will improve your debt-to-income ratio.

3. Credit Rating: An assessment of your credit worthiness. The lower your rating, the higher the interest rates you pay. This will provide suggestions to improve your credit rating so that when you borrow, your costs are lower. This may impact your debt-to-income ratio and how quickly you can re-pay your loans.

Action Steps:

Discuss your debt with your personal banker; ask them to review the potential options for lowering interest rates and combining debt into tax-deductible home equity loans. However, be cautious. Re-arranging and consolidating debt often contributes to increasing debt over time. Consider changing your spending habits. If re-financing lowers your overall payments, and your debt ratio is still too high, consider applying the money you saved by consolidating towards loans that have higher interest rates. Consider the loan reduction strategy on the next page.

Debt Analysis - Debt to Income Ratio

Your debt/income ratio is: 58.87 %, this is considered poor.

An indicator of financial stability is your debt to income ratio. It is calculated by dividing minimum debt payments by gross income.

If your debt-to-income ratio is:

Very Good	**36% or less:** This is a healthy debt load to carry for most people.
Okay	**37%-42%:** Not bad, but start paring down debt now before you get into real trouble.
Needs Attention	**43%-49%:** Financial difficulties are probably imminent unless you take immediate action.
Poor	**50% or more:** Get professional help to aggressively reduce debt.

Debt Analysis - Loan Reduction Strategies

Reducing or eliminating non-mortgage debt (which are typically the highest cost loans), may enable you to invest and earn more interest that you pay out on debt, allow you to increase your lifestyle, and contribute more to savings and investment accounts

Option #1 No Change - Continue with current payment schedules

Current Non-Mortgage Re-Payment Plan

Item	Amount	Remaining Years	Interest Rate	Monthly Interest	Current Monthly Payment	Monthly Minimum Payment
Credit Card #2	**$5,000.00**	**0 Yrs**	**12 %**	**$50.00**	**$250.00**	**$250.00**
Credit Card #1	**$10,000.00**	**0 Yrs**	**12 %**	**$100.00**	**$500.00**	**$500.00**
Auto Loan #1	**$5,000.00**	**2 Yrs**	**6 %**	**$25.00**	**$2,500.00**	**$250.00**
Home Equity Loan	**$10,000.00**	**0 Yrs**	**3 %**	**$25.00**	**$250.00**	**$250.00**
Summary	$30,000.00			$200.00	$3,500.00	$1,250.00

Option #2 Increase Monthly Re-Payment Amount

Proposed Non-Mortgage Re-Payment Plan-Increase Total Monthly

Payment Amount: $100.00

Item	Amount	Remaining Years	Interest Rate	Monthly Interest	Minimum Monthly Payment	Proposed Debt Payment
Credit Card #2	**$5,000.00**	**0 Yrs**	**12 %**	**$50.00**	**$250.00**	**$2,600.00**
Credit Card #1	**$10,000.00**	**0 Yrs**	**12 %**	**$100.00**	**$500.00**	**$500.00**
Auto Loan #1	**$5,000.00**	**2 Yrs**	**6 %**	**$25.00**	**$250.00**	**$250.00**
Home Equity Loan	**$10,000.00**	**0 Yrs**	**3 %**	**$25.00**	**$250.00**	**$250.00**
Summary	$30,000.00			$200.00	$1,250.00	$3,600.00

Choosing Option #2 over Option #1

Loans paid off in 0 Years 10 Months

Saves $1,638 in loan interest

Reduces debt payoff time by 2 Years 10 Months

Options #2 assume you follow this schedule and maintain the total debt re-payment amount for all years until debt is $0. When a loan is paid-off, re-run this report for an up-to-date schedule.

Credit Ratings

Debt Analysis – Credit Rating

You indicated that your credit score rating is 789. We recommend that you obtain a very recent detailed credit report. You may obtain these online for free or for a low fee, or from your bank.

Your credit score used to be top-secret; only available to lending professionals. The lending industry uses your score for consumer credit risk. The higher the score, the better the chance your loan will be approved and with a more competitive borrowing rate.

760 - 850	Excellent credit
700 - 759	Very good
660 - 699	Good
620 - 659	Fair
619 and below	Poor

Action Steps

eCredit-reporting agencies keep track of all present accounts and those you have had in the past. Many people are surprised at how much dated information is still on their report.

If your credit score is on the low end, consider these measures and work with your banker to increase your credit rating.

1. Pay your bills on time. Consider automatic payments to eliminate incidents of late payments.
2. Don't max out available credit on credit card accounts.
3. Examine your credit history for errors, and correct them.
4. Go to myfico.com for more extensive information.
5. Review your credit report and debt information with your banker.

Debt Cautions

Many consumers have gotten into financial difficulty because they borrowed money without fully understanding the terms. Make sure that a loan is in your best interest. Always have you legal advisor review loan documents before you sign them. Be cautious of:

1. Loan offers that sound too good to be true.
2. Non-traditional or 'innovative' financing arrangements.
3. Check cashing stores.
4. Unfamiliar institutions, check with your state’s attorney general.
5. Heavily hyped or marketed loans.

Transportation & Commuting

Most financial plans do not specifically focus on transportation. However, this innovative plan includes transportation because we realize that transportation expenses represent one of your largest expenditures.

- **Travel Distances**
  Have become longer for every generation, due to the sprawling of suburbs. People travel long distances for work and play.
- **Automobile Prices**
  It has been widely reported that the prices of an average car haven't increased much over the past 50 years when you consider inflation. However, even middle income people are now buying SUVs and other vehicles often costing $35,000 - $60,000 versus the price of an average $25,000 sedan.
- **Automobile Insurance**
  The more expensive the vehicle, the more it will cost to insure.
- **Gasoline**
  Over the past few years gasoline costs have increased at a rate faster than current inflation; impacting family budgets significantly.

RECOMMENDATIONS

- **High MPG Vehicles**
  Consider purchasing high(er) miles per gallon or hybrid vehicles to help save gasoline; do not rush out and buy one without projecting total 5 - 7 year expenses. Many people have made mistakes because they did not analyze the numbers. In other words be careful spending money to save money.
- **Car Size**
  Many sizes of automobiles have excellent crash ratings (front and side) as well as numerous air bags. Do not assume that larger cars are safer. Information is readily available on the internet.
- **Combine Trips**
  Combine errands to doctors, libraries, dry cleaners and the grocery. Take your own beverage and pack a lunch that is cheaper and more nutritious than eating out.
- **Public Transportation**
  Consider carpooling, bike riding or riding the bus, train, or subway.
- **Research & Keep Longer**
  Buy an automobile that has the low maintenance and repair costs and keep it for a long period of time.
- **Extremely Low Leases**
  Many financial planners advice against leasing, however from time to time manufacturers offer extremely low lease plans, with little or no money down. This may be a good option in certain circumstances. Do not be swayed by flashy advertisements. Read the fine print; make sure you know the details, such as mileage charges and down-payments. Do not use leasing to purchase a car that you normally could not afford.
- **SUV's**
  These vehicles are extremely popular because of perceived safety, image, high drive visibility, cargo capacity, and comfort. They are often more costly to buy, and require more gasoline and maintenance than smaller cars.
- **Car Replacement**
  Before you decide to replace a functioning car, examine the cost to keep your car. Ask a good mechanic to estimate maintenance costs, estimate your fuel consumption and add up your payments for financing and insurance. Compare this information with the same information for the new car.

Transportation & Commuting - continued

Vehicle Fuel Consumption Information:

The following table is a simplified illustration of gasoline costs for four hypothetical cars ranging from 15 to 50 miles per gallon for one and five years. This table is not intended as a current accurate planning tool, but rather an informational illustration to help you understand that owning a car which gets fewer miles per gallon can significantly affect your financial plan over time.

Yearly and 5 year cost of gasoline per car, at $3.00 per gallon			
Approximate Miles Per Gallon	Average Annual Mileage	Annual Cost of Gasoline	5 Year Cost of Gasoline
15	10,000	$2,000.00	$10,000.00
20	10,000	1,500.00	7,500.00
25	10,000	1,200.00	6,000.00
30	10,000	1,000.00	5,000.00
40	10,000	750.00	3,750.00
50	10,000	600.00	3,000.00

Yearly and 5 year cost of gasoline per car, at $4.00 per gallon			
Approximate Miles Per Gallon	Average Annual Mileage	Annual Cost of Gasoline	5 Year Cost of Gasoline
15	10,000	$2,666.67	$13,333.33
20	10,000	2,000.00	10,000.00
25	10,000	1,600.00	8,000.00
30	10,000	1,333.33	6,666.67
40	10,000	1,000.00	5,000.00
50	10,000	800.00	4,000.00

Yearly and 5 year cost of gasoline per car, at $5.00 per gallon			
Approximate Miles Per Gallon	Average Annual Mileage	Annual Cost of Gasoline	5 Year Cost of Gasoline
15	10,000	$3,333.33	$16,666.67
20	10,000	2,500.00	12,500.00
25	10,000	2,000.00	10,000.00
30	10,000	1,666,67	8,333.33
40	10,000	1,250.00	6,250.00
50	10,000	1,000.00	5,000.00

Taxes

Taxes represent a large percentage of budgets; therefore it is important that you consider taking advantage of all legal options permitted to lower the total amount of dollars you pay in taxes.

Please see eFinPlan website for more information regarding tips for tax savings.

Your average tax rate, is the overall average rate that you pay after deductions.

The graduated federal tax rates are as follows:

Filing Status and Income Rates 2014*				
Tax Rate	Married Filing Jointly or Qualified Widow(er)	Single	Head of Household	Married Filing Seperately
10%	$0 - $18.500	$0 - $9,075	$0 - $12,950	$0 - $9075
15%	$18,150 - $73,800	$9,075 - $36,900	$12,950 - $49,400	$9,075 - $36,900
25%	$73,800 - $148,850	$36,900 - $89,350	$49,400 - $127,550	$36,900 - $74,425
28%	$148,850 - $226,850	$89,350 - $186,350	$127,550 - $206,600	$74,425 - $113,425
33%	$226,850 - $405,100	$186,350 - $405,100	$206,600 - $405,100	$113,425 - $202,550
35%	$405,100 - $457,600	$405,100 - $406,750	$405,100 - $432,200	$202,550 - $228,800
39.6%	over $457,600	over $406,750	over $432,200	over $228,800

*Caution: Do not use these tax rate schedules to figure your taxes. Use only to figure 2014 estimates. Tax brackets subject to correction http://www.irs.gov

Your Spending Synopsis and Action Steps

Spending

You stated that your income is $90,000, your expenses are $60,000, you are saving $0, and your taxes are 15 %. You should have surplus funds. Consider the following:

- Reduce debt only if it makes sense after-tax to do so, and your debt-to-asset ratio is too large, talk to your tax advisor and see the debt section provided.
- Increase Emergency Cash Reserves: See debt ratio page.
- Fund retirement plans up to allowable maximum limits into employer provided retirement plans, and 403(b)s, 457s and IRAs, especially if your plan provided here indicates that your retirement funds will not support you indefinitely. This may also provide you with important tax savings.
- Invest according to your asset allocation preference (see investment section of this plan), for future itemized goals and your children's college education.
- Increase charitable contributions. We have found that generous people (those that donate time and money to charitable and philanthropic causes), are generally the most happy. Research also validates this. It is important to put your values into practice.
- Recreational and entertainment activities: Consider allocating surplus to this if you are not the type of person who does so easily. It is important to reward yourself and enjoy life.
- Lifestyle: Consider increasing your standard of living only after you have done the above. Increasing the size of your home, joining a country club or buying a more expensive automobile, can have an exponentially rippling affect. For example a larger home has higher utility bills, maintenance, and landscaping. Remember, one hasty decision can negatively affect your finances for many years.

Debt

Since your debt-to-income ratio is poor, you may want to consider measures to reduce debt, and avoid incurring more. Consider your financial plan in its entirety and pay special attention to cash flow management. Debt reduction is a difficult process, but creating a financial plan is a wonderful first step in identifying areas that need attention. See the eFinPlan website for more information which may be helpful. Be encouraged, you are worth the effort. Seek consultation from your legal, lending, tax and financial advisors. Review the Debt Reduction Credit Rating information on the previous pages (bring in Action Steps from page 2 of pdf).

Budgeting & Management

You indicated that you have a budget and you regularly keep it up-to-date to help you manage your finances. Keep up the good work of referring to your budget each month. This small investment of time will be a great benefit to your financial well-being.

You indicated that you balance your checkbook each month. Congratulations on balancing your checkbook each month. This shows your dedication to maintaining control over your finances.

Spending

You indicated that you feel you often: purchase things that are not needed. Good financial management is directly related to self-control and discipline. Self-control and discipline come about by establishing goals and tracking the results - exactly what eFinPlan was designed to do. Prior to unplanned large purchases, consider your financial plan and future goals. Pay special attention to your financial plan. Going forward examine closely your motivation for hasty spending, Seek advise from a trusted friend or professional.

Your Spending Synopsis and Action Steps

Money Tools/Technology

You indicated that you utilize software and the internet to do internet banking and bill paying. Explore utilizing technology to budget, and track investments.

Relationships

You have indicated that money is a negative issue in your relationship. The handling of money in relationships is one of the top reasons for conflict. Couples can often accomplish much more on their financial plan and with greater satisfaction when they work together. Make it a priority to resolve this issue. Instead of focusing on negatives, mistakes, or shortcomings, work on your financial plan together. Doing so will bring relationships and goals closer. Have a series of short positive conversations about your dreams and goals, and what each person can contribute towards achieving them. In some situations an investment in counseling may be well worth the expense.

You have indicated you do not always make financial decisions together and you do not have an agreed upon individual spending limit. Agreed upon spending limits and making financial decisions together are important because they keep impulse spending to a minimum. Discuss with your spouse having an agreed upon spending limit and making financial decisions together. Example of an agreed upon spending limit: if your limit is $50 neither person may spend over that amount on a single purchase without calling the other to discuss it.

Values

You have indicated that you have strong values and beliefs, that your spending and giving habits reflect your values and beliefs, that you would like increase the amount you give to charities or organizations that are important to you, and that you believe in tithing to your place of worship. You are to be congratulated. eFinPlan provides what-if capability so that you can analyze how the increase in giving may affect your overall plan and goals. Significant charitable contributions may require the assistance of your legal, financial and tax advisors prior to making large contributions - seek their assistance.

Legacy Planning Defined

Legacy Planning Definition and Devices:

Legacy planning is the process of arranging your financial affairs in a way that reflects your main priorities and values. Legacy planning today is much more holistic than before because it is incorporated in people's overall financial planning: For example people are concerned about:

- Providing for many aspects of the financial, emotional, professional and legal needs of surviving spouses and children
- Maximizing and controlling their wealth for themselves for long life spans
- Gifting to family members while they are alive, so that they can transfer wealth in a way that helps more than hinders the individual
- The business they created, and how they can transfer it, cost and tax efficiently, possibly to family
- Charitable concerns for which they have a passion
- Transferring their important values and beliefs to the next generation
- Not just providing enough assets for their minor children and surviving spouse if they died, but also arranging it in such a way that maintains privacy, protects assets from creditors, and provides ongoing professional management

Planning Devices

Will
A will provides for distribution of property you owned at the time of your death in any manner you choose, subject to state limitations. Your will cannot, however, govern the disposition of assets that pass outside of probate, such as retirement plans, life insurance, and certain joint property, unless payable to your estate.

Wills can be complex or simple. If they provide for only the disposition of assets, they are often referred to as **simple wills**. A will can instruct the formation of trusts (**testamentary trust wills**). In addition to distributing property to your spouse, children etc., there are many other objectives that may be accomplished in your will:

- Designation of guardians for your minor child or children if both spouses die
- Designation of your estate's executor
- Distribution of assets to support charitable causes that you value

If you die without a will (**intestate**), your state's laws will determine who receives your property. These laws vary in each state but usually the distribution would be to your spouse and children, or if none, to other family members. A state's plan often reflects the legislature's guess as to how most people would distribute their assets. That plan may or may not reflect your actual wishes. A will allows you to plan to suit your personal preferences.

Durable Power of Attorney
Power of Attorney in the context of estate planning, give persons the power to act on your behalf when you are unable to act for yourself due to incapacity, such as a disability. If you do no have a Power of Attorney and become unable to manage your personal or business affairs, it may become necessary for a court to appoint one or more people to act for you. Having a Durable Power of Attorney ensures that you can choose the individuals who will act on your behalf.

Source: ABA Website

Trusts & Health Care/End of Life Planning

Living Wills & Health Care Power of Attorney

With medical science able to sustain people's lives for much longer than ever before, medical decisions may need to be made as to how we wish to be treated at the end of our lives. Often these occur when we can no longer express our preferences.

All states permit you to spell out your wishes in a legal document. This document will address your medical treatment in terminal illness or injury situations. It will also appoint someone to speak on your behalf if you can't speak for yourself. Some states have standardized documents.

Trusts

Many people have heard of Living Trusts. You create a Living Trust during your lifetime. They are usually revocable; you can revoke them at any time. The trustee (probably you) is responsible for managing the property owned by the trust for your benefit. When you die, the trust distributes assets to your beneficiaries or continues to hold it and manage it for them. The trust may also afford privacy and creditor protection for beneficiaries.

The following table provides a simplified explanation of the most common estate planning documents. However, there are more advanced documents that provide for many other issues and concerns including taxes. If you have a more complex situation, you should discuss the alternatives with your attorney.

Advanced Planning I		
Concerns	**Planning and Document Benefits**	**Legal Documents and Arrangements**
Making sure that dependents financial needs are taken care of properly at death	Provides financial resources Legally binding arrangements	Wills Life Insurance Beneficiary Arrangements Proper Ownership Arrangements Transfer on death (TOD) of accounts
Having a solid plan that is carried out indefinitely so that affairs are properly managed after death	Maintain privacy and protection from creditors Provide ongoing legal and investment management	Trusts Above Items

More Complex Needs

Until recent times, legacy planning only served the ultra wealthy since they were the only ones with sizable assets when they died. Since WWII, the demographics of our country have changed. Today there are more millionaires than ever, due to favorable stock market returns, appreciation in real estate, accumulation in IRA and 401(k)s, and family incomes over $100,000. In addition, the largest transfer of wealth ever seen is due to occur over the next 30 years. It is estimated to be in the tens of trillions of dollars.

The emphasis, used to be on death tax planning. This was due to a high Federal Estate Tax that taxed estates larger than $500,000 to $1,000,000 at a maximum rate exceeding 50%. Today's exclusion amount is a larger, however the future is uncertain, and will change depending upon what happens in Washington. The amount excluded could go up or down depending upon the political climate.

Regardless of what happens, we probably won't return to planning with a main emphasis on death tax minimization. This is because death and taxes planning is negative oriented: negatives don't provide motivation to complete plans, or satisfaction in the results. Secondly, high net worth people are more concerned that large sums of money may hurt their children more than it would help them. Lastly, the old model didn't often take into consideration plans to give money to charities while they are alive and afterwards.

This is a very brief list and description of advanced legacy planning.

Advanced Planning II		
Concerns	**Benefit**	**Method**
Business Planning	Equitable business transition and continuation at death or disability	Buy-Sell Planning
	Plans transferring ownership to family or key employees	Succession Planning
	Plans for selling the business	Disposition Planning
Estate Tax	Reduction in estate tax exposure	Trusts, Wills, Insurance and Ownership Arrangements
General Estate Concerns	Address special needs of family, blended family and needs for liquidity	Wills, Trusts and Insurance
Gifting	Transfer assets to family	Plans that: – Maximize annual gift tax and lifetime estate tax exclusion amounts. – Monitor and teach proper wealth management to the next generation
Charitable Planning	Transfer of assets, values for the improvement of society	Trusts, Private Foundations, and current gifting
Special Needs Individuals	Provides for special needs child's long-term needs	Special needs plans and trusts

Organization

The Cost of Not Planning

Yes, the costs of not planning are still huge. So if you don’t plan, you must be aware that you or your family will face many consequences of your failure to plan:

- You or your estate will over pay taxes, both income and estate
- Assets will not pass equitably or as you intended them to pass
- Your business transfers may be very messy
- You will miss out on taking advantage of money- and tax-savings devices, because they will be lost if not done in a certain time period
- Your kids may fight over money
- Attorney fees will be much higher than had you planned
- Your favorite charities will not receive what you intended
- Children may inherit money in such a way that might spoil them

Organization

Organizing your financial affairs will not only help you to find things, but help you find them when they are urgently needed. Secondly, when updating this plan, or when you meet with other professional advisors, you will be better prepared and able to bring them important documents they will need so they can do the best job possible for you.

ANALYSIS

- Locate and organize all of your home documents, auto titles, legal papers, insurance policies, tax returns, contracts, employer-provided benefits packages and investment documents.

Legacy Planning Synopsis and Action Steps

Document Checklist:

Estate Planning Documents	Action Step
You have indicated that you do not have or have not recently updated the following documents:	Schedule a time to meet with your estate planning attorney to discuss these documents and items:
Estate Planning Documents	
Will	☑
Power of Attorney	☑
Guardian named for minor children	☑
Letter of Instruction	☑
Health Care	
Living Will	☑
Healthcare Power of Attorney	☑
Trusts	
Revocable Trusts	☐
Testamentary Trusts	☑
Irrevocable Trusts	☑

Discussion Items with Attorney:

In the Learning Center section of the eFinPlan website are several articles to help you prepare for your appointment with your attorney. They will both expand your knowledge of estate and legacy planning, and help you prepare information that the attorney will need to know to help you determine the best course of action. You may also want to give your attorney a copy of this eFinPlan Financial Plan to help them formulate your plan.

Completing Your Estate and Legacy Plan:

After documents are drafted or revised be sure to follow-through on all of your attorney's instructions. Unfortunately, many people neglect to finalize important changes of beneficiaries (e.g. life insurance, annuities, pensions, IRAs and transfer-on-death accounts), and property ownership (e.g. homes, life insurance, investments). In other words, you don't want to invest your money with your attorney and then neglect to change a form.

Organization:

Locate all important documents, review them to make sure that they are up-to-date, organize and store them in a safe location.

Advisors

Trusted Advisors

Trusted Advisors play a very important part in the implementation of your plans. Each member of your team that you assemble brings a wealth of knowledge and experience in their chosen field, to help you reach your goals.

- Attorney
- Accountant
- Insurance Advisor
- Investment Advisor
- Financial Planner

What is a Trusted Advisor[1]?

A trusted advisor is someone whom you can trust, who is able to see or share your vision, and deals with you relationally. They are motivated by an internalized drive to do the right thing.

They should also have a good reputation amongst their peers, clients and other professionals. Experience and professional credentials are also very important. Ask for referrals from your other trusted advisors.

Attorney

An attorney who specializes in estate planning is an important part of your team. It is okay if their firm is multidisciplinary, meaning they have other specialties.

Accountant

- Proactive versus reactive: You want someone that will not just prepare your taxes, but will also sit down and plan out what steps are going to be taken to save you money. This quality is very important, especially if you own a business, or have special issues.
- Look for an accountant preferably before the beginning of tax season. Accountants are very busy the first quarter of the year. If they get your information early, they will be able to spend more time with you.
- Seek an accountant who knows your type of business and your financial plans. You may want to give them a copy of this plan.
- Accountants prepare tax returns, but they can also advise business-owners. An accountant should be willing to listen and have an interest in knowing what’s happening in your life and business.
- Determine if the accountant handles the audit for you if you’re audited by the IRS, state or local tax authorities.

Investment Advisor and Financial Planners

May play a vital role in achieving your goals. When interviewing potential professionals, be sure to determine their:

- Investment philosophy
- Frequency of performance statements
- Frequency that your portfolio and overall plan is reviewed, and update meetings they have with you
- Compensation: fee structure or commissions
- Experience and amount of assets under management
- Financial planning process
- Investment selection process
- Investment Policy Statement (IPS) procedures

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[1] Maister, David H., Charles H. Green, and Robert T. Galford. The Trusted Advisor. 1st ed. NY: Touchstone, 2000. 7-16.

Advisors Synopsis and Action Steps

You have indicated that you do not have the following Trusted Professional Advisors:

- Life, Disability and Long-Term Care Insurance Agent
- Investment Advisor

Locate, and schedule a time to meet the indicated advisors, to determine compatibility and finally to assist with the implementation of your financial plan.

Consolidated Reports of Client Action Steps

This compilation of action steps is provided in a checklist format to help you implement your plan. The Responsible Party column allows you to assign items to each spouse. Please refer to each section for a more detailed explanation of each.

Item	Action Step	Responsible Party	Date to be Completed	Check as Completed
Future Goals				
Retirement at age 67	Increase the rate of return on your investments.			
	Increase your annual savings by $25,800/year ($2,150 month).			
	Reduce your retirement spending needs by $19,500 to $34,500/year ($2,872/month).			
	Defer your retirement by about 9 years.			
	Shorten life expectancy assumption.			
	Examine Section 5: Your Spending for measures to increase the amount of money available for investing.			
	Combining a portion of any of the above will improve your retirement analysis.			
Investment Planning				
Knowledge	Subscribe to financial periodicals			
	Purchase financial books			
	Subscribe to investment software			
	Attend evening courses			
	Talk to an Investment Advisor			
Investment Methodology	Analyze the model asset allocation information provided.			
	Reallocate investment portfolio including employer provided retirement plan, according to Asset Allocation model provided.			
	Discuss your investment portfolio with a professional trusted investment advisor before making changes.			
	Determine if any of the taxable portion of your portfolio has unrealized capital gains. This information can be provided by your investment advisor or firm.			
Investment Advisor	Look for an investment advisor, ask friends and relatives for a referral. Since you mentioned that your preferred method of investing is Asset Allocation be sure to look for an investment advisor who is proficient at this.			

Consolidated Reports of Client Action Steps

Risk Management				
Emergency Cash Reserves	You do not have a deficit in emergency funds: since you have excess cash flows, this should be put towards more long term goals and investments, unless you are anticipating short term needs and goals.			
Property and Casualty Insurance	Purchase umbrella insurance from your trusted professional insurance agent.			
	Purchase business insurance from a trusted professional insurance agent.			
	Discuss with a trusted professional property and casualty insurance agent rates and coverage options for putting all insurance policies with one company.			
	Meet with an trusted professional insurance agent to review coverage, riders, rates, discounts, and deductibles. Obtain quotes from several companies.			
Other Insurance	Locate a professional life, disability, and long term care insurance agent.			
	Meet with an agent to review coverage and rates.			
	Apply for Life Insurance.			
	Apply for Disability Insurance.			
	Apply for Long Term Care Insurance.			

Consolidated Reports of Client Action Steps

Spending				
Surplus Funds	Reduce debt only if it makes sense after-tax to do so, and your debt-to-asset ratio is too large, talk to your tax advisor and see the debt section provided.			
	Increase Emergency Cash Reserves: See debt ratio page.			
	Fund retirement plans up to allowable maximum limits into employer provided retirement plans, and 403(b)s, 457s and IRAs, especially if your plan provided here indicates that your retirement funds will not support you indefinitely. This may also provide you with important tax savings.			
	Invest according to your asset allocation preference (see investment section of this plan), for future itemized goals and your children's college education.			
	Increase charitable contributions. We have found that generous people (those that donate time and money to charitable and philanthropic causes), are generally the most happy. Research also validates this. It is important to put your values into practice.			
	Recreational and entertainment activities: Consider allocating surplus to this if you are not the type of person who does so easily. It is important to reward yourself and enjoy life.			
	Lifestyle: Consider increasing your standard of living only after you have done the above. Increasing the size of your home, joining a country club or buying a more expensive automobile, can have an exponentially rippling affect. For example, a larger home has higher utility bills, maintenance, and landscaping. Remember, one bad financial decision can negatively affect your finances for many years.			
Debt	Your debt to income ratio is poor; refer to other sections of your financial plan for recommendations. Seek consultation from your legal, tax and financial advisors.			
Money Skills	Your spending is affected by: impulse, purchasing unnecessary items, unable to delay gratification, peer pressure. Going forward examine more closely motivation for spending. Seek advice from a trusted friend or professional.			
Money Tools	Consider using software and the internet to track your investments, and for budgeting and bill paying.			

Consolidated Reports of Client Action Steps

Debt Repayment	Your debt-to-income ratio is ####. Reduce debt according to the information in this report, including the Loan Reduction Strategy worksheet.			
Credit Score improvement	Your credit rating needs improvement. Follow the directions provided in the Credit Rating section and meet with professional banker, or loan officer for futher advice.			
Legacy Planning				
Estate Planning Documents	Contact your attorney to discuss the following documents:			
	Will			
	Power of Attorney			
	Guardian named for minor children			
	Letter of Instruction			
	Living Will			
	Healthcare Power of Attorney			
	Testamentary Trusts			
	Irrevocable Trusts			
Document Organization	Locate, inventory important papers and information. See eFinPlan website for a list of important documents and information to be inventoried.			
Advisors				
Obtain Advisors	Life, disability and long term care insurance agent			
	Investment advisor			
	Fee-only financial planner			

Review and Update

Financial planning is a process. You should review your plan two to four times per year or more often if you:

- Receive a large amount of money
- Incur large expenses
- Buy/Sell property or business
- Assume/pay-off debt
- Complete any Action Steps
- Have a child
- Change your marital status
- Change your employment/income
- Change employee benefits
- Receive updated investment information