



Prepared for:
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- The reports enclosed within this presentation are from information you provided to your representative or what you inputted into the system.
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Current Financial Position

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John & Jane Smith

Assets

Primary Residence	\$150,000	29%
Other Real Estate	\$50,000	10%
Personal Property	\$25,000	5%
Cash Accounts	\$1,500	0%
Non-Retirement Assets	\$11,200	2%
John's Retirement	\$225,000	44%
Jane's Retirement	\$46,320	9%
Total Assets	\$509,020	100%

Liabilities

Primary Residence Mortgage	\$115,000	63%
Other Real Estate Mortgage	\$25,000	14%
Total Fixed Debt	\$30,000	16%
Total Revolving Debt	\$12,500	7%
Total Liabilities	\$182,500	100%

Total Net Worth

\$326,520

Net Worth

without the primary residence

\$291,520

Liquid Net Worth

\$12,700

Definitions:

- **Primary Residence:** The appraised value of the client's primary residence. If renting, this would be zero.
- **Other Real Estate:** The appraised value of any Real Estate other than the client's primary residence. Examples would be Rental Property, Commercial Property, Vacation Homes, Land, Time-Shares, etc.
- **Personal Property:** The total value of Automobiles, Motorcycles, Boats, Recreational Vehicles, Furniture, Clothes and jewelry, Household goods, collectibles, etc.
- **Cash Accounts** would include any money held in liquid accounts which could be quickly accessed for an emergency with no early withdrawal penalty. Examples include Checking Accounts, Savings Accounts, Credit Union Accounts, Money Markets, Certificates of Deposit, Asset Management Accounts, Liquid Income Funds, Coins and Currency, etc.
- **Non-Retirement Assets** would include any assets that are not real estate, personal property or cash....and are NOT earmarked for retirement. Examples include Individual Stocks, Brokerage accounts, Mutual Funds, Corporate Bonds, Municipal Bonds, Government Securities such as Treasury Notes, Bills, and Bonds, Savings Bonds, etc.
- **Retirement Assets** can be Individual and/or company sponsored Retirement Accounts which includes Traditional IRA, Roth IRA, 401-k, Roth 401-k, 403-b, 457, SEP-IRA, Simple IRA, Variable Annuity, Fixed and Indexed Annuity, Employee Stock Ownership Plan (ESOP), or any accounts earmarked for retirement.
- **Liabilities** are divided up into three distinct types: mortgages (loans against real estate), fixed debts (fixed payments and set payoff date), and revolving debts (no set payoff date, i.e., credit cards, lines of credit, etc).
- **Total Net Worth** is calculated by taking Total Assets minus Total Liabilities.
- **Net Worth without the primary residence** takes the value of the primary residence and any mortgage on the property out of the net worth figure.
- **Liquid Net Worth** is the total assets which are defined as those "readily available" in which the client can access those funds within a few days. Retirement assets generally are not considered part of Liquid Net Worth unless the client is over 59-1/2 and can access these funds easily.

These calculations are based on the information you provided to your representative and/or you inputted into the system.

Please see the Disclosures on the Cover Page and the Disclaimers Page for important notes and assumptions.

John & Jane Smith

Projections at 3% inflation

John's Age	Projected Income
48	\$36,000
49	\$37,080
50	\$38,192
51	\$39,338
52	\$40,518
53	\$41,734
54	\$42,986
55	\$44,275
56	\$45,604
57	\$46,972
58	\$48,381
59	\$49,832
60	\$51,327
61	\$52,867
62	\$54,453
63	\$56,087
64	\$57,769
Totals:	\$783,417

Projections at 3% inflation

Jane's Age	Projected Income
44	\$14,400
45	\$14,832
46	\$15,277
47	\$15,735
48	\$16,207
49	\$16,694
50	\$17,194
51	\$17,710
52	\$18,241
53	\$18,789
54	\$19,352
55	\$19,933
56	\$20,531
57	\$21,147
58	\$21,781
59	\$22,435
60	\$23,108
61	\$23,801
62	\$24,515
63	\$25,250
64	\$26,008
Totals:	\$412,941

Your total projected income before retirement is:

\$1,196,358

- This report projects the total amount of money that will pass through your household during your working lifetime.
- Changes in the assumed inflation rate (your pay raises) could lower or raise the projections significantly especially for those with a long time horizon until retirement.
- How much will you have saved when it's time to retire?
- Do you have contingency plans in the event an income stream stops due to unemployment, disability, or death?

Retirement Goal Estimation

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John & Jane Smith

Monthly Retirement Need (Today's \$)	\$4,000	
Desired Retirement Age	John 65	Jane 65
Years until Retirement	17	21
Years in Retirement	30	30

Inflation Rate	3 %
Retirement Return	6 %
Retirement Tax Rate	28 %

Monthly Retirement Need (Future \$)	\$6,611
Annual Retirement Need (Future \$)	\$79,337

In order to provide a yearly income of \$79,337 you need to accumulate \$2,046,326 by retirement. Your **FINANCIAL INDEPENDENCE NUMBER (FIN)** is estimated to be:

\$2,046,326

The **Financial Independence Number** is the total amount of money needed to retire (using the assumptions above) at John's age 65 (first to retire) and last all the way through Jane's age 95 (latest life expectancy) without considering any additional retirement sources other than your investments.

Should you have additional retirement income, such as social security, a pension, part time income, etc., your FIN could be lower.

Your Current Retirement Plan

	Plan Balance	Monthly Contribution	Employer Contribution
John's	\$225,000	\$1,200 per month	\$200 per month
Jane's	\$46,320	\$542 per month	\$0 per month
Totals	\$271,320	\$1,742 per month	\$200 per month

At retirement, your accounts will grow to...

@3%	\$967,515
@6%	\$1,436,488
@ 10%	\$2,508,420

This leaves your program...

A shortfall of:	-\$1,078,811
A shortfall of:	-\$609,837
A surplus of:	\$462,095

The above results are hypothetical only and do not represent any investment or expected return and cannot be guaranteed. It does not represent the return of any particular investment or savings vehicle. There can be no assurance that the results as illustrated in this hypothetical scenario can or will be achieved. The tax rate and estimated taxes paid at retirement considers federal income tax only.

John & Jane Smith

A simple formula to illustrate your life insurance needs is the DIME:

- D** - The amount of money needed to pay off outstanding debts and final expenses.
- I** - The lump sum needed upon death, once invested, that is projected to provide the designated monthly income for the period of time you designated at the specified inflation rate and return on investment.
- M** - The lump sum needed to pay off your mortgage should you choose to do that.
- E** - The lump sum needed to provide for college education of the children.

Income projections at 3 % inflation and 6 % return on investments

John's Needs	
Debt/Death	\$57,500
Income Replacement	\$520,812
Mortgage	\$140,000
Education	\$152,000
Total Need:	\$870,312

Jane's Needs	
Debt/Death	\$57,500
Income Replacement	\$260,406
Mortgage	\$140,000
Education	\$152,000
Total Need:	\$609,906

John's income replacement total is the amount of money needed for Jane in the event of John's untimely death to provide \$3,000 a month for 20 years inflated at 3%.

Jane's income replacement total is the amount of money needed for John in the event of Jane's untimely death to provide \$1,500 a month for 20 years inflated at 3%.

The Education Cost of \$152,000 included in John's Life Insurance Needs is based on a 4 year annual cost for Public In-state - 3 Children.

The Education Cost of \$152,000 included in Jane's Life Insurance Needs is based on a 4 year annual cost for Public In-state - 3 Children.

- This presentation and the material presented in it should not be construed as an offer to sell life insurance of any type.
- There are many types of life insurance products and you should consult your personal financial professional for guidance in choosing the right type and amount of life insurance for your specific circumstances.
- Life insurance policies carry different types of fees that are paid by the policy holders. These fees may include sales commissions, ongoing management fees, mortality and expense, etc.
- Certain life insurance policies are not available in all state jurisdictions. Each insurance policy involves conditions, restrictions, and limitations that may be product specific.
- Before purchasing any life insurance policy, you should thoroughly review the prospectus and other policy disclosures and discuss any questions you may have with your personal financial professional.

John & Jane Smith

The enclosed document provides various illustrations, schedules and reports to help you identify financial needs, set financial goals and make better and more informed choices in managing your money. These illustrations are developed based on the information you provided or instructed us to make, and on certain generally accepted assumptions and reasonable estimates. Your current personal and financial situation along with today's economic environment are subject to change. It is provided to you as a service by your financial representative. There is no obligation for you to purchase any products as a result of viewing this document.

This document should be viewed as a guide for your use in determining how best to attain your financial goals. We recommend you periodically review your financial needs and financial goals, especially when there is a change in jobs, a change in marital status, an addition to your family, or any significant change that affects your situation.

Throughout this document, hypothetical savings and retirement examples and values presented in these materials are not guaranteed. They are intended to illustrate results based on compounding at various rates of return and do not illustrate the performance of any actual program or actual market conditions. This is neither an offer to sell nor a solicitation of an offer to buy. Registered products, including mutual funds and variable annuities are sold by a prospectus. For complete information you are encouraged to request a prospectus which discusses fees and charges from your registered representative. Please read it carefully before investing or sending money.

The examples in this document and any tax consequences presented may not correspond to your particular situation. Many of the examples in this document do not account for any effect of taxes inherent in any savings program. If you have any questions regarding tax related issues, you should consult a qualified tax advisor.

You should meet with an attorney to assess your need for a will and/or a trust. These are important legal documents for estate planning purposes. Estate taxes can significantly impact the amount of wealth passed on to heirs. The illustrations included in this document do not account for any estate tax consequences. The attorney from who you obtain legal advice should be consulted concerning estate tax issues.