



Kim Doleman
Investment Advisor Representative
Registered Representative
kim@dolemanwealth.com

www.kimdoleman.com
621 17th Street, Suite 1425
Denver, CO 80293
Voice:720-283-2121 / Fax:303-730-3058

Personal Financial Plan For Sample Client

April 1, 2016

Prepared by
Kimberly K. Doleman
Investment Advisor Representative

****WORKING DRAFT ONLY****

Important Disclosures

This Personal Financial Plan is being provided to you by your Registered Representative / Investment Advisor for information purposes only. Past performance is not a guarantee of future results. Actual results may vary. The information contained in this report is not to be construed as an advice and should not be confused as any sort of advice. Investors should not consider this plan as the only single factor in making their investment decision and should talk to their Representative.

This Personal Financial Plan does not reflect the views of TownSquare Capital, LLC, or DFPG Investments, Inc. Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. There may be several "what if" scenarios based on discussions with your Representative / Advisor included in this plan. You must promptly notify our firm if any of your financial situations, goals, objectives, needs, or "what if" scenarios change. Additional information provided has been gathered from reliable sources, however, cannot be guaranteed to be accurate. Talk to your Representative / Advisor before acting on this plan.

Money Tree Software Important Disclosures

This presentation provides a general overview of some aspects of your personal financial position. It is designed to provide educational and / or general information and is not intended to provide specific legal, accounting, investment, tax or other professional advice. For specific advice on these aspects of your overall financial plan, consult with your professional advisors. Asset or portfolio earnings and / or returns shown, or used in the presentation, are not intended to predict nor guarantee the actual results of any investment products or particular investment style.

IMPORTANT: The projections or other information generated by Money Tree's Golden Years regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Additionally, it is important to note that information in this report is based upon financial figures input on the date above; results provided may vary with subsequent uses and over time.

Release of all Liability for Planning Outcomes

Your signature below indicates your full understanding of the above disclosure and releases all parties involved in this planning process from all liability in the event your financial plan does not provide the result as illustrated.

Client Date

Co-Client Date

Table of Contents

Assumptions - A2	2
Assumptions Continued - A2a	3
Asset Details - A4	4
Current Year Cash Flow - B6	5
Cash Flow Illustration - B7	6
Sources of Funds Graph - B3	7
Annual Expense Illustration - B8	8
Annual Expenses Graph - B4	9
Account Summary - C3	10
Retirement Summary - F1	11
Retirement Capital Estimate - F3	12
Education Funding - B20	13
Saving For College (text) - B20b	14
Investment Returns (text) - C1a	15

Assumptions

Client Sample - ROR 6%

01-Apr-16

The following basic information was used in preparing the reports. Other assumptions may have been used in preparation of this projection which are not shown here.

Basic Plan Assumptions:

	<u>Husband</u>	<u>Wife</u>
Current Age	46	46
Retirement Age	65	65
Annual Salary	\$236,000	\$42,000
Self employed income		
Age to start Soc. Sec. benefits	70	70

Personal Savings and Investment Accounts

This section includes amounts in your current savings and investment accounts.

<u>Asset Accounts</u>	<u>Amount</u>	<u>Monthly Additions</u>	<u>Interest Rate</u>	<u>Dividend Rate</u>	<u>Cap Gain Rate</u>	<u>Appr. Rate</u>
Taxable (at ordinary rates)	\$9,000		6.00			
Equity & other	31,000		0.01			
Tax-deferred			6.00			
Tax-free			6.00			

Retirement Accounts:

This group includes tax deductible retirement plans like IRA, 401(k), profit sharing, etc.

	<u>Amount</u>	<u>Additions Pers./Comp.</u>	<u>Rate of Ret.</u>
Husband	223,392	916	6.00
Wife	12,580	520 / 100	6.00

Roth IRA and Roth 401(k) Accounts:

Assumptions Cont.

A2a

Client Sample - ROR 6%

Current Living Expenses:

	<u>Average Per year</u>	<u>Per month</u>	<u>Basic personal monthly expense amounts at selected ages *</u>		
Personal expenses*	\$94,513	\$7,876			
Insurance premiums			<u>Age</u>	<u>Amount</u>	<u>Inflation</u>
Debt payments	28,560	2,380	46	7,876	1.69%
Asset account and education	7,200	600	51	7,278	1.83%
Ret. account deposits	17,232	1,436	56	7,861	1.70%
Other exp. & stock opt.			61	7,278	1.83%
Itemized deductions			66	7,250	1.84%
Income tax and FICA	45,389	3,782			
Total expenses	\$192,894	\$16,075			

* In today's dollars, does not include insurance, debts, taxes, etc.

Mortgages & Loans:

	<u>Amount</u>	<u>Per month</u>
Auto Loans		
Credit Cards		
Investment Loans		
Investment Real Estate		
Other Liabilities		
Personal Loans		
Residence Mortgage	713,000	2,380
RV and Boat Loans		
Totals	<u>\$713,000</u>	<u>\$2,380</u>

Other Assumptions:

Inflation (index) rate for income tax table breakpoints = 0.00%

Joint income tax filing status.

Assumed cost of living increase factor for Social Security benefits = 2.00%

Life expectancy for Husband is age 95.

Life expectancy for Wife is age 95.

State income tax estimate is based on CO percentage of Federal Taxable Income.

Asset Detail

Client Sample - ROR 6%

Name	Account Value	Monthly Additions	Rate of Return %			Owner	Liquid	Group	Class	Type	Ret
			Inter.	Div.	CapG. Appr.						
401k - Wife	\$12,580	520 / 100	6.00			Wife		MF-Stock		Retire	Yes
Checking/Savings	31,000	0 / 0	0.01			Joint		Savings		EqOther	Yes
IRA - Husband	12,580	458 / 0	6.00			Husband		MF-Balance		Retire	Yes
IRA - Wife	7,250	458 / 0	6.00			Husband		MF-Balance		Retire	Yes
ROLL IRA	203,562	0 / 0	6.00			Husband		MF-Balance		Retire	Yes
XYZ Stock	9,000	0 / 0	6.00			Joint		Stock-Comm		Taxable	Yes

Current Year Cash Flow

B6

Client Sample - ROR 6%

INCOME	Monthly Amount	Annual Amount	Percent of Income	
Salaries & Wages	\$23,167	\$278,000	100.00	B9
Total income available	\$23,167	\$278,000	100.00	
EXPENDITURES	Monthly Amount	Annual Amount	Percent of Income	
Federal and State Income Tax	\$2,543	\$30,521	10.98	D3
FICA Taxes	1,239	14,868	5.35	D6
Residence Mortgage	2,380	28,560	10.27	B 24
Retirement Account Additions (IRA, 401(k), TSA, etc.)	1,436	17,232	6.20	B8
Education Fund Deposits	600	7,200	2.59	B 20a
Ongoing Expenses into Retirement	6,667	80,000	28.78	A9
Disability Policies	450	5,400	1.94	A9
UL Policies	161	1,937	0.70	A9
Cars	598	7,176	2.58	A9
Total spending and savings	\$16,074	\$192,894	69.39	
Cash flow surplus (Income less Spending)	\$7,093	\$85,106		

Cash Flow Illustration

Client Sample - ROR 6%

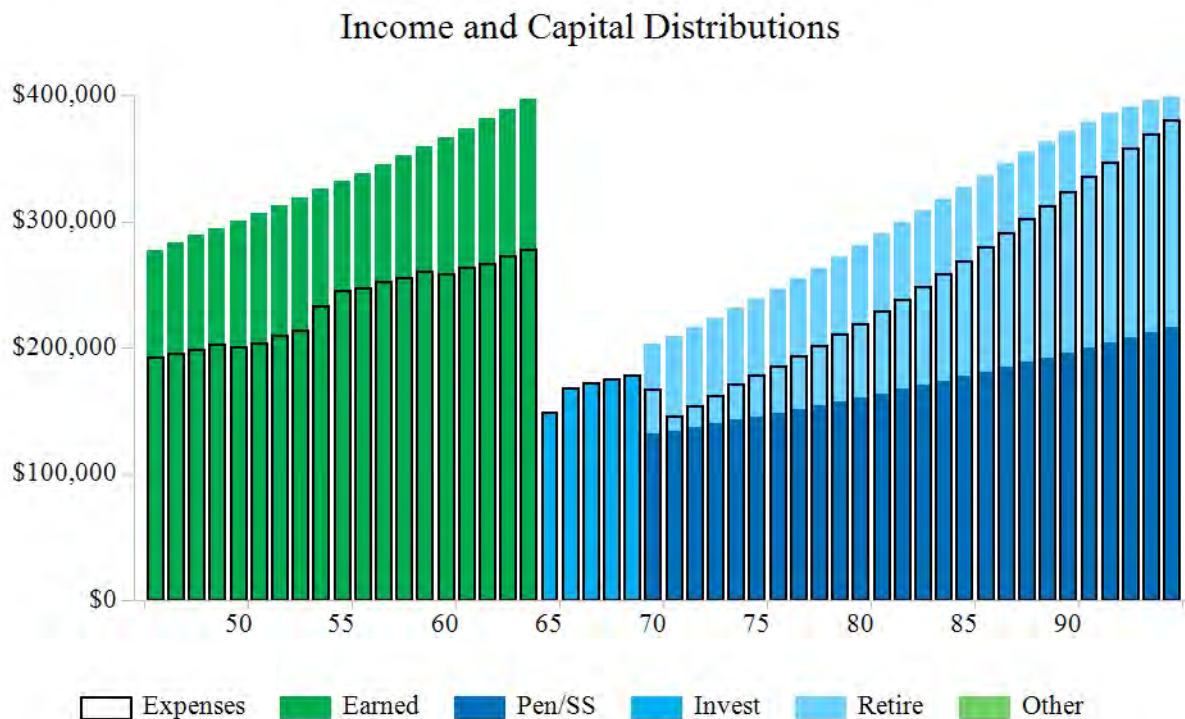
Ages		Scheduled Cash flow sources and Required Minimum Distributions					Total Sources	Less Living Expense & Taxes	Surplus (Shortage)
		Earned Income	Retire/Roth Accounts *	Investment Accounts *	Pension/ SocSec	Other Income			
		1	2	3	4	5	6	7	8
46	46	\$278,000					\$278,000	(\$192,895)	\$85,106
47	47	283,560					283,560	(196,279)	87,281
48	48	289,231					289,231	(199,733)	89,498
49	49	295,016					295,016	(203,255)	91,761
50	50	300,916					300,916	(201,094)	99,822
51	51	306,934					306,934	(204,761)	102,173
52	52	313,073					313,073	(210,500)	102,573
53	53	319,335					319,335	(214,316)	105,019
54	54	325,722					325,722	(234,255)	91,467
55	55	332,236					332,236	(245,948)	86,288
56	56	338,881					338,881	(248,335)	90,546
57	57	345,658					345,658	(253,220)	92,438
58	58	352,571					352,571	(255,803)	96,768
59	59	359,622					359,622	(261,181)	98,441
60	60	366,815					366,815	(259,348)	107,467
61	61	374,151					374,151	(264,615)	109,536
62	62	381,634					381,634	(267,586)	114,048
63	63	389,267					389,267	(273,063)	116,204
64	64	397,052					397,052	(278,647)	118,405
65 R	65 R							(149,227)	(149,227)
66	66							(169,171)	(169,171)
67	67							(172,550)	(172,550)
68	68							(175,996)	(175,996)
69	69							(179,511)	(179,511)
70	70		70,937		132,098		203,035	(167,702)	35,333
71	71		74,974		134,740		209,714	(146,958)	62,756
72	72		79,232		137,434		216,666	(154,711)	61,955
73	73		83,723		140,183		223,906	(163,003)	60,903
74	74		88,457		142,987		231,444	(171,616)	59,828
75	75		93,447		145,847		239,294	(179,206)	60,088
76	76		98,238		148,764		247,002	(186,062)	60,940
77	77		103,749		151,739		255,488	(193,928)	61,560
78	78		108,989		154,774		263,763	(202,436)	61,327
79	79		114,450		157,869		272,319	(211,248)	61,071
80	80		120,133		161,026		281,159	(220,114)	61,045
81	81		126,041		164,247		290,288	(229,385)	60,903
82	82		132,172		167,532		299,704	(239,161)	60,544
83	83		138,524		170,883		309,407	(249,282)	60,125
84	84		144,111		174,300		318,411	(259,394)	59,017
85	85		149,782		177,786		327,568	(269,759)	57,809
86	86		155,515		181,342		336,857	(280,464)	56,393
87	87		161,281		184,969		346,250	(291,396)	54,854
88	88		167,046		188,668		355,714	(302,615)	53,099
89	89		171,250		192,441		363,691	(313,518)	50,173
90	90		175,228		196,290		371,518	(324,614)	46,904
91	91		178,919		200,216		379,135	(335,874)	43,261
92	92		182,254		204,220		386,474	(347,568)	38,906
93	93		183,114		208,305		391,419	(358,860)	32,559
94	94		183,388		212,471		395,859	(370,144)	25,715
95 L	95 L		183,001		216,720		399,721	(381,382)	18,340
96	96								
		B9	C10..C11a	C4..C8	B10	B18		B8	

* Scheduled distributions, interest or dividends taken in cash or amounts taken to meet the IRS minimum distribution requirements.

R = Retirement Age, L = Life Expectancy

Sources of Funds

Client Sample - ROR 6%



Each year your spendable money will come from several different sources, as shown above. When your expenses exceed the income available from earnings, pensions and Social Security, then withdrawals are made from your investment accounts or retirement plans.

- Earned Salaries and self employment income.

- Pen/SS Defined benefit pension plans and the total income from Social Security benefits.

- Invest Interest or dividends paid in cash or withdrawals from your investment accounts to meet spending requirements.

- Retire Distributions from your retirement accounts either to meet your spending needs, scheduled distributions, or distributions made to meet the IRS minimum distribution requirements.

- Other Other single year or multiple year sources of funds, excess proceeds from sale of your residence, or life insurance death benefits.

Annual Expense Illustration

Client Sample - ROR 6%

Ages		Personal Expenses *	Life & Misc. Ins. Premiums	Debt Payments	Asset Account Deposits	Retirement Account Deposits	Other Expense & Stock Opt.	Itemized Deductions**	Income Tax	Total Expenses
		1	2	3	4	5	6	7	8	9
46	46	\$101,713		\$28,560		\$17,232			\$45,390	\$192,895
47	47	103,313		28,560		17,232			47,174	196,279
48	48	104,945		28,560		17,232			48,996	199,733
49	49	106,610		28,560		17,232			50,853	203,255
50	50	101,132		28,560		19,224			52,179	201,094
51	51	102,863		28,560		19,224			54,113	204,761
52	52	104,630		28,560		19,224			58,086	210,500
53	53	106,432		28,560		19,224			60,100	214,316
54	54	108,270		28,560		19,224			78,201	234,255
55	55	117,144		28,560		19,224			81,020	245,948
56	56	116,657		28,560		19,224			83,894	248,335
57	57	118,607		28,560		19,224			86,829	253,220
58	58	118,196		28,560		19,224			89,823	255,803
59	59	120,226		28,560		19,224			93,171	261,181
60	60	115,295		28,560		19,224			96,268	259,348
61	61	117,407		28,560		19,224			99,424	264,615
62	62	117,160		28,560		19,224			102,642	267,586
63	63	119,356		28,560		19,224			105,923	273,063
64	64	121,597		28,560		19,224			109,266	278,647
65	65	123,545		28,560					(2,878)	149,227
66	66	125,876		28,560					14,735	169,171
67	67	128,253		28,560					15,737	172,550
68	68	130,678		28,560					16,757	175,996
69	69	133,152		28,560					17,799	179,511
70	70	128,675		27,560					11,467	167,702
71	71	131,249							15,710	146,958
72	72	133,874							20,838	154,711
73	73	136,551							26,452	163,003
74	74	139,282							32,334	171,616
75	75	142,068							37,139	179,206
76	76	144,909							41,153	186,062
77	77	147,807							46,121	193,928
78	78	150,763							51,673	202,436
79	79	153,779							57,470	211,248
80	80	156,854							63,260	220,114
81	81	159,991							69,394	229,385
82	82	163,191							75,969	239,161
83	83	166,455							82,827	249,282
84	84	169,784							89,610	259,394
85	85	173,180							96,579	269,759
86	86	176,643							103,821	280,464
87	87	180,176							111,220	291,396
88	88	183,780							118,836	302,615
89	89	187,455							126,063	313,518
90	90	191,205							133,409	324,614
91	91	195,029							140,846	335,874
92	92	198,929							148,639	347,568
93	93	202,908							155,953	358,860
94	94	206,966							163,178	370,144
95	95	211,105							170,276	381,382
96	96									

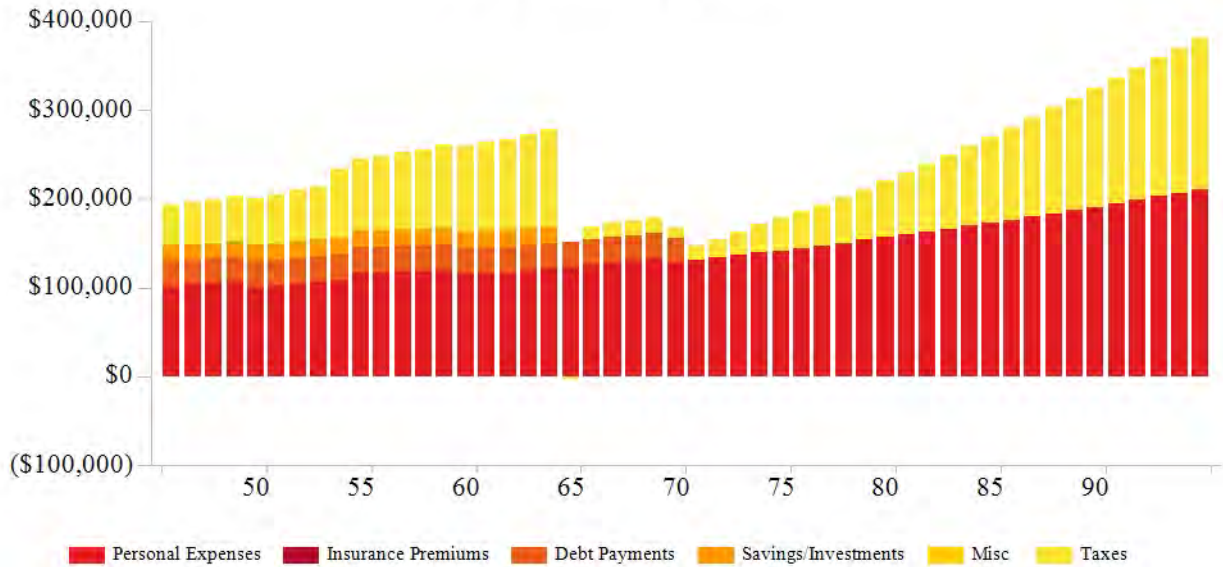
B23 B24b C4..C8 C10..C11a B18 D10 D6

* Personal expenses include education fund deposits.
 ** Itemized deductions do not include mortgage interest, state tax, and medical insurance premiums, which are accounted for in respective expense categories.

Annual Expenses

Client Sample - ROR 6%

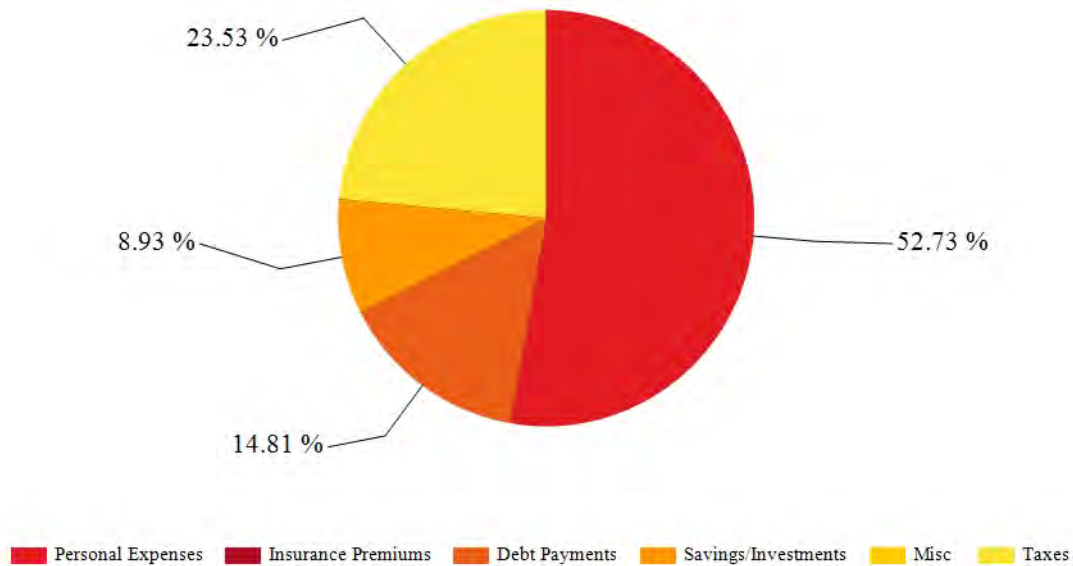
Future Annual Expenses



Your annual expenses represent a number of different items, including personal needs, life insurance premiums, debt repayment, additions to savings and investments, other miscellaneous expenditures and taxes of various types.

The graph should help you visualize the proportionate amount of your total outlay for each of these types of expenditures, and the changing mix over the future years.

Current Year Expenses



Account Summary

Client Sample - ROR 6%

Ages		Taxable Account 6.00%	Equity & Other 0.01%	Tax Free 6.00%	Tax Deferred 6.00%	Retirement accounts		Roth IRAs		Begin. Year Account Totals
		1	2	3	4	Husband 6.00%	Wife 6.00%	Husband 6.00%	Wife 6.00%	9
46	46	\$9,000	\$31,000			\$223,392	\$12,580			\$275,972
47	47	9,540	31,003		87,923	248,151	21,021			397,638
48	48	10,112	31,006		183,369	274,396	29,969			528,852
49	49	10,719	31,009		286,832	302,216	39,453			670,229
50	50	11,362	31,012		398,841	331,705	49,506			822,426
51	51	12,044	31,015		525,898	365,021	60,163			994,141
52	52	12,767	31,018		663,007	400,336	71,459			1,178,587
53	53	13,533	31,021		808,756	437,770	83,433			1,374,513
54	54	14,345	31,024		965,777	477,450	96,125			1,584,721
55	55	15,206	31,027		1,118,218	519,511	109,579			1,793,541
56	56	16,118	31,030		1,274,456	564,095	123,840			2,009,539
57	57	17,085	31,033		1,444,467	611,355	138,957			2,242,897
58	58	18,110	31,036		1,626,633	661,450	154,981			2,492,210
59	59	19,197	31,039		1,824,202	714,551	171,966			2,760,955
60	60	20,349	31,042		2,035,354	770,838	189,970			3,047,553
61	61	21,570	31,045		2,268,500	830,502	209,054			3,360,671
62	62	22,864	31,048		2,517,772	893,746	229,284			3,694,714
63	63	24,236	31,051		2,786,662	960,785	250,727			4,053,461
64	64	25,690	31,054		3,073,912	1,031,846	273,457			4,435,959
65	65	27,231	31,057		3,380,671	1,107,171	297,551			4,843,681
66	66				3,489,562	1,173,601	315,404			4,978,567
67	67				3,524,165	1,244,017	334,328			5,102,510
68	68				3,557,353	1,318,658	354,388			5,230,399
69	69				3,588,972	1,397,777	375,651			5,362,400
70	70				3,618,857	1,481,644	398,190			5,498,691
71	71	36,503			3,835,988	1,512,781	406,558			5,791,830
72	72	103,527			4,066,147	1,542,499	414,545			6,126,718
73	73	173,745			4,310,116	1,570,533	422,079			6,476,473
74	74	247,089			4,568,723	1,596,592	429,083			6,841,487
75	75	323,723			4,842,846	1,620,360	435,471			7,222,400
76	76	405,223			5,133,417	1,641,490	441,150			7,621,280
77	77	492,494			5,441,422	1,659,987	446,121			8,040,024
78	78	585,641			5,767,907	1,675,106	450,185			8,478,839
79	79	684,137			6,113,981	1,686,866	453,346			8,938,330
80	80	788,278			6,480,820	1,694,885	455,501			9,419,484
81	81	898,640			6,869,669	1,698,758	456,542			9,923,609
82	82	1,015,477			7,281,849	1,698,052	456,353			10,451,731
83	83	1,138,954			7,718,760	1,692,312	454,810			11,004,836
84	84	1,269,407			8,181,886	1,681,055	451,784			11,584,132
85	85	1,406,542			8,672,799	1,664,573	447,355			12,191,269
86	86	1,550,657			9,193,167	1,642,484	441,419			12,827,727
87	87	1,701,956			9,744,757	1,614,402	433,872			13,494,987
88	88	1,860,743			10,329,442	1,579,940	424,610			14,194,735
89	89	2,027,244			10,949,209	1,538,716	413,531			14,928,700
90	90	2,200,713			11,606,162	1,491,596	400,867			15,699,338
91	91	2,381,212			12,302,532	1,438,409	386,573			16,508,726
92	92	2,568,778			13,040,684	1,379,025	370,614			17,359,101
93	93	2,763,099			13,823,125	1,313,363	352,967			18,252,554
94	94	2,962,522			14,652,513	1,243,061	334,073			19,192,169
95	95	3,166,840			15,531,664	1,168,318	313,985			20,180,807
96	96	3,375,798			16,463,564	1,089,405	292,777			21,221,544
		C4	C5	C7	C8	C10,C10b...e	C10a, C10b...e	C11	C11a	

Note: Rates shown above are for first year only. Refer to account reports for future year rates.

Retirement Summary

F1

Client Sample - ROR 6%

The following table summarizes the goals, assumptions and variables used in the Retirement Planning analysis.

RETIREMENT GOALS:

		Husband	Wife	
Retirement Age		65	65	
Life Expectancy		95	95	
Retirement Living Expenses (after-tax) Today's \$	\$87,000			B8
Retirement Living Expenses (after-tax) Inflated	123,545			B8
Standard of Living Inflation Rate	1.84%			

RETIREMENT CAPITAL:

Rate of Return - Pre-Retirement (pre-tax)	5.33%			
Total Assets Available for Retirement	\$275,972			C3
Annual Additions to Qualified Accounts	17,232			B8
Annual Additions to Other Accounts				B8

RETIREMENT INCOME (pre-tax):

		Husband	Wife	
Social Security Starting Age		70	70	
Social Security Benefit		\$67,882	\$64,215	
Social Security COLA	2.00%			

OTHER INCOME/EXPENSE ITEMS (pre-tax):

INCOME TAXES:

Marginal Tax Rate (Federal & State)	28.63%			D3
Effective Tax Rate	17.37%			D3

RETIREMENT ANALYSIS:

Amount Available at Retirement	4,843,681			
Retirement Assets at Age 95	21,221,544			

Your assets may last through life expectancy.

Retirement Capital Estimate

Client Sample - ROR 6%

Ages *	Begin. Yr. Account Totals	Annual Expenses Incl. Tax	Income and Capital Distributions					Annual Surplus	Ending Year Account Totals	
			Earned Income	** Retirement Acct Distr.	** Investment Acct Distr.	Pensions/ Soc Sec	Other Inc. & St. Opt.			
		1	2	3	4	5	6	7	8	
46	46	\$275,972	(\$192,895)	\$278,000					\$85,106	\$397,639
47	47	397,639	(196,279)	283,560					87,281	528,852
48	48	528,852	(199,733)	289,231					89,498	670,229
49	49	670,229	(203,255)	295,016					91,761	822,426
50	50	822,426	(201,094)	300,916					99,822	994,140
51	51	994,140	(204,761)	306,934					102,173	1,178,587
52	52	1,178,587	(210,500)	313,073					102,573	1,374,513
53	53	1,374,513	(214,316)	319,335					105,019	1,584,721
54	54	1,584,721	(234,255)	325,722					91,467	1,793,541
55	55	1,793,541	(245,948)	332,236					86,288	2,009,539
56	56	2,009,539	(248,335)	338,881					90,546	2,242,896
57	57	2,242,896	(253,220)	345,658					92,438	2,492,210
58	58	2,492,210	(255,803)	352,571					96,768	2,760,955
59	59	2,760,955	(261,181)	359,622					98,441	3,047,553
60	60	3,047,553	(259,348)	366,815					107,467	3,360,671
61	61	3,360,671	(264,615)	374,151					109,536	3,694,714
62	62	3,694,714	(267,586)	381,634					114,048	4,053,460
63	63	4,053,460	(273,063)	389,267					116,204	4,435,959
64	64	4,435,959	(278,647)	397,052					118,405	4,843,681
65 R	65 R	4,843,681	(149,227)			149,227				4,978,567
66	66	4,978,567	(169,171)			169,171				5,102,510
67	67	5,102,510	(172,550)			172,550				5,230,399
68	68	5,230,399	(175,996)			175,996				5,362,401
69	69	5,362,401	(179,511)			179,511				5,498,691
70	70	5,498,691	(167,702)		70,937		132,098		35,333	5,791,830
71	71	5,791,830	(146,958)		74,974		134,740		62,756	6,126,717
72	72	6,126,717	(154,711)		79,232		137,434		61,955	6,476,472
73	73	6,476,472	(163,003)		83,723		140,183		60,903	6,841,486
74	74	6,841,486	(171,616)		88,457		142,987		59,828	7,222,400
75	75	7,222,400	(179,206)		93,447		145,847		60,088	7,621,281
76	76	7,621,281	(186,062)		98,238		148,764		60,940	8,040,024
77	77	8,040,024	(193,928)		103,749		151,739		61,560	8,478,840
78	78	8,478,840	(202,436)		108,989		154,774		61,327	8,938,330
79	79	8,938,330	(211,248)		114,450		157,869		61,071	9,419,484
80	80	9,419,484	(220,114)		120,133		161,026		61,045	9,923,609
81	81	9,923,609	(229,385)		126,041		164,247		60,903	10,451,731
82	82	10,451,731	(239,161)		132,172		167,532		60,544	11,004,836
83	83	11,004,836	(249,282)		138,524		170,883		60,125	11,584,132
84	84	11,584,132	(259,394)		144,111		174,300		59,017	12,191,269
85	85	12,191,269	(269,759)		149,782		177,786		57,809	12,827,728
86	86	12,827,728	(280,464)		155,515		181,342		56,393	13,494,987
87	87	13,494,987	(291,396)		161,281		184,969		54,854	14,194,736
88	88	14,194,736	(302,615)		167,046		188,668		53,099	14,928,700
89	89	14,928,700	(313,518)		171,250		192,441		50,173	15,699,337
90	90	15,699,337	(324,614)		175,228		196,290		46,904	16,508,726
91	91	16,508,726	(335,874)		178,919		200,216		43,261	17,359,101
92	92	17,359,101	(347,568)		182,254		204,220		38,906	18,252,554
93	93	18,252,554	(358,860)		183,114		208,305		32,559	19,192,168
94	94	19,192,168	(370,144)		183,388		212,471		25,715	20,180,807
95 L	95 L	20,180,807	(381,382)		183,001		216,720		18,340	21,221,544
96	96	21,221,544								21,221,544
		B8		B9	C10...C10e		C4...C8	B10	B18, B18a	C3a

R = Retirement Age, L = Life Expectancy

**Investment and Retirement distributions include withdrawals from account totals to satisfy "Income needed" shortages from Cash Flow report.

Educational Funding Requirements

Client Sample - ROR 6%

Child Per Year	Sample	Sample	Sample	Totals	Amount to be Paid by Parents
Lump Sum*	\$11,100	\$10,800	\$10,800	\$117,727	100.00%
Monthly **	\$321	\$388	\$449	\$1,158	
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025			15,711	15,711	15,711
2026			16,575	16,575	16,575
2027		17,486	17,486	34,972	34,972
2028		18,448	18,448	36,896	36,896
2029		19,463		19,463	19,463
2030		20,533		20,533	20,533
2031	22,264			22,264	22,264
2032	23,489			23,489	23,489
2033	24,780			24,780	24,780
2034	26,143			26,143	26,143
2035					
2036					
2037					
2038					
2039					
2040					
2041					
2042					
2043					
2044					
2045					
2046					

Funding education costs with a lump sum investment now:

Lump sum needed today to fund future costs	\$117,727
(No current educational funds available.)	0
Additional lump sum needed now	\$117,727

Monthly funding with level payments through the last year of college:

Total level monthly payments to fund costs	\$976
(No current funds available to reduce needed payments)	
Additional deposits needed with \$600 current payments	\$376

Note: If education funds do not earn at the rate illustrated, it would require either a larger amount of initial lump sum investment, larger monthly deposits to the education fund, or education loans to finance the costs.

**Lump sum is the dollar amount needed today to fund the expenses assuming a 6.50% after tax or tax free return on education funds.*

***Monthly deposit needed to fund the expenses from now through the last year of school.*

Note: The education funds are not included in the other expenses, the above amounts are for illustration only.

Note: Education expenses are assumed to inflate at 5.5%.

Client Sample - ROR 6%

Recent changes in income tax regulations have provided a variety of opportunities that should make saving for your child's education expenses more palatable. In some cases current education expenses can result in current tax savings, and putting aside money for future costs can be much more tax-friendly than in the past.

529 Plans:

Section 529 of the Revenue code has enabled states to establish special college savings funds where parents or grandparents can make deposits to an account to accumulate money for tuition and in some cases other expenses. The terms and benefits of each state vary, but generally include the following features:

- Tax savings -earnings on the accounts not only accumulate without federal income tax, but withdrawals are also tax free so long as they are used for qualified educational expenses. Some states also allow withdrawals free of state taxation, and many states permit a deduction for a portion of plan deposits, but the rules of each state vary. Also, withdrawals from 529 plans that are not used for qualified educational expenses are generally subject to both federal and state taxation plus a 10% penalty.
- Control - unlike other accounts sometimes used to accumulate money for the child, you, the donor, stay in control of the assets. You decide when withdrawals are taken and for what purpose. And in most cases you can even reclaim the funds, particularly if the child elects not to attend college. (There may be a penalty for "non-qualified" withdrawals.)
- Simple - once you select which state plan to use, a simple enrollment form is completed, and deposits may even be made by automatic checking account withdrawals. The account is managed by the state or an investment manager hired by the state.
- Everyone eligible - generally there are no special eligibility requirements, and the amounts you can contribute in many states are substantial (in some cases as much as \$250,000 or more.)

Other education plans:

- Deduction of higher education expenses up to \$4,000 may be deductible (subject to income limitations.) This deduction continues to be renewed by Congress, but may not be available in future years.
- Coverdell Education Savings Accounts - the nondeductible contribution may be used for "qualified higher education" or "qualified elementary and secondary education expenses", including private institutions. The maximum allowable contribution is \$2,000 subject to certain income limitations. The plan is integrated with the HOPE and Lifetime Learning Credit programs.
- Employer provided assistance - the \$5,250 contribution level now extends the exclusion to graduate courses and makes the exclusion for undergraduate and graduate courses permanent.
- Student Loan Interest Deduction - the availability for this benefit has been broadened and the earnings limits raised.

For more information about these plans or to compare your state 529 plan with other states, go on the internet to : www.savingforcollege.com

Investment Returns

Your financial analysis includes hypothetical portfolio illustrations. To help you understand the potential risks and rewards of investing, the following information shows some historical investment results. While the analysis has used annual rates to illustrate possible scenarios, it does not attempt to specify which asset classes, investment vehicles or combinations of classes you will actually use in your portfolio, as the portfolio mix will generally change several times in the future.

Historical Stock Market Changes



This chart illustrates the variable nature of stock investing. The scale does not represent any specific value or percent change, but rather shows relative increases or decreases in the indexes. Be aware that stock prices increase or decrease at various times and there is no assurance that profits will be realized in any particular time frame. The above chart does not represent any particular investment portfolio or asset class.

Historical Asset Class Returns

This table shows the wide range of returns realized on various asset classes for different time periods.

Asset Class	Annual* Return	5 Year Return**		20 Year Return***	
		Maximum	Minimum	Maximum	Minimum
Treasury Bills	3.42%	11.12%	0.07%	7.72%	0.42%
Bonds - Intermediate Govt.	5.28%	16.98%	0.96%	9.97%	1.58%
Bonds - Long Term Govt.	5.58%	21.62%	-2.14%	12.09%	0.69%
Bonds - Long Term Corporate	6.07%	22.51%	-2.22%	12.13%	1.34%
Stocks - Small Companies	12.48%	45.90%	-27.54%	21.13%	5.74%
Stocks - Large Companies	10.12%	28.60%	-12.47%	17.88%	3.11%
Inflation	2.91%	10.06%	-5.42%	6.36%	0.07%

* Annual return is the average compounded rate from 1926 through 2015.

** 5 year return is the highest and lowest average rolling return for all the 5 year periods from 1926 through 2015.

*** 20 year return is the highest and lowest average rolling return for all the 20 year periods from 1926 through 2015.

These rates of return do not include adjustment for annual fees, commissions, taxes or other expenses that might be incurred in any investment plan. These costs could range from 0% to as much as 2% per year or more depending on the type of investment activity and method of managing the accounts. In addition to annual fees and expenses, some investments may include an initial commission, sales charge or set up expense. If fees and expenses are taken into account, the above rates of return would be lower. The rates used in the analysis are assumed to be net of any potential fees and expenses. If we assist you in selecting assets for your investment portfolio, a complete description of any fees, expenses, commissions or other costs will be provided for each investment selected.

In any report that illustrates an annuity product, it is assumed that the product is a fixed annuity earning interest as paid by the issuing company. With a fixed annuity you are generally protected against a loss of principal. If a variable annuity should be selected by you for any portion of your portfolio, please be aware that the annual return and corresponding asset value, death benefit and cash values will be based on the underlying investment choice, and could result in a zero or negative rate unless the product has specific terms limiting the loss of principal. The terms for annuity products will be spelled out in the annuity contract. The fees and charges on any annuity contract will vary based on the company and features provided in the contract. They could range from a minimal amount to as much as 2.5% or more.