Retirement Income Evaluation

June 8, 2011

Prepared for:

Sample Client

Sample Client

Prepared by:

Financial Representative

Sigma Planning Corp.

Plan # 502361

44444731

Important Information from Sigma Planning Corp.

Investment Advisory Services offered through Sigma Planning Corporation (SPC), a SEC Registered Investment Advisor.

Table of Contents

Limitations on Forward-Looking Tools

IMPORTANT: The projections or other information generated by the tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. This tool uses Monte Carlo simulation methodology to estimate potential income growth, using a minimum of 250 hypothetical market simulations. The market return data used to generate the illustration is intended to provide you with a general idea of how an asset mix similar to your portfolio (or a selected target asset mix) has performed historically. The analysis assumes a level of diversity within each asset class that may differ from that found in your portfolio. Numerous factors make the tool's calculations uncertain, such as the use of assumptions about historical returns, tax rates and inflation as well as the data you have provided. The tool uses financial data provided by third-party vendors in the simulations and the accuracy or timeliness of that data cannot be guaranteed. Taxes, fees, and/or expenses will generally reduce your actual investment returns and are not reflected in the hypothetical illustrations generated by this tool. Results may vary with each use and over time. For more information, refer to the "Important Information about this Report and Its Methodology" section.

Personal Information Summary

The information below was used to calculate the results in this report.

1. Personal Information

Sample

Current Age	63
Retirement Age	64
Plan to Age of	100

Sample

Current Age	61
Retirement Age	62
Plan to Age of	100

Tax Status	Married Filing Jointly;Filing in MI;Local Tax 0%

2. Assets Included

Integrated Accounts

Sample

None	

Sample

None	

Other Accounts and Assets

Sample

Hartford Life - Thrift Plan	$283,050
Franklin Templeton - 401k -- annual contributions: $10,500	$9,034
Fidelity Investments - Charitable Gift	$165,450

Sample

None	

Total Assets	**$457,534**

Financial Events

Cash Value Of Life Insurance	$10,000
Sale Of Business	$100,000
Stock Options	$100,000
Home Sale	$550,000

3. Current/Most Recent Income (Pre-Tax)

Sample

Annual Income	$70,000

Sample

Annual Income	$7,000

4. Retirement Income Sources

Sample

|	
Monthly Social Security at age 64	$1,589
Monthly Social Security at age 64	$686
Lump Sum Pension at age 65	$10,000
Monthly Pension at age 62	$700
Monthly Fixed Income Annuity	$250
Monthly Variable Income Annuity	$250
Monthly Royalty Income	$1000
One-time Cash Value Of Life Insurance	$10,000
One-time Sale Of Business	$100,000
One-time Stock Options	$100,000
One-time Home Sale	$550,000

Sample

None	

Retirement Analysis Summary

The key indicators below provide a summary of your projected retirement financial situation.

Total Goal at Retirement	$901,975	On Track to Have	$6,332-$7,251/month
Monthly Goal	$7,500/month	Additional Savings Needed	$9,956 - $64,871/month
	136% of pre-retirement income	Likelihood of Success	40%

How Long Will Your Assets Last in Retirement?

The chart below shows how long your assets may last throughout your retirement based on hypothetical market simulations that use historical market performance.

Your Projected Assets Over Time
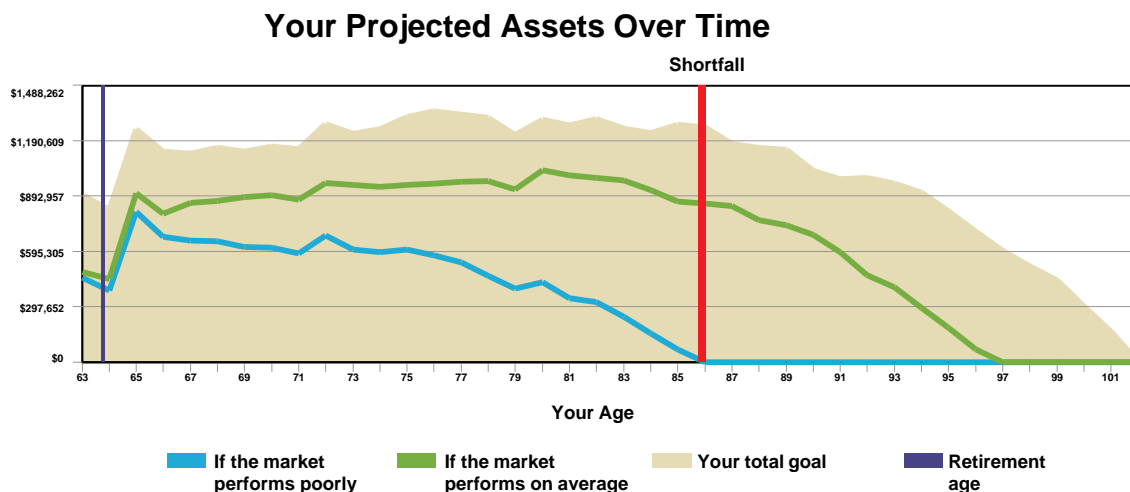
You plan to continue accumulating assets by working until 64.

For this evaluation, you've indicated a 1 year horizon to retirement.
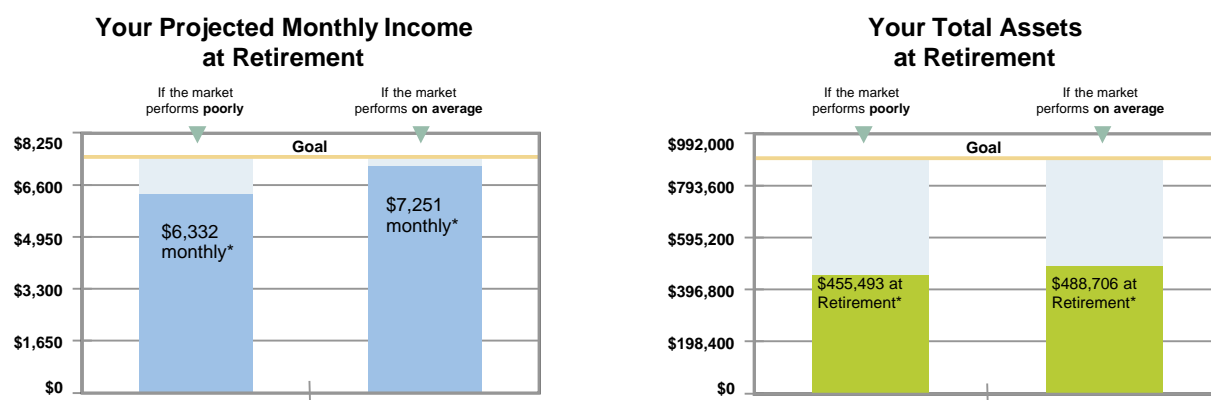
Your "Plan to age" is 100 and you're currently projected to experience a shortfall in assets at age 86. We should discuss options that may help you improve the likelihood of meeting your retirement goals.

IMPORTANT: The projections or other information generated by the tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. This tool uses Monte Carlo simulation methodology to estimate potential income growth, using a minimum of 250 hypothetical market simulations. The market return data used to generate the illustration is intended to provide you with a general idea of how an asset mix similar to your portfolio (or a selected target asset mix) has performed historically. The analysis assumes a level of diversity within each asset class that may differ from that found in your portfolio. Numerous factors make the tool's calculations uncertain, such as the use of assumptions about historical returns, tax rates and inflation as well as the data you have provided. The tool uses financial data provided by third-party vendors in the simulations and the accuracy or timeliness of that data cannot be guaranteed. Taxes, fees, and/or expenses will generally reduce your actual investment returns and are not reflected in the hypothetical illustrations generated by this tool. Results may vary with each use and over time. For more information, refer to the "Important Information about this Report and Its Methodology" section.

Retirement Analysis Summary *Continued*

How much do you need to retire?

The following charts will help you see how prepared you may be to realize your retirement goal.

Your Projected Monthly Income at Retirement

If the market performs **poorly**

If the market performs **on average**

Goal

$8,250

$6,600

$4,950

$3,300

$1,650

$0

$6,332 monthly*

$7,251 monthly*

Your Total Assets at Retirement

If the market performs **poorly**

If the market performs **on average**

Goal

$992,000

$793,600

$595,200

$396,800

$198,400

$0

$455,493 at Retirement*

$488,706 at Retirement*

Your first month income goal is $7,500 or approximately 136% of your pre-retirement income.

It is estimated that you're currently on track to cover $6,332-$7,251 of monthly expenses, depending on how the market performs. This is 115-132% of your pre-retirement income.

It is estimated that you'll need approximately $901,975 in assets at retirement, to fund your goals.

Currently, estimates show you're on track to enter retirement with $455,493- $488,706 in assets.

The "Goal" may not reflect the variation of expenses entered into the Budget Worksheet.

Asset Allocation

In retirement, a key success factor may be the selection of an asset allocation that can help protect you from the unpredictability of the market and provide a risk/return balance that may help you achieve your retirement goals. The allocation of your portfolio among stocks, bonds, and short-term investments may significantly impact your ability to grow your wealth, withstand market swings, mitigate the effects of inflation, and protect against the possibility of outliving your assets. Please note that asset allocation does not ensure a profit or guarantee against a loss.

Your Current Asset Allocation

- 40% Domestic Stock
- 3% Foreign Stock
- 37% Bonds
- 17% Short-Term
- 3% Other
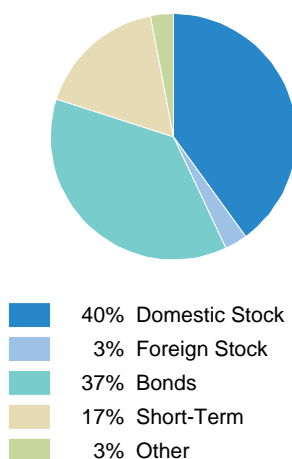
Historical Index Returns for 12-month Time Periods

The tool uses historical index return information in preparing income projections. Historical performance information for the stock, bond, and short-term asset classes is provided by Ibbotson Associates. Domestic stocks are represented by the S&P 500® Index; bonds are represented by the U.S. Intermediate Term Government Bond; and short-term assets are represented by the 30-day U.S. Treasury bill. The chart below shows the highest and lowest 12-month returns of the three indexes used by the tool.

Generally, among asset classes, stocks may present more short-term risk and volatility than bonds or short-term instruments but may provide greater potential return over the long term. Although bonds generally present less short-term risk and volatility than stocks, bonds do entail interest rate risk (as interest rates rise, bond prices usually fall, and vice versa) and the risk of default, or the risk that an issuer will be unable to make income or principal payments. Additionally, bonds and short-term investments entail greater inflation risk, or the risk that the return of an investment will not keep up with increases in the prices of goods and services, than stocks. Finally, foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential return than U.S. investments.

Index	Best 12-month Period	Worst 12-month Period
30-day U.S. Treasury bills	15.20% (period ending Nov 1981)	-0.04% (period ending Oct 1939)
U.S. Intermediate Term Government Bond	32.70% (period ending Sept 1982)	-5.56% (period ending Oct 1994)
S&P 500® Index	162.89% (period ending June 1933)	-67.56% (period ending June 1932)

Source: Ibbotson Associates (1926-2009. Past performance is no guarantee of future results. All indexes are unmanaged, and it is not possible to invest directly in an index. Please see the Methodology for additional details.

Discussion Topics

- ## Review your asset allocation
  We may want to adjust your investment mix, so that you are better positioned to meet your retirement financial goals.

- ## Review your savings strategy
  We will discuss whether you can increase your savings rate and review savings vehicles that may be appropriate for your situation.

- ## Review your expenses
  We will review your planned level of retirement spending and discuss whether this is sustainable or whether you need to consider delaying or reducing expenses.

- ## Prepare for health care costs
  Health care costs, including long term care costs, are rising rapidly and may pose a risk to your financial security in retirement. We should make plans so that you are prepared to fund these essential expenses.

- ## Consider choices for reliable income
  There are many options available that can help you bridge your income through early retirement or offer protection against the risk of outliving your assets.

- ## Implement a withdrawal strategy
  We can help you draw from your income sources and investments, to fund your retirement spending, so that you have the potential to minimize taxes and maximize the value of your assets.

- ## Consider estate and tax planning
  We will discuss how you may preserve your wealth through tax saving strategies and charitable giving.

- ## Monitor your situation
  We will review your financial situation and update our analysis annually or more often if your circumstances change.

Sample and Sample Client

Cash Flow Summary

Income and Expense Details Based on Poor Market Performance

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2012	64/62	$455,493	$0	$19,507	$8,400	$5,846	$12,000	$45,753	$92,070	$0	$63,199	13.9%	$388,952	$0
2013	65/63	$388,952	$0	$19,955	$18,593	$5,756	$562,000	$606,304	$94,188	$0	$0	0.0%	$810,879	$0
2014	66/64	$810,879	$0	$29,227	$8,791	$5,776	$12,000	$55,794	$96,354	$0	$45,486	5.6%	$676,578	$0
2015	67/65	$676,578	$0	$29,900	$8,993	$5,766	$12,000	$56,659	$98,570	$0	$43,935	6.5%	$655,342	$0
2016	68/66	$655,342	$0	$30,587	$9,200	$5,739	$12,000	$57,527	$100,837	$0	$45,448	6.9%	$652,980	$0
2017	69/67	$652,980	$0	$31,291	$9,411	$5,763	$12,000	$58,465	$103,156	$0	$46,546	7.1%	$622,602	$0
2018	70/68	$622,602	$0	$32,010	$9,628	$5,747	$12,000	$59,385	$105,529	$10,175	$50,462	8.1%	$619,196	$0
2019	71/69	$619,196	$0	$32,747	$9,849	$5,731	$12,000	$60,327	$107,956	$10,773	$51,002	8.2%	$585,901	$0
2020	72/70	$585,901	$0	$33,500	$10,076	$5,759	$112,000	$161,334	$110,439	$11,476	$0	0.0%	$683,381	$0
2021	73/71	$683,381	$0	$34,270	$10,308	$5,754	$12,000	$62,332	$112,979	$12,205	$54,653	8.0%	$607,652	$0
2022	74/72	$607,652	$0	$35,059	$10,545	$5,766	$12,000	$63,369	$115,578	$12,644	$56,241	9.3%	$595,001	$0
2023	75/73	$595,001	$0	$35,865	$10,787	$5,829	$12,000	$64,481	$118,236	$13,064	$57,825	9.7%	$607,644	$0
2024	76/74	$607,644	$0	$36,690	$11,035	$5,798	$12,000	$65,523	$120,956	$13,996	$67,647	11.1%	$576,070	$0
2025	77/75	$576,070	$0	$37,534	$11,289	$5,832	$22,000	$76,655	$123,738	$13,322	$67,262	11.7%	$537,634	$0

IMPORTANT: The projections or other information generated by the tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. This tool uses Monte Carlo simulation methodology to estimate potential income growth, using a minimum of 250 hypothetical market simulations. The market return data used to generate the illustration is intended to provide you with a general idea of how an asset mix similar to your portfolio (or a selected target asset mix) has performed historically. The analysis assumes a level of diversity within each asset class that may differ from that found in your portfolio. Numerous factors make the tool's calculations uncertain, such as the use of assumptions about historical returns, tax rates and inflation as well as the data you have provided. The tool uses financial data provided by third-party vendors in the simulations and the accuracy or timeliness of that data cannot be guaranteed. Taxes, fees, and/or expenses will generally reduce your actual investment returns and are not reflected in the hypothetical illustrations generated by this tool. Results may vary with each use and over time. For more information, refer to the "Important Information about this Report and Its Methodology" section.

Sample and Sample Client

Cash Flow Summary *Continued*

Income and Expense Details Based on Poor Market Performance *Continued*

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2026	78/76	$537,634	$0	$38,397	$11,549	$5,852	$12,000	$67,798	$126,583	$11,506	$80,683	15.0%	$466,218	$0
2027	79/77	$466,218	$0	$39,280	$11,814	$5,864	$12,000	$68,958	$129,495	$8,112	$82,714	17.7%	$398,313	$0
2028	80/78	$398,313	$0	$40,184	$12,086	$5,866	$112,000	$170,135	$132,473	$4,039	$0	0.0%	$431,668	$0
2029	81/79	$431,668	$0	$41,108	$12,364	$5,849	$12,000	$71,321	$135,520	$4,047	$82,951	19.2%	$344,604	$0
2030	82/80	$344,604	$0	$42,053	$12,649	$5,857	$12,000	$72,559	$138,637	$425	$87,302	25.3%	$327,057	$0
2031	83/81	$327,057	$0	$43,020	$12,939	$5,831	$12,000	$73,791	$141,826	$0	$92,317	28.2%	$246,425	$0
2032	84/82	$246,425	$0	$44,010	$13,237	$5,900	$12,000	$75,148	$145,088	$0	$95,173	38.6%	$157,800	$0
2033	85/83	$157,800	$0	$45,022	$13,542	$5,901	$12,000	$76,465	$148,425	$0	$96,945	61.4%	$69,324	$0
2034	86/84	$69,324	$0	$46,058	$13,853	$5,894	$12,000	$77,805	$151,839	$0	$72,975	105.3%	$0	$16,219
2035	87/85	$0	$0	$47,117	$14,172	$5,922	$12,000	$79,210	$155,331	$0	$0	0.0%	$0	$77,121
2036	88/86	$0	$0	$48,201	$14,498	$5,956	$12,000	$80,654	$158,903	$0	$0	0.0%	$0	$78,899
2037	89/87	$0	$0	$49,309	$14,831	$5,902	$12,000	$82,042	$162,558	$0	$0	0.0%	$0	$81,173
2038	90/88	$0	$0	$50,443	$15,172	$5,863	$12,000	$83,478	$166,297	$0	$0	0.0%	$0	$83,472
2039	91/89	$0	$0	$51,604	$15,521	$5,938	$12,000	$85,063	$170,122	$0	$0	0.0%	$0	$85,709

Sample and Sample Client

Income and Expense Details Based on Poor Market Performance *Continued*

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2040	92/90	$0	$0	$52,791	$15,878	$5,906	$12,000	$86,575	$174,035	$0	$0	0.0%	$0	$88,109
2041	93/91	$0	$0	$54,005	$16,243	$5,914	$12,000	$88,162	$178,038	$0	$0	0.0%	$0	$90,523
2042	94/92	$0	$0	$55,247	$16,617	$5,888	$12,000	$89,751	$182,132	$0	$0	0.0%	$0	$93,032
2043	95/93	$0	$0	$56,518	$16,999	$5,936	$12,000	$91,452	$186,321	$0	$0	0.0%	$0	$95,525
2044	96/94	$0	$0	$57,817	$17,390	$5,947	$12,000	$93,154	$190,607	$0	$0	0.0%	$0	$98,109
2045	97/95	$0	$0	$59,147	$17,790	$5,972	$12,000	$94,910	$194,991	$0	$0	0.0%	$0	$100,741
2046	98/96	$0	$0	$60,508	$18,199	$5,935	$12,000	$96,642	$199,476	$0	$0	0.0%	$0	$103,493
2047	99/97	$0	$0	$61,899	$18,618	$5,972	$12,000	$98,489	$204,064	$0	$0	0.0%	$0	$106,238
2048	100/98	$0	$0	$63,323	$19,046	$5,982	$12,000	$100,351	$208,757	$0	$0	0.0%	$0	$109,068
2049	/99	$0	$0	$45,246	$19,484	$5,966	$12,000	$82,696	$213,558	$0	$0	0.0%	$0	$132,009
2050	/100	$0	$0	$46,287	$19,932	$5,982	$12,000	$84,201	$218,470	$0	$0	0.0%	$0	$136,569

The expense column does not reflect income taxes owed. "Sources of Income" values are before income taxes. "Income from Assets" values and "Withdrawal Percent" include estimates of income taxes owed. "Shortfall" only includes estimated income taxes owed if you are drawing income from assets. "Withdrawal Percent" is the result of dividing the "Withdrawal From Assets" column by the "Beginning Assets" column. Assets at end of Plan do not reflect any applicable income and/or transfer taxes. The cash flow analysis and results are based on total expenses. Essential expenses are defined by the user.

Annuity income payments are subject to the claims-paying ability of the issuing insurance company.

IMPORTANT: The projections or other information generated by the tool regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. This tool uses Monte Carlo simulation methodology to estimate potential income growth, using a minimum of 250 hypothetical market simulations. The market return data used to generate the illustration is intended to provide you with a general idea of how an asset mix similar to your portfolio (or a selected target asset mix) has performed historically. The analysis assumes a level of diversity within each asset class that may differ from that found in your portfolio. Numerous factors make the tool's calculations uncertain, such as the use of assumptions about historical returns, tax rates and inflation as well as the data you have provided. The tool uses financial data provided by third-party vendors in the simulations and the accuracy or timeliness of that data cannot be guaranteed. Taxes, fees, and/or expenses will generally reduce your actual investment returns and are not reflected in the hypothetical illustrations generated by this tool. Results may vary with each use and over time. For more information, refer to the "Important Information about this Report and Its Methodology" section.

Sample and Sample Client

Cash Flow Summary

Income and Expense Details Based on Average Market Performance

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2012	64/62	$488,706	$0	$19,507	$8,400	$6,020	$12,000	$45,927	$92,070	$0	$62,999	12.9%	$450,957	$0
2013	65/63	$450,957	$0	$19,955	$18,593	$6,072	$562,000	$606,620	$94,188	$0	$0	0.0%	$909,870	$0
2014	66/64	$909,870	$0	$29,227	$8,791	$6,057	$12,000	$56,076	$96,354	$0	$44,979	4.9%	$800,772	$0
2015	67/65	$800,772	$0	$29,900	$8,993	$6,150	$12,000	$57,043	$98,570	$0	$47,287	5.9%	$859,675	$0
2016	68/66	$859,675	$0	$30,587	$9,200	$6,187	$12,000	$57,974	$100,837	$0	$49,075	5.7%	$868,878	$0
2017	69/67	$868,878	$0	$31,291	$9,411	$6,223	$12,000	$58,925	$103,156	$0	$50,599	5.8%	$890,641	$0
2018	70/68	$890,641	$0	$32,010	$9,628	$6,283	$12,000	$59,921	$105,529	$14,627	$54,457	6.1%	$899,712	$0
2019	71/69	$899,712	$0	$32,747	$9,849	$6,307	$12,000	$60,903	$107,956	$15,541	$55,909	6.2%	$877,471	$0
2020	72/70	$877,471	$0	$33,500	$10,076	$6,333	$112,000	$161,909	$110,439	$16,287	$0	0.0%	$965,637	$0
2021	73/71	$965,637	$0	$34,270	$10,308	$6,384	$12,000	$62,962	$112,979	$17,062	$59,524	6.2%	$954,509	$0
2022	74/72	$954,509	$0	$35,059	$10,545	$6,366	$12,000	$63,969	$115,578	$18,575	$59,160	6.2%	$945,603	$0
2023	75/73	$945,603	$0	$35,865	$10,787	$6,379	$12,000	$65,031	$118,236	$19,478	$61,090	6.5%	$955,908	$0
2024	76/74	$955,908	$0	$36,690	$11,035	$6,431	$12,000	$66,156	$120,956	$20,591	$63,510	6.6%	$963,217	$0
2025	77/75	$963,217	$0	$37,534	$11,289	$6,462	$22,000	$77,285	$123,738	$21,593	$58,011	6.0%	$974,791	$0
2026	78/76	$974,791	$0	$38,397	$11,549	$6,549	$12,000	$68,495	$126,583	$23,256	$67,498	6.9%	$975,686	$0

Sample and Sample Client

Cash Flow Summary *Continued*

Income and Expense Details Based on Average Market Performance *Continued*

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2027	79/77	$975,686	$0	$39,280	$11,814	$6,602	$12,000	$69,697	$129,495	$24,315	$68,917	7.1%	$931,895	$0
2028	80/78	$931,895	$0	$40,184	$12,086	$6,603	$112,000	$170,873	$132,473	$23,295	$0	0.0%	$1,036,667	$0
2029	81/79	$1,036,667	$0	$41,108	$12,364	$6,640	$12,000	$72,112	$135,520	$25,289	$78,606	7.6%	$1,007,596	$0
2030	82/80	$1,007,596	$0	$42,053	$12,649	$6,669	$12,000	$73,371	$138,637	$24,666	$85,368	8.5%	$992,177	$0
2031	83/81	$992,177	$0	$43,020	$12,939	$6,728	$12,000	$74,688	$141,826	$23,684	$91,385	9.2%	$981,629	$0
2032	84/82	$981,629	$0	$44,010	$13,237	$6,784	$12,000	$76,031	$145,088	$20,485	$94,229	9.6%	$926,726	$0
2033	85/83	$926,726	$0	$45,022	$13,542	$6,852	$12,000	$77,415	$148,425	$16,312	$96,974	10.5%	$865,504	$0
2034	86/84	$865,504	$0	$46,058	$13,853	$6,812	$12,000	$78,723	$151,839	$11,187	$99,102	11.4%	$855,003	$0
2035	87/85	$855,003	$0	$47,117	$14,172	$6,843	$12,000	$80,132	$155,331	$5,585	$101,781	11.9%	$842,136	$0
2036	88/86	$842,136	$0	$48,201	$14,498	$6,935	$12,000	$81,633	$158,903	$0	$104,496	12.4%	$765,295	$0
2037	89/87	$765,295	$0	$49,309	$14,831	$7,021	$12,000	$83,161	$162,558	$0	$107,260	14.0%	$738,299	$0
2038	90/88	$738,299	$0	$50,443	$15,172	$7,108	$12,000	$84,724	$166,297	$0	$110,091	14.9%	$686,765	$0
2039	91/89	$686,765	$0	$51,604	$15,521	$7,152	$12,000	$86,277	$170,122	$0	$113,023	16.5%	$595,846	$0
2040	92/90	$595,846	$0	$52,791	$15,878	$7,188	$12,000	$87,857	$174,035	$0	$116,034	19.5%	$470,766	$0
2041	93/91	$470,766	$0	$54,005	$16,243	$7,226	$12,000	$89,474	$178,038	$0	$119,113	25.3%	$403,438	$0
2042	94/92	$403,438	$0	$55,247	$16,617	$7,270	$12,000	$91,133	$182,132	$0	$122,258	30.3%	$295,814	$0

Cash Flow Summary *Continued*

Income and Expense Details Based on Average Market Performance *Continued*

Year	Age(s)	Beginning Assets	Earned Income	Social Security	Pension	Annuity Income	Other	Total Income	Total Expenses	MRD	Withdrawal from Assets	Withdrawal Percent	Ending Assets	Shortfall
2043	95/93	$295,814	$0	$56,518	$16,999	$7,342	$12,000	$92,858	$186,321	$0	$125,449	42.4%	$187,864	$0
2044	96/94	$187,864	$0	$57,817	$17,390	$7,362	$12,000	$94,570	$190,607	$0	$128,765	68.5%	$70,273	$0
2045	97/95	$70,273	$0	$59,147	$17,790	$7,427	$12,000	$96,364	$194,991	$0	$71,773	102.1%	$0	$43,666
2046	98/96	$0	$0	$60,508	$18,199	$7,492	$12,000	$98,199	$199,476	$0	$0	0.0%	$0	$101,999
2047	99/97	$0	$0	$61,899	$18,618	$7,517	$12,000	$100,034	$204,064	$0	$0	0.0%	$0	$104,791
2048	100/98	$0	$0	$63,323	$19,046	$7,562	$12,000	$101,931	$208,757	$0	$0	0.0%	$0	$107,593
2049	/99	$0	$0	$45,246	$19,484	$7,544	$12,000	$84,274	$213,558	$0	$0	0.0%	$0	$130,730
2050	/100	$0	$0	$46,287	$19,932	$7,675	$12,000	$85,894	$218,470	$0	$0	0.0%	$0	$135,233

The expense column does not reflect income taxes owed. "Sources of Income" values are before income taxes. "Income from Assets" values and "Withdrawal Percent" include estimates of income taxes owed. "Shortfall" only includes estimated income taxes owed if you are drawing income from assets. "Withdrawal Percent" is the result of dividing the "Withdrawal From Assets" column by the "Beginning Assets" column. Assets at end of Plan do not reflect any applicable income and/or transfer taxes. The cash flow analysis and results are based on total expenses. Essential expenses are defined by the user.

Annuity income payments are subject to the claims-paying ability of the issuing insurance company.

Explanation of Concepts

General Terms

Total Goal at Retirement is an estimate of the assets required at retirement – in combination with other income sources to cover projected expenses throughout retirement. The projection is based on a 90% confidence level ("poor market" scenario). If a plan is successful, the value presented represents the On Track to Have assets at retirement under a "poor market" scenario.

Monthly Goal represents your planned monthly expense amount (during the initial year of retirement). Note that this value is displayed here in today's dollars although in the comprehensive analysis expenses are adjusted for inflation. See the Estimated Expense topic in "Important Information about this Report and Its Methodology" for detail on the inflation assumptions used in the analysis.

On Track to Have values are intended as comparison points to the Monthly Goal number. These values represent an estimated range of today's dollars you may be able to spend to fund monthly expenses, during the initial year of retirement, based upon plan data entered for your Income, Expenses and Assets. The Report shows a range from the 90% ("poor market") confidence dollar value to the 50% ("average market") confidence dollar value. In the comprehensive financial analysis, the 90% estimate is a lower value that was available to fund expenses in 9 out of 10 simulated market scenarios. The 50% estimate is a higher value that was available to fund expenses in 5 out of 10 simulated market scenarios.

Likelihood of Success is a percentage value intended to help you assess the viability of your hypothetical plan over your planning lifetime. The analysis calculates this value by projecting the performance of the plan from year one through the final plan year, in a series of at least 250 differing simulated market scenarios. The plan is deemed "successful" in any simulated scenario where projected income and projected assets are sufficient to fully fund projected expenses in each and every year of the plan with no shortfall. *The Likelihood of Success value is a percentage reflecting the total number of successful simulations in relation to the total number of attempted simulations.* For example, if 250 simulations were attempted and 200 simulations were successful — resulting in no shortfall throughout the life of the plan — the Likelihood of Success value would be 200/250 or 80%.

Additional Savings Needed is the estimated savings level that is projected to generate "Total Goal". "Additional Monthly Savings" are assumed to be pre-tax and made to a hypothetical tax-deferred account. "Total Goal" and "Additional Savings Needed" are estimates of after-tax values. No contribution limitations are assumed on the savings amount.

Cash Flow Summary Details

The tables in the Cash Flow Summary compare your estimated annual retirement income needs to the potential value based on historical performance analysis of your various income sources. These sources include your lifetime income (such as pensions, Social Security, and annuity income), withdrawals from assets and other income sources (e.g. part-time employment income, royalties, or rental income).

Your withdrawals from assets reflect the amount of money you may need to withdraw from your accounts to cover total expenses that are not covered by your Social Security, pensions, annuities, or other income. This amount is an after-tax figure based on the tax status information you provided (filing status, state of residency) and certain tax assumptions about the order in which you liquidate your assets used for projection purposes. Withdrawals from your investments will fluctuate based on changes in your expenses, lifetime income sources, and any other income sources you have included in your plan.

The first table compares your income and expenses based on poor market performance simulation. The second table compares your income and expenses based on average market performance simulation.

What if the markets perform poorly?
The tool graphs the results of the analysis based on how an asset allocation similar to your asset allocation performed under poor market conditions, selecting a level of market confidence where 90% of the market simulation scenarios result in equal or higher levels of assets or a longer amount of time that expenses are covered. Conversely, in only 10% of the historical market scenarios run, an asset allocation similar to

yours failed to reach the results shown. Basing your plan on a 90% market confidence can show less favorable results for some, but it comes with the advantage that in only 1 out of 10 times your plan failed to reach these results in the tested simulations.

What if the markets perform on average?
The tool graphs results of the analysis based on how an asset allocation similar to your asset allocation (or the target asset mix selected) performed in 50% of the simulated market scenarios. Under average market performance simulations, half of the scenarios resulted in equal or higher amounts of assets (or length of time covering expenses) and half resulted in fewer assets (or a shorter period of time covering expenses). Basing your plan on 50% market confidence can show favorable results for some, but it comes with the risk that in 1 out of 2 times your plan failed to reach these results in the tested simulations with a target of $0 left at the end of the plan. Please note that this calculation process may leave a small residual amount at the end of the plan, as a result of rounding and/or the way the tool estimates taxes.

Important Information about this Report and Its Methodology

Contents:

Using the Tool and Its Results

This report is provided to you by your investment professional.

This report is a summary of the results generated by a retirement analysis software Tool (the "Tool") licensed to your investment professional by Strategic Advisers, Inc. ("SAI") for your investment professional to use in conjunction with services your investment professional may provide to you. It is your investment professional's responsibility to determine (1) whether to use the Tool in connection with providing its services to you, (2) how to use the Tool to complement its services to you, and (3) how to interpret the results generated by the Tool and the appropriateness of the Tool's results for your particular situation. By licensing the Tool to your investment professional for this purpose, no relationship is created between you and SAI or any affiliate of SAI, and you must address any questions about the results generated by the Tool and summarized on this report to your investment professional. In no event will SAI or any affiliate of SAI have any obligations or liabilities to you as a result of your investment professional's decision to use the Tool in providing services to you.

The Tool and its results are designed for educational purposes only and you should not rely on them as the primary basis for your investment, financial or tax planning decisions. You and your investment professional may accept, reject or modify the results as you see fit.

The results generated by the Tool may change over time due to updates to the Tool or because of changes to your personal circumstances or market conditions. If you choose to consider the Tool's results in your investment analysis, you should ask your investment professional to re-run the Tool's analysis periodically, and at least annually.

The Tool's results depend on the accuracy of the information provided as well as any assumptions used when you and your investment professional enter information into the Tool, so you need to review and confirm with your investment professional that any results obtained are appropriate to your situation.

As with any software program, the Tool may not always operate or deliver results as intended, and SAI cannot be responsible for errors in functionality.

Summary of How the Tool Works

Following is a summary of how the Tool works, including some of the key assumptions and the analytical methodology. Certain assumptions in the Tool's calculations can be changed by your investment professional, so you should consult with your investment professional about the information and assumptions entered by your investment professional in generating this analysis. Your investment professional has a more comprehensive description of how the Tool works, and you may request a copy of this more extensive methodology (the "Tool User's Guide") from your investment professional.

In particular, the Tool User's Guide includes more detailed information on the following topics:

- Who should not use the Tool
- The asset liability modeling engine used by the Tool
- Market condition confidence levels used by the Tool
- The risk premium approach used by the Tool
- Monte Carlo simulations and related assumptions employed by the Tool
- The use of current dollars versus future dollars in the Tool
- Assets and accounts included in the Tool
- The data used by the Tool to classify financial assets
- The Tool's use of look-through analysis for financial accounts and products
- Additional tax calculations and assumptions used by the Tool
- Treatment of substantially equal periodic payments
- Treatment of annuities by the Tool
- Account skip-over assumptions used by the Tool, and
- The Tool's treatment of certain taxable income or events

If you have questions regarding the Tool's assumptions or functionality with respect to any of these topics, you should request a copy of the Tool User's Guide from your investment professional.

Objective

This Tool is an educational program developed by Strategic Advisers, Inc., a registered investment adviser. The primary objective of the Tool is to help you identify

a strategy for saving and to begin to create a plan to address the key risks you may face before and during retirement. The Tool gathers information about your situation and roughly estimates how a portfolio similar to yours may grow over time. The Tool is only as good as the information entered into it by your investment professional.

The Tool makes certain assumptions that are conservative, such as life expectancy and market performance. (See Historical Performance Analysis below). By adopting more conservative assumptions, you are more likely to build a plan that has a greater potential to succeed regardless of risks. We encourage you to talk with your investment professional regarding the assumptions made by the Tool and any questions you have around your own retirement planning situation.

Limitations of the Tool

IMPORTANT: The projections or other information generated by the Tool 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 use and over time.

The Tool should not be used as the primary basis for any investment or tax-planning decisions and all calculations and results generated by the Tool are based upon an historical performance analysis which may vary in the future. It is important to remember that the Tool is not intended to project the present value or predict the future value of actual investments or actual holdings in your portfolio (or a selected target asset mix) or actual lifetime income. All calculations and results generated by the Tool are based upon an historical performance analysis of certain asset mixes and are intended to provide you with a general idea of how a particular asset class mix similar to your portfolio (or a selected target asset mix) has performed historically. The Tool assumes a level of diversity within each asset class consistent with a specific market index, thus relatively large holdings of individual securities will result in a less accurate analysis. All calculations are purely hypothetical and will not affect your actual accounts or holdings. The historical performance analysis is intended only to be one source of information that may help you assess your retirement income needs. Remember, past performance is no guarantee of future results. Also, in many instances, the hypothetical information is based on performance of various indices; however it is not possible to invest directly in an index. Performance returns for actual investments will generally be reduced by fees and/or expenses not reflected in these hypothetical illustrations. The hypothetical illustration does reflect mortality and expense fees for variable annuities. Returns also will generally be reduced by taxes. Certain income taxes have been assumed and estimated by the Tool but the data and information provided may not reflect all taxes applicable to your specific situation.

Historical Performance Analysis

Asset Liability Modeling Engine

Your results provide a numerical and graphical display of the results from the Asset Liability Modeling engine. The Asset Liability Modeling Engine is based on historical market data that incorporates a risk premium approach through Monte Carlo simulations to consider the probabilities your portfolio might experience under various market conditions. While over very long periods of time, markets have averages, it is often the case that the market performs both above and below these averages.

The historical performance analysis is an illustration of how a mix of asset classes similar to your mix of asset classes would have fared under historical market conditions, given your stated financial goals and assumptions. It does not provide a prediction of your ability to meet your goals; rather, it provides a look at the effect of historical market conditions on your investment strategy and a rough estimate of your ability to satisfy your need for income in retirement based on that investment strategy.

Market Condition Confidence Levels

The Tool graphs results of the analysis based on how an asset allocation similar to your asset allocation (or the target asset mix selected by your investment professional) performed in a certain percentage of the simulated market scenarios. For example, we consider "Average" market performance at the 50% confidence level. This means that in 50% of the historical market scenarios run, an asset allocation similar to yours performed at least as well as the results shown.

While considerations of risk may be made at the 50% level, you should also have an understanding of how your plan supports your goals prior to and during retirement if markets do not perform as you may have anticipated or expected. It is important to know if your plan can support the levels of income you indicated if an extended downturn in the markets occurs and that necessary changes are made during your retirement. For this, the Tool also presents your plan under the "Poor" market assumption at the 90% confidence level. Under this scenario, markets perform significantly lower than historical averages but will yield a result that, using an asset allocation similar to yours, performed at least as well as the results shown in 90% of the historical market scenarios run.

Likelihood of Success

The likelihood of success is determined by running your plan through a minimum of 250 hypothetical market simulations and determining how many of the simulations

Important Information about this Report and Its Methodology *Continued*

provide you with assets until the end of your plan. Note: The projected likelihood of success figures are hypothetical in nature and many factors will change between now and the end of your plan which may result in a different outcome. Note also that the projections do not reflect the impact of any transaction costs or management and servicing fees (except variable annuities); if these had been included, the projected account balances would have been lower.

Retirement Expenses

If, according to the results, your assets are sufficient to cover your retirement expenses throughout your planning horizon, the Tool presents an increased spending amount. If you and your investment professional choose to increase your monthly spending, then the assets at the end of your plan will decrease approximately to zero. If, according to the results, your assets are not sufficient to cover your retirement expenses throughout your planning horizon, the Tool presents a decreased spending amount and also anticipates that the assets at the end of your plan will be approximately zero.

Historical Performance Analysis Limitations

Historical performance analysis figures do not represent the actual or hypothetical performance of your actual holdings and exclude lifetime income amounts. In addition, if you hold an investment for which asset allocation or underlying holdings information is not available, this investment would be classified by the Tool as "unknown." If you hold an investment that cannot be classified as a stock, bond, or short-term investment, that investment is classified by the Tool as "other." Non-financial assets manually entered into the Tool (such as a home or an art collection) are also classified as "other."

For purposes of analysis in the Tool, total assets classified as "unknown" or "other" are normalized to reflect your current asset allocation and are then included in the stock, bond, or short-term categories based on your current asset allocation percentages. However, these assets may or may not actually perform according to this allocation. If your holdings are non-diversified within an asset class (such as a single security like company stock), the historical performance analysis performed by the Tool may not be applicable to your holdings.

Monte Carlo Simulations

Monte Carlo simulations are a mathematical method used to estimate the likelihood of a particular outcome based on historical market performance analysis. For the purposes of the Monte Carlo simulation, the Tool randomly generates a series of hundreds of returns for a given scenario.

Together, these scenarios provide a probability that a certain (or greater) amount of assets/income occurs at that level.

Assumptions in Monte Carlo

Random variables, representing asset class returns, are drawn from a specific statistical distribution. The time increment used in the Monte Carlo simulations is one year. Annual randomly generated returns are required to simulate the mean, standard deviation, distribution and correlated behavior of observed historical asset class returns of stock, bond and cash (short-term).

Volatility of the stocks (domestic and foreign), bonds, and short-term asset classes is based on the historical annual data from 1926 through the most recent year-end data available from Ibbotson Associates, Inc. Stocks (domestic and foreign), bonds, and short-term are represented by S&P 500®*, U.S. Intermediate Term Government Bonds, and 30-day U.S. Treasury bill, respectively.

Annual returns assume the reinvestment of interest and dividends, no transaction costs, and no management or servicing fees, with the exception of the mortality and expense fees applied to variable annuities and the rebalancing of the portfolio every year. The calculation does not include annual returns of individual portfolio securities or any securities your client holds, so the Tool's analysis is performed on asset classes, not individual securities. All investments within an asset class are treated the same for historical performance purposes. It is not possible to invest directly in an index. All indices include reinvestment of dividends and interest income.

* The S&P 500® Index, an unmanaged market capitalization-weighted index of common stocks, is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. For additional information regarding Monte Carlo Simulations, you should ask your investment professional for a copy of the Tool User's Guide.

Dollar Values: Future vs. Current

Future dollars and current dollars (also known as "today's dollars") are different ways of viewing values over time. Future dollar values illustrate how a current expense would grow over time, taking into account the effects of projected inflation. Current dollars represent the inverse, which is the cost of a future dollar value at the current point in time. Note that the Tool always uses your stated retirement date, or the current year if you are already retired, as the date for which this valuation is made on your expected retirement expenses. When calculating a value in current dollars, the Tool removes the effects of

projected inflation over time to determine the value in current terms. If you state a payment as occurring today or in the current year, there is no inflationary impact and the values will be the same.

Assets Included in the Tool

The Tool allows for the manual entry of accounts in a generic format or in a more detailed manner. In addition, the Tool may automatically import information regarding certain of your accounts if those accounts are located at an affiliate of SAI. Please contact your investment professional for further information on the Tool's treatment of individual account types and the potential impact to your individual situation. In addition, the Tool makes certain assumptions about the future growth and treatment of accounts as your life situation changes. You should contact your investment professional should you have any questions about the assumptions made by the Tool, particularly with respect to assets held in defined benefit pension plans and annuities. Additional information about the classification of these types of assets, and the assumptions made with respect to any type of account, is also available in the Tool User's Guide, which is available from your investment professional.

Defined Benefit Pension Plans

Any lump-sum values associated with defined benefit pension plans will be treated as having been rolled into an IRA for purposes of calculating your retirement income in this Tool. Your target asset mix, if selected by your investment professional, or your current asset allocation, if applicable, will be applied to this hypothetical IRA, which may result in changes in represented value between lifetime income and investment income shown. Please consult your tax advisor if you have any questions regarding the taxability of your pension benefit.

Detailed Non-Financial Assets and Income from Financial Events

The Tool allows for the entry of non-financial assets, such as art collections, as well as for certain financial events, such as the sale of a home or a business. Your advisor and you are responsible for determining and/or estimating any basis, cost, expenses, proceeds, market value or other values related to these non-financial assets and income from financial events. The Tool will assume that these items increase in value with the Tool's general inflation rate or the rate chosen by your advisor in the detailed entry screens of the Tool. The Tool assumes that the net proceeds (entered by your advisor or calculated by the Tool based on data entered) from an inheritance, the sale of a home, business or stock options, a lump-sum distribution of assets in tax-deferred accounts (except from a pension as described above) and/or from taking all or a portion of the cash surrender value of a life insurance policy will be invested in a hypothetical taxable account to help cover retirement expenses.

Asset Allocation of Certain Proceeds and/or Income Assumed to be invested in a Hypothetical Taxable Account

Whenever the Tool assumes proceeds or income are invested in a hypothetical taxable account, such account is assumed to have an asset allocation which is the same as the target asset mix selected by your investment professional, or, if none was selected, an asset allocation mix based on current holdings in all the accounts used in the Tool.

Margin Balances

Margin balances are not considered in the Tool. To the extent you have a margin debit, the exclusion of margin may result in a determination of market risk which is less than your actual market risk. The exclusion of margin may also result in a determination of actual and projected hypothetical net worth which is greater than would be calculated if margin were included.

Tax Calculations and Assumptions

The Tool estimates federal, state, and local individual income taxes on, among other things, investment earnings, distributions from tax-free and tax-deferred retirement plans, Social Security, and any earned income or salary. These estimates should not be used for tax planning or tax reporting purposes. Any tax estimates and tax information provided are not, and should not be, construed as legal or tax advice. Consult your tax advisor regarding questions specific to your tax situation. Additional information regarding the specific calculations and assumptions applicable to a given account type is available from your investment professional, and is also available from the Tool User's Guide, a copy of which can be obtained from your investment professional.

Taxable Account Assumptions

For federal, state, and local income tax purposes, the Tool makes certain assumptions in calculation of the estimated income tax liability associated with brokerage

Important Information about this Report and Its Methodology *Continued*

and mutual fund accounts that generate current taxable income (i.e., accounts that are not tax-advantaged retirement or health saving accounts). These assumptions include the effective tax rates, the tax liability generated by trading within the account, and the character of income generated by the account (e.g., capital gain, interest, qualified dividend). These assumptions do not apply to accounts held within a tax-advantaged plan such as a 401(k).

Please note that UGMA/UTMA accounts may only be used for the benefit of the minor, so they should not be assigned to meet goals unrelated to the minor. If the minor is age 18 or older, you should discuss with your investment professional whether the taxes estimated by the Tool may be overstated.

For checking and savings accounts, the Tool assumes all income is interest income and taxes it annually at ordinary income tax rates.

Tax Related Assumptions

For account contributions, the Tool applies IRS annual employer contribution, compensation and employee elective deferral limits, including applicable age 50 or older "catch-up contributions" based on the type of account, and these will be included in the Tool's calculations. The Tool does not consider the opportunity to double contributions during the last 3 years of service for 457(b) plan accounts or 15+ years of service contributions to 403(b) plan accounts. Contribution limits are inflation-adjusted in accordance with specific rules outlined by the Internal Revenue Code assuming the Tool's default inflation rate.

Contributions are assumed to continue until you reach retirement. The Tool will perform a reconciliation of income and expenses, investing any excess income into a hypothetical taxable account which will match the overall asset mix of your other accounts or a selected target asset mix that you have chosen. Prior to retirement, all non-earned income (Other Pre-retirement Income) is invested into a hypothetical account to be used toward meeting retirement expenses. This hypothetical taxable account will not appear as an individually listed account but will be part of the totals used. For distribution hierarchy, this hypothetical account is considered a taxable account.

Distributions / Withdrawals from Defined Contribution Plans, IRAs and Annuities

Distributions from tax-free retirement and education savings accounts (including Roth IRAs, Roth 401(k)/403(b) sources in a Workplace Savings Plan, Coverdell

Education Savings Accounts, and 529 Plan Accounts) are assumed to have met all the requirements for tax-free distributions, and therefore, are assumed to be tax-free at both the federal and state levels.

Certain tax-advantaged accounts, including tax-free accounts, entered by your investment professional under the "Approximate" method provided by the Tool are all assumed to be tax-deferred, and the Tool assumes distributions from them are fully taxable as ordinary income. After-tax income from tax-free accounts entered under the "Approximate" method may, therefore, be underestimated by the Tool. Note also that if tax deferred accounts contain large percentages of non-deductible or after-tax contributions, the tax analysis performed by the Tool may not be as meaningful as it would otherwise be. To the extent distributions from these accounts constitute after-tax or non-deductible contributions, the Tool will understate your after-tax income.

For tax-deferred accounts and annuities that may hold both pre-tax and after-tax (deductible and non-deductible) contributions, the Tool assumes the balances in such accounts at the beginning of your planning period consist of all pre-tax assets. The Tool will assume that any amount distributed from the IRA is taxable as ordinary income. This assumption is also true if the amount distributed from the IRA is then used to purchase a deferred annuity.

For all other plans and accounts, the Tool assumes a 10% penalty unless the distribution is taken after you turn age 59½. You may want to consult a tax advisor to learn more about withdrawal requirements associated with these accounts.

The Tool assumes that after age 70½ you (and your spouse) will be required to withdraw the IRS minimum required distribution (*MRD*) annually from your Traditional IRA, Rollover IRA, SEP-IRA, SIMPLE-IRA, Keogh, and employer-sponsored savings plan accounts (e.g., 401(k), 401(a), 403(b), and 457(b) plans), even though some plan types or circumstances may allow you to defer such MRDs until a later date. The tool does not reflect the suspension of MRDs in 2009 allowed under the Worker, Retiree, and Employer Recovery Act of 2008. For Roth 401(k)/403(b) sources, the Tool assumes these monies are rolled over to a Roth IRA, and therefore, are not subject to the MRD rules.

Taxation of Annuities

For tax-deferred annuities that may hold both pre-tax and after-tax (deductible and non-deductible) contributions, the Tool assumes the balances in such accounts at the

Important Information about this Report and Its Methodology *Continued*

beginning of your planning period consist of all pre-tax assets. If your investment professional indicated that you intend to contribute after-tax (non-deductible) contributions to such accounts in the future, the Tool will not tax such projected future after-tax contributions when they are distributed. The portion of any annuity distribution considered taxable by the Tool is taxed at ordinary income tax rates.

Some states charge a state tax premium either on the purchase amount of a non-qualified deferred annuity or on its value at the time it is annuitized (i.e. converted to an income annuity). This Tool does not take those premium taxes into account.

For partial withdrawals from tax-deferred annuities that have not been annuitized, the Tool assumes such withdrawals are taken first from earnings and then from your after-tax investment in the contract (if any was assumed by the Tool). For payments from an income annuity, the Tool assumes a portion of each withdrawal is a return of your after-tax investment in the contract (if any was assumed by the Tool) and a portion is taxable income. Once all your investment in the contract is returned you, the Tool assumes all payments are taxable income.

Substantially Equal Periodic Payments

For substantially equal periodic payments taken from an IRA or qualified retirement plan in accordance with IRS guidelines, the Tool assumes that such distributions are subject to any applicable income taxes based on the type of tax-advantaged account from which they are taken, and are not subject to the 10% early withdrawal penalty.

Defined Benefit Pension Plan and Non-Qualified Deferred Compensation Plan Assumptions

For federal, state, and local income tax purposes, the Tool uses the following assumptions for qualified defined benefit pension plans and non-qualified deferred compensation plans:

- Non lump-sum pension payments are assumed to be fully taxable upon distribution.

- Employment tax (FICA tax) imposed on non-qualified deferred compensation plan payments is not reflected even though it normally applies to payments from a non-qualified deferred compensation plan. As a result, if you are receiving or are set to receive payments from a non-qualified plan, the Tool will overstate net amounts available to you to apply towards your retirement expenses.

- Any lump sum values reflected will be treated as having been rolled over from a qualified plan to an IRA for purposes of calculating your retirement income in this Tool notwithstanding that the lump sum may come from a non-qualified pension plan. Payments from non-qualified plans cannot be rolled over to a tax-deferred account.

- Imposition of minimum required distribution (MRD) rules is not reflected. MRD rules normally apply for assets held in qualified plans and IRAs upon attainment of age 70 1/2.

- Other pension payment amounts are based upon information entered by your investment professional about the annual benefit you expect to receive. You may want to contact your employer for a personalized pension projection. Be sure that the benefits amount reflects the provisions of any Qualified Domestic Relations Order that provides benefits to alternate payees.

- Estimates of future pension benefits are not adjusted for the Tool's inflation rate. However pension benefit amounts may include a salary growth rate. This growth rate should have been provided by your investment professional when using the Tool. If applicable, the salary growth rate may be applied to the remaining years of service with an assumed retirement date of 65. Any lump-sum values reflected will be treated as an account in the Assets section for purposes of calculating your retirement income in this Tool. This may account for any changes in represented value between lifetime income and investment income shown.

Order of Withdrawals

For retirement expenses, the Tool assumes withdrawals from accounts in the following order: Taxable Accounts, Non-Qualified Deferred Compensation Plan, Traditional IRAs and lump-sum Defined Benefit Pension Plan Payments, SIMPLE-IRAs, SIMPLE 401(k) Plans, SAR-SEP IRAs, SEP-IRAs, Fidelity Retirement Plans, other retirement accounts entered by an investment professional, Tax-Deferred Annuities, Employer Stock Ownership Plans, 401(a) Qualified Plans (other than 401(k) plans), 457(b) Plans, 403(b) Plans (non-Roth Source balances), 401(k) Plans (non-Roth Source balances), Money Purchase Plans, Roth source in a 401(k), Roth source in a 403(b), Roth IRAs. For additional information on the order of withdrawals, please consult your investment professional or the Tool User's Guide.

Important Information about this Report and Its Methodology *Continued*

Salary Growth Rate

The Tool defaults to a salary growth rate that equals the Tool's inflation rate plus 1.5%. The salary growth rate amount is derived from data from the Department of Labor and the US Census Bureau.

Other Taxable Income or Events

Social Security Benefits: The Tool will estimate the portion of your Social Security benefit that is reduced and/or taxable as ordinary income at the federal level according to IRS guidelines. This income, after estimated taxes are subtracted, is assumed to be invested in a hypothetical taxable account and made available to pay retirement expenses. This Tool assumes that Social Security benefits are not taxed at the state or local level.

Part-time Earnings & Other Additional Earned Income: The Tool assumes all such income is taxed at ordinary income tax rates in the year it is earned. This income, after estimated taxes are subtracted, is assumed to be invested in a hypothetical taxable account and made available to pay retirement expenses.

Distributions of the Cash Value of Life Insurance: The Tool assumes that any distribution of the cash value of an insurance policy is taxable as ordinary income, although any increase in the cash value of a life insurance policy would be tax-deferred while it remained within the life insurance investment. The Tool does not take into account loans that were taken against the cash value of a life insurance policy. The net proceeds are assumed to be invested in a hypothetical taxable account and made available to pay retirement expenses.

Sale of Home: If entered by your investment professional as a detailed account/asset within the asset section of the Tool, this Tool assumes that you met all the other requirements for the capital gain tax home exclusion which allows you to exclude the following amounts of net long-term capital gain from taxable income on your federal tax return: $250,000 if single (or $500,000 if married, filing jointly), as adjusted yearly for inflation. All other gain on the sale of your home is assumed by the Tool to be long-term capital gain taxable in the year of the sale. If a home sale is entered by your investment professional as an income source within the income section of the Tool or as a one-time financial event within the asset section of the Tool, the Tool assumes no home tax exclusion and taxes all the proceeds at the long-term capital gain rate in the year of the sale. The Tool assumes the net proceeds of such a home sale are invested in a hypothetical taxable account and made available to pay retirement expenses.

Sale of Other Real Property: The Tool assumes you sold the property for cash, that all the proceeds are taxable as ordinary income and that the net proceeds are invested in a hypothetical taxable account and made available to pay retirement expenses.

For additional information on other taxable income or events covered by the Tool, please request a copy of the Tool User's Guide from your investment professional.

Federal Income Tax Calculations

Estimated federal income taxes are automatically calculated for you by the Tool based on the information provided by your investment professional and hypothetical account activity in each simulation. An estimate of taxable income is calculated for a given year and is then taxed based on federal income tax rates and certain other items, such as those listed below, projected to then be in effect at that time. The Tool assumes that most of the tax rates, tax credits and other limits currently scheduled to expire December 31, 2010 will be extended by legislation to the end of your plan. If such items sunset as scheduled, this assumption may result in understated estimated tax liabilities, and therefore, overstated after-tax income available for future expenses. For a more explicit discussion of the Tool's use of federal income tax calculations, please request a copy of the Tool User's Guide from your investment professional.

State and Local Income Calculations

The Tool is updated annually with the tax rates for each state. If you and your advisor enter a local income tax rate, local taxes are estimated based on state taxable income as estimated by the Tool. If no local income tax rate is entered, the Tool assumes that there is no local income tax.

Other Tax Assumptions

For federal, state, and local income tax purposes, the Tool uses the following other assumptions:

• Tax brackets, standard deduction amounts and personal exemption amounts are indexed each year for inflation, using the Tool's assumed inflation rate.

Important Information about this Report and Its Methodology *Continued*

- Potential applicability of alternative minimum tax (AMT) rules is not reflected.

- Potential applicability of transfer (estate, gift, and generation-skipping transfer) tax rules is not reflected.

- Assets remaining at the end of the plan have not been reduced by applicable federal and/or state transfer or inheritance taxes that may be due at death or upon transfer.

- Assets remaining at the end of the plan have not been reduced by applicable income taxes that may be due at a later date.

- Future earnings on assets held at the end of the plan are reduced by applicable income taxes.

- Social Security benefits are not taxed at the state level.

- No taxes imposed by jurisdictions outside the United States. For this purpose, territories and possessions of the United States are considered to be outside the United States.

Social Security and Estimated Expenses

Social Security Benefits

The Social Security retirement benefit estimated by the Tool is based on your date of birth, your most recent earned income amount, and the retirement age you enter (the Supplemental Security Income program (SSI) retirement benefits commencement age may be no earlier than age 62 and no later than age 70).

For more information about the rules regarding Social Security payments, see the Social Security Administration Web site at: www.ssa.gov. Please consult your tax advisor if you have any questions regarding the taxability of Social Security income. Also, you should consult you investment professional for additional details regarding the material tax assumptions related to Social Security income and how the Tool calculates estimated income taxes on Social Security income.

Estimate of Monthly Expense

To estimate your expenses when the budget worksheet is not used, the Tool defaults to 85% of your last working year's salary. The Tool takes your current income (which includes salary, commission, and bonus, as applicable) and grows it at a rate of 1.5% over inflation from now until retirement. If your investment professional indicates a different salary growth rate from the default, the 1.5% inflation does not apply. The value at retirement is multiplied by 85% and taxes are subtracted (based on details outlined in Tax Calculations and Assumptions). This value is then reverted to today's dollars and divided by 12 to get the monthly value of estimated expenses at retirement.