# **Retirement Planning Options**

For: Tom and Amy Sexton



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## **Table of Contents**

Comparison of Strategy 1 vs. Strategy 2	Page 1
Analysis of the Current Plan (Strategy 1)	Page 6
Analysis of Adding IUL and a Roth Conversion (Strategy 2)	Page 24

**Comparison of Strategy 1 vs. Strategy 2** 

### Comparison of Alternatives





### Comparison of Alternatives





## Comparison of Strategy 1 vs. Strategy 2

### Summary Analysis of Alternatives



Cumulative Spendable Cash Flow by Ages 90/90

### Comparison of Alternatives

		Spendable Cash Flow		Net Worth*		Wealth to Heirs	
Year	M/F Ages	Strategy 1 Current Plan	Strategy 2 Current Plan + IUL + Roth Conversion	Strategy 1 Current Plan	Strategy 2 Current Plan + IUL + Roth Conversion	Strategy 1 Current Plan	Strategy 2 Current Plan + IUL + Roth Conversion
	60/60		50.000	2 206 220	2 212 741	4 975 220	2 562 940
2	64/64	0	50,000	2,290,220	2,213,741	1,975,220	2,502,040
2	62/62	0	50,000	2,403,905	2,272,013	2,060,435	2,590,520
3	62/62	0	50,000	2,510,440	2,330,000	2,150,927	2,039,920
4	03/03 64/64	0	50,000	2,040,230	2,413,277	2,240,999	2,007,409
6	65/65	0	50,000	2,709,730	2,490,042	2,540,970	2,741,020
7	66/66	0	0	2,907,400	2,590,405	2,457,105	2,054,457
0	67/67	0	0	3,053,750	2,097,104	2,572,021	2,9/0,409
0	69/69	0	0	3,209,322	2,012,400	2,093,000	3,100,432
9 10	60/60	0	0	2 550 450	2,930,903	2,023,143	3,250,955
10	09/09	U	U	3,550,450	3,071,493	2,900,304	3,404,793
11	70/70	161 270	205 849	3 655 346	3 170 867	3 0/6 936	3 476 701
12	70/70	166 108	205,049	3 763 392	3 269 446	3 136 960	3 552 191
13	72/72	171 091	212,024	3 874 532	3 372 010	3 230 432	3 630 367
14	73/73	176 224	210,000	3 988 689	3,372,010	3 327 405	3 711 322
15	74/74	181 511	224,557	4 105 765	3 590 067	3 427 921	3 795 150
16	75/75	186 956	231,005	4,105,705	3,350,007	3 532 023	3 881 957
17	76/76	192 565	230,033	4 348 173	3 826 980	3 639 734	3 971 849
18	77/77	192,000	253 169	4,040,173	3 953 296	3 751 029	4 064 940
10	79/79	204 202	255,105	4,475,505	4 085 402	3,751,023	4,004,340
20	70/70	204,292	268 586	4,000,725	4,005,402	3 984 466	4,101,333
20	13/13	210,421	200,500	4,730,344	4,223,030	3,304,400	4,201,213
21	80/80	216 733	276 643	4 861 924	4 369 197	4 106 513	4 401 296
22	81/81	223 235	284 943	4 995 197	4 521 042	4 232 063	4 555 375
23	82/82	229,932	293 491	5 129 852	4 679 433	4 361 050	4 716 132
24	83/83	236 830	302 296	5 265 535	4 844 642	4 493 384	4 883 848
25	84/84	243 935	311 365	5 401 853	5 016 929	4 628 955	5 058 785
26	85/85	251 253	320 706	5 538 654	5 196 521	4 767 531	5 241 173
27	86/86	258,791	330,327	5,675,540	5,383,808	4,908,956	5,431,412
28	87/87	266 555	340 237	5 812 086	5 579 076	5 053 054	5 629 792
29	88/88	274 551	350 444	5,947 825	5,782 592	5,199,610	5,836,583
30	89/89	282 788	360 958	6 082 257	5 994 624	5 348 383	6 052 056
	00/00	202,100	000,000	0,002,201	0,004,024	0,040,000	0,002,000
31	90/90	291,272	371,787	6,215,313	6,215,346	5,498,949	6,276,381

4,624,655 6,153,025

\*After spendable cash flow.

Analysis of the Current Plan (Strategy 1)

### **Client Information Summary**

### **Current Assets**

<u>Liquid Assets:</u>	Liquid Assets (Taxable Interest) Liquid Assets (Tax Exempt Interest) Equity Assets Tax Deferred Assets Retirement Plan Assets	\$	415,000 240,000 0 1,000,000	
		Total Liquid Assets		1,655,000
Illiquid Assets:	Principal Residence Coin Collection Personal Property		300,000 140,000 100,000	
		Total Illiquid Assets		540,000
Other Assets:	Total Other Asse	ts Inside the Estate		0
	Total Other Assets	Total Estate Assets Outside the Estate		\$2,195,000 0

### **Funding Options for Required Cash Flow**

 
 Retirement Plan Assets:
 Minimum Distribution, Unless More Is Needed

 Cash Flow Funding:
 Sequential Use of Liquid Assets --Tax Exempt, Taxable, Retirement Plan Assets

#### **Assumptions Used**

Income Tax Rates:	Pre-Retirement	30.00%
	Retirement	20.00%
Life Expectancy:	Joint	31 Years
	Tom Sexton	Age 90
	Amy Sexton	Age 90
Taxable Account:		Taxable
	Yield Assumption	4.00%
Tax Exempt Account	<u>.t:</u>	Tax Exempt
	Yield Assumption	3.00%
Retirement Plan As	<u>sets Tom Sexton:</u>	
	Defined Contr. Yield Assumption	7.00%

The information in this presentation is not guaranteed; it is for illustration purposes only. Tax rates, interest and inflation rates, and IRS tax codes may, and probably will, change in the future; therefore, you should consult your tax adviser for additional information about potential taxes and IRS revisions.

### Analysis of After Tax Cash Flow Requirements

Below is a list of your liquid assets. It is suggested that you withdraw funds to meet your after tax cash flow requirements from each liquid asset in the order presented. The Cash Flow graph (below, right) illustrates whether your liquid assets are sufficient to provide the required cash flow.

#### Withdrawal Order





As you can see in the Cash Flow graph above, your liquid assets are sufficient to provide withdrawals to meet your required after tax cash flow in all years illustrated. The graph below shows your remaining total Net Worth.



<u>Net Worth</u> (After Providing Required Cash Flow)

\*As needed, but no less than required minimum distributions.

### Cash Flow Analysis

	Annua	al Cash Flow Required	Annual Cash Flow Provided					
		(1)	(2)	(3) After Tax	(4) After Tax Cash Flow	(5)	(6)	
		After Tax	E	Cash Flow	from	D. J. J. J. J. J.	Total	
		Spendable Cook Flow	Expected	Trom Detirement	Taxable &	Reinvested	Atter Tax	
Year	IVI/F Ages	Required*	Cash Flow	Plan Assets	Accounts	Cash Flow	Provided*	
		rioquirou			nooodiito			
1	60/60	0	0	0	0	0	0	
2	61/61	0	0	0	0	0	0	
3	62/62	0	0	0	0	0	0	
4	63/63	0	0	0	0	0	0	
5	64/64	0	0	0	0	0	0	
6	65/65	0	0	0	0	0	0	
7	66/66	0	0	0	0	0	0	
8	6//6/	0	0	U	0	0	0	
9	68/68	0	0	0	0	0	0	
10	69/69	0	U	U	U	0	0	
11	70/70	161,270	96,739	57,435	7,096	0	161,270	
12	71/71	166,108	99,641	61,224	5,243	0	166,108	
13	72/72	171,091	102,631	65,254	3,206	0	171,091	
14	73/73	176,224	105,709	69,538	977	0	176,224	
15	74/74	181,511	108,881	74,094	0	1,464	181,511	
16	75/75	186,956	112,147	78,934	0	4,125	186,956	
17	76/76	192,565	115,512	84,075	0	7,022	192,565	
18	77/77	198,342	118,977	89,112	0	9,747	198,342	
19	78/78	204,292	122,546	94,880	0	13,134	204,292	
20	79/79	210,421	126,223	100,480	0	16,282	210,421	
21	80/80	216 733	130 009	106 364	0	19 640	216 733	
22	81/81	223 235	133 910	112 538	0	23 213	223 235	
23	82/82	229 932	137 927	119,000	Ő	27 002	229 932	
24	83/83	236 830	142 065	125 775	Ő	31 010	236 830	
25	84/84	243 935	146 327	132 843	Ő	35 235	243 935	
26	85/85	251 253	150 716	139 261	0	38 724	251 253	
27	86/86	258,791	155 238	145 839	0	42 286	258 791	
28	87/87	266.555	159,895	152,554	0	45.894	266,555	
29	88/88	274,551	164,692	159.377	0	49.518	274.551	
30	89/89	282.788	169.633	166.270	0	53,115	282.788	
	30.00	,		,				
31	90/90	291,272	174,722	171,666	0	55,116	291,272	

	·				
4,624,655	2,774,140	2,306,520	16,522	472,527	4,624,655

\*IMPORTANT NOTE: For this plan to be financially sound, column (6) must be sufficient to provide the values in column (1).

Column (1): assumes 3.00% inflation.

Column (2): see "Expected Cash Flow".

Column (3): see "Summary of Retirement Plan Assets".

Columns (4) and (5): see detail reports for Taxable and Tax Exempt Accounts.

## Spendable Cash Flow Required

		(1) After Tax Cash Flow for	(2) After Tax Spendable
	M/F	Living	Cash Flow
Voar		Evnoneoe	Poquirod
	Ages	Lypenses	Required
1	60/60	0	0
2	61/61	0	0
3	62/62	0	0
4	63/63	0	0
5	64/64	0	0
6	65/65	0	0
7	66/66	0	0
8	67/67	Ö	0
9	68/68	0	0
10	69/69	0	0
11	70/70	161,270	161,270
12	71/71	166,108	166,108
13	72/72	171.091	171.091
14	73/73	176.224	176,224
15	74/74	181,511	181,511
16	75/75	186,956	186,956
17	76/76	192,565	192,565
18	77/77	198,342	198,342
19	78/78	204,292	204,292
20	79/79	210.421	210,421
		-,	- ,
21	80/80	216,733	216,733
22	81/81	223,235	223,235
23	82/82	229,932	229,932
24	83/83	236.830	236.830
25	84/84	243,935	243,935
26	85/85	251,253	251,253
27	86/86	258,791	258,791
28	87/87	266,555	266,555
29	88/88	274,551	274,551
30	89/89	282,788	282,788
			,
31	90/90	291 272	291 272

4,624,655

4,624,655

For: Tom Sexton & Amy Sexton

Column (1) assumes 3.00% inflation.

## Expected Cash Flow

Cook Flour	
	otal
from Exp	pected
M/F Social Aft	er Tax
Year Ages Security* Cas	h Flow
1 60/60 0	0
2 61/61 0	0
3 62/62 0	0
4 63/63 0	0
5 64/64 0	0
6 65/65 0	0
7 66/66 0	0
8 67/67 0	0
9 68/68 0	0
10 69/69 0	0
11 70/70 96,739	96,739
12 71/71 99,641	99,641
13 72/72 102,631	102,631
14 73/73 105,709	105,709
15 74/74 108,881	108,881
16 75/75 112,147	112,147
17 76/76 115,512	115,512
18 77/77 118,977	118,977
19 78/78 122,546	122,546
20 79/79 126,223	126,223
21 80/80 130,009	130,009
22 81/81 133,910	133,910
23 82/82 137,927	137,927
24 83/83 142,065	142,065
25 84/84 146,327	146,327
26 85/85 150,716	150,716
27 86/86 155,238	155,238
28 87/87 159,895	159,895
29 88/88 164,692	164,692
30 89/89 169,633	169,633
31 90/90 174,722	174,72 <u>2</u>

2,774,140

2,774,140

Column (1) assumes 3.00% inflation.

\*The above calculations are based upon client furnished data. These results may be based on incomplete information. For precise estimates, call the Social Security Administration at 1-800-772-1213 or go to http://socialsecurity.gov/estimator/.

## Sources of Cash Flow 31 Year Analysis



Values in excess of cash flow required are assumed to be reinvested. See Column (5) on the "Cash Flow Analysis" page and the "Reinvested Cash Flow" graph.

## Reinvested Cash Flow 31 Year Analysis



\*This graph reflects excess cash flow available for reinvestment. See the individual asset reports for reinvestment details.

### Details of Defined Contribution Plan Assets for Tom Sexton

Retire	ment Plan	Retireme	nt Plan R	etirement Plan			
Α	ssets	Asse	ets	Assets	Pre-Retirement		Retirement
Initia	al Value	Cost B	asis	Yield	Income Ta	ax Rate	Income Tax Rate
1,0	00,000	0		7.00%	30.00	%	20.00%
		(4)	(0)	(2)			(0)
		(1)	(2)	(3)	(4)	(5)	(6)
					I Otal Distributions		
				Distribution	Distributions		Anter Tax
		Devinuina	Description	Distribution	Trom	Mana Final	Cash Flow
	B.8./-	Beginning	Requirea	Trom	Retirement	Year End	Trom
<b>X</b>		of Year	Ninimum	Retirement	Plan Assets	Retirement	Retirement
Year	Ages	Plan Assets	Distribution	Plan Assets	(0)+(1)	Plan Assets	Plan Assets
1	60/60	1,000,000	0	0	0	1,070,000	) 0
2	61/61	1,070,000	0	0	0	1,144,900	) 0
3	62/62	1,144,900	0	0	0	1,225,043	<b>0</b>
4	63/63	1,225,043	0	0	0	1,310,796	i 0
5	64/64	1,310,796	0	0	0	1,402,552	2 0
6	65/65	1,402,552	0	0	0	1,500,731	0
7	66/66	1,500,731	0	0	0	1,605,782	2 0
8	67/67	1,605,782	0	0	0	1,718,187	· 0
9	68/68	1,718,187	0	0	0	1,838,460	) 0
10	69/69	1,838,460	0	0	0	1,967,152	2 0
11	70/70	1,967,152	71,794	71,794	71,794	2,028,033	57,435
12	71/71	2,028,033	76,530	76,530	76,530	2,088,108	61,224
13	72/72	2,088,108	81,567	81,567	81,567	2,146,999	65,254
14	73/73	2,146,999	86,923	86,923	86,923	2,204,281	69,538
15	74/74	2,204,281	92,617	92,617	92,617	2,259,480	74,094
16	75/75	2,259,480	98,667	98,667	98,667	2,312,070	78,934
17	76/76	2,312,070	105,094	105,094	105,094	2,361,464	84,075
18	77/77	2,361,464	111,390	111,390	111,390	2,407,579	89,112
19	78/78	2,407,579	118,600	118,600	118,600	2,449,208	94,880
20	79/79	2,449,208	125,600	125,600	125,600	2,486,261	100,480
21	80/80	2,486,261	132,955	132,955	132,955	2,518,037	106,364
22	81/81	2,518,037	140,672	140,672	140,672	2,543,781	112,538
23	82/82	2,543,781	148,759	148,759	148,759	2,562,674	119,007
24	83/83	2,562,674	157,219	157,219	157,219	2,573,837	125,775
25	84/84	2,573,837	166,054	166,054	166,054	2,576,328	132,843
26	85/85	2,576,328	174,076	174,076	174,076	2,570,410	139,261
27	86/86	2,570,410	182,299	182,299	182,299	2,555,279	145,839
28	87/87	2,555,279	190,692	190,692	190,692	2,530,108	152,554
29	88/88	2,530,108	199,221	199,221	199,221	2,494,049	159,377
30	89/89	2,494,049	207,837	207,837	207,837	2,446,247	166,270
31	90/90	2 446 247	214 583	214 583	214 583	2 387 880	171 666
	00/00	2,110,211	214,000	214,000	214,000	2,001,000	

2,883,149 2,883,149 2,883,149

2,306,520

Column (1) includes only deductible contributions.

Column (2) projects an estimate of the required minimum distribution based on the Uniform Lifetime table life expectancy factors, recalculated each year based on asset value and client age.

## Details of Taxable Account\*

		Taxable Assets	Taxable	Pre-Retirer	ment	Retirement	
		Initial Value	Yield	Income Tax	Rate Inc	ome Tax Rate	
		415,000	4.00%	30.00%	, 0	20.00%	
		(1)	(2)	(3)	(4)	(5)	(6)
		Beginning		Net			Year End
		of Year	Reinvested	After Tax	Balance in	After Tax	After Tax
	M/F	Balance +	Excess	Account _	Account +	Interest =	Value of
Year	Ages	in Account	Cash Flow**	Withdrawal	to Accrue	Earned	Account
1	60/60	415 000			415 000	11 620	426 620
2	61/61	476,600	0	0	426 620	11 945	420,020
2	62/62	420,020	0	0	420,020	12 280	450,845
1	63/63	450,805	0	0	450,505	12,200	450,045
5	64/64	450,045	0	0	450,045	12,024	405,405
6	65/65	405,405	0	0	405,405	13 340	470,440
7	66/66	489 786	0	0	489 786	13 714	503 500
8	67/67	503 500	0	0	503 500	14 098	517 598
q	68/68	517 598	0	0	517 598	14,000	532 091
10	69/69	532 001	0	0	532 091	14,455	5/6 990
10	03/03	552,051	U	U	552,051	14,033	540,330
11	70/70	546 990	0	0	546 990	17 504	564 494
12	71/71	564 494	0	0	564 494	18 064	582 558
13	72/72	582 558	0	0	582 558	18 642	601 200
14	73/73	601 200	Ő	0	601 200	19 238	620 438
15	74/74	620 438	1 464	0	621 902	19 901	641 803
16	75/75	641 803	4 125	Ő	645 928	20 670	666 598
17	76/76	666 598	7 022	0	673 620	21 556	695 176
18	77/77	695 176	9 747	Ő	704 923	22 558	727 481
19	78/78	727,481	13,134	0	740.615	23,700	764.315
20	79/79	764.315	16,282	0	780,597	24,979	805.576
_•		,	,	•	,	,• . •	
21	80/80	805,576	19,640	0	825,216	26,407	851,623
22	81/81	851,623	23,213	0	874,836	27,995	902,831
23	82/82	902,831	27,002	0	929,833	29,755	959,588
24	83/83	959,588	31,010	0	990,598	31,699	1.022.297
25	84/84	1,022,297	35,235	0	1,057,532	33,841	1,091,373
26	85/85	1,091,373	38,724	0	1,130,097	36,163	1,166,260
27	86/86	1,166,260	42,286	0	1,208,546	38,673	1,247,219
28	87/87	1,247,219	45,894	0	1,293,113	41,380	1,334,493
29	88/88	1,334,493	49,518	0	1,384,011	44,288	1,428,299
30	89/89	1,428,299	53,115	0	1,481,414	47,405	1,528,819
31	90/90	1,528,819	55,116	0	1,583,935	50,686	1,634,621

472,527

747,094

\*Assumes yield is subject to income tax.

\*\*See attached "Cash Flow Analysis" for details.

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## Details of Tax Exempt Account\*

		Тах	Exempt Assets	Tax Exem	pt	
			Initial Value	Yield		
			240,000	3.00%		
		(1)	(2)	(3)	(4)	(5)
		Beginning				
		of Year	Tax Exempt	Balance in	Tax Exempt	Year End
	M/F	Balance -	Account	Account +	Interest =	Value of
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account
1	60/60	240.000	0	240.000	7.200	247.200
2	61/61	247.200	0	247.200	7,416	254,616
3	62/62	254.616	0	254.616	7,638	262,254
4	63/63	262.254	0	262.254	7,868	270,122
5	64/64	270,122	0	270,122	8,104	278,226
6	65/65	278.226	0	278.226	8,347	286,573
7	66/66	286,573	0	286,573	8,597	295,170
8	67/67	295,170	0	295,170	8.855	304.025
9	68/68	304,025	0	304,025	9,121	313,146
10	69/69	313,146	0	313,146	9,394	322,540
					,	
11	70/70	322,540	7,096	315,444	9,463	324,907
12	71/71	324.907	5.243	319,664	9,590	329,254
13	72/72	329,254	3,206	326,048	9,781	335,829
14	73/73	335,829	977	334,852	10,046	344,898
15	74/74	344,898	0	344,898	10,347	355,245
16	75/75	355,245	0	355,245	10,657	365,902
17	76/76	365,902	0	365,902	10,977	376,879
18	77/77	376,879	0	376,879	11,306	388,185
19	78/78	388,185	0	388,185	11,646	399,831
20	79/79	399,831	0	399,831	11,995	411,826
21	80/80	411,826	0	411,826	12,355	424,181
22	81/81	424,181	0	424,181	12,725	436,906
23	82/82	436,906	0	436,906	13,107	450,013
24	83/83	450,013	0	450,013	13,500	463,513
25	84/84	463,513	0	463,513	13,905	477,418
26	85/85	477,418	0	477,418	14,323	491,741
27	86/86	491,741	0	491,741	14,752	506,493
28	87/87	506,493	0	506,493	15,195	521,688
29	88/88	521,688	0	521,688	15,651	537,339
30	89/89	537,339	0	537,339	16,120	553,459
31	90/90	553.459	0	553,459	16.604	570.063

16,522

346,585

\*Assumes yield is not subject to income tax.

## Summary of Illiquid Assets

		(1) Principal	(2) Coin	(3) Personal	(4)
		Residence	Collection	Property	Total
	M/F	(3.00%	(6.00%	(-5.00% _	Illiquid
Year	Ages	Growth)	Growth)	Growth)	Assets
1	60/60	309,000	148,400	95,000	552,400
2	61/61	318,270	157,304	90,250	565,824
3	62/62	327,818	166,742	85,738	580,298
4	63/63	337,653	176,747	81,451	595,851
5	64/64	347,782	187,352	77,378	612,512
6	65/65	358,216	198,593	73,509	630,318
7	66/66	368,962	210,508	69,834	649,304
8	67/67	380,031	223,139	66,342	669,512
9	68/68	391,432	236,527	63,025	690,984
10	69/69	403,175	250,719	59,874	713,768
11	70/70	415.270	265.762	56.880	737.912
12	71/71	427,728	281,708	54.036	763,472
13	72/72	440,560	298,610	51.334	790,504
14	73/73	453,777	316,527	48,768	819.072
15	74/74	467.390	335,518	46.329	849,237
16	75/75	481,412	355.649	44.013	881.074
17	76/76	495.854	376,988	41.812	914.654
18	77/77	510,730	399,607	39,721	950,058
19	78/78	526.052	423,584	37.735	987.371
20	79/79	541,833	448,999	35,849	1,026,681
21	80/80	558,088	475,939	34,056	1,068,083
22	81/81	574,831	504,495	32,353	1,111,679
23	82/82	592,076	534,765	30,736	1,157,577
24	83/83	609,838	566,851	29,199	1,205,888
25	84/84	628,133	600,862	27,739	1,256,734
26	85/85	646,977	636,914	26,352	1,310,243
27	86/86	666,387	675,128	25,034	1,366,549
28	87/87	686,378	715,636	23,783	1,425,797
29	88/88	706,970	758,574	22,594	1,488,138
30	89/89	728,179	804,089	21,464	1,553,732
24	00/00	750.024	952 224	20.204	4 622 740
- 3 -		/50.024	052.334	20.391	1.622./49

## Hypothetical Net Worth (After Providing Required Cash Flow)

		(1) Year End Value of		(2) Year End Value of		(3) Year End Value of		(4) Year End Value of		(5) Year End
Voar	M/F	Illiquid Assots	+	Retirement	+	l axable	+	Tax Exempt	=	Hypothetical
i cai		ASSELS		Fian Assets		Assels		Assels		
1	60/60	552,400		1,070,000		426,620		247,200		2,296,220
2	61/61	565,824		1,144,900		438,565		254,616		2,403,905
3	62/62	580,298		1,225,043		450,845		262,254		2,518,440
4	63/63	595,851		1,310,796		463,469		270,122		2,640,238
5	64/64	612,512		1,402,552		476,446		278,226		2,769,736
6	65/65	630,318		1,500,731		489,786		286,573		2,907,408
7	66/66	649,304		1,605,782		503,500		295,170		3,053,756
8	67/67	669,512		1,718,187		517,598		304,025		3,209,322
9	68/68	690,984		1,838,460		532,091		313,146		3,374,681
10	69/69	713,768		1,967,152		546,990		322,540		3,550,450
						-				
11	70/70	737,912		2,028,033		564,494		324,907		3,655,346
12	71/71	763,472		2,088,108		582,558		329,254		3,763,392
13	72/72	790,504		2,146,999		601,200		335,829		3,874,532
14	73/73	819,072		2,204,281		620,438		344,898		3,988,689
15	74/74	849,237		2,259,480		641,803		355,245		4,105,765
16	75/75	881,074		2,312,070		666,598		365,902		4,225,644
17	76/76	914,654		2,361,464		695,176		376,879		4,348,173
18	77/77	950,058		2,407,579		727,481		388,185		4,473,303
19	78/78	987,371		2,449,208		764,315		399,831		4,600,725
20	79/79	1,026,681		2,486,261		805,576		411,826		4,730,344
						-		87		
21	80/80	1,068,083		2,518,037		851,623		424,181		4,861,924
22	81/81	1,111,679		2,543,781		902,831		436,906		4,995,197
23	82/82	1,157,577		2,562,674		959,588		450,013		5,129,852
24	83/83	1,205,888		2,573,837		1,022,297		463,513		5,265,535
25	84/84	1,256,734		2,576,328		1,091,373		477,418		5,401,853
26	85/85	1,310,243		2,570,410		1,166,260		491,741		5,538,654
27	86/86	1,366,549		2,555,279		1,247,219		506,493		5,675,540
28	87/87	1,425,797		2,530,108		1,334,493		521,688		5,812,086
29	88/88	1,488,138		2,494,049		1,428,299		537,339		5,947,825
30	89/89	1,553,732		2,446,247		1,528,819		553,459		6,082,257
31	90/90	1 622 749		2 387 890		1 63/ 624		570.062		6 215 342
31	30/30	1,022,749		2,307,000		1,034,021		370,003		0,213,313

## Hypothetical Net Worth (After Providing Required Cash Flow) 31 Year Analysis



## Wealth Transfer Summary (After Providing Required Cash Flow)

		(1)		(2)		(3)		(4)		(5)
Year	M/F Ages	Total Estate Assets*	-	Total Transfer Taxes**	=	Net Estate to Heirs	+	Year End Total Assets Outside the Estate	=	Year End Wealth Transferred to Heirs
1	60/60	2,296,220		321,000		1,975,220		0		1,975,220
2	61/61	2,403,905		343,470		2,060,435		0		2,060,435
3	62/62	2,518,440		367,513		2,150,927		0		2,150,927
4	63/63	2,640,238		393,239		2,246,999		0		2,246,999
5	64/64	2,769,736		420,766		2,348,970		0		2,348,970
6	65/65	2,907,408		450,219		2,457,189		0		2,457,189
7	66/66	3,053,756		481,735		2,572,021		0		2,572,021
8	67/67	3,209,322		515,456		2,693,866		0		2,693,866
9	68/68	3,374,681		551,538		2,823,143		0		2,823,143
10	69/69	3,550,450		590,146		2,960,304		0		2,960,304
11	70/70	3,655,346		608,410		3,046,936		0		3,046,936
12	71/71	3,763,392		626,432		3,136,960		0		3,136,960
13	72/72	3,874,532		644,100		3,230,432		0		3,230,432
14	73/73	3,988,689		661,284		3,327,405		0		3,327,405
15	74/74	4,105,765		677,844		3,427,921		0		3,427,921
16	75/75	4,225,644		693,621		3,532,023		0		3,532,023
17	76/76	4,348,173		708,439		3,639,734		0		3,639,734
18	77/77	4,473,303		722,274		3,751,029		0		3,751,029
19	78/78	4,600,725		734,762		3,865,963		0		3,865,963
20	79/79	4,730,344		745,878		3,984,466		0		3,984,466
21	80/80	4,861,924		755,411		4,106,513		0		4,106,513
22	81/81	4,995,197		763,134		4,232,063		0		4,232,063
23	82/82	5,129,852		768,802		4,361,050		0		4,361,050
24	83/83	5,265,535		772,151		4,493,384		0		4,493,384
25	84/84	5,401,853		772,898		4,628,955		0		4,628,955
26	85/85	5,538,654		771,123		4,767,531		0		4,767,531
27	86/86	5,675,540		766,584		4,908,956		0		4,908,956
28	87/87	5,812,086		759,032		5,053,054		0		5,053,054
29	88/88	5,947,825		748,215		5,199,610		0		5,199,610
30	89/89	6,082,257		733,874		5,348,383		0		5,348,383
31	90/90	6,215,313		716,364		5,498,949		0		5,498,949

Summary at Life Expectancy (Year 31)

Total Estate Assets	\$ 6,215,313
Wealth Transferred to Heirs	\$ 5,498,949

\*Net of cash flow provided \*\*See Transfer Tax Details report for details.

### Transfer Tax Details

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
						Remaining		Income Tax	
						Available		on	Total
				Total		Unified	Federal	Retirement	Transfer
	M/F	Liquid +	llliquid <sub>=</sub>	Estate	Taxable	Credit	Estate	Plan	Taxes
Year	Ages	Assets	Assets	Assets	Estate	Equivalent	Тах	Assets	(6)+(7)
1	60/60	1,743,820	552,400	2,296,220	2,296,220	10,900,000	0	321,000	321,000
2	61/61	1,838,081	565,824	2,403,905	2,403,905	10,900,000	0	343,470	343,470
3	62/62	1,938,142	580,298	2,518,440	2,518,440	10,900,000	0	367,513	367,513
4	63/63	2,044,387	595,851	2,640,238	2,640,238	10,900,000	0	393,239	393,239
5	64/64	2,157,224	612,512	2,769,736	2,769,736	10,900,000	0	420,766	420,766
6	65/65	2,277,090	630,318	2,907,408	2,907,408	10,900,000	0	450,219	450,219
7	66/66	2,404,452	649,304	3,053,756	3,053,756	10,900,000	0	481,735	481,735
8	67/67	2,539,810	669,512	3,209,322	3,209,322	10,900,000	0	515,456	515,456
9	68/68	2,683,697	690,984	3,374,681	3,374,681	10,900,000	0	551,538	551,538
10	69/69	2,836,682	713,768	3,550,450	3,550,450	10,900,000	0	590,146	590,146
11	70/70	2.917.434	737.912	3.655.346	3.655.346	10.900.000	0	608.410	608.410
12	71/71	2.999.920	763.472	3.763.392	3.763.392	10.900.000	0	626.432	626,432
13	72/72	3.084.028	790.504	3.874.532	3.874.532	10.900.000	0	644,100	644,100
14	73/73	3,169,617	819,072	3,988,689	3,988,689	10,900,000	0	661,284	661,284
15	74/74	3,256,528	849,237	4,105,765	4,105,765	10,900,000	0	677,844	677,844
16	75/75	3,344,570	881,074	4,225,644	4,225,644	10,900,000	0	693,621	693,621
17	76/76	3,433,519	914,654	4,348,173	4,348,173	10,900,000	0	708,439	708,439
18	77/77	3,523,245	950,058	4,473,303	4,473,303	10,900,000	0	722,274	722,274
19	78/78	3,613,354	987,371	4,600,725	4,600,725	10,900,000	0	734,762	734,762
20	79/79	3,703,663	1,026,681	4,730,344	4,730,344	10,900,000	0	745,878	745,878
24	00/00	2 702 044	1 069 092	4 964 024	4 964 024	10 000 000	0	766 444	TEE 444
21	00/00	3,793,041	1,000,003	4,001,924	4,001,924	10,900,000	0	753,411	753,411
22	01/01	2 072 275	1,111,079	4,555,157	4,555,157	10,900,000	0	760 000	760,134
23	02/02	3,972,275	1,157,577	5,129,032	5,129,052	10,900,000	0	700,002	772 151
24	03/03	4,059,047	1,205,000	5,205,555	5,205,535	10,900,000	0	772,131	772,131
20	04/04	4,140,119	1,230,734	5,401,055	5,401,055	10,900,000	0	774 402	774 402
20	20/00	4,220,411	1 366 540	5,530,054	5,530,054	10,900,000	0	766 694	766 694
28	87/87	4,300,331	1 /25 707	5,812,096	5,075,040	10,500,000	0	750,004	759.022
20	88/88	4,300,209	1 / 1 / 1 / 1 / 1 / 1 / 1	5 947 825	5 947 825	10,500,000	0	7/8 245	7/8 245
29	90/90	4,403,007	1,400,130	6 092 257	5,347,023 6 092 257	10,500,000	0	722 974	722 974
30	03/03	4,320,325	1,000,732	0,002,257	0,002,257	10,900,000	U	133,014	1 33,874
31	90/90	4,592,564	1,622,749	6,215,313	6,215,313	10,900,000	0	716,364	716,364

Column (1) includes taxable assets, tax exempt assets, and retirement plan assets. Column (2) is net of any liabilities.

This report does not take into account the impact of the state death tax. Check with your legal and tax advisers for the precise calculation of your state's death tax on your current and future circumstances.

Column (6) assumes half the amount shown in column (5) is transferred to a credit shelter trust by the first spouse to die.

## Summary of Transfer Taxation of Retirement Plan Assets

		Plan Assets	Plan Assets	Plan As	sets	Heirs'	
		Initial Value	Cost Basis	Yield	l Inco	me Tax Rate	
		1,000,000	0	7.00%	6	30.00%	
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
		Plan	Estate Tax	Income Tax	<b>Total Taxes</b>	After Tax	
		Assets	on	on	Attributed to	Plan	Percent
	M/F	in	Plan +	Plan =	Plan	Assets	Loss Due
Year	Ages	Estate	Assets	Assets**	Assets	(1) - (4)	to Tax
1	60/60	1 070 000		321 000	321 000	749.000	30%
2	61/61	1 1 1 4 900	0	343 470	342 470	801 430	30%
2	62/62	1,144,500	0	343,470	343,470	857 530	30%
1	63/63	1 310 796	0	307,010	307,313	917 557	30%
5	64/64	1,010,750	0	420 766	420 766	091 796	30%
6	65/65	1,402,552	0	420,700	420,700	1 050 512	30%
7	66/66	1,500,731	0	430,219	450,219	1,050,512	30%
0	67/67	1,005,702	0	401,735	401,735	1,124,047	30%
0	0//0/	1,/10,10/	0	515,450	515,450	1,202,731	30%
9	00/00	1,030,400	0	551,536	551,530	1,200,922	30%
10	69/69	1,967,152	U	590,146	590,146	1,377,006	30%
11	70/70	2,028,033	0	608,410	608,410	1,419,623	30%
12	71/71	2,088,108	0	626,432	626,432	1,461,676	30%
13	72/72	2,146,999	0	644,100	644,100	1,502,899	30%
14	73/73	2,204,281	0	661,284	661,284	1,542,997	30%
15	74/74	2,259,480	0	677,844	677,844	1,581,636	30%
16	75/75	2,312,070	0	693,621	693,621	1,618,449	30%
17	76/76	2,361,464	0	708,439	708,439	1,653,025	30%
18	77/77	2,407,579	0	722,274	722,274	1,685,305	30%
19	78/78	2,449,208	0	734,762	734,762	1,714,446	30%
20	79/79	2,486,261	0	745,878	745,878	1,740,383	30%
21	80/80	2,518,037	0	755,411	755,411	1,762,626	30%
22	81/81	2,543,781	0	763,134	763,134	1,780,647	30%
23	82/82	2,562,674	0	768,802	768,802	1,793,872	30%
24	83/83	2,573,837	0	772,151	772,151	1,801,686	30%
25	84/84	2,576,328	0	772,898	772,898	1,803,430	30%
26	85/85	2,570,410	0	771,123	771,123	1,799,287	30%
27	86/86	2,555,279	0	766,584	766,584	1,788,695	30%
28	87/87	2,530,108	0	759.032	759.032	1,771,076	30%
29	88/88	2,494.049	0	748.215	748.215	1,745.834	30%
30	89/89	2.446.247	Ō	733.874	733,874	1,712,373	30%
••		_, , _ 11		,		.,,	
31	90/90	2,387,880	0	716,364	716,364	1,671,516	30%

### Supplemental Report

### **Important Note**

This material is for educational purposes only. In all cases, the approval of a client's legal and tax advisers must be secured regarding the implementation or modification of any planning technique as well as the applicability and consequences of new cases, rulings, or legislation upon existing or impending plans.

Analysis of Adding IUL and a Roth Conversion (Strategy 2)

### **Client Information Summary**

### **Current Assets**

<u>Liquid Assets:</u>	Liquid Assets (Taxable Interest) Liquid Assets (Tax Exempt Interest) Equity Assets Tax Deferred Assets Retirement Plan Assets	\$	415,000 240,000 0 1,000,000	
	Тс	- otal Liquid Assets		1,655,000
<u>Illiquid Assets:</u>	Principal Residence Coin Collection Personal Property		300,000 140,000 100,000	
	То	- tal Illiquid Assets		540,000
<u>Other Assets:</u>	Inside the Estate Proposed Life Insurance Death Ber Proposed Current cash value: \$	nefit 10,058	637,444	
	Total Other Assets		637,444	
	To Total Other Assets O	tal Estate Assets outside the Estate		\$2,832,444 0

### Funding Options for Required Cash Flow

Retirement Plan Assets:<br/>Cash Flow Funding:Minimum Distribution, Unless More Is NeededSequential Use of Liquid Assets --<br/>Tax Exempt Bonds, Taxable, Retirement Plan Assets, Roth Assets

The information in this presentation is not guaranteed; it is for illustration purposes only. Tax rates, interest and inflation rates, and IRS tax codes may, and probably will, change in the future; therefore, you should consult your tax adviser for additional information about potential taxes and IRS revisions.

## **Client Information Summary**

### **Assumptions Used**

Pre-Retirement	30.00%
Retirement	20.00%
Joint	31 Years
Tom Sexton	Age 90
Amy Sexton	Age 90
	Taxable
Yield Assumption	4.00%
nt:	Tax Exempt Bonds
Yield Assumption	3.00%
sets Tom Sexton:	
Defined Contr. Yield Assumption	7.00%
Roth Defined Contr. Yield Assumption	7.00%
	Pre-Retirement Retirement Joint Tom Sexton Amy Sexton Yield Assumption <u>sets Tom Sexton:</u> Defined Contr. Yield Assumption Roth Defined Contr. Yield Assumption

### Analysis of After Tax Cash Flow Requirements

Below is a list of your liquid assets. It is suggested that you withdraw funds to meet your after tax cash flow requirements from each liquid asset in the order presented. The Cash Flow graph (below, right) illustrates whether your liquid assets are sufficient to provide the required cash flow.

**Annual Cash Flow** 

#### Withdrawal Order



As you can see in the Cash Flow graph above, your liquid assets are sufficient to provide withdrawals to meet your required after tax cash flow in all years illustrated. The graph below shows your remaining total Net Worth.



<u>Net Worth</u> (After Providing Required Cash Flow)

\*As needed, but no less than required minimum distributions.

### **Cash Flow Analysis**

	Annua	I Cash Flow Required	Annual Cash Flow Provided								
		(1)	(2)	(3) After Tax	(4) After Tax Cash Flow	(5)					
		After Tax		Cash Flow	from	Total					
		Spendable	Expected	from	Taxable &	After Tax					
	M/F	Cash Flow	After Tax	+ Retirement +	Tax Exempt =	Cash Flow					
Year	Ages	Required*	Cash Flow	Plan Assets	Accounts	Provided*					
1	60/60	89,919	0	0	89,919	89,919					
2	61/61	89,919	0	0	89,919	89,919					
3	62/62	89,919	0	0	89,919	89,919					
4	63/63	89,919	0	0	89,919	89,919					
5	64/64	89,919	0	0	89,919	89,919					
6	65/65	39,919	0	0	39,919	39,919					
7	66/66	39,919	0	0	39,919	39,919					
8	67/67	39,919	0	0	39,919	39,919					
9	68/68	39,919	0	0	39,919	39,919					
10	69/69	39,920	0	0	39,920	39,920					
11	70/70	205,849	147,007	0	58,842	205,849					
12	71/71	212,024	150,504	33,050	28,470	212,024					
13	72/72	218,385	154,106	64,279	0	218,385					
14	73/73	224,937	157,815	67,122	0	224,937					
15	74/74	231,685	161,636	70,049	0	231,685					
16	75/75	238,635	165,571	73,064	0	238,635					
17	76/76	245,795	169,625	76,170	0	245,795					
18	77/77	253,169	173,800	79,369	0	253,169					
19	78/78	260,763	178,100	82,663	0	260,763					
20	79/79	268,586	182,530	86,056	0	268,586					
21	80/80	276,643	187,092	89,551	0	276,643					
22	81/81	284,943	191,791	93,152	0	284,943					
23	82/82	293,491	196,631	96,860	0	293,491					
24	83/83	302,296	201,616	100,680	0	302,296					
25	84/84	311,365	206,751	104,614	0	311,365					
26	85/85	320,706	212,040	108,666	0	320,706					
27	86/86	330,327	217,488	112,839	0	330,327					
28	87/87	340,237	223,099	117,138	0	340,237					
29	88/88	350,444	228,878	121,566	0	350,444					
30	89/89	360,958	234,831	126,127	0	360,958					
31	90/90	371,787	240,962	130,825	0	371,787					

6,552,216

\*IMPORTANT NOTE: For this plan to be financially sound, column (5) must be sufficient to provide the values in column (1).

Column (1): see "Spendable Cash Flow Required".

Column (2): see "Expected Cash Flow".

Column (3): see "Summary of Retirement Plan Assets".

Column (4): see detail reports for Taxable and Tax Exempt Accounts.

## Spendable Cash Flow Required

		(1) After Tax Cash Flow for	(2) After Tax Cash Flow for Additional	(3) After Tax Cash Flow for Roth	(4) Proposed	(5) After Tax Spendable
Year	M/F Ages	Living + Expenses	Spendable + Cash	Conversion + Tax	Life Insurance = Premiums	Cash Flow Required
1	60/60	0	0	39 919	50 000	89 919
2	61/61	0	0	39,919	50,000	89,919
3	62/62	0	Ő	39,919	50,000	89,919
4	63/63	0	0	39,919	50.000	89.919
5	64/64	0	0	39,919	50,000	89,919
6	65/65	0	0	39,919	0	39.919
7	66/66	0	0	39,919	0	39,919
8	67/67	0	0	39,919	0	39.919
9	68/68	0	0	39,919	0	39,919
10	69/69	0	0	39.920	0	39.920
				,		
11	70/70	161,270	44,579	0	0	205,849
12	71/71	166,108	45,916	0	0	212,024
13	72/72	171,091	47,294	0	0	218,385
14	73/73	176,224	48,713	0	0	224,937
15	74/74	181,511	50,174	0	0	231,685
16	75/75	186,956	51,679	0	0	238,635
17	76/76	192,565	53,230	0	0	245,795
18	77/77	198,342	54,827	0	0	253,169
19	78/78	204,292	56,471	0	0	260,763
20	79/79	210,421	58,165	0	0	268,586
		-				-
21	80/80	216,733	59,910	0	0	276,643
22	81/81	223,235	61,708	0	0	284,943
23	82/82	229,932	63,559	0	0	293,491
24	83/83	236,830	65,466	0	0	302,296
25	84/84	243,935	67,430	0	0	311,365
26	85/85	251,253	69,453	0	0	320,706
27	86/86	258,791	71,536	0	0	330,327
28	87/87	266,555	73,682	0	0	340,237
29	88/88	274,551	75,893	0	0	350,444
30	89/89	282,788	78,170	0	0	360,958
21	90/90	201 272	90 515	0	0	271 797

4,624,655

1,278,370 399,191

6,552,216

250,000

Column (1) assumes 3.00% inflation.

### Expected Cash Flow

		(1)		(2)		(3)		(4)
		After Tax		After Tax				
		Cash Flow		Cash Flow		Duamagad		I otal
		from				Proposed		Expected
V		Social	+	WORK Atter	+	Life insurance	=	Aπer Tax
rear	Ages	Security"		Retirement		Loans		Cash Flow
1	60/60	0		0		0		0
2	61/61	0		0		0		0
3	62/62	0		0		0		0
4	63/63	0		0		0		0
5	64/64	0		0		0		0
6	65/65	0		0		0		0
7	66/66	0		0		0		0
8	67/67	0		0		0		0
9	68/68	0		0		0		0
10	69/69	0		0		0		0
11	70/70	116,552		0		30,455		147,007
12	71/71	120,049		0		30,455		150,504
13	72/72	123,651		0		30,455		154,106
14	73/73	127,360		0		30,455		157,815
15	74/74	131,181		0		30,455		161,636
16	75/75	135,116		0		30,455		165,571
17	76/76	139,170		0		30,455		169,625
18	77/77	143,345		0		30,455		173,800
19	78/78	147,645		0		30,455		178,100
20	79/79	152,075		0		30,455		182,530
•	00/00	450.007		•		00 455		407.000
21	80/80	156,637		0		30,455		187,092
22	81/81	161,336		0		30,455		191,791
23	82/82	166,176		0		30,455		196,631
24	83/83	171,161		0		30,455		201,616
25	84/84	176,296		0		30,455		206,751
26	85/85	181,585		0		30,455		212,040
27	86/86	187,033		0		30,455		217,488
28	87/87	192,644		0		30,455		223,099
29	88/88	198,423		0		30,455		228,878
30	89/89	204,376		0		30,455		234,831
31	90/90	210,507		0		30,4 <u>55</u>		240,9 <u>62</u>

Column (1) assumes 3.00% inflation.

\*The above calculations are based upon client furnished data. These results may be based on incomplete information. For precise estimates, call the Social Security Administration at 1-800-772-1213 or go to http://socialsecurity.gov/estimator/.

## Sources of Cash Flow 31 Year Analysis



### Details of Defined Contribution Plan Assets for Tom Sexton

Presented By: [Licensed user's name appears here]

Retirem Ase Initial 1,00	nent Pl sets I Value 0,000	an	Retirement Plan Assets Cost Basis 0	Retireme Asse Yiel 7.00	nt Plan ets d %	Pre-Retirement Income Tax Rate 30.00%	Retirement Income Tax Rate 20.00%
	Year	M/F Ages	(1) Beginning of Year Plan Assets	(2) Required Minimum Distribution	(3) Distribution from Retirement Plan Assets for Roth Conversion	(4) S Year End Retirement Plan Assets	(5) After Tax Cash Flow from Retirement Plan Assets
	1	60/60	1,000,000	0	133,063	3 927,623	0
	2	61/61	927,623	0	133,06	3 850,179	0
	3	62/62	850,179	0	133,063	3 767,314	0
	4	63/63	767,314	0	133,063	678,649	0
	5	64/64	678,649	0	133,063	3 583,777	0
	6	65/65	583,777	0	133,063	482,264	0
	7	66/66	482,264	0	133,063	3 373,645	0
	8	67/67	373,645	0	133,063	3 257,423	0
	9	68/68	257,423	0	133,063	3 📗 133,065	0
	10	69/69	133,065	0	133,06	50	0
	11	70/70	0	0		0 0	0
	12	71/71	0	0		0 0	0
	13	72/72	0	0		0 0	0
	14	73/73	0	0		0 0	0
	15	74/74	0	0		0 0	0
	16	75/75	0	0	(	0 0	0
	17	76/76	0	0	(	0 0	0
	18	77/77	0	0		0 0	0
	19	78/78	0	0		0 0	0
	20	79/79	0	0		0 0	0
	21	80/80	0	0		0 0	0
	22	81/81	0	0		0 0	0
	23	82/82	0	0		0 0	0
	24	83/83	0	0	(	0 0	0
	25	84/84	0	0		0 0	0
	26	85/85	0	0		0	0
	27	86/86	0	0		0 0	0
	28	87/87	0	0		0	0
	29	88/88	0	0		0 0	0
	30	89/89	0	0		0 0	0
	31	90/90	0	0		0	0

0 1,330,632

0

Column (1) includes only deductible contributions.

Column (2) projects an estimate of the required minimum distribution based on the Uniform Lifetime table life expectancy factors, recalculated each year based on asset value and client age.

## Details of Roth Defined Contribution Assets for Tom Sexton

			0	7.00%		
		(1)	(2)	(3)	(4)	(5)
		(1)	(2) Conversions	(3)	(4)	(J) After Tax
		Beginning	from	Distribution		Cash Flow
		of Voor	Botiromont	from	Voor End	from
Voar		Poth Assots	Plan Accote	Both Accote	Poth Accote	Poth Accote
Tear	Ayes	Kolli Assels		Roun Assels	Rolli Assels	Roun Assets
1	60/60	0	133,063	0	142,377	0
2	61/61	142,377	133,063	0	294,721	0
3	62/62	294,721	133,063	0	457,729	0
4	63/63	457,729	133,063	0	632,147	0
5	64/64	632,147	133,063	0	818,775	0
6	65/65	818,775	133,063	0	1,018,467	0
7	66/66	1,018,467	133,063	0	1,232,137	0
8	67/67	1,232,137	133,063	0	1,460,764	0
9	68/68	1,460,764	133,063	0	1,705,395	0
10	69/69	1,705,395	133,065	0	1,967,152	0
11	70/70	1,967,152	0	0	2,104,853	0
12	71/71	2,104,853	0	33,050	2,216,829	33,050
13	72/72	2,216,829	0	64,279	2,303,229	64,279
14	73/73	2,303,229	0	67,122	2,392,634	67,122
15	74/74	2,392,634	0	70,049	2,485,166	70,049
16	75/75	2,485,166	0	73,064	2,580,949	73,064
17	76/76	2,580,949	0	76,170	2,680,114	76,170
18	77/77	2,680,114	0	79,369	2,782,797	79,369
19	78/78	2,782,797	0	82,663	2,889,143	82,663
20	79/79	2,889,143	0	86,056	2,999,303	86,056
21	80/80	2,999,303	0	89,551	3,113,435	89,551
22	81/81	3,113,435	0	93,152	3,231,703	93,152
23	82/82	3,231,703	0	96,860	3,354,282	96,860
24	83/83	3,354,282	0	100,680	3,481,354	100,680
25	84/84	3,481,354	0	104,614	3,613,112	104,614
26	85/85	3,613,112	0	108,666	3,749,757	108,666
27	86/86	3,749,757	0	112,839	3,891,502	112,839
28	87/87	3,891,502	0	117,138	4,038,569	117,138
29	88/88	4,038,569	0	121,566	4,191,193	121,566
30	89/89	4,191,193	0	126,127	4,349,621	126,127
31	90/90	4,349,621	0	130,825	4,514,112	130,825

**Roth Assets** 

Initial Value

**Roth Assets** 

Yield

1,833,840

1,833,840

### **Details of Taxable Account\***

	Taxable Assets Initial Value 415,000		TaxablePre-RetirementYieldIncome Tax Rate4.00%30.00%		Retirement Income Tax Rate 20.00%	
		(1) Beginning of Year	(2) Net After Tax	(3) Balance in	(4) After Tax	(5) Year End After Tax
	M/F	Balance	Account	_ Account _	Interest	Value of
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account
1	60/60	415.000	39.919	375.081	10.502	385.583
2	61/61	385,583	39,919	345,664	9,679	355,343
3	62/62	355,343	39,919	315,424	8,832	324,256
4	63/63	324,256	39,919	284,337	7,961	292,298
5	64/64	292,298	39,919	252,379	7,067	259,446
6	65/65	259,446	39,919	219,527	6,147	225,674
7	66/66	225,674	39,919	185,755	5,201	190,956
8	67/67	190,956	39,919	151,037	4,229	155,266
9	68/68	155,266	39,919	115,347	3,230	118,577
10	69/69	118,577	39,920	78,657	2,202	80,859
11	70/70	80,859	53,272	27,587	883	28,470
12	71/71	28,470	28,470	0	0	0
13	72/72	0	0	0	0	0
14	73/73	0	0	0	0	0
15	74/74	0	0	0	0	0
16	75/75	0	0	0	0	0
17	76/76	0	0	0	0	0
18	77/77	0	0	0	0	0
19	78/78	0	0	0	0	0
20	79/79	0	0	0	0	0
21	80/80	0	0	0	0	0
22	81/81	0	0	0	0	0
23	82/82	0	0	0	0	0
24	83/83	0	0	0	0	0
25	84/84	0	0	0	0	0
26	85/85	0	0	0	0	0
27	86/86	0	0	0	0	0
28	87/87	0	0	0	0	0
29	88/88	0	0	0	0	0
30	89/89	0	0	0	0	0
31	90/90	0	0	0	0	0

480,933

65,933

\*Assumes yield is subject to income tax.
## Details of Tax Exempt Account\* (Tax Exempt Bonds)

		Тах	Exempt Assets	Tax Exem Yield	pt	
			240.000	3.00%		
			,	010070		
		(1) Beginning	(2)	(3)	(4)	(5)
		of Year	Tax Exempt	Balance in	Tax Exempt	Year End
	M/F	Balance	Account	Account +	Interest	Value of
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account
1	60/60	240.000	50.000	190.000	5.700	195.700
2	61/61	195,700	50.000	145.700	4.371	150.071
3	62/62	150.071	50.000	100.071	3.002	103.073
4	63/63	103.073	50,000	53.073	1,592	54,665
5	64/64	54.665	50.000	4.665	140	4,805
6	65/65	4.805	0	4.805	144	4,949
7	66/66	4,949	Ó	4.949	148	5.097
8	67/67	5.097	0	5.097	153	5,250
9	68/68	5,250	0	5,250	158	5,408
10	69/69	5,408	0	5,408	162	5,570
		,				
11	70/70	5,570	5,570	0	0	0
12	71/71	0	, 0	0	0	0
13	72/72	0	0	0	0	0
14	73/73	0	0	0	0	0
15	74/74	0	0	0	0	0
16	75/75	0	0	0	0	0
17	76/76	0	0	0	0	0
18	77/77	0	0	0	0	0
19	78/78	0	0	0	0	0
20	79/79	0	0	0	0	0
21	80/80	0	0	0	0	0
22	81/81	0	0	0	0	0
23	82/82	0	0	0	0	0
24	83/83	0	0	0	0	0
25	84/84	0	0	0	0	0
26	85/85	0	0	0	0	0
27	86/86	0	0	0	0	0
28	87/87	0	0	0	0	0
29	88/88	0	0	0	0	0
30	89/89	0	0	0	0	0
31	90/90	0	0	0	0	0

255,570

15,570

\*Assumes yield is not subject to income tax.

## Summary of Illiquid Assets

		(1)	(2)	(3)	(4)
		Principal	Coin	Personal	
		Residence	Collection	Property	Total
	M/F	(3.00%	. (6.00%	_ (-5.00% ]	Illiquid
Year	Ages	Growth)	Growth)	Growth)	Assets
1	60/60	309,000	148,400	95,000	552,400
2	61/61	318,270	157,304	90,250	565,824
3	62/62	327,818	166,742	85,738	580,298
4	63/63	337,653	176,747	81,451	595,851
5	64/64	347,782	187,352	77,378	612,512
6	65/65	358,216	198,593	73,509	630,318
7	66/66	368,962	210,508	69,834	649,304
8	67/67	380,031	223,139	66,342	669,512
9	68/68	391,432	236,527	63,025	690,984
10	69/69	403,175	250,719	59,874	713,768
11	70/70	415,270	265,762	56,880	737,912
12	71/71	427,728	281,708	54,036	763,472
13	72/72	440,560	298,610	51,334	790,504
14	73/73	453,777	316,527	48,768	819,072
15	74/74	467,390	335,518	46,329	849,237
16	75/75	481,412	355,649	44,013	881,074
17	76/76	495,854	376,988	41,812	914,654
18	77/77	510,730	399,607	39,721	950,058
19	78/78	526,052	423,584	37,735	987,371
20	79/79	541,833	448,999	35,849	1,026,681
21	80/80	558,088	475,939	34,056	1,068,083
22	81/81	574,831	504,495	32,353	1,111,679
23	82/82	592,076	534,765	30,736	1,157,577
24	83/83	609,838	566,851	29,199	1,205,888
25	84/84	628,133	600,862	27,739	1,256,734
26	85/85	646,977	636,914	26,352	1,310,243
27	86/86	666,387	675,128	25,034	1,366,549
28	87/87	686,378	715,636	23,783	1,425,797
29	88/88	706,970	758,574	22,594	1,488,138
30	89/89	728,179	804,089	21,464	1,553,732
31	90/90	750.024	852.334	20.391	1.622.749

## Hypothetical Net Worth (After Providing Required Cash Flow)

		(1)	(2)	(3)	(4)	(5)	(6)
		Year End	Year End	Year End	Year End	Year End	
		Value of	Value of	Value of	Value of	Value of	Year End
	M/F	Illiquid	Life Insurance	Retirement	Taxable	Tax Exempt	Hypothetical
Year	Ages	Assets	Assets	Plan Assets	Assets	Assets	Net Worth
1	60/60	552,400	10,058	1,070,000	385,583	195,700	2,213,741
2	61/61	565,824	56,375	1,144,900	355,343	150,071	2,272,513
3	62/62	580,298	106,138	1,225,043	324,256	103,073	2,338,808
4	63/63	595,851	159,667	1,310,796	292,298	54,665	2,413,277
5	64/64	612,512	217,327	1,402,552	259,446	4,805	2,496,642
6	65/65	630,318	228,813	1,500,731	225,674	4,949	2,590,485
7	66/66	649,304	245,965	1,605,782	190,956	5,097	2,697,104
8	67/67	669,512	264,191	1,718,187	155,266	5,250	2,812,406
9	68/68	690,984	283,556	1,838,460	118,577	5,408	2,936,985
10	69/69	713,768	304,144	1,967,152	80,859	5,570	3,071,493
11	70/70	737,912	299,632	2,104,853	28,470	0	3,170,867
12	71/71	763,472	289,145	2,216,829	0	0	3,269,446
13	72/72	790,504	278,277	2,303,229	0	0	3,372,010
14	73/73	819,072	267,108	2,392,634	0	0	3,478,814
15	74/74	849,237	255,664	2,485,166	0	0	3,590,067
16	75/75	881,074	244,002	2,580,949	0	0	3,706,025
17	76/76	914,654	232,212	2,680,114	0	0	3,826,980
18	77/77	950,058	220,441	2,782,797	0	0	3,953,296
19	78/78	987,371	208,888	2,889,143	0	0	4,085,402
20	79/79	1,026,681	197,846	2,999,303	0	0	4,223,830
21	80/80	1,068,083	187,679	3,113,435	0	0	4,369,197
22	81/81	1,111,679	177,660	3,231,703	0	0	4,521,042
23	82/82	1,157,577	167,574	3,354,282	0	0	4,679,433
24	83/83	1,205,888	157,400	3,481,354	0	0	4,844,642
25	84/84	1,256,734	147,083	3,613,112	0	0	5,016,929
26	85/85	1,310,243	136,521	3,749,757	0	0	5,196,521
27	86/86	1,366,549	125,757	3,891,502	0	0	5,383,808
28	87/87	1,425,797	114,710	4,038,569	0	0	5,579,076
29	88/88	1,488,138	103,261	4,191,193	0	0	5,782,592
30	89/89	1,553,732	91,271	4,349,621	0	0	5,994,624
31	90/90	1,622,749	78,485	4,514,112	0	0	6,215,346

## Hypothetical Net Worth (After Providing Required Cash Flow) 31 Year Analysis



## Wealth Transfer Summary (After Providing Required Cash Flow)

		(1)	(2)		(3)		(4)		(5)
Year	M/F Ages	Total Estate Assets*	Total Transfer Taxes**	=	Net Estate to Heirs	+	Year End Total Assets Outside the Estate	=	Year End Wealth Transferred to Heirs
1	60/60	2,841,127	278,287		2,562,840		0		2,562,840
2	61/61	2,853,582	255,054		2,598,528		0		2,598,528
3	62/62	2,870,114	230,194		2,639,920		0		2,639,920
4	63/63	2,891,054	203,595		2,687,459		0		2,687,459
5	64/64	2,916,759	175,133		2,741,626		0		2,741,626
6	65/65	2,999,116	144,679		2,854,437		0		2,854,437
7	66/66	3,088,583	112,094		2,976,489		0		2,976,489
8	67/67	3,185,659	77,227		3,108,432		0		3,108,432
9	68/68	3,290,873	39,920		3,250,953		0		3,250,953
10	69/69	3,404,793	0		3,404,793		0		3,404,793
11	70/70	3,476,701	0		3,476,701		0		3,476,701
12	71/71	3,552,191	0		3,552,191		0		3,552,191
13	72/72	3,630,367	0		3,630,367		0		3,630,367
14	73/73	3,711,322	0		3,711,322		0		3,711,322
15	74/74	3,795,150	0		3,795,150		0		3,795,150
16	75/75	3,881,957	0		3,881,957		0		3,881,957
17	76/76	3,971,849	0		3,971,849		0		3,971,849
18	77/77	4,064,940	0		4,064,940		0		4,064,940
19	78/78	4,161,353	0		4,161,353		0		4,161,353
20	79/79	4,261,215	0		4,261,215		0		4,261,215
21	80/80	4,401,296	0		4,401,296		0		4,401,296
22	81/81	4,555,375	0		4,555,375		0		4,555,375
23	82/82	4,716,132	0		4,716,132		0		4,716,132
24	83/83	4,883,848	0		4,883,848		0		4,883,848
25	84/84	5,058,785	0		5,058,785		0		5,058,785
26	85/85	5,241,173	0		5,241,173		0		5,241,173
27	86/86	5,431,412	0		5,431,412		0		5,431,412
28	87/87	5,629,792	0		5,629,792		0		5,629,792
29	88/88	5,836,583	0		5,836,583		0		5,836,583
30	89/89	6,052,056	0		6,052,056		0		6,052,056
31	90/90	6,276,381	0		6,276,381		0		6,276,381

\*Net of cash flow provided

\*\*See Transfer Tax Details report for details.

This page may include non-guaranteed life insurance values. If so, actual results are likely to vary. This page is not valid unless accompanied by a life insurance basic illustration that details non-guaranteed and guaranteed elements.

Summary at Life Expectancy (Year 31)

Total Estate Assets	\$ 6,276,381
Wealth Transferred to Heirs	\$ 6,276,381

## **Estate Assets Details**

		(1)		(2)		(3)		(4)
						Proposed		
						Life		
				Net		Insurance		Total
	M/F	Liquid	+	Illiquid	+	Death	=	Estate
Year	Ages	Assets*		Assets**		Benefit		Assets
							1	
1	60/60	1,651,283		552,400		637,444		2,841,127
2	61/61	1,650,314		565,824		637,444		2,853,582
3	62/62	1,652,372		580,298		637,444		2,870,114
4	63/63	1,657,759		595,851		637,444		2,891,054
5	64/64	1,666,803		612,512		637,444		2,916,759
6	65/65	1,731,354		630,318		637,444		2,999,116
7	66/66	1,801,835		649,304		637,444		3,088,583
8	67/67	1,878,703		669,512		637,444		3,185,659
9	68/68	1,962,445		690,984		637,444		3,290,873
10	69/69	2,053,581		713,768		637,444		3,404,793
11	70/70	2,133,323		737,912		605,466		3,476,701
12	71/71	2,216,829		763,472		571,890		3,552,191
13	72/72	2,303,229		790,504		536,634		3,630,367
14	73/73	2,392,634		819,072		499,616		3,711,322
15	74/74	2,485,166		849,237		460,747		3,795,150
16	75/75	2,580,949		881,074		419,934		3,881,957
17	76/76	2,680,114		914,654		377,081		3,971,849
18	77/77	2,782,797		950,058		332,085		4,064,940
19	78/78	2,889,143		987,371		284,839		4,161,353
20	79/79	2,999,303		1,026,681		235,231		4,261,215
21	80/80	3,113,435		1,068,083		219,778		4,401,296
22	81/81	3,231,703		1,111,679		211,993		4,555,375
23	82/82	3,354,282		1,157,577		204,273		4,716,132
24	83/83	3,481,354		1,205,888		196,606		4,883,848
25	84/84	3,613,112		1,256,734		188,939		5,058,785
26	85/85	3,749,757		1,310,243		181,173		5,241,173
27	86/86	3,891,502		1,366,549		173,361		5,431,412
28	87/87	4,038,569		1,425,797		165,426		5,629,792
29	88/88	4,191,193		1,488,138		157,252		5,836,583
30	89/89	4.349.621		1.553.732		148,703		6.052.056
		,,		,,		-,		.,,
31	90/90	4,514,112		1,622,749		139,520		6,276,381

\*Including taxable assets, tax exempt assets, and retirement plan assets.

\*\*Net of any liabilities.

## **Transfer Tax Details**

		(1)	(2)	(3)	(4)	(5)	(6)
				Remaining		Income Tax	
				Available		on	Total
		Total		Unified	Federal	Retirement	Transfer
	M/F	Estate	Taxable	Credit	Estate	Plan	Taxes
Year	Ages	Assets	Estate	Equivalent	Тах	Assets	(4)+(5)
1	60/60	2,841,127	2,841,127	10,900,000	0	278,287	278,287
2	61/61	2,853,582	2,853,582	10,900,000	0	255,054	255,054
3	62/62	2,870,114	2,870,114	10,900,000	0	230,194	230,194
4	63/63	2,891,054	2,891,054	10,900,000	0	203,595	203,595
5	64/64	2,916,759	2,916,759	10,900,000	0	175,133	175,133
6	65/65	2,999,116	2,999,116	10,900,000	0	144,679	144,679
7	66/66	3,088,583	3,088,583	10,900,000	0	112,094	112,094
8	67/67	3,185,659	3,185,659	10,900,000	0	77,227	77,227
9	68/68	3,290,873	3,290,873	10,900,000	0	39,920	39,920
10	69/69	3,404,793	3,404,793	10,900,000	0	0	0
11	70/70	3,476,701	3,476,701	10,900,000	0	0	0
12	71/71	3,552,191	3,552,191	10,900,000	0	0	0
13	72/72	3,630,367	3,630,367	10,900,000	0	0	0
14	73/73	3,711,322	3,711,322	10,900,000	0	0	0
15	74/74	3,795,150	3,795,150	10,900,000	0	0	0
16	75/75	3,881,957	3,881,957	10,900,000	0	0	0
17	76/76	3,971,849	3,971,849	10,900,000	0	0	0
18	77/77	4,064,940	4,064,940	10,900,000	0	0	0
19	78/78	4,161,353	4,161,353	10,900,000	0	0	0
20	79/79	4,261,215	4,261,215	10,900,000	0	0	0
21	80/80	4,401,296	4,401,296	10,900,000	0	0	0
22	81/81	4,555,375	4,555,375	10,900,000	0	0	0
23	82/82	4,716,132	4,716,132	10,900,000	0	0	0
24	83/83	4,883,848	4,883,848	10,900,000	0	0	0
25	84/84	5,058,785	5,058,785	10,900,000	0	0	0
26	85/85	5,241,173	5,241,173	10,900,000	0	0	0
27	86/86	5,431,412	5,431,412	10,900,000	0	0	0
28	87/87	5,629,792	5,629,792	10,900,000	0	0	0
29	88/88	5,836,583	5,836,583	10,900,000	0	0	0
30	89/89	6,052,056	6,052,056	10,900,000	0	0	0
31	90/90	6 276 381	6 276 381	10 900 000			0
-31	30/30	0,270,301	0,270,301	10,900,000	0	0	

This report does not take into account the impact of the state death tax. Check with your legal and tax advisers for the precise calculation of your state's death tax on your current and future circumstances.

Column (4) assumes half the amount shown in column (3) is transferred to a credit shelter trust by the first spouse to die.

## Summary of Transfer Taxation of Retirement Plan Assets

		Plan Assets	Plan Assets	Plan As	sets	Heirs'	
		Initial Value	Cost Basis	Yield	d Incor	ne Tax Rate	
		1,000,000	0	7.009	6	30.00%	
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
		Plan	Estate Tax	Income Tax	<b>Total Taxes</b>	After Tax	
		Assets	on	on	Attributed to	Plan	Percent
	M/F	in	Plan 1	Plan -	Plan	Assets	
Year	Ages	Estate	Assets	Assets**	Assets	(1) - (4)	to Tax
1	60/60	927,623	0	278,287	278,287	649,336	30%
2	61/61	850,179	0	255,054	255,054	595,125	30%
3	62/62	767,314	0	230,194	230,194	537,120	30%
4	63/63	678,649	0	203,595	203,595	475,054	30%
5	64/64	583,777	0	175,133	175,133	408,644	30%
6	65/65	482,264	0	144,679	144,679	337,585	30%
7	66/66	373,645	0	112,094	112,094	261,551	30%
8	67/67	257,423	0	77,227	77,227	180,196	30%
9	68/68	133,065	0	39,920	39,920	93,145	30%
10	69/69	0	0	0	0	0	0%
11	70/70	0	0	0	0	0	0%
12	71/71	0	0	0	0	0	0%
13	72/72	0	0	0	0	0	0%
14	73/73	0	0	0	0	0	0%
15	74/74	0	0	0	0	0	0%
16	75/75	0	0	0	0	0	0%
17	76/76	0	0	0	0	0	0%
18	77/77	0	0	0	0	0	0%
19	78/78	Ō	0	0	Ó	0	0%
20	79/79	0	0	0	0	0	0%
21	80/80	0	0	0	0	0	0%
22	81/81	0	0	0	0	0	0%
23	82/82	0	0	0	0	0	0%
24	83/83	0	0	0	0	0	0%
25	84/84	0	0	0	0	0	0%
26	85/85	0	0	Ō	0	Ō	0%
27	86/86	0	0	0	0	0	0%
28	87/87	0	0	0	0	0	0%
29	88/88	ů 0	0	0	0	0	0%
30	89/89	0	0	n	0	0	0%
		Ū	, T	•	· ·	,	• /0
31	90/90	0	0	0	0	0	0%

## Summary of Transfer Taxation of Roth Defined Contribution Assets

		Pla	an Assets	Plan Assets	Plan Assets		
		Ini	tial Value	Cost Basis	Yield		
			0	0	7.00%		
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
			Estate Tax	Income Tax	<b>Total Taxes</b>	After Tax	
		Plan	on	on	Attributed to	Plan	Percent
	M/F	Assets	Plan	Plan =	Plan	Assets	Loss Due
Year	Ages	in Estate	Assets	Assets	Assets	(1) - (4)	to Tax
1	60/60	142,377	0	0	0	142,377	0%
2	61/61	294,721	0	0	0	294,721	0%
3	62/62	457,729	0	0	0	457,729	0%
4	63/63	632,147	0	0	0	632,147	0%
5	64/64	818,775	0	0	0	818,775	0%
6	65/65	1.018.467	0	0	0	1.018.467	0%
7	66/66	1.232.137	0	0	0	1.232.137	0%
8	67/67	1.460.764	0	0	0	1.460.764	0%
9	68/68	1.705.395	0	0	0	1.705.395	0%
10	69/69	1 967 152	0	0	0	1 967 152	0%
10	00/00	1,007,102	Ŭ	Ŭ	Ŭ	1,007,102	0,1
11	70/70	2,104,853	0	0	0	2,104,853	0%
12	71/71	2,216,829	0	0	0	2,216,829	0%
13	72/72	2,303,229	0	0	0	2,303,229	0%
14	73/73	2,392,634	0	0	0	2,392,634	0%
15	74/74	2,485,166	0	0	0	2,485,166	0%
16	75/75	2,580,949	0	0	0	2,580,949	0%
17	76/76	2,680,114	0	0	0	2,680,114	0%
18	77/77	2.782.797	0	0	0	2.782.797	0%
19	78/78	2.889.143	0	0	0	2.889,143	0%
20	79/79	2.999.303	0	0	0	2.999.303	0%
		,,				,,	
21	80/80	3.113.435	0	0	0	3.113.435	0%
22	81/81	3.231.703	0	0	0	3.231.703	0%
23	82/82	3.354.282	0	0	0	3.354.282	0%
24	83/83	3.481.354	0	Ō	0	3,481,354	0%
25	84/84	3 613 112	0	0	0	3 613 112	0%
26	85/85	3 749 757	0	0	0	3 749 757	0%
27	86/86	3 891 502	Ő	Ő	0	3 891 502	0%
28	87/87	4 038 569	0	ů	0	4 038 569	0%
29	88/88	4 191 193	0	0	0	4 191 193	0%
30	89/89	4 349 621	0	0	0	4 349 621	0%
00	33/03	4,040,021	v	Ū	U		0 78
31	90/90	4,514,1 <u>12</u>	_ 0	_ 0	0	4,514,112	0%

## Supplemental Report

#### **Important Note**

This material is for educational purposes only. In all cases, the approval of a client's legal and tax advisers must be secured regarding the implementation or modification of any planning technique as well as the applicability and consequences of new cases, rulings, or legislation upon existing or impending plans.

# **Retirement Planning Options**

For: Tom and Amy Sexton



Presented By: [Licensed user's name appears here]

## **Table of Contents**

Comparison of Strategy 1 vs. Strategy 2	Page 1
Analysis of the Current Plan (Strategy 1)	Page 6
Analysis of Adding IUL and a Roth Conversion (Strategy 2)	Page 23

**Comparison of Strategy 1 vs. Strategy 2** 

### Comparison of Alternatives





## Comparison of Alternatives





## Comparison of Strategy 1 vs. Strategy 2

## Summary Analysis of Alternatives



Cumulative Spendable Cash Flow by Ages 90/90

## Comparison of Alternatives

		Spendable Cash Flow		Net Worth*		Wealth	to Heirs
Voar	M/F	Strategy 1 Current	Strategy 2 Current Plan + IUL + Roth Conversion	Strategy 1 Current Plan	Strategy 2 Current Plan + IUL + Roth Conversion	Strategy 1 Current	Strategy 2 Current Plan + IUL + Roth Conversion
			Conversion		Conversion		Conversion
1	60/60	0	50,000	2,296,220	2,213,741	1,975,220	2,562,840
2	61/61	0	50,000	2,403,905	2,272,513	2,060,435	2,598,528
3	62/62	0	50,000	2,518,440	2,338,808	2,150,927	2,639,920
4	63/63	0	50,000	2,640,238	2,413,277	2,246,999	2,687,459
5	64/64	0	50,000	2,769,736	2,496,642	2,348,970	2,741,626
6	65/65	0	0	2,907,408	2,590,485	2,457,189	2,854,437
7	66/66	0	0	3,053,756	2,697,104	2,572,021	2,976,489
8	67/67	0	0	3,209,322	2,812,406	2,693,866	3,108,432
9	68/68	0	0	3,374,681	2,936,985	2,823,143	3,250,953
10	69/69	0	0	3,550,450	3,071,493	2,960,304	3,404,793
11	70/70	161,270	205,849	3,655,346	3,170,867	3,046,936	3,476,701
12	71/71	166,108	212,024	3,763,392	3,269,446	3,136,960	3,552,191
13	72/72	171,091	218,385	3,874,532	3,372,010	3,230,432	3,630,367
14	73/73	176,224	224,937	3,988,689	3,478,814	3,327,405	3,711,322
15	74/74	181,511	231,685	4,105,765	3,590,067	3,427,921	3,795,150
16	75/75	186,956	238,635	4,225,644	3,706,025	3,532,023	3,881,957
17	76/76	192,565	245,795	4,348,173	3,826,980	3,639,734	3,971,849
18	77/77	198,342	253,169	4,473,303	3,953,296	3,751,029	4,064,940
19	78/78	204,292	260,763	4,600,725	4,085,402	3,865,963	4,161,353
20	79/79	210,421	268,586	4,730,344	4,223,830	3,984,466	4,261,215
21	80/80	216,733	276,643	4,861,924	4,369,197	4,106,513	4,401,296
22	81/81	223,235	284,943	4,995,197	4,521,042	4,232,063	4,555,375
23	82/82	229,932	293,491	5,129,852	4,679,433	4,361,050	4,716,132
24	83/83	236,830	302,296	5,265,535	4,844,642	4,493,384	4,883,848
25	84/84	243,935	311,365	5,401,853	5,016,929	4,628,955	5,058,785
26	85/85	251,253	320,706	5,538,654	5,196,521	4,767,531	5,241,173
27	86/86	258,791	330,327	5,675,540	5,383,808	4,908,956	5,431,412
28	87/87	266,555	340,237	5,812,086	5,579,076	5,053,054	5,629,792
29	88/88	274,551	350,444	5,947,825	5,782,592	5,199,610	5,836,583
30	89/89	282,788	360,958	6,082,257	5,994,624	5,348,383	6,052,056
31	90/90	291,272	371,787	6,215,313	6,215,346	5,498,949	6,276,381

4,624,655 6,153,025

\*After spendable cash flow.

Analysis of the Current Plan (Strategy 1)

## **Client Information Summary**

#### **Current Assets**

<u>Liquid Assets:</u>	Liquid Assets (Taxable Interest) Liquid Assets (Tax Exempt Interest) Equity Assets Tax Deferred Assets Retirement Plan Assets	\$	415,000 240,000 0 1,000,000	
		Total Liquid Assets		1,655,000
Illiquid Assets:	Principal Residence Coin Collection Personal Property		300,000 140,000 100,000	
		Total Illiquid Assets		540,000
Other Assets:	Total Other Asse	ts Inside the Estate		0
	Total Other Assets	Total Estate Assets Outside the Estate		\$2,195,000 0

#### **Funding Options for Required Cash Flow**

 
 Retirement Plan Assets:
 Minimum Distribution, Unless More Is Needed

 Cash Flow Funding:
 Sequential Use of Liquid Assets --Tax Exempt, Taxable, Retirement Plan Assets

#### **Assumptions Used**

Income Tax Rates:	Pre-Retirement	30.00%
	Retirement	20.00%
Life Expectancy:	loint	31 Vears
<u>Life Expectancy.</u>	Tom Sexton	Age 90
	Amy Sexton	Age 90
Taxable Account:		Taxable
	Yield Assumption	4.00%
Tax Exempt Account	<u>it:</u>	Tax Exempt
	Yield Assumption	3.00%
Retirement Plan Ass	sets Tom Sexton:	
	Defined Contr. Yield Assumption	7.00%

The information in this presentation is not guaranteed; it is for illustration purposes only. Tax rates, interest and inflation rates, and IRS tax codes may, and probably will, change in the future; therefore, you should consult your tax adviser for additional information about potential taxes and IRS revisions.

#### Analysis of After Tax Cash Flow Requirements

Below is a list of your liquid assets. It is suggested that you withdraw funds to meet your after tax cash flow requirements from each liquid asset in the order presented. The Cash Flow graph (below, right) illustrates whether your liquid assets are sufficient to provide the required cash flow.

#### Withdrawal Order





As you can see in the Cash Flow graph above, your liquid assets are sufficient to provide withdrawals to meet your required after tax cash flow in all years illustrated. The graph below shows your remaining total Net Worth.



<u>Net Worth</u> (After Providing Required Cash Flow)

\*As needed, but no less than required minimum distributions.

## **Cash Flow Analysis**

	Annua	al Cash Flow Required	Annual Cash Flow Provided					
		(1)	(2)	(3) After Tax	(4) After Tax Cash Flow	(5)	(6)	
		After Tax	E	Cash Flow	from	D. J. J. J. J. J.	Total	
		Spendable Cook Flow	Expected	Trom Detirement	Taxable &	Reinvested	Atter Tax	
Year	IVI/F Ages	Required*	Cash Flow	Plan Assets	Accounts	Cash Flow	Provided*	
		rioquirou			nooodiito			
1	60/60	0	0	0	0	0	0	
2	61/61	0	0	0	0	0	0	
3	62/62	0	0	0	0	0	0	
4	63/63	0	0	0	0	0	0	
5	64/64	0	0	0	0	0	0	
6	65/65	0	0	0	0	0	0	
7	66/66	0	0	0	0	0	0	
8	6//6/	0	0	U	0	0	0	
9	68/68	0	0	0	0	0	0	
10	69/69	0	U	U	U	0	0	
11	70/70	161,270	96,739	57,435	7,096	0	161,270	
12	71/71	166,108	99,641	61,224	5,243	0	166,108	
13	72/72	171,091	102,631	65,254	3,206	0	171,091	
14	73/73	176,224	105,709	69,538	977	0	176,224	
15	74/74	181,511	108,881	74,094	0	1,464	181,511	
16	75/75	186,956	112,147	78,934	0	4,125	186,956	
17	76/76	192,565	115,512	84,075	0	7,022	192,565	
18	77/77	198,342	118,977	89,112	0	9,747	198,342	
19	78/78	204,292	122,546	94,880	0	13,134	204,292	
20	79/79	210,421	126,223	100,480	0	16,282	210,421	
21	80/80	216 733	130 009	106 364	0	19 640	216 733	
22	81/81	223 235	133 910	112 538	0	23 213	223 235	
23	82/82	229 932	137 927	119,000	Ő	27 002	229 932	
24	83/83	236 830	142 065	125 775	Ő	31 010	236 830	
25	84/84	243 935	146 327	132 843	Ő	35 235	243 935	
26	85/85	251 253	150 716	139 261	0	38 724	251 253	
27	86/86	258,791	155 238	145 839	0	42 286	258 791	
28	87/87	266.555	159,895	152,554	0	45.894	266,555	
29	88/88	274,551	164,692	159.377	0	49.518	274.551	
30	89/89	282.788	169.633	166.270	0	53,115	282.788	
	30.00	,		,				
31	90/90	291,272	174,722	171,666	0	55,116	291,272	

	·				
4,624,655	2,774,140	2,306,520	16,522	472,527	4,624,655

\*IMPORTANT NOTE: For this plan to be financially sound, column (6) must be sufficient to provide the values in column (1).

Column (1): assumes 3.00% inflation.

Column (2): see "Expected Cash Flow".

Column (3): see "Summary of Retirement Plan Assets".

Columns (4) and (5): see detail reports for Taxable and Tax Exempt Accounts.

## Spendable Cash Flow Required

		(1) After Tax Cash Flow for	(2) After Tax Spendable
		Living	Cook Elow
V		Living	Demined
rear	Ages	Expenses	Required
1	60/60	0	0
2	61/61	0	0
3	62/62	0	0
4	63/63	0	0
5	64/64	0	0
6	65/65	0	0
7	66/66	0	0
8	67/67	0	0
9	68/68	0	0
10	69/69	0	0
11	70/70	161,270	161,270
12	71/71	166,108	166,108
13	72/72	171,091	171,091
14	73/73	176,224	176,224
15	74/74	181,511	181,511
16	75/75	186,956	186,956
17	76/76	192,565	192,565
18	77/77	198,342	198,342
19	78/78	204,292	204,292
20	79/79	210,421	210,421
21	80/80	216,733	216,733
22	81/81	223,235	223,235
23	82/82	229,932	229,932
24	83/83	236,830	236,830
25	84/84	243,935	243,935
26	85/85	251,253	251,253
27	86/86	258,791	258,791
28	87/87	266,555	266,555
29	88/88	274,551	274,551
30	89/89	282,788	282,788
31	90/90	291 272	291 272

4,624,655

4,624,655

For: Tom Sexton & Amy Sexton

Column (1) assumes 3.00% inflation.

## Expected Cash Flow

		(1) After Tax	(2)
		Cash Flow	Total
		from	Expected
	M/F	Social	After Tax
Year	Ages	Security*	Cash Flow
1	60/60	0	0
2	61/61	0	0
3	62/62	0	0
4	63/63	0	0
5	64/64	0	0
6	65/65	0	0
7	66/66	0	0
8	67/67	0	0
9	68/68	0	0
10	69/69	0	0
11	70/70	96,739	96,739
12	71/71	99,641	99,641
13	72/72	102,631	102,631
14	73/73	105,709	105,709
15	74/74	108,881	108,881
16	75/75	112,147	112,147
17	76/76	115,512	115,512
18	77/77	118,977	118,977
19	78/78	122,546	122,546
20	79/79	126,223	126,223
21	80/80	130,009	130,009
22	81/81	133,910	133,910
23	82/82	137,927	137,927
24	83/83	142,065	142,065
25	84/84	146,327	146,327
26	85/85	150,716	150,716
27	86/86	155,238	155,238
28	87/87	159,895	159,895
29	88/88	164,692	164,692
30	89/89	169,633	169,633
31	90/90	174,722	174,7 <u>22</u>

2,774,140

2,774,140

Column (1) assumes 3.00% inflation.

\*The above calculations are based upon client furnished data. These results may be based on incomplete information. For precise estimates, call the Social Security Administration at 1-800-772-1213 or go to http://socialsecurity.gov/estimator/.

## Sources of Cash Flow 31 Year Analysis



Values in excess of cash flow required are assumed to be reinvested. See Column (5) on the "Cash Flow Analysis" page and the "Reinvested Cash Flow" graph.

## Reinvested Cash Flow 31 Year Analysis



\*This graph reflects excess cash flow available for reinvestment. See the individual asset reports for reinvestment details.

## Details of Defined Contribution Plan Assets for Tom Sexton

Retire	ment Plan	Retireme	nt Plan F	Retirement Plan			
A	ssets	Asse	ts .	Assets	Pre-Retir	ement	Retirement
Initia	al Value	Cost B	asis	Yield	Income Tax Rate		ncome Tax Rate
1,0	00,000	0		7.00% 30.00		1%	20.00%
		(1)	(2)	(3)	(4) Total	(5)	(6)
				Distribution	Distributions from		After Tax Cash Flow
	M/F	Beginning of Year	Required Minimum	from Retirement	Retirement Plan Assets	Year End Retirement	from Retirement
Year	Ages	Plan Assets	Distribution	Plan Assets	(0)+(1)	Plan Assets	Plan Assets
1	60/60	1,000,000	0	0	0	1,070,000	0
2	61/61	1,070,000	0	0	0	1,144,900	0
3	62/62	1,144,900	0	0	0	1,225,043	0
4	63/63	1,225,043	0	0	0	1,310,796	0
5	64/64	1,310,796	0	0	0	1,402,552	0
6	65/65	1,402,552	0	0	0	1,500,731	0
7	66/66	1,500,731	0	0	0	1,605,782	0
8	67/67	1,605,782	0	0	0	1,718,187	0
9	68/68	1,718,187	0	0	0	1,838,460	0
10	69/69	1,838,460	0	0	0	1,967,152	0
11	70/70	1,967,152	71,794	71,794	71,794	2,028,033	57,435
12	71/71	2,028,033	76,530	76,530	76,530	2,088,108	61,224
13	72/72	2,088,108	81,567	81,567	81,567	2,146,999	65,254
14	73/73	2,146,999	86,923	86,923	86,923	2,204,281	69,538
15	74/74	2,204,281	92,617	92,617	92,617	2,259,480	74,094
16	75/75	2,259,480	98,667	98,667	98,667	2,312,070	78,934
17	76/76	2,312,070	105,094	105,094	105,094	2,361,464	84,075
18	77/77	2,361,464	111,390	111,390	111,390	2,407,579	89,112
19	78/78	2,407,579	118,600	118,600	118,600	2,449,208	94,880
20	79/79	2,449,208	125,600	125,600	125,600	2,486,261	100,480
21	80/80	2,486,261	132,955	132,955	132,955	2,518,037	106,364
22	81/81	2.518.037	140.672	140.672	140,672	2.543.781	112,538
23	82/82	2,543,781	148,759	148,759	148,759	2,562,674	119,007
24	83/83	2,562,674	157,219	157,219	157,219	2,573,837	125,775
25	84/84	2.573.837	166.054	166.054	166.054	2.576.328	132.843
26	85/85	2,576,328	174,076	174,076	174,076	2,570,410	139,261
27	86/86	2,570.410	182.299	182.299	182.299	2,555.279	145.839
28	87/87	2,555,279	190,692	190,692	190,692	2,530,108	152,554
29	88/88	2,530,108	199,221	199,221	199,221	2,494,049	159,377
30	89/89	2,494,049	207,837	207,837	207,837	2,446,247	166,270
31	90/90	2,446,247	214,583	214,583	214,583	2,387,880	171,666

2,883,149 2,883,149 2,883,149

2,306,520

Column (1) includes only deductible contributions.

Column (2) projects an estimate of the required minimum distribution based on the Uniform Lifetime table life expectancy factors, recalculated each year based on asset value and client age.

## Details of Taxable Account\*

		Taxable Assets	Taxable	Pre-Retirer	ment	Retirement	
		Initial Value	Yield	Income Tax	Rate Inc	ome Tax Rate	
		415,000	4.00%	30.00%	, 0	20.00%	
		(4)	(0)	(2)	(4)	(5)	
		(1) Devinuina	(2)	(3)	(4)	(5)	(b) Maan Final
		Beginning	Deinsseted	Net After Tex	Belenes in		Year End
	NA/17	of Year	Reinvested	After Tax	Balance In	After Tax	After Tax
Veer		Balance +	EXCess	Account	Account +	Earned =	value of
rear	Ages	In Account	Cash Flow	withdrawai	to Accrue	Earneo	Account
1	60/60	415.000	0	0	415.000	11.620	426.620
2	61/61	426,620	0	0	426,620	11,945	438,565
3	62/62	438,565	0	0	438,565	12,280	450,845
4	63/63	450,845	0	0	450,845	12,624	463,469
5	64/64	463,469	0	0	463,469	12,977	476,446
6	65/65	476,446	0	0	476,446	13,340	489,786
7	66/66	489,786	0	0	489,786	13,714	503,500
8	67/67	503,500	0	0	503,500	14,098	517,598
9	68/68	517,598	0	0	517,598	14,493	532,091
10	69/69	532,091	0	0	532,091	14,899	546,990
11	70/70	546,990	0	0	546,990	17,504	564,494
12	71/71	564,494	0	0	564,494	18,064	582,558
13	72/72	582,558	0	0	582,558	18,642	601,200
14	73/73	601,200	0	0	601,200	19,238	620,438
15	74/74	620,438	1,464	0	621,902	19,901	641,803
16	75/75	641,803	4,125	0	645,928	20,670	666,598
17	76/76	666,598	7,022	0	673,620	21,556	695,176
18	77/77	695,176	9,747	0	704,923	22,558	727,481
19	78/78	727,481	13,134	0	740,615	23,700	764,315
20	79/79	764,315	16,282	0	780,597	24,979	805,576
21	80/80	805,576	19,640	0	825,216	26,407	851,623
22	81/81	851,623	23,213	0	874,836	27,995	902,831
23	82/82	902,831	27,002	0	929,833	29,755	959,588
24	83/83	959,588	31,010	0	990,598	31,699	1,022,297
25	84/84	1,022,297	35,235	0	1,057,532	33,841	1,091,373
26	85/85	1,091,373	38,724	0	1,130,097	36,163	1,166,260
27	86/86	1,166,260	42,286	0	1,208,546	38,673	1,247,219
28	87/87	1,247,219	45,894	0	1,293,113	41,380	1,334,493
29	88/88	1,334,493	49,518	0	1,384,011	44,288	1,428,299
30	89/89	1,428,299	53,115	0	1,481,414	47,405	1,528,819
31	90/90	1,528,819	55,116	0	1,583,935	50,686	1,634,621

472,527

747,094

\*Assumes yield is subject to income tax.

\*\*See attached "Cash Flow Analysis" for details.

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## Details of Tax Exempt Account\*

		Тах	Exempt Assets	Tax Exem	pt	
			Initial Value	Yield		
			240,000	3.00%		
		(1)	(2)	(3)	(4)	(5)
		Beginning				
		of Year	Tax Exempt	Balance in	Tax Exempt	Year End
	M/F	Balance -	Account	Account +	Interest =	Value of
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account
1	60/60	240.000	0	240.000	7.200	247.200
2	61/61	247.200	0	247.200	7,416	254,616
3	62/62	254.616	0	254.616	7,638	262,254
4	63/63	262.254	0	262.254	7,868	270,122
5	64/64	270,122	0	270,122	8,104	278,226
6	65/65	278.226	0	278.226	8,347	286,573
7	66/66	286,573	0	286,573	8,597	295,170
8	67/67	295,170	0	295,170	8.855	304.025
9	68/68	304,025	0	304,025	9,121	313,146
10	69/69	313,146	0	313,146	9,394	322,540
					,	
11	70/70	322,540	7,096	315,444	9,463	324,907
12	71/71	324.907	5.243	319,664	9,590	329,254
13	72/72	329,254	3,206	326,048	9,781	335,829
14	73/73	335,829	977	334,852	10,046	344,898
15	74/74	344,898	0	344,898	10,347	355,245
16	75/75	355,245	0	355,245	10,657	365,902
17	76/76	365,902	0	365,902	10,977	376,879
18	77/77	376,879	0	376,879	11,306	388,185
19	78/78	388,185	0	388,185	11,646	399,831
20	79/79	399,831	0	399,831	11,995	411,826
21	80/80	411,826	0	411,826	12,355	424,181
22	81/81	424,181	0	424,181	12,725	436,906
23	82/82	436,906	0	436,906	13,107	450,013
24	83/83	450,013	0	450,013	13,500	463,513
25	84/84	463,513	0	463,513	13,905	477,418
26	85/85	477,418	0	477,418	14,323	491,741
27	86/86	491,741	0	491,741	14,752	506,493
28	87/87	506,493	0	506,493	15,195	521,688
29	88/88	521,688	0	521,688	15,651	537,339
30	89/89	537,339	0	537,339	16,120	553,459
31	90/90	553.459	0	553,459	16.604	570.063

16,522

346,585

\*Assumes yield is not subject to income tax.

## Summary of Illiquid Assets

		(1) Principal	(2) Coin	(3) Personal	(4)
		Residence	Collection	Property	Total
	M/F	(3.00%	(6.00%	(-5.00% _	Illiquid
Year	Ages	Growth)	Growth)	Growth)	Assets
1	60/60	309,000	148,400	95,000	552,400
2	61/61	318,270	157,304	90,250	565,824
3	62/62	327,818	166,742	85,738	580,298
4	63/63	337,653	176,747	81,451	595,851
5	64/64	347,782	187,352	77,378	612,512
6	65/65	358,216	198,593	73,509	630,318
7	66/66	368,962	210,508	69,834	649,304
8	67/67	380,031	223,139	66,342	669,512
9	68/68	391,432	236,527	63,025	690,984
10	69/69	403,175	250,719	59,874	713,768
44	70/70	445 270	065 760	EC 990	727.040
11	70/70	415,270	205,702	56,880	737,912
12	/1//1	427,728	281,708	54,036	763,472
13	12/12	440,560	298,610	51,334	790,504
14	13/13	453,777	316,527	48,768	819,072
15	/4//4	467,390	335,518	46,329	849,237
16	75/75	481,412	355,649	44,013	881,074
17	76/76	495,854	376,988	41,812	914,654
18	77/77	510,730	399,607	39,721	950,058
19	78/78	526,052	423,584	37,735	987,371
20	79/79	541,833	448,999	35,849	1,026,681
21	80/80	558 088	475 939	34 056	1 068 083
22	81/81	574 831	504 495	32 353	1 111 679
23	82/82	592 076	534 765	30 736	1 157 577
24	83/83	609 838	566 851	29 199	1 205 888
25	84/84	628 133	600 862	27 739	1 256 734
26	85/85	646 977	636 914	26,352	1 310 243
27	86/86	666,387	675 128	25 034	1 366 549
28	87/87	686 378	715 636	23 783	1 425 797
29	88/88	706 970	758 574	22 594	1 488 138
30	89/89	728 179	804 089	21 464	1 553 732
	55/05	720,179	00-1,003	21,404	1,000,702
31	90/90	750.024	852.334	20.391	1.622.749

## Hypothetical Net Worth (After Providing Required Cash Flow)

		(1)		(2)		(3)		(4)		(5)
		Year End		Year End		Year End		Year End		, í
		Value of		Value of		Value of		Value of		Year End
	M/F	Illiquid	т	Retirement		Taxable	1	Tax Exempt	_	Hypothetical
Year	Ages	Assets	Ť	Plan Assets	Ŧ	Assets	Ŧ	Assets	-	Net Worth
1	60/60	552.400		1.070.000		426.620		247.200		2.296.220
2	61/61	565,824		1,144,900		438,565		254,616		2,403,905
3	62/62	580,298		1,225,043		450,845		262,254		2,518,440
4	63/63	595,851		1,310,796		463,469		270,122		2,640,238
5	64/64	612,512		1,402,552		476,446		278,226		2,769,736
6	65/65	630,318		1,500,731		489,786		286,573		2,907,408
7	66/66	649,304		1,605,782		503,500		295,170		3,053,756
8	67/67	669,512		1,718,187		517,598		304,025		3,209,322
9	68/68	690,984		1,838,460		532,091		313,146		3,374,681
10	69/69	713,768		1,967,152		546,990		322,540		3,550,450
11	70/70	737,912		2,028,033		564,494		324,907		3,655,346
12	71/71	763,472		2,088,108		582,558		329,254		3,763,392
13	72/72	790,504		2,146,999		601,200		335,829		3,874,532
14	73/73	819,072		2,204,281		620,438		344,898		3,988,689
15	74/74	849,237		2,259,480		641,803		355,245		4,105,765
16	75/75	881,074		2,312,070		666,598		365,902		4,225,644
17	76/76	914,654		2,361,464		695,176		376,879		4,348,173
18	77/77	950,058		2,407,579		727,481		388,185		4,473,303
19	78/78	987,371		2,449,208		764,315		399,831		4,600,725
20	79/79	1,026,681		2,486,261		805,576		411,826		4,730,344
21	80/80	1,068,083		2,518,037		851,623		424,181		4,861,924
22	81/81	1,111,679		2,543,781		902,831		436,906		4,995,197
23	82/82	1,157,577		2,562,674		959,588		450,013		5,129,852
24	83/83	1,205,888		2,573,837		1,022,297		463,513		5,265,535
25	84/84	1,256,734		2,576,328		1,091,373		477,418		5,401,853
26	85/85	1,310,243		2,570,410		1,166,260		491,741		5,538,654
27	86/86	1,366,549		2,555,279		1,247,219		506,493		5,675,540
28	87/87	1,425,797		2,530,108		1,334,493		521,688		5,812,086
29	88/88	1,488,138		2,494,049		1,428,299		537,339		5,947,825
30	89/89	1,553,732		2,446,247		1,528,819		553,459		6,082,257
31	90/90	1,622,749		2,387,880		1,634,621		570,063		6,215,313

## Hypothetical Net Worth (After Providing Required Cash Flow) 31 Year Analysis



## Wealth Transfer Summary (After Providing Required Cash Flow)

		(1)		(2)		(3)		(4)		(5)
Year	M/F Ages	Total Estate Assets*	-	Total Transfer Taxes**	=	Net Estate to Heirs	+	Year End Total Assets Outside the Estate	=	Year End Wealth Transferred to Heirs
1	60/60	2,296,220		321,000		1,975,220		0		1,975,220
2	61/61	2,403,905		343,470		2,060,435		0		2,060,435
3	62/62	2,518,440		367,513		2,150,927		0		2,150,927
4	63/63	2,640,238		393,239		2,246,999		0		2,246,999
5	64/64	2,769,736		420,766		2,348,970		0		2,348,970
6	65/65	2,907,408		450,219		2,457,189		0		2,457,189
7	66/66	3,053,756		481,735		2,572,021		0		2,572,021
8	67/67	3,209,322		515,456		2,693,866		0		2,693,866
9	68/68	3,374,681		551,538		2,823,143		0		2,823,143
10	69/69	3,550,450		590,146		2,960,304		0		2,960,304
11	70/70	3,655,346		608,410		3,046,936		0		3,046,936
12	71/71	3,763,392		626,432		3,136,960		0		3,136,960
13	72/72	3,874,532		644,100		3,230,432		0		3,230,432
14	73/73	3,988,689		661,284		3,327,405		0		3,327,405
15	74/74	4,105,765		677,844		3,427,921		0		3,427,921
16	75/75	4,225,644		693,621		3,532,023		0		3,532,023
17	76/76	4,348,173		708,439		3,639,734		0		3,639,734
18	77/77	4,473,303		722,274		3,751,029		0		3,751,029
19	78/78	4,600,725		734,762		3,865,963		0		3,865,963
20	79/79	4,730,344		745,878		3,984,466		0		3,984,466
21	80/80	4,861,924		755,411		4,106,513		0		4,106,513
22	81/81	4,995,197		763,134		4,232,063		0		4,232,063
23	82/82	5,129,852		768,802		4,361,050		0		4,361,050
24	83/83	5,265,535		772,151		4,493,384		0		4,493,384
25	84/84	5,401,853		772,898		4,628,955		0		4,628,955
26	85/85	5,538,654		771,123		4,767,531		0		4,767,531
27	86/86	5,675,540		766,584		4,908,956		0		4,908,956
28	87/87	5,812,086		759,032		5,053,054		0		5,053,054
29	88/88	5,947,825		748,215		5,199,610		0		5,199,610
30	89/89	6,082,257		733,874		5,348,383		0		5,348,383
31	90/90	6,215,313		716,364		5,498,949		0		5,498,949

Summary at Life Expectancy (Year 31)

Total Estate Assets	\$ 6,215,313
Wealth Transferred to Heirs	\$ 5,498,949

\*Net of cash flow provided \*\*See Transfer Tax Details report for details.

## Transfer Tax Details

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
						Remaining		Income Tax	
						Available		on	Total
				Total		Unified	Federal	Retirement	Transfer
	M/F	Liquid +	llliquid <mark>=</mark>	Estate	Taxable	Credit	Estate	Plan	Taxes
Year	Ages	Assets	Assets	Assets	Estate	Equivalent	Tax	Assets	(6)+(7)
1	60/60	1,743,820	552,400	2,296,220	2,296,220	10,900,000	0	321,000	321,000
2	61/61	1,838,081	565,824	2,403,905	2,403,905	10,900,000	0	343,470	343,470
3	62/62	1,938,142	580,298	2,518,440	2,518,440	10,900,000	0	367,513	367,513
4	63/63	2,044,387	595,851	2,640,238	2,640,238	10,900,000	0	393,239	393,239
5	64/64	2,157,224	612,512	2,769,736	2,769,736	10,900,000	0	420,766	420,766
6	65/65	2,277,090	630,318	2,907,408	2,907,408	10,900,000	0	450,219	450,219
7	66/66	2,404,452	649,304	3,053,756	3,053,756	10,900,000	0	481,735	481,735
8	67/67	2,539,810	669,512	3,209,322	3,209,322	10,900,000	0	515,456	515,456
9	68/68	2,683,697	690,984	3,374,681	3,374,681	10,900,000	0	551,538	551,538
10	69/69	2,836,682	713,768	3,550,450	3,550,450	10,900,000	0	590,146	590,146
11	70/70	2,917,434	737,912	3,655,346	3,655,346	10,900,000	0	608,410	608,410
12	71/71	2,999,920	763,472	3,763,392	3,763,392	10,900,000	0	626,432	626,432
13	72/72	3,084,028	790,504	3,874,532	3,874,532	10,900,000	0	644,100	644,100
14	73/73	3,169,617	819,072	3,988,689	3,988,689	10,900,000	0	661,284	661,284
15	74/74	3,256,528	849,237	4,105,765	4,105,765	10,900,000	0	677,844	677,844
16	75/75	3,344,570	881,074	4,225,644	4,225,644	10,900,000	0	693,621	693,621
17	76/76	3,433,519	914,654	4,348,173	4,348,173	10,900,000	0	708,439	708,439
18	77/77	3,523,245	950,058	4,473,303	4,473,303	10,900,000	0	722,274	722,274
19	78/78	3,613,354	987,371	4,600,725	4,600,725	10,900,000	0	734,762	734,762
20	79/79	3,703,663	1,026,681	4,730,344	4,730,344	10,900,000	0	745,878	745,878
21	80/80	3,793,841	1,068,083	4,861,924	4,861,924	10,900,000	0	755,411	755,411
22	81/81	3,883,518	1,111,679	4,995,197	4,995,197	10,900,000	0	763,134	763,134
23	82/82	3,972,275	1,157,577	5,129,852	5,129,852	10,900,000	0	768,802	768,802
24	83/83	4,059,647	1,205,888	5,265,535	5,265,535	10,900,000	0	772,151	772,151
25	84/84	4,145,119	1,256,734	5,401,853	5,401,853	10,900,000	0	772,898	772,898
26	85/85	4,228,411	1,310,243	5,538,654	5,538,654	10,900,000	0	771,123	771,123
27	86/86	4,308,991	1,366,549	5,675,540	5,675,540	10,900,000	0	766,584	766,584
28	87/87	4,386,289	1,425,797	5,812,086	5,812,086	10,900,000	0	759,032	759,032
29	88/88	4,459,687	1,488,138	5,947,825	5,947,825	10,900,000	0	748,215	748,215
30	89/89	4,528,525	1,553,732	6,082,257	6,082,257	10,900,000	0	733,874	733,874
31	90/90	4,592,564	1,622,749	6,215,313	6,215,313	10,900,000	0	716,364	716,364

Column (1) includes taxable assets, tax exempt assets, and retirement plan assets. Column (2) is net of any liabilities.

This report does not take into account the impact of the state death tax. Check with your legal and tax advisers for the precise calculation of your state's death tax on your current and future circumstances.

Column (6) assumes half the amount shown in column (5) is transferred to a credit shelter trust by the first spouse to die.

## Summary of Transfer Taxation of Retirement Plan Assets

		Plan Assets	Plan Assets	Plan As	sets	Heirs'	
		Initial Value	Cost Basis	Yield	l Inco	me Tax Rate	
		1,000,000	0	7.00%	6	30.00%	
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
		Plan	Estate Tax	Income Tax	<b>Total Taxes</b>	After Tax	
		Assets	on	on	Attributed to	Plan	Percent
	M/F	in	Plan +	Plan =	Plan	Assets	Loss Due
Year	Ages	Estate	Assets	Assets**	Assets	(1) - (4)	to Tax
1	60/60	1 070 000		321 000	321 000	749.000	30%
2	61/61	1 1 1 4 900	0	343 470	342 470	801 430	30%
2	62/62	1,144,500	0	343,470	343,470	857 530	30%
1	63/63	1 310 796	0	307,010	307,313	917 557	30%
5	64/64	1,010,750	0	420 766	420 766	091 796	30%
6	65/65	1,402,552	0	420,700	420,700	1 050 512	30%
7	66/66	1,500,731	0	430,219	450,219	1,050,512	30%
0	67/67	1,005,702	0	401,735	401,735	1,124,047	30%
0	0//0/	1,/10,10/	0	515,450	515,450	1,202,731	30%
9	00/00	1,030,400	0	551,536	551,530	1,200,922	30%
10	69/69	1,967,152	U	590,146	590,146	1,377,006	30%
11	70/70	2,028,033	0	608,410	608,410	1,419,623	30%
12	71/71	2,088,108	0	626,432	626,432	1,461,676	30%
13	72/72	2,146,999	0	644,100	644,100	1,502,899	30%
14	73/73	2,204,281	0	661,284	661,284	1,542,997	30%
15	74/74	2,259,480	0	677,844	677,844	1,581,636	30%
16	75/75	2,312,070	0	693,621	693,621	1,618,449	30%
17	76/76	2,361,464	0	708,439	708,439	1,653,025	30%
18	77/77	2,407,579	0	722,274	722,274	1,685,305	30%
19	78/78	2,449,208	0	734,762	734,762	1,714,446	30%
20	79/79	2,486,261	0	745,878	745,878	1,740,383	30%
21	80/80	2,518,037	0	755,411	755,411	1,762,626	30%
22	81/81	2,543,781	0	763,134	763,134	1,780,647	30%
23	82/82	2,562,674	0	768,802	768,802	1,793,872	30%
24	83/83	2,573,837	0	772,151	772,151	1,801,686	30%
25	84/84	2,576,328	0	772,898	772,898	1,803,430	30%
26	85/85	2,570,410	0	771,123	771,123	1,799,287	30%
27	86/86	2,555,279	0	766,584	766,584	1,788,695	30%
28	87/87	2,530,108	0	759.032	759.032	1,771,076	30%
29	88/88	2,494.049	0	748.215	748.215	1,745.834	30%
30	89/89	2.446.247	Ō	733.874	733,874	1,712,373	30%
••		_, , _ 11		,		.,,	
31	90/90	2,387,880	0	716,364	716,364	1,671,516	30%

Analysis of Adding IUL and a Roth Conversion (Strategy 2)

## **Client Information Summary**

#### **Current Assets**

<u>Liquid Assets:</u>	Liquid Assets (Taxable Interest) Liquid Assets (Tax Exempt Interest) Equity Assets Tax Deferred Assets Retirement Plan Assets	\$	415,000 240,000 0 0 1,000,000	
	Tot	al Liquid Assets		1,655,000
<u>Illiquid Assets:</u>	Principal Residence Coin Collection Personal Property		300,000 140,000 100,000	
	Tota	al Illiquid Assets		540,000
<u>Other Assets:</u>	Inside the Estate Proposed Life Insurance Death Ben Proposed Current cash value: \$1	637,444		
	Total Other Assets I	637,444		
	Tota Total Other Assets Ou	al Estate Assets utside the Estate		\$2,832,444 0

#### Funding Options for Required Cash Flow

Retirement Plan Assets:	Minimum Distribution, Unless More Is Needed
Cash Flow Funding:	Sequential Use of Liquid Assets
	Tax Exempt Bonds, Taxable, Retirement Plan Assets, Roth Assets

The information in this presentation is not guaranteed; it is for illustration purposes only. Tax rates, interest and inflation rates, and IRS tax codes may, and probably will, change in the future; therefore, you should consult your tax adviser for additional information about potential taxes and IRS revisions.
## **Client Information Summary**

#### **Assumptions Used**

Income Tax Rates:	Pre-Retirement	30.00%
	Retirement	20.00%
Life Expectancy:	Joint	31 Years
	Tom Sexton	Age 90
	Amy Sexton	Age 90
Taxable Account:		Taxable
	Yield Assumption	4.00%
Tax Exempt Accour	<u>nt:</u>	Tax Exempt Bonds
	Yield Assumption	3.00%
Retirement Plan As		
	Defined Contr. Yield Assumption	7.00%
	Defined Contr. Yield Assumption Roth Defined Contr. Yield Assumption	7.00% 7.00%

#### Analysis of After Tax Cash Flow Requirements

Below is a list of your liquid assets. It is suggested that you withdraw funds to meet your after tax cash flow requirements from each liquid asset in the order presented. The Cash Flow graph (below, right) illustrates whether your liquid assets are sufficient to provide the required cash flow.

**Annual Cash Flow** 

#### Withdrawal Order



As you can see in the Cash Flow graph above, your liquid assets are sufficient to provide withdrawals to meet your required after tax cash flow in all years illustrated. The graph below shows your remaining total Net Worth.



<u>Net Worth</u> (After Providing Required Cash Flow)

\*As needed, but no less than required minimum distributions.

#### **Cash Flow Analysis**

	Annual Cash Flow Required		Annual Cash Flow Provided						
		(1)	(2)	(3) After Tax	(4) After Tax Cash Flow	(5) Total			
		Spondable	Expected	from		After Tax			
	ME	Cash Elow	After Tax	+ Potiromont +		Cash Flow			
Year	Ages	Required*	Cash Flow	Plan Assets	Accounts	Provided*			
1	60/60	89,919	0	0	89,919	89,919			
2	61/61	89,919	0	0	89,919	89,919			
3	62/62	89,919	0	0	89,919	89,919			
4	63/63	89,919	0	0	89,919	89,919			
5	64/64	89,919	0	0	89,919	89,919			
6	65/65	39,919	0	0	39,919	39,919			
7	66/66	39,919	0	0	39,919	39,919			
8	67/67	39,919	0	0	39,919	39,919			
9	68/68	39,919	0	0	39,919	39,919			
10	69/69	39,920	0	0	39,920	39,920			
11	70/70	205,849	147,007	0	58,842	205,849			
12	71/71	212,024	150,504	33,050	28,470	212,024			
13	72/72	218,385	154,106	64,279	0	218,385			
14	73/73	224,937	157,815	67,122	0	224,937			
15	74/74	231,685	161,636	70,049	0	231,685			
16	75/75	238,635	165,571	73,064	0	238,635			
17	76/76	245,795	169,625	76,170	0	245,795			
18	77/77	253,169	173,800	79,369	0	253,169			
19	78/78	260,763	178,100	82,663	0	260,763			
20	79/79	268,586	182,530	86,056	0	268,586			
21	80/80	276,643	187,092	89,551	0	276,643			
22	81/81	284,943	191,791	93,152	0	284,943			
23	82/82	293,491	196,631	96,860	0	293,491			
24	83/83	302,296	201,616	100,680	0	302,296			
25	84/84	311,365	206,751	104,614	0	311,365			
26	85/85	320,706	212,040	108,666	0	320,706			
27	86/86	330,327	217,488	112,839	0	330,327			
28	87/87	340,237	223,099	117,138	0	340,237			
29	88/88	350,444	228,878	121,566	0	350,444			
30	89/89	360,958	234,831	126,127	0	360,958			
31	90/90	371,787	240,962	130,825	0	371,787			

6,552,216	3,981,873	1,833,840	736,503	

6,552,216

\*IMPORTANT NOTE: For this plan to be financially sound, column (5) must be sufficient to provide the values in column (1).

Column (1): see "Spendable Cash Flow Required".

Column (2): see "Expected Cash Flow".

Column (3): see "Summary of Retirement Plan Assets".

Column (4): see detail reports for Taxable and Tax Exempt Accounts.

## Spendable Cash Flow Required

		(1) After Tax	(2) After Tax Cash Flow	(3) After Tax Cash Flow	(4)	(5)
		Cash Flow	TOP	TOP		After Tax
		for	Additional	Roth	Proposed	Spendable
	M/F	Living +	Spendable +	Conversion +	Life Insurance =	Cash Flow
Year	Ages	Expenses	Cash	Tax	Premiums	Required
1	60/60	0	0	39,919	50,000	89,919
2	61/61	0	0	39,919	50,000	89,919
3	62/62	0	0	39,919	50,000	89,919
4	63/63	0	0	39,919	50,000	89,919
5	64/64	0	0	39,919	50,000	89,919
6	65/65	0	0	39,919	0	39,919
7	66/66	0	0	39,919	0	39,919
8	67/67	0	0	39,919	0	39,919
9	68/68	0	0	39,919	0	39,919
10	69/69	0	0	39,920	0	39,920
11	70/70	161,270	44,579	0	0	205,849
12	71/71	166,108	45,916	0	0	212,024
13	72/72	171,091	47,294	0	0	218,385
14	73/73	176,224	48,713	0	0	224,937
15	74/74	181,511	50,174	0	0	231,685
16	75/75	186,956	51,679	0	0	238,635
17	76/76	192,565	53,230	0	0	245,795
18	77/77	198,342	54,827	0	0	253,169
19	78/78	204,292	56,471	0	0	260,763
20	79/79	210,421	58,165	0	0	268,586
21	80/80	216,733	59,910	0	0	276,643
22	81/81	223,235	61,708	0	0	284,943
23	82/82	229,932	63,559	0	0	293,491
24	83/83	236,830	65,466	0	0	302,296
25	84/84	243,935	67,430	0	0	311,365
26	85/85	251,253	69,453	0	0	320,706
27	86/86	258,791	71,536	0	0	330,327
28	87/87	266,555	73,682	0	0	340,237
29	88/88	274,551	75,893	0	0	350,444
30	89/89	282,788	78,170	0	0	360,958
31	90/90	291 272	80 515	0	0	371 787

4,624,655

1,278,370 399,191

6,552,216

250,000

Column (1) assumes 3.00% inflation.

#### Expected Cash Flow

		(1)		(2)		(3)		(4)
		After Tax		After Tax				
		Cash Flow		Cash Flow		Durant		Total
		from		from		Proposed		Expected
<b>V</b>	M/F	Social	+	Work After	+	Life Insurance	=	After Tax
Year	Ages	Security		Retirement		Loans		Cash Flow
1	60/60	0		0		0		0
2	61/61	0		0		0		0
3	62/62	0		0		0		0
4	63/63	0		0		0		0
5	64/64	0		0		0		0
6	65/65	0		0		0		0
7	66/66	0		0		0		0
8	67/67	0		0		0		0
9	68/68	0		0		0		0
10	69/69	0		0		0		0
44	70/70	446 550		0		20 455		4 47 007
11	70/70	116,552		0		30,455		147,007
12	71/71	120,049		0		30,455		150,504
13	72/72	123,651		0		30,455		154,106
14	73/73	127,360		0		30,455		157,815
15	(4/(4	131,181		0		30,455		161,636
10	15/15	135,116		0		30,455		165,571
1/	/6//6	139,170		0		30,455		169,625
18	7////	143,345		0		30,455		173,800
19	/8//8	147,645		0		30,455		178,100
20	79/79	152,075		0		30,455		182,530
21	80/80	156.637		0		30,455		187.092
22	81/81	161.336		0		30,455		191,791
23	82/82	166,176		0		30,455		196.631
24	83/83	171 161		0		30 455		201 616
25	84/84	176 296		0		30 455		206 751
26	85/85	181,585		0		30,455		212.040
27	86/86	187 033		0		30 455		217 488
28	87/87	192,644		0		30,455		223.099
29	88/88	198,423		0		30,455		228.878
30	89/89	204,376		0		30,455		234,831
		,,,				,-••		
31	90/90	210,507		0		30,455		240,962

Column (1) assumes 3.00% inflation.

\*The above calculations are based upon client furnished data. These results may be based on incomplete information. For precise estimates, call the Social Security Administration at 1-800-772-1213 or go to http://socialsecurity.gov/estimator/.

# Sources of Cash Flow 31 Year Analysis



#### Details of Defined Contribution Plan Assets for Tom Sexton

Presented By: [Licensed user's name appears here]

Retirem	ent Pl	an	<b>Retirement Plan</b>	Retireme	nt Plan		
Ass	sets		Assets	Asse	ets	Pre-Retirement	Retirement
Initial	Value	•	Cost Basis	Yiel	d	ncome Tax Rate	Income Tax Rate
1,000	0,000		0	7.00	%	30.00%	20.00%
			(1)	(2)	(3) Distribution	(4)	(5)
			Boginning	Paguirod	from Retirement	Voor End	After Tax Cash Flow
		M/E	of Voar	Minimum	for Poth	Potiromont	Potiromont
,	Voar		Plan Assots	Distribution	Conversions	Plan Assots	Plan Assets
-			Fian Assets	Distribution	Conversions	Fian Assets	Fian Assets
	1	60/60	1,000,000	0	133,063	927,623	0
	2	61/61	927,623	0	133,063	8 850,179	0
	3	62/62	850,179	0	133,063	<b>767,314</b>	0
	4	63/63	767,314	0	133,063	678,649	0
	5	64/64	678,649	0	133,063	583,777	0
	6	65/65	583,777	0	133,063	482,264	0
	7	66/66	482,264	0	133,063	373,645	0
	8	67/67	373,645	0	133,063	3 257,423	0
	9	68/68	257,423	0	133,063	3 133,065	0
	10	69/69	133,065	0	133,065	5 0	0
			-	-	-		
	11	70/70	0	0	(	0	0
	12	71/71	0	0	(	0	0
	13	72/72	0	0	L L	0	0
	14	73/73	0	0	(	0	0
	15	74/74	0	0	(	0	0
	16	75/75	0	0	(	0	0
	17	76/76	0	0	(	0	0
	18	7///7	0	0	(	0	0
	19	78/78	0	0	(	0	0
	20	79/79	0	0	(	0 0	U
	21	80/80	0	0	C	) 0	0
	22	81/81	0	0	C	) 0	0
	23	82/82	0	0	(	) 0	0
	24	83/83	0	0		) 0	0
	25	84/84	0	0	(	) 0	0
	26	85/85	0	0	( (	) 0	ŏ
	27	86/86	0	ů N	, C	) 0	ŏ
	28	87/87	0	0		) 0	ő
	29	88/88	0	0		) 0	ő
	30	89/89	0	0	0	) 0	0
		50,00	Ŭ	Ű	,	. 0	v
	31	90/90	0	0	(	) 0	0

0 1,330,632

0

Column (1) includes only deductible contributions.

Column (2) projects an estimate of the required minimum distribution based on the Uniform Lifetime table life expectancy factors, recalculated each year based on asset value and client age.

# Details of Roth Defined Contribution Assets for Tom Sexton

			0	7.00%		
		(1)	(2)	(3)	(4)	(5)
		(1)	(2) Conversions	(3)	(4)	(J) After Tax
		Beginning	from	Distribution		Cash Flow
		of Voor	Botiromont	from	Voor End	from
Voar		Poth Assots	Plan Accote	Both Accote	Poth Accote	Poth Accote
Tear	Ayes	Kolli Assels		Roun Assels	Rolli Assels	Roun Assets
1	60/60	0	133,063	0	142,377	0
2	61/61	142,377	133,063	0	294,721	0
3	62/62	294,721	133,063	0	457,729	0
4	63/63	457,729	133,063	0	632,147	0
5	64/64	632,147	133,063	0	818,775	0
6	65/65	818,775	133,063	0	1,018,467	0
7	66/66	1,018,467	133,063	0	1,232,137	0
8	67/67	1,232,137	133,063	0	1,460,764	0
9	68/68	1,460,764	133,063	0	1,705,395	0
10	69/69	1,705,395	133,065	0	1,967,152	0
11	70/70	1,967,152	0	0	2,104,853	0
12	71/71	2,104,853	0	33,050	2,216,829	33,050
13	72/72	2,216,829	0	64,279	2,303,229	64,279
14	73/73	2,303,229	0	67,122	2,392,634	67,122
15	74/74	2,392,634	0	70,049	2,485,166	70,049
16	75/75	2,485,166	0	73,064	2,580,949	73,064
17	76/76	2,580,949	0	76,170	2,680,114	76,170
18	77/77	2,680,114	0	79,369	2,782,797	79,369
19	78/78	2,782,797	0	82,663	2,889,143	82,663
20	79/79	2,889,143	0	86,056	2,999,303	86,056
21	80/80	2,999,303	0	89,551	3,113,435	89,551
22	81/81	3,113,435	0	93,152	3,231,703	93,152
23	82/82	3,231,703	0	96,860	3,354,282	96,860
24	83/83	3,354,282	0	100,680	3,481,354	100,680
25	84/84	3,481,354	0	104,614	3,613,112	104,614
26	85/85	3,613,112	0	108,666	3,749,757	108,666
27	86/86	3,749,757	0	112,839	3,891,502	112,839
28	87/87	3,891,502	0	117,138	4,038,569	117,138
29	88/88	4,038,569	0	121,566	4,191,193	121,566
30	89/89	4,191,193	0	126,127	4,349,621	126,127
31	90/90	4,349,621	0	130,825	4,514,112	130,825

**Roth Assets** 

Initial Value

**Roth Assets** 

Yield

1,833,840

1,833,840

## **Details of Taxable Account\***

	Taxable Assets Initial Value 415,000		Taxable YieldPre-Retirement Income Tax Rate4.00%30.00%		Retirement Income Tax Rate 20.00%			
		(1) Beginning of Year	(2) Net After Tax	(3) Balance in	(4) After Tax	(5) Year End After Tax		
	M/F	Balance	Account	Account	Interest _	Value of		
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account		
1	60/60	415.000	39.919	375.081	10.502	385.583		
2	61/61	385,583	39,919	345,664	9,679	355,343		
3	62/62	355,343	39,919	315,424	8,832	324,256		
4	63/63	324,256	39,919	284,337	7,961	292,298		
5	64/64	292,298	39,919	252,379	7,067	259,446		
6	65/65	259,446	39,919	219,527	6,147	225,674		
7	66/66	225,674	39,919	185,755	5,201	190,956		
8	67/67	190,956	39,919	151,037	4,229	155,266		
9	68/68	155,266	39,919	115,347	3,230	118,577		
10	69/69	118,577	39,920	78,657	2,202	80,859		
11	70/70	80,859	53,272	27,587	883	28,470		
12	71/71	28,470	28,470	0	0	0		
13	72/72	0	0	0	0	0		
14	73/73	0	0	0	0	0		
15	74/74	0	0	0	0	0		
16	75/75	0	0	0	0	0		
17	76/76	0	0	0	0	0		
18	77/77	0	0	0	0	0		
19	78/78	0	0	0	0	0		
20	79/79	0	0	0	0	0		
21	80/80	0	0	0	0	0		
22	81/81	0	0	0	0	0		
23	82/82	0	0	0	0	0		
24	83/83	0	0	0	0	0		
25	84/84	0	0	0	0	0		
26	85/85	0	0	0	0	0		
27	86/86	0	0	0	0	0		
28	87/87	0	0	0	0	0		
29	88/88	0	0	0	0	0		
30	89/89	0	0	0	0	0		
31	90/90	0	0	0	0	0		

480,933

65,933

\*Assumes yield is subject to income tax.

# Details of Tax Exempt Account\* (Tax Exempt Bonds)

		Тах	Exempt Assets	Tax Exem	pt	
			Initial Value	Yield		
			240,000	3.00%		
		(1)	(2)	(3)	(4)	(5)
		Beginning				<b>X</b> - <b>7</b>
		of Year	Tax Exempt	Balance in	Tax Exempt	Year End
	M/F	Balance	Account	Account .	Interest	Value of
Year	Ages	in Account	Withdrawal	to Accrue	Earned	Account
		ll			I	
1	60/60	240,000	50,000	190,000	5,700	195,700
2	61/61	195,700	50,000	145,700	4,371	150,071
3	62/62	150,071	50,000	100,071	3,002	103,073
4	63/63	103,073	50,000	53,073	1,592	54,665
5	64/64	54,665	50,000	4,665	140	4,805
6	65/65	4,805	0	4,805	144	4,949
7	66/66	4,949	0	4,949	148	5,097
8	67/67	5,097	0	5,097	153	5,250
9	68/68	5,250	0	5,250	158	5,408
10	69/69	5,408	0	5,408	162	5,570
11	70/70	5,570	5,570	0	0	0
12	71/71	0	0	0	0	0
13	72/72	0	0	0	0	0
14	73/73	0	0	0	0	0
15	74/74	0	0	0	0	0
16	75/75	0	0	0	0	0
17	76/76	0	0	0	0	0
18	77/77	0	0	0	0	0
19	78/78	0	0	0	0	0
20	79/79	0	0	0	0	0
21	80/80	0	0	0	0	0
22	81/81	0	0	0	0	0
23	82/82	0	0	0	0	0
24	83/83	0	0	0	0	0
25	84/84	0	0	0	0	0
26	85/85	0	0	0	0	0
27	86/86	0	0	0	0	0
28	87/87	0	0	0	0	0
29	88/88	0	0	0	0	0
30	89/89	0	0	0	0	0
31	90/90	0	0	0	0	0

255,570

15,570

\*Assumes yield is not subject to income tax.

## Summary of Illiquid Assets

		(1)	(2)	(3)	(4)
		Principal	Coin	Personal	
		Residence	Collection	Property	Total
	M/F	(3.00% ]	(6.00%	<b>_</b> (-5.00%  _	Illiquid
Year	Ages	Growth)	Growth)	Growth)	Assets
1	60/60	309,000	148,400	95,000	552,400
2	61/61	318,270	157,304	90,250	565,824
3	62/62	327,818	166,742	85,738	580,298
4	63/63	337,653	176,747	81,451	595,851
5	64/64	347,782	187,352	77,378	612,512
6	65/65	358,216	198,593	73,509	630,318
7	66/66	368,962	210,508	69,834	649,304
8	67/67	380,031	223,139	66,342	669,512
9	68/68	391,432	236,527	63,025	690,984
10	69/69	403,175	250,719	59,874	713,768
11	70/70	415,270	265,762	56,880	737,912
12	71/71	427,728	281,708	54,036	763,472
13	72/72	440,560	298,610	51,334	790,504
14	73/73	453,777	316,527	48,768	819,072
15	74/74	467,390	335,518	46,329	849,237
16	75/75	481,412	355,649	44,013	881,074
17	76/76	495,854	376,988	41,812	914,654
18	77/77	510,730	399,607	39,721	950,058
19	78/78	526,052	423,584	37,735	987,371
20	79/79	541,833	448,999	35,849	1,026,681
21	80/80	558,088	475,939	34,056	1,068,083
22	81/81	574,831	504,495	32,353	1,111,679
23	82/82	592,076	534,765	30,736	1,157,577
24	83/83	609,838	566,851	29,199	1,205,888
25	84/84	628,133	600,862	27,739	1,256,734
26	85/85	646,977	636,914	26,352	1,310,243
27	86/86	666,387	675,128	25,034	1,366,549
28	87/87	686,378	715,636	23,783	1,425,797
29	88/88	706,970	758,574	22,594	1,488,138
30	89/89	728,179	804,089	21,464	1,553,732
31	90/90	750,024	852,334	20,391	1,622,749

## Hypothetical Net Worth (After Providing Required Cash Flow)

		(1)	(2)	(3)	(4)	(5)	(6)
		Year End	Year End	Year End	Year End	Year End	
		Value of	Value of	Value of	Value of	Value of	Year End
	M/F	Illiquid	Life Insurance	Retirement	Taxable	Tax Exempt	Hypothetical
Year	Ages	Assets	Assets	Plan Assets	Assets	Assets	Net Worth
1	60/60	552,400	10,058	1,070,000	385,583	195,700	2,213,741
2	61/61	565,824	56,375	1,144,900	355,343	150,071	2,272,513
3	62/62	580,298	106,138	1,225,043	324,256	103,073	2,338,808
4	63/63	595,851	159,667	1,310,796	292,298	54,665	2,413,277
5	64/64	612,512	217,327	1,402,552	259,446	4,805	2,496,642
6	65/65	630,318	228,813	1,500,731	225,674	4,949	2,590,485
7	66/66	649,304	245,965	1,605,782	190,956	5,097	2,697,104
8	67/67	669,512	264,191	1,718,187	155,266	5,250	2,812,406
9	68/68	690,984	283,556	1,838,460	118,577	5,408	2,936,985
10	69/69	713,768	304,144	1,967,152	80,859	5,570	3,071,493
11	70/70	737,912	299,632	2,104,853	28,470	0	3,170,867
12	71/71	763,472	289,145	2,216,829	0	0	3,269,446
13	72/72	790,504	278,277	2,303,229	0	0	3,372,010
14	73/73	819,072	267,108	2,392,634	0	0	3,478,814
15	74/74	849,237	255,664	2,485,166	0	0	3,590,067
16	75/75	881,074	244,002	2,580,949	0	0	3,706,025
17	76/76	914,654	232,212	2,680,114	0	0	3,826,980
18	77/77	950,058	220,441	2,782,797	0	0	3,953,296
19	78/78	987,371	208,888	2,889,143	0	0	4,085,402
20	79/79	1,026,681	197,846	2,999,303	0	0	4,223,830
21	80/80	1,068,083	187,679	3,113,435	0	0	4,369,197
22	81/81	1,111,679	177,660	3,231,703	0	0	4,521,042
23	82/82	1,157,577	167,574	3,354,282	0	0	4,679,433
24	83/83	1,205,888	157,400	3,481,354	0	0	4,844,642
25	84/84	1,256,734	147,083	3,613,112	0	0	5,016,929
26	85/85	1,310,243	136,521	3,749,757	0	0	5,196,521
27	86/86	1,366,549	125,757	3,891,502	0	0	5,383,808
28	87/87	1,425,797	114,710	4,038,569	0	0	5,579,076
29	88/88	1,488,138	103,261	4,191,193	0	0	5,782,592
30	89/89	1,553,732	91,271	4,349,621	0	0	5,994,624
31	90/90	1,622,749	78,485	4,514,112	0	0	6,215,346

Values on this page may include non-guaranteed life insurance values. If so, actual results are likely to vary, and this report is not valid unless accompanied by a life insurance basic illustration that details non-guaranteed and guaranteed elements.

# Hypothetical Net Worth (After Providing Required Cash Flow) 31 Year Analysis



Values on this page may include non-guaranteed life insurance values. If so, actual results are likely to vary, and this report is not valid unless accompanied by a life insurance basic illustration that details non-guaranteed and guaranteed elements.

# Wealth Transfer Summary (After Providing Required Cash Flow)

		(1)	(2)		(3)		(4)		(5)
Year	M/F Ages	Total Estate Assets*	Total Transfer Taxes**	=	Net Estate to Heirs	+	Year End Total Assets Outside the Estate	=	Year End Wealth Transferred to Heirs
1	60/60	2.841.127	278.287		2.562.840		0		2.562.840
2	61/61	2.853.582	255.054		2.598.528		0		2.598.528
3	62/62	2,870,114	230,194		2,639,920		0		2,639,920
4	63/63	2,891,054	203,595		2,687,459		0		2,687,459
5	64/64	2,916,759	175,133		2,741,626		0		2,741,626
6	65/65	2.999.116	144.679		2.854.437		0		2.854.437
7	66/66	3,088,583	112,094		2,976,489		0		2,976,489
8	67/67	3,185,659	77,227		3,108,432		0		3,108,432
9	68/68	3,290,873	39,920		3,250,953		0		3,250,953
10	69/69	3.404.793	, 0		3.404.793		0		3.404.793
11	70/70	3,476,701	0		3,476,701		0		3,476,701
12	71/71	3,552,191	0		3,552,191		0		3,552,191
13	72/72	3,630,367	0		3,630,367		0		3,630,367
14	73/73	3,711,322	0		3,711,322		0		3,711,322
15	74/74	3,795,150	0		3,795,150		0		3,795,150
16	75/75	3,881,957	0		3,881,957		0		3,881,957
17	76/76	3,971,849	0		3,971,849		0		3,971,849
18	77/77	4,064,940	0		4,064,940		0		4,064,940
19	78/78	4,161,353	0		4,161,353		0		4,161,353
20	79/79	4,261,215	0		4,261,215		0		4,261,215
21	80/80	4,401,296	0		4,401,296		0		4,401,296
22	81/81	4,555,375	0		4,555,375		0		4,555,375
23	82/82	4,716,132	0		4,716,132		0		4,716,132
24	83/83	4,883,848	0		4,883,848		0		4,883,848
25	84/84	5,058,785	0		5,058,785		0		5,058,785
26	85/85	5,241,173	0		5,241,173		0		5,241,173
27	86/86	5,431,412	0		5,431,412		0		5,431,412
28	87/87	5,629,792	0		5,629,792		0		5,629,792
29	88/88	5,836,583	0		5,836,583		0		5,836,583
30	89/89	6,052,056	0		6,052,056		0		6,052,056
31	90/90	6,276,381	0		6,276,381		0		6,276,381

\*Net of cash flow provided

\*\*See Transfer Tax Details report for details.

This page may include non-guaranteed life insurance values. If so, actual results are likely to vary. This page is not valid unless accompanied by a life insurance basic illustration that details non-guaranteed and guaranteed elements.

Summary at Life Expectancy (Year 31)

Total Estate Assets	\$ 6,276,381
Wealth Transferred to Heirs	\$ 6,276,381

### **Estate Assets Details**

		(1)		(2)		(3)		(4)
						Proposed		
						Life		
				Net		Insurance		Total
	M/F	Liquid	+	Illiquid	+	Death	=	Estate
Year	Ages	Assets*		Assets**		Benefit		Assets
4	60/60	4 654 292		EE2 400		627 444		2 944 427
1	64/64	1,051,203		552,400		637,444		2,041,127
2	62/62	1,000,014		505,024		637,444		2,000,002
3	62/62	1,052,372		500,290		637,444		2,070,114
4	03/03	1,057,759		555,051		637,444		2,091,054
5	04/04 65/65	1,000,003		620 212		637,444		2,910,759
7	60/60	1,731,304		630,310		637,444		2,999,110
<i>'</i>	00/00	1,001,035		649,304		637,444		3,000,503
8	67/67	1,878,703		669,512		637,444		3,185,659
9	68/68	1,962,445		690,984		637,444		3,290,873
10	69/69	2,053,581		/13,/68		637,444		3,404,793
11	70/70	2.133.323		737.912		605.466		3.476.701
12	71/71	2.216.829		763.472		571,890		3.552.191
13	72/72	2.303.229		790,504		536.634		3.630.367
14	73/73	2.392.634		819.072		499.616		3.711.322
15	74/74	2.485.166		849.237		460.747		3.795.150
16	75/75	2.580.949		881.074		419.934		3.881.957
17	76/76	2.680.114		914.654		377.081		3.971.849
18	77/77	2.782.797		950.058		332.085		4.064.940
19	78/78	2.889.143		987.371		284.839		4.161.353
20	79/79	2.999.303		1.026.681	1 026 681		235.231	
		2,000,000 1,020,001 200,201			-,,			
21	80/80	3,113,435		1,068,083		219,778		4,401,296
22	81/81	3,231,703		1,111,679		211,993		4,555,375
23	82/82	3,354,282		1,157,577		204,273		4,716,132
24	83/83	3,481,354		1,205,888		196,606		4,883,848
25	84/84	3,613,112		1,256,734		188,939		5,058,785
26	85/85	3.749.757		1.310.243		181.173		5.241.173
27	86/86	3,891,502		1,366,549		173,361		5,431,412
28	87/87	4,038,569		1,425,797		165,426		5,629,792
29	88/88	4,191,193		1,488,138		157,252		5,836,583
30	89/89	4,349,621		1,553,732		148,703		6,052,056
						· · ·		
31	90/90	4,514,112		1,622,749		139,520		6,276,381

\*Including taxable assets, tax exempt assets, and retirement plan assets.

\*\*Net of any liabilities.

Values on this page may include non-guaranteed life insurance values. If so, actual results are likely to vary, and this report is not valid unless accompanied by a life insurance basic illustration that details non-guaranteed and guaranteed elements.

## **Transfer Tax Details**

		(1)	(2)	(3)	(4)	(5)	(6)
				Remaining		Income Tax	
				Available		on	Total
		Total		Unified	Federal	Retirement	Transfer
	M/F	Estate	Taxable	Credit	Estate	Plan	Taxes
Year	Ages	Assets	Estate	Equivalent	Тах	Assets	(4)+(5)
1	60/60	2,841,127	2,841,127	10,900,000	0	278,287	278,287
2	61/61	2,853,582	2,853,582	10,900,000	0	255,054	255,054
3	62/62	2,870,114	2,870,114	10,900,000	0	230,194	230,194
4	63/63	2,891,054	2,891,054	10,900,000	0	203,595	203,595
5	64/64	2,916,759	2,916,759	10,900,000	0	175,133	175,133
6	65/65	2,999,116	2,999,116	10,900,000	0	144,679	144,679
7	66/66	3,088,583	3,088,583	10,900,000	0	112,094	112,094
8	67/67	3,185,659	3,185,659	10,900,000	0	77,227	77,227
9	68/68	3,290,873	3,290,873	10,900,000	0	39,920	39,920
10	69/69	3,404,793	3,404,793	10,900,000	0	0	0
11	70/70	3,476,701	3,476,701	10,900,000	0	0	0
12	71/71	3,552,191	3,552,191	10,900,000	0	0	0
13	72/72	3,630,367	3,630,367	10,900,000	0	0	0
14	73/73	3,711,322	3,711,322	10,900,000	0	0	0
15	74/74	3,795,150	3,795,150	10,900,000	0	0	0
16	75/75	3,881,957	3,881,957	10,900,000	0	0	0
17	76/76	3,971,849	3,971,849	10,900,000	0	0	0
18	77/77	4,064,940	4,064,940	10,900,000	0	0	0
19	78/78	4,161,353	4,161,353	10,900,000	0	0	0
20	79/79	4,261,215	4,261,215	10,900,000	0	0	0
21	80/80	4,401,296	4,401,296	10,900,000	0	0	0
22	81/81	4,555,375	4,555,375	10,900,000	0	0	0
23	82/82	4,716,132	4,716,132	10,900,000	0	0	0
24	83/83	4,883,848	4,883,848	10,900,000	0	0	0
25	84/84	5,058,785	5,058,785	10,900,000	0	0	0
26	85/85	5,241,173	5,241,173	10,900,000	0	0	0
27	86/86	5,431,412	5,431,412	10,900,000	0	0	0
28	87/87	5,629,792	5,629,792	10,900,000	0	0	0
29	88/88	5,836,583	5,836,583	10,900,000	0	0	0
30	89/89	6,052,056	6,052,056	10,900,000	0	0	0
31	90/90	6 276 381	6 276 381	10 900 000			0
-31	30/30	0,270,301	0,270,301	10,900,000	0	0	U

This report does not take into account the impact of the state death tax. Check with your legal and tax advisers for the precise calculation of your state's death tax on your current and future circumstances.

Column (4) assumes half the amount shown in column (3) is transferred to a credit shelter trust by the first spouse to die.

# Summary of Transfer Taxation of Retirement Plan Assets

		Plan Assets	Plan Assets	Plan Ass	ets	Heirs'	
		Initial Value	Cost Basis	Yield	Incor	ne Tax Rate	
		1,000,000	0	7.00%	, D	30.00%	
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
		Plan	Estate Tax	Income Tax	Total Taxes	After Tax	
		Assets	on	on	Attributed to	Plan	Percent
	M/F	in	Plan +	Plan =	Plan	Assets	Loss Due
Year	Ages	Estate	Assets	Assets**	Assets	(1) - (4)	to Tax
4	60/60	007 602			170 207	640.226	209/
2	64/64	927,023	0	210,201	210,201	649,336	20%
2	62/62	767 244	0	200,004	235,054	595,125	30%
3	62/62	679 640	0	230,194	230,194	557,120	20%
4	03/03 CA/CA	670,049 500 777	0	203,393	203,395	475,054	30%
5	04/04	203,777	0	1/5,133	1/5,133	400,044	30%
5	65/65	482,264	0	144,679	144,679	337,585	30%
1	00/00	373,645	0	112,094	112,094	261,551	30%
ð	67/67	257,423	0	//,22/	17,227	180,196	30%
9	68/68	133,065	0	39,920	39,920	93,145	30%
10	69/69	0	0	0	0	0	0%
11	70/70	0	0	0	0	0	0%
12	71/71	0	0	0	0	0	0%
13	72/72	0	0	0	0	0	0%
14	73/73	0	0	0	0	0	0%
15	74/74	0	0	0	0	0	0%
16	75/75	0	0	0	0	0	0%
17	76/76	0	0	0	0	0	0%
18	77/77	0	0	0	0	0	0%
19	78/78	0	0	0	0	Ő	0%
20	79/79	0	0	0	0	0	0%
21	80/80	0	0	0	0	0	0%
22	81/81	0	0	0	0	0	0%
23	82/82	0	0	0	0	0	0%
24	83/83	0	0	0	0	0	0%
25	84/84	Ő	Ő	0	Ő	0	0%
26	85/85	Ő	0	Ő	Ő	0	0%
27	86/86	ů ů	0	ů	ů	0	0%
28	87/87	0	0	0	0	0	0 /0
20	88/88	0	0	0	0	0	0 /0
20	80/80	0	0	0	0	0	0%
30	09/09	U	U	U	U	U	0 %
31	90/90	_ 0	0	0	_0	_0	0%

# Summary of Transfer Taxation of Roth Defined Contribution Assets

		Pla	an Assets	Plan Assets	Plan Assets		
		Ini	tial Value	Cost Basis	Yield		
			0	0	7.00%		
		(1)	(2)	(3)	(4)	(5) Heirs	(6)
			Estate Tax	Income Tax	<b>Total Taxes</b>	After Tax	
		Plan	on	on	Attributed to	Plan	Percent
	M/F	Assets	Plan 4	Plan :	Plan	Assets	Loss Due
Year	Ages	in Estate	Assets	Assets	Assets	(1) - (4)	to Tax
1	60/60	142,377	0	0	0	142,377	0%
2	61/61	294,721	0	0	0	294,721	0%
3	62/62	457,729	0	0	0	457,729	0%
4	63/63	632,147	0	0	0	632,147	0%
5	64/64	818,775	0	0	0	818,775	0%
6	65/65	1,018,467	0	0	0	1,018,467	0%
7	66/66	1,232,137	0	0	0	1,232,137	0%
8	67/67	1,460,764	0	0	0	1,460,764	0%
9	68/68	1,705,395	0	0	0	1,705,395	0%
10	69/69	1,967,152	0	0	0	1,967,152	0%
11	70/70	2,104,853	0	0	0	2,104,853	0%
12	71/71	2,216,829	0	0	0	2,216,829	0%
13	72/72	2,303,229	0	0	0	2,303,229	0%
14	73/73	2,392,634	0	0	0	2,392,634	0%
15	74/74	2,485,166	0	0	0	2,485,166	0%
16	75/75	2,580,949	0	0	0	2,580,949	0%
17	76/76	2.680.114	0	0	0	2.680.114	0%
18	77/77	2.782.797	0	0	0	2,782,797	0%
19	78/78	2.889.143	0	0	Ō	2.889,143	0%
20	79/79	2.999.303	0	0	0	2,999,303	0%
		, ,				,,	
21	80/80	3.113.435	0	0	0	3.113.435	0%
22	81/81	3.231.703	0	0	0	3.231.703	0%
23	82/82	3.354.282	0	0	0	3.354.282	0%
24	83/83	3.481.354	0	0	0	3,481,354	0%
25	84/84	3.613.112	0	0	0	3.613.112	0%
26	85/85	3.749.757	0	0	0	3,749,757	0%
27	86/86	3.891.502	0	0	0	3.891.502	0%
28	87/87	4.038.569	0	0	0	4.038,569	0%
29	88/88	4,191,193	0	0	0	4,191,193	0%
30	89/89	4,349.621	0	0	0	4,349.621	0%
		-,,		•		,,- <b></b> .	• / •
31	90/90	4,514,112	0	0	0	4,514,112	0%

### Supplemental Report

#### **Important Note**

This material is for educational purposes only. In all cases, the approval of a client's legal and tax advisers must be secured regarding the implementation or modification of any planning technique as well as the applicability and consequences of new cases, rulings, or legislation upon existing or impending plans.