



Mapping Your Financial Future

John and Susan Sample

**1234 Sample Street
Jacksonville, FL 32225**

Presented by:
Mr. Jeff Stoeber

5/7/2004

Introduction

When planning for your future financial security, it is important to set goals, initiate action, and periodically review your progress.

Remember...a sound financial plan can be more important than a lifetime of work!

This analysis uses the information you have shared about your current financial situation and your goals for the future.

The following pages analyze your needs:

- *In the event of death*
- *For college funding*
- *For your retirement years*
- *In the event of a disability*
- *For long-term care*

A sound financial plan...

...can be more important than a lifetime of work.



Important Note...

This financial analysis compares your investments and savings strategy with your financial priorities and concerns. It provides only a broad, general guideline, which may be helpful in shaping your financial thinking about investment objectives and risk tolerance. The reports and graphs are dependent upon the quality and accuracy of data furnished by you.

This analysis is for estimating purposes only and must be reviewed periodically. Past performance is not indicative of future results. Your attorney and accountant should be consulted regarding legal and tax implications. A current prospectus must be read carefully when considering any investment in securities.

No liability is assumed resulting from the use of the information contained in this analysis. Responsibility for financial decisions is assumed by you. It is important to revise your plans periodically in light of your experiences and changing goals.

Liabilities

Name	Amount	Monthly Payment	Final Payment Due	Interest Rate
Mortgage	\$2,400	\$0		0.00%
Home Equity loan	\$15,000	\$150		0.00%
Boat Loan	\$25,000	\$225		0.00%

Needs In The Event Of Death

Income Needs Objective	With children at home: 70.00%	No children at home: 50.00%
Provide Income for	Lifetime	
Fund Children's Education	Yes	

Life Insurance Policies

Name	Company	Insurance Benefit	Annual Premium	Type
John	Group Work	\$50,000	\$0	Group
John	Sample Insurance	\$100,000	\$0	Whole Life
Susan	Group Work	\$50,000	\$0	Group
Susan	Sample Insurance	\$100,000	\$0	Whole Life

College Funding

Child's Name	School	Annual Amount (in Today's Dollars)	Years Needed	Percent Want To Provide
Madison Sample	University of North Florida	\$8,569	4	100%
Delaney Sample	University of Florida	\$8,950	4	100%
Shane Sample	Florida State University	\$9,295	4	100%
Austin Sample	Florida Institute of Technology	\$27,500	4	100%

Total Funds Presently Available	Monthly Savings	Rate of Return
\$4,000	\$0	8.00%

Retirement Needs

Desired Retirement Age	John: 65	Susan: 65
Employer Offers Retirement Plans	Yes	Yes
Maximum amount being contributed	No	No
Percentage of pre-retirement income during retirement	100.00%	

Long-Term Disability

Annual Employment Income	\$75,000	\$35,000
Disability income replacement objective:	John - 60.00%	Susan - 60.00%

Existing Insurance

Insured	Company	Monthly Benefit	Group/Personal	Annual Premium	Waiting Period (Months)	Benefit Period
John	Work Short Term Disab	\$3,250	Group	\$0	1 month	6 months
Susan	Work Short Term Disab	\$1,750	Group	\$0	1 month	6 months

Long-Term Care

Estimated monthly long-term care costs:	\$5,500
---	---------

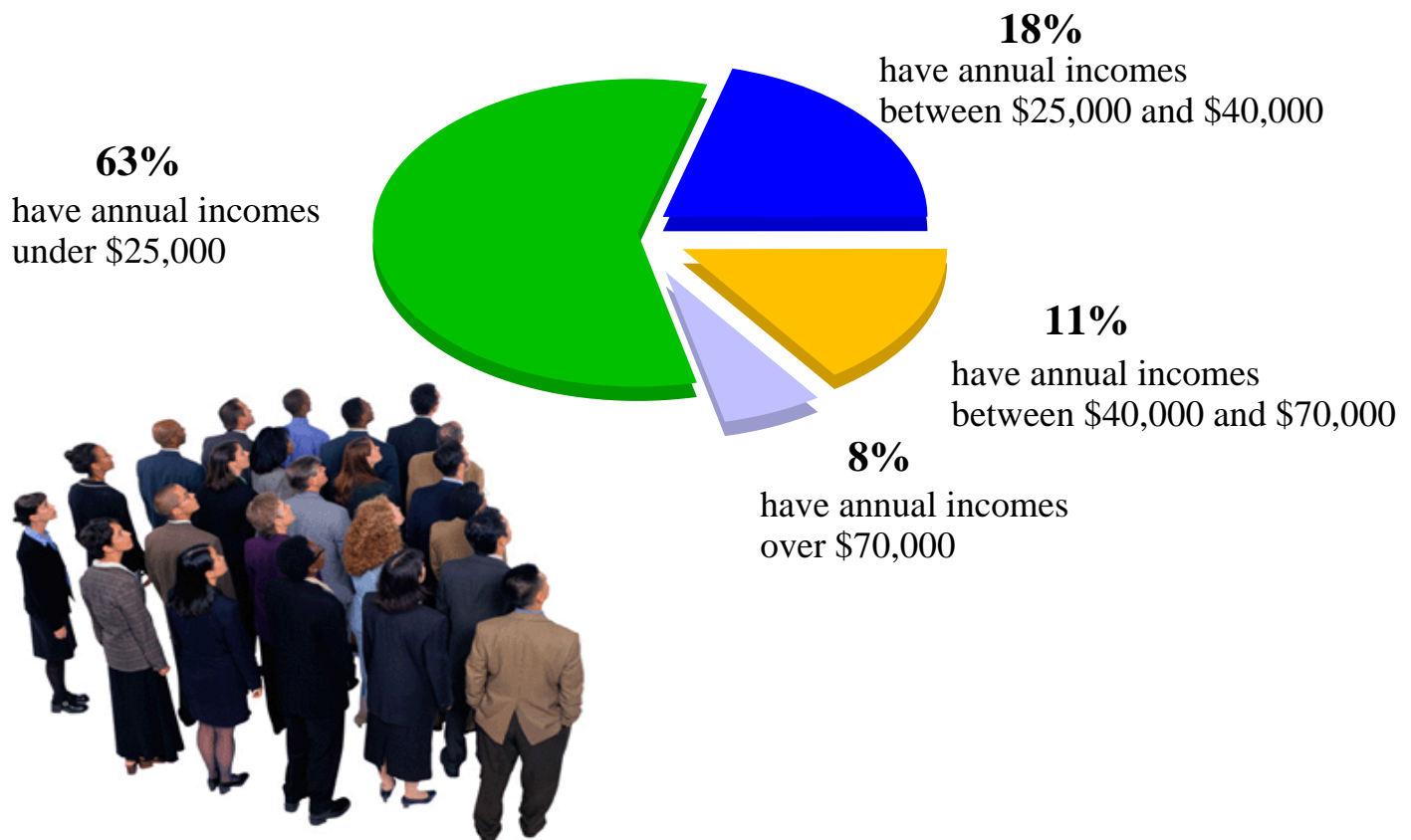
Planning Assumptions Used In This Analysis

Rate of Return on Assets	
During Retirement.....	6.00%
In the Event of Death.....	8.00%
For College Needs.....	8.00%
Number of month's income to set aside for emergency reserves.....	
	3
Long-term inflation rate.....	4.00%
Long-term inflation rate for College Costs.....	8.00%
Life expectancy age.....	100
Final Expenses.....	\$15,000

Retirement Statistics

Every day people die, and people retire. It is important that any financial plan provide funding for retirement and for premature death.

According to recent government statistics, incomes for people age 65 and older are:



Most people are very concerned about their prospect for financial independence. Over 70% believe they won't have enough money at retirement. Of those between the ages of 30 and 54, almost 80% feel this way.

One of the factors in their uncertainty is Social Security. In the mid-1970's, two-thirds of those surveyed said they were confident that Social Security benefits would be there for them at retirement. In the 1980's this was completely reversed. Two-thirds said they were not confident that Social Security would be there at retirement, and if it were, it would not be adequate to provide a reasonable standard of living.

There does, however, seem to be agreement that being financially independent at retirement requires putting money aside while you're working and earning income...even if it means making some short-term sacrifices along the way.

Source: Social Security Administration, The Office of Policy, Income of the Population 55 or older, 2000; February 2002.

Retirement Analysis

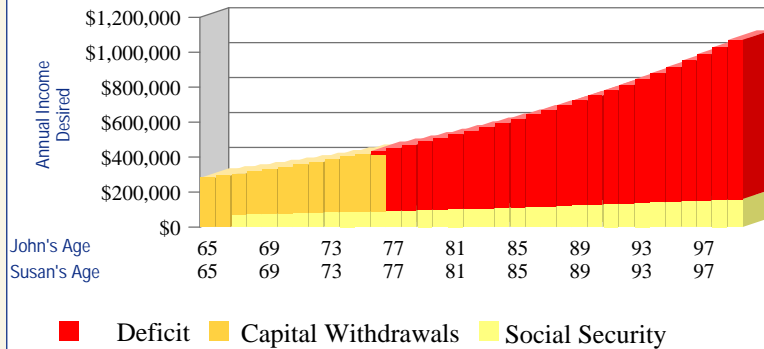
Will you have enough money when you retire? The earlier you begin setting money aside, the more likely you are to achieve your goals.

Retirement income generally comes from three different sources:

- Social Security
- Employer Sponsored Plans
- Savings and Investments

This analysis suggests that your plan may not meet your goals. It is estimated that your assets will be **depleted** by age 76. At that time, your remaining income sources will be limited to Social Security and only provide 21% of your income.

Retirement Analysis



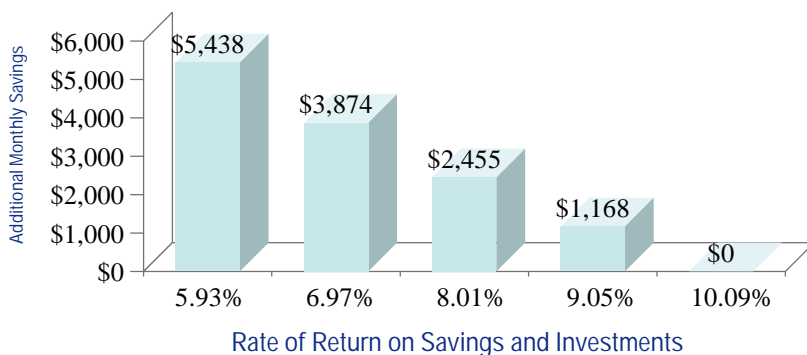
To provide your desired income, you will need additional capital at retirement age 65. In order to meet this need, you should consider:

- Saving more money
- Earning a higher return on your assets

If you are not able to accumulate this capital, you may need to consider:

- Postponing your retirement, or
- Reducing your standard of living

Save More or Earn More



This chart shows various options in order for you to meet your objectives. Based on your current average rate of return of 5.93%, you would need to save an additional \$5,438 a month. Alternatively, if you could increase your average rate of return to 10.09%, your objectives would be met.

If these options are not attainable, work towards doing a little bit of both; saving more money and earning a higher rate of return.

Assumptions: Income increases at 4.00% annually. Rate of return during retirement is 6.00%. Social Security benefits increase at 2.50%.

Retirement Analysis Detail

Assumptions

Income Replacement at Retirement in the year 2028	100%
Inflation	4.00%
Rate of Return for Assets during Retirement	6.00%
Mortality assumed for John and Susan	100 / 100

Income Objective

	Current Household Income	Annual Need (Today's Dollars)	Annual Need (At Retirement)	Capital Value
At John's Age 65	\$110,000	\$110,000	\$281,963	\$7,081,043

Total Value of Income Objective

\$7,081,043

Income Sources

Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value
John's Social Security	\$22,774	67	100	2.50%	\$43,278	\$760,837
Susan's Social Security	15,273	67	100	2.50%	29,023	510,231

Total Income Sources

\$1,271,068

Capital Needed to Meet Objectives

\$5,809,975

Continued...

Capital Available				
Asset Name	Market Value	Total Annual Contribution	Rate of Return	Value At Retirement
Home	\$300,000	\$0	0.00%	\$300,000
Boat	25,000	0	0.00%	25,000
Savings Acct	4,000	2,400	2.00%	80,235
Checking Acct	3,000	0	1.00%	3,809
Sample Investments Act	125,000	0	10.00%	1,231,217
Work 401K	15,000	2,700	8.00%	283,102
IRA Sample Investments	15,000	600	10.00%	203,679
Work 401K	10,000	1,800	8.00%	188,735
IRA Sample Investments	5,000	600	10.00%	105,181

Total Capital Available	\$2,420,958
--------------------------------	--------------------

Additional Capital Needed to Meet Objectives	\$3,389,018
---	--------------------

Retirement Analysis Timeline

						Beginning Balance:	\$2,420,958
<i>John's Age</i>	<i>Susan's Age</i>	<i>Annual Income Desired</i>	<i>Social Security</i>	<i>Other Income</i>	<i>Interest And Dividends</i>	<i>Balance</i>	
65	65	\$281,963	\$0	\$0	\$136,175	\$2,275,169	
66	66	293,242	0	0	127,065	2,108,992	
67	67	304,972	72,301	0	119,045	1,995,366	
68	68	317,171	74,108	0	111,893	1,864,197	
69	69	329,857	75,961	0	103,674	1,713,974	
70	70	343,052	77,860	0	94,296	1,543,079	
71	71	356,774	79,807	0	83,663	1,349,775	
72	72	371,045	81,802	0	71,670	1,132,202	
73	73	385,886	83,847	0	58,203	888,366	
74	74	401,322	85,943	0	43,143	616,130	
75	75	417,375	88,092	0	26,361	313,209	
76	76	434,070	90,294	0	7,719	(22,848)	
77	77	451,433	92,551	0	(12,931)	(394,660)	
78	78	469,490	94,865	0	(35,747)	(805,032)	
79	79	488,269	97,237	0	(60,897)	(1,256,962)	
80	80	507,800	99,668	0	(88,564)	(1,753,658)	
81	81	528,112	102,159	0	(118,940)	(2,298,551)	
82	82	549,237	104,713	0	(152,231)	(2,895,306)	
83	83	571,206	107,331	0	(188,660)	(3,547,842)	
84	84	594,054	110,014	0	(228,462)	(4,260,344)	
85	85	617,817	112,765	0	(271,889)	(5,037,284)	
86	86	642,529	115,584	0	(319,210)	(5,883,440)	
87	87	668,230	118,473	0	(370,714)	(6,803,912)	
88	88	694,960	121,435	0	(426,708)	(7,804,144)	
89	89	722,758	124,471	0	(487,520)	(8,889,951)	
90	90	751,668	127,583	0	(553,499)	(10,067,536)	
91	91	781,735	130,772	0	(625,020)	(11,343,519)	
92	92	813,005	134,042	0	(702,481)	(12,724,963)	
93	93	845,525	137,393	0	(786,307)	(14,219,402)	
94	94	879,346	140,828	0	(876,952)	(15,834,873)	
95	95	914,520	144,348	0	(974,900)	(17,579,944)	
96	96	951,100	147,957	0	(1,080,666)	(19,463,754)	
97	97	989,144	151,656	0	(1,194,801)	(21,496,044)	
98	98	1,028,710	155,447	0	(1,317,891)	(23,687,197)	
99	99	1,069,859	159,334	0	(1,450,560)	(26,048,283)	

Traditional IRA vs. Roth IRA

Traditional IRA	Roth IRA
Up to \$3,000 may be deductible annually. This amount is increased by \$500 for individuals who attain age 50 before the end of the tax year.	Up to \$3,000 is non-deductible annually. This amount is increased by \$500 for individuals who attain age 50 before the end of the tax year.
Cannot make contributions past age 70 ½.	Can make contributions after age 70 ½.
<p>A working individual not active in an employer-sponsored plan and a non-working spouse can each contribute \$3,000 annually without any income limitation.</p> <p>An individual whose spouse is an active participant in an employer-sponsored plan can make deductible contributions up to \$3,000, phasing out between a combined Adjusted Gross Income (AGI) of \$150,000 and \$160,000.</p> <p>The AGI limitation for individuals participating in an employer-sponsored plan will increase each year until it reaches \$80,000 for married couples filing jointly and \$50,000 for single persons in 2007. Beginning in 2007, the deduction will be phased out over \$20,000 instead of the current \$10,000.</p>	<p>Contributions are not affected by participation in an employer-sponsored plan.</p> <p>Contributions are phased out for single persons between an Adjusted Gross Income (AGI) of \$95,000 and \$110,000, and for married couples, filing jointly between an AGI of \$150,000 and \$160,000.</p>
Distribution must begin by April 1 of year following attainment of age 70 ½.	Minimum distributions are not required after age 70 ½
Distributions before age 59 ½ may be subject to ordinary income tax and a 10% penalty.	<p>Earnings portion on distribution before age 59 ½ is subject to ordinary income tax and 10% penalty.</p> <p>Distributions after age 59 ½ and after the account has been established for five years will be free of federal income taxes.</p> <p>Distributions after age 59 ½ and before the account has been established for five years will not be subject to a 10% early withdrawal penalty, but will be subject to ordinary income taxes. (Assumes contributions are withdrawn first, and no taxes are due until after all contributions are withdrawn and earnings begin being withdrawn.)</p>

Continued...

Traditional IRA	Roth IRA
<p>The 10% penalty will not apply for distributions for "qualified higher education expenses" for taxpayer, taxpayer's spouse, children or grandchildren. It also will not apply for distributions up to a \$10,000 lifetime limit for "qualified first-time homebuyers" (individuals who have not had an ownership interest in a principal residence for two years) if used within 120 days of purchase.</p>	<p>Same</p>
<p>A traditional IRA owned by an individual with an AGI less than \$100,000 can be converted to a Roth IRA.</p>	<p>An account set up as a Roth IRA cannot be converted to a traditional IRA.</p>
<p>State taxes are paid on distributions.</p>	<p>In most states, there will not be any state taxes.</p>