

# Motifplanning



REPORT PREPARED FOR

**Melody Woodstock &  
Mike Woodstock**

by Spenser Liszt, CFP®  
Motif Planning

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Generated on 09/28/2023

**Spenser Liszt, CFP®**

## Important Information

This report is intended to provide you with an analysis of your financial plan. It is based on the data and assumptions provided by you and your financial professional including but not limited to asset expected returns, volatility, and inflation assumptions. Detailed information regarding assumptions can be found on the disclosure page of this report.

The report shows comparisons of your current plan and a proposed plan. The proposed plan is a recommendation formulated by your financial professional. The report also shows comparisons of your current asset allocation and a proposed asset allocation. The proposed asset allocation is the recommendation formulated by your financial professional.

The report shows the Probability of Success of your plan using a Monte Carlo simulation calculated by running the projection 1,000 separate times. Some sequences of returns used in the Monte Carlo simulation will give you better results, and some will give you worse results. These multiple trials provide a range of possible results. RightCapital considers a trial to be “successful” if, at the end of your planning horizon, your invested assets are greater than zero. The percentage of trials that were successful is the Probability of Success of your plan, with all its underlying assumptions. Detailed disclosure regarding the calculations can be found on the disclosure page of this report.

# Snapshot

## Tasks

Due date Assigned to Task

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**\$80.64k**

Net worth

**22.7%**

Savings rate

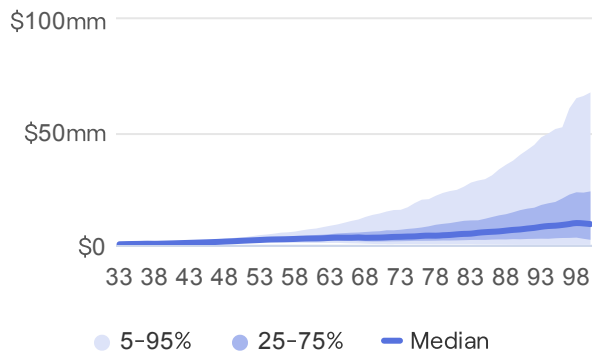
**20%**

Effective federal  
tax rate

**29.1%**

Total effective  
tax rate

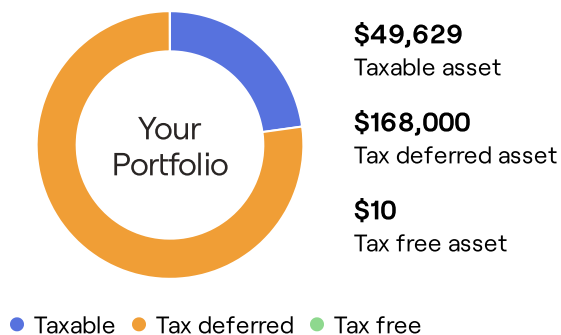
## Asset simulation results of Proposed plan



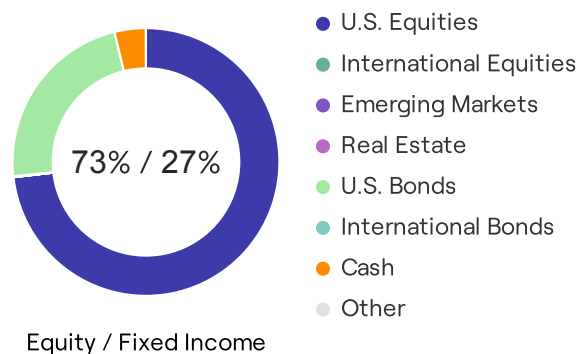
## Balance Sheet

Bank	\$45,000
Invested assets	\$217,639
Real estate assets	\$0
Life insurance cash value	\$0
Other assets	\$0
Credit cards	\$12,500
Mortgages	\$0
Home equities	\$0
Student loans	\$155,000
Other debts	\$14,500
<b>Net worth</b>	<b>\$80,639</b>

## Tax allocation summary



## Current allocation

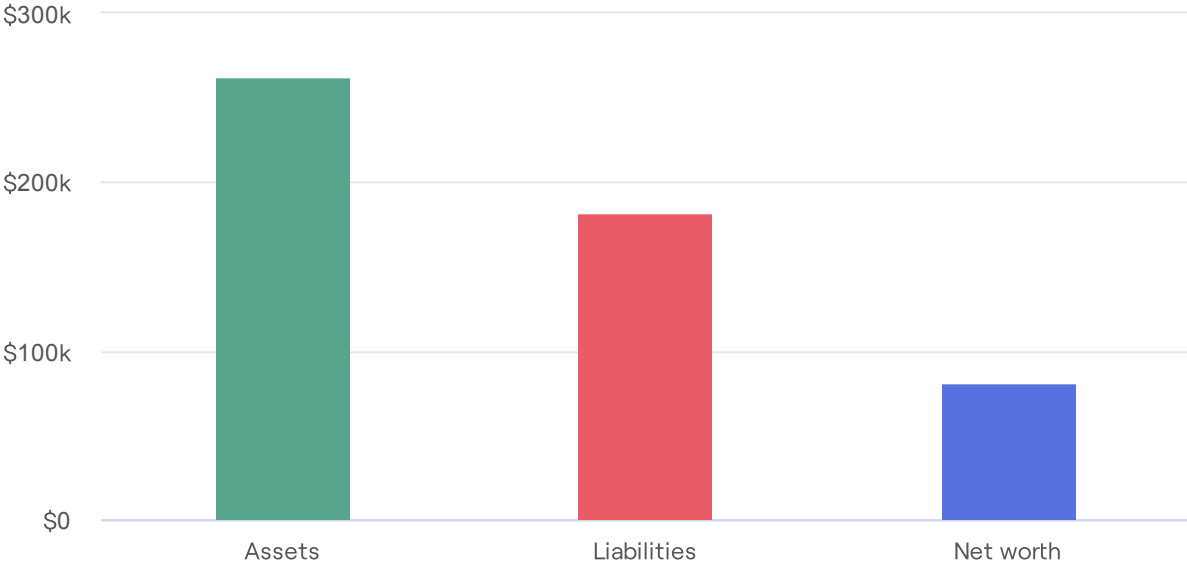


## Notes

# Balance Sheet

Just like any well-run business, your personal balance sheet should always be in check. Your net worth is the difference between your assets and your liabilities. Assets are everything you own such as your home and investments, and liabilities are everything you owe such as the balance on your mortgage and other debt.

**Your net worth is \$80,639 as of 9/28/23**



Assets	
Bank	\$45,000
Invested assets	\$217,639
Real estate assets	\$0
Life insurance cash value	\$0
Other assets	\$0
<b>Total assets</b>	<b>\$262,639</b>

Liabilities	
Credit cards	\$12,500
Mortgages	\$0
Home equities	\$0
Student loans	\$155,000
Other debts	\$14,500
<b>Total liabilities</b>	<b>\$182,000</b>
<b>Net Worth</b>	<b>\$80,639</b>

This report is not complete without the accompanying disclosure page.

# Balance Sheet Details

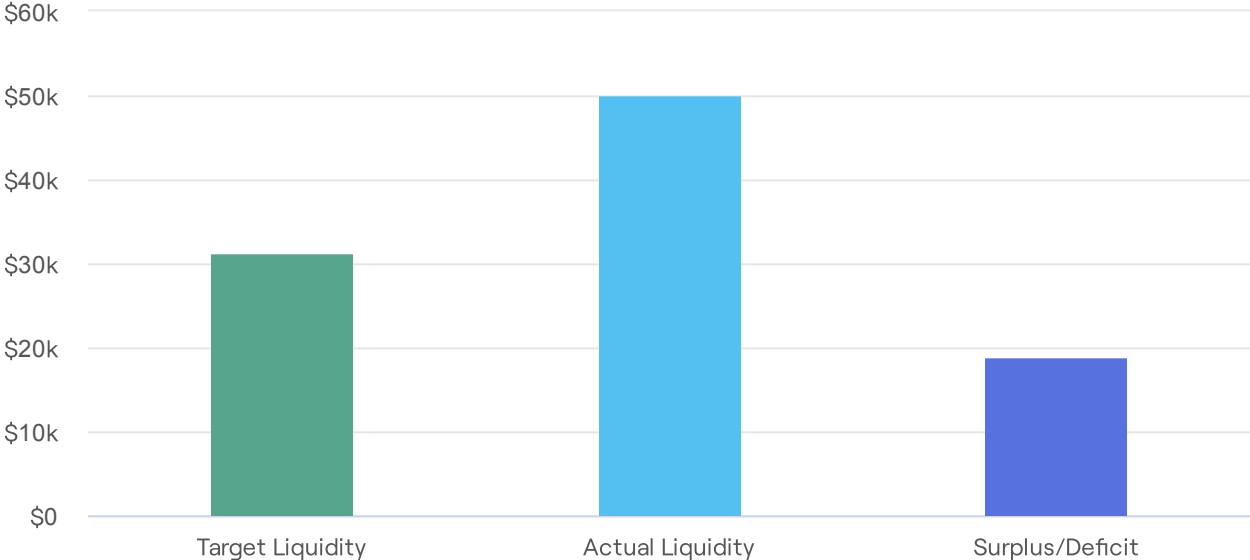
Description	Melody	Mike	Joint	Total
<b>Assets</b>				
Cash				
Joint Checking Account	\$5,000			\$5,000
Joint Savings Account			\$40,000	\$40,000
<b>Total Cash</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$45,000</b>
Invested Assets				
Non-qualified				
Joint Brokerage Account			\$49,629	\$49,629
Qualified				
Mike's 401(k)		\$73,000		\$73,000
Melody's Solo 401(k)	\$95,000			\$95,000
Melody's HSA	\$10			\$10
<b>Total Invested Assets</b>	<b>\$95,010</b>	<b>\$73,000</b>	<b>\$49,629</b>	<b>\$217,639</b>
<b>Total Assets</b>	<b>\$100,010</b>	<b>\$73,000</b>	<b>\$89,629</b>	<b>\$262,639</b>
<b>Liabilities</b>				
Melody's Card	\$9,000			\$9,000
Mike's Card		\$3,500		\$3,500
Melody's Car Loan	\$14,500			\$14,500
Melody's Student Loan 1	\$30,000			\$30,000
Melody's Student Loan 2	\$20,000			\$20,000
Melody's Student Loan 3	\$40,000			\$40,000
Mike's Student Loans		\$65,000		\$65,000
<b>Total Liabilities</b>	<b>\$113,500</b>	<b>\$68,500</b>	<b>\$0</b>	<b>\$182,000</b>
<b>Net Worth</b>				
<b>Total Net Worth</b>	<b>(\$13,490)</b>	<b>\$4,500</b>	<b>\$89,629</b>	<b>\$80,639</b>

This report is not complete without the accompanying disclosure page.

# Liquidity

If a job loss or other financial hardship arises, a liquid emergency fund can help pay bills without dipping into savings or using high interest credit or loans. Your emergency fund should include easily accessible funds like cash and money market funds.

## Liquidity analysis



### Covered expenses

Current monthly expenses	\$10,407
Proposed expense buffer	\$0
Total covered expenses	\$10,407

### Liquidity target

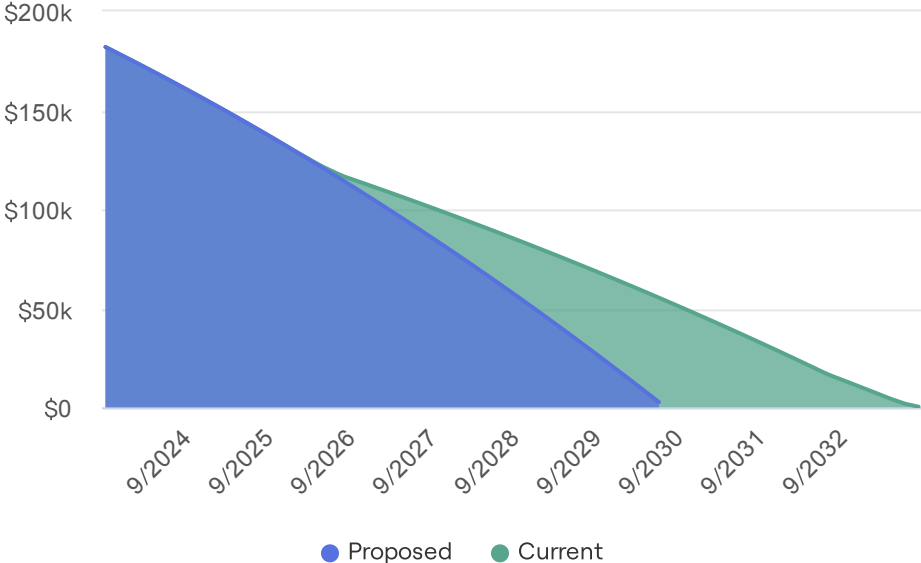
Liquidity target	3 months of covered expenses, \$31,221
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# Liquidity Details

Current monthly expenses		Current liquidity	
Living expense	\$5,000	Joint Checking Account	\$5,000
Housing	\$3,125	Joint Savings Account	\$40,000
Debt	\$2,199	Joint Brokerage Account	\$5,000
Health care	\$0		
Insurance premium	\$83		
Rental and vacation home	\$0		
Other expense	\$0		
<b>Total monthly expenses</b>	<b>\$10,407</b>	<b>Total current liquidity</b>	<b>\$50,000</b>

# Debt Management

Balance of selected debt



Total savings of  
**\$11,697**  
 and debt free  
**38**  
 months sooner

## Proposed payment strategy

Payment priority	Highest to lowest interest rate
Current total monthly payment	\$2,699
Proposed additional monthly payment	\$0
Proposed total monthly payment	\$2,699.00

## Individual loan strategy

Loan name	Interest rate	Balance	Strategy
Melody's Student Loan 1	5%	\$30,000	Use proposed payment strategy
Melody's Student Loan 2	3%	\$20,000	Use proposed payment strategy
Melody's Student Loan 3	6%	\$40,000	Use proposed payment strategy
Melody's Car Loan	5%	\$14,500	Use proposed payment strategy
Mike's Student Loans	7%	\$65,000	Use proposed payment strategy
Melody's Card	17%	\$9,000.00	Use proposed payment strategy
Mike's Card	17%	\$3,500.00	Use proposed payment strategy

This report is not complete without the accompanying disclosure page.



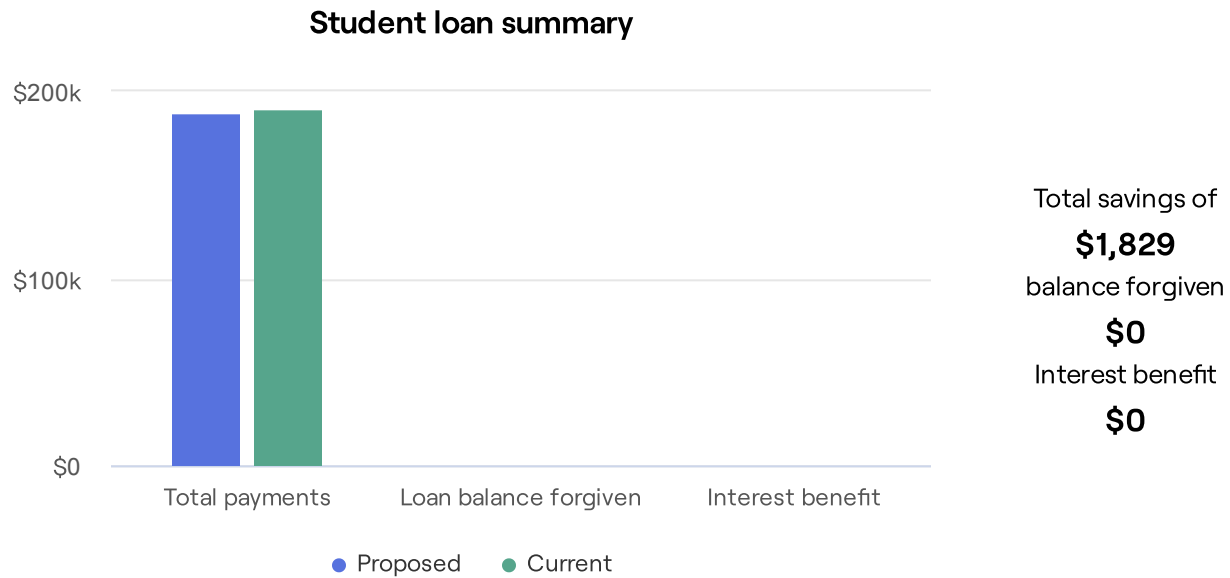
# Debt Management Payments

Proposed payments for next month

Debt Name	Balance	Interest Rate	Minimum Payment	Current Payment	Proposed Payment
Melody's Student Loan 1	\$30,000	5%	\$350	\$350	\$350
Melody's Student Loan 2	\$20,000	3%	\$200	\$200	\$200
Melody's Student Loan 3	\$40,000	6%	\$449	\$449	\$449
Melody's Car Loan	\$14,500	5%	\$450	\$450	\$450
Mike's Student Loans	\$65,000	7%	\$750	\$750	\$750
Melody's Card	\$9,000	17%	\$115	\$350	\$450
Mike's Card	\$3,500	17%	\$50	\$150	\$50

# Student Loans Summary

A proper student loan strategy can help minimize your payments or take advantage of the Public Service Loan Forgiveness program.



## Information

	Melody	Mike
New borrower as of	After July 1, 2014	After July 1, 2014
Months in public sector job	0	0
Tax filing status	Married filing jointly	

## Proposals

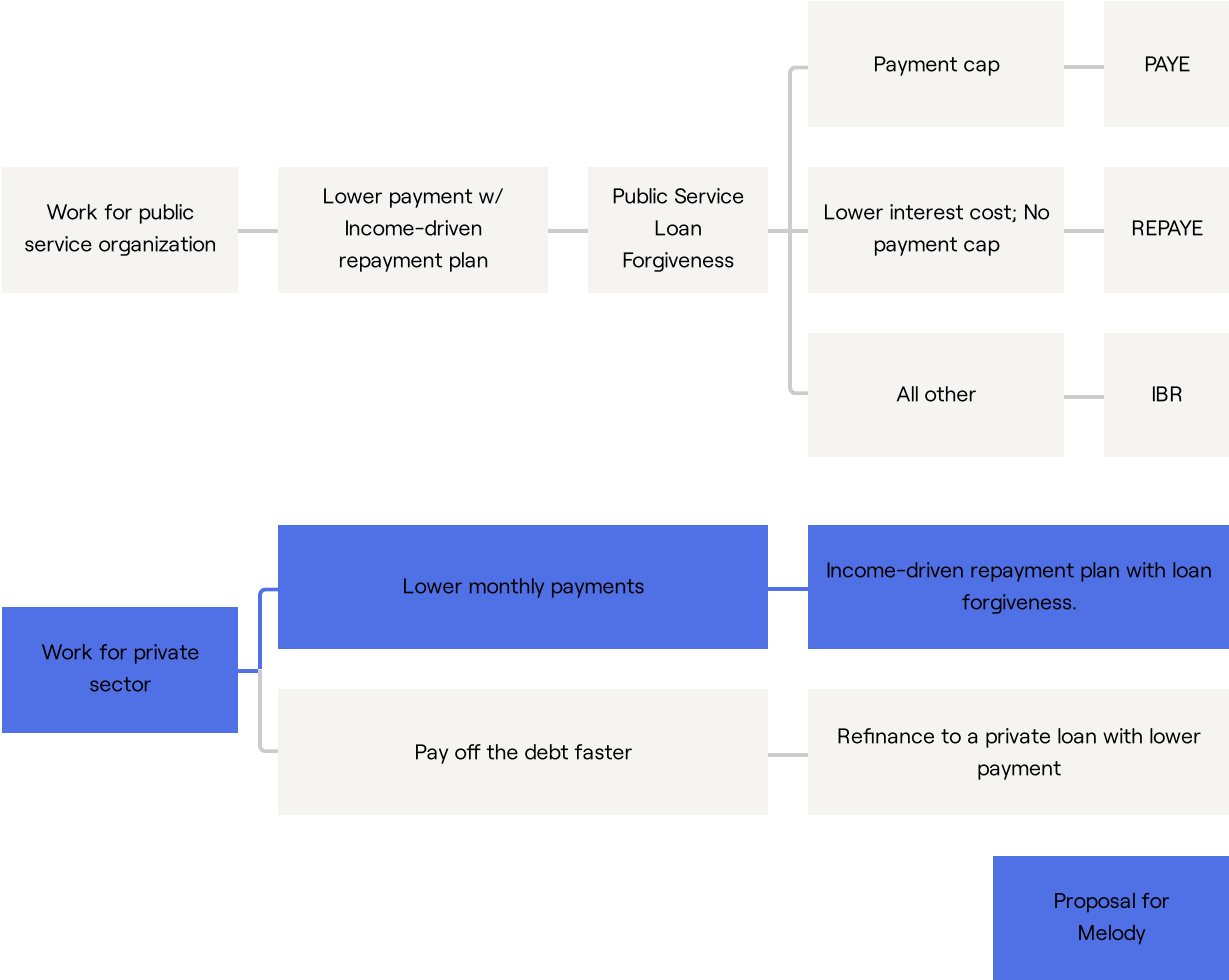
	Melody	Mike
Planned career	Plan to work for private sector	Plan to work for private sector
Proposed payment plan	REPAYE	Standard
Loan consolidation	Do not consolidate	

# Student Loan Options

Loan Name	Loan Type	Balance	Rate	Payment
Melody's Student Loan 1	Direct Subsidized Loan	\$30,000	5%	\$350
Melody's Student Loan 2	Direct Unsubsidized Loan	\$20,000	3%	\$200
Melody's Student Loan 3	Direct Unsubsidized Loan	\$40,000	6%	\$449
Mike's Student Loans	Private/institutional loan	\$65,000	7%	\$750

Loan Name	Loan Type	Income-driven Repayment Plan Eligibility	PSLF Eligibility	Private Refinance
Melody's Student Loan 1	Direct Subsidized Loan	IBR, PAYE, REPAYE	After consolidation	Possible
Melody's Student Loan 2	Direct Unsubsidized Loan	IBR, PAYE, REPAYE	After consolidation	Possible
Melody's Student Loan 3	Direct Unsubsidized Loan	IBR, PAYE, REPAYE	After consolidation	Possible
Mike's Student Loans	Private/institutional loan		Ineligible	Possible

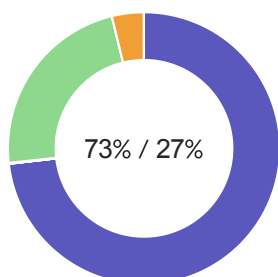
# Student Loan Strategy



# Asset Allocation

## Current allocation

All accounts



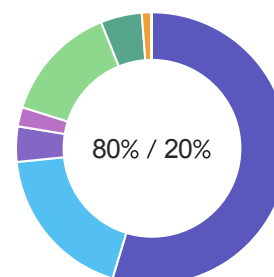
Equity / Fixed Income

Annual return: 8.4%  
Standard deviation: 13.7%

73.2%	● U.S. Equities	54.7%
0%	● International Equities	18.7%
0%	● Emerging Markets	4.2%
0.1%	● Real Estate	2.3%
22.9%	● U.S. Bonds	14%
0%	● International Bonds	4.9%
3.8%	● Cash	1.1%
0%	● Other	0.1%

## Target allocation

Dimensional ETF 80/20



Equity / Fixed Income

Annual return: 8.4%  
Standard deviation: 14.2%

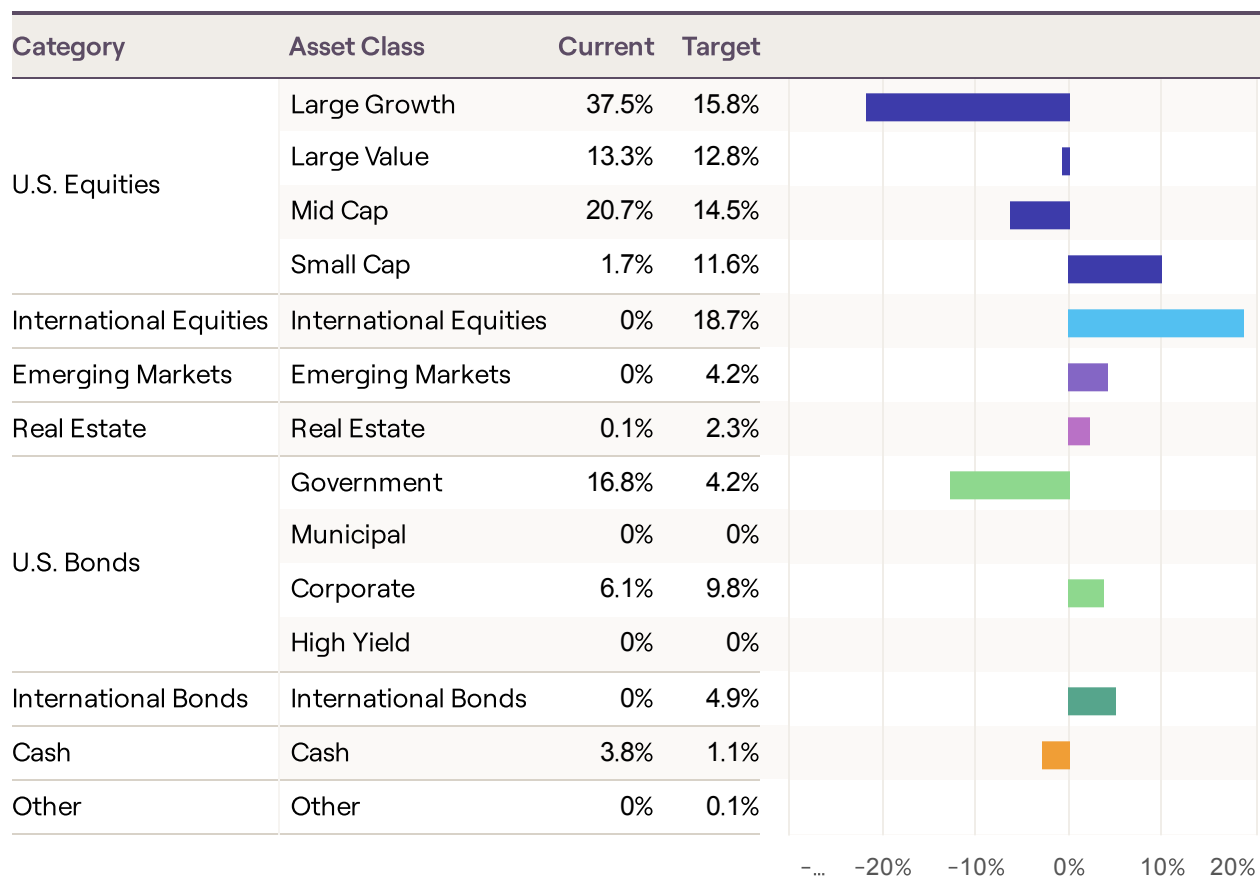
## To balance back to your target portfolio:

U.S. Equities	Sell	\$40,263	U.S. Bonds	Sell	\$19,370
International Equities	Buy	\$40,698	International Bonds	Buy	\$10,664
Emerging Markets	Buy	\$9,141	Cash	Sell	\$5,876
Real Estate	Buy	\$4,788	Other	Buy	\$218

This page shows a need to increase or decrease the amounts currently represented in these asset classes of the current portfolio.

Returns presented are calculated using historical return data of indices, which serve as proxies for their respective asset classes. They are not returns of actual investments and do not include fees or operating expenses. These indices are unmanaged and the returns are shown for illustrative purposes. Please refer to sections 5 and 8.4 of the disclosure section for more information.

# Asset Allocation Details

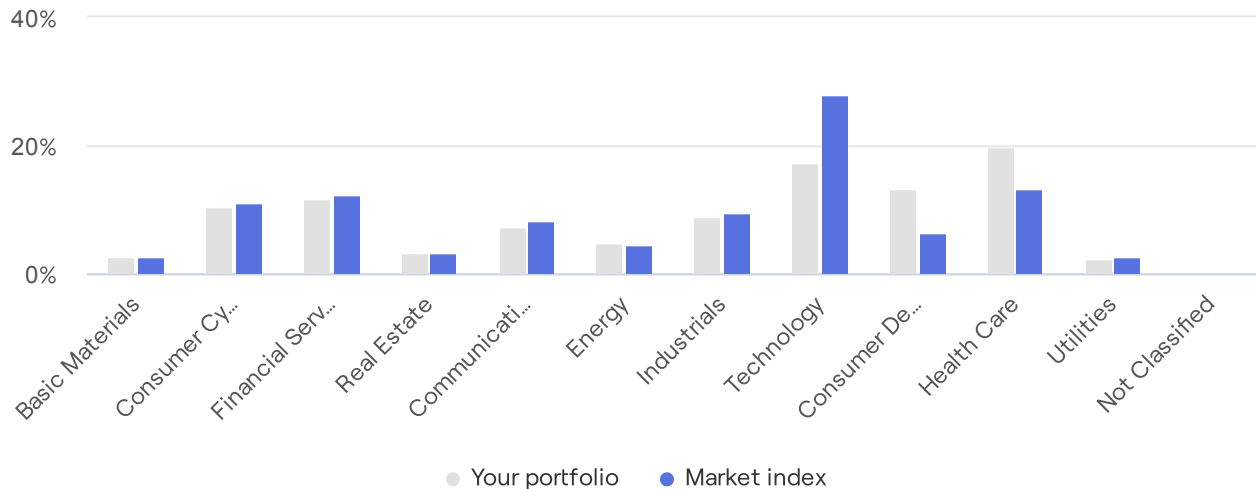


Please refer to sections 5 and 8.4 of the disclosure section for more information.

# Equity Sector and Style

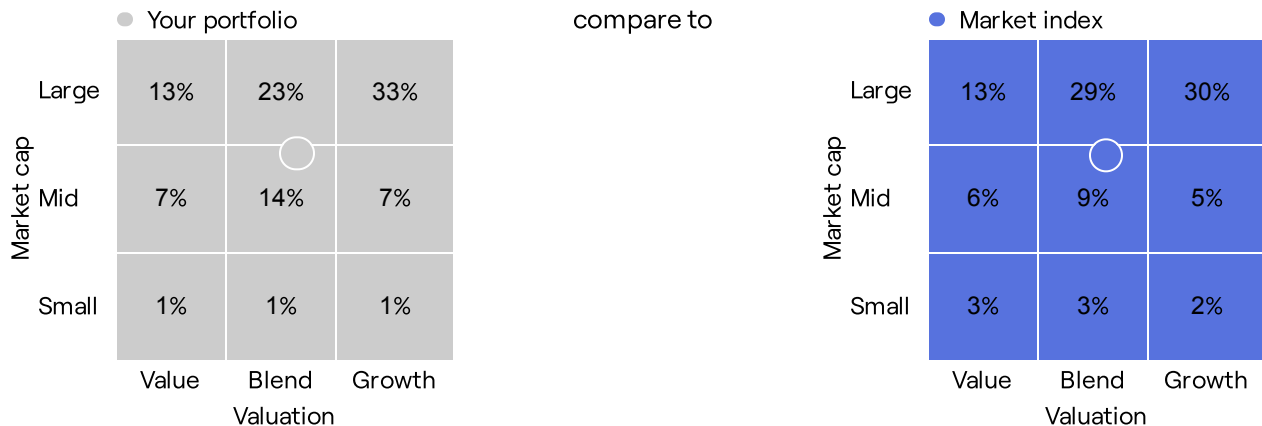
Equity investments can be categorized by sector. They are also each assigned a style based on their market cap and valuation. It is important to construct a well-diversified equity portfolio that balances risk with return, while meeting your specific financial goals. Sector and Style data is provided by Morningstar.

## Equity sector comparison



Amongst the equity sector, you are most **overweight in Consumer Defensive** and **underweight Technology**.

## Equity style comparison



Amongst the equity styles, you are most **overweight in Mid Blend** and most **underweight in Large Blend**.

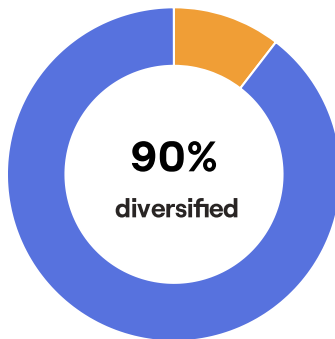
\* Broad market index refers to the Vanguard Total Stock Market Index.

These broad investment categories are not specific securities, funds, or investment products. The assumed rates of return of these broad categories are based on the return of indices. Please refer to section 8.4 of the disclosure section for more information.

# Concentrated Position

A portfolio that is too heavy in just one security poses a substantial downside risk. This is often defined as "putting all your eggs in one basket." A concentrated position is identified as an individual stock that exceeds a certain percentage of the entire portfolio.

## Diversification



- Concentrated position
- Other

## Concentrated position summary

Ticker	Value	% of total
JNJ	\$11,783	5.41%
CLX	\$10,978	5.04%

Your concentration threshold is 5% of the total portfolio.

## To remove concentrated position

Consider liquidating **\$901** of JNJ from Joint Brokerage Account account.

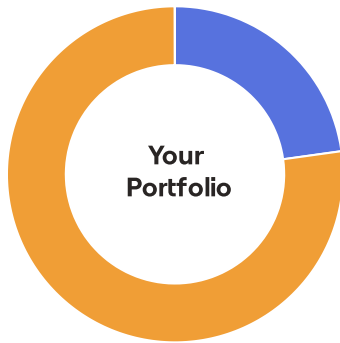
Consider liquidating **\$96** of CLX from Joint Brokerage Account account.

The transaction cost of liquidation is not included in the analysis. The liquidation will also result in the loss of future earnings.



# Tax Allocation

Tax deferred assets include 401(k)/403(b), IRAs and other tax deferred accounts. Tax free assets include Roth 401(k), Roth IRA, 529, HSA and other tax free accounts. The taxability of the accounts above are based on a variety of factors. Please consult a qualified tax professional to discuss your individual tax situation.



● Taxable ● Tax deferred  
● Tax free

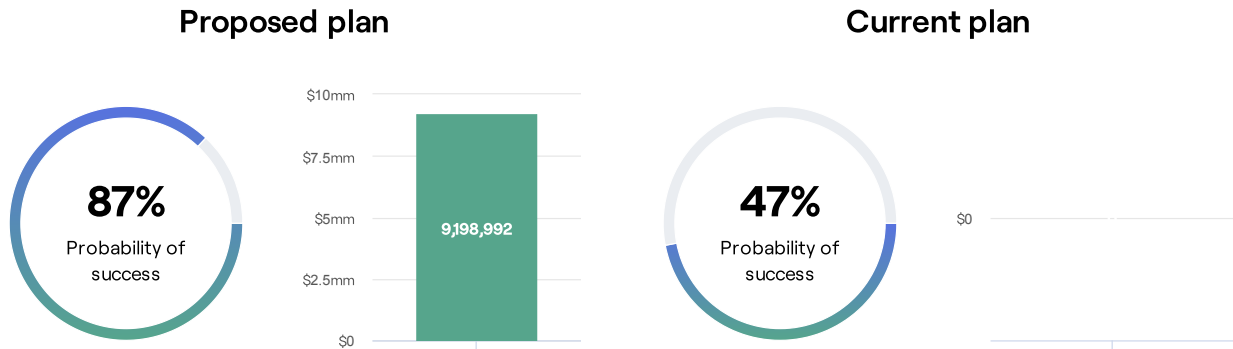
**\$49,629**  
Taxable asset

**\$168,000**  
Tax deferred asset

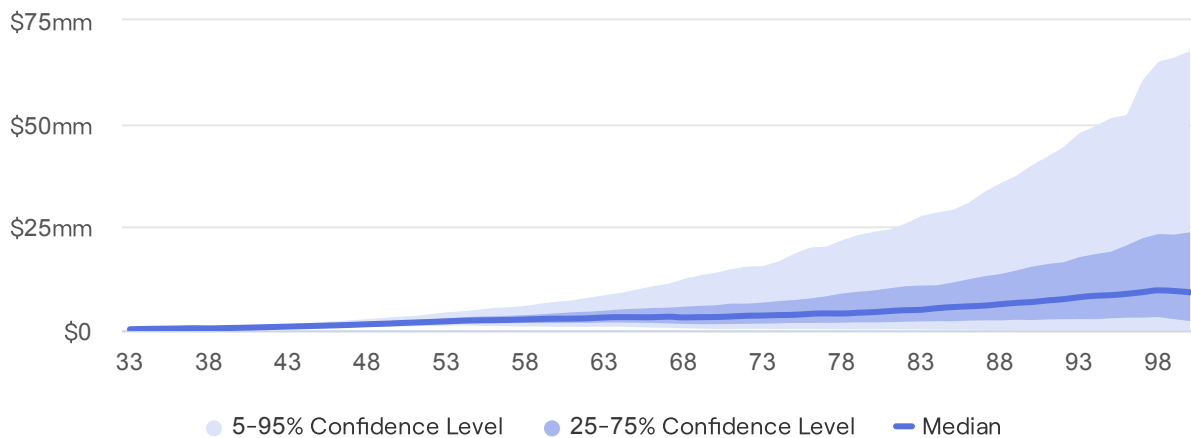
**\$10**  
Tax free asset

# Monte Carlo Analysis

Use of a detailed retirement analysis tool is important to help determine whether you are on track for a successful retirement. Monte Carlo simulations, stress tests, and viewing specific scenarios can help you evaluate your retirement plans and see the impact of potential changes.



## Asset simulation results - Proposed plan

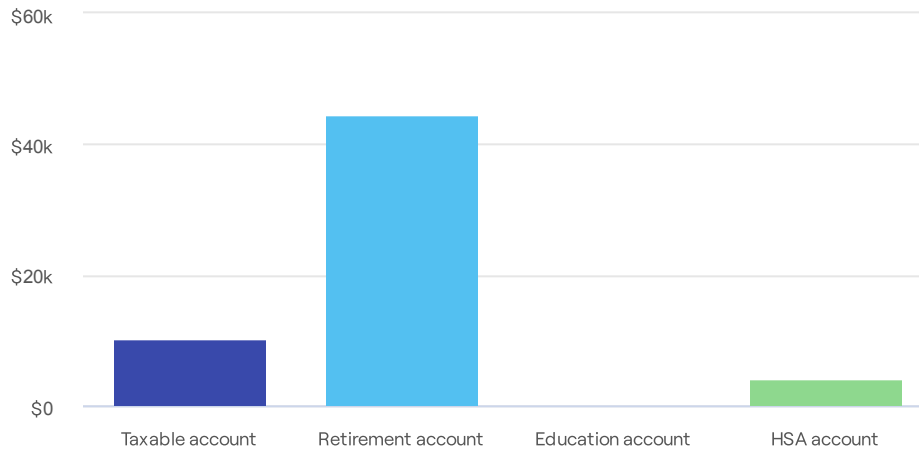


This section of the report displays the results of Monte Carlo simulations run on the current and proposed plans. The results are derived from 1000 simulations and the specified retirement cash flows. The chart of probability of success represents the overall likelihood of success in both the current and proposed plan.

**IMPORTANT:** The projections or other information generated by RightCapital regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results are based on return and volatility assumptions from a number of market indices shown in disclosure sections 5, 6 and 8.4. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fees. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome. Results may vary with each use and over time. The analysis must be reviewed in conjunction with assumptions, limitations and methodologies in the disclosure section. This report is not complete without the accompanying disclosure page.

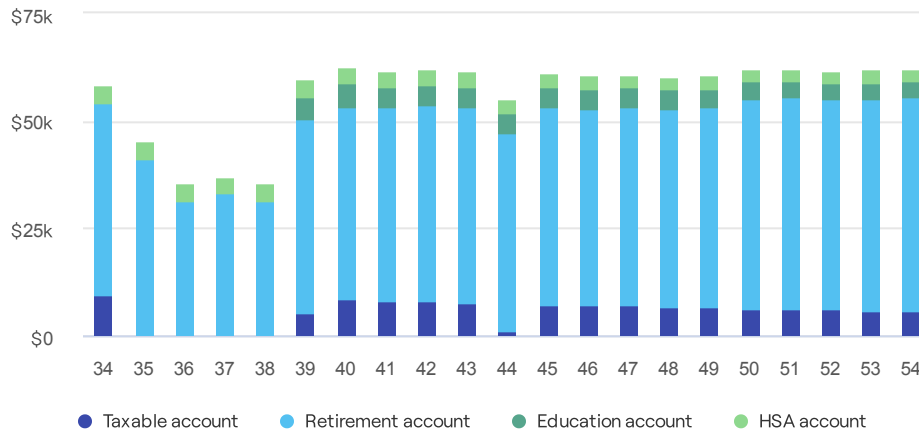
# Saving Analysis – Proposed plan

## Current year savings of Proposed plan



Total annual savings of  
**\$58,140**  
 Savings rate of  
**22.7%**  
 with total income of  
 \$256,000

## Savings over time of Proposed plan

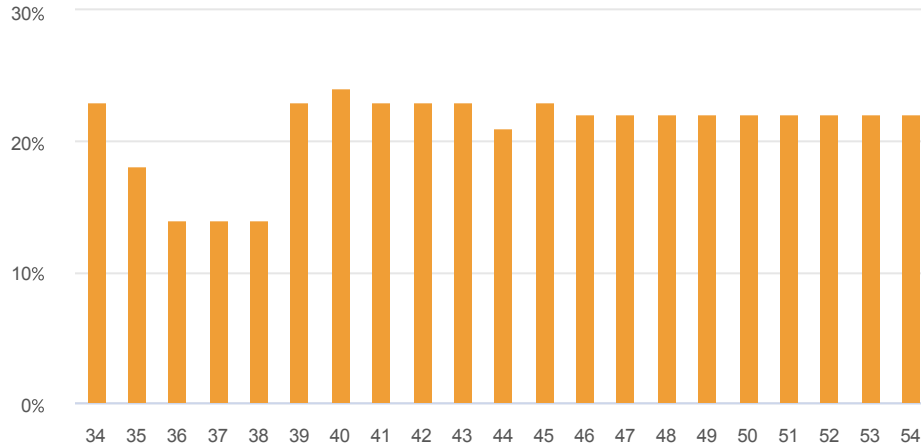


Total savings of  
**\$950,289**  
 Average savings rate of  
**17.0%**  
 with total income of  
 \$5,646,528

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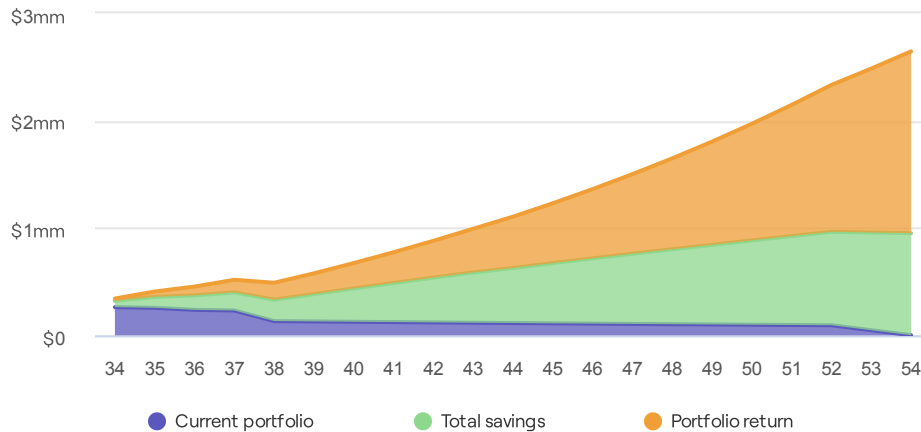
# Saving Analysis – Proposed plan

### Savings rate of Proposed plan



Total savings of  
**\$950,289**  
 Average savings rate of  
**17.0%**  
 with total income of  
 \$5,646,528

### Total savings and returns of Proposed plan

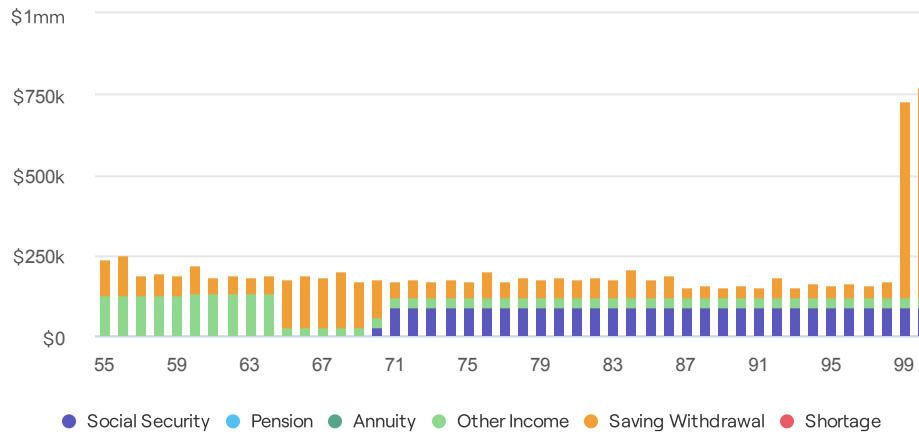


Total invested asset  
**\$2,645,744**  
 at retirement  
**\$950,289** total savings  
**\$1,694,289** portfolio return

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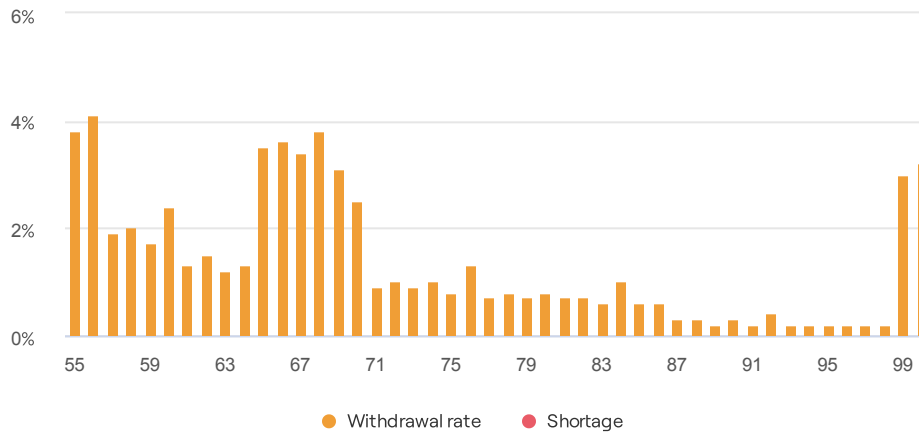
# Retirement Analysis Details – Proposed plan

## Income sources of Proposed plan



**\$0**  
income shortage  
**55.5%**  
income is stable

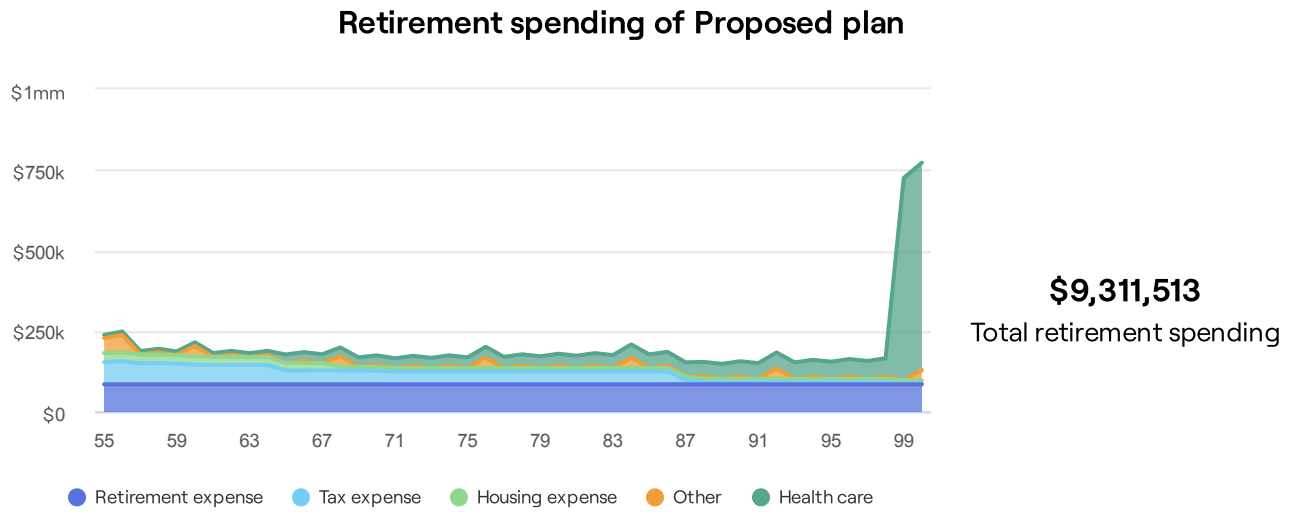
## Withdrawal rate of Proposed plan



**\$0**  
income shortage  
**55.5%**  
income is stable

**IMPORTANT:** The projections or other information generated by RightCapital regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results are based on return and volatility assumptions from a number of market indices shown in disclosure sections 5, 6 and 8.4. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fees. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome. Results may vary with each use and over time. The analysis must be reviewed in conjunction with assumptions, limitations and methodologies in the disclosure section. This report is not complete without the accompanying disclosure page.

# Retirement Analysis Details – Proposed plan

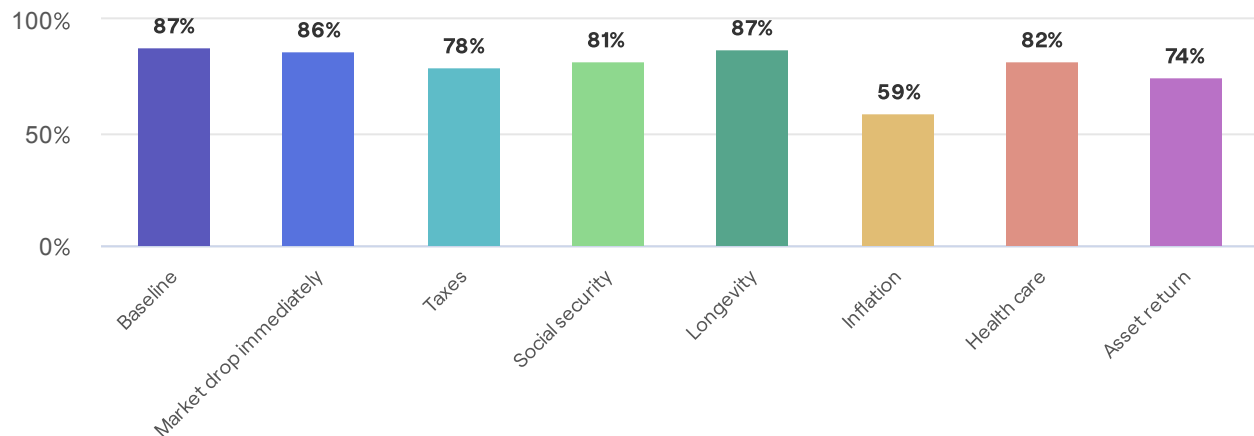


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# Stress Test

Even the best retirement plans will be exposed to various risks. These risks can include market volatility, taxation, low Social Security payments, longevity, inflation, and short and long-term health care expenses. It is important to both anticipate and plan for such risks. Doing so can substantially increase your probability of success.

**Stress test - probability of success - Proposed Plan**



## Stress Test results are based on the following assumptions:

Equity markets drop immediately by	20%	Tax expense will be higher by	20%
Social Security will be reduced by	20%	You (and the co-client) will live	5 yrs. longer
Inflation will be higher by	1%	Health care cost will be higher by	20%
Asset return will be lower by	1%		

This section of the report displays the results of Monte Carlo simulations run on various stressed tests. The results are derived from 1000 simulations and the specified retirement cash flows. The probability of success represents the overall likelihood of success in various stress tests.

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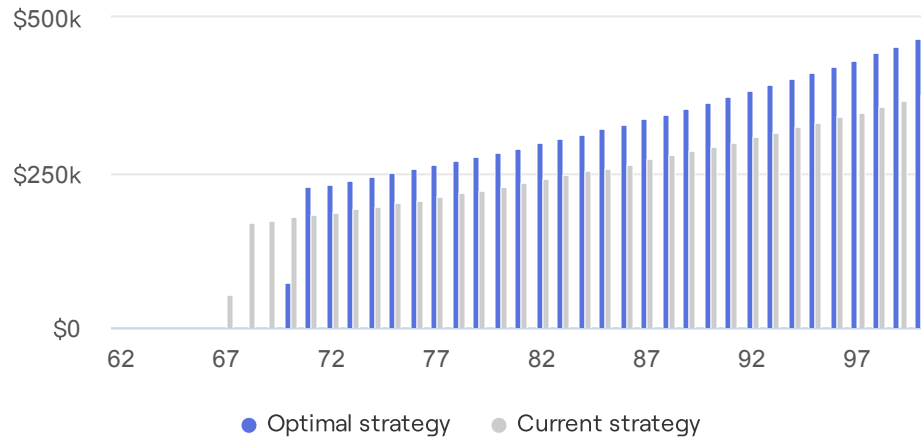
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# Optimal Social Security Strategy

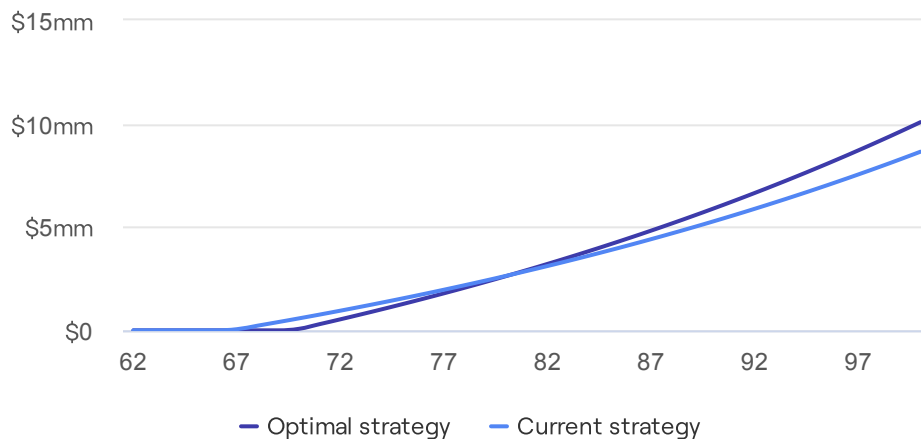
There are as many as 700 different Social Security filing strategies that can be tested in order to identify the optimal Social Security benefit for your specific retirement needs. Compare your optimal strategy to others to see the potential benefit of optimization.

## Annual cash flow comparison



**\$1,429,799 more**  
from the Optimal  
Social Security filing  
strategy  
than Current strategy

## Cumulative cash flow comparison



**Age 81**  
break-even point  
between the Optimal  
Social Security filing  
strategy and Current  
strategy

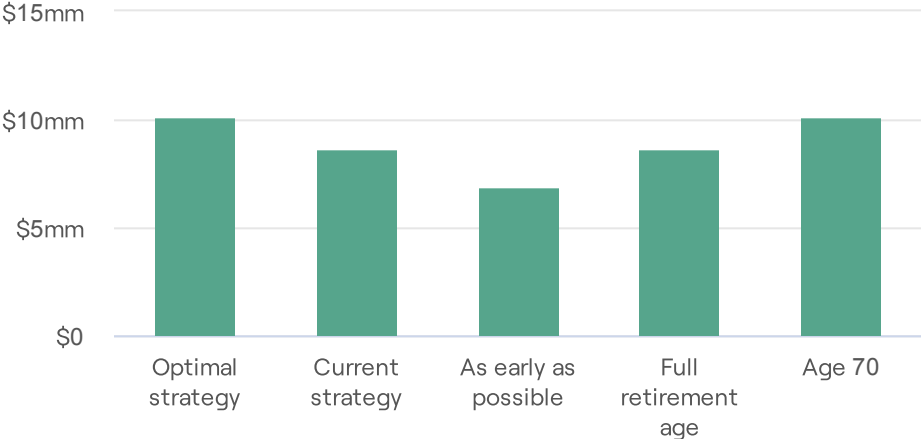
## To obtain maximum Social Security benefit

1. Melody applies own retirement/spousal benefit at age 70.
2. Mike applies own retirement/spousal benefit at age 70.



# Optimal Social Security Strategy

## Summary of all strategies



**\$10,076,417**  
of total income from  
the Optimal Social  
Security filing strategy

# Medicare Coverage

It is important to select the Medicare options that meet your needs and enroll in Medicare on time. Delayed enrollment can result in penalties and coverage gaps.

## Your Medicare Considerations



**Location Consideration** I spend most of my time at home and visit in-network Dr. in my area

✔ Flexibility on doctor choices



**Health Consideration** I'm healthy and can work with deductible/copay/coinsurance for lower premiums

✔ Deductible/copay



**Risk Consideration** I prefer more predictable cost with an out of pocket limit

✘ No out of pocket limit

## Proposed Medicare Choices

Original Medicare Part A, B, D covers Hospital insurance, Medical insurance and prescription drugs. Dental and vision is NOT included. Original Medicare enables you to see Dr. in any location in U.S. Original Medicare has less predictable costs with deductibles, copays, and no out of pocket limit.

# Medicare Coverage

It is important to select the Medicare options that meet your needs and enroll in Medicare on time. Delayed enrollment can result in penalties and coverage gaps.

## Coverage Analysis

Description	Coverage
Hospital Insurance	✔ Covered in Medicare Part A
Medical insurance	✔ Covered in Medicare Part B
Prescription drug	✔ Covered in Medicare Part D
Dental, vision and hearing	✘ Not covered
Long term Care	✘ Not covered

Proposed option  
**Original Medicare, Part A,  
B, D**

# Medicare Enrollment

It is important to select the Medicare options that meet your needs and enroll in Medicare on time. Delayed enrollment can result in penalties and coverage gaps.

## Melody Woodstock

Social Security at 65                      I will have received retirement benefits by age 65

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Group Plan Coverage at 65                I have group coverage from me/spouse. Plan covers more than 20 employees

---

## Mike Woodstock

Social Security at 65                      I will have received retirement benefits by age 65

---

Group Plan Coverage at 65                I have group coverage from me/spouse. Plan covers more than 20 employees

---

## Your Enrollment Period

Melody should talk to the group benefit administrator and ask about signing up for Medicare 3 months before Melody's 65th birthday. Melody will be auto enrolled in Part A and B. Melody can consider declining Part A, B coverage, delaying Medicare enrollment, and continuing to use Group plan coverage. Melody needs to enroll in Medicare when Melody loses Group plan coverage.

Mike should talk to the group benefit administrator and ask about signing up for Medicare 3 months before Mike's 65th birthday. Mike will be auto enrolled in Part A and B. Mike can consider declining Part A, B coverage, delaying Medicare enrollment, and continuing to use Group plan coverage. Mike needs to enroll in Medicare when Mike loses Group plan coverage.

## Start Enrollment

To enroll in Medicare part A and B: [www.ssa.gov](http://www.ssa.gov)

To enroll in MediGap, Medicare Advantage and Medicare Part D, you need to compare plans from private insurance companies. Start at [www.medicare.gov](http://www.medicare.gov)

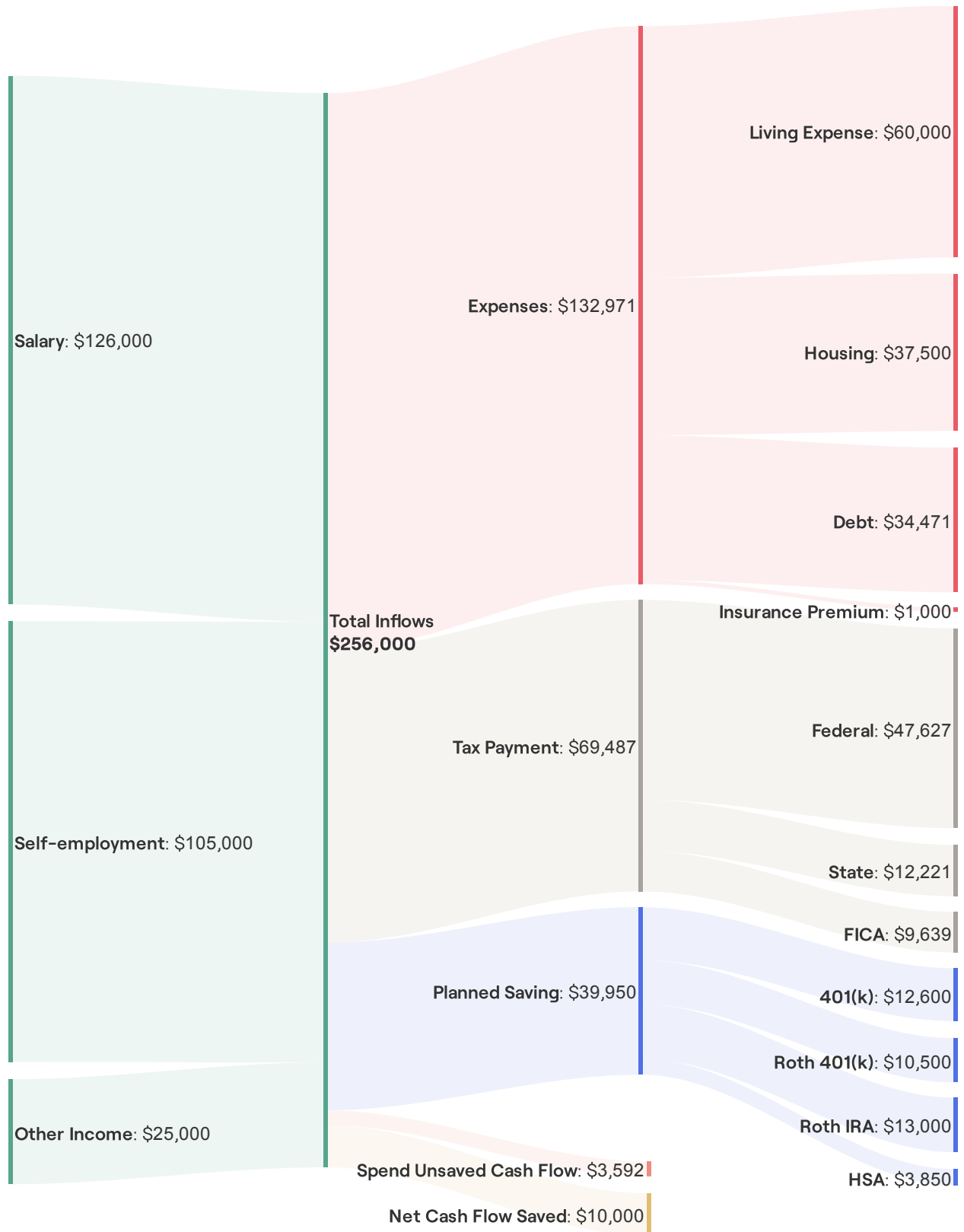
# Medicare Tips

Scenario	Tip
I'm turning 65	Medicare enrollment is NOT automatic
I have group retiree benefit or COBRA	You still need Medicare
I missed my enrollment period	You have a LIFETIME penalty of higher premiums. You are likely to have months of a coverage gap
I enrolled in Medicare	You cannot contribute to an HSA
I enrolled in Medicare Advantage	You don't need a MediGap policy
What's my total health care cost?	Varying by plan, premium plus out of pocket expenses range from \$5,000 to \$8,000 per year.

# Cash Flows - Proposed Plan

## Maps

Cash flow year 2023 (34/34)



# Cash Flows – Proposed Plan

## Maps

Cash flow year 2023 (34/34)

Total Inflows \$256,000		
<b>Income Inflows</b> \$256,000	<b>Planned Distribution</b> \$0	<b>Other Inflows</b> \$0
<b>Salary</b> \$126,000		
<b>Self-employment</b> \$105,000		
<b>Other Income</b> \$25,000		

# Cash Flows – Proposed Plan

## Maps

Cash flow year 2023 (34/34)

Total Outflows \$242,408			
Expenses	Goals	Tax Payment	Planned Saving
\$132,971	\$0	\$69,487	\$39,950
<b>Living Expense</b>		<b>Federal</b>	<b>401(k)</b>
\$60,000		\$47,627	\$12,600
Pre-Retirement Expense		<b>State</b>	<b>Roth 401(k)</b>
\$60,000		\$12,221	\$10,500
<b>Housing</b>		<b>FICA</b>	<b>Roth IRA</b>
\$37,500		\$9,639	\$13,000
Insurance and HOA			<b>HSA</b>
\$1,500			\$3,850
Rent of Primary Reside...			
\$36,000			
<b>Debt</b>			
\$34,471			
Melody's Car Loan			
\$5,400			
Mike's Student Loans			
\$9,000			
Melody's Card			
\$5,400			
Mike's Card			
\$600			
Melody's Student Loan 1			
\$4,603			
Melody's Student Loan 2			
\$3,041			
Melody's Student Loan 3			
\$6,427			





**Net Cash Flows: \$10,000**  
**Spend Unsaved Cash Flows: \$3,592**

# Cash Flows – Proposed Plan

## Summary

Year	Age	Cash Inflows				Cash Outflows					Spend Unsaved Cash Flows	Net Flows
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving	Total Outflows		
2023	34/34	256,000	0	0	256,000	132,971	0	69,487	39,950	242,408	3,592	10,000
2024	35/35	263,680	0	0	263,680	156,175	0	69,388	38,117	263,680	0	0
2025	36/36	271,590	0	0	271,590	158,439	26,266	71,964	28,357	285,025	0	(13,435)
2026	37/37	279,738	0	0	279,738	162,143	0	86,767	30,828	279,738	0	0
2027	38/38	288,130	0	0	288,130	166,374	106,564	87,897	29,849	390,684	0	(102,553)
2028	39/39	296,774	0	0	296,774	154,750	0	84,286	51,629	290,665	0	6,109
2029	40/40	305,677	0	0	305,677	131,261	8,118	87,770	52,433	279,582	16,095	10,000
2030	41/41	314,848	0	0	314,848	133,699	0	91,331	53,260	278,291	26,557	10,000
2031	42/42	324,293	0	0	324,293	136,199	8,529	94,795	55,112	294,634	19,659	10,000
2032	43/43	334,022	0	0	334,022	138,761	0	98,381	55,990	293,132	30,890	10,000
2033	44/44	344,043	0	0	344,043	141,388	40,963	102,094	57,894	342,339	0	1,703
2034	45/45	354,364	0	0	354,364	144,081	0	105,884	58,826	308,791	35,573	10,000
2035	46/46	364,995	0	0	364,995	146,842	9,414	109,856	59,785	325,897	29,098	10,000
2036	47/47	375,945	0	0	375,945	149,672	0	113,970	61,773	325,415	40,529	10,000
2037	48/48	387,223	0	0	387,223	152,574	9,891	118,231	62,791	343,487	33,736	10,000
2038	49/49	398,840	0	0	398,840	155,548	0	122,646	64,839	343,033	45,807	10,000
2039	50/50	410,805	0	0	410,805	158,598	10,392	127,217	68,919	365,125	35,680	10,000
2040	51/51	423,129	0	0	423,129	161,724	0	131,907	71,031	364,662	48,467	10,000
2041	52/52	435,823	0	0	435,823	164,930	49,909	136,766	72,176	423,781	2,042	10,000
2042	53/53	448,898	70,603	0	519,501	144,236	70,603	141,803	74,356	430,998	78,502	10,000
2043	54/54	462,364	74,133	0	536,498	147,005	85,603	147,025	76,571	456,205	70,293	10,000
2044	55/55	241,838	58,250	0	300,088	205,594	77,840	115,422	23,383	422,239	0	(122,151)
2045	56/56	249,093	17,976	0	267,069	210,327	93,783	122,889	23,969	450,968	0	(183,899)
2046	57/57	256,566	18,875	0	275,441	215,200	0	115,228	24,573	355,001	0	(79,560)
2047	58/58	264,263	19,818	0	284,081	220,218	12,661	118,570	25,194	376,644	0	(92,562)
2048	59/59	272,191	20,809	0	293,000	225,386	0	119,754	25,835	370,974	0	(77,974)
2049	60/60	280,357	21,850	0	302,206	230,708	60,809	116,117	26,494	434,129	0	(131,923)
2050	61/61	288,768	22,942	0	311,710	236,191	0	116,173	27,174	379,537	0	(67,828)
2051	62/62	297,431	24,089	0	321,520	241,838	13,975	119,226	27,873	402,913	0	(81,393)
2052	63/63	306,354	25,294	0	331,647	247,657	0	122,369	28,594	398,620	0	(66,973)
2053	64/64	315,544	26,558	0	342,102	253,651	14,683	125,638	29,336	423,308	0	(81,206)
2054	65/65	62,502	55,773	0	118,275	287,714	0	91,966	0	379,681	0	(261,406)
2055	66/66	64,377	58,561	0	122,938	295,474	15,426	94,346	0	405,247	0	(282,308)
2056	67/67	66,308	61,489	0	127,798	303,499	0	96,745	0	400,244	0	(272,446)
2057	68/68	68,298	64,564	0	132,861	286,457	74,090	99,281	0	459,828	0	(326,967)

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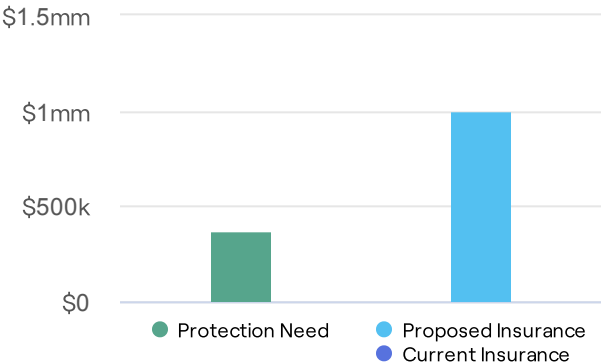
Year	Age	Cash Inflows				Cash Outflows					Spend Unsaved Cash Flows	Net Flows
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving	Total Outflows		
2058	69/69	70,347	12,738	0	83,084	295,042	0	102,585	0	397,627	0	(314,542)
2059	70/70	146,547	0	0	146,547	303,923	17,028	102,265	0	423,215	0	(276,668)
2060	71/71	302,458	0	0	302,458	313,112	0	97,494	0	410,606	0	(108,148)
2061	72/72	310,395	0	0	310,395	322,620	17,890	100,097	0	440,607	0	(130,213)
2062	73/73	318,538	0	0	318,538	332,461	0	102,779	0	435,240	0	(116,702)
2063	74/74	326,897	0	0	326,897	342,647	18,795	105,483	0	466,926	0	(140,029)
2064	75/75	335,478	95,060	0	430,539	353,192	0	108,324	0	461,517	0	(30,978)
2065	76/76	344,285	95,561	0	439,847	364,110	90,272	111,221	0	565,603	0	(125,756)
2066	77/77	353,325	95,043	0	448,368	375,416	0	114,184	0	489,600	0	(41,232)
2067	78/78	362,604	94,184	0	456,787	387,125	20,747	117,233	0	525,105	0	(68,317)
2068	79/79	372,128	92,402	0	464,530	399,253	0	120,371	0	519,624	0	(55,094)
2069	80/80	381,903	89,490	0	471,393	411,817	21,797	123,595	0	557,210	0	(85,817)
2070	81/81	391,938	84,742	0	476,680	424,835	0	126,906	0	551,741	0	(75,061)
2071	82/82	402,238	78,726	0	480,965	438,325	22,900	130,307	0	591,532	0	(110,568)
2072	83/83	412,810	70,203	0	483,013	452,306	0	133,802	0	586,108	0	(103,095)
2073	84/84	423,662	59,516	0	483,178	466,797	109,987	137,394	0	714,178	0	(231,000)
2074	85/85	434,802	45,338	0	480,140	481,820	0	141,086	0	622,906	0	(142,765)
2075	86/86	446,238	27,376	0	473,613	497,396	25,278	144,874	0	667,548	0	(193,935)
2076	87/87	457,974	4,764	0	462,738	513,549	0	49,658	0	563,207	0	(100,470)
2077	88/88	470,023	0	0	470,023	530,301	26,557	25,433	0	582,292	0	(112,269)
2078	89/89	482,390	0	0	482,390	547,678	0	26,101	0	573,779	0	(91,389)
2079	90/90	495,086	0	0	495,086	565,706	27,902	26,762	0	620,370	0	(125,284)
2080	91/91	508,117	0	0	508,117	584,410	0	27,414	0	611,825	0	(103,708)
2081	92/92	521,494	0	0	521,494	603,821	134,009	28,055	0	765,885	0	(244,391)
2082	93/93	535,225	0	0	535,225	623,966	0	28,425	0	652,391	0	(117,166)
2083	94/94	549,321	0	0	549,321	644,878	30,799	28,744	0	704,420	0	(155,100)
2084	95/95	563,791	0	0	563,791	666,587	0	29,038	0	695,626	0	(131,835)
2085	96/96	578,644	0	0	578,644	689,129	32,358	29,305	0	750,792	0	(172,148)
2086	97/97	593,890	0	0	593,890	712,538	0	29,542	0	742,079	0	(148,189)
2087	98/98	609,543	0	0	609,543	736,851	33,996	29,745	0	800,592	0	(191,049)
2088	99/99	625,610	0	0	625,610	3,598,482	0	10,150	0	3,608,632	0	(2,983,021)
2089	100/100	642,104	0	0	642,104	3,766,538	163,277	10,474	0	3,940,289	0	(3,298,185)

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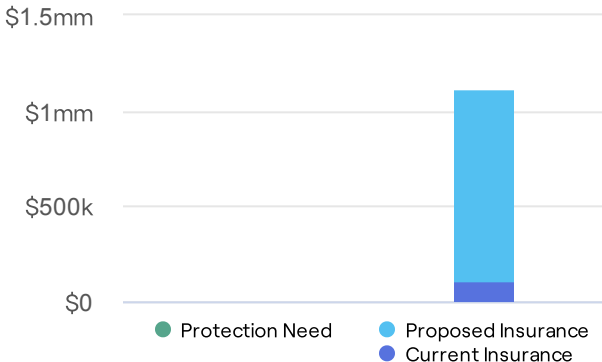
# Life Insurance

The need for life insurance is analyzed by projecting future cash flows for an individual’s survivors. This generates a proposed life insurance coverage level that helps ensure the survivors have sufficient assets to reach the end of the planning horizon.

**Melody’s life insurance analysis**



**Mike’s life insurance analysis**



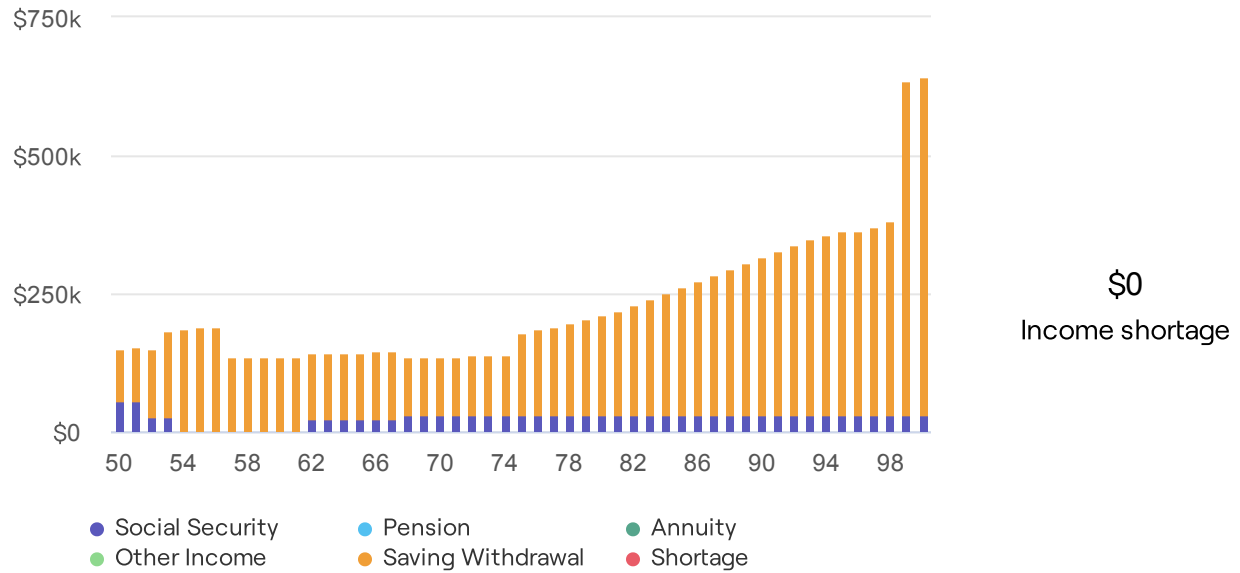
	If Melody passes away next year	If Mike passes away next year
Life insurance needs	\$ 370,000	\$ 0
Current life insurance coverage	\$ 0	\$ 115,000
Proposed additional life insurance	\$1,000,000	\$1,000,000

# Life Insurance Analysis Information

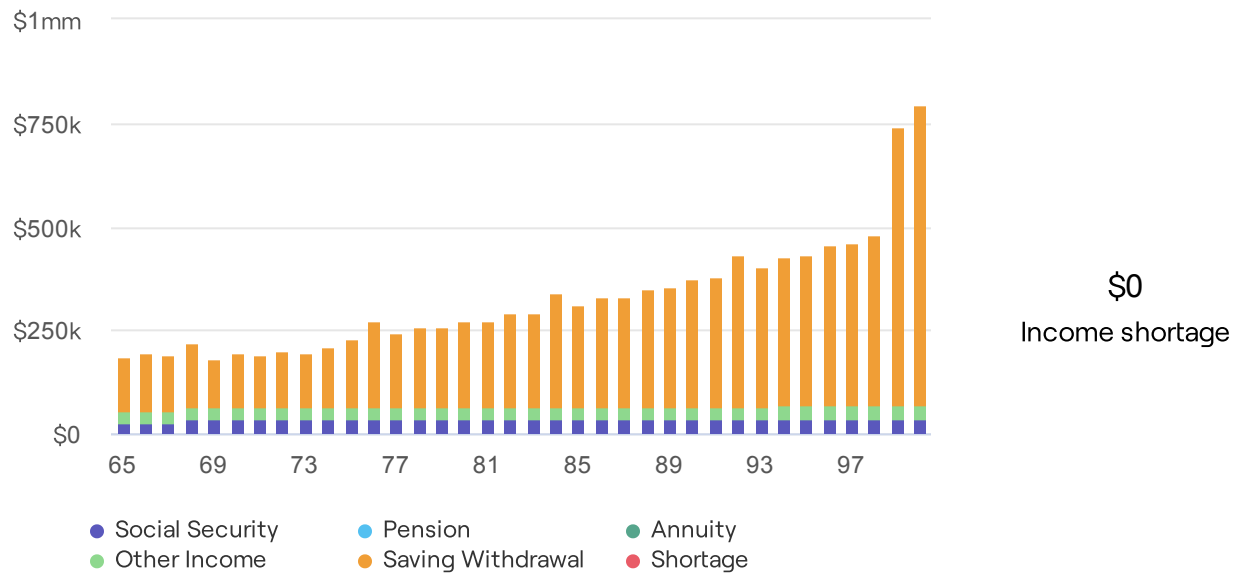
	If Melody passes away next year	If Mike passes away next year
<b>Expenses</b>		
Pre-retirement Living Expenses	\$4,500	\$4,500
<b>Strategies</b>		
Debt strategy	Pay off all debt immediately	Pay off all debt immediately
Student loan strategy	Student loan proposal	Student loan proposal

# Life Insurance Retirement Income Impact

## What happens if Melody passed away



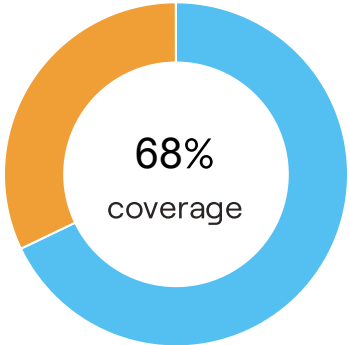
## What happens if Mike passed away



# Disability Insurance Analysis

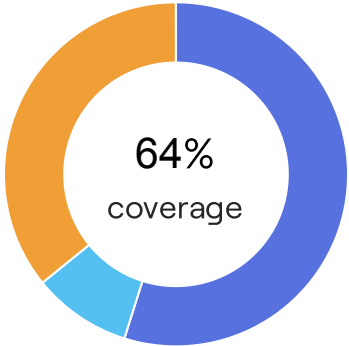
According to the Social Security Administration, the chance of becoming disabled before you retire is 1 in 4 - and for most people, disability will result in a lower living standard due to the loss of income. Having a disability insurance policy can replace lost earnings.

## Melody's income coverage during disability



- Current income coverage
- Proposed additional coverage
- Uninsured income

## Mike's income coverage during disability

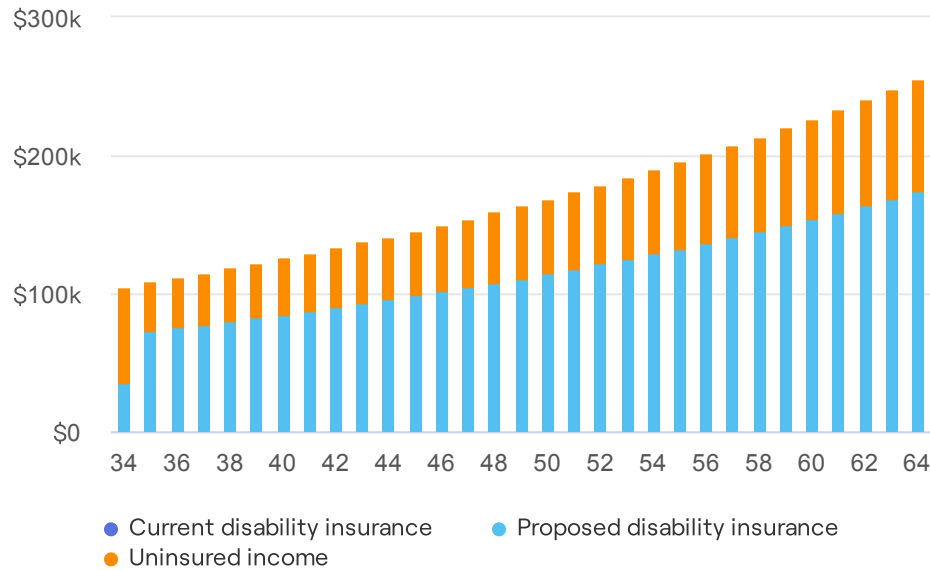


- Current income coverage
- Proposed additional coverage
- Uninsured income

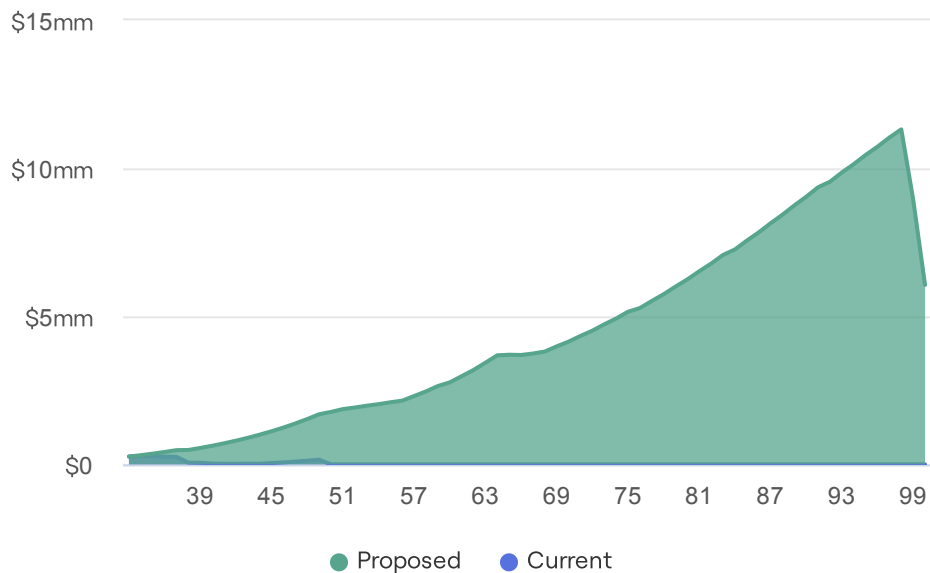
	If Melody becomes disabled tomorrow	If Mike becomes disabled tomorrow
Disability lasts	Until retirement	Until retirement
Proposed monthly coverage	\$6,000	\$1,000
Proposed benefit period	Age 67	Age 67
Proposed elimination period	180 days	180 days
Proposed inflation adjustment	3%	3%
Proposed inflation type	Compound	Compound
Proposed annual premium	\$0	\$0

# Disability Insurance Analysis For Melody

If Melody becomes disabled tomorrow



**68%**  
of earned income  
protected

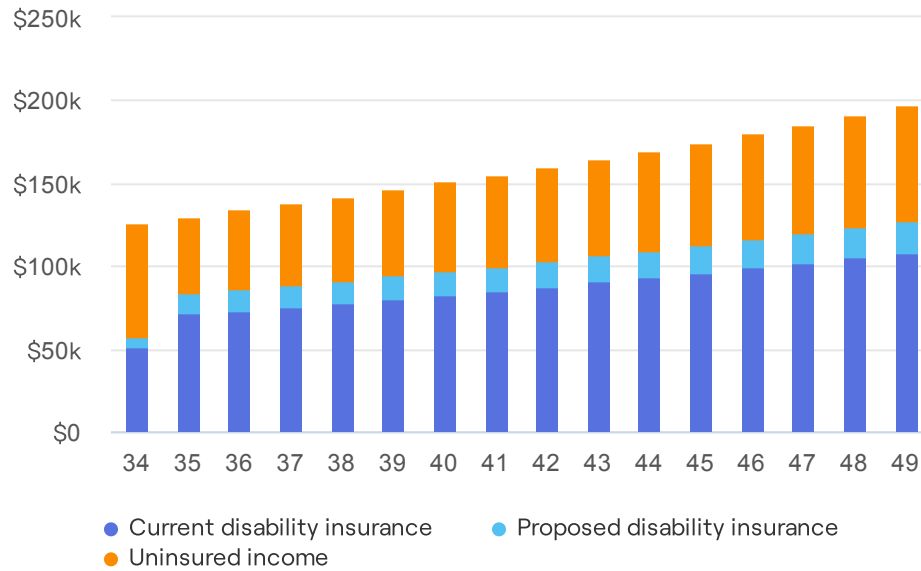


Proposed plan has  
**\$6,060,695 more**  
ending assets and  
lasts  
**51 years longer**  
than current plan

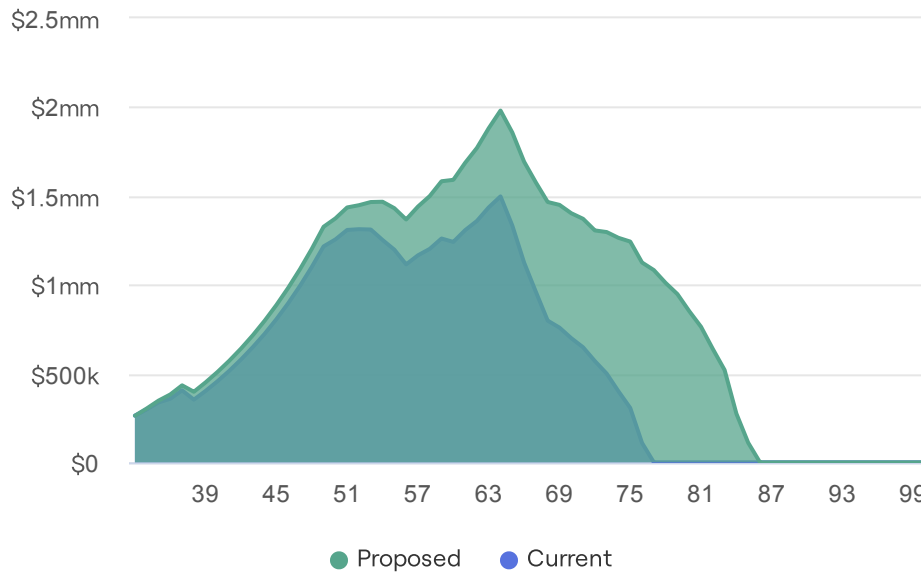


# Disability Insurance Analysis For Mike

If Mike becomes disabled tomorrow



**64%**  
of earned income  
protected

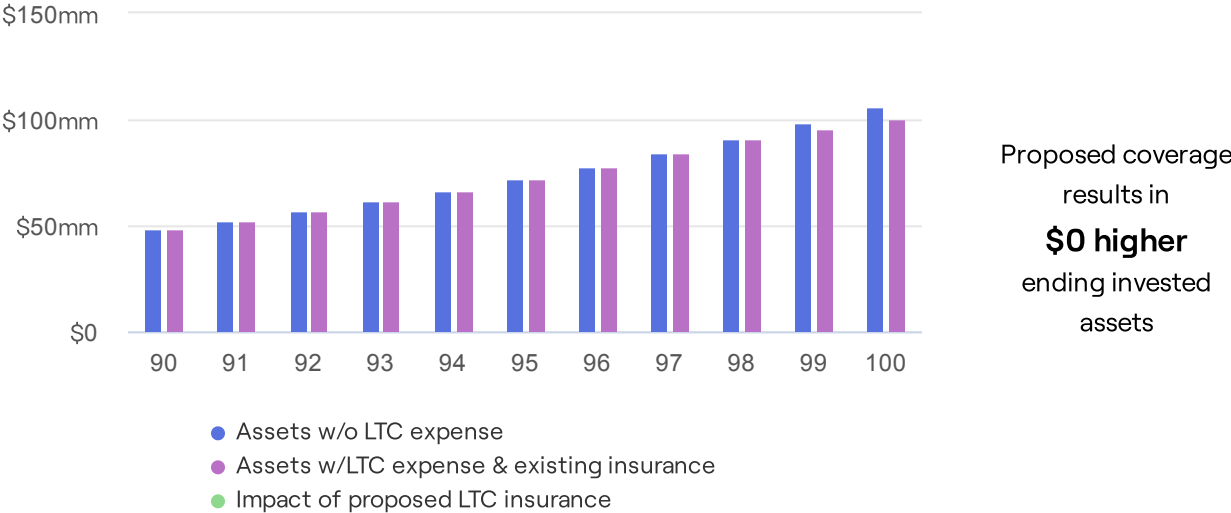


Proposed plan has  
**\$0 more**  
ending assets and  
lasts  
**9 years longer**  
than current plan

# Long-Term Care Insurance Analysis

U.S. Department of Health and Human Services indicates that 70% of people turning age 65 can expect to use some form of long-term care during their lives. Long-term care insurance may help you offset some of the cost.

LTC's impact on your invested assets

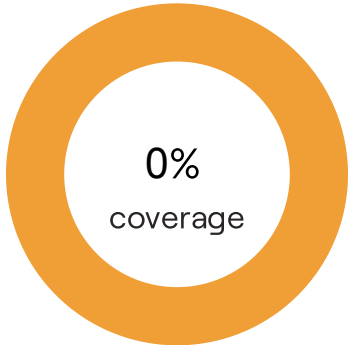


	Melody's additional coverage	Mike's additional coverage
Current long term care daily coverage	\$0	\$0
Proposed additional daily coverage	\$0	\$0
Proposed benefit period	2 years	2 years
Proposed elimination period	None	None
Proposed inflation adjustment	0%	0%
Proposed inflation type	Compound	Compound
Proposed annual premium	\$0	\$0

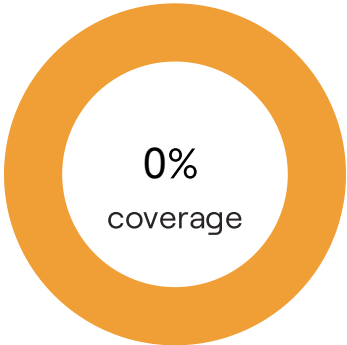
# Long-Term Care Insurance Analysis

Melody's total LTC cost is \$2,907,285

Mike's total LTC cost is \$2,907,285



- Current coverage
- Proposed additional coverage
- Uninsured coverage



- Current coverage
- Proposed additional coverage
- Uninsured coverage

The LTC cost is calculated based on estimated LTC cost today adjusted by health inflation assumption. The LTC cost today used is documented in the Summary of User Input page. The health inflation assumption used is documented in section 7 of the disclosure page.

# Property and Casualty Insurance – Homeowner

Liabilities associated with your home, auto, or other incidents can have a significant negative impact on your finances. Ensure that your insurance coverage is up to date and sufficient.

## Homeowners Insurance Coverage

Your family doesn't own any properties. New properties can be added in the Profile tab.

Proposed homeowner insurance target %: **80%**

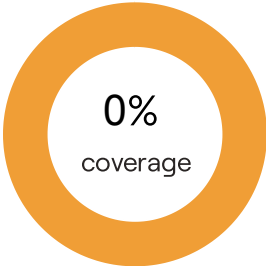
# Property and Casualty Insurance – Auto

## Auto Insurance Coverage

Your family doesn't have any auto insurance policies. New policies can be added in the Profile tab.

# Property and Casualty Insurance - Umbrella

## Umbrella Insurance Coverage



- Current coverage
- Proposed additional coverage
- Uninsured amount

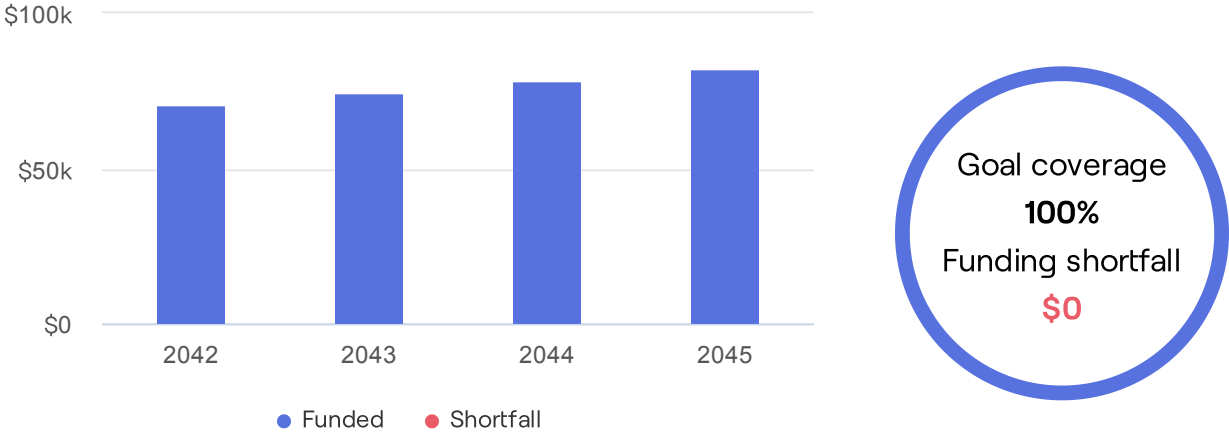
Proposed additional umbrella: **\$0**

	Net worth	Current coverage	Proposed addition	Total umbrella coverage
Umbrella Insurance	\$80,639	\$0	\$0	\$0

# Education Funding Analysis for Harmony

The cost of education has risen substantially over the years. Projecting the future cost of education, as well as your current funding level, will help you in determining the proper course of action based on your goals, the type of funding you are using, and your time horizon.

## Harmony’s projected education cost is \$304,308



### To achieve desired education funding level

Harmony’s College Goal	
Annual education cost	\$27,940
Scholarship/other	\$0
Student borrowing	\$0
Annual net cost	\$27,940
Current 529 balance	
529 balance	\$0

Strategy	
529 asset allocation	Dimensional ETF 80/20
Funding sources	529 and taxable
Annual 529 savings	
Lump sum saving	\$0
Additional annual 529 saving	\$0

# Education Funding Details

## Education cost and funding summary for Harmony

Year	Age	Education Cost	Grants/Scholarship	Student Borrowing	Net Cost	529 Funding	Other Funding	Total Funding	Shortfall
2023	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0
2025	1	0	0	0	0	0	0	0	0
2026	2	0	0	0	0	0	0	0	0
2027	3	0	0	0	0	0	0	0	0
2028	4	0	0	0	0	0	0	0	0
2029	5	0	0	0	0	0	0	0	0
2030	6	0	0	0	0	0	0	0	0
2031	7	0	0	0	0	0	0	0	0
2032	8	0	0	0	0	0	0	0	0
2033	9	0	0	0	0	0	0	0	0
2034	10	0	0	0	0	0	0	0	0
2035	11	0	0	0	0	0	0	0	0
2036	12	0	0	0	0	0	0	0	0
2037	13	0	0	0	0	0	0	0	0
2038	14	0	0	0	0	0	0	0	0
2039	15	0	0	0	0	0	0	0	0
2040	16	0	0	0	0	0	0	0	0
2041	17	0	0	0	0	0	0	0	0
2042	18	70,603	0	0	70,603	70,603	0	70,603	0
2043	19	74,133	0	0	74,133	74,133	0	74,133	0
2044	20	77,840	0	0	77,840	41,130	36,710	77,840	0
2045	21	81,732	0	0	81,732	0	81,732	81,732	0

## 529 account summary for Harmony

Year	Age	Beginning Balance	Portfolio Return	Savings	Withdrawals	Ending Balance

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Year	Age	Beginning Balance	Portfolio Return	Savings	Withdrawals	Ending Balance
2023	0	0	0	0	0	0
2024	0	0	0	0	0	0
2025	1	0	0	0	0	0
2026	2	0	0	0	0	0
2027	3	0	0	0	0	0
2028	4	0	0	6,000	0	6,000
2029	5	6,000	506	6,000	0	12,506
2030	6	12,506	1,054	6,000	0	19,559
2031	7	19,559	1,648	6,000	0	27,208
2032	8	27,208	2,293	6,000	0	35,500
2033	9	35,500	2,992	6,000	0	44,492
2034	10	44,492	3,749	6,000	0	54,241
2035	11	54,241	4,571	6,000	0	64,812
2036	12	64,812	5,462	6,000	0	76,273
2037	13	76,273	6,427	6,000	0	88,701
2038	14	88,701	7,475	6,000	0	102,175
2039	15	102,175	8,610	6,000	0	116,785
2040	16	116,785	9,841	6,000	0	132,627
2041	17	132,627	11,176	6,000	0	149,803
2042	18	149,803	12,623	6,000	70,603	97,823
2043	19	97,823	8,243	6,000	74,133	37,933
2044	20	37,933	3,197	0	41,130	0

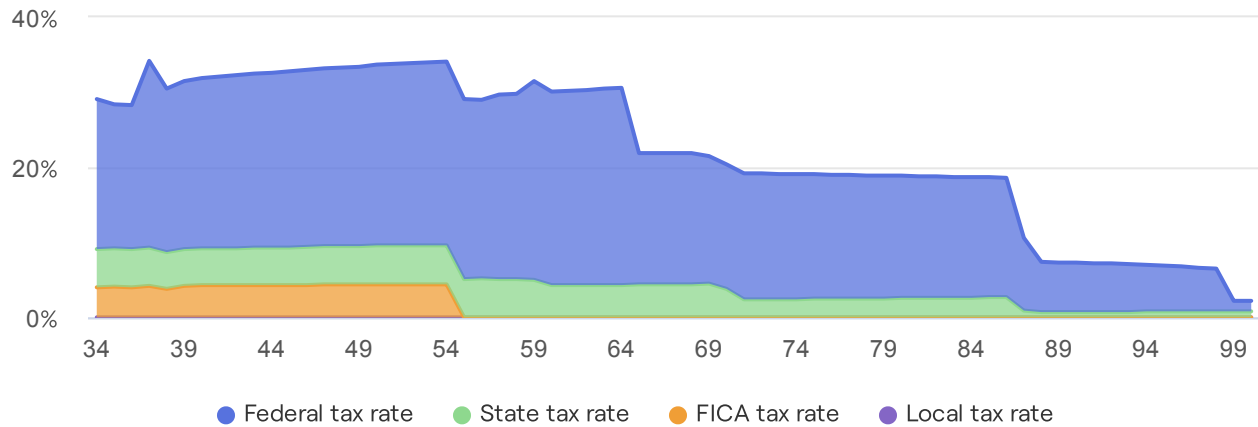
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# Tax Estimate

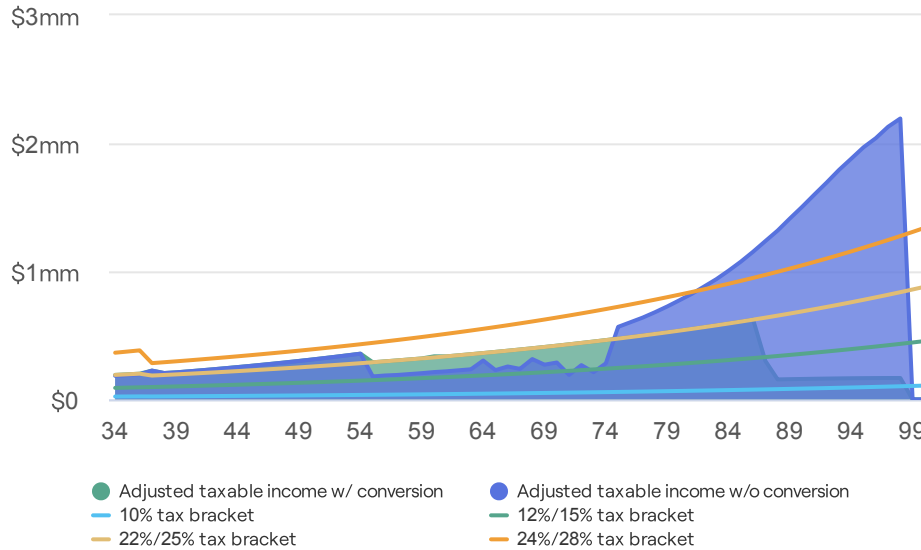
Taxes can have a significant impact on your future and are an important factor in financial planning. Estimated taxes below are based on your inputs and your proposed retirement plan, using current tax rates and methodologies.

### Effective tax rate - Proposed Plan



# Distribution and Conversion

## Ordinary income tax bracket - Proposed Plan



Proposed Strategy  
**\$12,078,883**  
**more**  
 tax adjusted ending  
 portfolio than a pro-  
 rata withdrawal  
 strategy w/o  
 conversion

## Proposed distribution strategy

Proposed withdrawal strategy: Taxable, tax-deferred, tax-free

Roth IRA conversion: Fill up to the 22%/25% ordinary income tax bracket

Estimated terminal tax rate: 15%

Conversion refers to a process converting assets in a Traditional IRA or 401k account to a Roth IRA account. It is important to evaluate whether a conversion is appropriate for your specific financial circumstances and evaluate any consequences and tax implications of this strategy. Tax Cuts and Jobs Act repeals the rules permitting recharacterizations of Roth conversions, effective starting in 2018.

# Distribution and Conversion

Tax adjusted ending wealth

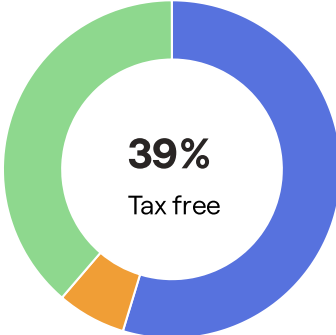
Proposed strategy



● Taxable ● Tax deferred ● Tax free

\$99,854,026 ending portfolio value

Pro-rata w/o conversion



● Taxable ● Tax deferred ● Tax free

\$87,775,143 ending portfolio value

## Distribution and Conversion Details

Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2023	34/34	7,390	0	7,390	0	112,602	195,557	34,749
2024	35/35	6,224	0	6,224	0	122,091	227,225	69,041
2025	36/36	4,855	13,435	4,855	0	118,944	263,574	94,703
2026	37/37	0	0	0	0	128,967	308,503	119,743
2027	38/38	0	102,553	0	0	37,281	357,899	145,501
2028	39/39	0	0	0	0	46,532	412,159	194,785
2029	40/40	0	0	0	0	60,453	471,715	248,586
2030	41/41	0	0	0	0	75,547	537,034	307,298
2031	42/42	0	0	0	0	91,913	608,625	372,344
2032	43/43	0	0	0	0	109,659	687,039	443,271
2033	44/44	0	0	0	0	120,602	772,874	521,585
2034	45/45	0	0	0	0	140,765	866,780	606,922
2035	46/46	0	0	0	0	162,627	969,463	699,886
2036	47/47	0	0	0	0	186,331	1,081,688	802,134
2037	48/48	0	0	0	0	212,033	1,204,286	913,460
2038	49/49	0	0	0	0	239,901	1,338,158	1,035,643
2039	50/50	0	0	0	0	270,116	1,484,283	1,171,614
2040	51/51	0	0	0	0	302,878	1,643,722	1,320,547
2041	52/52	0	0	0	0	338,401	1,817,628	1,482,552
2042	53/53	0	0	0	70,603	376,917	2,007,250	1,589,142
2043	54/54	0	0	0	74,133	418,679	2,213,945	1,702,736
2044	55/55	116,861	122,151	116,861	58,250	331,809	2,289,508	1,928,215
2045	56/56	117,278	183,899	117,278	17,976	175,871	2,371,196	2,213,973
2046	57/57	121,048	79,560	121,048	18,875	111,132	2,456,179	2,527,285

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Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2047	58/58	121,984	92,562	121,984	19,818	27,934	2,547,575	2,867,613
2048	59/59	101,780	30,288	124,293	45,981	0	2,644,554	3,190,892
2049	60/60	0	0	131,923	21,850	0	2,742,275	3,464,425
2050	61/61	55,369	0	123,197	22,942	0	2,857,159	3,815,964
2051	62/62	42,102	0	123,495	24,089	0	2,981,637	4,183,412
2052	63/63	56,763	0	123,736	25,294	0	3,116,579	4,596,001
2053	64/64	42,709	0	123,914	26,558	0	3,262,937	5,028,780
2054	65/65	97,733	0	359,139	55,773	0	3,178,757	5,494,503
2055	66/66	85,496	0	367,804	58,561	0	3,078,819	5,984,445
2056	67/67	104,229	0	376,675	61,489	0	2,961,588	6,531,479
2057	68/68	58,792	0	385,759	64,564	0	2,825,394	7,076,099
2058	69/69	93,458	0	408,001	12,738	0	2,655,481	7,753,105
2059	70/70	89,018	0	365,686	0	0	2,513,566	8,495,457
2060	71/71	131,831	0	239,978	0	0	2,485,400	9,343,178
2061	72/72	117,055	0	247,268	0	0	2,447,570	10,247,559
2062	73/73	138,119	0	254,821	0	0	2,399,000	11,249,214
2063	74/74	122,619	0	262,648	0	0	2,338,509	12,319,776
2064	75/75	144,720	0	270,758	0	0	2,264,811	13,502,652
2065	76/76	57,849	0	279,166	0	0	2,176,495	14,698,334
2066	77/77	151,608	0	287,882	0	0	2,072,020	16,088,533
2067	78/78	134,421	0	296,922	0	0	1,949,702	17,578,694
2068	79/79	158,800	0	306,296	0	0	1,807,702	19,218,805
2069	80/80	140,714	0	316,021	0	0	1,644,012	20,979,039
2070	81/81	166,305	0	326,108	0	0	1,456,441	22,913,194
2071	82/82	147,281	0	336,576	0	0	1,242,595	24,991,312
2072	83/83	174,142	0	347,440	0	0	999,866	27,271,408

This report is not complete without the accompanying disclosure page.

Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2073	84/84	68,200	0	358,716	0	0	725,406	29,637,700
2074	85/85	182,320	0	370,423	0	0	416,111	32,317,513
2075	86/86	161,267	0	382,578	0	0	68,598	35,202,094
2076	87/87	0	0	74,379	30,855	0	0	38,137,630
2077	88/88	0	0	0	112,269	0	0	41,239,122
2078	89/89	0	0	0	91,389	0	0	44,622,849
2079	90/90	0	0	0	125,284	0	0	48,257,818
2080	91/91	0	0	0	103,708	0	0	52,220,674
2081	92/92	0	0	0	244,391	0	0	56,376,786
2082	93/93	0	0	0	117,166	0	0	61,010,347
2083	94/94	0	0	0	155,100	0	0	65,996,434
2084	95/95	0	0	0	131,835	0	0	71,425,950
2085	96/96	0	0	0	172,148	0	0	77,272,685
2086	97/97	0	0	0	148,189	0	0	83,636,068
2087	98/98	0	0	0	191,049	0	0	90,492,817
2088	99/99	0	0	0	2,983,021	0	0	95,135,394
2089	100/100	0	0	0	3,298,185	0	0	99,854,026

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This report is not complete without the accompanying disclosure page.

# Estate Checklist

To protect and control the financial future of your family and loved ones, keep track of your progress on creating important estate checklist documents.

## Important estate checklist tasks

	Melody	Mike
<b>Will</b>		
Document created	✓	✓
Name of Executor	Mike	Melody
Name of Guardian	Gary, then Jodi	Gary, then Jodi
Document last updated	2023-09-28	2023-09-28
<b>Power of Attorney</b>		
Document created	✓	✓
Name of Power of Attorney	Mike	Melody
Document last updated	2023-09-28	2023-09-28
<b>Living Will</b>		
Document created	✓	✓
Document last updated	2023-09-28	2023-09-28
<b>Health Care Proxy</b>		
Document created	✓	✓
Name of Health Care Proxy	Mike	Melody
Document last updated	2023-09-28	2023-09-28
<b>Beneficiary Designations</b>		
Created and reviewed	✓	✓
<b>Living Trust</b>		
Document created	✓	✓
Document last updated	2023-09-28	2023-09-28



# Beneficiaries

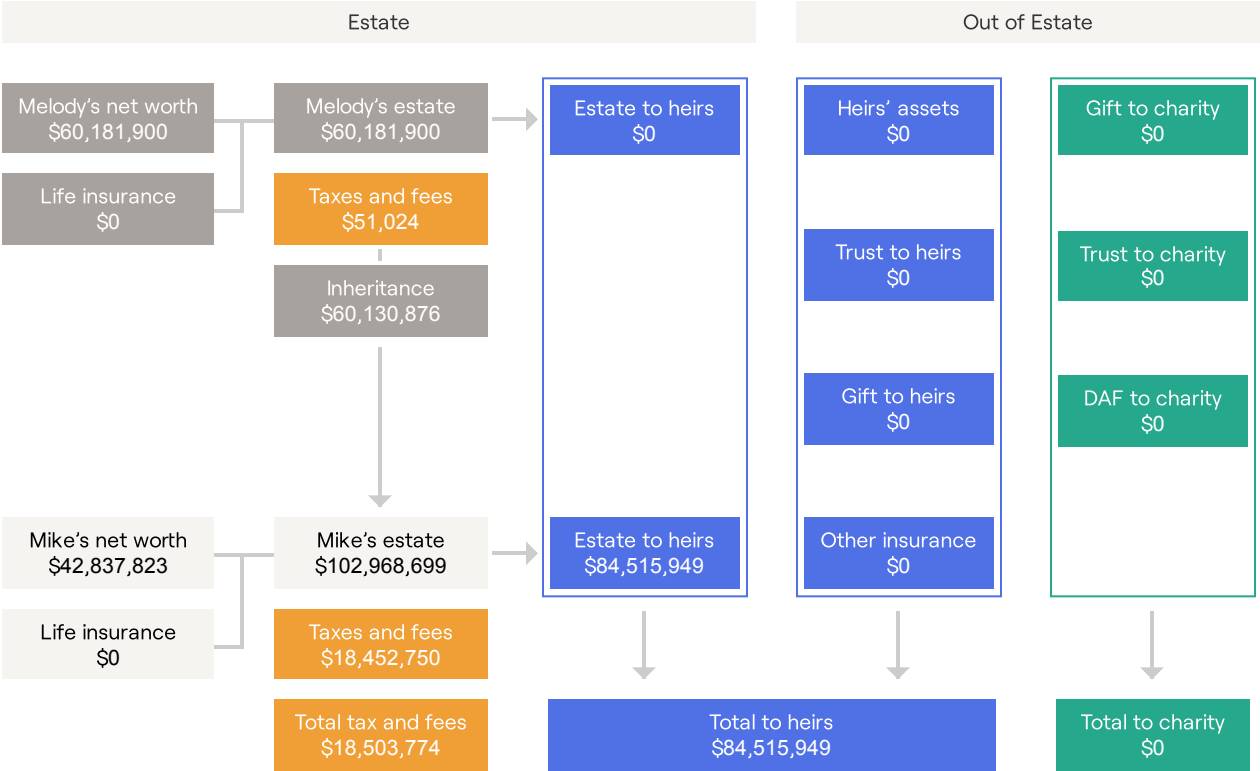
Life changes, it is important to review your beneficiaries periodically to ensure your money will go where you intended.

	Account Balance	Death Benefit	Primary Beneficiary	Contingent Beneficiary
<b>Bank</b>				
<b>Melody's Accounts</b>				
Joint Checking Account	\$5,000			
<b>Joint Accounts</b>				
Joint Savings Account	\$40,000			
<b>Invested Assets</b>				
<b>Melody's Accounts</b>				
Melody's Solo 401(k)	\$95,000			
Melody's HSA	\$10			
<b>Mike's Accounts</b>				
Mike's 401(k)	\$73,000		Custom Mike's mother	
<b>Joint Accounts</b>				
Joint Brokerage Account	\$49,629			
<b>Life Insurance</b>				
<b>Mike's Accounts</b>				
Mike's Group Life Insurance	\$115,000		Custom Mike's mother	

# Estate Planning

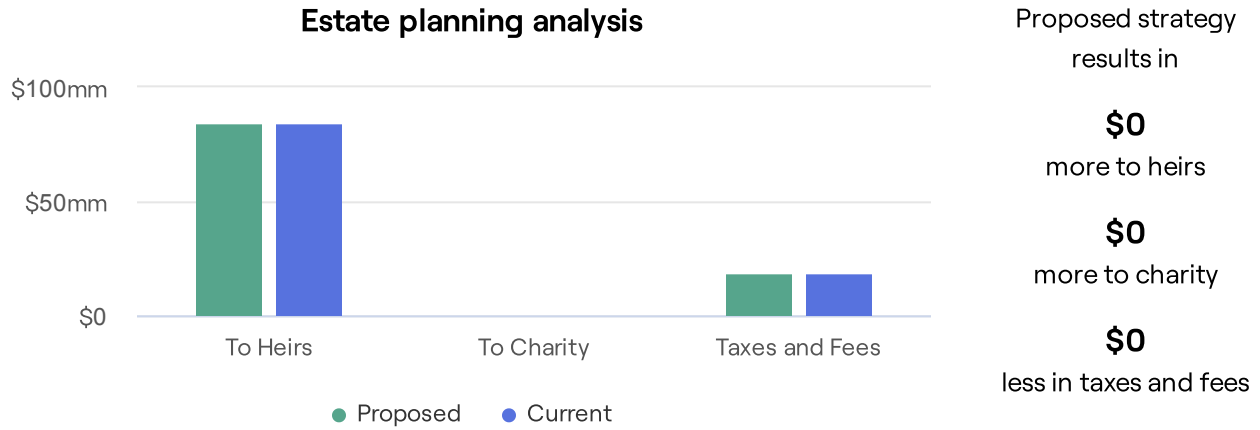
Effective use of living trust strategies can reduce taxes and expenses so that more of your assets are passed on to heirs or charity.

Estate flow chart



# Estate Planning Analysis

The proposals listed on the following pages would result in the following impact to your estate plan projection:

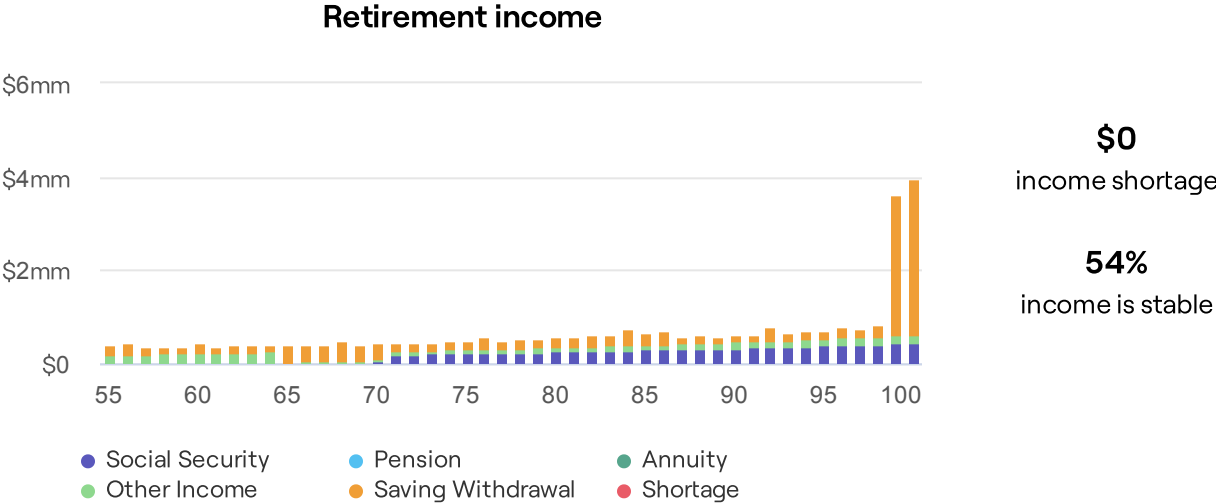


## Proposed Trust strategy

### Basic Information

Melody's planning horizon	100
Mike's planning horizon	100
Funeral expense	\$10,000
Probate expense	5%

# Estate Planning Retirement Income



# Estate Planning Details

Melody's Estate		Mike's Estate		Out of Estate	
Investment	\$58,599,052	Investment	\$99,803,002	Heirs' assets	\$0
Real estate	\$1,582,848	Real estate	\$3,165,697	Credit shelter trust	\$0
Other assets	\$0	Other assets	\$0	Charitable remainder trust	\$0
Annuities	\$0	Annuities	\$0	Charitable lead trust	\$0
Debt	\$0	Debt	\$0	Spousal lifetime access trust	\$0
Mortgage	\$0	Mortgage	\$0	Qualified terminable interest trust	\$0
Insurance	\$0	Insurance	\$0	Grantor retained annuity trust	\$0
<b>Gross estate</b>	<b>\$60,181,900</b>	<b>Gross estate</b>	<b>\$102,968,699</b>	Intentionally defective grantor trust	\$0
Funeral expense	\$51,024	Funeral expense	\$51,024	Qualified personal residence trust	\$0
Probate	\$0	Probate	\$155,734	Irrevocable grantor trust	\$0
Estate tax	\$0	Estate tax	\$18,245,992	Irrevocable grantor trust - property	\$0
<b>Total taxes &amp; expenses</b>	<b>\$51,024</b>	<b>Total taxes &amp; expenses</b>	<b>\$18,452,750</b>	Irrevocable insurance trust	\$0
				Other owned insurance	\$0
				Donor-advised fund	\$0
<b>Net estate</b>	<b>\$60,130,876</b>	<b>Net estate</b>	<b>\$84,515,949</b>		
To heirs	\$0	To heirs	\$84,515,949	To heirs	\$0
To co-client	\$60,130,876			To charity	\$0

Please refer to sections 8.6 and 8.7 of the disclosure section for more information.

# Blueprint - Net Worth

- Bank & Investments
- Stock plan & Properties & Other assets
- Card & Loans
- Insurance



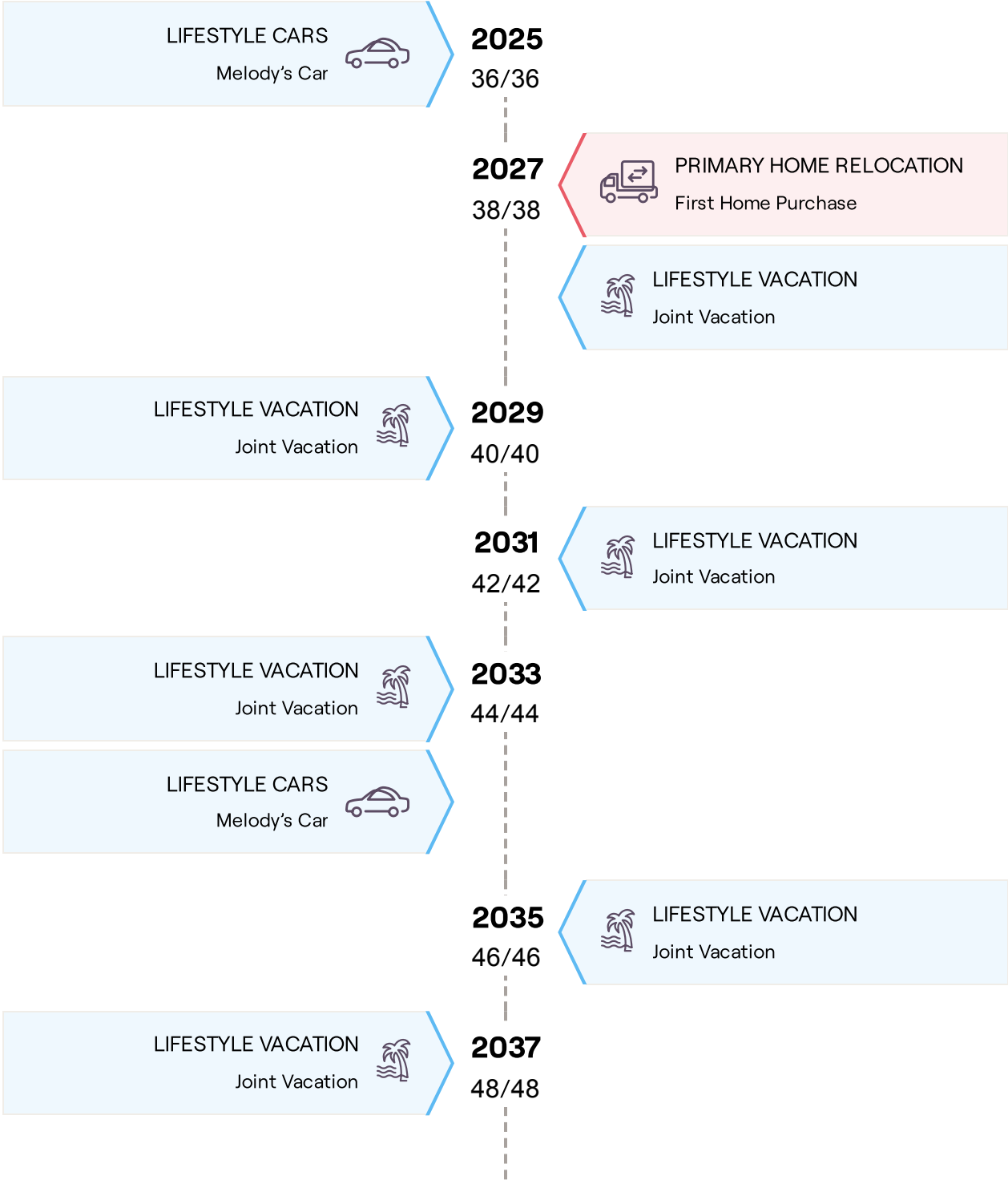
Harmony - 0



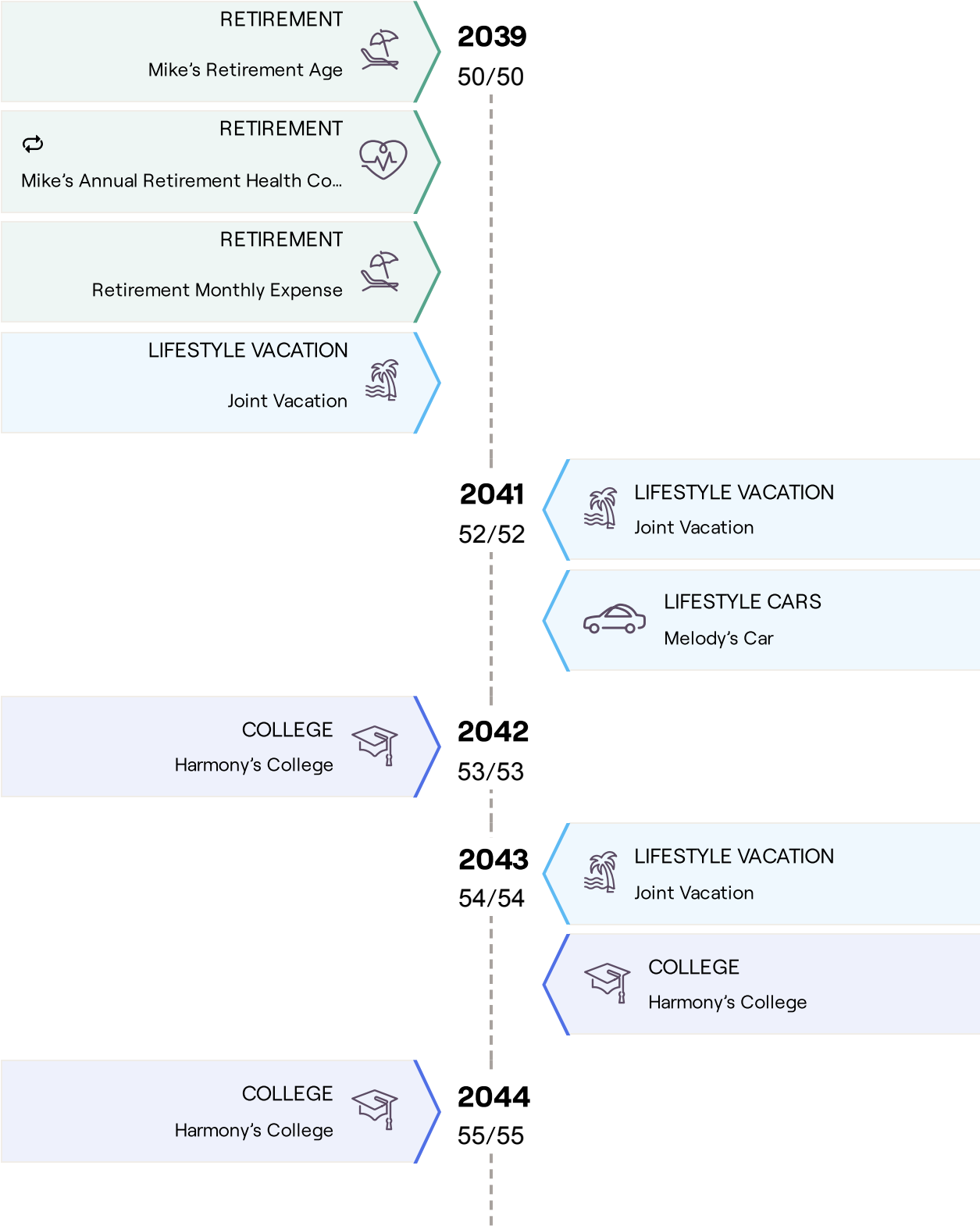
# Blueprint - Goals

- Retirement
- Education
- Asset Purchase
- Other

## Goals

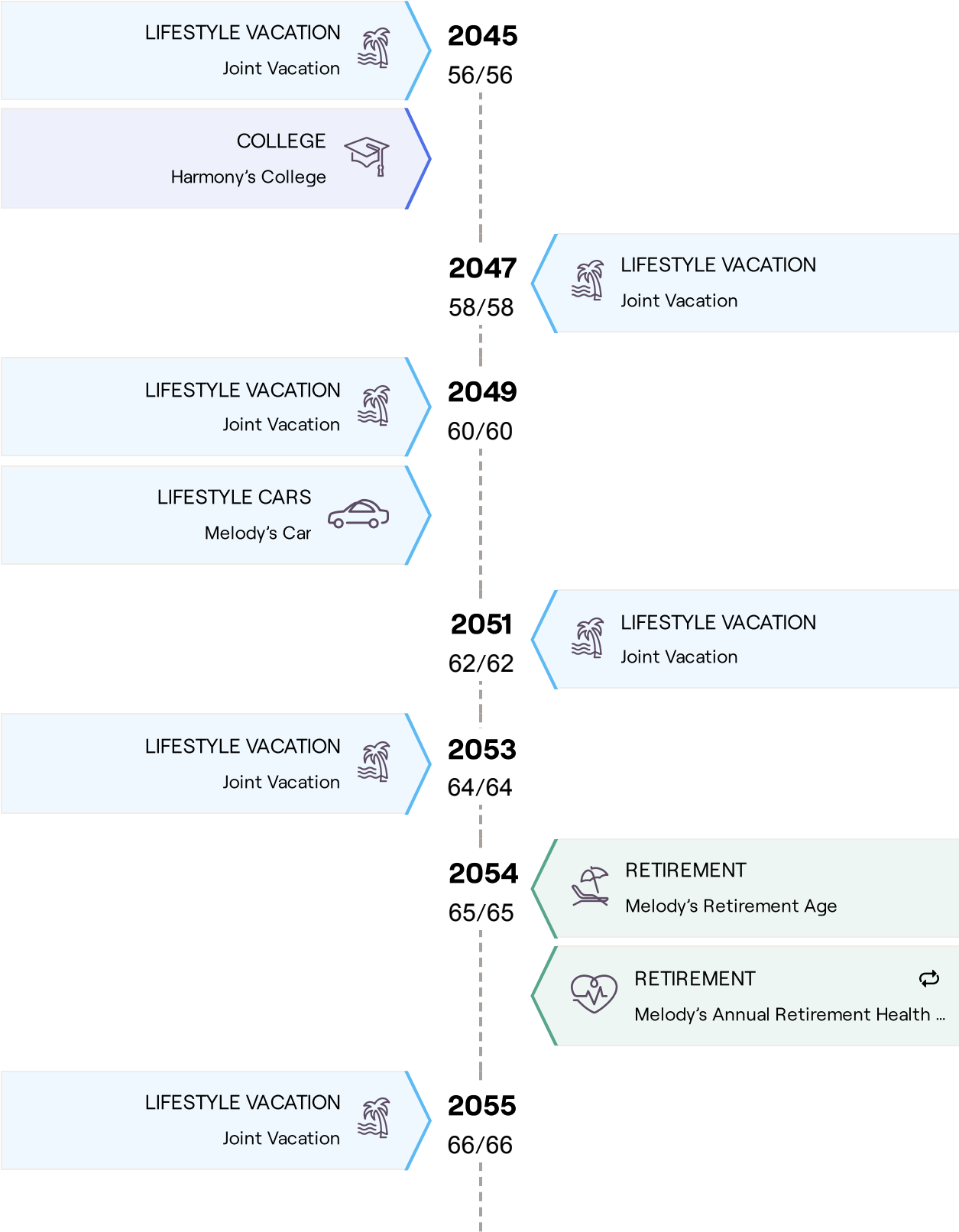


# Blueprint - Goals

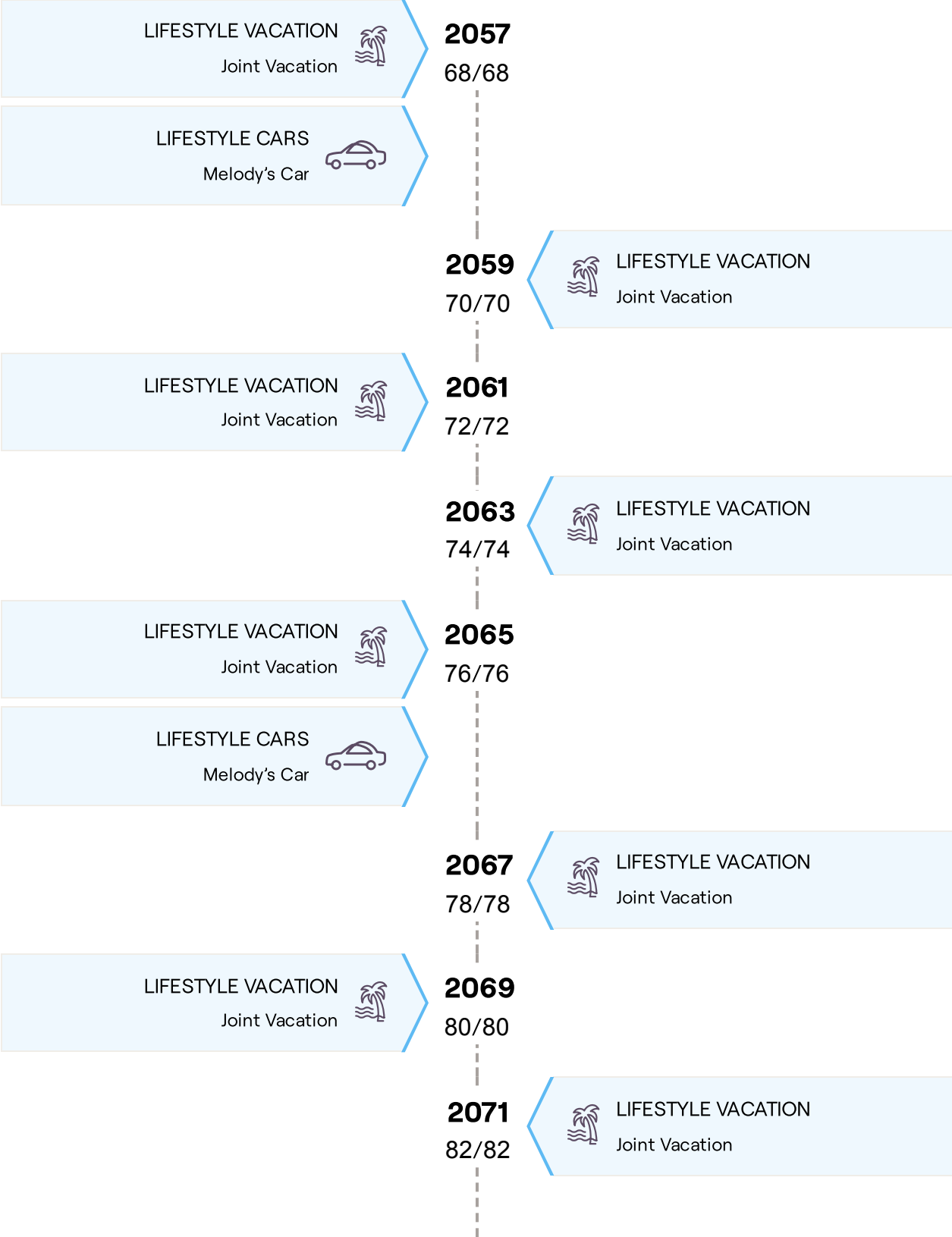




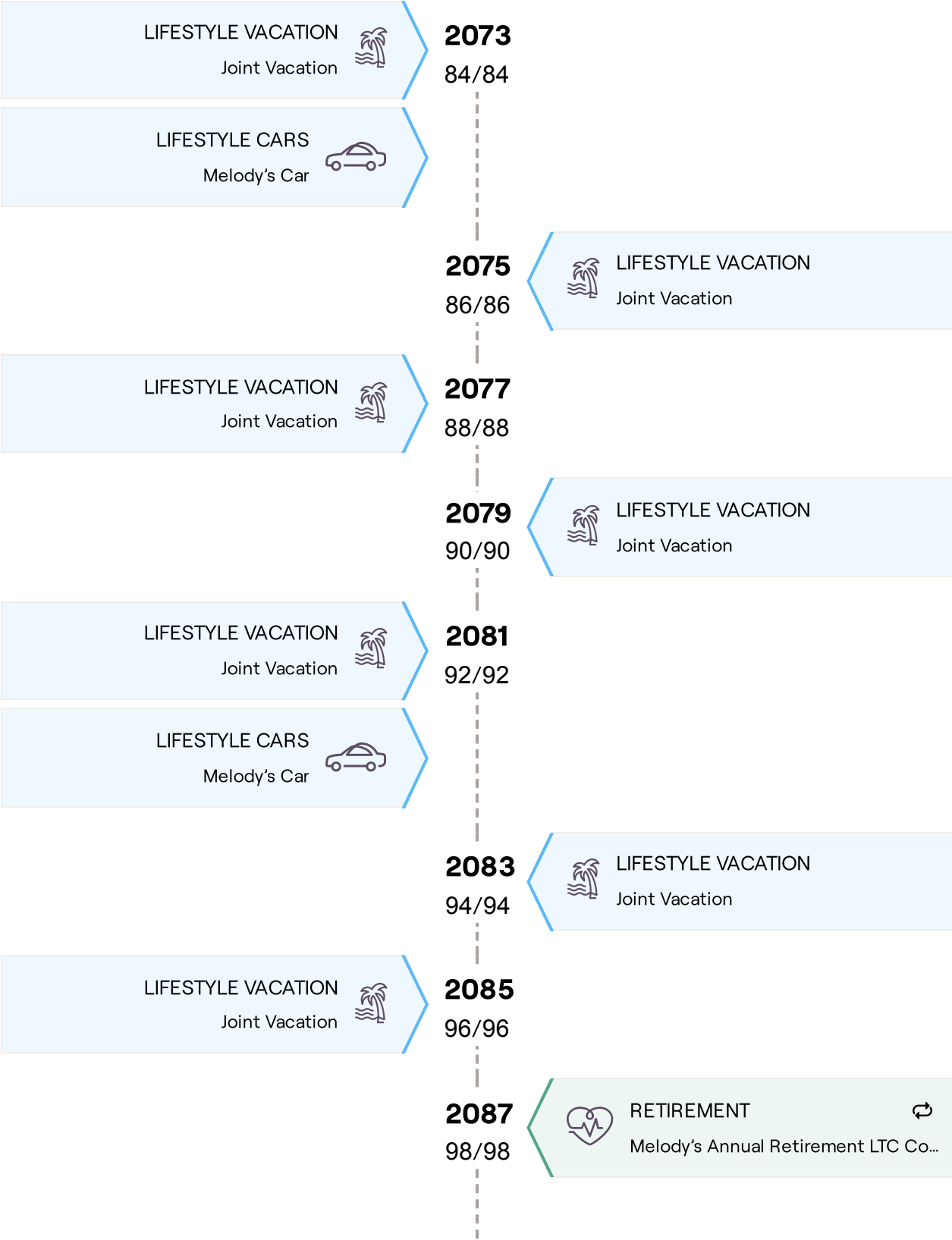
# Blueprint - Goals



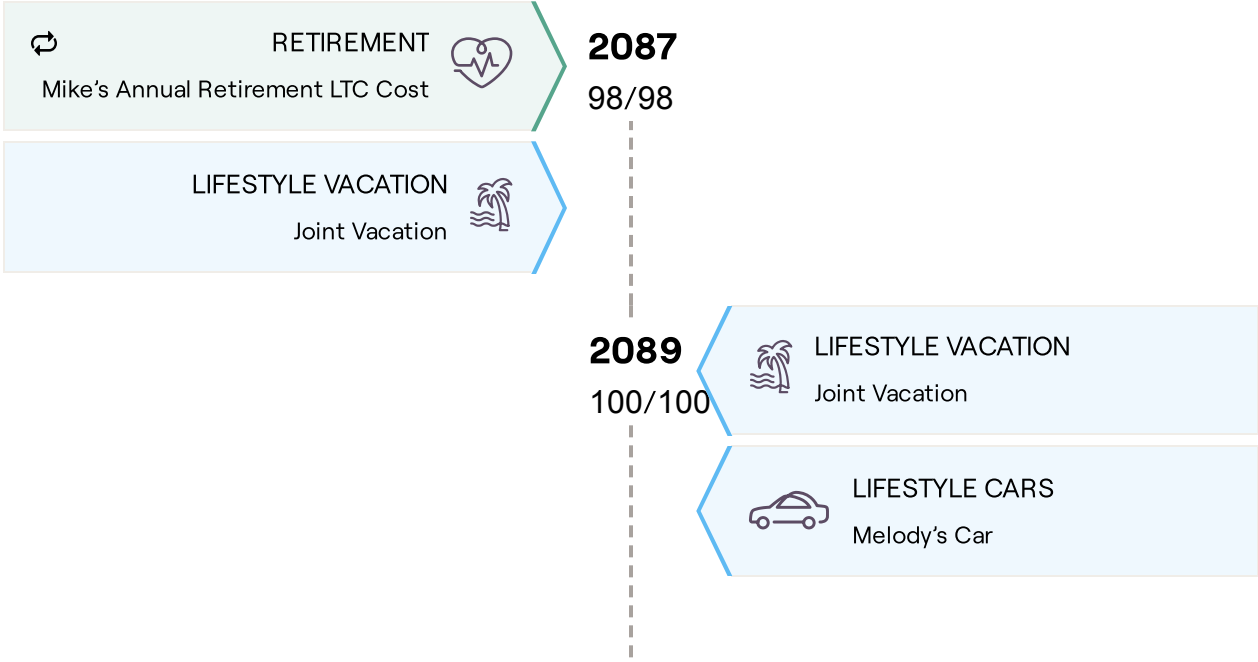
# Blueprint - Goals



# Blueprint - Goals



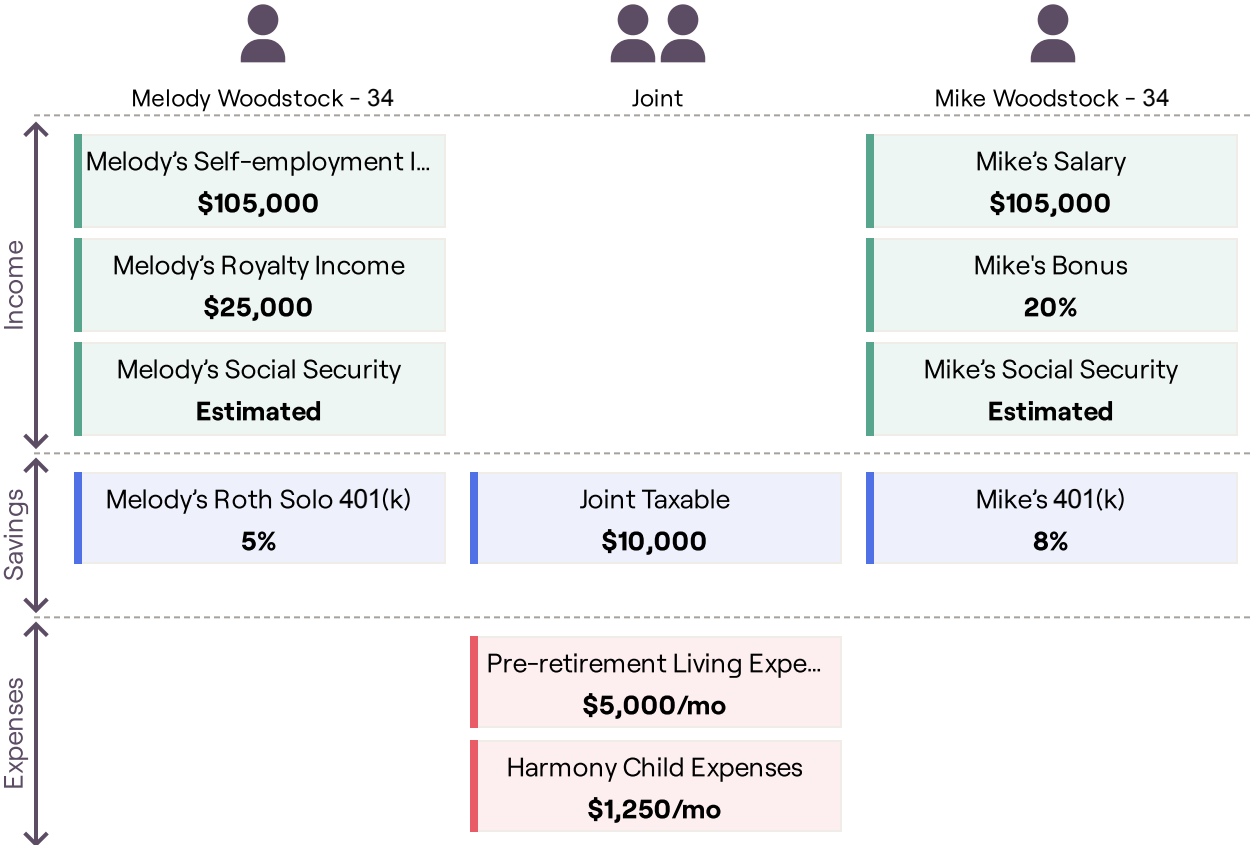
# Blueprint - Goals



# Blueprint - Income, Savings, Expenses

- Income
- Savings
- Expenses

## Income, Savings, Expenses



# Summary of User Input

Your financial plan is based on the following information:

## Family

Name	Date of Birth	Planning Horizon	Relationship
Melody	Aug 15, 1989	100	Client
Mike	Aug 16, 1989	100	Co-client
Harmony	Apr 27, 2024		Child

## Income

Name	Annual Amount	Starting	Ending	Annual Increase
Melody's Self-employment Income	\$105,000	Already started	Melody's retirement	3%
Melody's Royalty Income	\$25,000	2023	Melody's end of plan	3%
Mike's Salary	\$105,000	Already started	Mike's retirement	3%
Mike's Bonus	20%	2023	Mike's retirement	
Melody's Social Security	Estimated using Salary			
Mike's Social Security	Estimated using Salary			

## Savings

Name	Annual Amount	Starting	Ending	Annual Increase
Melody's Roth Solo 401(k)	5%	Already started	Melody's retirement	
Mike's 401(k)	8%	Already started	Mike's retirement	
Joint Taxable	\$10,000	Already started	Mike's retirement	0%

This report is not complete without the accompanying disclosure page.

## Expenses

Name	Monthly Amount	Starting	Ending	Annual Increase
Pre-retirement Living Expenses	\$5,000	Already started		
Harmony Child Expenses	\$1,250	2024	After 18 yrs	

## Retirement Goals

Name	Retirement age	Annual retirement Health care	Annual retirement Long term care	Long term care duration
Melody	65	\$6,145	\$59,488	2
Mike	50	\$6,145	\$59,488	2

## Other Goals

Name	Amount	Starting	Ending	Frequency
Retirement Monthly Expense	\$7,000	Mike's Retirement	End of both plans	Every 1 year
First Home Purchase	\$450,000	2027		
Harmony's College Goal	\$27,940	18	21	Every 1 year
Melody's Car Goal	\$25,000	2025	End of both plans	Every 8 years
Joint Vacation Goal	\$7,000	2027	Melody's end of plan	Every 2 years

## Insurance

Name	Type	Owner	Benefit
Mike's Group Life Insurance	Group Life Insurance	Mike	\$115,000
Mike's Group Disability Insurance	Group Disability Insurance	Mike	66.66%

# Disclosure

1. **No Warranties.** RightCapital makes no warranties, expressed or implied, as to accuracy, completeness, or results obtained from any information on [www.rightcapital.com](http://www.rightcapital.com) (the "Platform"). The Platform uses simplified assumptions derived and/or obtained from historical data that are used to create assumptions about potential investment returns.
2. **Advice.** RIGHTCAPITAL DOES NOT PROVIDE LEGAL, TAX, ACCOUNTING, INVESTMENT OR FINANCIAL ADVICE. RIGHTCAPITAL DOES NOT PROVIDE RECOMMENDATIONS FOR ANY PRODUCTS OR SECURITIES. Your financial professional may not provide tax or legal advice. The appropriate professionals should be consulted on all legal and accounting matters prior to or in conjunction with implementation of any strategy. Use prospectus for any discussions about securities.
3. **Data** provided by you or your financial professional for your assets, liabilities, goals, accounts, and other assumptions are key inputs for the calculations at RightCapital. The information should be reviewed periodically and updated whenever there is a change in information or circumstances.
4. **Monte Carlo Simulation methodology.** RightCapital generated Monte Carlo simulations calculating the results of your plan by running the projection 1000 times. Some sequences of returns will give you better results, and some will give you worse results. These multiple trials provide a range of possible results. RightCapital considers a trial to be "successful" if at the end of the planning horizon your invested assets are greater than zero. The percentage of trials that were successful is the Probability of Success of your plan, with all its underlying assumptions.
5. **Asset classes used in Monte Carlo simulation** RightCapital uses only a few asset classes. The default return and volatility assumptions of the asset classes are estimated based on the historical return data of indices, which serve as proxies for their respective asset classes. They are not returns of actual investments. The historical return data used to derive returns for all asset classes are:

U.S. Large Growth, U.S Large Value and Other: S&P 500 Total Return Index - 12/1971 - 12/2022  
U.S. Mid Cap: Russell Midcap total return index - 12/1995 - 12/2022  
Small Cap: Russell 2000 total return index - 12/1980 - 12/2022  
International Equities: EAFE Total return (USD return) - 12/1971 - 12/2022  
Emerging Markets Equity: MSCI Emerging market index (USD return) - 12/1987 - 12/2022  
Real Estate: MSCI US REIT Index - 12/2009 - 12/2022  
U.S. Government: Treasury bonds - 12/1999 - 12/2022  
Municipal: Bloomberg Barclays Muni Bond Index - 12/1999 - 12/2022  
U.S. Corporate and International Bonds: Bloomberg Barclays US Aggregate Bond Index - 12/1999 - 12/2022  
High Yield: ICE BofA US High Yield Index - 12/1999 - 12/2022  
Cash: 3 Month Treasury returns - 12/1999 - 12/2022

Note: The S&P500 Total Return Index is made up of both large cap growth and large cap value stocks. This index return and volatility data is used for both large cap growth and large cap value asset classes in the RightCapital system as it is an appropriate benchmark for both. RightCapital uses the S&P500 total return index as the best proxy for any unclassified assets labeled as 'Other'



## 6. Return and volatility assumptions used in Monte Carlo simulations

Asset Class	Total Return	Volatility
Large Growth	10.24%	17.3%
Large Value	10.24%	17.3%
Mid Cap	10.06%	18.28%
Small Cap	10.18%	18.38%
International Equities	7.9%	20.93%
Emerging Markets	9.44%	31.89%

Asset Class	Total Return	Volatility
Real Estate	9.01%	17.59%
Government	3.89%	9.04%
Municipal	4.27%	4.84%
Corporate	3.99%	5.02%
High Yield	6.03%	15.2%
International Bonds	3.99%	5.02%

Asset Class	Total Return	Volatility
Cash	1.58%	1.77%
Other	10.24%	17.3%

7. **Tax and Inflation assumptions used in Monte Carlo simulations** Starting federal and state standard deductions, exemptions and the tax brackets used in projections are as of 2023. The following inflation assumptions are used in the projection: General inflation 2.5%; Education inflation 5%; Tax inflation 2.5%; Social Security inflation 2.5%; Health inflation: 5%

## 8. Assumption and calculation limitations of Monte Carlo Simulations

8.1 **Your resources and goals may be different from the estimates that you provided:** The report is intended to help you in making decisions on your financial future based, in part, on information that you have provided and reviewed including, but not limited to, your age, income, assets, liabilities, anticipated expenses and retirement age. Some of this information may change in unanticipated ways in the future and those changes may make this RightCapital projection less useful.

8.2 **Inherent limitations in RightCapital financial model results:** Investment outcomes in the real world are the results of a near infinite set of variables, few of which can be accurately anticipated. Any financial model, such as RightCapital, can only consider a small subset of the factors that may affect investment outcomes and the ability to accurately anticipate those few factors is limited. For these reasons, investors should understand that the calculations made in this report are hypothetical, do not reflect actual investment results, and are not guarantees of future results.

8.3 **Results may vary with each use and over time:** The results presented in this report are not predictions of actual results. Actual results may vary to a material degree due to external factors

beyond the scope and control of this report. As investment returns, inflation, taxes, and other economic conditions vary from the assumptions, your actual results will vary from those presented in RightCapital. Small changes in these inputs and assumptions may have a significant impact on the results.

**8.4 RightCapital considers investments in only a few Broad Investment Categories:** RightCapital utilizes U.S. Large Growth, U.S. Large Value, U.S. Mid Cap, U.S. Small Cap, Real Estate, International Equities, Emerging Markets Equity, U.S. Government, U.S. Corporate, U.S. High Yield, International Bonds and Cash. These broad investment categories are not specific securities, funds, or investment products. The assumed rates of return of these broad categories are based on the returns of indices. These indices do not include fees or operating expenses and are not available for investment. These indices are unmanaged and the returns are shown for illustrative purpose. It important to note that the broad categories that are used are not comprehensive and other investments that are not considered may have characteristics that are similar or superior to the categories that are used in RightCapital.

**8.4.1 Investment Risk:** Clients and prospective clients should be prepared to bear investment loss including loss of original principal. Clients should assess their tolerance for risk with their financial professional and update when a change in financial status occurs. Investments are subject to many risks depending on the asset class, including but not limited to: Large Growth, Large Value, Mid Cap, Small Cap, Real Estate: Either the stock market as a whole, or the value of an individual company, may go down resulting in a decrease in the value of client investments. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer. Small cap stocks may be subject to risks such as but not limited to volatility, lack of available information and liquidity due to low trading volume. International Equities, Emerging Markets: Foreign investments may carry risks associated with investing outside the United States, such as currency fluctuation, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Those risks are increased for investments in emerging markets. Foreign securities can be more volatile than domestic (U.S.) securities. Government, Municipal, Corporate, High Yield, International Bonds: Investments in fixed income are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk.

**8.5 Insurance, Annuities and other related calculations.** RightCapital may include Life insurance, annuity or other products in the calculation. The return or returns of any such life insurance product, annuity or other product, as may be included in the calculation, are hypothetical and shall not be used as proxy, replacement for nor construed as actual performance of the product or to predict or project investment results of those products. Product fees, expenses and detailed features may not be completely included and modeled in the calculation. This report should not be construed as an insurance policy application or pre-qualification.

**8.6 Fees and expenses:** The portfolio returns assume that the portfolio is rebalanced on an annual basis to reflect the target allocation. No portfolio rebalancing costs are deducted from the

portfolio value. Fees and expenses are not included, and thus, are excluded, including, but not limited to, fund fees, account fees, product fees and advisor fee. Inclusion of those fees results in lower returns, which would affect the probability of achieving any particular outcome.

- 8.7 Taxes:** RightCapital includes limited accounting for taxes. RightCapital calculates taxes based on your input. RightCapital estimates federal, state and local taxes based on current laws with simplified deduction, exemption, and tax bracket parameters of the current year. In the projection, tax parameters are adjusted by an inflation assumption provided by you or your financial professional. Future tax laws may be significantly different than current tax laws and may result in higher or lower taxes due than what are reflected within this report. Roth IRA distribution are tax free if made 5 years after the initial contribution to the plan and you are over 59 1/2. Before investing in a 529 plan, consider whether your state offers a 529 plan that provides residents with favorable state tax benefits. RightCapital includes limited accounting for Federal Estate Tax with simplified deduction, exemption, and tax bracket parameters of the current year. RightCapital does not include any State Estate tax.
- 8.8 Current Dollars and Future Dollars:** The results of RightCapital calculations are in future dollars. To help you compare dollar amounts in different years, results can also be expressed in current dollars by discounting the future dollars by the inflation rate you or your financial professional provides.
- 8.9 Current allocation and target allocation:** Current allocation is the allocation based on the current portfolio holdings entered in the system as well as asset classification data from Morningstar. The target allocation is the allocation recommended by your financial professional.
- 8.10 Current plan and proposed plan:** Current plan is the plan based on the information you and your financial professional input in the profile section. Proposed plan is the plan recommended by your financial professional, with the plan details as shown in the retirement analysis section.
- 9. Liquidation of holdings:** this report may include liquidation of holdings, recommended by your financial professional. The transaction cost of liquidation is not included in the analysis. The liquidation will also result in the loss of future earnings.