



Retirement Planning and Multiple Scenario Analysis Example

We ran the following retirement scenarios:

1. *Current Scenario (53% Probability)* – The first column is your current scenario without making any changes.
2. *D3 Recommended Scenario: Retire at 60 (75% Probability)* – The D3 recommended scenario has Daniel working an additional two years to age 60. By working two additional years, you will be able to meet all of your retirement goals without needing to adjust spending goals or savings.
3. *Alternate Scenario: Reduce Expenses (77% Probability)* – An alternative would be for you to reduce your base living expenses by \$25,000 per year and instead saving \$25,000 per year until retirement. By making this adjustment to your current lifestyle, you will be able to reach your retirement goals.

What If Worksheet

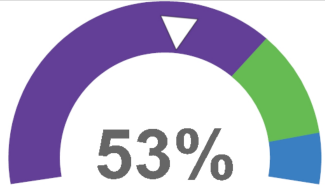
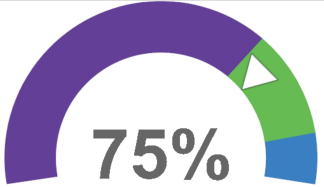
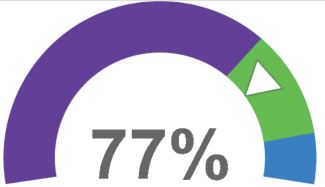
This Worksheet allows you to analyze and compare the results of one or more scenarios that you created by varying the Plan assumptions.

Goals	Estimated % of Goal Funded					
	Current Scenario		Retire at 60		Reduce Expenses	
	Average Return	Bad Timing	Average Return	Bad Timing	Average Return	Bad Timing
Needs	98%	87%	100%	100%	100%	100%
10 Retirement						
10 Health Care						
10 Travel Budget						
10 Charitable Gifts						
10 St. Joseph Tuition - Susan						
10 St. Joseph Tuition - Tommy						
10 Benet Academy Tuition - Bobby						
10 College - Susan						
10 College - Tommy						
10 College - Bobby						
10 Car Payment						
Safety Margin (Value at End of Plan)						
Current dollars (in thousands) :	\$319	\$319	\$5,032	\$1,907	\$5,239	\$2,068
Future dollars (in thousands) :	\$1,019	\$1,019	\$16,060	\$6,085	\$16,720	\$6,600

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Monte Carlo Results	Likelihood of Funding All Goals		
Your Confidence Zone: 70% - 90%	 <p>53% Probability of Success Below Confidence Zone</p>	 <p>75% Probability of Success In Confidence Zone</p>	 <p>77% Probability of Success In Confidence Zone</p>
Total Spending :	\$8,784,567	\$8,283,413	\$7,919,567
Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Stress Tests	Method(s) Bad Timing Bad Timing Bad Timing Program Estimate Program Estimate Program Estimate Years of bad returns: Years of bad returns: Years of bad returns: 2029: -16.40% 2031: -17.60% 2029: -17.60% 2030: -5.40% 2032: -5.75% 2030: -5.75%		
Funding Order	Assets - Ignore Earmarks No No No Retirement Income - Ignore Earmarks No No No		

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario		Retire at 60		Reduce Expenses
Hypothetical Average Rate of Return					
Before retirement portfolio set :		•	D3 Models	•	D3 Models
Portfolio :	Current	•	Moderate	•	Moderate
Total Return :	5.61%	•	6.11%	•	6.11%
Standard Deviation :	11.01%	•	11.86%	•	11.86%
Total Return Adjustment :	0.00%		0.00%		0.00%
Adjusted Real Return :	3.11%	•	3.61%	•	3.61%
After retirement portfolio set :		•	D3 Models	•	D3 Models
Portfolio :	Current	•	Moderate	•	Moderate
Total Return :	5.61%	•	6.11%	•	6.11%
Standard Deviation :	11.01%	•	11.86%	•	11.86%
Total Return Adjustment :	0.00%		0.00%		0.00%
Adjusted Real Return :	3.11%	•	3.61%	•	3.61%
Base inflation rate :	2.50%		2.50%		2.50%
Tax-Free Options					
Before Retirement					
Reallocate a portion of bonds to tax-free:	No		No		No
Percent of bond allocation to treat as tax-free:	0.00%		0.00%		0.00%
After Retirement					
Reallocate a portion of bonds to tax-free:	No		No		No
Percent of bond allocation to treat as tax-free:	0.00%		0.00%		0.00%

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Goals			
Basic Living Expense			
Retirement Age			
Daniel	58	60	58
Planning Age			
Daniel	90	90	90
Mary	92	92	92
Both Retired			
Both Retired	\$194,592	\$194,592	\$169,592
One Alone - Retired			
Mary Alone Retired	\$155,674	\$155,674	\$135,674
Daniel Alone Retired	\$0	\$0	\$0
One Alone - Employed			
Daniel Alone Employed	\$0	\$0	\$0
Health Care			
Percentage to increase costs :	100%	100%	100%
Cost determined by Schedule :	See details	See details	See details
Travel Budget			
Year :	At Daniel's retirement	At Daniel's retirement	At Daniel's retirement
Cost :	\$25,000	\$25,000	\$25,000
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
This goal will end at End of plan.			
Charitable Gifts			
Year :	At Daniel's retirement	At Daniel's retirement	At Daniel's retirement
Cost :	\$32,274	\$32,274	\$32,274
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
This goal will end at End of plan.			

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Goals			
St. Joseph Tuition - Susan			
Year :	2016	2016	2016
Cost :	\$3,972	\$3,972	\$3,972
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
Number of occurrences :	3	3	3
St. Joseph Tuition - Tommy			
Year :	2016	2016	2016
Cost :	\$2,800	\$2,800	\$2,800
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
Number of occurrences :	9	9	9
Benet Academy Tuition - Bobby			
Year :	2017	2017	2017
Cost :	\$12,000	\$12,000	\$12,000
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
Number of occurrences :	2	2	2
College - Susan			
Year :	2022	2022	2022
Years of Education :	4	4	4
Annual Cost :	\$50,000	\$50,000	\$50,000
College - Tommy			
Year :	2028	2028	2028
Years of Education :	4	4	4
Annual Cost :	\$50,000	\$50,000	\$50,000
College - Bobby			
Year :	2018	2018	2018

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Goals			
Years of Education :	4	4	4
Annual Cost :	\$50,000	\$50,000	\$50,000
Car Payment			
Year :	2016	2016	2016
Cost :	\$7,100	\$7,100	\$7,100
Is recurring :	Yes	Yes	Yes
Years between occurrences :	1	1	1
Number of occurrences :	5	5	5
Retirement Income			
Pension Income (Daniel) Annual			
Income :	\$8,555	\$8,555	\$8,555
Start Year :	Daniel's retirement	Daniel's retirement	Daniel's retirement
Select when income will end :	End of Daniel's Plan	End of Daniel's Plan	End of Daniel's Plan
Year to end retirement income :			
Survivor Benefit :	0%	0%	0%
Social Security			
Select Social Security Strategy	Current	Current	Current
Daniel			
Filing Method :	Normal	Normal	Normal
Age to File Application :	67	67	67
Age Retirement Benefits begin :	67	67	67
First Year Benefit :	\$31,668	\$31,668	\$31,668
Mary			
Filing Method :	Normal	Normal	Normal
Age to File Application :	67	67	67
Age Retirement Benefits begin :	67	67	67
First Year Benefit :	\$15,834	\$15,834	\$15,834
Reduce Benefits By :	0%	0%	0%

• Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Asset Additions			
Daniel 401(k)	Maximum	Maximum	Maximum
Roth:	N/A	N/A	N/A
Maximum contribution each year:	Yes	Yes	Yes
% Designated as Roth:	0.00%	0.00%	0.00%
Plan addition amount:	\$28,600	\$28,600	\$28,600
Year additions begin:	2017	2017	2017
Frank - Fund All Goals			
Daniel Fidelity TOD Brokerage Account			
After-Tax Addition:	\$100,000 Inflating	\$100,000 Inflating	\$100,000 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2017	2017	2017
Frank - Fund All Goals			
Additional Savings After Susan's 529			
After-Tax Addition:	\$6,000 Inflating	\$6,000 Inflating	\$6,000 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2022	2022	2022
Joint - Fund All Goals			
Additional Savings After Private School Ends			
After-Tax Addition:	\$18,772 Inflating	\$18,772 Inflating	\$18,772 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2017	2017	2017
Joint - Fund All Goals			
Additional Savings After Tommy's 529			
After-Tax Addition:	\$6,000 Inflating	\$6,000 Inflating	\$6,000 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2018	2018	2018
Joint - Fund All Goals			
Additional Savings After Bobby's 529			

- Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Asset Additions			
After-Tax Addition:	\$6,000 Inflating	\$6,000 Inflating	\$6,000 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2028	2028	2028
Joint - Fund All Goals			
Additional Savings after Car Payment Ends			
After-Tax Addition:	\$7,100 Inflating	\$7,100 Inflating	\$7,100 Inflating
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2021	2021	2021
Joint - Fund All Goals			
Additional Tax Savings After RSU's End			
After-Tax Addition:	\$30,000	\$30,000	\$30,000
Tax-Free Addition:	\$0	\$0	\$0
Year additions begin:	2020	2020	2020
Frank - Fund All Goals			
Susan's 529 Plan			
After-Tax Addition:	\$6,000	\$6,000	\$6,000
Year additions begin:	2017	2017	2017
Frank - College - Susan			
Tommy's 529 Plan			
After-Tax Addition:	\$6,000	\$6,000	\$6,000
Year additions begin:	2017	2017	2017
Frank - College - Tommy			
Bobby's 529 Plan			
After-Tax Addition:	\$6,000	\$6,000	\$6,000
Year additions begin:	2017	2017	2017
Frank - College - Bobby			

- Indicates different data between the Scenario in the first column and the Scenario in any other column.

See Important Disclosure Information section in this Report for explanations of assumptions, limitations, methodologies, and a glossary.

What If Worksheet

Key Assumptions	Current Scenario	Retire at 60	Reduce Expenses
Extra Savings by Tax Category			
Daniel's Qualified		\$0	\$0
Mary's Qualified		\$0	\$0
Daniel's Roth		\$0	\$0
Mary's Roth		\$0	\$0
Daniel's Tax-Deferred		\$0	\$0
Mary's Tax-Deferred		\$0	\$0
Taxable		\$0	\$25,000
Stock Options			
Company Stock			
Include in plan :	Yes	Yes	Yes
Stock Options Scenario : Vesting	Scenario 1	Scenario 1	Scenario 1
Termination Year : Return :	2026	2026	2026
	7.00%	7.00%	7.00%
Restricted Stock			
Company Stock			
Include in plan :	Yes	Yes	Yes
Restricted Stock Scenario :	Scenario 1	Scenario 1	Scenario 1
Last year shares will vest :	2026	2026	2026
Return :	7.00%	7.00%	7.00%
Tax Options			
Include Tax Penalties :	Yes	Yes	Yes
Change Tax Rate?	No	No	No
Year To Change :			
Change Tax Rate by this % (+ or -) :	0.00%	0.00%	0.00%

These examples are for illustrative purposes only and should not be construed as individual advice.

• Indicates different data between the Scenario in the first column and the Scenario in any other column.