

P R O T E C T Y O U R

L I F E S T Y L E



For John and Brenda Lewis

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Important Notes

This report illustrates your financial lifestyle, or your hypothetical cash flow and its effects on your net worth. This analysis provides only broad, general guidelines, which may be helpful in shaping your thinking about your planning needs. It can serve as a guide for discussions with your professional advisers. The quality of this analysis is dependent upon the accuracy of data provided by you. Calculations contained in this analysis are estimates only.

Actual results may vary substantially from the figures shown. All rates of return are hypothetical and are not a guarantee of future performance of any asset, including insurance or other financial products. All inflation rates are estimates provided by you.

This analysis contains very specific computations concerning the value of your assets today. These computations are based on assumptions you provided concerning the value of your assets today and the rate at which the assets will appreciate. These assumptions must be carefully reviewed for their reasonableness. These assumptions are only a "best guess". The actual values, rates of growth, and tax rates may be significantly different from those illustrated. The actual taxes due may be significantly greater or smaller than those illustrated. No guarantee can be made regarding values and taxes when actual appreciation rates and tax rates cannot be known at this time.

For illustrative purposes, many assumptions must be made concerning the sale of properties or the change of property ownership. These are for illustrative purposes and not to be considered as legal advice; only your solicitors or legal counsel should provide such advice. No legal or accounting advice is being rendered either by this report or through any other oral or written communications. Please discuss legal and accounting matters directly with your advisers in each of those areas. Because your planning concerns and goals may change in the future, periodically monitoring actual results and making appropriate adjustments are essential components of your programme. Annual updating allows a year of estimated values to be replaced with actual results and can be very helpful in your determining whether your plans are on your desired course.

Strategies may be proposed during the course of planning, including the acquisition of insurance and other financial products. When this occurs, additional information about the specific product (including a prospectus, if required) will be provided for your review.

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Protecting Your Family's Lifestyle

When you think of protection, you think of your family. You think about protecting the lifestyle you have and are continuing to build together. Protection is best achieved through preparation. The following report uses the information you have shared—your assets, your wishes, and your thoughts about the future.

This report uses estimated calculations based on this information so that you can better consider your options. Of course, the actual results may vary substantially from the figures shown. There are many areas of protection for your lifestyle. This report just considers the following:



Education Expenses



Building and Preparing for Retirement



Immediate Cash Needs if Death Occurs



Survivor Income Needs if Death Occurs



Family Income Needs if Disabled



Long-Term Care

Education Expenses

The education of your children continues to increase in importance. With educational costs increasing faster than inflation, it is necessary to prepare in advance in order to assure your children an education.

Building and Preparing for Retirement

A financially secure retirement requires careful preparation, as well as, coordination of your existing assets and approved retirement plans.

Immediate Cash Needs if Death Occurs

Life can be unpredictable. If something were to happen to you, would your family have the ability to pay the expenses associated with your death? These expenses are immediate cash needs such as funeral expenses, legal fees, taxes, mortgages, and debts.

Survivor Income Needs if Death Occurs

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. State Benefits may provide a portion of the needed income, but usually this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

Family Income Needs if Disabled

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? State Benefits may provide a portion of needed income. How long would your present assets provide the necessary funds?

Long-Term Care

Long-term care, whether it is nursing home or home health care, depletes your accumulation of wealth. The extremely high costs associated with these types of care are seldom covered by regular health insurance. Assets intended for retirement are often used to cover these expenses.

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Your Current Situation

Total Net Worth Today: £565,218

Your Assets:	£725,218
Your Liabilities:	- £160,000
Your Net Worth Today:	£565,218

Your financial lifestyle is determined by (a) your financial goals and desires and (b) your saving and spending habits. This analysis examines your current assets and liabilities, reviews the cash flow necessary for you to maintain your lifestyle, and then shows you the results or consequences of various scenarios. Below is a summary of your current financial situation.

Your Assets

Liquid Assets £151,182

Current (Joint)	£1,000
Deposit (Joint)	£9,300
Halifax ISA (John)	£61,000
Santander (Brenda)	£41,300
L & G ISA (John)	£17,200
VIRGIN ISA (Brenda)	£21,382

Retirement Plans £74,036

Sainsburys Stakeholder (Brenda)	£16,036
Scottish Widows (John)	£58,000

Residence £500,000

Main house (Joint)	£500,000
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Total £725,218

Your Liabilities

Mortgages £160,000

Loan for Main house (Joint)	£160,000
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Total £160,000

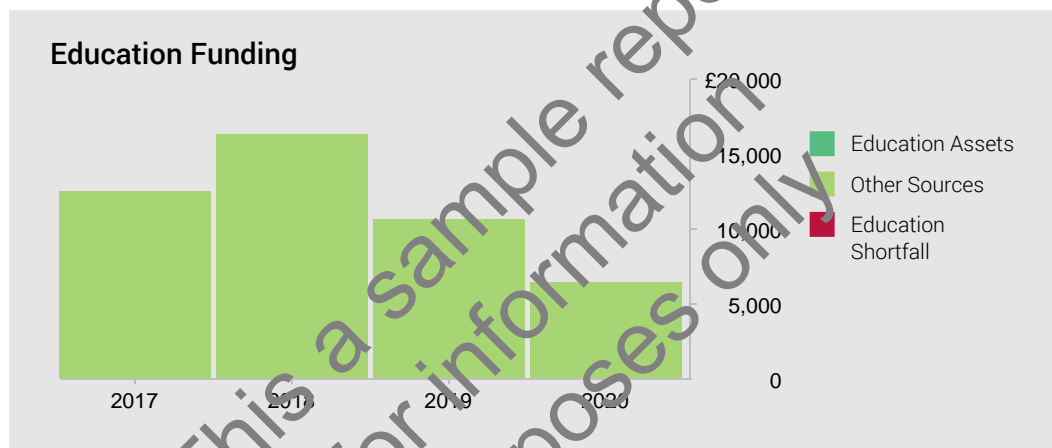
Education Funding

	Education Description	Start in Year ¹	Annual Cost Today	Years
Education Funding	James – university fees	In Progress	£10,000	3
Shortfall Today:	Jessica – university fees	2017	£10,000	3
£0				

Education costs have been rising at 6.3%, or more than twice the rate of inflation.² Putting one child through private school and funding three years of university is likely to cost around £150,000 –as much as buying the average UK house.³

How Will You Pay For Education?

- Hope for scholarships
- Use student loans
- Pay as you go
- Begin a savings and investment strategy



Lump Sum Needed Today to Fund Education Needs

£41,509

The amount needed today to fund all education goals invested at 4% provides the total costs for all years of education of £45,792 at the start of the individual education goal. This amount assumes inflation at 3.00% but does not consider your education assets or funding provided by other sources.

Lump Sum Education Funding Shortfall Today

£0

The remaining funds needed today consider your assets designated for education (current value £70,300) as well as anticipated funding from other sources. This amount is assumed to be invested until needed and with 4% growth would provide the additional money needed by the start of each education goal.

Monthly Savings Needed

£0

The remaining funds needed today consider your assets designated for education (current value £70,300) as well as anticipated funding from other sources. This amount is assumed to be invested until needed and with 4% growth would provide the additional money needed by the start of each education goal.

¹ Annual costs are assumed paid in 12 monthly payments.

² Independent Schools Information Council

³ Financial Mail. March 2005

Summary of Education Needs

EDUCATION GOALS

Education Description	Annual Education Cost Today	Start in Year ¹	First Year Cost ²	Number of Years	Total Projected Costs ²	Amount Required Today ^{3,4}
James – university fees	£10,000	In Progress	£10,000	3	£14,342	£13,568
Jessica – university fees	£10,000	2017	£10,000	3	£31,450	£27,941
Total					£45,792	£41,509

EDUCATION NEEDS

Education For	Amount Required Today ^{3,4}	Portion Funded from Other Sources ⁵	Additional Funds Needed Today ⁶	Additional Monthly Savings Required ⁴	Time Monthly Savings Required
James	£13,568	100.00%	£0	N/A	N/A
Jessica	£27,941	100.00%	£0	£0	5 mo.
Total	£41,509		£0	£0	

ANNUAL EDUCATION NEEDS

Year	Annual Education Cost	Paid from Other Sources	Balance of Assets for Education ⁷	Education Shortage For the Year
2017	£12,500	£12,500	£73,216	£0
2018	16,308	16,308	73,875	0
2019	10,609	10,609	74,542	0
2020	6,374	6,374	75,215	0

¹ Annual costs are assumed paid in 12 monthly payments.

² Estimated costs based on Annual Cost Today and inflation rate of 3.00%. Total Projected Costs is the sum of these costs throughout the education years. Annual costs are assumed paid in 12 monthly payments from August through July. The graph reflects costs by calendar year.

³ The lump sum investment today that would grow to the amount needed at the start of the education need.

⁴ Values assume that interest is earned at the rate of 4.00% each year until needed.

⁵ Other sources may include scholarships, financial aid, gifts, or student work.

⁶ Additional Funds Needed Today reflects the Total Projected Costs less Education Assets and the Portion from Other Sources.

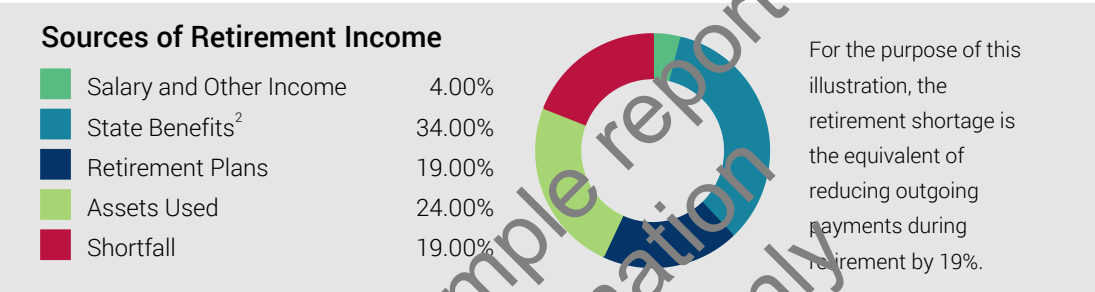
⁷ Balance includes any predetermined deposits to education assets.

Once Your Retirement Begins

Cash Flow Failure Occurs in 2044	Lump Sum	Lump Sum Needed	Monthly Deposits Needed ¹
	Needed When	Today ¹ to Fund	until Start of Retirement to
	You Retire:	Shortfall:	Fund Shortfall:
	£346,194	£102,245	£1,541

This page considers your expenses during retirement and whether you are currently saving enough to meet your retirement goals. It does not consider your lifestyle prior to retirement.

- Retirement begins at John's age 66, Brenda's age 66
- Retirement is illustrated for 21 years.



Retirement Income Needed

Instead of asking you to estimate income needed to pay your expenses at retirement, this analysis examines your lifestyle expenses. It then considers sources of income such as any continuing salaries, other income, State Benefits, and your retirement plans. Assets you have designated for use at retirement are also considered. Assets you designated as "Do Not Use," have not been used to pay retirement expenses. Estimated retirement income and available assets are compared to all retirement expenses. Retirement success is defined as:

- Paying all expenses
- Not using any of those assets you have designated not to use
- Not running out of money

¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

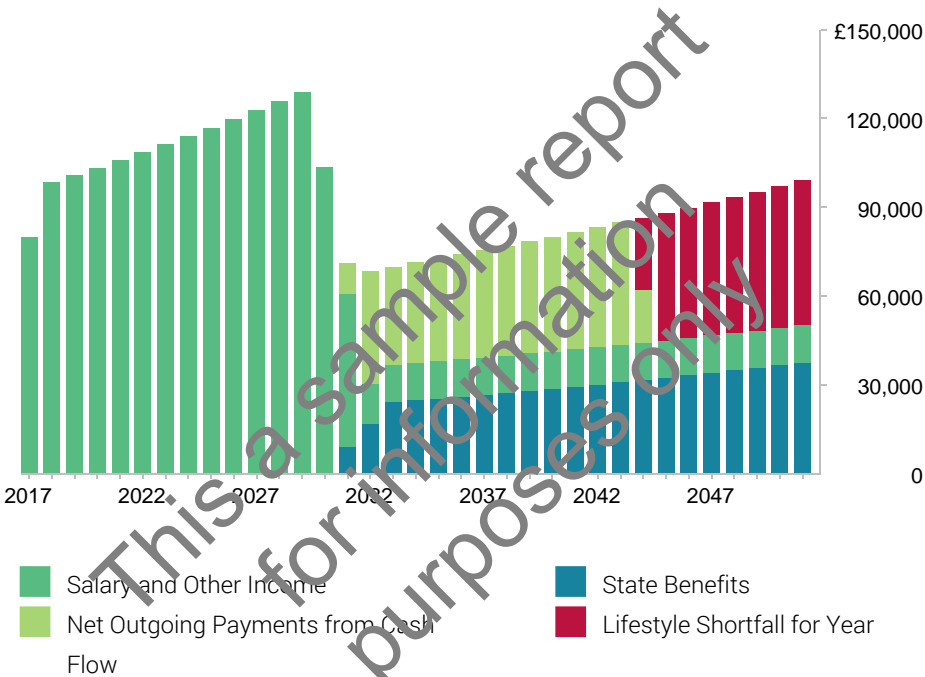
² John's State Benefits are estimates based on current levels available and Brenda's State Benefits are estimates based on current levels available . This is an estimate of the monthly benefit available. Actual retirement benefits may be greater or less than the amount shown.

Preparing for Retirement

Lump Sum to Provide Total Amount Needed Today: £102,245	Period Considered During Retirement (2030-2052)	Amount Needed for Just this Period £102,245
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Annual Retirement Income

Retirement is set to begin when John is age 66. Retirement is illustrated for 21 years. A successful retirement requires that all lifestyle expenses be satisfied before retirement. Otherwise, assets intended for retirement may be depleted.



Once Retirement Begins—Details

Retirement is set to begin when John is age 66. Retirement is illustrated for 21 years. A successful retirement requires that all lifestyle expenses be satisfied before retirement. Otherwise, assets intended for retirement may be depleted.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2017	£57,400	£0	£16,623	£80,000	£0	£0	-	£722,345
2018	69,918	0	23,178	98,400	0	0	-	766,132
2019	70,977	0	23,757	100,860	0	0	-	812,135
2020	72,057	0	24,351	103,381	0	0	-	860,428
2021	73,159	0	24,960	105,966	0	0	-	911,085
2022	74,283	0	25,584	108,615	0	0	-	964,184
2023	75,430	0	26,223	111,331	0	0	-	1,019,806
2024	76,600	0	26,879	114,114	0	0	-	1,078,034
2025	73,383	0	27,551	116,967	0	0	-	1,138,936
2026	62,451	0	28,240	119,891	0	0	-	1,202,148
2027	63,693	0	28,946	122,893	0	0	-	1,267,538
2028	64,961	0	29,669	125,960	0	0	-	1,335,171
2029	66,253	0	30,411	129,109	0	0	-	1,405,117
R 2030	67,032	0	9,364	103,600	0	0	-	1,306,941
2031	67,491	0	3,654	52,783	8,177	10,385	-	1,235,887
2032	67,832	0		13,418	16,606	38,325	-	1,222,893
2033	69,188	0	714	12,640	24,030	33,232	-	1,215,671
2034	70,572	0	690	12,640	24,631	33,991	-	1,208,048
2035	71,984	0	665	12,640	25,247	34,763	-	1,199,915
2036	73,423	0	641	12,640	25,878	35,547	-	1,191,266
2037	74,892	0	616	12,640	26,525	36,343	-	1,182,121
2038	76,390	0	590	12,640	27,188	37,151	-	1,172,629
2039	77,917	0	563	12,640	27,868	37,973	-	1,162,808
2040	79,476	0	536	12,640	28,565	38,807	-	1,152,379
2041	81,065	0	508	12,640	29,279	39,654	-	1,141,017
2042	82,687	0	479	12,640	30,011	40,515	-	1,128,695
2043	84,340	0	449	12,640	30,761	41,389	-	1,115,260
2044	86,027	0	419	12,640	31,530	18,046	24,230	1,100,557
2045	87,748	0	388	12,640	32,318	0	43,178	1,085,499
2046	89,503	0	356	12,640	33,126	0	44,093	1,070,228

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

⁴ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

R-Retirement assumed to begin in this year.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2047	91,293	0	324	12,640	33,954	0	45,022	1,054,749
2048	93,118	0	290	12,640	34,803	0	45,966	1,039,065
2049	94,981	0	256	12,640	35,673	0	46,924	1,023,180
2050	96,880	0	221	12,640	36,565	0	47,897	1,007,099
2051	98,818	0	185	12,640	37,479	0	48,884	990,825

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⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

Four Sources of Retirement Income

1 State Benefits—is it likely to be enough?

Although retirement income paid by the State increases each year, it is actually falling relative to average earnings. This means that compared to those of working age, pensioners are becoming an increasingly poor section of society.

An example of how the real value of State Benefits has fallen is to compare the State Benefits with average earnings. In 1980, when the link between State Benefits and earnings was broken, the State Benefits was more than 20% of average earnings. Today it is less than 15%, and forecasts predict that by 2030 it could be below 10% of average earnings.¹

2 Occupational Pensions

Occupational Pensions or work pensions, are pensions that you get through joining your employer's pension scheme. Some occupational pension schemes are salary-related, which means the amount you get will depend upon the number of years you have been a member of the scheme and your final earnings on retirement. Other occupational pension schemes are run on a money purchase basis where the contributions are invested and used to buy a pension when you retire. The amount you will get from this type of pension scheme will depend upon the amount of money paid in and how well it has been invested.

3 Personal Pensions

A Personal Pension is a way of making regular savings for your retirement. You get them from pension providers, e.g. insurance companies and banks, who then invest your funds. As a result of changes made on April 6, 2006 (so-called "A-Day"), the maximum amount of tax-free cash you can take out of any type of pension is changing to a standard 25% of the value of the benefits and you no longer have to take out an income when you take out the tax-free lump sum.

¹ Source: Government Actuary's Department, 2003

There are a number of ways in which a pension can be used to provide a regular income, and the most common way used to be for the accumulated pension fund, less any tax-free lump sum taken, to be used to purchase an annuity from either the existing pension provider or another insurance company. However, there are now specialist products that offer alternative methods of providing an income from your pension fund and these should be fully explored before making any decision.

4 Savings and Individual Investments

Multiple investment vehicles can be established to help you save for retirement. Examples of personal savings plans include ISAs where you enjoy the benefits of tax-free growth within specified limits.

Build a retirement strategy based on all four of these sources of retirement income.

- | | |
|---|---|
| 1 | 2 |
| 3 | 4 |
- No one income source whether that be State Benefits, additional pensions or a portfolio of investments, is intended to provide all of your retirement nest egg.

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How Much Money Do I Need to Retire?

Building and Planning For Retirement

Determining How Much You Need

By the time you retire, you'll need a nest egg that will provide you with enough income to fill the gap left by your other income sources. But exactly how much is enough? The following points are important to consider:

- **Retirement Age**

At what age do you plan to retire? The younger you retire, the longer your retirement will be, and the more money you'll need to carry you through it.

- **How Long Will Retirement Last?**

What is your life expectancy? The longer you live, the more years of retirement you'll have to fund.

- **What Are Your Living Expenses?**

Use your current expenses as a starting point, but keep in mind that your expenses in retirement won't necessarily stay the same—what you spend early on may be different from what you spend later. If you're nearing retirement, the gap between your current expenses and your retirement expenses may be small. If retirement is many years away, the gap may be significant, and projecting your future expenses may be more difficult.

- **How Will My Retirement Plan Grow?**

What rate of growth can you expect from your savings now and during retirement? Be conservative when projecting rates of return.

If everything goes as planned, the cash flow from your investments and assets is sufficient for the retirement years.

Survivor Income Needs at John's Death

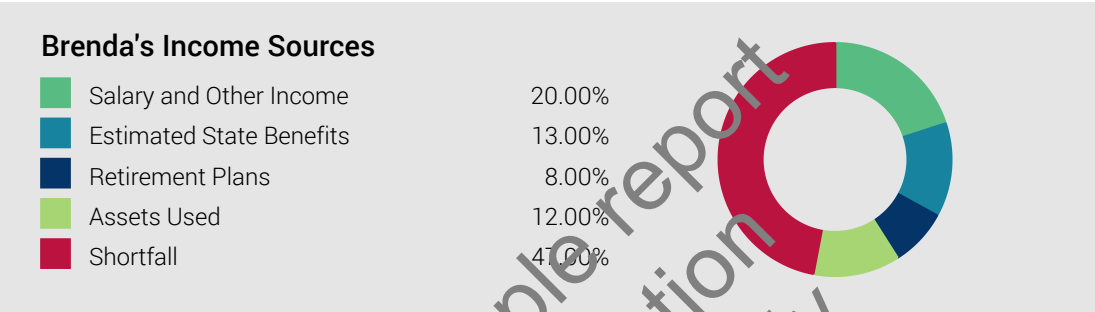
Cash Flow Failure
Occurs in 2023

Lump Sum to Provide Total
Amount Needed Today:¹

£417,547

Survivor Income Needs

- Continuing lifestyle expenses to pay everyday expenses such as food, bills, insurance, mortgages and other debts, taxes, etc.



State Benefits

The amount of State Benefits income listed is based on information provided. If any State Benefits are available in the event of John's death, the actual level of income provided by the State may be greater or less than the amounts shown.

Life Insurance on John

Life insurance on John's life will be paid to the designated beneficiary. The beneficiary designation is very important as it determines if the proceeds will be available to provide the income needs. This illustration has considered the life insurance on the life of John of £260,000.

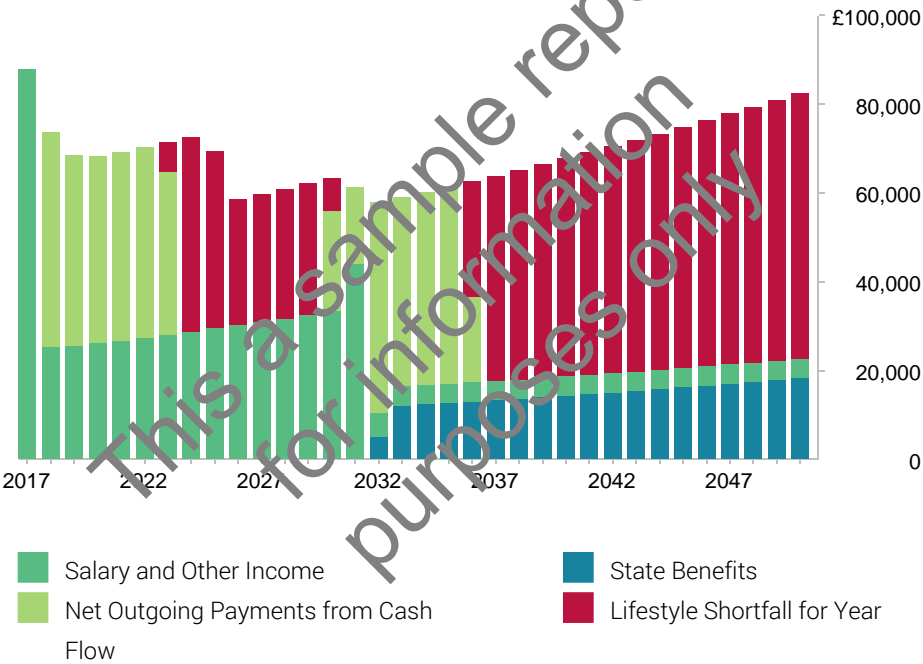
¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

Survivor Income Needs at John's Death

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Amount Needed for Just this Period	Amount Needed Today to Fund through Period
	Before Retirement (2018-2029)	£142,527	£142,527
	During Retirement (2030-2051)	£275,019	£417,547

Replacing Your Income for Survivors

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. State Benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.



Life Insurance Can Protect Income Needs

Life insurance death proceeds can provide the monthly income needed to maintain your family's lifestyle and provide cash to pay immediate expenses at your death.

¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

An Alternate Approach at John's Death

Rather than supplementing your survivors' income needs on a continuing basis, an alternative approach would be to use life insurance to relieve your survivors of the major financial burdens they would face in order to provide them with a head start on managing their own continuing income needs.

Objective

- Eliminate major financial burdens so that survivor income is less of a concern
- Use life insurance to provide cash immediately at death to pay the following expenses:

Immediate Cash Needs at Death

Present Debts: £119,948

It may not be necessary to pay off all of your acquired debts. Although by doing so, Brenda will not have to repay the loans plus the interest on these debts and less income will be needed for your family.

Emergency Funds:¹ £11,261

The best financial analyses can be ruined by unexpected emergencies. Adequate cash reserves can often protect the plans you put in place.

Total Cash Needs at John's Death: £131,209

Life Insurance on John

Aviva £160,000

Johns Life cover £100,000

Total £260,000

Providing for these expenses at your death will reduce your survivor's income needs.

¹ Emergency funds are estimated at the greater of 5% of all liquid assets or three months salary.

Income Details at John's Death

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. State Benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2017	£56,860	£0	£3,744	£88,129	£0	£0	-	£937,187
2018	69,198	0	3,937	25,208	0	48,535	-	921,094
2019	63,884	0	4,438	25,435	0	43,108	-	911,608
2020	63,537	0	4,555	26,065	0	42,246	-	904,201
2021	64,483	0	4,674	26,712	0	42,666	-	897,636
2022	65,448	0	4,796	27,374	0	43,091	-	891,948
2023	66,433	0	4,922	28,053	0	36,880	6,642	887,176
2024	67,437	0	5,050	28,748	0	0	43,959	883,298
2025	64,051	0	5,182	29,462	0	0	39,992	880,302
2026	52,947	0	5,317	30,939	0	0	28,292	877,774
2027	54,014	0	5,455	33,942	0	0	28,747	875,532
2028	55,102	0	5,597	37,710	0	0	29,209	873,591
2029	56,212	0	5,743	32,497	0	0	29,677	871,970
2030	57,344	0	5,892	33,304	0	22,779	7,373	870,649
2031	57,793	0	3,434	44,112	0	17,335	-	791,052
2032	57,940	0	0	5,333	4,884	47,522	-	766,686
2033	59,098	0	0	4,348	12,015	42,735	-	747,437
2034	60,280	0	0	4,348	12,316	43,617	-	727,345
2035	61,486	0	0	4,348	12,624	44,514	-	706,012
2036	62,716	0	0	4,348	12,939	19,402	26,026	683,248
2037	63,970	0	0	4,348	13,263	0	46,359	659,968
2038	65,249	0	0	4,348	13,594	0	47,307	636,317
2039	66,554	0	0	4,348	13,934	0	48,272	612,292
2040	67,886	0	0	4,348	14,282	0	49,255	587,891
2041	69,243	0	0	4,348	14,639	0	50,256	563,111
2042	70,628	0	0	4,348	15,005	0	51,275	537,948
2043	72,041	0	0	4,348	15,381	0	52,312	512,401
2044	73,481	0	0	4,348	15,765	0	53,368	486,466
2045	74,951	0	0	4,348	16,159	0	54,444	460,142
2046	76,450	0	0	4,348	16,563	0	55,539	433,426
2047	77,979	0	0	4,348	16,977	0	56,654	406,315
2048	79,539	0	0	4,348	17,402	0	57,789	378,808
2049	81,129	0	0	4,348	17,837	0	58,945	350,903
2050	82,752	0	0	4,348	18,283	0	60,121	322,596

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

⁴ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

Survivor Income Needs at Brenda's Death

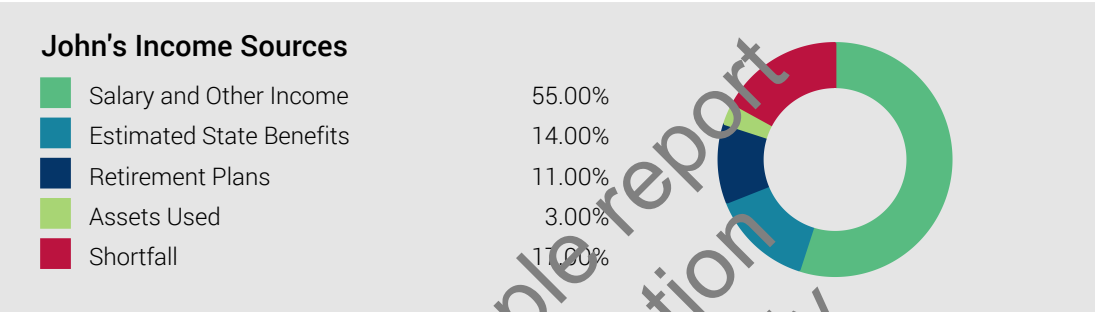
Cash Flow Failure
Occurs in 2043

Lump Sum to Provide Total
Amount Needed Today:¹

£104,578

Survivor Income Needs

- Continuing lifestyle expenses to pay everyday expenses such as food, bills, insurance, mortgages and other debts, taxes, etc.



State Benefits

The amount of State Benefits income listed is based on information provided. If any State Benefits are available in the event of Brenda's death, the actual level of income provided by the State may be greater or less than the amounts shown.

Life Insurance on Brenda

Life insurance on Brenda's life will be paid to the designated beneficiary. The beneficiary designation is very important as it determines if the proceeds will be available to provide the income needs. This illustration has considered the life insurance on the life of Brenda of £235,000.

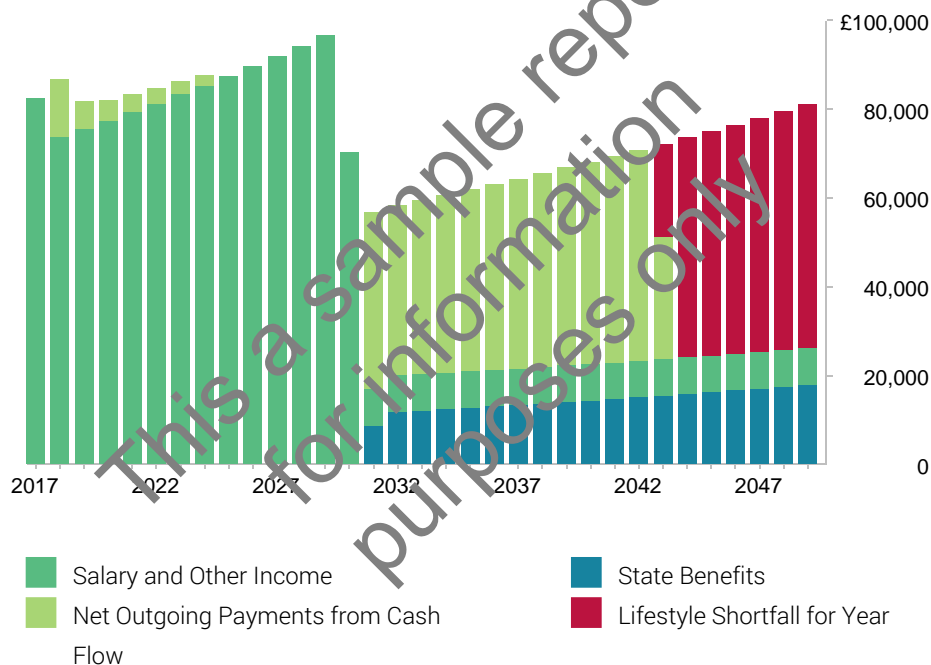
¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

Survivor Income Needs at Brenda's Death

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Amount Needed for Just this Period	Amount Needed Today to Fund through Period
£104,578	During Retirement (2030-2050)	£104,578	£104,578

Replacing Your Income for Survivors

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. State Benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.



Life Insurance Can Protect Income Needs

Life insurance death proceeds can provide the monthly income needed to maintain your family's lifestyle and provide cash to pay immediate expenses at your death.

¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

An Alternate Approach at Brenda's Death

Rather than supplementing your survivors' income needs on a continuing basis, an alternative approach would be to use life insurance to relieve your survivors of the major financial burdens they would face in order to provide them with a head start on managing their own continuing income needs.

Objective

- Eliminate major financial burdens so that survivor income is less of a concern
- Use life insurance to provide cash immediately at death to pay the following expenses:

Immediate Cash Needs at Death

Present Debts: £119,948

It may not be necessary to pay off all of your acquired debts. Although by doing so, John will not have to repay the loans plus the interest on these debts and less income will be needed for your family.

Emergency Funds:¹ £11,261

The best financial analyses can be ruined by unexpected emergencies. Adequate cash reserves can often protect the plans you put in place.

Total Cash Needs at Brenda's Death: £131,209

Life Insurance on Brenda

Aviva	£160,000
Group life	£75,000
Total	£235,000

Providing for these expenses at your death will reduce your survivor's income needs.

¹ Emergency funds are estimated at the greater of 5% of all liquid assets or three months salary.

Income Details at Brenda's Death

You provide for your family's lifestyle through your income. In the event of your death, your survivors will need to replace a portion of that income to maintain the lifestyle you have established. State Benefits may provide a portion of the needed income. Usually, this is only a part of the income needed. Withdrawals or liquidations of some of your assets may be necessary.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2017	£56,140	£0	£13,461	£82,762	£0	£0	-	£941,191
2018	68,208	0	18,633	73,800	0	13,041	-	963,110
2019	62,864	0	19,099	75,645	0	6,318	-	992,969
2020	62,485	0	19,576	77,536	0	4,525	-	1,025,878
2021	63,399	0	20,066	79,475	0	3,990	-	1,060,621
2022	64,331	0	20,567	81,461	0	3,437	-	1,097,259
2023	65,281	0	21,082	83,498	0	2,865	-	1,135,854
2024	66,251	0	21,609	85,585	0	2,274	-	1,176,473
2025	62,829	0	22,149	87,725	0	0	-	1,219,165
2026	51,689	0	22,703	89,918	0	0	-	1,263,546
2027	52,718	0	23,270	92,166	0	0	-	1,309,464
2028	53,767	0	23,852	94,470	0	0	-	1,356,965
2029	54,838	0	24,448	96,838	0	0	-	1,406,096
2030	55,750	0	3,037	70,516	0	0	-	1,286,264
2031	56,804	0	0	8,292	8,577	39,935	-	1,270,841
2032	57,940	0	517	8,292	11,722	38,443	-	1,257,598
2033	59,098	0	491	8,292	12,015	39,285	-	1,244,197
2034	60,280	0	470	8,292	12,316	40,143	-	1,230,636
2035	61,486	0	446	8,292	12,624	41,017	-	1,216,646
2036	62,716	0	421	8,292	12,939	41,906	-	1,201,997
2037	63,970	0	396	8,292	13,263	42,812	-	1,186,675
2038	65,249	0	370	8,292	13,594	43,733	-	1,170,673
2039	66,554	0	343	8,292	13,934	44,672	-	1,154,119
2040	67,886	0	316	8,292	14,282	45,627	-	1,136,628
2041	69,243	0	288	8,292	14,639	46,600	-	1,117,937
2042	70,628	0	259	8,292	15,005	47,590	-	1,097,961
2043	72,041	0	229	8,292	15,381	27,643	20,955	1,076,399
2044	73,481	0	199	8,292	15,765	0	49,624	1,054,208
2045	74,951	0	168	8,292	16,159	0	50,668	1,031,660
2046	76,450	0	136	8,292	16,563	0	51,732	1,008,751

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

⁴ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2047	77,979	0	104	8,292	16,977	0	52,814	985,480
2048	79,539	0	70	8,292	17,402	0	53,916	961,846
2049	81,129	0	36	8,292	17,837	0	55,037	937,847

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purposes only

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

⁴ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

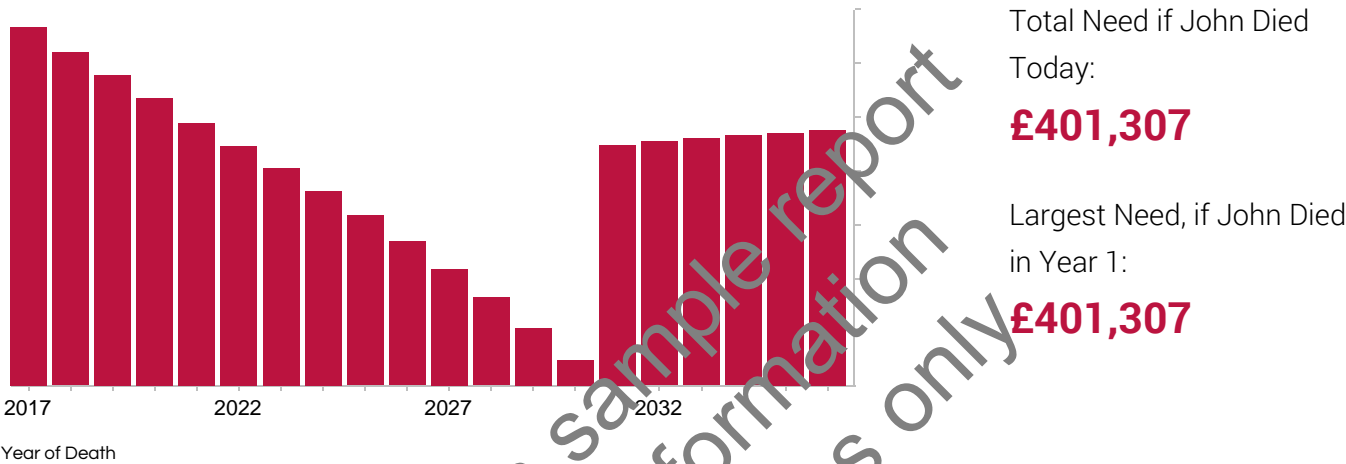
⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

Needs if Death in Various Years

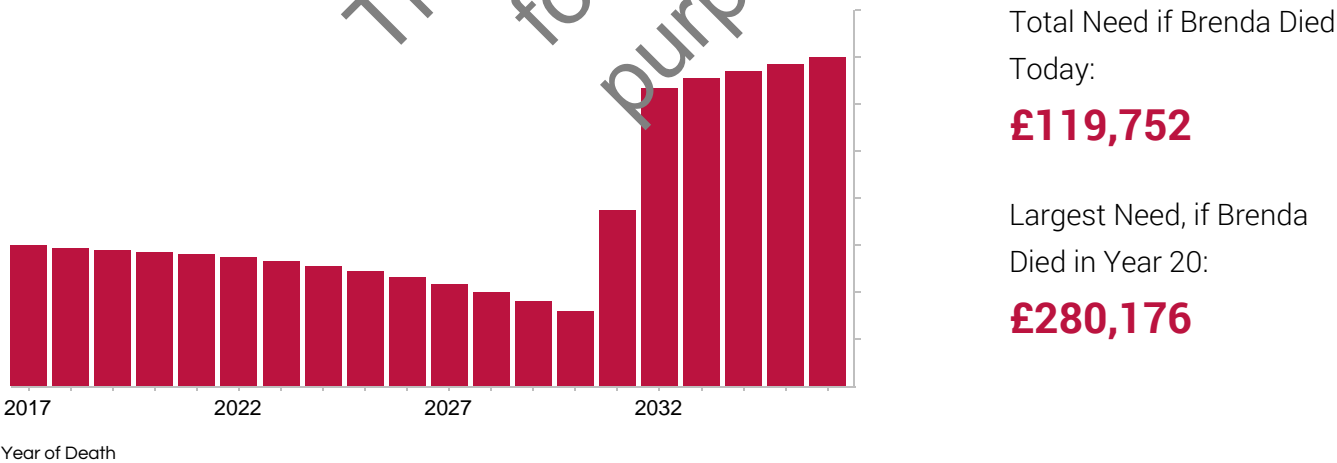
Needs change over time—incomes change, bills are paid and new living expenses are established, and others increase, some assets are sold and others acquired and some assets just increase or decrease in value. The prior charts illustrate the income needs if death occurred today.

The charts below show the survivor income needs if death were to occur in any of the next 20 years. Analysis should consider the possibility of death in various years. The amount that would need to be invested at 4% to provide the amounts needed for the shortages.

Value of all future needs at John's death.



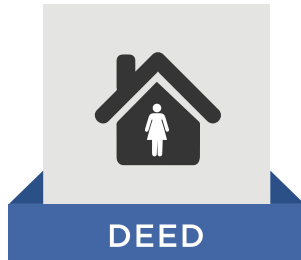
Value of all future needs at Brenda's death.



Life insurance can provide for the needs caused by death.

How Property Passes at Death

Transfer of Assets



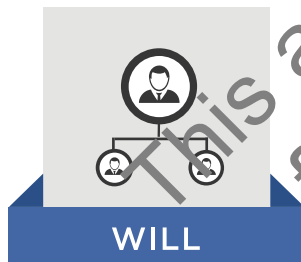
Deed

Property owned jointly with survivorship rights passes to the surviving joint owner



Contract

A life insurance policy is an example of a contract that pays death benefits to a named beneficiary



Will

All remaining property is distributed according to the terms of the will



Law

If you have no will, the distribution of the remaining property is decided by the courts

Disability

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? State Benefits may provide a portion of needed income. How long would your present assets provide the necessary funds?



Before age 65, it is 2.98 times more likely that John will suffer a long-term disability than die!¹



Before age 65, it is 4.94 times more likely that Brenda will suffer a long-term disability than die!¹

Long-term disability is another life uncertainty that prevents the accumulation of wealth.

- Salary stops
- Living expenses continue (medical care often increases)
- Retirement contributions stop

State Benefits

The amount of State Benefits income listed is based on information provided. If any State Benefits are available in the event of Brenda's disability, the actual level of income provided by the State may be greater or less than the amounts shown.

Disability Income Replacement

Long-term disability income coverage may be available through employer benefit programs and individual disability income plans. The maximum benefit available is usually limited to a portion of pre-disability earnings. Generally, group insurance has higher limits but must be coordinated with State Benefits and other employer disability plans. Individual coverage is normally limited to 60% of salary. Some policies pay benefits for a limited number of years, while others will pay benefits until retirement. The definition of disability is one of the most important features of any disability income policy.

¹ Office of National Statistics.

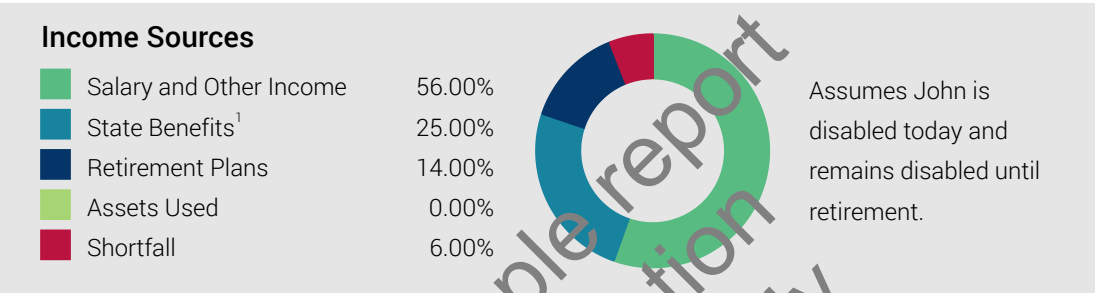
John's Disability Income Needs

Cash Flow Failure
Occurs in 2048

Reduction in Net Worth if Disabled
Now until Retirement:
0.72%

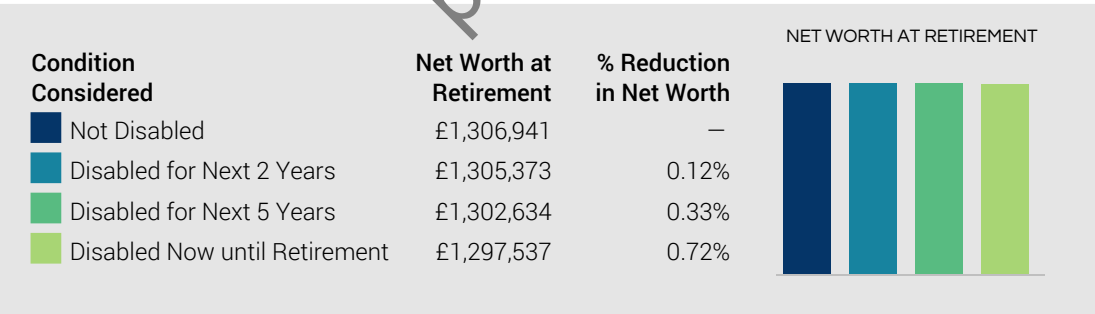
Disability Income Needed

John, if you suffered a long-term disability today, most of your needs, or monthly lifestyle expenses, would continue. These needs may change in later years. This illustration assumes they will increase for inflation at 2.00% per year.



Protect Your Greatest Asset—Your Ability to Earn

Consider the effects of a long-term disability. What if you were out of work for two years? Five Years? Until Retirement? A disability before retirement may greatly reduce the amount of assets you will have available for retirement. You should consider disability income insurance based on the amount of benefits for which you qualify.



¹ John's State Benefits are estimates based on current levels available and Brenda's State Benefits are estimates based on current levels available . This is an estimate of the monthly benefit available. Actual retirement benefits may be greater or less than the amount shown.

John's Disability Income Details

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? State Benefits may provide a portion of needed income. How long would your present assets provide the necessary funds? This illustrates the estimated cash flow if John became disabled today and remained disabled until retirement.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2017	£52,400	£0	£12,249	£70,000	£0	£0	-	£721,718
2018	63,798	0	17,798	86,100	0	0	-	764,706
2019	64,735	0	18,243	88,252	0	0	-	809,858
2020	65,690	0	18,699	90,459	0	0	-	857,247
2021	66,665	0	19,166	92,720	0	0	-	906,947
2022	67,659	0	19,645	95,038	0	0	-	959,032
2023	68,673	0	20,136	97,414	0	0	-	1,013,581
2024	69,708	0	20,640	99,850	0	0	-	1,070,676
2025	66,353	0	21,156	102,146	0	0	-	1,130,382
2026	55,281	0	21,685	104,904	0	0	-	1,192,334
2027	56,379	0	22,227	107,527	0	0	-	1,256,395
2028	57,500	0	22,787	110,216	0	0	-	1,322,630
2029	58,644	0	23,359	112,971	0	0	-	1,391,105
R 2030	59,270	0	8,383	99,164	0	0	-	1,297,537
2031	59,574	0	3,654	52,183	8,577	2,468	-	1,234,400
2032	59,757	0		13,418	16,606	30,249	-	1,229,482
2033	60,952	0	7,114	12,610	24,030	24,995	-	1,230,522
2034	62,171	0	690	12,640	24,631	25,590	-	1,231,488
2035	63,414	0	666	12,640	25,247	26,193	-	1,232,199
2036	64,682	0	641	12,640	25,878	26,806	-	1,232,655
2037	65,976	0	616	12,640	26,525	27,427	-	1,232,853
2038	67,296	0	590	12,640	27,188	28,057	-	1,232,790
2039	68,641	0	563	12,640	27,868	28,697	-	1,232,569
2040	70,014	0	536	12,640	28,565	29,345	-	1,232,252
2041	71,415	0	508	12,640	29,279	30,004	-	1,231,845

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

⁴ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

⁵ Net Worth is equal to the estimated value of all assets less liabilities and cumulative annual shortfalls.

R-Retirement assumed to begin in this year.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2042	72,843	0	479	12,640	30,011	30,671	-	1,231,259
2043	74,300	0	449	12,640	30,761	31,348	-	1,230,151
2044	75,786	0	419	12,640	31,530	32,035	-	1,228,471
2045	77,301	0	388	12,640	32,318	32,731	-	1,226,202
2046	78,848	0	356	12,640	33,126	33,438	-	1,223,298
2047	80,424	0	324	12,640	33,954	34,154	-	1,219,483
2048	82,033	0	290	12,640	34,803	8,251	26,630	1,214,925
2049	83,674	0	256	12,640	35,673	0	35,617	1,210,347
2050	85,347	0	221	12,640	36,565	0	36,363	1,205,798
2051	87,054	0	185	12,640	37,479	0	37,120	1,201,288

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¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

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Brenda's Disability Income Needs

Cash Flow Failure

Occurs in 2017

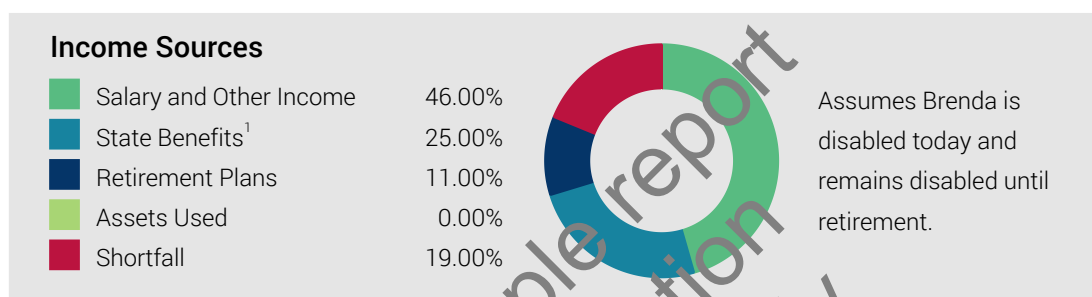
Reduction in Net Worth if Disabled

Now until Retirement:

19.93%

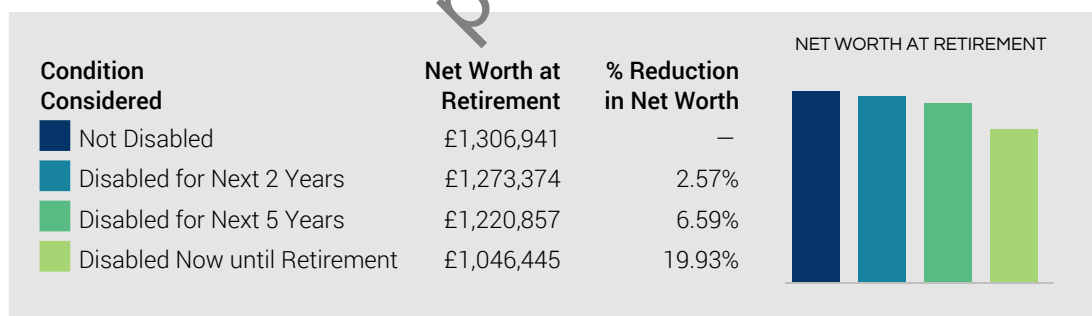
Disability Income Needed

Brenda, if you suffered a long-term disability today, most of your needs, or monthly lifestyle expenses, would continue. These needs may change in later years. This illustration assumes they will increase for inflation at 2.00% per year.



Protect Your Greatest Asset—Your Ability to Earn

Consider the effects of a long-term disability. What if you were out of work for two years? Five Years? Until Retirement? A disability before retirement may greatly reduce the amount of assets you will have available for retirement. You should consider disability income insurance based on the amount of benefits for which you qualify.



¹ Brenda's State Benefits are estimates based on current levels available and Brenda's State Benefits are estimates based on current levels available. This is an estimate of the monthly benefit available. Actual retirement benefits may be greater or less than the amount shown.

Brenda's Disability Income Details

Should you lose your ability to provide income through an accident or illness, how would you maintain your lifestyle? State Benefits may provide a portion of needed income. How long would your present assets provide the necessary funds? This illustrates the estimated cash flow if Brenda became disabled today and remained disabled until retirement.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income ²	State Benefits ³	Payments from Available Assets	Shortfall ⁴	Net Worth ⁵
2017	£51,400	£0	£13,304	£60,000	£0	£0	£7,304	£709,382
2018	62,568	0	18,633	73,800	0	0	11,801	737,574
2019	63,474	0	19,099	75,645	0	0	11,328	767,467
2020	64,398	0	19,576	77,536	0	0	10,838	799,118
2021	65,340	0	20,066	79,475	0	0	10,331	832,587
2022	66,301	0	20,567	81,461	0	0	9,807	867,935
2023	67,282	0	21,082	83,498	0	0	9,265	905,223
2024	68,282	0	21,609	85,585	0	0	8,705	944,517
2025	64,891	0	22,149	87,725	0	0	3,715	985,868
2026	53,782	0	22,703	89,918	0	0	-	1,028,891
2027	54,843	0	23,270	92,136	0	0	-	1,073,441
2028	55,926	0	23,852	94,470	0	0	-	1,119,566
2029	57,030	0	24,448	96,832	0	0	-	1,167,312
R 2030	57,616	0	3,032	70,516	0	0	-	1,046,445
2031	58,585	0	0	16,862	8,577	33,144	-	1,006,421
2032	59,757	0	617	9,837	16,608	33,829	-	997,026
2033	60,952	0	744	9,837	21,030	27,798	-	993,949
2034	62,171	0	690	9,837	24,631	28,392	-	990,594
2035	63,414	0	666	9,837	25,247	28,996	-	987,059
2036	64,682	0	641	9,837	25,878	29,608	-	983,389
2037	65,976	0	616	9,837	26,525	30,229	-	979,290
2038	67,296	0	590	9,837	27,188	30,860	-	974,596
2039	68,641	0	563	9,837	27,868	31,499	-	969,290
2040	70,014	0	536	9,837	28,565	32,148	-	963,299
2041	71,415	0	508	9,837	29,279	27,782	5,024	956,358
2042	72,843	0	479	9,837	30,011	0	33,473	948,997
2043	74,300	0	449	9,837	30,761	0	34,151	941,611
2044	75,786	0	419	9,837	31,530	0	34,837	934,208
2045	77,301	0	388	9,837	32,318	0	35,534	926,794
2046	78,848	0	356	9,837	33,126	0	36,240	919,376
2047	80,424	0	324	9,837	33,954	0	36,956	911,963
2048	82,033	0	290	9,837	34,803	0	37,683	904,563
2049	83,674	0	256	9,837	35,673	0	38,419	897,182
2050	85,347	0	221	9,837	36,565	0	39,166	889,832
2051	87,054	0	185	9,837	37,479	0	39,922	882,520

¹ Basic expenses, loan payments, and retirement contributions.

² Salary, other income, dividends, and other distributions from holdings, new loan proceeds, and retirement plan distributions

³ State retirement benefits start at age listed in Assumptions.

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R-Retirement assumed to begin in this year.

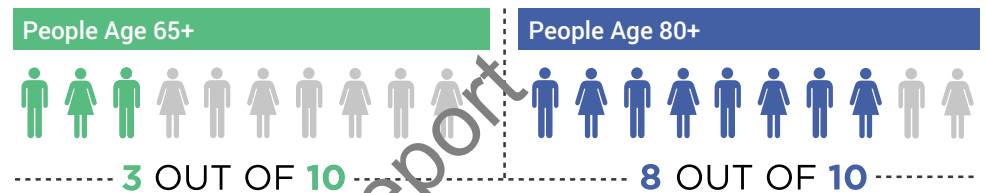
What if You Need Long-Term Care?

Planning for long-term care means thinking ahead and being prepared for the consequences of needing long-term care. While almost all people face long-term care at some point in their lives, few adequately consider its financial burden.

Odds of Needing Long-Term Care

The possibility of needing long-term care is one of the greatest threats to your personal well-being, financial goals and financial security. As people live longer, these odds are likely to increase.

Who Will Need Long Term Care?¹



Your Possible Cost²

- If John had a nursing home stay at age 71, the expected cost could be £62,089.
- If Brenda had a nursing home stay at age 71, the expected cost could be £63,330.



£38,376

Average annual cost for a nursing home stay.³



6.5%

Average national increase in cost of long-term care.³

Paying for Long-Term Care

- The State—The government will pay for nursing care services but only after your assets have been depleted.
- Use Retirement Savings—Will you risk your life-long savings? Will you run out of money?
- Depend on Family—What will be the total impact on your family?

¹ Office of National Statistics.

² Based on the general inflation rate of 2.00%.

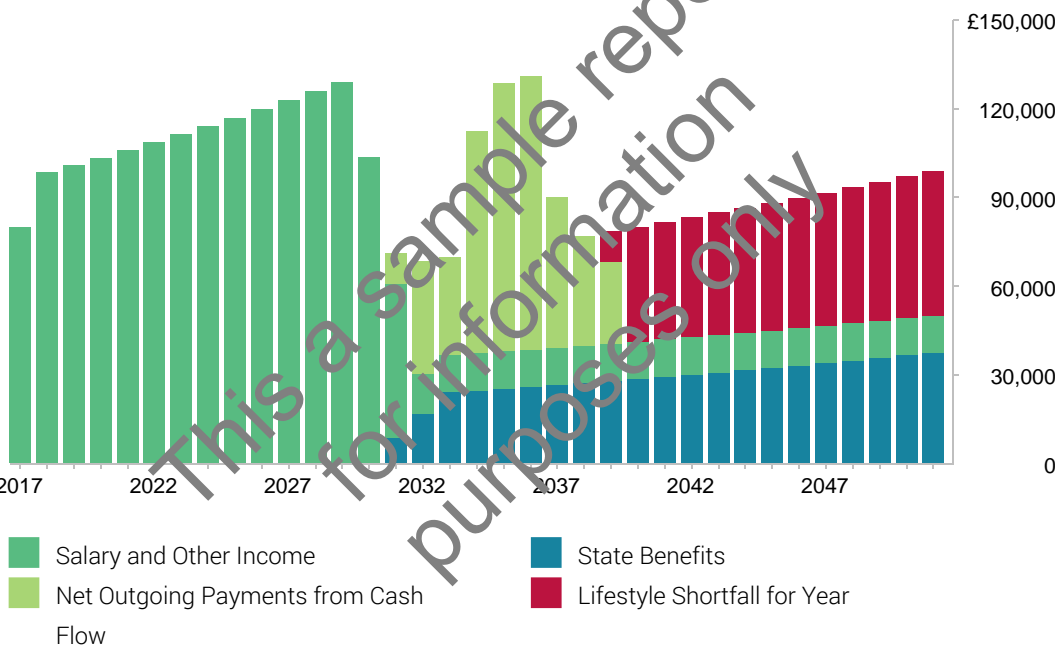
³ Care of Elderly People UK Market Survey 2013/14 by Laing and Buisson

What if John Needs Long-Term Care

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Remaining Need for Just this Period	Amount Needed Today to Fund through Period
£173,109	Healthy Years after LTC (2038-2052)	£173,109	£173,109

Long-Term Care Annual Needs

This illustration assumes that John has a nursing home stay starting at age 70 and ending after 3 years. Costs are estimated based on median costs today increased for the general inflation rate. Costs are estimated based on the average costs today in the current county of residence increased by the general inflation rate.



Don't let an unexpected expense ruin your plans

¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

John's Long-Term Care Details

This illustration assumes that John has a nursing home stay starting at age 70 and ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income	State Benefits ²	Payments from Available Assets	Shortfall ³	Net Worth ³
2017	£57,400	£0	£16,623	£80,000	£0	£0	-	£722,345
2018	69,918	0	23,178	98,400	0	0	-	766,132
2019	70,977	0	23,757	100,860	0	0	-	812,135
2020	72,057	0	24,351	103,381	0	0	-	860,428
2021	73,159	0	24,960	105,966	0	0	-	911,085
2022	74,283	0	25,584	108,615	0	0	-	964,184
2023	75,430	0	26,223	111,331	0	0	-	1,019,806
2024	76,600	0	26,879	114,114	0	0	-	1,078,034
2025	73,383	0	27,551	116,967	0	0	-	1,138,936
2026	62,451	0	28,240	119,891	0	0	-	1,202,148
2027	63,693	0	28,946	122,888	0	0	-	1,267,538
2028	64,961	0	29,669	125,950	0	0	-	1,335,171
2029	66,253	0	30,411	129,109	0	0	-	1,405,117
R 2030	67,032	0	9,364	103,600	0	0	-	1,306,941
2031	67,491	0	3,654	52,182	8,577	10,385	-	1,235,887
2032	67,832	0		13,418	16,606	38,325	-	1,222,893
2033	69,188	0	714	12,640	24,030	33,232	-	1,215,671
L 2034	111,769	0	690	12,640	24,631	75,188	-	1,166,713
2035	128,011	0	666	12,640	25,247	90,790	-	1,101,918
2036	130,571	0	641	12,640	25,878	92,695	-	1,035,165
2037	89,465	0	616	12,640	26,525	50,915	-	1,009,446
2038	76,390	0	590	12,640	27,188	37,151	-	997,303
2039	77,917	0	563	12,640	27,868	27,743	10,229	983,918
2040	79,476	0	536	12,640	28,565	0	38,807	969,965
2041	81,065	0	508	12,640	29,279	0	39,654	955,786
2042	82,687	0	479	12,640	30,011	0	40,515	941,383
2043	84,340	0	449	12,640	30,761	0	41,389	926,759
2044	86,027	0	419	12,640	31,530	0	42,276	911,916
2045	87,748	0	388	12,640	32,318	0	43,178	896,859
2046	89,503	0	356	12,640	33,126	0	44,093	881,588
2047	91,293	0	324	12,640	33,954	0	45,022	866,109
2048	93,118	0	290	12,640	34,803	0	45,966	850,425
2049	94,981	0	256	12,640	35,673	0	46,924	834,540
2050	96,880	0	221	12,640	36,565	0	47,897	818,459
2051	98,818	0	185	12,640	37,479	0	48,884	802,185

¹ Basic expenses, loan payments, and retirement contributions.

² State retirement benefits start at age listed in Assumptions.

³ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

R-Retirement assumed to begin in this year.

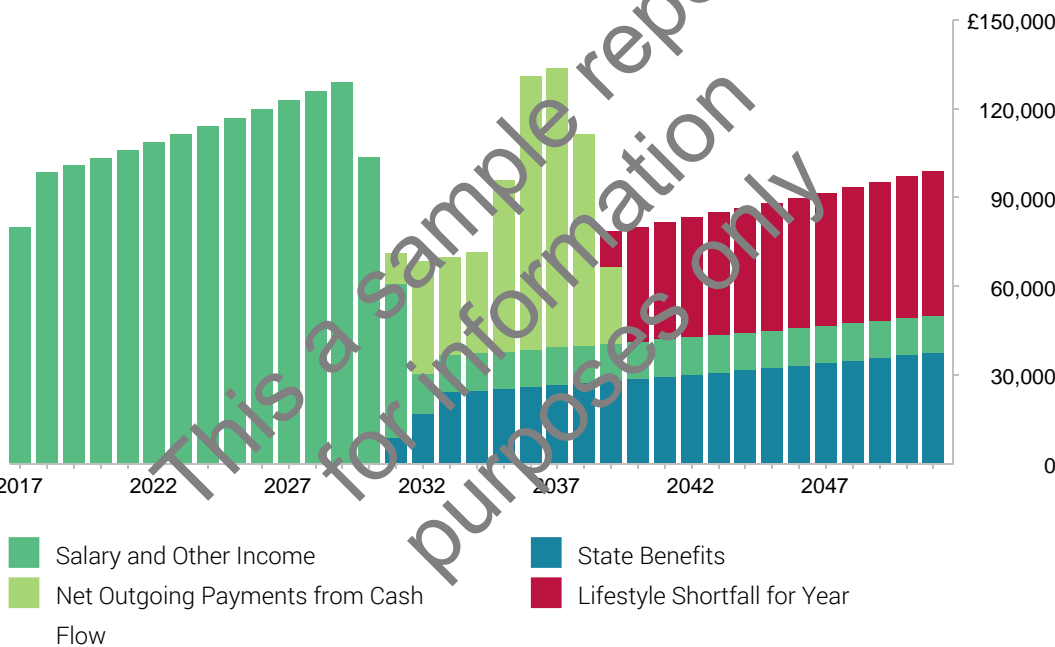
L-Long-term care assumed to begin in this year.

What if Brenda Needs Long-Term Care

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Remaining Need for Just this Period	Amount Needed Today to Fund through Period
£173,916	Healthy Years after LTC (2039-2052)	£173,916	£173,916

Long-Term Care Annual Needs

This illustration assumes that Brenda has a nursing home stay starting at age 70 and ending after 3 years. Costs are estimated based on median costs today increased for the general inflation rate. Costs are estimated based on the average costs today in the current county of residence increased by the general inflation rate.



Don't let an unexpected expense ruin your plans

¹ Estimated lump sum needed today, invested at 4%, to provide for total shortfalls.

Brenda's Long-Term Care Details

This illustration assumes that Brenda has a nursing home stay starting at age 70 and ending after 3 years. Costs are estimated based on average costs today increased for the general inflation rate.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income	State Benefits ²	Payments from Available Assets	Shortfall ³	Net Worth ³
2017	£57,400	£0	£16,623	£80,000	£0	£0	-	£722,345
2018	69,918	0	23,178	98,400	0	0	-	766,132
2019	70,977	0	23,757	100,860	0	0	-	812,135
2020	72,057	0	24,351	103,381	0	0	-	860,428
2021	73,159	0	24,960	105,966	0	0	-	911,085
2022	74,283	0	25,584	108,615	0	0	-	964,184
2023	75,430	0	26,223	111,331	0	0	-	1,019,806
2024	76,600	0	26,879	114,114	0	0	-	1,078,034
2025	73,383	0	27,551	116,967	0	0	-	1,138,936
2026	62,451	0	28,240	119,891	0	0	-	1,202,148
2027	63,693	0	28,946	122,888	0	0	-	1,267,538
2028	64,961	0	29,669	125,950	0	0	-	1,335,171
2029	66,253	0	30,411	129,109	0	0	-	1,405,117
R 2030	67,032	0	9,364	103,600	0	0	-	1,306,941
2031	67,491	0	3,654	52,182	8,577	10,385	-	1,235,887
2032	67,832	0		13,418	16,606	38,325	-	1,222,893
2033	69,188	0	714	12,640	24,030	33,232	-	1,215,671
2034	70,572	0	690	12,640	24,631	33,991	-	1,208,048
L 2035	95,328	0	666	12,640	25,247	58,108	-	1,176,531
2036	130,571	0	641	12,640	25,878	92,695	-	1,110,329
2037	133,183	0	616	12,640	26,525	94,634	-	1,042,031
2038	111,073	0	590	12,640	27,188	71,834	-	995,389
2039	77,917	0	563	12,640	27,868	25,785	12,187	981,960
2040	79,476	0	536	12,640	28,565	0	38,807	968,007
2041	81,065	0	508	12,640	29,279	0	39,654	953,828
2042	82,687	0	479	12,640	30,011	0	40,515	939,425
2043	84,340	0	449	12,640	30,761	0	41,389	924,801
2044	86,027	0	419	12,640	31,530	0	42,276	909,959
2045	87,748	0	388	12,640	32,318	0	43,178	894,901
2046	89,503	0	356	12,640	33,126	0	44,093	879,631
2047	91,293	0	324	12,640	33,954	0	45,022	864,152
2048	93,118	0	290	12,640	34,803	0	45,966	848,468
2049	94,981	0	256	12,640	35,673	0	46,924	832,583
2050	96,880	0	221	12,640	36,565	0	47,897	816,501
2051	98,818	0	185	12,640	37,479	0	48,884	800,227

¹ Basic expenses, loan payments, and retirement contributions.

² State retirement benefits start at age listed in Assumptions.

³ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

R-Retirement assumed to begin in this year.

L-Long-term care assumed to begin in this year.

Average Long-Term Care Costs, By County

Long-term care expenses vary by region. Rather than receiving long-term care in your area of residence, you may choose to move to a different county so that you're closer to relatives. The average U.K. long-term care cost for 2014 was £38,376¹.

County	Average Cost	County	Average Cost	County	Average Cost
Aberdeenshire	£38,168	Fermanagh	£33,020	Oxfordshire	£46,124
Angus	38,168	Fife	38,168	Peebles-shire	38,168
Antrim	33,020	Flintshire	32,032	Pembrokeshire	32,032
Argyll	38,168	Gloucestershire	42,016	Perthshire	38,168
Armagh	33,020	Gwynedd	32,032	Powys	32,032
Ayrshire	38,168	Hampshire	46,124	Rhondda Cynon Taff	32,032
Banffshire	38,168	Herefordshire	35,620	Ross & Cromarty	38,168
Bedfordshire	46,124	Hertfordshire	46,124	Roxburghshire	38,168
Berkshire	46,124	Huntingdonshire	38,272	Rutland	38,272
Berwickshire	38,168	Inverness-shire	38,168	Selkirkshire	38,168
Blaenau Gwent	32,032	Isle of Anglesey	32,032	Shetland	38,168
Bridgend	32,032	Kent	46,124	Shropshire	35,620
Buckinghamshire	46,124	Kincardineshire	38,168	Somerset	42,016
Bute	38,168	Kinross-shire	38,168	Staffordshire	35,620
Caerphilly	32,032	Kirkcubrightshire	38,168	Stirlingshire	38,168
Caithness	38,168	Lanarkshire	38,168	Suffolk	38,272
Cambridgeshire	38,272	Lancashire	34,736	Surrey	46,124
Cardiff City	32,032	Leicestershire	35,152	Sussex	46,124
Carmarthenshire	32,032	Lincolnshire	35,152	Sutherland	38,168
Ceredigion and Conwy	32,032	London	43,472	Swansea City	32,032
Cheshire	34,736	Londonderry	33,020	Torfaen	32,032
Clackmannanshire	38,168	Merthyr Tydfil	32,032	Tyne and Wear	31,148
Cornwall	42,016	Middlesex	46,124	Tyrone	33,020
Cumbria	31,148	Midlothian	38,168	Vale of Glamorgan	32,032
Denbighshire	32,032	Monmouthshire	32,032	Warwickshire	35,620
Derbyshire	35,152	Moray	38,168	West Lothian	38,168
Devon	42,016	Nairnshire	38,168	West Midlands	35,620
Dorset	42,016	Neath Port Talbot	32,032	Westmorland	31,148
Down	33,020	Newport	32,032	West Sussex	46,124
Dumbartonshire	38,168	Norfolk	41,340	Wigtonshire	38,168
Dumfries-shire	38,168	Northamptonshire	35,152	Wiltshire	42,016
Durham	31,148	Northumbria	31,148	Worcestershire	35,620
East Lothian	38,168	Nottinghamshire	35,152	Wrexham	32,032
East Sussex	46,124	Orkney	38,168	Yorkshire	33,904
Essex	46,124				

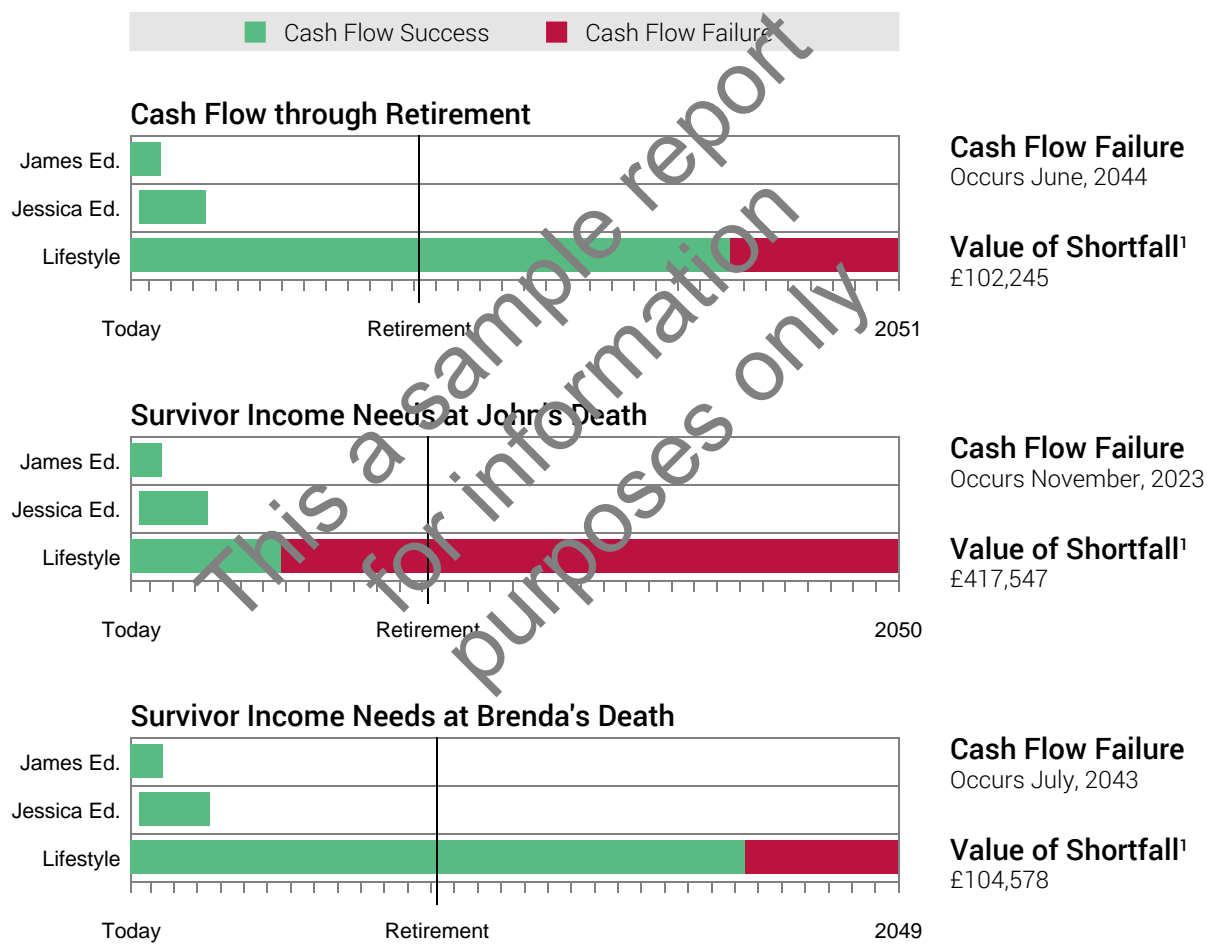
¹ The figures were taken from the Care of Elderly People UK Market Survey 2013/14 conducted by Laing and Buisson Market Research Consultants. The average costs are based on a single room nursing home accommodation.

Financial Needs Summary

Will your present analyses provide the funds to meet your financial goals and maintain your lifestyle? Do your analyses work for different needs? Do your analyses consider death, disability, retirement, and long-term care?

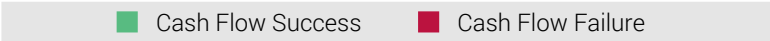
Your financial timeline below assumes you pay for each need as it occurs. Funds designated for a specific need such as education or retirement are used for those needs. Some funds, such as your home, may be designated as "Do Not Use." The remaining assets supplement your income to provide the remaining needs and goals. These timelines show whether your cash flow is sufficient to meet your needs as they occur while using only those assets you have made available.

Your Financial Timeline

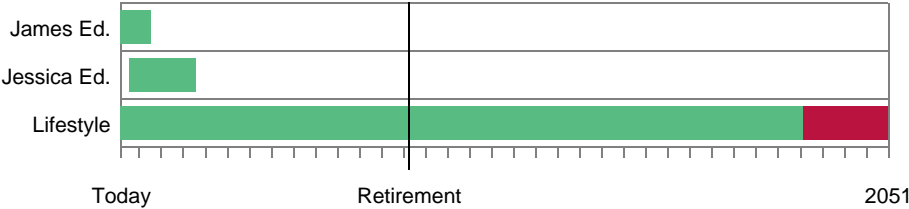


¹ In Today's Money

Your Financial Timeline (Continued)



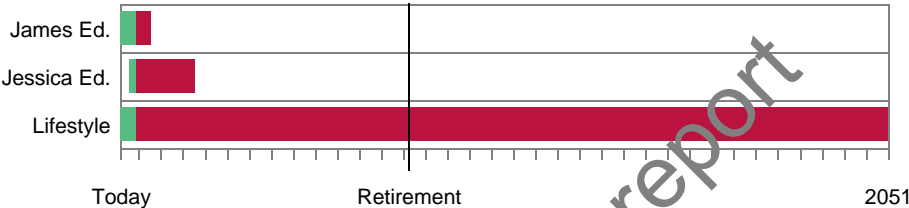
John Becomes Disabled Today until Retirement



Cash Flow Failure
Occurs March, 2048

Value of Shortfall¹
£37,207

Brenda Becomes Disabled Today until Retirement



Cash Flow Failure
Occurs December, 2017

Value of Shortfall¹
£185,384

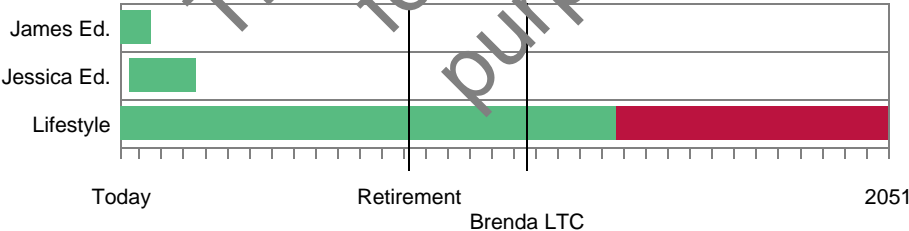
LTC—Effect if John Requires Nursing Home Care



Cash Flow Failure
Occurs September, 2039

Value of Shortfall¹
£173,109

LTC—Effect if Brenda Requires Nursing Home Care



Cash Flow Failure
Occurs September, 2039

Value of Shortfall¹
£173,916

¹ In Today's Money

Confirmation of Facts

PERSONAL INFORMATION

John Lewis

Age: 52 Male
Born: 03 Apr., 1964

Brenda Lewis

Age: 51 Female
Born: 07 Aug., 1965

Mailing Address

The White House
London, London E1 8RP

CHILDREN AND DEPENDANTS

Name	Date of Birth	Gender	Relationship	Dependant of
James	01 Sep., 1997	Male	Child	John, Brenda
Jessica	23 Oct., 1999	Female	Child	John, Brenda

SALARIES

Employer	Employee	Current Salary	Frequency	Inflation Rate
Directors Salary	John	£1,000	Monthly	2.500%
Sainsbury	Brenda	£2,000	Monthly	2.500%

OTHER INCOME

Description	Recipient	Amount	Frequency	Inflation Rate	Tax Exempt
Dividend Income	John	£5,000	Monthly	2.500%	No

CURRENT BANK ACCOUNTS, SAVINGS, DEPOSIT

Account Name	Owner	Current Balance	Balance As Of	Interest Rate
Current	John, Brenda	£1,000	09 Feb., 2012	0.000% This asset is the Cash Account
Deposit	John, Brenda	£0,500	09 Feb., 2012	0.200%

TAX-EFFICIENT INVESTMENTS

Account Name	Owner	Current Balance	Balance As Of	Interest Rate
Halifax ISA	John	£61,000	12 Jun., 2013	1.000%
Santander	Brenda	£41,300	12 Jun., 2013	0.500%
L & G ISA	John	£17,200	22 Apr., 2014	2.000%
VIRGIN ISA	Brenda	£21,382	22 Apr., 2014	3.000%

RETIREMENT PLANS

Name	Owner	Current Balance	Balance As Of	Growth Rate	Owner Contrib.	Employer Contrib.
Sainsburys Stakeholder	Brenda	£18,036	14 Oct., 2012	4.000%	5.000%	5.000%
Scottish Widows	John	£56,000	22 Apr., 2014	4.500%	n/a	£300

RESIDENCES

Main house

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
John, Brenda	£500,000	09 Feb., 2012	£200,000	2.500%

Personal Loan Secured by this Asset

Balance as of	Mortgage Balance	Payment	Frequency	Interest Rate
12 Jun., 2013	£160,000	£1,380	Monthly	4.000%

LIFE INSURANCE—INDIVIDUAL

Name	Insured	Owner	Beneficiary	Face Amount	Premium	Frequency	Cash Value
Aviva	Joint	John	Survivor	£160,000	£40	Monthly	£0
Johns Life cover	John	John	Brenda	£100,000	£20	Monthly	£0

LIFE INSURANCE—GROUP

Name	Insured/ Owner	Beneficiary	Face Amount
Group life	Brenda: Sainsbury	John	£75,000

ESSENTIAL LIVING EXPENSES

Description	Amount	Frequency	Inflation	Percent Continuing after First Death	Percent Continuing after First Disability	Percent Continuing after First Retirement
discretionary spending	£1,500	Monthly	2%	80%	100%	100%
Council tax	£250	Monthly	2%	75%	100%	100%
holiday fund	£500	Monthly	2%	50%	0%	100%
Utility Bills	£300	Monthly	2%	100%	100%	100%
Food	£600	Monthly	2%	100%	100%	100%
Travel & motoring	£800	Monthly	2%	100%	100%	100%
clothing	£150	Monthly	2%	100%	100%	100%
House maintainance	£100	Monthly	2%	100%	100%	100%

EDUCATION EXPENSES

Description	Amount	Frequency	Percent of Estimated Aid
university fees	£10,000	Annual	100%
university fees	£10,000	Annual	100%

DEBT

Liability Name	Owner	Payment Amount	Frequency	Current Balance	Balance As Of	Interest Rate
Loan for Main house	John, Brenda	£1,380	Monthly	£160,000	12 Jun., 2013	4.000%

SWEEP TRANSACTION

Description	From	To	Thres- hold	Min, Trans.	Frequency	Amount	Apply Inflation
ISA savings	Current	L & G ISA	£0	£0	Monthly	£400	no

Already started and ending when both clients retire.

This is a sample report
for information
purposes only

Assumptions

John Lewis

Age: 52

Male

Born: 3 April, 1964

Brenda Lewis

Age: 51

Female

Born: 7 August, 1965

John and Brenda are married.

State Benefits

John is eligible for State Benefits. John's State Benefits are based on levels provided in today's terms increased by inflation. John plans to take State Retirement Benefits starting at age 66.

Brenda is eligible for State Benefits. Brenda's certain State Benefits are based on levels provided in today's terms increased by inflation. Brenda plans to take State Retirement Benefits starting at age 66.

Ages and Events

Ages illustrated are based on the age as of the last birthday.

Calculation Date

The starting date for the calculations in this report is 8 March, 2017. Assets that were entered with a valuation date more than one month prior to this date have their value adjusted for appreciation to approximate the value of the asset on this calculation date.

Calendar Year Processing

Each year of the illustration ends with December. The current year will calculate from the month of the Calculation Date through December of that year.

Nature of Monthly Calculations

Calculations are made each month, based on the amounts available at the start of the month. No attempt is made to determine the exact date within a month various transactions occur.

Interest Rates and Earnings

Interest and earnings are credited for $1/12^{\text{th}}$ of the annual amount requested for each month. This is for the purpose of helping to determine the applicable cash flow and does not represent a guarantee of this or any interest or earnings. All rates of return illustrated are hypothetical and are not associated with any particular investment product.

Insurance

The numbers produced by this analysis in no way guarantee the right to purchase life insurance in the amounts illustrated. If any new life insurance is illustrated, this presentation is not valid unless accompanied by a complete illustration of proposed policy values.

Final Expenses

John:

Final Expenses: £0

Brenda:

Final Expenses: £0

Loans, Credit Cards, and Lines of Credit

Any form of credit illustrated is not a guarantee that such credit will be accepted by a lending institution. Different forms of credit may have a number of fees associated with various uses of the credit. Please consult the lending institution for details as well as all fees and rules for using that credit.

Restrictive Uses of Assets

Assets that are marked for restricted use will only be used to provide cash for that purpose.

Income Taxes

Income Tax Rates

Basic Income Tax Rate: 20%

Higher Income Tax Rate: 40%

Additional Income Tax Rate: 45%

Capital Gains Tax

Taxation on the gains from assets that are liable to Capital Gains Tax are deducted at the rate of 10% up to the basic tax band and 20% thereafter.

Liable gains on Investment Bonds are taxed at 20%. An individual's Annual Exemption amount is deducted from the total gains in any given year before Capital Gains Tax is applied. The current Annual Exemption amount is increased annually by the State Benefits inflation rate. Capital Gains Tax is not applied to the following asset types: Bank Accounts, Other Bonds (Government), ISAs PEPs TESSAs, Property – Main Residence, Savings (Cash Equiv.) and Venture Capital Trusts. Entrepreneur Capital Gains Tax relief is not applied.

Assumed Retirement

Retirement is assumed to be when John reaches, or would have reached, age 66. Any change you indicated in the basic living expenses is applied at that time.

General Inflation Rate

A general inflation rate of 2% is used for all basic living expenses and where indicated.

Rate of Return for Measuring Time Shortfall

The rate of return for measuring shortfall is 4%. Value today is assumed invested at this rate to provide the amount needed for the shortages.

Education Payments

Education costs are stated as annual amounts but are assumed to be paid in 12 monthly payments. Payments are assumed to start in August of each year unless a specific starting date is stated.

Education Inflation Rate

An education inflation rate of 3% is used for all education funding expenses. Historically, the cost of education has experienced a rate different than the general inflation rate of all goods and services. Adjustments for the education inflation rate are made in January of each year.

Costs Associated with Long-Term Care

Estimated costs of long-term care are based on the average costs for a nursing home stay in the current county of residence (London), adjusted for the current level of long-term care inflation rate. Basic living expenses are further adjusted as if disabled and any salary or retirement contributions are discontinued. (Estimated costs based on SAGA Cost of Care Report 2014 from Laing and Buisson.)

Sweep Excess Money to Other Assets

Monthly transfers of £400 from Current to L & G ISA; already started and ending when both clients retire

This is a sample report
for information
purposes only