Financial Needs Analysis

Jack and Emily Coastal Member

1000 St Albans Drive
Raleigh NC 27609

Presented by:

Coastal Advisor

2/1/2016

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Introduction

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

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

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

The following pages analyze your needs:

- *In the event of death*
- *For college funding*
- *For your retirement years*

Understanding your needs

...can help reach your goals.

Important Note...

This illustration is based on the information you provided with regard to your financial needs and objectives. It is intended to provide only broad, general guidelines which may be helpful in assessing and making decisions about financial products (such as securities or insurance) and services available to you that may help meet those needs and objectives. This material may also contain general educational topics about investing and financial matters. It is most important that you understand that your actual experience will differ from this illustration. That is why you should reassess your situation with updated data and assumptions on a periodic basis.

This illustration estimates future asset values based on rates of return provided by you. It is not intended to be investment advice or a projection of future investment performance. No one can foresee the future and, it is not a projection of the potential return of any investment, nor is it a projection of future inflation rates or the state of the world or domestic economy. You should seek the guidance of a financial or investment professional before proceeding with an investment decision.

Although this illustration may contain income tax calculations and legal concepts, it does not constitute tax or legal advice. The application of some concepts may be considered practicing law and should, therefore, be handled by an attorney, while other concepts may require the guidance of a tax or accounting advisor.

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In creating the illustration certain assumptions were made with respect to investment returns, the economy, and your situation. The reports and graphics included are directly dependent on the quality and the accuracy of the data and assumptions (including rates of return) furnished by you.

Where future rates of return are assumed, these returns do not reflect the fees and charges associated with investments, which would reduce the results. You are encouraged to review and consider performance information, which you can request from your investment professional, for the mutual funds and other securities that may be referenced in this material when assuming any future rates of return. Keep in mind that past performance is not a guarantee of future results. A current prospectus must be read carefully when considering any investment in securities.

No liability is assumed resulting from the use of the information contained in this financial illustration. Responsibilities for financial decisions are assumed by you.

Personal Information Summary

This financial needs analysis report is based on the information and assumptions you provided.

Personal Data

Name	Date of Birth	Contributing to Social Security	Annual Employment Income
Jack Coastal Member	7/1/1980	Yes	$85,000
Emily Coastal Member	7/1/1980	Yes	$110,000

Married: Yes

Address
1000 St Albans Drive
Raleigh, NC 27609

Phone:

E-Mail

Occupation

Jack:	Red Hat Programmer	Emily:	GSK Project Manager

Children

Name	Date of Birth
Aiden	7/1/2010
Lyla	7/1/2013

Bank Accounts and Investments

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Asset Class
Both		Coastal Go Green		$10,000	2.25%	$0	0.00%	Unclassified
Both		Coastal Go Green money Market		$25,000	1.00%	$0	0.00%	Unclassified
Both		Investment Account		$20,000	6.00%	$0	0.00%	Unclassified

Total…… $55,000
Monthly Savings…….. $0
Average Rate of Return…….. 3.05%

Retirement Funds

Owner	Account Name	Asset Name	Ticker	Amount	Rate of Return	Monthly Savings	Savings Increase	Company Match	Asset Class
Emily		GSK 401(k)		$100,000	7.00%	$458	0.00%	$458	Unclassified
Jack		Red Hat 401(k)		$75,000	7.00%	$354	0.00%	$354	Unclassified

Total…… $175,000
Monthly Savings…….. $812
Average Rate of Return…….. 7.00%

Assets and Liabilities

Type	Name	Market Value	Current Liability	Monthly Payment	Interest Rate
Residence	Residence	$350,000	$275,000	$1,700	4.00%
Personal Property	Autos	$30,000	$15,000	$0	0.00%
Personal Property	Personal Effects	$20,000	$0	$0	0.00%
Credit Cards & Personal Loans	Home Equity Line of Credit	$0	$15,000	$350	4.25%

Continued...

Other Income Sources

Name	Description	Amount	Monthly/ Lump Sum	Begins at Age	Ends at Age	Annual Increase	Today's Value/ Future Value	Available for Survivors
Jack	Jack Social Security 75% est	$3,297	Monthly	65	95	2.50%	Future	Yes
Emily	Emily Social Security 75% est	$3,718	Monthly	65	95	2.50%	Future	Yes

Needs In The Event Of Death

Income Needs Objective

With children at home:	$11,000 per month
No children at home:	$7,000 per month

Age to begin Survivor's Social Security Retirement Benefits	67
Provide Income for	Lifetime
Fund Children's Education	Yes

Life Insurance Policies

Name	Company	Insurance Benefit	Annual Premium	Type
Jack	Red Hat group	$300,000	$0	Group
Emily	GSK Group	$300,000	$0	Group

College Funding

Child's Name	School	Annual Amount (in Today's Dollars)	Years Needed	Percent Want To Provide
Aiden	North Carolina State University	$19,968	4	100%
Lyla	University of North Carolina at Chapel Hill	$20,935	4	100%

Total Funds Presently Available	Monthly Savings	Rate of Return
$5,000	$200	6.00%

Retirement Needs

		Jack	Emily
Desired Retirement Age		65	65
Social Security Retirement Benefits Begin Age		65	65
Employer Offers Retirement Plans		Yes	Yes
Maximum amount being contributed		No	No
Monthly Need (in today's dollars)			
Phase 1	$8,400	65	65

Assumptions Used In This Analysis

Rate of Return on Assets

During Retirement…….…….	5.00%
In the Event of Death…….…….	6.00%
For College Needs…….…….…….	6.00%
Number of month's income to set aside for emergency reserves…….…….	3
Long-term inflation rate…….…	3.00%
Social Security inflation rate…….…	2.50%
Long-term inflation rate for College Costs……..	5.00%
Life expectancy age…….	95
Final Expenses…….…..	$10,000

Net Worth

Assets	Owner	ROR	Market Value
Bank Accounts and Investments			
Coastal Go Green	Both	2.25%	$10,000
Coastal Go Green money Market	Both	1.00%	25,000
Investment Account	Both	6.00%	20,000
Retirement Plans			
GSK 401(k)	Emily	7.00%	100,000
Red Hat 401(k)	Jack	7.00%	75,000
Assets for College			
Education Funds		6.00%	5,000
Residence			
Residence	Both	--	350,000
Personal Property			
Autos	Both	--	30,000
Personal Effects	Both	--	20,000
Total Assets			**$635,000**

Liabilities	Owner	Interest Rate	Liability Value
Residence			
Residence	Both	4.00%	(275,000)
Personal Property			
Autos	Both	N/A	(15,000)
Credit Cards & Personal Loans			
Home Equity Line of Credit	Both	4.25%	(15,000)
Total Liabilities			**($305,000)**

Net Worth	**$330,000**

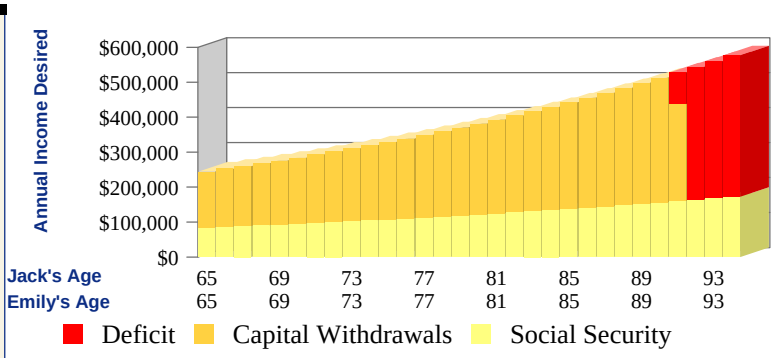
Retirement Needs Analysis

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

Retirement income generally comes from three different sources:

- *Social Security*
- *Employer Sponsored Plans*
- *Savings and Investments*

This retirement analysis suggests that you might not have enough money to retire. It is estimated that your assets will be ***depleted*** *by age 91. At that time, your remaining income sources will be limited to Social Security and only provide 30% of your income.*

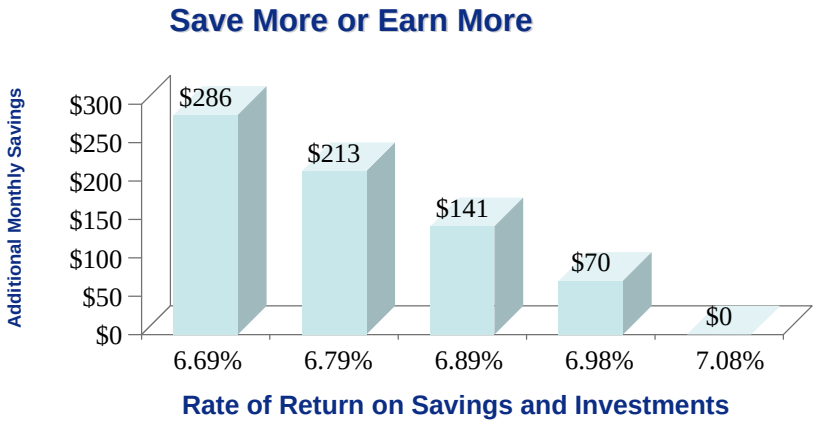


To provide for your desired retirement income, you will need additional capital at retirement age 65. In order to meet this need, you should consider:

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

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

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



This chart shows various options in order for you to meet your objectives. Based on your current average rate of return of 6.69%, you would need to save an additional $286 a month. Alternatively, if you could increase your average rate of return to 7.08%, your objectives would potentially be met. It is important to understand that in order to achieve an increased rate of return, it is likely you will face increased risk.

If these options are not attainable, consider working towards doing a little bit of both; saving more money and earning a higher rate of return subject to your risk tolerance.

Assumptions: Income increases at 3.00% annually. Rate of return during retirement is 5.00%. Social Security benefits increase at 2.50%.

Retirement Needs Analysis Detail

Income Objective

	Annual Need (Today's Dollars)	Annual Need (Future Dollars)	Capital Value at Retirement
At Jack's Age 65	$100,800	$244,668	$5,507,119
Total Value of Income Objective			**$5,507,119**

Income Sources

Income Sources	Payment In Today's Dollars	From	To	COLA	First Year's Payment	Capital Value at Retirement
Jack Social Security 75% est	--	65	95	2.50%	$39,564	$836,391
Emily Social Security 75% est	--	65	95	2.50%	44,616	943,192
Total Income Sources						**$1,779,583**

Capital Needed to Meet Objectives $3,727,536

Capital Available

Account Name/ Asset Name	Market Value	Assumed Rate of Return	Total Annual Contribution	Assumed Savings Increase	Capital Value at Retirement
GSK 401(k)	$100,000	7.00%	$10,992	0.00%	$1,838,501
Red Hat 401(k)	75,000	7.00%	8,496	0.00%	1,403,573
Coastal Go Green	10,000	2.25%	0	0.00%	19,494
Coastal Go Green money Market	25,000	1.00%	0	0.00%	33,696
Investment Account	20,000	6.00%	0	0.00%	114,870
Total Capital Available					**$3,410,134**

Additional Capital Needed to Meet Objectives $317,402

Assumptions

Inflation	3.00%
Rate of Return for Assets during Retirement	5.00%
Mortality assumed for Jack and Emily	95 / 95

Your Retirement Timeline

				Beginning Balance:		$3,410,134
Ages	Annual Income Desired	Social Security	Other Income	Income Surplus/ (Shortage)	Investment Growth	Asset Balance
65/65	$244,668	$84,180	$0	($160,488)	$166,193	$3,415,838
66/66	252,008	86,285	0	(165,724)	166,337	3,416,452
67/67	259,568	88,442	0	(171,127)	166,222	3,411,548
68/68	267,355	90,653	0	(176,703)	165,827	3,400,672
69/69	275,376	92,919	0	(182,457)	165,129	3,383,344
70/70	283,637	95,242	0	(188,395)	164,103	3,359,051
71/71	292,146	97,623	0	(194,523)	162,723	3,327,252
72/72	300,911	100,064	0	(200,847)	160,964	3,287,368
73/73	309,938	102,565	0	(207,373)	158,794	3,238,789
74/74	319,236	105,129	0	(214,107)	156,184	3,180,866
75/75	328,813	107,758	0	(221,056)	153,101	3,112,911
76/76	338,678	110,451	0	(228,226)	149,510	3,034,195
77/77	348,838	113,213	0	(235,625)	145,376	2,943,945
78/78	359,303	116,043	0	(243,260)	140,658	2,841,343
79/79	370,082	118,944	0	(251,138)	135,316	2,725,521
80/80	381,185	121,918	0	(259,267)	129,307	2,595,560
81/81	392,620	124,966	0	(267,655)	122,583	2,450,489
82/82	404,399	128,090	0	(276,309)	115,097	2,289,276
83/83	416,531	131,292	0	(285,239)	106,796	2,110,834
84/84	429,027	134,574	0	(294,453)	97,626	1,914,007
85/85	441,898	137,939	0	(303,959)	87,530	1,697,578
86/86	455,155	141,387	0	(313,767)	76,444	1,460,255
87/87	468,809	144,922	0	(323,887)	64,306	1,200,673
88/88	482,874	148,545	0	(334,329)	51,046	917,391
89/89	497,360	152,259	0	(345,101)	36,593	608,883
90/90	512,281	156,065	0	(356,216)	20,869	273,536
91/91	527,649	159,967	0	(367,682)	3,793	(90,354)
92/92	543,478	163,966	0	(379,513)	0	(469,866)
93/93	559,783	168,065	0	(391,718)	0	(861,584)
94/94	576,576	172,267	0	(404,310)	0	(1,265,894)

The Future of Social Security

In 1935, Social Security (the Old-Age, Survivors and Disability Insurance program) was introduced through the Social Security Act. Since then, retirees have used this as a reliable source of income to supplement retirement savings. The retirement age in which full social security benefits are payable is currently between the ages of 65 and 67, depending on your year of birth, while those who have reached age 62 are eligible for partial benefits. While the program has changed significantly since it was introduced, its goal has always been to provide a more stable income outlook for those that are retired or affected by disability.

Baby Boomers

The generation of Americans born from 1946 to 1964 has historically been called Baby Boomers. This generation will have a tremendous impact on the economy, strategy for investments and the future of social security. Beginning on Jan. 1, 2011, and every day for the next 19 years, it is projected that 10,000 baby boomers will reach the age of 65. In addition to the sheer number of baby boomers, the increase in life expectancy over the past few decades has caused the projected benefit obligations of the social security system to substantially increase.

Revenue and Expenses

While Social Security is not a business, the same concepts apply. For the system to continue operating functionally, it must generate a sufficient amount of income to cover the benefits that are paid out. In 2010 and 2011, Social Security expenditures exceeded non-interest income for the first time since 1983. This is expected to continue for at least the next 75 years under current circumstances. Thus, to continue the ability to fully pay all scheduled benefits, congress will have to either increase the revenues generated by social security taxes, decrease projected expenses or both. To generate income for Social Security funding, Congress enacted the FICA tax. Until recently, the income has been greater than payments, generating a surplus. This surplus has then been held in a trust fund, earning interest income. Any future funding shortfalls will be drawn from this trust fund.

Each year, the Trustees of the Social Security trust fund report on the financial status of the program. In 2012, the actuarial deficits were made worse because of updated economic data and assumptions. The Trustees determined that legislative modifications will be necessary in order to avoid disruptive consequences for beneficiaries and taxpayers. The primary goal of the report was to warn lawmakers not only about the extent of the issue of long-term projected shortfalls, but also that changes should not be delayed. Any additional delay will only make the problem worse and will reduce options available to lawmakers. One of the biggest issues with the program is that growth in program expenses is forecast to be substantially larger than GDP growth due to the aging population of baby boomers. Additionally, social security will be strained by the increasing life expectancy of its participants and growing health care costs in excess of GDP, and Social Security costs as a percentage of GDP are projected to increase from 4.2 percent in 2007 to 6.4 percent in 2035. With projected future shortfalls, the trust fund is projected to run out in 2033 (three years earlier than in 2011). While this is alarming, FICA tax is still projected to cover roughly 75 percent of schedule benefits after the fund is depleted.

Continued...

Future

Changes to Social Security that would help solve future funding shortfalls (increasing income, decreasing expenses or both) are difficult, but necessary. Further complicating this issue is political matters. Neither political party would like to be seen as responsible for raising FICA taxes or extending the retirement age. However, changes to the system are necessary in order to extend the availability of fully funded benefits and therefore appear inevitable. While no material discussions are ongoing regarding changes to the system, the simplest change to help combat future shortfalls would likely be an increase in retirement age. The main reason for this is that changes have not been made to the Social Security retirement age since the early 1980s. Life expectancies have continually increased, rising above 78 years in 2011. Additional possible changes could include raising the FICA tax to higher levels, raising/eliminating the income limit for FICA taxes, introducing means testing and many more.

Effect on Financial Planning

The effect of the uncertain future of Social Security on financial and retirement planning is tremendous and should be taken into account by everyone, regardless of age. Based on the projections outlined by the Social Security Board of Trustees, there is a marked difference in the effect this uncertainty will have on different generations.

For those already in retirement, while it is possible that benefits could be changed to reduce expenditures, it is highly unlikely that changes would be made for anyone already retired. With benefits still projected to be fully provided through 2033, any potential benefit shortfalls are relatively unlikely to affect individuals that are already retired. With a high likelihood that Social Security will be changed to solve funding shortfall problems, it is reasonable to rely on this income source for the rest of your life. Individuals near retirement have less certainty about the future of social security, as the projected future shortfall in the Social Security trust fund in 2033 will likely be within your planning time frame. The high likelihood that some Social Security regulations will change in the near future will make it extremely likely that this projection will change for the better. If you are near retirement, most of your investment decisions related to retirement have already been made. As a result, future changes in social security may have little impact on your retirement plan. However, it may be beneficial to analyze the potential scenario (however unlikely) that no changes are made and only 75 percent of projected income is realized from this source after 2033.

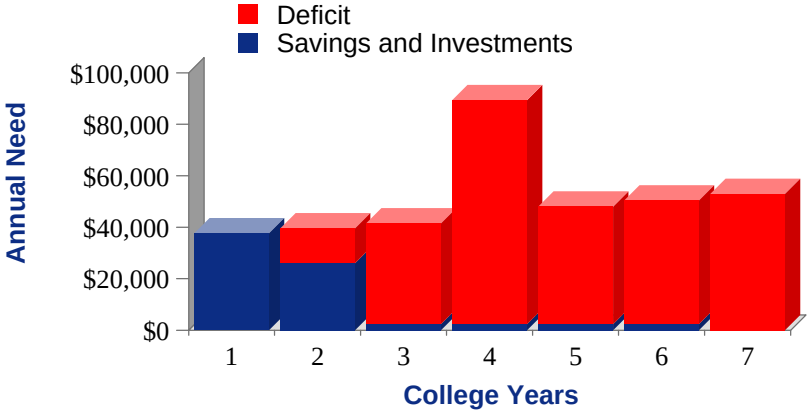
For people who are far from retirement, any future changes to the structure of social security will alter the projections for the viability of future payouts. This uncertainty means that a contingency plan to cover cash flow shortfalls should be in place, just in case Social Security benefits are reduced. It is important to remember that even if no changes are made and the Social Security trust fund is entirely depleted, 75 percent of benefits are still projected to be paid from ongoing taxes. Projecting cash flow under the assumption that only 75 percent of benefits are paid would be helpful to determine whether your savings will be enough, even in this scenario. An increased focus on saving personal funds would decrease the risk of not having enough resources to achieve retirement goals.

College Needs Analysis

Will you have enough money when it is time to send your children to college? The earlier you begin setting money aside for college, the more likely you are to achieve your goals.

You currently have $5,000 set aside and you are saving $200 a month at 6.00% for college expenses.

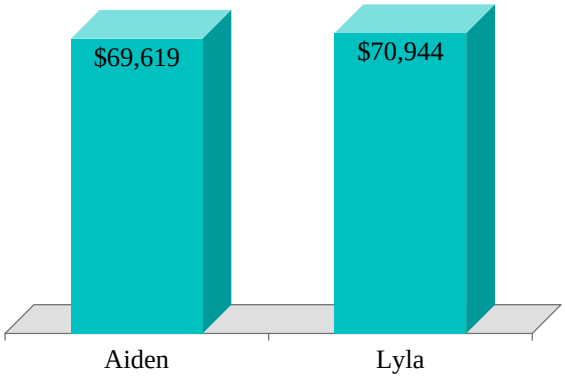
This college needs analysis suggests that you may not meet your goals. In order to fully fund your children's college expenses, you will need to begin saving an additional $781 a month.



Projected College Costs

Aiden	$162,288
Lyla	196,966
Total	**$359,254**

Total College Cost in Today's Dollars



Monthly savings alternative

Begin saving an additional $781 per month for the next 19 years.

Why should you begin preparing for college needs now?

If you wait until it's time for college to begin, you lose the advantage of spreading the costs over many years.

If you have to borrow money to pay for college, the amount of the loan and interest will have to be repaid.

If you start now, the interest earned on your savings will reduce the total amount that you need to save.

College Needs Analysis Detail

Goal Summary

Name/ School	Age	Annual Need (today's Dollars)	Years Until Needed	Number Years Needed	Present Value of Total Cost	Percentage To Be Funded	Present Value of Total Cost To Be Funded
Aiden	5	$19,968	13	4	$69,619	100%	$69,619
North Carolina State University							
Lyla	2	20,935	16	4	70,944	100%	70,944
University of North Carolina at Chapel Hill							
Present Value of Total Need							**$140,563**

Savings Summary

Current Savings	$5,000
Monthly Savings	
$200 per month for 19 years at 6.00% grows to $83,634	
In today's dollars that is:	$27,642
Present Value of Savings	**$32,642**

Single Sum Needed Today to Fund Shortage	**$107,921**

Additional Monthly Savings Required

Starting Age	Amount Needed
Jack's age 35 for 19 years	**$781**

Assumptions

College Cost Inflation Rate	5.00%
Average Rate of Return	6.00%

This analysis assumes that savings will continue until the start of the last year of college.

College Funding Techniques

Qualified State Tuition Programs (Section 529 Plans) - Section 529 Plans are authorized under Internal Revenue Code Section 529 and are sponsored by the individual states. These programs allow parents, grandparents and non-relatives to contribute money to an account of which the child is the beneficiary. There are two types of plans: a prepaid tuition plan and a savings plan. Prepaid tuition plans guarantee that the investment will at least keep pace with increases in college tuition. Restrictions may apply regarding who may contribute to the prepaid plan and which schools are eligible. Savings plans are managed investment funds that can be more flexible. Income inside these plans is not currently taxable. Funds withdrawn to pay for qualified education expenses are also free from federal income tax. Other, nonqualified withdrawals are subject to ordinary income tax and may be subject to an additional 10% penalty tax. The child may attend almost any accredited college, university, or trade school regardless of location. These plans, having no income restrictions, are available to almost anyone. Unlike UGMAs and UTMAs (discussed below), the donor retains control over the funds. Tax-free rollovers from one plan to another are allowed for the benefit of the same beneficiary once per year. Because contributions are considered completed gifts, the plans may offer estate planning advantages. Some plans offer preferential state tax treatment. Funds may be transferred, if necessary, to certain family members of the beneficiary without penalty. Taxable withdrawals may avoid the additional 10% penalty tax if they occur on account of death, disability or receipt of a scholarship.

The availability of the tax or other benefits mentioned above may be conditioned on meeting certain requirements.

Investors should consider the investment objectives, risks, charges and expenses associated with 529 plans carefully before investing. More information about 529 plans is available in the issuer's official statement, which should be read carefully before investing.

Coverdell Education Savings Accounts - Taxpayers may deposit up to $2,000 per year into a Coverdell Education Savings Account (ESA) for a child under age 18. Parents, grandparents, other family members, friends, and children themselves may contribute to the Coverdell ESA, provided that the total contributions during the taxable year do not exceed the $2,000 limit. Amounts deposited into the account grow tax-free until distributed, and the child will not owe tax on any withdrawal from the account if the child's qualified higher education expenses at an eligible educational institution for the year equal or exceed the amount of withdrawal. Eligible expenses also include elementary and secondary school (K-12) costs and the cost of computer equipment, internet services, and software. If the child does not need the money for post-secondary education, the account balance can be rolled over to the Coverdell ESA of certain family members who can use it for their education expenses. Amounts withdrawn from a Coverdell ESA that exceed the child's qualified education expenses in a taxable year are generally subject to income tax and to an additional tax of 10%.

Uniform Gift to Minors Act (UGMA) and Uniform Transfer to Minors Act (UTMA) - A donor may make an outright gift to a custodial account for the benefit of a minor child. The parent or custodian may retain responsibility of management of the assets in the account subject to the terms of the act. The standard rules regarding gift tax exclusions apply, including the annual $14,000 limit. The donor may choose to contribute from a number of assets, such as stocks, bonds, mutual funds or real estate. The funds may be used for any purpose, including education. One possible problem with the UGMA and UTMA is that upon reaching a certain age, specified by each state's laws, the child has full discretionary control over the accumulated assets and may choose to use such assets for purposes other than college funding.

Cash Value Life Insurance - Parents, grandparents, or other family members may gift premiums, and the cash value build-up inside the policy is tax deferred during the accumulation period. When the time for college arrives, the needed cash may be withdrawn from the policy (generally on a tax-free basis up to the amount of the premiums paid), or the cash values can be borrowed from the policy. In most cases, loans or withdrawals will reduce the policy's cash value and death benefit. If the policy is surrendered or lapses, taxes may be due. If the insured dies before the child goes to school, then the life insurance proceeds can be used to fund education expenses.

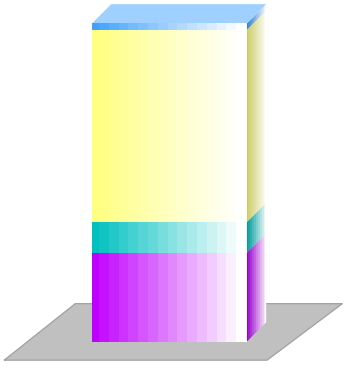
U.S. Savings Bonds Interest earned by U.S. Series EE Savings Bonds is free from state income taxes. All or some of the interest may also be free from federal income taxes if the bonds are used for qualified higher education expenses. The exclusion from federal tax is subject to an income phase-out. The bonds must be registered in the parent's name and redeemed in the same year as the eligible tuition and fees are paid.

Financial Needs in the Event of Jack's Death

This survivor needs analysis shows the impact Jack's death can have on your family. Funds need to be available for both Cash Needs and a family's continuing Income Needs. Jack and Emily, you need $504,313 for your immediate cash needs. Cash Needs include:

- *A Final Expenses fund for medical, legal, funeral, and other expenses*
- *A Debt Payment Fund to pay off your debts, including your mortgage*
- *An Emergency Reserve Fund for unexpected bills not readily payable from current income*
- *An Education Fund to provide for your children's education*

Total Immediate Cash Needs: $504,313



Final Expenses Fund	$10,000
Debt Payment Fund	$305,000
Emergency Fund	$48,750
Education Fund	$140,563

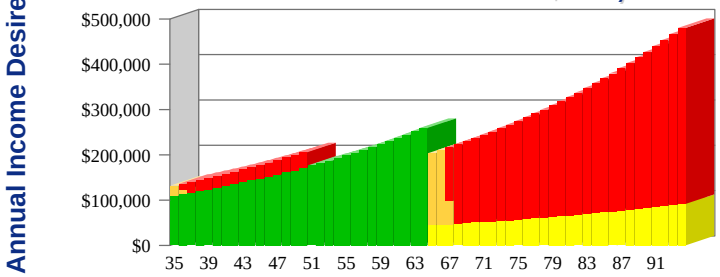
After a death, income generally comes from four different sources:

- *Social Security*
- *Savings and Investments*
- *Life Insurance Proceeds*
- *Survivor's Earnings*

This survivor needs analysis assumes that $11,000 per month will be needed after the death of a wage earner while there are children at home, and $7,000 per month thereafter.

Based on the above assumptions, this survivor needs analysis suggests that you may not meet your goals. Your current household income is $195,000. If Jack were to die today, it is estimated that your assets would be sufficient to meet your family's Immediate Cash Needs. However, your family's Income Needs will only be 79% satisfied. To provide for your family's needs in the event of death you will need approximately $620,885 of additional capital.

Total Income Needs: $651,571



Deficit Capital Withdrawals Social Security* Other Income

Summary	
Cash Needs:	$504,313
Income Needs:	651,571
Less Present Funds	*535,000*
Additional Capital Needs	**$620,885**

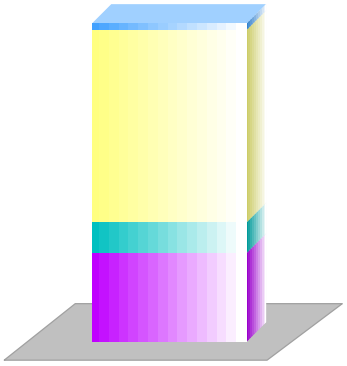
**When calculating the Social Security benefit, the qualification period is not taken into consideration, thus results may vary from what is actually received.*

Financial Needs in the Event of Emily's Death

This survivor needs analysis shows the impact Emily's death can have on your family. Funds need to be available for both Cash Needs and a family's continuing Income Needs. Jack and Emily, you need $504,313 for your immediate cash needs. Cash Needs include:

- *A Final Expenses fund for medical, legal, funeral, and other expenses*
- *A Debt Payment Fund to pay off your debts, including your mortgage*
- *An Emergency Reserve Fund for unexpected bills not readily payable from current income*
- *An Education Fund to provide for your children's education*

Total Immediate Cash Needs: $504,313



Final Expenses Fund	$10,000
Debt Payment Fund	$305,000
Emergency Fund	$48,750
Education Fund	$140,563

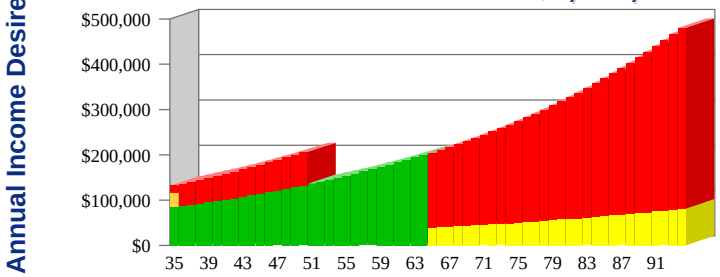
After a death, income generally comes from four different sources:

- *Social Security*
- *Savings and Investments*
- *Life Insurance Proceeds*
- *Survivor's Earnings*

This survivor needs analysis assumes that $11,000 per month will be needed after the death of a wage earner while there are children at home, and $7,000 per month thereafter.

Based on the above assumptions, this survivor needs analysis suggests that you may not meet your goals. Your current household income is $195,000. If Emily were to die today, it is estimated that your assets would be sufficient to meet your family's Immediate Cash Needs. However, your family's Income Needs will only be 62% satisfied. To provide for your family's needs in the event of death you will need approximately $1,134,008 of additional capital.

Total Income Needs: $1,164,694



Deficit Capital Withdrawals Social Security* Other Income

Summary	
Cash Needs:	$504,313
Income Needs:	1,164,694
Less Present Funds	*535,000*
Additional Capital Needs	**$1,134,008**

**When calculating the Social Security benefit, the qualification period is not taken into consideration, thus results may vary from what is actually received.*

Life Insurance

There are a number of types of policies, each with a different approach to fulfilling one's needs for life insurance. Key considerations are the duration of the need, premium budget, and the purpose for the need. You will also want to take into consideration your own attitude about buying policies with underlying guarantees versus policies which shift more risk to the policy owner, and issues surrounding finding the best "short-term price" versus considerations of lowest "long-term cost." Your age and your general health may also affect your policy choices.

Policy Type	*Duration of need*	*Premium Budget*	*Purpose*	*Dominant Benefit*
Term	5-15 years	Low	Short-term protection	Initially inexpensive
Whole Life	15+ years	High	Long-term protection	Guaranteed premiums
Blended Whole Life	15+ years	Medium	Long-term protection	Initially flexible premiums
Universal Life	10+ years	Medium	Long-term protection	Flexible premiums
Variable Life	20+ years	Med-High	Long-term protection	For those with tolerance for risk: an opportunity to direct the investment of policy cash values

Tax advantages, liquidity at death, family benefits … these are a few of the attributes of life insurance. And, life insurance is a product that can provide a known sum at an unknown time.