



Wealthcare Profile 2020 09 - Scenario Report

Wednesday, September 30, 2020

P R E P A R E D F O R

Bill and Brenda Business

P R E P A R E D B Y

Alicia Advisor

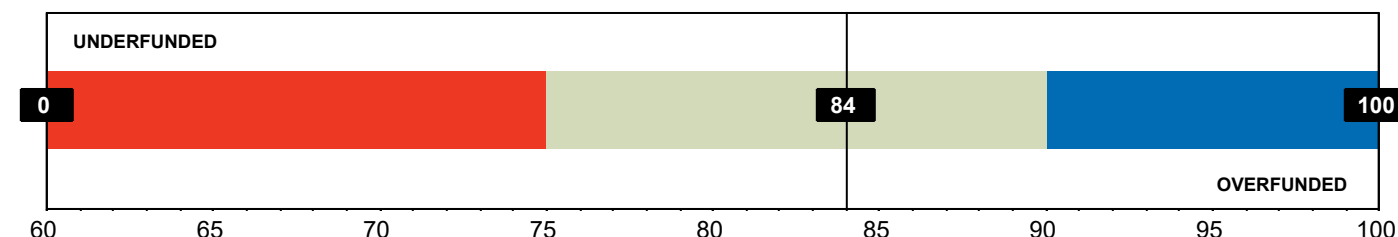
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Comfort Analysis

Important: The projections or other information generated by WCM regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.



	NAME	SIMULATION METHOD	COMFORT LEVEL	STATUS
I	<i>Ideal</i>	Monte Carlo	0%	UNCERTAIN (UNDERFUNDED)
R	<i>Recommended</i>	Monte Carlo	84%	COMFORT
A	<i>Acceptable</i>	Monte Carlo	100%	SACRIFICE (OVERFUNDED)
1	<i>COVID 19 Liquidation Sale</i>	Monte Carlo	0%	UNCERTAIN (UNDERFUNDED)

■ SACRIFICE (OVERFUNDED). Unnecessary sacrifice to lifestyle or undue investment risk.

■ COMFORT. Sufficient confidence without undue sacrifice, changes to goals likely to be minor and manageable.

■ UNCERTAIN (UNDERFUNDED). Confidence is too low, changes to goals may be necessary now and into the future.

	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATION...
Retirement Age				
Bill	Retired	65	70	Retired
Brenda	Retired	65	70	Retired
Life Expectancy				
Bill	93	93	93	93
Brenda	95	95	95	95
Retirement Spending				
Bill	\$177,744	\$150,000	\$144,417	\$150,000
Other Goals				
Buy Second Home in Florida	\$750,000	\$500,000	No	\$500,000
Medical Expenses	\$14,000	\$14,000	No	\$14,000
New Cars Every 5 Years	\$50,000	\$40,000	\$30,000	\$40,000
Vacation	\$20,000	\$15,000	\$10,000	\$15,000
Target End Value				
Today's Dollars	\$1,000,000	\$0	\$0	\$0
Actual Dollars	\$2,408,085	\$0	\$0	\$0
Savings (Current)				
Bill	\$0	\$24,500	\$62,000	\$0
Default Inflation Rate	1.75%	1.75%	1.75%	1.75%
Investment Adjustment	-1.362%	-1.362%	-1.362%	-1.362%
Portfolio				
All Accounts	PASSIVE DOMESTIC CORE PG - CONSERVATIVE 30% EQUITIES	PASSIVE DOMESTIC CORE PG - MODERATE GROWTH 65% EQUITIES	PASSIVE DOMESTIC CORE PG - GROWTH 80% EQUITIES	PASSIVE DOMESTIC CORE PG - MODERATE GROWTH 65% EQUITIES
Median Return	4.49%	6.42%	7.15%	6.47%
Risk				
Std. Deviation*	5.93%	11.39%	13.92%	11.36%
Downside (95%-tile)**	-4.82%	-10.64%	-13.24%	-10.57%

*Standard deviation is a risk statistic used to measure the volatility of return observations around the portfolio's average return.

**Downside represents the 1-year 95th percentile return. 95% of all 1-year returns simulated are better than this return and 5% are worse.

Priorities

Highest Priority

1

2

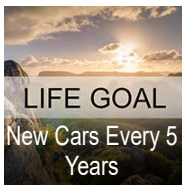
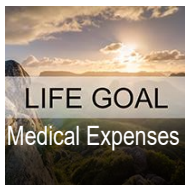
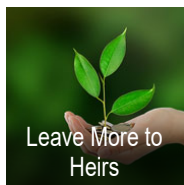
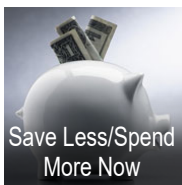
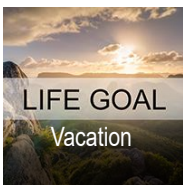
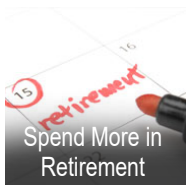
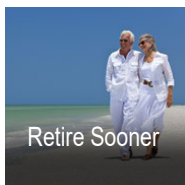
3

4

5

6

Lowest Priority



We understand that your goals and priorities may change. If you have any new goals or changes to your priorities since we last met, please explain below.

Your Current Notes:

Mr. and Mrs. Business Owner are banking on the sale of their business to fund their retirement. We are recommending that for now, they increase their SEP savings from \$15K to \$22K a year.

We have also built into this plan a "what-if" scenario that shows a full liquidation of the business due to the COVID-19 pandemic.

Business Valuation and Insurance figures were calculated based on the BizEquity reports that can be found in the case study landing page. We realize that the Key Man insurance provides coverage for the business and the sale of the business and retirement spending for Brenda will be moved up. Bill will need an additional \$1,636,000 in personal life insurance to cover Brenda's needs.

Updated as of: _____

Important: *If you have made adjustments to your current values above, please fax these changes to your advisor.*

529 Plan Summary

Education Goals

None

529 Plan Contributions

None

529 Plan Assets

There are no education assets.

IDEAL

Plan does not contain 529 Assets and Education Goals.

RECOMMENDED

Plan does not contain 529 Assets and Education Goals.

ACCEPTABLE

Plan does not contain 529 Assets and Education Goals.

COVID 19 LIQUIDATION SALE

Plan does not contain 529 Assets and Education Goals.

Summary of Assumptions

Key Variables

	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATION...
Annual Income				
Bill	-	\$300,000	\$300,000	-
Brenda	-	\$0	\$0	-
Retirement Age				
Bill	Retired	65	70	Retired
Brenda	Retired	65	70	Retired
Life Expectancy				
Bill	93	93	93	93
Brenda	95	95	95	95
Length	36 years	36 years	36 years	36 years
Target End Value	\$1,000,000	\$0	\$0	\$0

Contributions

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
Taxable					
<i>Now to Ret -1</i>					
Taxable	BILL	\$0	\$2,500	\$5,000	\$2,500
Tax Deferred					
<i>Now to Ret -1</i>					
Increased SEP IRA from \$15K to \$22K	BILL		\$22,000	\$57,000	\$22,000
<i>Now</i>					
Increased SEP IRA from \$15K to \$22K	BILL	\$0			

Withdrawals

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
<i>Ret. to End</i>					
Medical Expenses	BILL	\$14,000	\$14,000	\$0	\$14,000
<i>At Ret.</i>					
Buy Second Home in Florida	BILL	\$750,000	\$500,000	\$0	\$500,000
<i>Ret. to 85 (every 5 years)</i>					
New Cars Every 5 Years	BILL	\$50,000	\$40,000	\$30,000	\$40,000
<i>Ret. to 85</i>					
Vacation	BILL	\$20,000	\$15,000	\$10,000	\$15,000

Retirement Income

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
<i>Ret. to End</i>					
Retirement Spending	BILL	\$177,744	\$150,000	\$144,417	\$150,000

Social Security Income

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
<i>62 to Death</i>					
Social Security (Bill)	BILL	\$26,389			
Social Security (Brenda)	BRENDA	\$12,252			

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
<i>65 to Death</i>					
Social Security (Bill)	BILL		\$32,884		\$32,672
Social Security (Brenda)	BRENDA		\$15,810		\$15,708
<i>70 to Death</i>					
Social Security (Bill)	BILL			\$47,401	
Social Security (Brenda)	BRENDA			\$19,113	
<i>At Death</i>					
Social Security Joint & Survivor	BRENDA	\$14,137	\$17,074	\$28,288	\$16,964

Other Retirement Income

	OWNER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATI...
<i>At Ret.</i>					
Vertex Inc Asset Sale Value	BILL	\$5,951,531	\$5,951,531	\$5,951,531	
<i>60 to 60</i>					
Vertex Inc Asset Sale Value	BILL				\$1,229,950

Education Goals

None

Tax Assumptions †

	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATION...
Filing State (pre-retirement)	VA	VA	VA	VA
Filing State (post-retirement)	FL	FL	FL	FL
Filing Status	Joint	Joint	Joint	Joint
Tax Method	Dynamic	Dynamic	Dynamic	Dynamic
Turnover Rate	20.00%	20.00%	20.00%	20.00%
% Long-term Cap. Gains	80.00%	80.00%	80.00%	80.00%
Federal Income Tax	0.00 - 37.00%	0.00 - 37.00%	0.00 - 37.00%	0.00 - 37.00%
Federal Cap. Gains Tax	0.00 - 20.00%	0.00 - 20.00%	0.00 - 20.00%	0.00 - 20.00%
Invest. Income Medicare Tax	0.00 - 3.80%	0.00 - 3.80%	0.00 - 3.80%	0.00 - 3.80%
State Income Tax	0.00 - 5.75%	0.00 - 5.75%	0.00 - 5.75%	0.00 - 5.75%
State Cap. Gains Tax	0.00 - 5.75%	0.00 - 5.75%	0.00 - 5.75%	0.00 - 5.75%
Local Tax	0.00%	0.00%	0.00%	0.00%

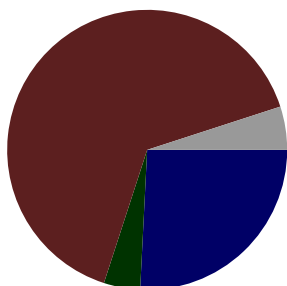
† Definitions of terms such as Federal Income Tax, Federal Cap. Gains Tax and the like are included in Appendix II.

Allocation Summary (Detail)

IDEAL

Age: Now Name: *Passive Domestic Core PG - Conservative* Tax Status: All Accounts

*Risk: 6.55% *Downside: -4.84% **Return: 5.38%



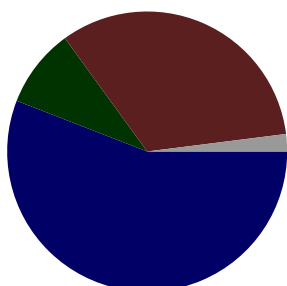
25.80% Total Domestic Equity
65.00% 7-10 year Govt Bond

4.20% Foreign Equity
5.00% Cash Equivalents

RECOMMENDED

Age: Now Name: *Passive Domestic Core PG - Moderate Growth* Tax Status: All Accounts

*Risk: 11.97% *Downside: -10.62% **Return: 7.25%



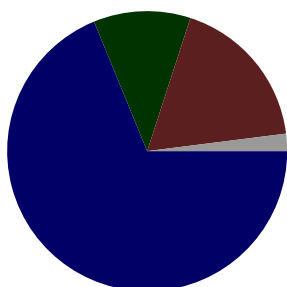
55.90% Total Domestic Equity
33.00% 7-10 year Govt Bond

9.10% Foreign Equity
2.00% Cash Equivalents

ACCEPTABLE

Age: Now Name: *Passive Domestic Core PG - Growth* Tax Status: All Accounts

*Risk: 14.64% *Downside: -13.45% **Return: 7.91%



68.80% Total Domestic Equity
18.00% 7-10 year Govt Bond

11.20% Foreign Equity
2.00% Cash Equivalents

* Risk is based on the standard deviation of individual asset classes and the correlations between them.

** Return is an estimated geometric median based on a weighted arithmetic mean and standard deviation.

International investing involves additional risks such as foreign currency fluctuations, differing financial accounting standards, and possible political and economic instability. Mid and Small cap investing generally involves greater risk and volatility. In a rising interest rate environment, the value of fixed-income securities typically declines.

Hedge funds and other alternative investments may involve additional risks, may not be suitable for all investors, may involve complex tax structures and delays in tax reporting, are not subject to the same level of regulation as mutual funds and often charge high fees.

Standard deviation is a risk statistic used to measure the amount of volatility of the return observations around the portfolio's average return.

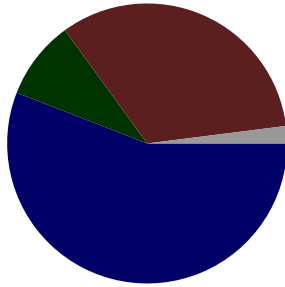
Past performance is not an indication of future results.

See Appendix I - Table of Asset Classes, Indexes and Definitions.

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COVID 19 LIQUIDATION SALE

Age: Now Name: *Passive Domestic Core PG* Tax Status: All Accounts *Risk: 11.97% *Downside: -10.62% **Return: 7.25%
- *Moderate Growth*



■ 55.90% Total Domestic Equity
■ 33.00% 7-10 year Govt Bond

■ 9.10% Foreign Equity
■ 2.00% Cash Equivalents

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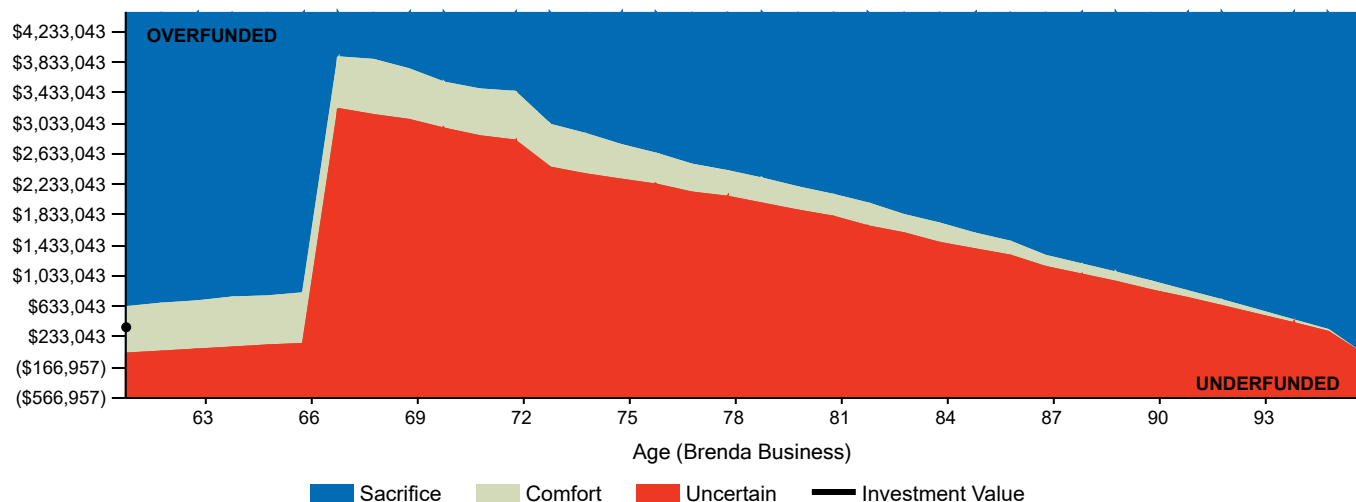
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Wealthcare Recommendation Summary

results shown in Today's Dollars

Important: The projections or other information generated by WCM regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Comfort Zone® (long term)



RECOMMENDED GOAL PACKAGE (RECOMMENDED)

Retirement Age	
Bill	65
Brenda	65
Life Expectancy	
Bill	93
Brenda	95
Retirement Spending	
Bill	\$150,000
Other Goals	
Buy Second Home in Florida <i>Ret. - Ret.</i>	\$500,000
Medical Expenses <i>Ret. - End</i>	\$14,000
New Cars Every 5 Years <i>Ret. - 85</i>	\$40,000
Vacation <i>Ret. - 85</i>	\$15,000
Target End Value	
Today's Dollars	\$0
Actual Dollars	\$0
Savings (Current)	
Bill	\$24,500
Default Inflation Rate	
	1.75%
Investment Adjustment	
	-1.362%
Portfolio	
All Accounts	PASSIVE DOMESTIC CORE PG - MODERATE GROWTH 65% EQUITIES

CHANCE OF FALLING OUTSIDE OF THE COMFORT ZONE®

	1 YEAR	3 YEARS	5 YEARS
Sacrifice (Overfunded above)			
Amount	\$669,865	\$750,184	\$805,123
Chance	0.0%	0.0%	1.4%
Uncertain (Underfunded below)			
Amount	\$41,382	\$94,266	\$141,503
Chance	0.0%	0.0%	0.0%
Outside			
Chance	0.0%	0.0%	1.4%

See Common Terms and Definitions in Appendix II at the end of this report for more information about the Wealthcare Analysis.

Median Return 6.42%

Risk

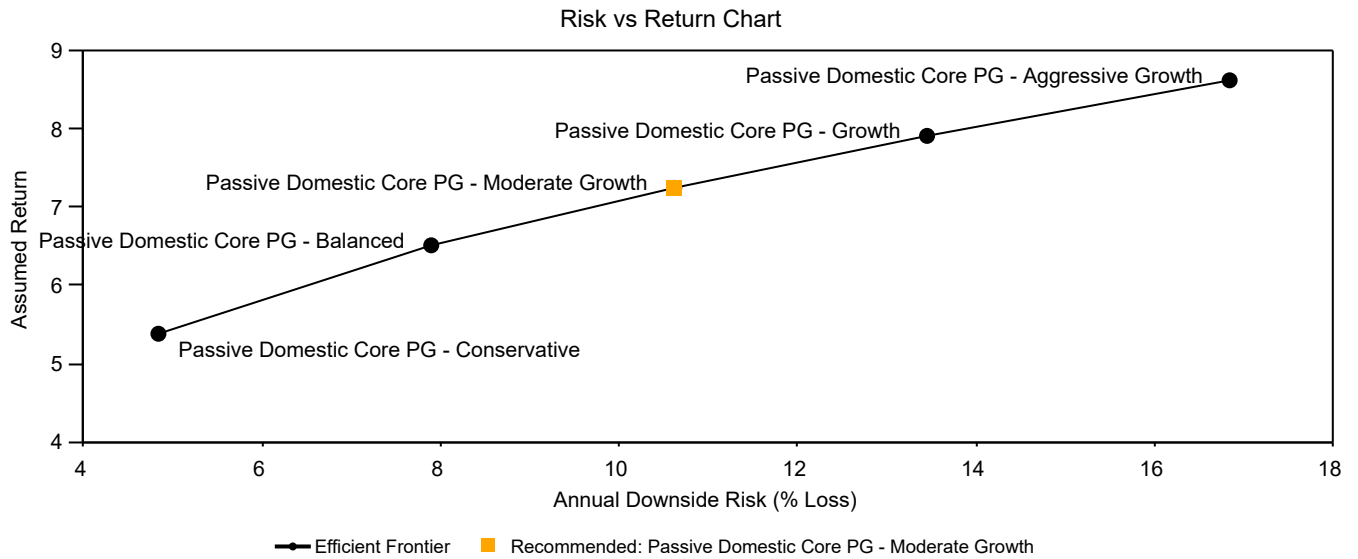
Std. Deviation* 11.39%

Downside (95%-tile)** -10.64%

*Standard deviation is a risk statistic used to measure the volatility of return observations around the portfolio's average return.

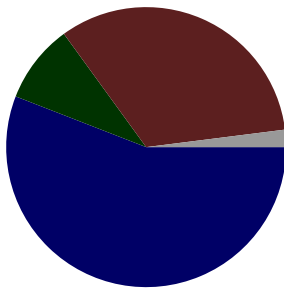
**Downside represents the 1-year 95th percentile return. 95% of all 1-year returns simulated are better than this return and 5% are worse.

Wealthcare Allocation Summary (Detail)



Annual Downside Risk represents the 1-year 95th percentile return.
95% of all 1-year returns simulated are better than this return and 5% are worse.

Age: Now Name: *Passive Domestic Core PG - Moderate Growth* Tax Status: All Accounts *Risk: 11.97% *Downside: -10.62% **Return: 7.25%



<ul style="list-style-type: none"> 55.90% Total Domestic Equity 33.00% 7-10 year Govt Bond 	<ul style="list-style-type: none"> 9.10% Foreign Equity 2.00% Cash Equivalents
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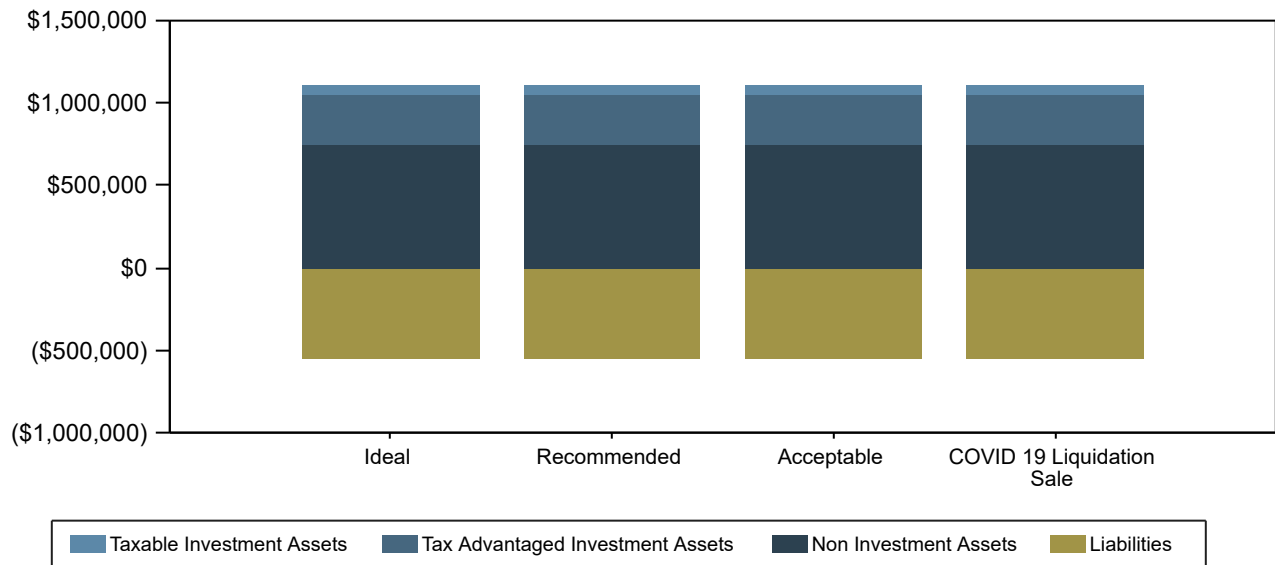
See Appendix I - Table of Asset Classes, Indexes and Definitions.

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Detailed Holdings Comparison

	ACCOUNT NUMBER	IDEAL	RECOMMENDED	ACCEPTABLE	COVID 19 LIQUIDATION...
Investment Assets		\$360,000	\$360,000	\$360,000	\$360,000
<i>Taxable</i>		\$60,000	\$60,000	\$60,000	\$60,000
Brokerage		\$60,000	\$60,000	\$60,000	\$60,000
<i>Tax Deferred</i>		\$275,000	\$275,000	\$275,000	\$275,000
Bill IRA Rollover		\$150,000	\$150,000	\$150,000	\$150,000
SEP		\$125,000	\$125,000	\$125,000	\$125,000
<i>Tax Exempt</i>		\$25,000	\$25,000	\$25,000	\$25,000
Roth IRA	XXXXXXXRoth	\$25,000	\$25,000	\$25,000	\$25,000
Non Investment Assets		\$750,000	\$750,000	\$750,000	\$750,000
Residence		\$750,000	\$750,000	\$750,000	\$750,000
Liabilities		(\$550,000)	(\$550,000)	(\$550,000)	(\$550,000)
Mortgage		(\$550,000)	(\$550,000)	(\$550,000)	(\$550,000)
Net Worth		\$560,000	\$560,000	\$560,000	\$560,000

Holdings by Tax Status



Brenda's Life Insurance Needs

	RECOMMENDED	BRENDA'S LIFE INSURANCE NEEDS
SURVIVOR NEEDS		
Final Expenses		\$20,000
Replacement Income		\$0
Proposed Life Insurance		\$0
Liabilities to Pay Off		
Mortgage		\$0
PLAN DETAILS		
Life Expectancy	93	93
Retirement Age	65	65
Retirement Spending	\$150,000	\$150,000
Estate Size	\$0	\$0
Active Allocation <i>Now - End</i>	Passive Domestic Core PG - Moderate Growth	Passive Domestic Core PG - Moderate Growth
Percent in Equities <i>Now - End</i>	65%	65%
Advisor Expense	1.25%	1.25%
Portfolio Adjustment	-0.112%	-0.112%
Other Sources of Income		
Vertex Inc Asset Sale Value <i>Ret. - Ret.</i>	\$5,951,531	\$5,951,531
Goals		
Buy Second Home in Florida <i>Ret. - Ret.</i>	\$500,000	\$500,000
Medical Expenses <i>Ret. - End</i>	\$14,000	\$7,000
New Cars Every 5 Years <i>Ret. - 85</i>	\$40,000	\$20,000
Vacation <i>Ret. - 85</i>	\$15,000	\$15,000
Savings		
Increased SEP IRA from \$15K to \$22K <i>Now - Ret-1</i>	\$22,000	\$22,000
Taxable <i>Now - Ret-1</i>	\$2,500	\$2,500
Social Security		
Bill <i>65 - Death</i>	\$32,884	\$32,884
Survivor <i>Death - Death</i>	\$17,074	\$17,074
RESULTS		
Confidence	84%	87%
Additional Insurance Need		\$0
Confidence (With Suggested Insurance)		87%

Important: The insurance analysis can be based on estimates of premium costs and other insurance policy terms entered by a WCM financial advisor or unaffiliated Technology Subscriber. As such, these entries may be inaccurate when compared to policy quotes obtained from an insurance agent. Any decision to acquire new or to cancel any existing insurance policy should be done in consultation with an appropriately licensed insurance professional. No representatives of WCM are licensed as a representative of WCM to sell insurance, but a Technology Subscriber may or may not be. The terms of any new insurance policy, or a policy being considered for cancellation, should be confirmed by a careful reading of that insurance policy contract and related disclosure materials provided by the insurance policy issuer typically through a licensed agent of that insurer. Most, but not all, insurance policies have a right to rescind and cancel the policy following purchase. A rescinded policy typically entitles you to a refund of the initial premium or portion thereof up to a statutory number of days waiting period that varies from state to state and policy type within the United States.

Bill's Life Insurance Needs

	RECOMMENDED	BILL'S LIFE INSURANCE NEEDS
SURVIVOR NEEDS		
Final Expenses		\$20,000
Replacement Income		\$0
Proposed Life Insurance		\$0
Liabilities to Pay Off		
Mortgage		\$550,000
PLAN DETAILS		
Life Expectancy	95	95
Retirement Age	65	Retired
Retirement Spending	\$150,000	\$150,000
Estate Size	\$0	\$0
Active Allocation <i>Now - End</i>	<i>Passive Domestic Core PG - Moderate Growth</i>	<i>Passive Domestic Core PG - Moderate Growth</i>
Percent in Equities <i>Now - End</i>	65%	65%
Advisor Expense	1.25%	1.25%
Portfolio Adjustment	-0.112%	-0.112%
Other Sources of Income		
Vertex Inc Asset Sale Value ^{60 - 60}	\$5,951,531	\$5,951,531
Goals		
Buy Second Home in Florida ^{65 - 65}	\$500,000	\$500,000
Medical Expenses ^{65 - End}	\$14,000	\$7,000
New Cars Every 5 Years ^{65 - 85}	\$40,000	\$20,000
Vacation ^{65 - 85}	\$15,000	\$15,000
Social Security		
Brenda ^{65 - Death}	\$15,810	\$15,810
Survivor ^{Death - Death}	\$17,074	\$17,074
RESULTS		
Confidence	84%	28%
Additional Insurance Need		\$1,636,000
Confidence (With Suggested Insurance)		84%

Important: The insurance analysis can be based on estimates of premium costs and other insurance policy terms entered by a WCM financial advisor or unaffiliated Technology Subscriber. As such, these entries may be inaccurate when compared to policy quotes obtained from an insurance agent. Any decision to acquire new or to cancel any existing insurance policy should be done in consultation with an appropriately licensed insurance professional. No representatives of WCM are licensed as a representative of WCM to sell insurance, but a Technology Subscriber may or may not be. The terms of any new insurance policy, or a policy being considered for cancellation, should be confirmed by a careful reading of that insurance policy contract and related disclosure materials provided by the insurance policy issuer typically through a licensed agent of that insurer. Most, but not all, insurance policies have a right to rescind and cancel the policy following purchase. A rescinded policy typically entitles you to a refund of the initial premium or portion thereof up to a statutory number of days waiting period that varies from state to state and policy type within the United States.