



REPORT PREPARED FOR

**Tim Sample**

by Mike Eldridge  
Marlin Financial Advisors

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Generated on 01/30/2024

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## Important Information

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

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

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

# Snapshot

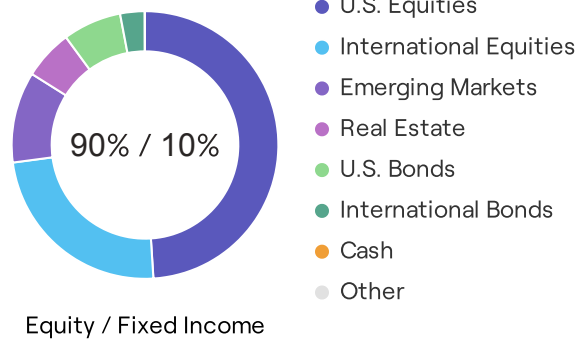
## Probability of success of Proposed plan



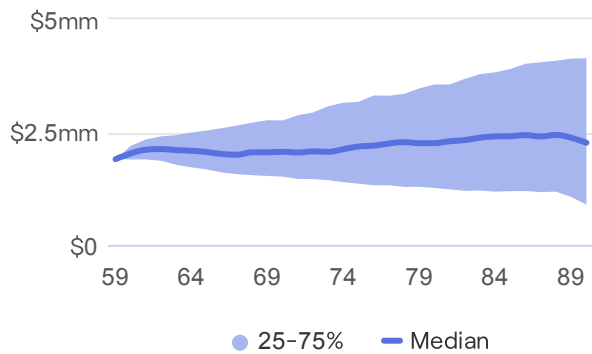
**\$2.15mm**  
Net worth

**14.9%**  
Effective federal tax rate

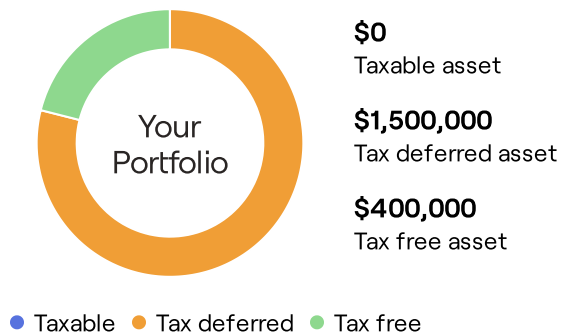
## Current allocation



## Asset simulation results of Proposed plan



## Tax allocation summary



## Notes

You are good to retire anytime. Please make investment changes as discussed to reduce risk from a stock market crash this close to retirement.

## Action Items:

Investment Changes in 401k

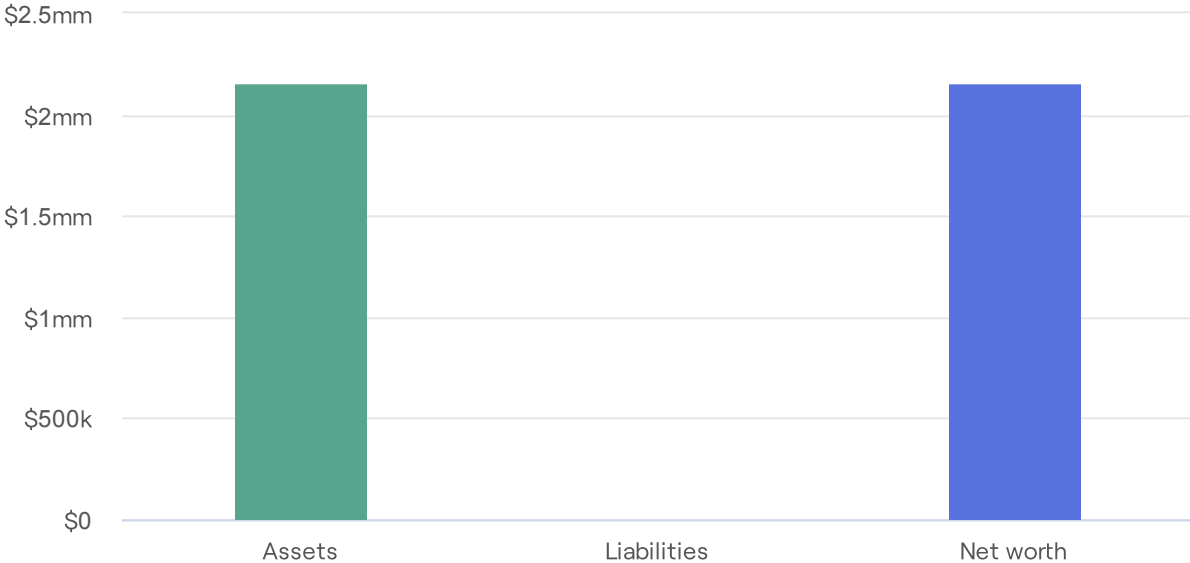
Stop saving and consider spending more money.

Roth Conversions to the top of the 22% bracket. ...

# Balance Sheet

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

**Your net worth is \$2,150,000 as of 1/30/24**




Assets	
Bank	\$0
Invested assets	\$1,900,000
Real estate assets	\$250,000
Life insurance cash value	\$0
Other assets	\$0
<b>Total assets</b>	<b>\$2,150,000</b>

Liabilities	
Credit cards	\$0
Mortgages	\$0
Home equities	\$0
Student loans	\$0
Other debts	\$0
<b>Total liabilities</b>	<b>\$0</b>
<b>Net Worth</b>	<b>\$2,150,000</b>

# Balance Sheet Details

Description	Tim	Total
<b>Assets</b>		
Invested Assets		
Qualified		
Tim's Investment Account	\$1,500,000	\$1,500,000
Tim's Investment Account	\$400,000	\$400,000
Total Invested Assets	\$1,900,000	\$1,900,000
Real Estate Assets		
Primary Home	\$250,000	\$250,000
Total Real Estate Assets	\$250,000	\$250,000
<b>Total Assets</b>	<b>\$2,150,000</b>	<b>\$2,150,000</b>
<b>Net Worth</b>		
<b>Total Net Worth</b>	<b>\$2,150,000</b>	<b>\$2,150,000</b>

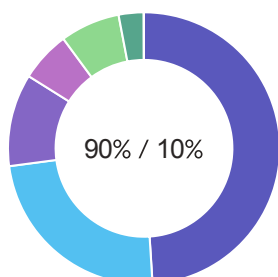
# Tasks

Due Date	Assigned to	Task
2024-02-29	Tim Sample	 Change asset allocation as described in our discussion.

# Asset Allocation

## Current allocation

All accounts



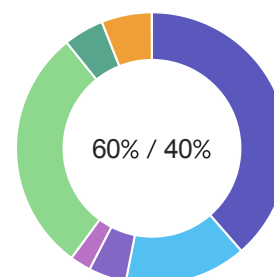
Equity / Fixed Income

Annual return: 8.9%  
Standard deviation: 16.1%

49%	● U.S. Equities	38.6%
23.9%	● International Equities	14.5%
11%	● Emerging Markets	4.5%
6%	● Real Estate	2.5%
7.1%	● U.S. Bonds	29.1%
3%	● International Bonds	4.8%
0%	● Cash	6%
0%	● Other	0%

## Target allocation

Moderate



Equity / Fixed Income

Annual return: 7.3%  
Standard deviation: 11.4%

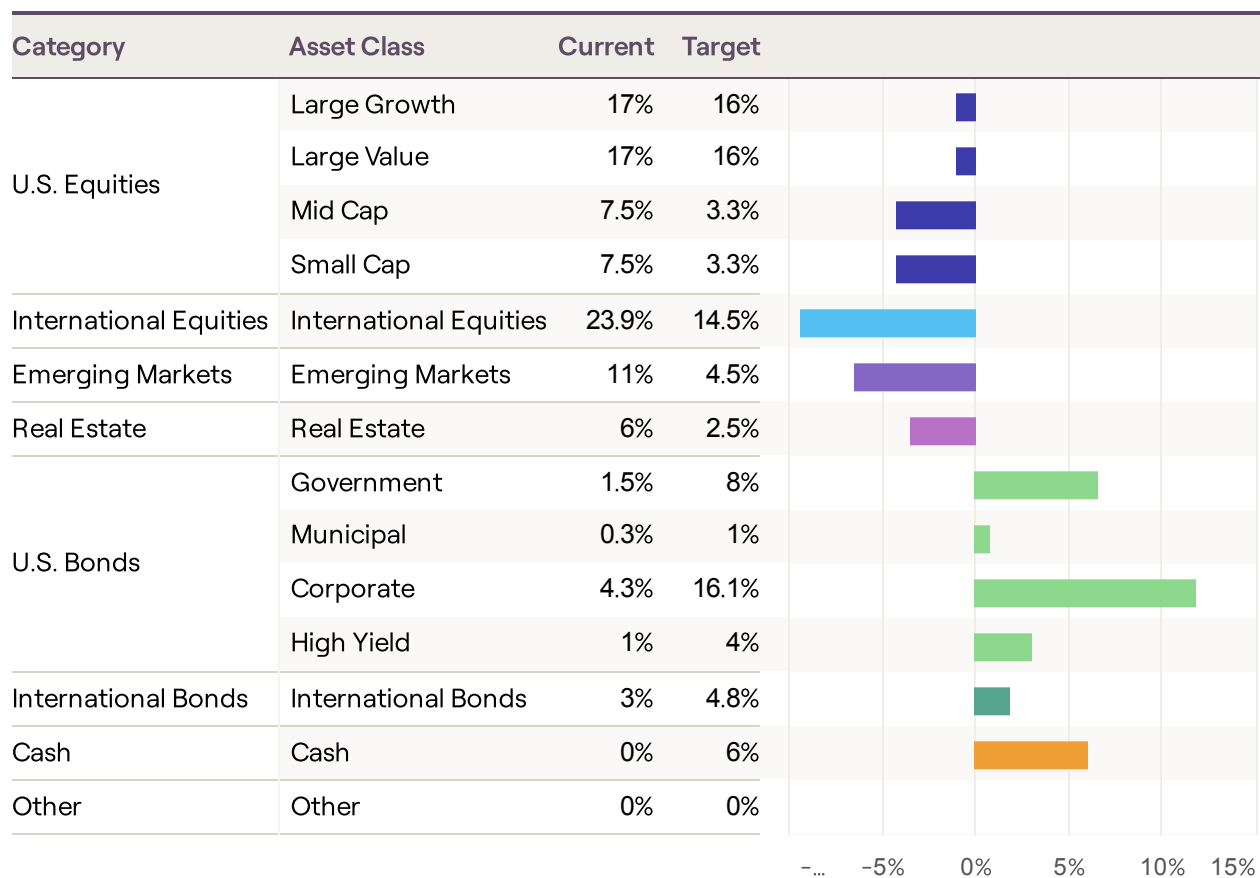
## To balance back to your target portfolio:

U.S. Equities	Sell	\$197,600	U.S. Bonds	Buy	\$418,000
International Equities	Sell	\$178,600	International Bonds	Buy	\$34,200
Emerging Markets	Sell	\$123,500	Cash	Buy	\$114,000
Real Estate	Sell	\$66,500	Other	Sell	\$0

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

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

# Asset Allocation Details

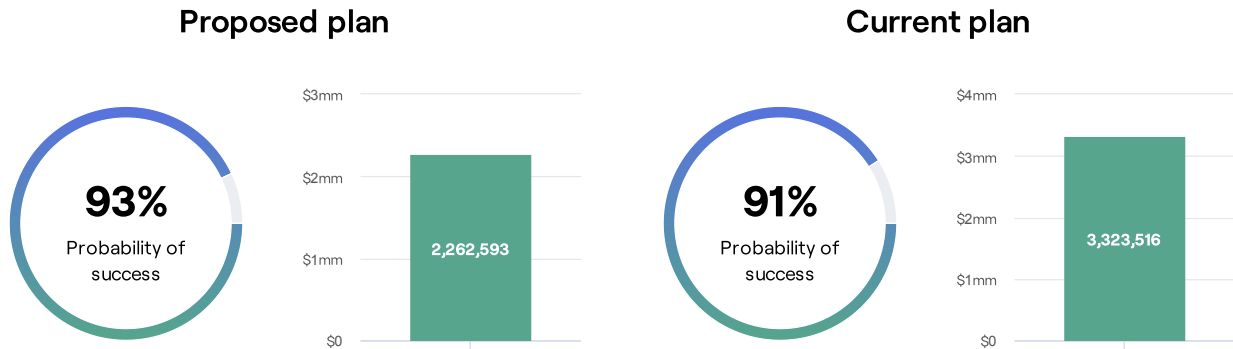


Please refer to sections 5 and 8.4 of the disclosure section for more information.

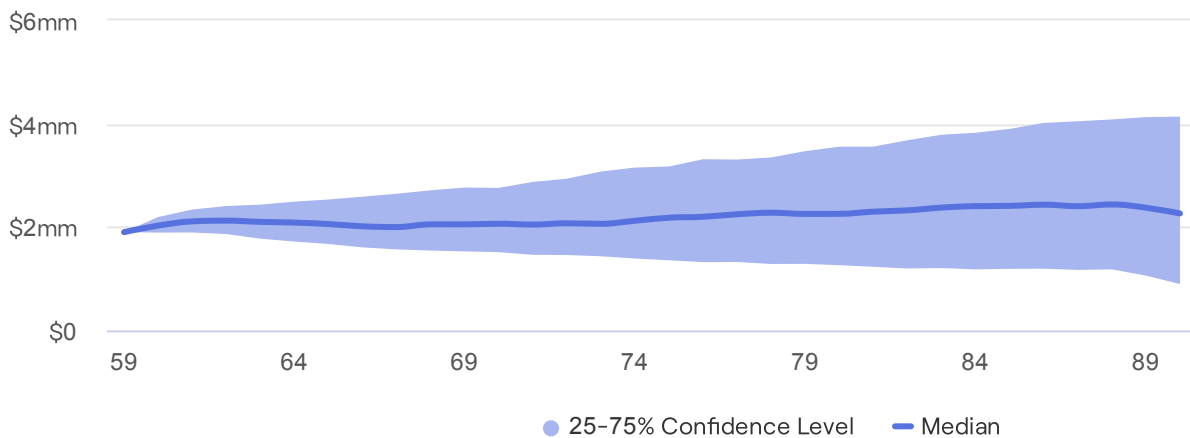


# Monte Carlo Analysis

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



## Asset simulation results - Proposed plan



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

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

## ***Retirement Analysis Notes:***

### **Goals**

Enjoy wealth through out retirement.

Be able to retire when ready.

Maybe buy a farm.

Do all the activities that could not be done while working.

### **Legacy Goals**

None.

Whatever is left over will go to nieces and nephews.

### **Fears/Worries**

government deficit leading to increase in future taxes

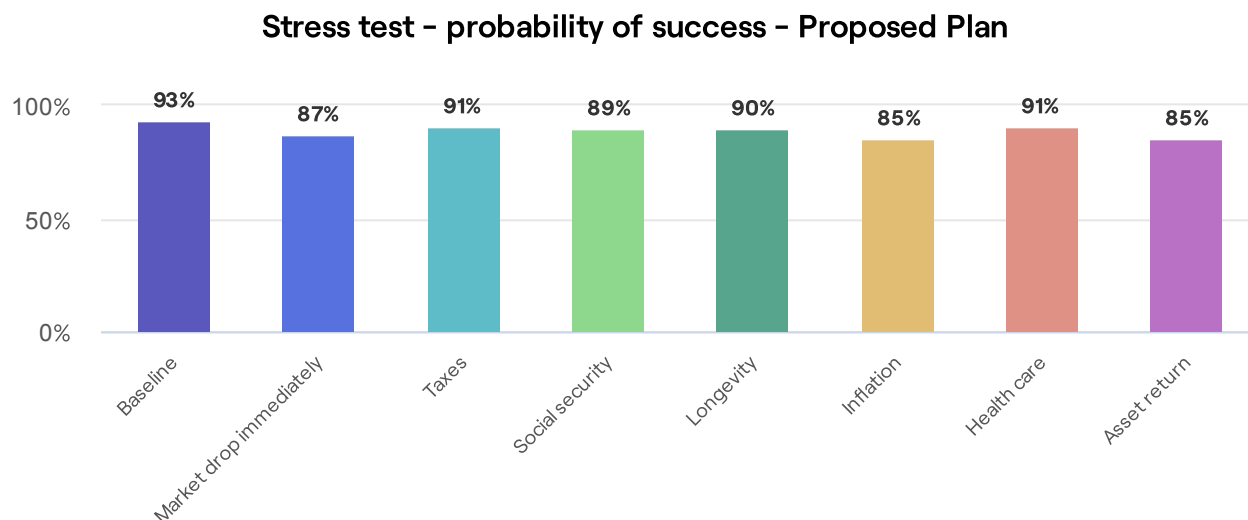
Running out of money

SS at age 70

Risk Tolerance is Aggressive

# Stress Test

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



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

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

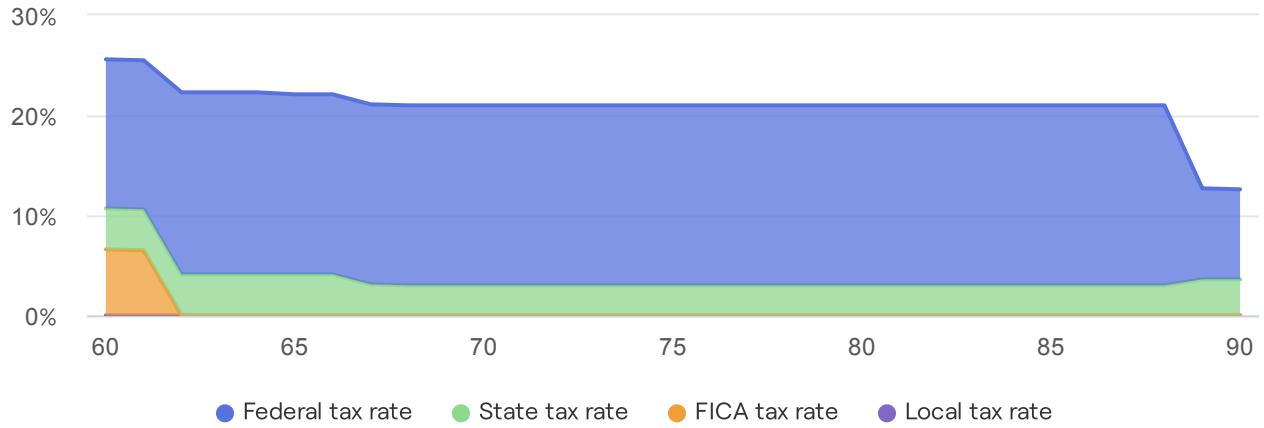
This section of the report displays the results of Monte Carlo simulations run on various stressed tests. The results are derived from 1000 simulations and the specified retirement cash flows. The probability of success represents the overall likelihood of success in various stress tests.

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

# Tax Estimate

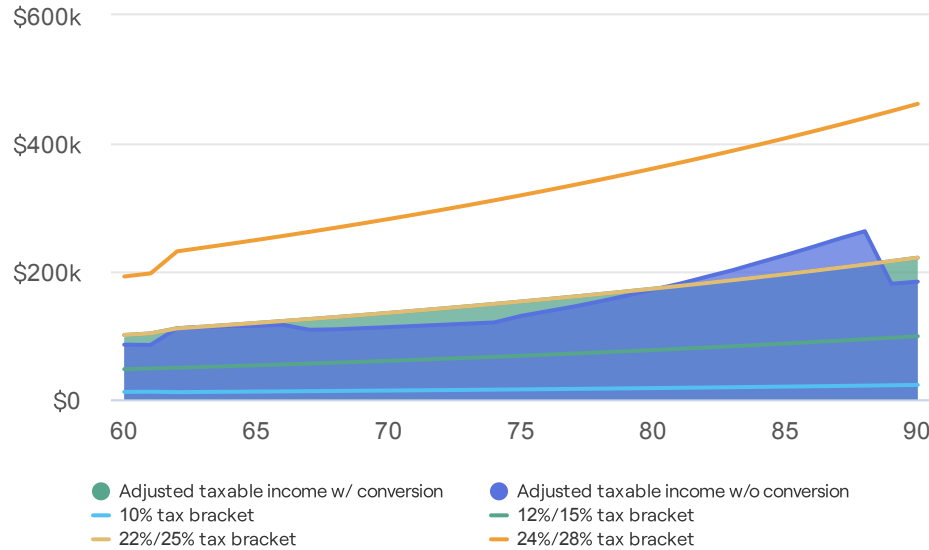
Taxes can have a significant impact on your future and are an important factor in financial planning. Estimated taxes below are based on your inputs and your proposed retirement plan, using current tax rates and methodologies.

### Effective tax rate - Proposed Plan



# Distribution and Conversion

## Ordinary income tax bracket - Proposed Plan



Proposed Strategy  
**\$438,198 more**  
 tax adjusted ending  
 portfolio than a  
 taxable, tax-deferred,  
 tax-free withdrawal  
 strategy w/o  
 conversion

## Proposed distribution strategy

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

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

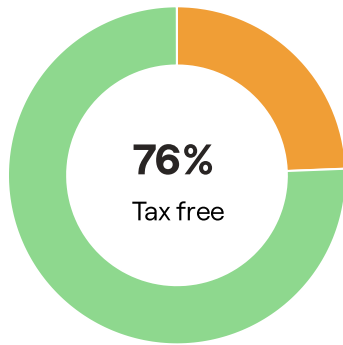
Estimated terminal tax rate: 0%

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

# Distribution and Conversion

Tax adjusted ending wealth

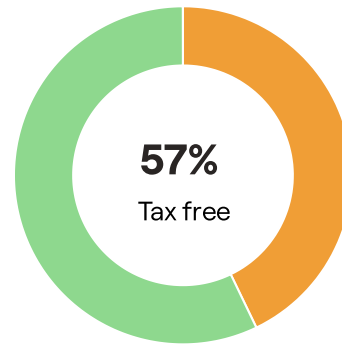
Proposed strategy



● Taxable ● Tax deferred ● Tax free

**\$6,581,687 ending portfolio value**

Taxable, tax-deferred, tax-free w/o conversion



● Taxable ● Tax deferred ● Tax free

**\$6,143,489 ending portfolio value**

## Notes:

Conversion to the top of the 22% bracket is advised at this time. We can rerun this next year to see if calculations change.

## Distribution and Conversion Details

Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2024	60	15,125	0	15,125	0	0	1,593,744	444,157
2025	61	18,003	0	18,003	0	0	1,691,414	494,396
2026	62	0	0	110,254	0	0	1,703,922	530,280
2027	63	570	0	113,104	0	0	1,714,488	569,337
2028	64	1,310	0	116,231	0	0	1,722,694	611,969
2029	65	3,353	0	120,794	0	0	1,726,932	659,739
2030	66	4,173	0	124,114	0	0	1,728,158	711,795
2031	67	11,875	0	96,147	0	0	1,757,440	775,331
2032	68	13,547	0	95,927	0	0	1,789,067	845,152
2033	69	14,618	0	98,625	0	0	1,820,291	921,111
2034	70	15,733	0	101,391	0	0	1,851,016	1,003,698
2035	71	16,866	0	104,227	0	0	1,881,135	1,093,412
2036	72	18,034	0	107,132	0	0	1,910,535	1,190,805
2037	73	19,234	0	110,110	0	0	1,939,090	1,296,467
2038	74	20,465	0	113,162	0	0	1,966,666	1,411,029
2039	75	21,727	0	116,292	0	0	1,993,114	1,535,168
2040	76	23,022	0	119,499	0	0	2,018,274	1,669,612
2041	77	24,349	0	122,787	0	0	2,041,972	1,815,140
2042	78	25,709	0	126,157	0	0	2,064,021	1,972,592
2043	79	27,102	0	129,610	0	0	2,084,217	2,142,864
2044	80	28,528	0	133,150	0	0	2,102,339	2,326,919
2045	81	28,412	0	136,779	0	0	2,118,147	2,524,218
2046	82	26,004	0	140,499	0	0	2,131,382	2,733,429
2047	83	23,894	0	144,310	0	0	2,141,766	2,955,713

Year	Age	Conversion Amount	Withdrawal From Taxable Account	Withdrawal From Tax Deferred Account	Withdrawal From Tax Free Account	Taxable Account Balance	Tax Deferred Account Balance	Tax Free Account Balance
2048	84	20,733	0	148,219	0	0	2,148,995	3,190,970
2049	85	17,911	0	152,224	0	0	2,152,745	3,440,481
2050	86	14,703	0	156,330	0	0	2,152,660	3,704,892
2051	87	11,049	0	160,538	0	0	2,148,361	3,984,840
2052	88	8,036	0	164,851	0	0	2,139,437	4,282,094
2053	89	23,934	0	405,230	0	0	1,889,486	4,616,820
2054	90	25,359	0	422,202	0	0	1,604,422	4,977,265



# Profile Notes

# Disclosure

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

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

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

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

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

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

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

7. **Tax and Inflation assumptions used in Monte Carlo simulations** Starting federal and state standard deductions, exemptions and the tax brackets used in projections are as of 2024. The following inflation assumptions are used in the projection: General inflation 2.5%; Education inflation 5%; Tax inflation 2.5%; Social Security inflation 2.5%; Health inflation: 5%

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

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

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

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

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

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

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

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

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

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

**8.7 Taxes:** RightCapital includes limited accounting for taxes. RightCapital calculates taxes based on your input. RightCapital estimates federal, state and local taxes based on current laws with simplified deduction, exemption, and tax bracket parameters of the current year. In the projection, tax parameters are adjusted by an inflation assumption provided by you or your financial professional. Future tax laws may be significantly different than current tax laws and may result in higher or lower taxes due than what are reflected within this report. Roth IRA distribution are tax free if made 5 years after the initial contribution to the plan and you are over 59 1/2. Before investing in a 529 plan, consider whether your state offers a 529 plan that provides residents with favorable state tax benefits. RightCapital includes limited accounting for Federal Estate Tax with simplified deduction, exemption, and tax bracket parameters of the current year. RightCapital does not include any State Estate tax.

**8.8 Current Dollars and Future Dollars:** The results of RightCapital calculations are in future dollars. To help you compare dollar amounts in different years, results can also be expressed in current dollars by discounting the future dollars by the inflation rate you or your financial professional provides.

**8.9 Current allocation and target allocation:** Current allocation is the allocation based on the current portfolio holdings entered in the system as well as asset classification data from Morningstar. The target allocation is the allocation recommended by your financial professional.

**8.10 Current plan and proposed plan:** Current plan is the plan based on the information you and your financial professional input in the profile section. Proposed plan is the plan recommended by your financial professional, with the plan details as shown in the retirement analysis section.

**9. Liquidation of holdings:** this report may include liquidation of holdings, recommended by your financial professional. The transaction cost of liquidation is not included in the analysis. The liquidation will also result in the loss of future earnings.

#### Disclosures

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Past performance is not an indication of future performance. All investments involve risk and possible loss of interest and principal. Be sure to consult a tax professional before implementing any investment strategy.