



John and Katie Winters

**360 WEALTHMANAGEMENT -ASSET ALLOCATION**  
**December 03, 2012**

**PREPARED BY:**

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Sample

# Disclaimer

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The following report is a diagnostic tool intended to review your current financial situation and suggest potential planning ideas and concepts that may be of benefit. The purpose of the report is to illustrate how accepted financial and estate planning principles may improve your current situation.

This report is based upon information and assumptions provided by you (the client). This report provides broad and general guidelines on the advantages of certain financial planning concepts and does not constitute a recommendation of any particular technique. The consolidated report is provided for informational purposes as a courtesy to you. We recommend that you review your plan annually, unless changes in your personal or financial circumstances require more frequent review. All reports should be reviewed in conjunction with your fact summary and this Disclaimer page.

The term "plan" or "planning," when used within this report, does not imply that a recommendation has been made to implement one or more financial plans or make a particular investment. Nor does the plan or report provide legal, accounting, financial, tax or other advice. Rather, the report and the illustrations therein provide a summary of certain potential financial strategies. The reports provide projections based on various assumptions and are therefore hypothetical in nature and not guarantees of investment returns. You should consult your tax and/or legal advisors before implementing any transactions and/or strategies concerning your finances.

Additionally, this report may not reflect all holdings or transactions, their costs, or proceeds received by you. It may contain information on assets that are not held at the broker/dealer with whom your financial representative is registered. As such, those assets will not be included on the broker/dealer's books and records. Prices that may be indicated in this report are obtained from sources we consider reliable but are not guaranteed. Past performance is no guarantee of future performance and it is important to realize that actual results may differ from the projections contained in this report. The presentation of investment returns set forth in this report does not reflect the deduction of any commissions. Projected valuations and/or rates of return may not take into account surrender charges on products you might own. They will reflect any fees or product charges when entered by the advisor/ representative. Deduction of such charges will result in a lower rate of return.

It is important to compare the information on this report with the statements you receive from the custodian(s) for your account(s). Please note that there may be minor variations due to calculation methodologies. If you have any questions, please contact your financial representative. Also, your account(s) may not be covered by FDIC or SIPC. FDIC and SIPC coverages apply only to certain assets and may be subject to limitations. Questions about coverage that may apply should be directed to the asset provider or sponsor.

The information contained in this report is not written or intended as financial, tax or legal advice. The information provided herein may not be relied on for purposes of avoiding any federal tax penalties. You are encouraged to seek financial, tax and legal advice from your professional advisors.

Tools such as the Monte Carlo simulation will yield different results depending on the variables inputted, and the assumptions underlying the calculation. For those reports that perform a Monte Carlo analysis, the term 'Monte Carlo' will be included in the report title. The assumptions with respect to the simulation include the assumed rates of return and standard deviations of the portfolio model associated with each asset. The assumed rates of return are based on the historical rates of returns and standard deviations, for certain periods of time, for the benchmark indexes comprising the asset classes in the model portfolio. Since the market data used to generate these rates of return change over time your results will vary with each use over time.

Monte Carlo Analysis is a mathematical process used to implement complex statistical methods that chart the probability of certain financial outcomes at certain times in the future. This charting is accomplished by generating hundreds of possible economic scenarios that could affect the performance of your investments.

The Monte Carlo simulation uses at most 1000 scenarios to determine the probability of outcomes resulting from the asset allocation choices and underlying assumptions regarding rates of return and volatility of certain asset classes. Some of these scenarios will assume very favorable financial market returns, consistent with some of the best periods in investing history for investors. Some scenarios will conform to the worst periods in investing history. Most scenarios will fall somewhere in between.

The outcomes presented using the Monte Carlo simulation represent only a few of the many possible outcomes. Since past performance and market conditions may not be repeated in the future, your investment goals may not be fulfilled by following advice that is based on the projections.

I/We have received and read this Disclaimer page and understand its contents and, therefore, the limitations of the report. Furthermore, I understand that none of the calculations and presentations of investment returns are guaranteed.

Client(s): \_\_\_\_\_

John Winters

\_\_\_\_\_ Date

\_\_\_\_\_ Katie Winters

\_\_\_\_\_ Date

Advisor: \_\_\_\_\_

William Wilkinson, CFP ChFC, CLU, CASL, AIF

\_\_\_\_\_ Date

# Asset Allocation

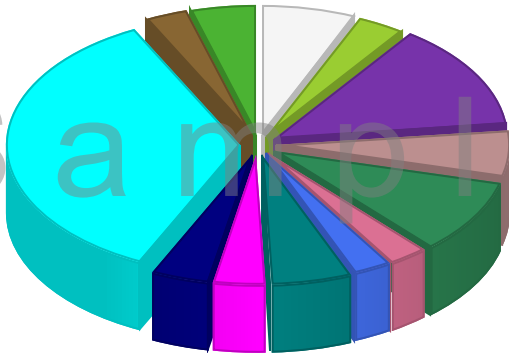
As of December 03, 2012

Prepared for John and Katie Winters

The Asset Allocation report shows a detailed breakdown of accounts by asset class and allows comparisons to the current asset allocation.

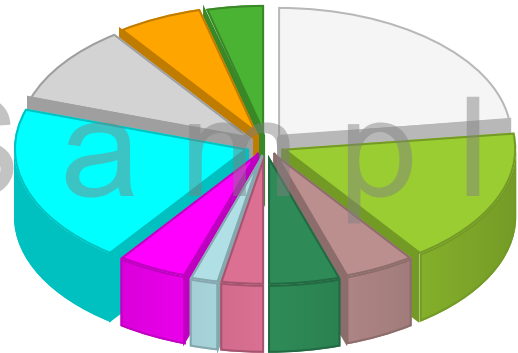
## All Assets - Current Allocation

(7.73% blended rate)



## Recommended Portfolio (Growth And Income)

(7.81% blended rate)



- Large Growth (6.56%)
- Large Value (3.32%)
- Large Blend (13.34%)
- Mid Growth (5.76%)
- Mid Value (9.37%)
- Small Growth (2.79%)
- Small Blend (2.65%)
- Balanced (5.56%)
- International (3.62%)
- Hgh Yld Bnd (4.06%)
- Inv Grd Bnd (35.53%)
- Commodities (2.94%)
- Cash (4.52%)

- Large Growth (23.00%)
- Large Value (17.00%)
- Mid Growth (5.00%)
- Mid Value (5.00%)
- Small Growth (3.00%)
- Small Value (2.00%)
- International (5.00%)
- Inv Grd Bnd (20.00%)
- Sht Trm Bnd (10.00%)
- IPS (6.00%)
- Cash (4.00%)

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# Asset Allocation

As of December 03, 2012

Prepared for John and Katie Winters

The Asset Allocation report shows a detailed breakdown of accounts by asset class and allows comparisons to the current asset allocation.

	Large Growth	Large Value	Large Blend	Mid Growth	Mid Value	Small Growth	Small Value	Small Blend	Balanced	International	Hgh Yld Bnd	Inv Grd Bnd	Sht Trm Bnd	IPS	Commodities	Cash	Total
<b>ALL ASSETS - CURRENT ALLOCATION</b>																	
529 Virginia Plan for Peter	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$49,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$49,200
Jon's 401K	0	0	118,008	0	0	0	0	0	0	0	0	206,836	0	0	0	0	\$324,844
Katie's Roth 403b	0	0	0	0	0	0	0	0	0	13,590	0	107,468	0	0	25,980	0	\$147,038
Katie's Roth IRA (converted)	0	0	0	0	52,690	0	0	23,460	0	0	35,900	0	0	0	0	0	\$112,050
Merrill Lynch Account	58,006	29,345	0	50,956	30,184	24,714	0	0	0	18,396	0	0	0	0	0	0	\$211,601
Vanguard Money Market	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	40,000	\$40,000
<b>Totals</b>	<b>58,006</b>	<b>29,345</b>	<b>118,008</b>	<b>50,956</b>	<b>82,874</b>	<b>24,714</b>	<b>0</b>	<b>23,460</b>	<b>49,200</b>	<b>31,986</b>	<b>35,900</b>	<b>314,304</b>	<b>0</b>	<b>0</b>	<b>25,980</b>	<b>40,000</b>	<b>\$884,733</b>

## RECOMMENDED PORTFOLIO (GROWTH AND INCOME)

Recommended Portfolio (Growth Inc)	23.00%	17.00%	0.00%	5.00%	5.00%	3.00%	2.00%	0.00%	0.00%	5.00%	0.00%	20.00%	10.00%	6.00%	0.00%	4.00%	100.00%
	Large Growth	Large Value	Large Blend	Mid Growth	Mid Value	Small Growth	Small Value	Small Blend	Balanced	International	Hgh Yld Bnd	Inv Grd Bnd	Sht Trm Bnd	IPS	Commodities	Cash	Total
All Assets	6.56%	3.32%	13.34%	5.76%	9.37%	2.79%	0.00%	2.65%	5.56%	3.62%	4.06%	35.53%	0.00%	0.00%	2.94%	4.52%	100.00%
Recommended Portfolio (Growth Inc)	23.00%	17.00%	0.00%	5.00%	5.00%	3.00%	2.00%	0.00%	0.00%	5.00%	0.00%	20.00%	10.00%	6.00%	0.00%	4.00%	100.00%
% Disparity	16.44%	13.68%	-13.34%	-0.76%	-4.37%	0.21%	2.00%	-2.65%	-5.56%	1.38%	-4.06%	-15.53%	10.00%	6.00%	-2.94%	-0.52%	
\$ Disparity	145,483	121,060	(118,008)	(6,719)	(38,637)	1,828	17,695	(23,460)	(49,200)	12,251	(35,900)	(137,357)	88,473	53,084	(25,980)	(4,611)	

The Blended Rate is the weighted average of the market index rates of returns that underlie each asset class of a given model portfolio.

All investments involve risks that you will lose value including the amount of your initial investment. Investments that offer the potential for higher rates of return generally involve greater risk of loss. Note: reinvestment transactions that involve selling existing investments may involve transaction costs associated with the sale of those assets as well as transaction costs associated with the purchase of new investments.

**International investing:** There are special risks associated with international investing, such as political changes and currency fluctuations. These risks are heightened in emerging markets.

**Small/Mid-Capitalization investing:** Investments in companies with small or mid-market capitalization ("small/mid-caps") may be subject to special risks given their characteristic narrow markets, limited financial resources, and less liquid stocks, all of which may cause price volatility.

**High-Yield investing:** Investments in high yielding debt securities are generally subject to greater market fluctuations and risk of loss of income and principal, than are investments in lower yielding debt securities.

This analysis must be reviewed in conjunction with the limitations and conditions disclosed in the Disclaimer page. Projections are based on assumptions provided by the advisor/representative, and are not guaranteed. Actual results will vary, perhaps to a significant degree. The projected reports are hypothetical in nature and for illustrative purposes only. Return assumptions do not reflect the deduction of any commissions. They will reflect any fees or product charges when entered by the advisor/representative. Deduction of such charges would result in a lower rate of return. Consult your legal and/or tax advisor before implementing any tax or legal strategies.

***Inflation Protected Bond investing:*** Interest rate increases can cause the price of a debt security to decrease. Increases in real interest rates can cause the price of inflation-protected debt securities to decrease. Interest payments on inflation-protected debt securities can be unpredictable.

***Interest Rate Risk:*** This risk refers to the risk that bond prices decline as interest rates rise. Interest rates and bond prices tend to move in opposite directions. Long-term bonds tend to be more sensitive to interest rate changes and therefore may be more volatile.

Sample

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# Portfolio Analysis

***Prepared for John and Katie Winters***

The Portfolio Analysis report compares your existing accounts, groups of accounts, or hypothetical portfolios against the Efficient Frontier.

You do not have a Portfolio Analysis to display.

Sample

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# Portfolio Reinvestment Summary

## Base Facts

*Prepared for John and Katie Winters*

The Portfolio Reinvestment Summary Report shows the changes to asset allocations resulting from the reinvestment of portfolio assets.

You have no Portfolio Reinvestments to display.

*The Blended Rate is the weighted average of the market index rates of returns that underlie each asset class of a given model portfolio.*

*All investments involve risks that you will lose value including the amount of your initial investment. Investments that offer the potential for higher rates of return generally involve greater risk of loss. Note: reinvestment transactions that involve selling existing investments may involve transaction costs associated with the sale of those assets as well as transaction costs associated with the purchase of new investments.*

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# Stock Options/Grants Value

**Base Facts as of December 3, 2012**

*Prepared for John and Katie Winters*

The Stock Options/Grants Value report shows, for the specified period, the value of the vested shares for Incentive Stock Options, Non-Qualified Stock Options and Restricted Stock Plans. The report reflects the exercise/sell strategy chosen for the option plan upon selection of a calendar year.

**There are no stock option grants to report on.**

Sample

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# Monte Carlo Summary

## Base Facts

**Prepared for John and Katie Winters**

This *Monte Carlo Analysis* runs multiple simulations of your financial plan against future market conditions. The result of introducing random investment volatility to the analysis produces a range of values that demonstrates how changing investment markets may impact your future plans.

The table below shows an upside case, the median case, and a downside case from the 1000 trials.

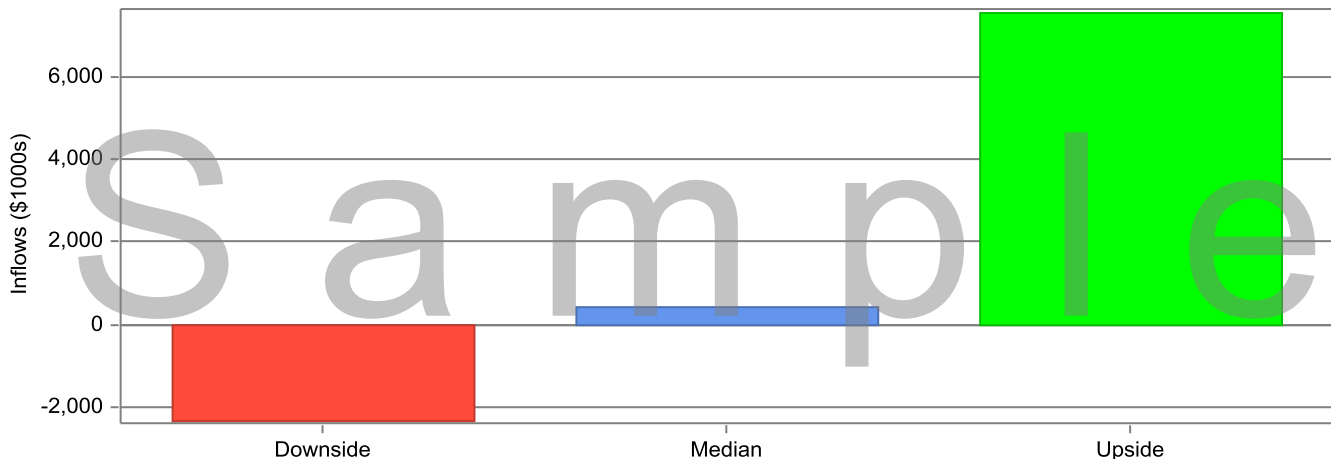
Case	Percentile	Total Portfolio Assets
Upside (Outperform)	97.5	\$7,539,322
Median (Moderate)	50.0	\$415,875
Downside (Underperform)	2.5	(\$2,338,663)

SUMMARY
<b>Upside Case</b> <b>\$7,539,322</b>
<b>Median Case</b> <b>\$415,875</b>
<b>Downside Case</b> <b>(\$2,338,663)</b>
<b>Probability of Success</b> <b>58%</b>

This Monte Carlo simulation is successful in **58%** of the trials.

## Portfolio Asset Comparison

The chart below illustrates an upside case (97.5 percentile), the median case (50 percentile), and a downside case (2.5 percentile) from the 1000 trials.



This Monte Carlo analysis illustrates the potential results of your financial plan using up to 1000 randomly generated market returns and volatility called trial runs. In each trial run, the mean and standard deviation of a selected benchmark index for each account or portfolio is used for a randomly chosen year. This hypothetical investment performance is combined with the detailed cash flow and tax calculations for your plan. The trial runs produce a range of potential results and are one way of illustrating and evaluating the statistical probability of your planning strategies.

**IMPORTANT:** *The projections or other information generated by this Monte Carlo simulation 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 may vary with each use and over time. Calculations are based upon market index and growth rate assumptions in your financial plan. Other investments not considered might have characteristics similar or superior to those analyzed in this report. Refer to the Assumptions Summary and Monte Carlo Assumptions reports for additional assumption details.*

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