

Customized Retirement Probability Analysis

January 1, 2021



TOWERPOINT
WEALTH

info@towerpointwealth.com

Twitter: @twrpointwealth

1.916.405.9140

500 Capitol Mall, Ste. 1060 | Sacramento, CA, 95814

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.

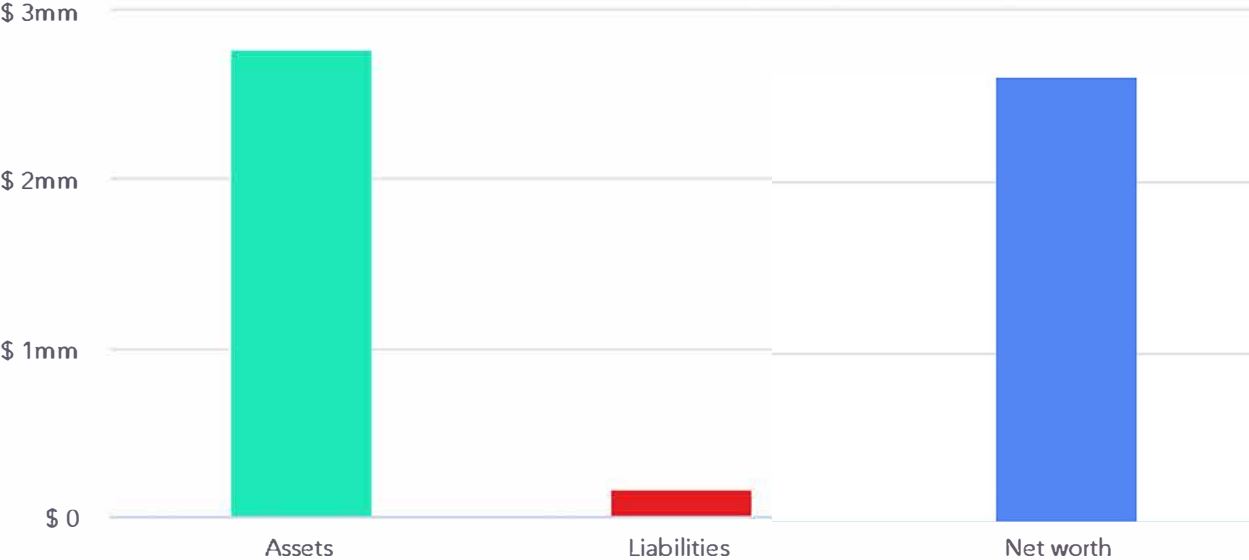
The report shows comparisons of your current plan and a proposed plan. The proposed plan is a recommendation formulated by your financial professional. The report also shows comparisons of your current asset allocation and a proposed asset allocation. The proposed asset allocation is the recommendation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

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 \$ 2,615,961 as of 6/4/20



Assets	
Bank	\$ 20,000
Invested assets	\$ 2,045,961
Real estate assets	\$ 700,000
Life insurance cash value	\$ 0
Other assets	\$ 0
Total assets	\$ 2,765,961

Liabilities	
Credit cards	\$ 0
Mortgages	\$ 150,000
Home equities	\$ 0
Student loans	\$ 0
Other debts	\$ 0
Total liabilities	\$ 150,000
Net Worth	\$ 2,615,961

This report is not complete without the accompanying disclosure page.

Balance Sheet Details

Description	██████	██████	Joint	Trust	Total
Cash					
Free Cash			\$ 20,000		\$ 20,000
Total Cash	\$ 0	\$ 0	\$ 20,000	\$ 0	\$ 20,000
Invested Assets					
██████s Roth IRA	\$ 6,406				\$ 6,406
██████ IRA	\$ 956,151				\$ 956,151
██████ IRA		\$ 903,404			\$ 903,404
██████████ 401(k)	\$ 10,000				\$ 10,000
██████████ 401(k)		\$ 170,000			\$ 170,000
Total Invested Assets	\$ 972,557	\$ 1,073,404	\$ 0	\$ 0	\$ 2,045,961
Other Assets					
████████████████████				\$ 700,000	\$ 700,000
Total Other Assets	\$ 0	\$ 0	\$ 0	\$ 700,000	\$ 700,000
Liabilities					
████████████████████			\$ 150,000		\$ 150,000
Total Liabilities	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 150,000
Total Net Worth	\$ 972,557	\$ 1,073,404	(\$ 130,000)	\$ 700,000	\$ 2,615,961

This report is not complete without the accompanying disclosure page.

Retirement Analysis Action Items

	Retire at 70 and 67	SS at 66 and 67
Financial goals		
██████ retirement age	70	70
██████ retirement age	67	67
Income, savings and expenses		
██████ Salary	\$ 125,000	\$ 125,000
██████ Salary	\$ 90,000	\$ 90,000
██████ 401(k)	5%	5%
██████ 401(k)	4%	4%
Baseline Spending	\$ 15,500	\$ 15,500
Spending - Just ██████	\$ 12,500	\$ 12,500
Strategies		
Asset allocation	App. With Income	App. With Income
Social Security	Retirement	Current strategy

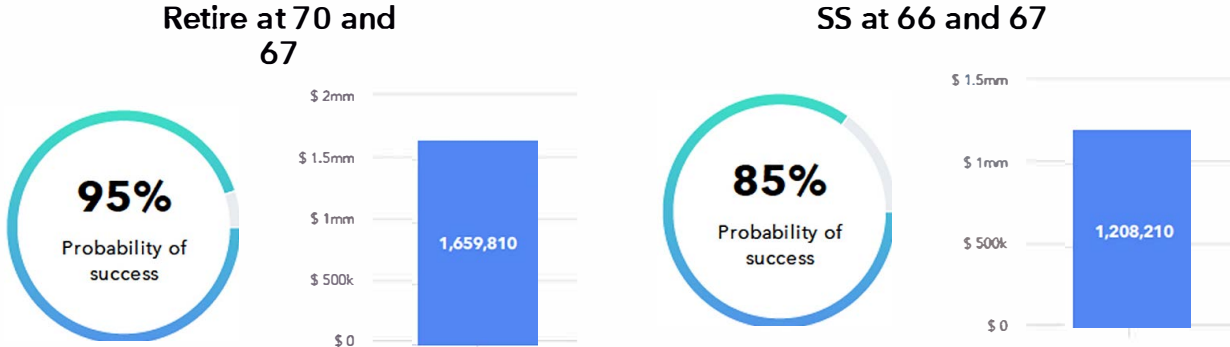
For Client X: 5% employee contribution >> \$6,250/year and 3% employer contribution >> \$3,750/year

For Client Y: 4% employee contribution >> \$3,600/year

See Invested Asset page for detail

Retirement 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.



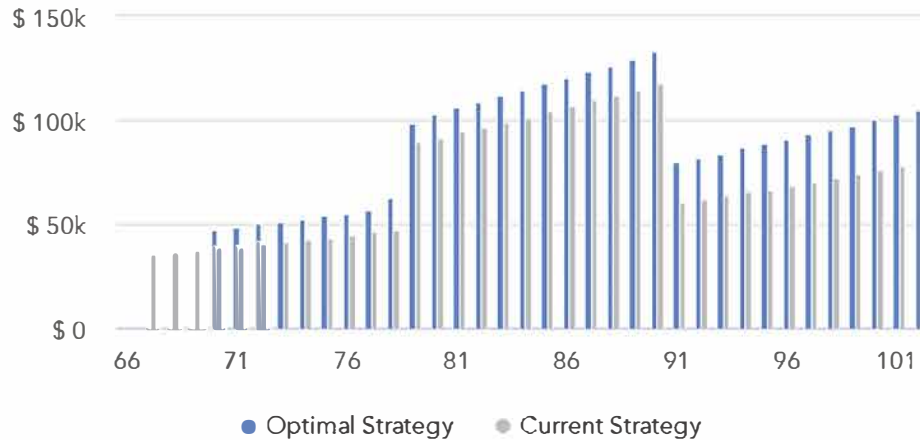
This section of the report displays the results of Monte Carlo simulations run on the current and proposed plans. The results are derived from 1000 simulations and the specified retirement cash flows. The chart of probability of success represents the overall likelihood of success in both the current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

Social Security Strategy - SS at 66 and 67

There are as many as 700 different Social Security filing strategies that can be tested in order to identify the optimal Social Security benefit for your specific retirement needs. Compare your optimal strategy to others to see the potential benefit of optimization.

Annual cash flow comparison



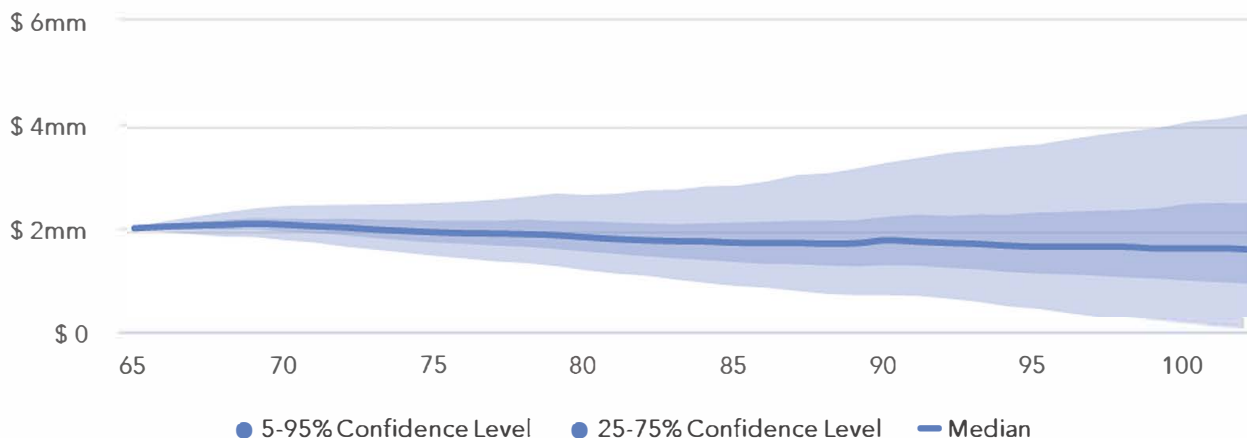
\$ 394,535 more
from the optimal
Social Security filing
strategy
than Current Strategy

To obtain maximum Social Security benefit

1. [REDACTED] applies for own retirement/spousal benefit at age 70.
2. [REDACTED] applies for own retirement/spousal benefit at age 67.

Retirement Analysis Details - Proposed

Asset simulation results



Retirement income of Retire at 70 and 67



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 first chart illustrates the likelihood of achieving a given net worth over time.

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.

Summary / Income Inflows

Year	Age	Salary	Social Security	Total Income Inflows
2020	66/54	215,000	0	215,000
2021	67/55	215,000	0	215,000
2022	68/56	215,000	0	215,000
2023	69/57	215,000	0	215,000
2024	70/58	90,000	48,133	138,133
2025	71/59	90,000	49,337	139,337
2026	72/60	90,000	50,571	140,571
2027	73/61	90,000	51,835	141,835
2028	74/62	90,000	53,131	143,131
2029	75/63	90,000	54,460	144,460
2030	76/64	90,000	55,820	145,820
2031	77/65	90,000	57,216	147,216
2032	78/66	90,000	58,646	148,646
2033	79/67	0	101,369	101,369
2034	80/68	0	103,903	103,903
2035	81/69	0	106,500	106,500
2036	82/70	0	109,163	109,163
2037	83/71	0	111,893	111,893
2038	84/72	0	114,689	114,689
2039	85/73	0	117,556	117,556
2040	86/74	0	120,496	120,496
2041	87/75	0	123,507	123,507
2042	88/76	0	126,594	126,594
2043	89/77	0	129,760	129,760
2044	90/78	0	133,004	133,004
2045	91/79	0	80,846	80,846
2046	92/80	0	82,867	82,867
2047	93/81	0	84,937	84,937
2048	94/82	0	87,061	87,061
2049	95/83	0	89,238	89,238
2050	96/84	0	91,470	91,470
2051	97/85	0	93,755	93,755
2052	98/86	0	96,100	96,100
2053	99/87	0	98,503	98,503
2054	100/88	0	100,964	100,964
2055	101/89	0	103,489	103,489
2056	102/90	0	106,076	106,076

Client X files for Social Security

Client Y files for Social Security

Client Y files for spousal benefits

Summary / Assumed Annual Spending Before and During Retirement

Year	Age	Other Expense	Total Expense
2020	66/54	186,000	186,000
2021	67/55	186,000	186,000
2022	68/56	186,000	186,000
2023	69/57	186,000	186,000
2024	70/58	186,000	186,000
2025	71/59	186,000	186,000
2026	72/60	186,000	186,000
2027	73/61	186,000	186,000
2028	74/62	186,000	186,000
2029	75/63	186,000	186,000
2030	76/64	186,000	186,000
2031	77/65	186,000	186,000
2032	78/66	186,000	186,000
2033	79/67	186,000	186,000
2034	80/68	186,000	186,000
2035	81/69	186,000	186,000
2036	82/70	186,000	186,000
2037	83/71	186,000	186,000
2038	84/72	186,000	186,000
2039	85/73	186,000	186,000
2040	86/74	186,000	186,000
2041	87/75	186,000	186,000
2042	88/76	186,000	186,000
2043	89/77	186,000	186,000
2044	90/78	150,000	150,000
2045	91/79	150,000	150,000
2046	92/80	150,000	150,000
2047	93/81	150,000	150,000
2048	94/82	150,000	150,000
2049	95/83	150,000	150,000
2050	96/84	150,000	150,000
2051	97/85	150,000	150,000
2052	98/86	150,000	150,000
2053	99/87	150,000	150,000
2054	100/88	150,000	150,000
2055	101/89	150,000	150,000
2056	102/90	150,000	150,000

This report is not complete without the accompanying disclosure page.

Summary / Planned Saving

Year	Age	401(k)	Total Planned Saving
2020	66/54	9,850	9,850
2021	67/55	9,850	9,850
2022	68/56	9,850	9,850
2023	69/57	9,850	9,850
2024	70/58	3,600	3,600
2025	71/59	3,600	3,600
2026	72/60	3,600	3,600
2027	73/61	3,600	3,600
2028	74/62	3,600	3,600
2029	75/63	3,600	3,600
2030	76/64	3,600	3,600
2031	77/65	3,600	3,600
2032	78/66	3,600	3,600
2033	79/67	0	0
2034	80/68	0	0
2035	81/69	0	0
2036	82/70	0	0
2037	83/71	0	0
2038	84/72	0	0
2039	85/73	0	0
2040	86/74	0	0
2041	87/75	0	0
2042	88/76	0	0
2043	89/77	0	0
2044	90/78	0	0
2045	91/79	0	0
2046	92/80	0	0
2047	93/81	0	0
2048	94/82	0	0
2049	95/83	0	0
2050	96/84	0	0
2051	97/85	0	0
2052	98/86	0	0
2053	99/87	0	0
2054	100/88	0	0
2055	101/89	0	0
2056	102/90	0	0

This report is not complete without the accompanying disclosure page.

Cash Flows Retire At 70 And 67

Summary

Salary + Social Security benefits

Year	Age	Cash Inflows				Cash Outflows					Net Flows
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving	Total Outflows	
2020	66/54	215,000	0	0	215,000	186,000	0	70,768	9,850	266,618	(51,618)
2021	67/55	215,000	0	0	215,000	186,000	0	80,275	9,850	276,125	(61,125)
2022	68/56	215,000	0	0	215,000	186,000	0	79,132	9,850	274,982	(59,982)
2023	69/57	215,000	0	0	215,000	186,000	0	77,718	9,850	273,568	(58,568)
2024	70/58	138,133	0	0	138,133	186,000	0	53,312	3,600	242,912	(104,779)
2025	71/59	139,337	0	0	139,337	186,000	0	52,777	3,600	242,377	(103,040)
2026	72/60	140,571	32,497	0	173,067	186,000	0	61,299	3,600	250,899	(77,832)
2027	73/61	141,835	32,929	0	174,764	186,000	0	60,575	3,600	250,175	(75,412)
2028	74/62	143,131	33,402	0	176,533	186,000	0	58,336	3,600	247,936	(71,404)
2029	75/63	144,460	33,942	0	178,401	186,000	0	56,907	3,600	246,507	(68,106)
2030	76/64	145,820	34,541	0	180,361	186,000	0	55,721	3,600	245,321	(64,960)
2031	77/65	147,216	35,201	0	182,417	186,000	0	53,840	3,600	243,440	(61,022)
2032	78/66	148,646	35,937	0	184,583	186,000	0	52,377	3,600	241,977	(57,394)
2033	79/67	101,369	36,573	0	137,941	186,000	0	33,683	0	219,683	(81,742)
2034	80/68	103,903	37,038	0	140,941	186,000	0	32,691	0	218,691	(77,750)
2035	81/69	106,500	37,371	0	143,871	186,000	0	31,076	0	217,076	(73,205)
2036	82/70	109,163	37,767	0	146,929	186,000	0	29,936	0	215,936	(69,007)
2037	83/71	111,893	38,221	0	150,113	186,000	0	28,875	0	214,875	(64,762)
2038	84/72	114,689	111,614	0	226,302	186,000	0	31,326	0	217,326	8,976
2039	85/73	117,556	116,534	0	234,090	186,000	0	32,823	0	218,823	15,267
2040	86/74	120,496	121,374	0	241,871	186,000	0	34,423	0	220,423	21,447
2041	87/75	123,507	126,673	0	250,180	186,000	0	36,244	0	222,244	27,935
2042	88/76	126,594	131,849	0	258,443	186,000	0	38,117	0	224,117	34,326
2043	89/77	129,760	136,757	0	266,517	186,000	0	40,058	0	226,058	40,459
2044	90/78	133,004	141,868	0	274,872	150,000	0	42,294	0	192,294	82,579
2045	91/79	80,846	128,361	0	209,207	150,000	0	45,159	0	195,159	14,048
2046	92/80	82,867	133,552	0	216,419	150,000	0	47,511	0	197,511	18,908
2047	93/81	84,937	138,901	0	223,838	150,000	0	49,882	0	199,882	23,956
2048	94/82	87,061	144,407	0	231,468	150,000	0	52,414	0	202,414	29,054
2049	95/83	89,238	150,063	0	239,301	150,000	0	55,111	0	205,111	34,190
2050	96/84	91,470	155,863	0	247,333	150,000	0	57,977	0	207,977	39,356
2051	97/85	93,755	160,709	0	254,464	150,000	0	60,609	0	210,609	43,856
2052	98/86	96,100	165,560	0	261,660	150,000	0	63,362	0	213,362	48,298
2053	99/87	98,503	170,396	0	268,898	150,000	0	66,233	0	216,233	52,665
2054	100/88	100,964	175,186	0	276,150	150,000	0	69,217	0	219,217	56,933

Year	Age	Cash Inflows				Cash Outflows				Net Flows	
		Income Inflows	Planned Distribution	Other Inflows	Total Inflows	Expenses	Goals	Tax Payment	Planned Saving		Total Outflows
2055	101/89	103,489	179,897	0	283,386	150,000	0	72,307	0	222,307	61,078
2056	102/90	106,076	182,870	0	288,946	150,000	0	74,889	0	224,889	64,056

Invested Asset

Year	Age	Beginning Balance	Planned Saving	Employer Match	Planned Distribution	Net Cash Flows	Annuity Adjustment	Portfolio Return	Ending Balance
2020	66/54	2,065,961	9,850	3,750	0	(51,618)	0	101,301	2,129,244
2021	67/55	2,129,244	9,850	3,750	0	(61,125)	0	104,404	2,186,123
2022	68/56	2,186,123	9,850	3,750	0	(59,982)	0	107,193	2,246,934
2023	69/57	2,246,934	9,850	3,750	0	(58,568)	0	110,175	2,312,141
2024	70/58	2,312,141	3,600	0	0	(104,779)	0	113,372	2,324,334
2025	71/59	2,324,334	3,600	0	0	(103,040)	0	113,970	2,338,864
2026	72/60	2,338,864	3,600	0	(32,497)	(77,832)	0	114,683	2,346,818
2027	73/61	2,346,818	3,600	0	(32,929)	(75,412)	0	115,073	2,357,151
2028	74/62	2,357,151	3,600	0	(33,402)	(71,404)	0	115,579	2,371,525
2029	75/63	2,371,525	3,600	0	(33,942)	(68,106)	0	116,284	2,389,361
2030	76/64	2,389,361	3,600	0	(34,541)	(64,960)	0	117,159	2,410,619
2031	77/65	2,410,619	3,600	0	(35,201)	(61,022)	0	118,201	2,436,196
2032	78/66	2,436,196	3,600	0	(35,937)	(57,394)	0	119,455	2,465,921
2033	79/67	2,465,921	0	0	(36,573)	(81,742)	0	120,913	2,468,519
2034	80/68	2,468,519	0	0	(37,038)	(77,750)	0	121,040	2,474,771
2035	81/69	2,474,771	0	0	(37,371)	(73,205)	0	121,347	2,485,541
2036	82/70	2,485,541	0	0	(37,767)	(69,007)	0	121,875	2,500,643
2037	83/71	2,500,643	0	0	(38,221)	(64,762)	0	122,615	2,520,275
2038	84/72	2,520,275	0	0	(111,614)	8,976	0	123,578	2,541,216
2039	85/73	2,541,216	0	0	(116,534)	15,267	0	124,605	2,564,553
2040	86/74	2,564,553	0	0	(121,374)	21,447	0	125,749	2,590,375
2041	87/75	2,590,375	0	0	(126,673)	27,935	0	127,015	2,618,652
2042	88/76	2,618,652	0	0	(131,849)	34,326	0	128,402	2,649,532
2043	89/77	2,649,532	0	0	(136,757)	40,459	0	129,916	2,683,149
2044	90/78	2,683,149	0	0	(141,868)	82,579	0	131,564	2,755,424
2045	91/79	2,755,424	0	0	(128,361)	14,048	0	135,108	2,776,219
2046	92/80	2,776,219	0	0	(133,552)	18,908	0	136,128	2,797,703
2047	93/81	2,797,703	0	0	(138,901)	23,956	0	137,181	2,819,939
2048	94/82	2,819,939	0	0	(144,407)	29,054	0	138,271	2,842,858
2049	95/83	2,842,858	0	0	(150,063)	34,190	0	139,395	2,866,380
2050	96/84	2,866,380	0	0	(155,863)	39,356	0	140,549	2,890,421
2051	97/85	2,890,421	0	0	(160,709)	43,856	0	141,727	2,915,296
2052	98/86	2,915,296	0	0	(165,560)	48,298	0	142,947	2,940,981
2053	99/87	2,940,981	0	0	(170,396)	52,665	0	144,207	2,967,457
2054	100/88	2,967,457	0	0	(175,186)	56,933	0	145,505	2,994,708
2055	101/89	2,994,708	0	0	(179,897)	61,078	0	146,841	3,022,731
2056	102/90	3,022,731	0	0	(182,870)	64,056	0	148,215	3,052,133

This report is not complete without the accompanying disclosure page.

Summary / Planned Distribution

Year	Age	401(k)	Total IRA	Total Planned Distribution
2020	66/54	0	0	0
2021	67/55	0	0	0
2022	68/56	0	0	0
2023	69/57	0	0	0
2024	70/58	0	0	0
2025	71/59	0	0	0
2026	72/60	1,542	30,955	32,497
2027	73/61	1,562	31,366	32,928
2028	74/62	1,585	31,817	33,402
2029	75/63	1,611	32,331	33,942
2030	76/64	1,639	32,902	34,541
2031	77/65	1,670	33,531	35,201
2032	78/66	1,705	34,232	35,937
2033	79/67	1,735	34,837	36,572
2034	80/68	1,757	35,280	37,037
2035	81/69	1,773	35,598	37,371
2036	82/70	1,792	35,975	37,767
2037	83/71	1,814	36,407	38,221
2038	84/72	15,340	96,273	111,613
2039	85/73	16,043	100,491	116,534
2040	86/74	16,763	104,611	121,374
2041	87/75	17,527	109,145	126,672
2042	88/76	18,309	113,540	131,849
2043	89/77	19,042	117,715	136,757
2044	90/78	19,865	122,003	141,868
2045	91/79	19,760	108,602	128,362
2046	92/80	20,559	112,993	133,552
2047	93/81	21,382	117,519	138,901
2048	94/82	22,230	122,177	144,407
2049	95/83	23,101	126,962	150,063
2050	96/84	23,993	131,869	155,862
2051	97/85	24,740	135,970	160,710
2052	98/86	25,486	140,074	165,560
2053	99/87	26,230	144,166	170,396
2054	100/88	26,968	148,218	175,186
2055	101/89	27,693	152,204	179,897
2056	102/90	28,151	154,719	182,870

Client X's required minimum distributions

Client Y's required minimum distributions

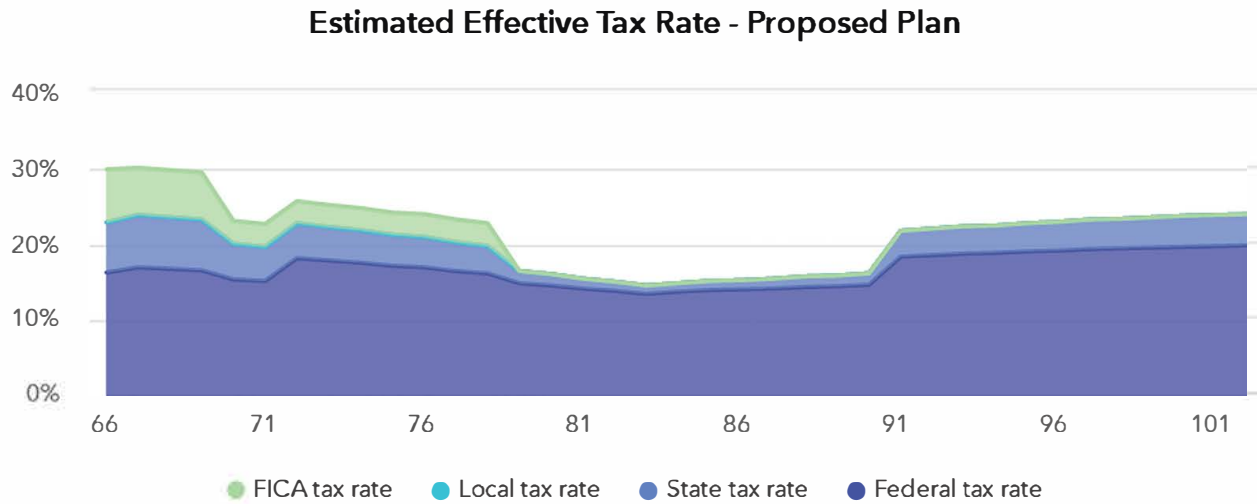
Summary / Tax Payment

Year	Age	Federal	State	FICA	Total Tax Payment
2020	66/54	38,699	15,709	16,448	70,855
2021	67/55	45,348	18,294	16,448	80,090
2022	68/56	44,610	18,026	16,448	79,084
2023	69/57	43,795	17,729	16,448	77,971
2024	70/58	35,718	10,813	6,885	53,415
2025	71/59	35,046	10,477	6,885	52,408
2026	72/60	43,674	10,976	6,885	61,535
2027	73/61	42,832	10,608	6,885	60,325
2028	74/62	41,550	10,092	6,885	58,526
2029	75/63	40,478	9,643	6,885	57,006
2030	76/64	39,560	9,209	6,885	55,654
2031	77/65	38,174	8,702	6,885	53,761
2032	78/66	37,264	8,226	6,885	52,375
2033	79/67	30,485	3,256	0	33,741
2034	80/68	29,626	2,948	0	32,574
2035	81/69	28,596	2,597	0	31,193
2036	82/70	27,669	2,292	0	29,961
2037	83/71	26,746	2,091	0	28,837
2038	84/72	28,929	2,385	0	31,314
2039	85/73	30,268	2,556	0	32,824
2040	86/74	31,652	2,771	0	34,423
2041	87/75	33,217	3,028	0	36,244
2042	88/76	34,825	3,292	0	38,117
2043	89/77	36,502	3,556	0	40,058
2044	90/78	38,444	3,850	0	42,294
2045	91/79	38,153	7,006	0	45,159
2046	92/80	40,063	7,448	0	47,511
2047	93/81	41,958	7,924	0	49,882
2048	94/82	43,979	8,435	0	52,414
2049	95/83	46,128	8,983	0	55,111
2050	96/84	48,409	9,568	0	57,977
2051	97/85	50,519	10,090	0	60,609
2052	98/86	52,724	10,637	0	63,362
2053	99/87	55,024	11,209	0	66,233
2054	100/88	57,413	11,804	0	69,217
2055	101/89	59,887	12,420	0	72,307
2056	102/90	61,985	12,904	0	74,889

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.



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 (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&P500 Total Return Index - 12/1969 - 12/2019
U.S. Mid Cap: Russell Midcap total return index - 12/1995 – 12/2019
Small Cap: Russell 2000 total return index - 12/1980 – 12/2019
International Equities: EAFE Total return (USD return) - 12/1969 – 12/2019
Emerging Markets Equity: MSCI Emerging market index (USD return) - 12/1987 – 12/2019
Real Estate: MSCI US REIT Index - 12/2009 - 12/2019
U.S. Government: Treasury bonds - 12/1999 – 12/2019
Municipal: Barclay Muni Bond Index - 12/1999 – 12/2019
U.S. Corporate and International Bonds: Barclay Corporate Bond Index - 12/1999 – 12/2019
High Yield: ICE BofA US High Yield Index - 12/1999 – 12/2019
Cash: 3 Month Treasury returns - 12/1999 – 12/2019

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	9.73%	16.1%
Large Value	9.73%	16.1%
Mid Cap	9.73%	16.1%
Small Cap	10.59%	21.9%
International Equities	8.51%	18.5%
Emerging Markets	10.38%	27.1%

Asset Class	Total Return	Volatility
Real Estate	9.73%	16.3%
Government	4.74%	5.1%
Municipal	4.65%	3.95%
Corporate	4%	5.1%
High Yield	6.36%	5.1%
International Bonds	4.74%	5.1%

Asset Class	Total Return	Volatility
Cash	0.5%	1.9%
Other	9.73%	16.1%

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 2019. 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 is 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 expense: 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 distributions 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.

Towerpoint Wealth, LLC is a Registered Investment Adviser. This material is solely for informational purposes. Advisory services are only offered to clients or prospective clients where Towerpoint Wealth, LLC and its representatives are properly licensed or exempt from licensure. Past performance is no guarantee of future returns. Investing involves risk and possible loss of principal capital. No advice may be rendered by Towerpoint Wealth, LLC unless a client service agreement is in place.