

Wealth Management Analysis



Sample Report

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Financial Advisor

August 17, 2017

Merrill Lynch Wealth Management

SENSITIVE CLIENT INFORMATION INSIDE



About This Report

Creating a sound financial strategy requires careful consideration. The Wealth Management Analysis is a brokerage report that analyzes your financial situation, certain goals, and specific issues that you've identified as important. In conjunction with your Financial Advisor's assistance, this report can help you establish and maintain a financial strategy that supports your long-term goals, risk tolerance and liquidity needs. *Appendix: Important Information* and *Appendix: Client Profile*, found at the conclusion of this report, identify the assumptions that are contained in this analysis, including the assets considered and their current value, concentrated positions, other portfolio constraints as well as your investor profile.

Remember, this report is hypothetical in nature, is not a comprehensive financial plan and is only a step in preparing for your future. Once you have reviewed this report, it is your responsibility to determine if, and how, the suggestions made in conjunction with this report should be implemented. You should carefully consider all relevant factors in making these decisions and should consult your outside professional advisors. It is important to review your financial situation on a regular basis. If your financial situation or goals change, you should inform your Financial Advisor and carefully consider the effect of those changes on any course of action you have previously selected.

Merrill Lynch offers brokerage, investment advisory (including financial planning) and other services. For more information about any of these services and their differences, including the type of advice and assistance offered, see your Financial Advisor.




Your Financial Advisor:

John Adams

In This Report

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The following represents your goals.

ESSENTIAL	IMPORTANT	ASPIRATIONAL																								
 Desired Retirement Spending Desired Retirement Lifestyle <table border="1"><thead><tr><th>Time Period</th><th>Annual Amount</th></tr></thead><tbody><tr><td>2025 to 2050</td><td>\$100,000</td></tr><tr><td>Owner: Beth Smith</td><td></td></tr><tr><td>Inflation Rate: 2.08%</td><td></td></tr></tbody></table>	Time Period	Annual Amount	2025 to 2050	\$100,000	Owner: Beth Smith		Inflation Rate: 2.08%		 Education Goal Education Goal <table border="1"><thead><tr><th>Time Period</th><th>Annual Amount</th></tr></thead><tbody><tr><td>2018 to 2021</td><td>\$50,000</td></tr><tr><td>Student: Emily Smith</td><td></td></tr><tr><td>Inflation Rate: 5.00%</td><td></td></tr></tbody></table>	Time Period	Annual Amount	2018 to 2021	\$50,000	Student: Emily Smith		Inflation Rate: 5.00%		 Buy Boat Large Purchase <table border="1"><thead><tr><th>Time Period</th><th>Annual Amount</th></tr></thead><tbody><tr><td>2025</td><td>\$100,000</td></tr><tr><td>Owner: Beth Smith</td><td></td></tr><tr><td>Inflation Rate: 0.00%</td><td></td></tr></tbody></table>	Time Period	Annual Amount	2025	\$100,000	Owner: Beth Smith		Inflation Rate: 0.00%	
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Your goals and their priorities are based on information that you provided as of the date indicated below. The Time Period reflects when you plan for the goal to occur. For more information and goal priorities please refer to *Appendix: Glossary* and *Appendix: Client Profile*.

Net Worth Details

Assets

Personal Assets

50 Main Street	\$500,000
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Total Personal Assets	\$500,000
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Investment Assets

Retirement Assets

Beth's 401k (MFP Account)	\$300,000
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Total Retirement Assets	\$300,000
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Portfolio Assets

5AX-12345 (Merrill Lynch)	\$1,000,000
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Held Away (MFP Account)	\$500,000
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Total Portfolio Assets	\$1,500,000
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Total Investment Assets	\$1,800,000
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Total Assets	\$2,300,000
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Liabilities

Primary Residence Mortgages

50 Main Street	(\$150,000)
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Total Primary Residence Mortgages	(\$150,000)
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Total Liabilities	(\$150,000)
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Summary

Total Assets	\$2,300,000
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Total Liabilities	(\$150,000)
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Net Worth	\$2,150,000
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Totals may include deposit balances at Bank of America, N.A. and investment balances at MLPF&S unless otherwise indicated. Refer to the *Appendix: Client Profile* of this report for details regarding specific assets and liabilities.

Key Factors: Goal Funding Status

GOALS				
Overall Funding Ratio for Your Goals				100%
Goals	Priority	Time Period	Annual Goal Amount	Funding Ratio
Retirement Goals				
Desired Retirement Spending	Essential	Retirement through Rest of Life	\$100,000	100%
Education Goals				
Education Goal	Important	2018 through 2021	\$50,000	100%
Other Goals/Expenses				
Buy Boat	Aspirational	Retirement through 2025	\$100,000	100%

ESTIMATED FUTURE INCOME/SAVINGS		
Description	Time Period	Annual Amount
Income		
Salary Income	2016 until Retirement	\$400,000
Social Security Income	2025 through Rest of Life	Earnings Based
Taxable Savings		
Taxable Savings	2016 until Retirement	\$20,000
Tax-Deferred and Tax-Exempt Savings		
Tax-Deferred Saving	2017 until Retirement	Maximize

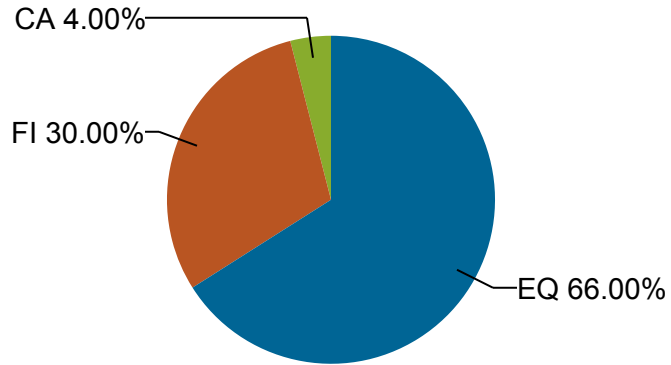
TARGET ASSET ALLOCATION [†]											OTHER FACTORS		
Year	Allocation Name	Allocation						Geometric Returns by Confidence Level (%)			Standard Deviation %	Retirement Age	65
		%EQ	%FI	%CA	%RA	%HFS	%PE	95%	75%	55%			
Current	Target Allocation	44.98	52.38	2.64	0.00	0.00	0.00	3.29	4.80	5.66	7.94		

[†]Expected Geometric Returns by Likelihood/Confidence Level and Expected Standard Deviation are computed using the Allocation(s) indicated above, together with Merrill Lynch's Long-Term Capital Market Assumptions. These returns are not historical or actual investment returns, but rather long-term expectations.

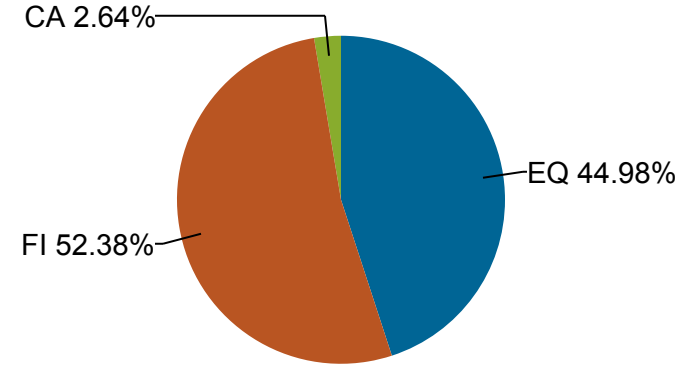
In addition to the factors listed on this page, the Funding Ratio and illustrative returns shown will be impacted by Taxes, Fees (where applicable), Goal Ranking, Inflation, Asset Value and Account Structure in which case your actual investment returns will be lower. The outcomes shown are hypothetical, are not guaranteed and your actual results could differ significantly for many reasons. Additional information about the assumptions in the analysis and related definitions are provided in Appendix: Understanding Your Analysis, Appendix: Important Information, Appendix: Glossary and Appendix: Client Profile at the end of this report.

A View of Your Total Portfolio

Current Asset Allocation



Target Asset Allocation



Totals

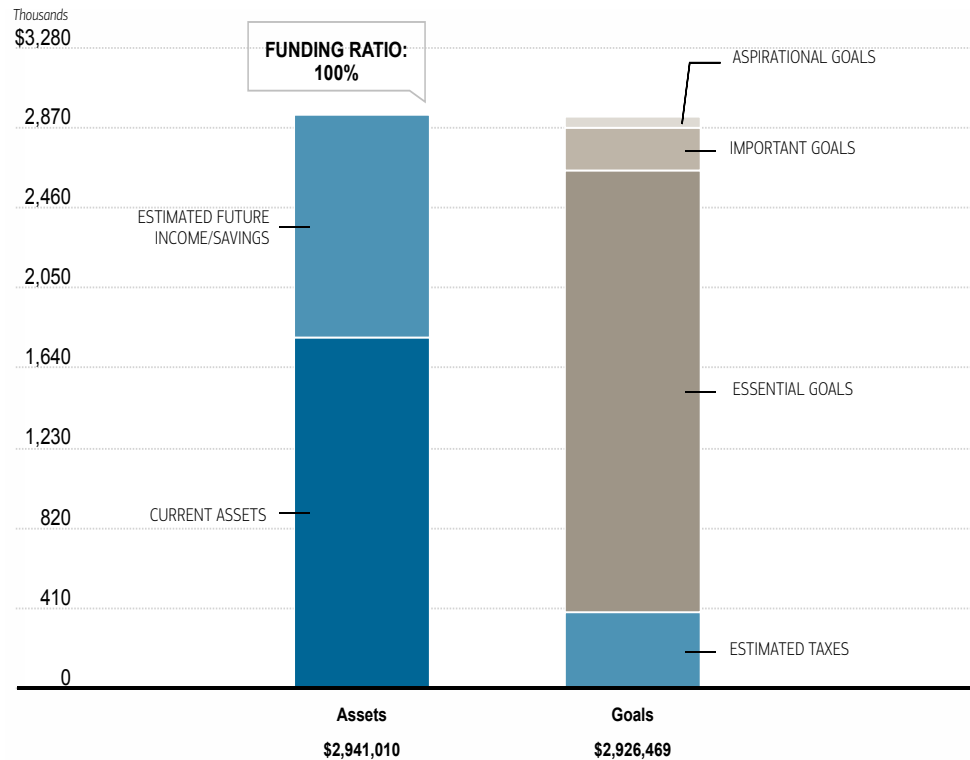
	Current Asset Allocation	Target Asset Allocation	Net Change (\$)	Net Change (%)
Equities (EQ)	\$1,188,000	\$809,637	(\$378,363)	(21.02)%
Fixed Income (FI)	\$540,000	\$942,904	\$402,904	22.38%
Cash (CA)*	\$72,000	\$47,460	(\$24,540)	(1.36)%
Total	\$1,800,000			

*Balance represents the sum of all cash and cash equivalents including short positions with associated credit balances.

Goal Funding Status: Overview

This overview helps you assess the feasibility of your goals.

ESTIMATED COST OF YOUR GOALS **\$2,926,469**



GOALS

ESSENTIAL: Desired Retirement Spending	100% FUNDED
Goal Amount	\$2,269,994
Estimated Taxes	\$291,365

Funding Sources	
Estimated Future Income/Savings	\$1,141,010
Current Assets	1,420,349
Total Assets	\$2,561,359

IMPORTANT: Education Goal	100% FUNDED
Goal Amount	\$211,405
Estimated Taxes	\$79,010

Funding Sources	
Estimated Future Income/Savings	\$0
Current Assets	290,415
Total Assets	\$290,415

ASPIRATIONAL: Buy Boat	100% FUNDED
Goal Amount	\$59,756
Estimated Taxes	\$14,939

Funding Sources	
Estimated Future Income/Savings	\$0
Current Assets	74,695
Total Assets	\$74,695

The outcomes shown are hypothetical, are not guaranteed and your actual results could differ significantly for many reasons. The analysis is based on information about your goals and resources, including external assets if you have chosen to include them. Because the analysis is only calculated based on funded goals (or portions of), if there is a shortfall, the amount may vary as fees and taxes are estimated based on funding the shortfall with a taxable account with 100% Cost Basis. Concentrated equity positions are not given any special treatment or differing assumptions in this analysis; they are treated simply as diversified equity holdings. As a result, your Goal Funding ratio will be impacted if you maintain concentrated positions and you should discuss with your Financial Advisor. Additional information about all of the assumptions, including tax rates, used in this analysis are provided in the Appendix: Understanding Your Analysis, Appendix: Important Information and Appendix: Client Profile at the end of this report.

Estimated Cash Flow Summary (75% Likelihood)

Potential Wealth (Current Value: \$1,800,000)

Year	Age	Potential Wealth (Current Value: \$1,800,000)						Tax-Deferred Contributions		Net Cash Flow*** (=)	Potential Wealth (75% Likelihood)
		Taxable Savings (+)	Income Sources (+)	Gross Portfolio Income (+)	Taxes* (+/-)	Goals / Expenses** (-)	Net Amount (=)	Individual(s) (+)	Employer (+)		
2017	57	\$20,000	\$0	\$42,478	\$0	\$0	\$62,478	\$24,000	\$0	\$86,478	\$1,856,704
2018	58	\$20,416	\$0	\$41,267	(\$13,156)	(\$52,500)	(\$3,973)	\$24,499	\$0	\$20,526	\$1,898,326
2019	59	\$20,841	\$0	\$45,032	(\$26,546)	(\$55,125)	(\$15,798)	\$25,009	\$0	\$9,211	\$1,946,752
2020	60	\$21,274	\$0	\$43,972	(\$14,589)	(\$57,881)	(\$7,224)	\$25,529	\$0	\$18,305	\$2,010,230
2021	61	\$21,717	\$0	\$41,513	(\$12,922)	(\$60,775)	(\$10,467)	\$26,060	\$0	\$15,593	\$2,055,625
2022	62	\$22,168	\$0	\$49,489	(\$36,160)	\$0	\$35,497	\$26,602	\$0	\$62,099	\$2,190,403
2023	63	\$22,629	\$0	\$44,097	(\$13,673)	\$0	\$53,053	\$27,155	\$0	\$80,208	\$2,337,664
2024	64	\$23,100	\$0	\$42,840	(\$11,879)	\$0	\$54,061	\$27,720	\$0	\$81,781	\$2,473,168

Year	Age	Potential Wealth (Current Value: \$1,800,000)						Tax-Deferred Contributions		Net Cash Flow*** (=)	Potential Wealth (75% Likelihood)
		Income Sources (+)	Gross Portfolio Income (+)	Taxes* (+/-)	Goals / Expenses** (-)	Net Amount (=)	Individual(s) (+)	Employer (+)			
2025	65	\$35,928	\$43,512	(\$15,952)	(\$217,903)	(\$154,415)	\$0	\$0	(\$154,415)	\$2,371,527	
2026	66	\$36,676	\$49,035	(\$15,074)	(\$120,356)	(\$49,719)	\$0	\$0	(\$49,719)	\$2,391,441	
2027	67	\$37,439	\$41,360	(\$12,866)	(\$122,859)	(\$56,926)	\$0	\$0	(\$56,926)	\$2,398,943	
2028	68	\$38,217	\$42,593	(\$14,024)	(\$125,414)	(\$58,628)	\$0	\$0	(\$58,628)	\$2,418,379	
2029	69	\$39,012	\$41,325	(\$11,983)	(\$128,023)	(\$59,669)	\$0	\$0	(\$59,669)	\$2,431,449	
2030	70	\$39,824	\$43,982	(\$16,875)	(\$130,686)	(\$63,755)	\$0	\$0	(\$63,755)	\$2,446,070	
2031	71	\$40,652	\$42,323	(\$19,774)	(\$133,404)	(\$70,203)	\$0	\$0	(\$70,203)	\$2,454,641	
2032	72	\$41,498	\$46,452	(\$41,968)	(\$136,179)	(\$90,197)	\$0	\$0	(\$90,197)	\$2,450,788	
2033	73	\$42,361	\$49,480	(\$22,494)	(\$139,011)	(\$69,664)	\$0	\$0	(\$69,664)	\$2,441,998	
2034	74	\$43,242	\$42,534	(\$22,058)	(\$141,903)	(\$78,185)	\$0	\$0	(\$78,185)	\$2,455,405	
2035	75	\$44,141	\$41,069	(\$22,034)	(\$144,854)	(\$81,678)	\$0	\$0	(\$81,678)	\$2,432,503	
2036	76	\$45,059	\$41,808	(\$21,597)	(\$147,867)	(\$82,597)	\$0	\$0	(\$82,597)	\$2,419,697	
2037	77	\$45,997	\$45,279	(\$23,246)	(\$150,943)	(\$82,913)	\$0	\$0	(\$82,913)	\$2,435,200	
2038	78	\$46,953	\$42,090	(\$35,854)	(\$154,083)	(\$100,894)	\$0	\$0	(\$100,894)	\$2,430,921	
2039	79	\$47,930	\$41,531	(\$23,701)	(\$157,288)	(\$91,528)	\$0	\$0	(\$91,528)	\$2,390,151	
2040	80	\$48,927	\$42,809	(\$42,027)	(\$160,559)	(\$110,850)	\$0	\$0	(\$110,850)	\$2,368,438	
2041	81	\$49,945	\$34,572	(\$28,223)	(\$163,899)	(\$107,605)	\$0	\$0	(\$107,605)	\$2,363,236	
2042	82	\$50,984	\$48,886	(\$27,589)	(\$167,308)	(\$95,027)	\$0	\$0	(\$95,027)	\$2,318,204	

Estimated Cash Flow Summary (75% Likelihood)

Potential Wealth (Current Value: \$1,800,000)

Year	Age						Tax-Deferred Contributions		Net Cash Flow*** (=)	Potential Wealth (75% Likelihood)
		Income Sources (+)	Gross Portfolio Income (+)	Taxes* (+/-)	Goals / Expenses** (-)	Net Amount (=)	Individual(s) (+)	Employer (+)		
2043	83	\$52,044	\$34,756	(\$23,602)	(\$170,788)	(\$107,590)	\$0	\$0	(\$107,590)	\$2,279,469
2044	84	\$53,127	\$41,549	(\$28,264)	(\$174,340)	(\$107,928)	\$0	\$0	(\$107,928)	\$2,242,179
2045	85	\$54,232	\$39,260	(\$32,690)	(\$177,967)	(\$117,165)	\$0	\$0	(\$117,165)	\$2,193,205
2046	86	\$55,360	\$40,447	(\$30,784)	(\$181,668)	(\$116,645)	\$0	\$0	(\$116,645)	\$2,160,536
2047	87	\$56,511	\$37,024	(\$47,038)	(\$185,447)	(\$138,950)	\$0	\$0	(\$138,950)	\$2,117,446
2048	88	\$57,686	\$34,389	(\$33,296)	(\$189,304)	(\$130,525)	\$0	\$0	(\$130,525)	\$2,084,175
2049	89	\$58,886	\$31,794	(\$38,667)	(\$193,242)	(\$141,229)	\$0	\$0	(\$141,229)	\$2,024,620
2050	90	\$60,111	\$27,117	(\$29,784)	(\$197,261)	(\$139,817)	\$0	\$0	(\$139,817)	\$1,988,519

*Includes estimated Federal and State taxes provided by either you or Merrill Lynch. See *Appendix: Important Information Income Tax Estimation* section and *Appendix: Client Profile* for further details.

**Includes your contributions to tax-deferred plans. Goals and expenses may reflect different values than other Analyses, depending on the specific goals considered in each Analysis.

***Net Cash Flow represents the sum of all taxable savings, income sources, gross portfolio income, taxes, goals/expenses and tax-deferred contributions (individual and employer). Your Financial Advisor may have omitted some of these columns from your view for ease of viewing this Cash Flow Summary. If you would like a more detailed summary, please contact your Financial Advisor.

■ Indicates retirement age, current or anticipated, as applicable.

The Potential Wealth outcome shown above is hypothetical, is not guaranteed and your actual results could differ significantly for many reasons.

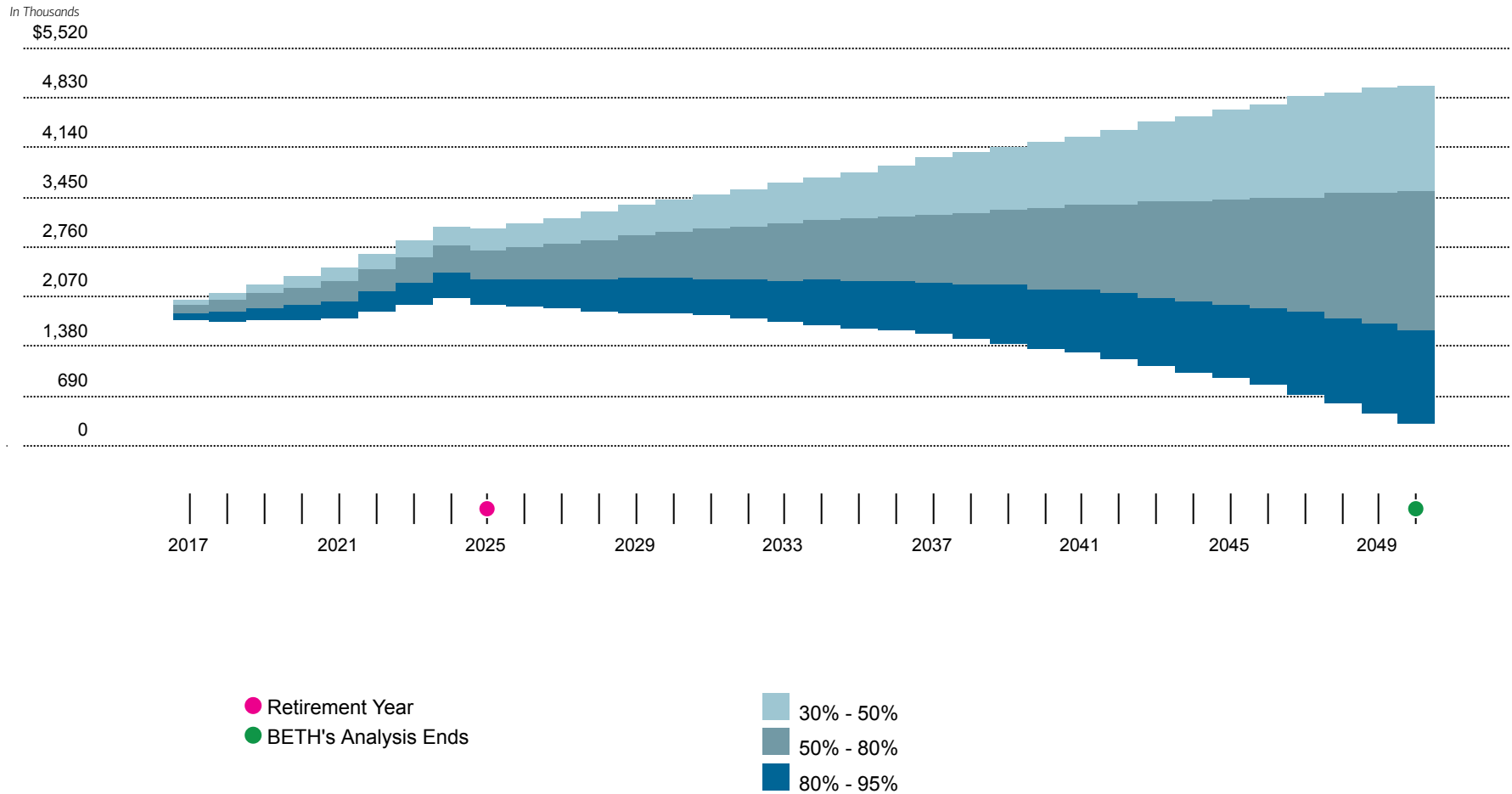
The Likelihood level(s) shown have been selected for purposes of the hypothetical analysis to demonstrate different potential outcomes. Other Likelihood options can be shown, please speak with your Financial Advisor for more information.

Additional information about the assumptions in the analysis is provided in *Appendix: Important Information* and *Appendix: Client Profile* at the end of this report.

Results Of Your Analysis: Potential Wealth

The graph below is an illustration of the range of your potential wealth, on a year by year basis, that may occur based on the assumptions used in the analysis. The percentage indicates the probability your wealth could meet or exceed this level in each specific year of the analysis.

POTENTIAL WEALTH



The outcomes shown are hypothetical, are not guaranteed and your actual results could differ significantly for many reasons. Additional information about the assumptions in the analysis is provided in *Appendix: Important Information* and *Appendix: Client Profile* at the end of this report.

Arithmetic Mean Return

Arithmetic average or mean return is computed by dividing the sum of a set of numbers by the number of items. This is what people typically think of as the "average". Similarly, the arithmetic average return of an investment refers to the simple average of returns observed over a period of time and it ignores the impact of compounding. Therefore the arithmetic average return is an estimate of the return on a year-to-year basis. This is in contrast to the geometric average which represents the compound rate of return over a given observation period and as such is a more accurate measure of long-term performance.

Asset Allocation

The mix of investment classes — equities, fixed income, cash, and, where appropriate, alternative investments — for an investor's portfolio. The appropriate balance is based on the anticipated return and relative risk of each asset category as well as your Investor Profile, including risk tolerance, investment objectives, time horizon, age, liquidity needs, and separately, your current asset allocation and asset level.

Cash (Banking Assets and Brokerage Cash)

Refers to the total dollar value resulting from the aggregation of each account's Cash, short positions and margin balance. Where multiple accounts are included in the analysis, both Cash and Net Debit Balance may be reflected. The Cash value shown within the Wealth and Risk Allocation exhibit may include Banking Assets and Brokerage Cash. Based on their intended purpose, your Financial Advisor will group these assets across the personal and market risk categories as discussed with you and as reflected in *Appendix: Client Profile*. The grouping of these assets are for purposes of the Wealth and Risk Allocation exhibit only and does not change the nature of the underlying investment, related risk, or any legal protection.

Cash Flow Mode

The specific cash flow setting used by your Financial Advisor to prepare your cash flow analysis. The two options available are:

Define Taxable Savings: This option requires less detailed profiling of pre-retirement cash flows and will simply assume that the defined savings indicated occur each year without looking at salary and pre-retirement lifestyle.

Compound Annual Growth Rate

A measure of the average return of an investment over a period of time. In particular, it is the rate of return that, if realized consistently, would produce the same cumulative return that the investment actually achieved. Also known as *Annualized Return* or *Geometric Return*.

Diversification

Spreading of risk by putting assets in several categories of investments — stocks, bonds, money market instruments, etc. and in several industrials or a mutual fund, with its broad range of stocks or bonds in one portfolio.

Education Savings Vehicles / Plans

There are several types of education savings plans:

Section 529 College Savings Plan - a state-sponsored college savings vehicle/investment plan designed to help families invest for qualified future college costs OR; Section 529 College Savings Plan an education savings plan operated by a state or educational institution designed to help families invest for future college costs.

Coverdell Education Savings Account - a tax-deferred account that provides federal tax-free withdrawals, to cover qualified educational expenses (formerly Education IRA) OR; Coverdell Education Savings Account a trust created exclusively to pay the qualified education expenses of the designated beneficiary of the trust.

UGMA/UTMA accounts - Custodial accounts funded with the gifts given to minors through the Uniform Gift to Minors Act/Uniform Transfer to Minors Act.

For more information on these savings vehicles, please contact your financial advisor.

Effective Income Tax Rate

A term used in this report indicating the percentage of every dollar actually paid in taxes. It is calculated by dividing federal income tax liability (and state and local income taxes where applicable) by total gross income.

Equities

Investments representing ownership in a corporation. As a part owner or shareholder, an investor could profit from the company's successes in the form of increased share prices, dividends, or both. On the other hand, equities have no fixed set value and are only worth what another investor is willing to pay at any given moment.

Fixed Income

Debt investments representing money investors lend to a government or corporation (the issuer). The issuer, in return, promises to pay the investor a fixed or floating rate (coupon rate) at stated intervals over a predetermined period of time. At the end of this time (maturity date), the principal is returned to the investor. Prior to maturity, the value of the security fluctuates as current interest rates rise or fall.

Goal Funding Shortfall

Represents the dollar amount that the aggregate goals or an individual goal may be underfunded.

Goal Funding Surplus

Represents the dollar amount that the aggregate goals or an individual goal may be overfunded. Surplus funding is calculated for the duration of the analysis. Amount shown is not representative of the surplus today, but throughout the course of the analysis.

Hedge Funds

In general, hedge funds offer access to strategies and returns not available to investors in traditional long-only strategies. Hedge funds offer a broad range of strategies that include event driven, equity long-short, relative value, multi-strategy, global macro, and managed futures. Hedge funds may include risks not typically underwritten by traditional managers such as leverage, a lack of transparency, and lower liquidity that make them inappropriate for some investors. Hedge funds are usually formed as limited partnerships or limited liability corporations. Additionally, there are eligibility requirements.

Investor Profile

A description of various factors, including investment objectives, risk tolerance, liquidity needs and time horizon, based on what you tell us. The overall risk characterization of the investor profile – conservative, moderately conservative, moderate, moderately aggressive, and aggressive - serves as the foundation for a target asset allocation.

Each investor profile is associated with a target asset allocation range based on the Strategic Asset Allocation models developed by Merrill Lynch, which are designed to serve as guidelines for a long-term investment horizon. The allocation ranges are used in conjunction with Merrill Lynch's long-term Capital Market assumptions to determine a corresponding risk range associated with each investor profile. Specific information on Merrill Lynch's Capital Markets assumptions can be found in *Appendix: Understanding Your Analysis – Capital Markets Assumptions*.

Lifetime Retirement Income

Sources of income that may continue for as long as you live, including Social Security, pensions, and certain income-generating products and investments. These sources of income are typically more stable than investment income.

Margin Balance

A balance represents either a debit balance (the amount owed to Merrill Lynch as a result of such transactions as trade commitments or Visa charges) or a credit balance (the amount held in your account after all trade commitments or Visa charges have been paid in full).

Net Debit Balance

Refers to the negative number resulting from the aggregation of each account's Cash, short positions and margin balance. Where multiple accounts are included in the analysis, both Cash and Net Debit Balance may be reflected.

Non-Traditional Funds

Non-Traditional funds (NTFs) are mutual funds and exchange-traded funds that are classified as alternative investments because their principal investment strategies utilize alternative investment strategies or provide for alternative asset exposure as the means to meet their investment objectives. Though the portfolio holdings of NTFs are generally made up of stocks and bonds, NTFs may also hold other asset classes and may use short selling, leverage and derivatives. While the strategies employed by NTFs are often used by hedge funds and other alternative investment vehicles, unlike hedge funds, NTFs are registered with the SEC and thus subject to a more structured regulatory regime and offer lower initial and subsequent investment minimums, along with daily pricing and liquidity. While these investment vehicles can offer diversification within a relatively liquid and accessible structure, it is absolutely essential to understand that because of this structure, NTFs may not have the same type of non-market returns as other investments classified as alternative investments (such as hedge funds) and thus may serve as an imperfect substitute for such other investment vehicles. The risk characteristics of NTFs can be similar to those generally associated with traditional alternative investment products (such as hedge funds). Like any investment, an investor can lose all or a substantial amount of his or her investment. In addition to the foregoing risks, each alternative investment vehicle is subject to its own varying degrees of strategy-specific or other risks. Whether a particular investment meets the investment objectives and risk parameters of any particular client must be determined case by case. No assurance can be given that the investment objectives of any particular alternative investment will be achieved. You must carefully review the prospectus or offering materials for any particular fund/pooled vehicle and consider your ability to bear these risks before any decision to invest.

Private Equity

Private Equity managers invest in privately held and certain public companies. In general, they take controlling positions and/or board seats with the goal of seeking to support the operations of the companies or restructuring them to create value and, ultimately, deliver greater returns to investors. Private equity managers employ a range of strategies, and they typically take several years to invest their capital and realize returns. Because of their approach and constraints, Private Equity may not be suitable for all investors, particularly those with high liquidity needs. For example, Private Equity managers often require that money be "locked up" for a specific period of time; investments in Private Equity are typically illiquid for 10-12 years. These investments are usually formed as limited partnerships or limited liability corporations. Additionally, there are eligibility requirements.

Probability Levels/Confidence Levels

A statistical measure of likelihood based on the ratio of "successful" occurrences to the total number of possible occurrences.

Real Assets

Real Assets consist of Treasury Inflation Protected Securities (TIPS), commodities, and exposure to the real estate asset class, including both private real estate investments and Real Estate Investment Trust Securities (REITS). Historically, Real Assets have typically generated income and total returns that follow inflation (the TIPS component is included especially for inflation protection). In addition, Real Asset returns have had low correlations to other assets, offering potential diversification benefits. These investments may take many forms, and include limited partnerships or limited liability corporations, or publicly traded securities, such as ETFs or listed REITS.

Retirement Assets

A term used in this report to identify all the assets listed under retirement plans on the Wealth Outlook Profile.

Section 529 College Savings Plan

A state-sponsored program designed to help families invest for qualified higher education expenses. Most states offer a Section 529 plan. Anyone can establish or contribute to a Section 529 plan, regardless of their income level. Investment options vary by plan, but most plans offer investment portfolios consisting of underlying mutual funds or individual mutual fund options. Withdrawals, including any earnings, used for qualified higher education expenses are exempt from federal income tax. The earnings portion of non-qualified withdrawals is subject to federal income tax, and may be subject to a 10% additional federal tax, as well as applicable state and local income taxes. Before you invest in a Section 529 plan, request the plan's official statement from your Merrill Lynch Financial Advisor and read it carefully. The official statement contains more complete information, including investment objectives, charges, expenses and risks of investing in the plan, which you should carefully consider before investing. You should also consider whether your home state or your designated beneficiary's home state offers any state tax or other benefits that are available only for investments in such state's 529 plan. Section 529 plans are not guaranteed by any state or federal agency.

Short Position

When an investor sells a borrowed security in anticipation of a price decline. This activity involves risk because an increase in the price of the stock will result the investor having to cover the position by, among other things, selling securities or depositing additional funds. Investors should fully understand these risks. Note that short positions are included as part of the cash calculation. Where a Net Debit Balance exists, the Short Position value is shown. Your Financial Advisor can provide additional detail regarding short positions in your account.

Standard Deviation

A measure of the extent to which observations in a series vary from the arithmetic mean of the series. The standard deviation of a series of asset returns is a measure of volatility, or risk, of the asset.

Unclassified Assets

Assets that cannot be assigned to an asset class within the standard asset schema. Capital market assumptions cannot be properly applied to these assets so they are removed for calculation/forecasting purposes. Unclassified Asset values are displayed for Net Worth and Asset Allocation purposes for overall balance purposes.

Appendix: Understanding Your Analysis

Your analysis, including the illustrations presented, is based on information that you have provided, including:

- Personal information about yourself and any other individuals you have provided for the analysis;
- Cash flow information (e.g., goals, other current and planned expenses, income and savings), and
- The current value of your disclosed assets and their overall allocation. A complete listing of all the information included in this analysis can be found in the *Appendix: Client Profile* of this report.

It is important to understand that the results of this analysis depend on the information you provided about your assets, liabilities, goals, income, expenses and other relevant financial data. Failure to include complete information will materially impact the results of this analysis. It is also important to understand that portfolio values will fluctuate over time due to a number of reasons, including market fluctuations. This analysis represents information as of the date indicated.

Important Forecasting Assumptions

IMPORTANT: The projections or other information shown in this analysis 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.

Probabilistic Modeling

Portions of this analysis are based on probabilistic modeling. Probabilistic modeling is a statistical modeling technique in which a set of future outcomes are forecasted based on the variability or randomness associated with historical occurrences. In this report, a probabilistic approach is used to determine the likelihood that you may be able to achieve your stated goals and to identify a range of potential wealth outcomes that could be realized. It involves generating thousands of scenarios, each simulating the growth of assets over a specified period of time, taking into account a variety of factors, such as economic conditions, the allocation of assets, portfolio value, cash flow and market volatility. The analysis presented is not a guarantee, prediction or projection of any particular result and your actual results may vary materially. Rather, this analysis is directional in nature and can be used to help you evaluate how certain decisions or strategies may impact your ability to achieve your goals. You should also understand that probabilistic modeling does not analyze specific security holdings, but instead analyzes the identified asset allocation and identified cash inflows and outflows, and that the results of the analysis can change over time and with each use if any of the underlying assumptions or profile data is adjusted. In addition, this analysis does not represent the results that would occur from an extreme market event, either positive or negative, due to the low probability of such an occurrence.

In addition, the following treatment is applied within the Retirement analysis:

- surplus net cash flows are assumed to be reinvested into the taxable portion of your portfolio at the end of each year, and
- net cash flow deficits are funded first from taxable assets and then from the tax-advantaged assets (Note: the analysis will account for any penalties that may result from premature withdrawals from qualified plans).

It is important to note that this methodology results in goals/expenses that occur earlier in the Retirement analysis receiving greater priority as they are more likely to be funded than goals that occur later in the analysis.

For further information, you should carefully review the explanation of the methodology used, including key assumptions, which is provided in this report.

For more specifics on probabilistic modeling, including the capital market assumptions used in this analysis, see *Appendix: Important Information* of this report. Assumptions regarding asset allocation,

portfolio value, and cash inflow and outflows are based on information you provided and are identified in *Appendix: Client Profile* of this report.

Your Net Worth Statement

Your net worth includes only the assets and liabilities you identified in your profile and all employee retirement benefits are assumed to be fully vested. It does not include assets which you do not directly and personally control, such as defined benefit pension plans, non-vested stock options and trust funds from which you cannot withdraw principal.

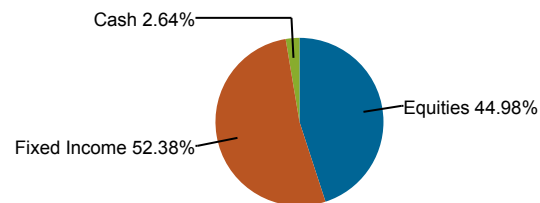
Life insurance proceeds (face value) and survivor annuities are not included because they are not available to you while you are alive.

The potential capital gains and other taxes which may be incurred when converting your assets to cash are also not considered in the calculation of your net worth.

Your Asset Allocation Analysis

Based on the information you provided, your investor profile represents a Moderate model.

The asset allocation model reflected in this analysis is based on the asset allocation calculated by the Goals-Based analysis.



The risk associated with the asset allocation model is less than the risk corresponding to your investor profile.

You should discuss the allocation model reflected in this analysis with your Financial Advisor to ensure it is appropriate for you. Note that if you choose to re-allocate your assets to the asset allocation model shown, you may incur transaction charges and taxes. Your advisors, including tax advisors, can help you develop strategies to manage the tax impact of these changes.

Your Retirement Analysis

You have elected to receive your retirement analysis based on probabilistic forecasting. You should read and understand the information presented in this section of the report as well as in the *Appendix: Important Information* section at the end of this report. You should also discuss this election with your Financial Advisor to ensure you understand the impact it may have on your analysis.

This analysis does not include any transaction costs that may be associated with purchasing or selling securities. Portfolio Management or other advisory-related fee assumptions may be included. For more information please see the Assumptions Regarding Fees Section of *Appendix: Client Profile*.

Goal Funding Status Analysis

Purpose

Appendix: Understanding Your Analysis

The Goal Funding Status analysis is designed to provide an estimate in present value terms of the achievability of your financial goals when compared to your available funding sources (current assets, future incomes and savings) based on inputs, assumptions and methodology described below as of the date of this analysis.

Your Goals

Goals are defined as desired annual cash-flows over a pre-specified future time-horizon and with a desired priority. Common goals considered in the analysis may include:

- A pre-retirement lifestyle goal that grows with inflation
- A retirement lifestyle goal that grows with inflation
- An education goals that grow with inflation
- A legacy wealth goal for heirs or other dependents
- Other goals that grow with inflation

A goal's priority is in the analysis as Essential, Important or Aspirational, and its priority is used in two ways:

1. To determine the order in which goals are funded using your current assets and future resources. Essential goals, which have the highest priority are funded first, followed by Important goals, and finally by Aspirational goals. For example, you may assign a retirement lifestyle goal with the highest priority (Essential), so that it is funded first; and.
2. To define a level of investment risk tolerance that is acceptable in funding each goal:
 - Essential – Goals that matter most and cannot be sacrificed, (e.g. ensuring you have sufficient resources to meet your basic pre-retirement and retirement lifestyle spending). As such, you may not be willing to take much risk to pursue these goals. The methodology uses a 95% probability of success measure to determine the achievability of these goals.
 - Important – Goals you aim to achieve, but may have some flexibility in how or when they are reached, (e.g. ability to fund a child's education needs). As such, you may be willing to take some risk to achieve these goals, more than for your Essential goals but not as much as for your Aspirational goals. The methodology uses a 75% probability of success measure to determine the achievability of these goals.
 - Aspirational – The least critical, or "nice-to-have" goals, (e.g. ability to buy a boat or vacation house). As such, you may be willing to take more risk to achieve these goals. The methodology uses a 55% probability of success measure to determine the achievability of these goals.

The above examples may vary from person to person. As always, there is a trade-off between risk and probability of success: the higher the potential risk, the lower the probability of success to achieve a particular goal. For additional information of probability measures used in this analysis, please see *Appendix: Glossary-Probabilistic (Monte Carlo) Modeling and Probability Levels/Confidence Levels*.

Asset Allocation

The asset allocation used within the analysis can be one of the three choices:

- Current – Your current asset allocation based on the information you provided about your accounts and assets or information we have on record for you;
- Target – Your target asset allocation can be based on the following:
 - As selected by your Financial Advisor in consultation with you and, if desired, your legal and/or tax advisors,

- An asset allocation using the methodology described below.

The asset allocation used is reflected in the *Appendix: Client Profile* section of this report.

Analytics Processing

The analysis estimates the achievability of each goal based on the selected asset allocation (current, target or suggested), a level of investment risk commensurate with the goal's priority and time-horizon, your current asset, and the and expected future resources that you specified.

- The present value of a future goal is estimated using analytical formulas that model the uncertainty in future investment returns assuming a log-normal distribution and compute a desired future cash-flow's present value via risk-adjusted discounting as a function of the target amount, time-horizon, priority, and asset class capital market assumptions (see section below):
 - Each cash-flow within a multi-year goal is treated separately and then calculated together.
 - A goal's present value is the estimated initial wealth (in today's dollars) to invest in the selected asset allocation to achieve the target amounts consistent with your stated time-horizon and goal priority level.
- The present value of the expected future inflows available to fund each goal is estimated based on the expected inflation rate as indicated in *Appendix: Client Profile - Goals and Expenses*. It is important that future income and savings entered are realistic and achievable.
- Deferred compensation accounts are incorporated into the analysis by the following 2 step process:
 - Step 1: Project the growth of the account till the payout year.
 - Step 2: The projected account balance is treated as income at the payout year.

Note: Deferred compensation accounts can be projected using a deterministic or probabilistic method:

- Deterministic – Rate of return entered by your Financial Advisor is used to project the account balance.
- Probabilistic – Asset allocation specified by your Financial Advisor and 95% probability of success is used to project the account balance.
- The estimated cost of each goal is compared against current and future assets available to fund that goal to estimate its achievability or funding status in present value terms. This is repeated for every goal, in order of goal priority, to determine the overall plan funding status:
 - In estimating the funding status of each goal, the available future inflows are used first, followed by current assets;
 - Although you may elect to use surplus assets within education accounts (529, taxable education, etc.) to fund non-education goals, they are only used once any education goal is fully funded;
 - Required minimum distributions for retirement accounts are not considered in this analysis.

The Impact of Taxes

Taxes are estimated based on the rates you provided as indicated in the Tax Information section of *Appendix: Client Profile*. Note that tax rates can change over time. Taxes on investment income from taxable accounts are determined based on the characteristics of the income generated from the assets, and are computed as if due in the year of the goal.

Withdrawals in a given year will be first taken from taxable accounts so that your tax-advantaged investments can continue to grow tax-deferred. If you have more than one taxable account, withdrawals will be first taken out from accounts with the highest cost basis.

Appendix: Understanding Your Analysis

Additional information can be found in *Appendix: Client Profile - Effective Tax Rate*

Capital Market Assumptions

The analysis uses long-term capital market assumptions developed by Merrill Lynch to generate a range of potential future return outcomes and are presented for informational purposes only:

ASSET CLASS LONG TERM CAPITAL MARKET ASSUMPTIONS Returns, Standard Deviation and Income (Annual)				
Asset Class	Arithmetic Mean Return	Standard Deviation	Geometric Mean Return	Income
Equity	8.92%	16.22%	7.73%	1.96%
Fixed Income	3.97%	6.40%	3.78%	3.66%
Cash	2.45%	2.49%	2.42%	1.32%
Real Assets	4.67%	10.64%	4.13%	2.50%
Hedge Fund Strategies	7.62%	9.23%	7.23%	0.00%
Private Equity	11.61%	24.09%	9.10%	0.00%

ASSET CLASS LONG TERM CAPITAL MARKET ASSUMPTIONS CORRELATION MATRIX						
	Equity	Fixed Income	Cash	Real Assets	Hedge Fund Strategies	Private Equity
Equity	1.000					
Fixed Income	-0.037	1.000				
Cash	0.252	0.241	1.000			
Real Assets	0.096	-0.133	0.240	1.000		
Hedge Fund Strategies	0.622	-0.005	0.233	0.136	1.000	
Private Equity	0.694	-0.035	0.028	0.042	0.622	1.000

In addition please note that:

- The core long-term expected inflation rate is assumed to be 2.08%;
- Concentrated equity positions are not given any special treatment or differing assumptions in this analysis; they are treated as diversified equity holdings.

This analysis does not include any transaction costs or fees that may be associated with purchasing or selling securities. Portfolio Management or other advisory-related fee assumptions may be included. For more information please see the Assumptions Regarding Fees Section of *Appendix: Client Profile*.

These assumptions are not guarantees or projections of future results and the actual performance of your portfolio may differ significantly from the asset class return assumptions. The outcomes shown in this analysis should be considered as estimated and hypothetical and will differ from actual outcomes.

Target Asset Allocation

As indicated above, your Target Asset Allocation is selected by your Financial Advisor, based on your Investor Profile and other factors; or based on the Goals Based analytical engine. The Goals Based analytical engine determines a suggested asset allocation for each goal based on an estimated value in present value terms. Then, each of Merrill Lynch's available strategic asset allocation (SAA) models are reviewed to identify the lowest required estimated value in today's dollars based on annual future cash flow and specified goal priority (as described above).

This process is then repeated for each desired future cash-flow of a multi-year goal. The selected models and present value amounts are finally aggregated into one target asset allocation.

For example, the Goals Based analytical engine will suggest a more conservative asset allocation for an Essential goal than for an Aspirational goal over the same time-horizon. The assumption is that a conservative asset allocation has a tighter future projected wealth distribution than an aggressive one over the same time horizon. Therefore a conservative asset allocation is preferred for Essential goals that need to be achieved with very high confidence (i.e. Essential priority or 95% probability of success).

The Target Asset Allocation generated by the Goals Based analytical engine may be different than the asset allocation selected by your Financial Advisor. Differences may relate to your risk tolerance, liquidity, financial situation and needs and other important factors. If you have questions about your Target Asset Allocation and how it has been derived, please speak with your Financial Advisor.

Additional considerations based on net worth, income and the goal's time-horizon are also taken into account when selecting a Target Asset Allocation. For example, an allocation containing less liquid products (e.g. Hedge Funds or Private Equity) would generally not be used for goals with short-term time-horizons. Additionally, a Target Asset Allocation will not contain investments that a client is not qualified for (e.g. Hedge Funds or Private Equity), irrespective of time-horizon.

Additional information regarding the Investor Profile can be found in Appendix: Glossary and Appendix: Client Profile. Please speak with your Advisor if you wish to make changes.

Appendix: Important Information

THIS REPORT IS FURNISHED ON A CONFIDENTIAL BASIS FOR THE USE OF THE RECIPIENT AND THEIR ADVISOR AND FOR DISCUSSION PURPOSES ONLY AND IS SUBJECT TO COMPLETION OR AMENDMENT.

Important Disclosures

The information contained in this report does not constitute a solicitation to buy or sell any security.

You are not required to transact business with Merrill Lynch or to implement any of the suggestions made in connection with this report. You should carefully consider all relevant factors if you choose to implement through Merrill Lynch any or all of the suggestions made in connection with the report, and consult with your outside professional advisors. Merrill Lynch and its affiliates do not provide legal, tax or accounting advice. In addition, Merrill Lynch will be acting solely as broker-dealer, not as an investment advisor (unless otherwise agreed in writing) and may execute transactions for your account as agent or principal. Merrill Lynch and its Financial Advisors will receive compensation for such transactions. Your Financial Advisor can provide you with additional information. All recommendations must be considered in the context of an individual investor's goals, time horizon, liquidity needs, and risk tolerance.

Explanation of Analyses and Assumptions

The analyses, suggested asset allocations and recommendations contained in this report are based on:

- Information you provided in the questionnaire or verbally to your Financial Advisor.
- Appropriate financial concepts.
- Investment assumptions pertaining to your current and proposed portfolios, and individual asset classes.

The assets and liabilities identified in *Appendix: Client Profile* are the basis for all analyses in this report.

The Global Wealth & Investment Management Chief Investment Office (GWIM CIO) developed the analytics used to create this report. The validity of recommendations and analyses contained in this report is dependent upon the accuracy and thoroughness of the data provided by you. The use of different data will result in different results.

Classification of Securities

- For Asset Class or Sector analyses, securities are generally classified by asset class and sector.
- For Sector, security classifications are based on Global Industry Classification Standard ("GICS"). Source: Morgan Stanley Capital International ("MSCI") and Standard & Poor's ("S&P"), a division of the McGraw Hill Companies, Inc.
- Convertible securities and options are classified as Equities.
- Preferred stock is classified as Fixed Income.
- Life Insurance Products are classified as Other.
- For Alternative Investments, Exchange Funds, Hedge Funds, Private Equity, Managed Futures, Precious Metals and select Market-Linked Investments may be included.

- For "Other" and "Hard" Assets, items that are not easily classified into the asset classes above (such as business interests, investment real estate, options, and life insurance) are shown for informational purposes only and are not part of your analysis.
- When External Assets are included in a Report (as described further in the External Assets section of this Appendix), holdings are generally classified, where available, as indicated above. If a classification is not available, External Assets are classified as "Other".
- For mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities, the fund may be shown by holdings or, optionally, by profile (fund objective). When shown by holdings, the fund is classified by the asset class, sector, size and style or maturity breakdown of those holdings. When shown by profile, the fund is classified by the asset class, sector, or size and style provided by vendors and mapped to Merrill Lynch's RIC (Research Investment Committee) allocation schema in order to report the industry's or Merrill Lynch's interpretation of the objective of the fund/pooled investment vehicle. Note that the data used for this classification is obtained from a variety of sources and may not be current (see "Data As Of" date shown in the Details Section for the date the portfolio holdings were reported by the fund). Mutual funds, exchange traded funds, closed end funds and the investment options of underlying annuities may change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds, exchange traded funds, closed end funds, and the investment options of underlying annuities may not accurately reflect the current composition of these funds. The classification of these securities may differ from other sources due to differing methods of classification (e.g. shown and classified by holdings versus by profile). As such, this Report may differ from other reports (e.g., your Merrill Lynch account statement, in which these funds are always shown by profile) depending on whether the funds are shown by holdings or by profile in this Report. In particular, Non-Traditional Funds (NTFs), mutual funds and exchange traded funds that pursue alternative strategies or provide alternative asset exposure, may be classified as alternative investments when shown by profile, but when shown by holdings, the NTF will be classified by the asset class, sector, size and style or maturity breakdown of its holdings, which may reflect no allocation to alternative investments.
- If the holdings or profile data for mutual funds, exchange traded funds, or closed end funds is not available, the fund is classified by its predominant asset class ("Data As Of" date shown as "N/A" in the Details Section). If the holdings or profile data for the investment options of underlying annuities is not available, fixed annuities and market value adjusted annuities are classified as Fixed Income and variable annuities are classified as Equities. Note that annuities and life insurance products are not held in your account but are included here for your information.
- For investment advisory programs asset allocation information may be based on your actual holdings, model portfolio holdings or the mandated style. Your Financial Advisor can provide additional information.

External Assets

The following important information is provided to help you better understand the external assets information that has been provided in this Report, if applicable, and to advise you of action you may need to take by periodically reviewing those assets. If you have requested your Advisor include your external assets in this Report, your disclosed external assets are reflected in Appendix: Client Profile in the "Investment Assets Not Held at Merrill Lynch or Bank of America" section. For purposes of the following information, these assets are referred to generally as "External Assets."

- External Assets may include holdings, values and other information that have been supplied: (1) by you to your Advisor; (2) by you through My Financial Picture; (or) through My Financial Picture by a third party service which combines your External Assets and provides that information to Merrill Lynch.

Appendix: Important Information

- Please make sure you periodically review your External Assets and if you have provided External Assets-related information to your Financial Advisor for inclusion in this or other reports and analyses, it is important that you provide your Financial Advisor with updated values, as appropriate.
- Your Advisor and Merrill Lynch will not update information relating to your External Assets, except for pricing information, if pricing information for the particular security is available to Merrill Lynch. Please refer to "Pricing of Securities" within Appendix: Important Information for additional information.
- *Your Merrill Lynch Account Statement is your official record of holdings, balances, and security values for your accounts at Merrill Lynch and sold to you by your Financial Advisor. Any investments sold to you by your Merrill Lynch Financial Advisor will be included on your Merrill Lynch Account Statement. Any information contained in this Report does not replace or supersede information on your Merrill Lynch Account Statement or any third party account statement for your External Assets. If there is any inconsistent information reflected for the External Assets information included in this Report, please refer to the statement or report sent to you by the third party and notify the Office Management Team at your Merrill Lynch branch office so that we may update the information.*
- **Merrill Lynch does not independently verify the accuracy of the information supplied, by you or any third party used through My Financial Picture.**
- Although Merrill Lynch may be providing you with information relating to External Assets, Merrill Lynch does not provide investment advice with respect to External Assets unless otherwise agreed to between you and Merrill Lynch.

IMPORTANT FORECASTING ASSUMPTIONS

IMPORTANT: The projections or other information shown in a Wealth Management Analysis regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

Forecasting Return Assumptions

The analyses contained in this report uses forward-looking rates of return developed by Merrill Lynch. The rates of return reflect the range of potential performance outcomes for each asset class over the next 25 years and are presented for informational purposes only. These assumptions are not guarantees or projections of future results and the actual performance of your portfolio may differ significantly from the asset class return assumptions.

- Probabilistic modeling is used by default in the Retirement analysis, however your Financial Advisor may have chosen to use deterministic modeling.
- If deterministic modeling is used, the standard deviation is assumed to be 0%
- For Education, Estate and Insurance analyses, deterministic modeling is used and the returns associated with 50% confidence level are used
- For Stock Options analysis, the stock value is projected using deterministic modeling and the returns associated with 50% confidence level.

The assumptions used within the analysis are:

ASSET CLASS LONG TERM CAPITAL MARKET ASSUMPTIONS Returns, Standard Deviation and Income (Annual)					
Asset Class	Arithmetic Mean	Standard Deviation	Geometric Mean Return	Income	Portfolio Turnover
Equities	8.9%	16.2%	7.7%	1.96%	30.0%
Large-Cap Growth	7.9%	18.4%	6.3%	1.31%	30.0%
Large-Cap Value	10.5%	16.9%	9.2%	2.53%	30.0%
Small-Cap Growth	9.8%	22.9%	7.5%	0.70%	30.0%
Small-Cap Value	12.1%	21.3%	10.2%	2.23%	30.0%
International	8.2%	21.4%	6.2%	3.03%	30.0%
Fixed Income	4.0%	6.4%	3.8%	3.66%	90.0%
Long-Term Bonds	6.6%	14.9%	5.6%	5.12%	90.0%
Intermediate-Term Bonds	4.8%	7.7%	4.5%	4.25%	90.0%
Short-Term Bonds	2.7%	3.0%	2.7%	3.02%	90.0%
Cash	2.5%	2.5%	2.4%	1.32%	100.0%
Real Assets	4.7%	10.6%	4.1%	2.50%	60.0%
Hedge Fund Strategies	7.6%	9.2%	7.2%	0.00%	100.0%
Private Equity	11.6%	24.1%	9.1%	0.00%	20.0%

The return and standard deviation assumptions listed below are used within the probabilistic analyses for a concentrated stock position and are based on the sector classification of the holding.

INDUSTRY SECTOR LONG TERM CAPITAL MARKET ASSUMPTIONS			
Return and Standard Deviation			
Sector	Portfolio Turnover	Return	Volatility
Consumer Discretionary	30.0%	9.9%	39.1%
Consumer Staples	30.0%	8.9%	35.0%
Energy	30.0%	12.9%	57.5%
Financials	30.0%	12.3%	56.4%
Health Care	30.0%	10.8%	45.2%
Industrials	30.0%	11.0%	39.5%
Information Technology	30.0%	9.9%	55.9%
Materials	30.0%	10.1%	47.6%
Real Estate	30.0%	13.9%	40.8%
Telecom Services	30.0%	10.5%	46.9%
Utilities	30.0%	8.8%	38.8%

Note that the deterministic analyses do not reflect the increased portfolio risk and volatility usually associated with holding a concentrated position.

Additional Assumptions Related to Probabilistic and Deterministic Modelling:

- Analyses based on a target asset allocation that differs from your current allocation do not take into account fees and capital gains taxes incurred by re-allocating from your current asset allocation.
- Annual rebalancing of portfolios is consistent with the asset allocation used in the analysis.
- Transaction costs are not included. Fee assumptions may be included into certain analyses. For more information please see the Assumptions Regarding Fees Section of *Appendix: Client Profile*.
- Dividends and income are reinvested to the extent not used to fund annual spending.
- The core inflation rate is assumed to be 2.08%.

Pricing of Securities

Pricing of securities is provided for your information. Your Account Statement is your official record of holdings, balances and security values for your accounts at Merrill Lynch and sold to you by your Advisor. Unless you or a third party have provided the values for any External Assets, values reflect information as of the "As of Date" shown. Values for External Assets (if you have chosen to include them) will reflect information as of the "As of Date" indicated, provided pricing information for the particular security is available to Merrill Lynch. Otherwise, pricing information for External Assets are based on values you or a third party have provided to Merrill Lynch. Please contact your Advisor if you have questions relating to pricing information. Please see the External Assets section in Appendix: Important Information for important information relating to External Assets generally, including reviewing the External Assets with your Financial Advisor on a regular basis. Annuities and life insurance products are not held in your account. Their values are listed in the report for your convenience. Life Insurance Cash Values and Annuity Contract Values are used to calculate Total Portfolio Value. These values are as of close of business one day prior to the "As of Date" shown. Cash Values may not reflect immediately available funds due to loan balances and/or policy changes. Annuity Contract Values may not reflect immediately available funds due to contract changes. Prices specified may fluctuate and the price at the time of purchase or sale may be more or less than that shown. Prices may also change subsequent to purchase, and the value of your investment may decrease.

Asset Allocation Models

Where an asset allocation model is presented, it may be developed by BofA Merrill Lynch Global Research or Global Wealth & Investment Management Chief Investment Office (GWIM CIO) for use with Merrill Lynch clients. These models represent asset allocation approaches based on a client's profile and investment objectives and are subject to change as market conditions change in the future. In addition, asset allocation models including alternative investments consider liquidity needs as an important factor in the formation of an asset allocation strategy. Liquidity refers to the ability or timeliness with which assets can be converted into cash. Depending on your personal financial needs and objectives, it is important to consider whether you may need to sell investments to raise cash over varying time horizons. If the asset allocation model used in this report includes alternative investments, it is designed for investors with lower liquidity needs, however in some cases, up to 45% of the portfolio may be illiquid for 3-5 years.

Alternatively, your Financial Advisor may have customized an asset allocation for your specific situation which may or may not be based on an asset allocation model. You should regularly review your asset allocation with your Financial Advisor and your professional advisors. Asset Allocation does not assure a profit or protect against a loss in declining markets. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns.

- The Portfolio Assets Rate of Return represents the after-tax rate of return that your portfolio assets are projected to generate for the purposes of this analysis. Liquidating your portfolio assets would be more costly than the financing alternatives with lower interest rates because you would be losing a greater amount of investment income than you would be paying in interest costs.

Merrill Lynch does not provide advice on tax issues. Interest expense may not be deductible for all taxpayers. Please consult your tax advisor.

Standard Deviation

Standard deviation is a measure of the amount of risk present in a portfolio. It gives an indication of the range of returns to be expected in an average year. For example, if a portfolio has an average annual return of 10% and a Standard Deviation of 6%, 2/3 of the time, returns were between 4% and 16% in a year. Generally, the higher the Standard Deviation, the higher the variability or risk.

Income Tax Estimation

If you provided estimated tax rates, they were used as the basis for income tax estimation in this analysis. The estimates you provided are detailed in the *Appendix: Client Profile* section at the end of this report.

If you requested a systematic estimation of future estimated income taxes in your analysis, the key assumptions used are explained below as well as in the *Appendix: Client Profile* section at the end of this report.

It is important to remember that these estimates are provided as a general guideline and it is very likely that your actual future tax liability would be higher or lower than illustrated here.

In addition to the assumptions provided in the *Appendix: Client Profile* section of this report, the following key assumptions are made when requesting a systematic estimation.

- The only tax filing statuses available are Single and Married Filing Jointly.
- The tax estimation process used in this analysis does not consider the Alternative Minimum Tax (AMT).
- The estimation also does not consider any impact of the exercise of stock options.
- Taxes due to salary and net self employment income are assumed to be paid in the year in which the income is received. A withholding tax is also applied on the taxable portion of retirement plan distributions, at a 20% rate.
- All remaining income taxes are assumed to be paid in the year following the year in which the income is taxable.

Neither Merrill Lynch nor its Financial Advisors provide legal, tax, or accounting advice. You should consult your legal and/or tax advisors before making any financial decisions.

Appendix: Important Information

The analysis uses long-term capital market assumptions developed by Merrill Lynch to generate a range of potential future return outcomes and are presented for information purposes only. Correlation assumptions used in the analysis:

ASSET CLASS LONG TERM CAPITAL MARKET ASSUMPTIONS: CORRELATION MATRIX

Asset Class	Equity	Large Cap Growth	Large Cap Value	Small Cap Growth	Small Cap Value	International	Fixed Income	Short Term Bonds	Intermediate Term Bonds	Long Term Bonds	Cash	Hedge Fund Strategies	Private Equity	Real Assets
Equity	1.00													
Large Cap Growth	0.94	1.00												
Large Cap Value	0.92	0.77	1.00											
Small Cap Growth	0.83	0.81	0.76	1.00										
Small Cap Value	0.72	0.54	0.85	0.74	1.00									
International	0.70	0.65	0.65	0.61	0.54	1.00								
Fixed Income	-0.04	-0.08	0.05	-0.07	0.03	-0.12	1.00							
Short Term Bonds	0.04	0.01	0.07	-0.05	0.01	-0.07	0.57	1.00						
Intermediate Term Bonds	-0.02	-0.06	0.08	-0.03	0.08	-0.03	0.76	0.48	1.00					
Long Term Bonds	-0.07	-0.09	0.01	-0.03	0.03	-0.11	0.81	0.41	0.76	1.00				
Cash	0.25	0.21	0.24	0.07	0.11	0.15	0.24	0.59	0.17	-0.07	1.00			
Hedge Fund Strategies	0.62	0.59	0.59	0.65	0.57	0.56	-0.01	0.05	0.02	-0.03	0.23	1.00		
Private Equity	0.69	0.59	0.75	0.85	0.86	0.53	-0.03	-0.06	0.01	0.00	0.03	0.62	1.00	
Real Assets	0.10	0.08	0.08	0.06	0.06	0.23	-0.13	0.01	-0.13	-0.22	0.24	0.14	0.04	1.00

Appendix: Important Information (Projected Rates of Return)

The below table illustrates the projected rates of return of all asset classes and target allocations considered at various confidence levels. The confidence levels provide a measure of likelihood or confidence of success (i.e. ratio of "successful" occurrences to the total number of possible occurrences). They are used to illustrate a range of outcomes for various scenarios over a planning horizon of 25 years.

GEOMETRIC AVERAGE RETURNS AT CONFIDENCE LEVELS BASED ON 25 YEAR INVESTMENT HORIZON

Asset Class	95%	80%	75%	55%	50%	30%
Equities	2.6%	5.1%	5.6%	7.3%	7.7%	9.4%
Large Cap Growth	0.6%	3.3%	3.9%	5.9%	6.3%	8.2%
Large Cap Value	3.9%	6.4%	7.0%	8.8%	9.2%	11.0%
Small Cap Growth	0.4%	3.8%	4.5%	6.9%	7.5%	9.8%
Small Cap Value	3.6%	6.7%	7.4%	9.6%	10.2%	12.4%
International	-0.5%	2.7%	3.4%	5.7%	6.2%	8.4%
Fixed Income	1.7%	2.7%	2.9%	3.6%	3.8%	4.4%
Long Term Bonds	0.9%	3.2%	3.7%	5.2%	5.6%	7.2%
Intermediate Term Bonds	2.0%	3.2%	3.5%	4.3%	4.5%	5.3%
Short Term Bonds	1.7%	2.2%	2.3%	2.6%	2.7%	3.0%
Cash	1.6%	2.0%	2.1%	2.4%	2.4%	2.7%
Real Assets	0.7%	2.4%	2.7%	3.9%	4.1%	5.2%
Hedge Fund Strategies	4.3%	5.7%	6.0%	7.0%	7.2%	8.2%
Private Equity	1.7%	5.3%	6.0%	8.5%	9.1%	11.6%

TARGET ALLOCATION

Allocation Name	95%	80%	75%	55%	50%	30%
Target Allocation	3.3%	4.5%	4.8%	5.7%	5.9%	6.7%

For Probabilistic Modeling: A certain number of paths are generated (each step along each path is assumed to be independent from the previous one). The paths are then sorted from the highest to lowest growth rate at horizon and the percentile values identified (these are the growth rates shown in the table above). For example, the value of 5.1% for Equity under the "80%" column indicates that 80% of the paths have generated a growth rate of at least 5.1% over planning horizon of 25 years (this corresponds to the 20th percentile). For more information see *Important Disclosures Regarding Probabilistic Modeling* within *Appendix: Understanding Your Analysis*.

Appendix: Important Information (Projected Rates of Return)

For Deterministic Modeling: A single path is projected with a straight-line forecast using the rates of return above that correspond to the labels in the report: Conservative: 80%, Moderate: 50%, Aggressive: 30%. For more information see *Deterministic Modeling* within *Appendix: Understanding Your Analysis*.

It's important to note that these returns are geometric returns (aka Compound Annual Growth Rates – CAGR) over a 25 year planning horizon, not arithmetic averages over a 1-period horizon. These returns are not historical or actual investment returns, but rather long-term expectations.

The 50% rate of return corresponds to the Geometric Mean Return found in the Asset Class Rates of Return Table of *Appendix: Important Information*.

Appendix: Important Information

Merrill Lynch is both a broker-dealer and a registered investment adviser, and it offers both brokerage and investment advisory services. Although, this analysis may take into consideration assets in both your brokerage and investment advisory accounts, this analysis is a brokerage report.

You are not required to transact business with Merrill Lynch or to implement any of the suggestions made by your Financial Advisor in connection with this brokerage report. If you choose to do so, Merrill Lynch will be acting solely as broker-dealer, not as an investment advisor (unless you are specifically enrolled in an investment advisory program or service). In our role as broker-dealer, we and may execute transactions for your account as agent or principal, which we will confirm to you. Further, Merrill Lynch and its Financial Advisors will receive compensation for transactions in your account(s).

Among its many obligations as a broker-dealer, Merrill Lynch will execute transactions upon your instruction, deal fairly with you, and its Financial Advisors will make recommendations that are suitable in light of your stated risk tolerance, liquidity needs, time horizon, financial circumstances and needs, investment experience, other investments, and investment objectives. As an registered investment adviser, Merrill Lynch must act solely in your best interest, provide certain specific disclosures and generally act in accordance with the standards of a fiduciary as that term is interpreted under applicable law.

There are important differences between brokerage and investment advisory services, including the type of advice and assistance provided, the type of fees charged and how you pay for those fees (i.e., commissions for brokerage and an asset based fee for investment advisory), and the rights and obligations of the parties, including the role and legal duties and obligations of your Financial Advisor. Brokerage services are also regulated under different laws, regulations and rules than investment advisory services and, for example, do not include ongoing investment advice or ongoing monitoring.

Of course, the above is an exceedingly brief summary, and numerous laws, rules and regulations apply to each capacity and will differ based on specific products or services being provided. It is important for you to understand these differences, particularly when determining which service or services you might select or have selected. Your Financial Advisor can provide you with additional information on the various products and services we offer.

It is important for you to understand that this report is not a comprehensive financial plan. If you are interested in a formal analysis of your entire financial situation, ask your Financial Advisor about Merrill Lynch's financial planning services, including the fees that may be applicable.

Merrill Lynch is the marketing name for Merrill Edge™ and The Private Banking and Investment Group, all of which are made available through Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). Merrill Edge is the marketing name for two businesses: Merrill Edge Advisory center, which offers team-based advice and guidance brokerage services; and a self-directed online investing platform. Both are made available through MLPF&S.

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Are Not Deposits	Are Not Insured by Any Federal Government Agency	Are Not a Condition to Any Banking Service or Activity

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Appendix: Client Profile

Personal Information

Certain sections are applicable for Goals-Based analysis only. These sections have been marked with 'For Goals-Based analysis'.

Name	Birthdate	Age / Year	Marital Status / Gender	State of Residence
BETH SMITH	01/01/1960	Desired Retirement : 65 / 2025 End Analysis : 90 / 2050	Unavailable / Female	NJ

Dependents

Dependents	Birthdate	Gender	Relationship
EMILY SMITH	01/01/2000	Female	Daughter

Goals and Expenses

Description / Goal Type	Owner / Priority / Growth Rate	Amount (\$)	Duration
Desired Retirement Spending	BETH Essential	100,000	Retirement through Rest of Life
Desired Retirement Lifestyle	Inflation (2.080%)		
Education Goal	EMILY Important	50,000	2018 through 2021
Education Goal	5.000%		
Buy Boat	BETH Aspirational	100,000	Retirement through 2025
Large Purchase	0.000%		

For Goals-Based analysis, the goals were funded in the following order:

Description / Goal Type

Desired Retirement Spending

Desired Retirement Lifestyle

Education Goal

Education Goal

Buy Boat

Large Purchase

Income

Description / Income Type	Owner / Growth Rate	Amount (\$)	Duration
Salary Income	BETH Inflation (2.080%)	400,000	2016 until Retirement
Salary & Bonus			
Social Security Income	BETH Inflation (2.080%)	Earnings Based (Included: 100.00%)	2025 through Rest of Life
Social Security			

Appendix: Client Profile

Accounts

Investment Assets Not Held at Merrill Lynch or Bank of America*

Description / Type / As Of Date	Value (\$)	Owner / Student Tax Status	Excluded Holdings**	Allocation Details
5AX-12345 (Merrill Lynch) Brokerage 08/16/2017	1,000,000	BETH Taxable	0	EQ: 66.00% FI: 30.00% CA: 4.00%
Held Away (MFP Account) Brokerage 08/16/2017	500,000	BETH Taxable	0	EQ: 66.00% FI: 30.00% CA: 4.00%
Beth's 401k (MFP Account) 401K PreTx 08/16/2017	300,000	BETH Tax-Deferred	0	EQ: 66.00% FI: 30.00% CA: 4.00%

*Investment Assets Not Held at Merrill Lynch or Bank of America (referred to throughout this report generally as "External Assets") may include holdings, values and other information that have been supplied: (1) by you to your Advisor; (2) by you through My Financial Picture; (or) through My Financial Picture by a third party service which combines your External Assets and provides that information to Merrill Lynch. The "As of Dates" reflected above indicate the most recent date that you or a third party provided the holdings, values or other information (or an update to that information) to be included in this Report. Please refer to the "External Assets" section in Appendix: Important Information for important information relating to External Assets generally, and actions you may need to take by periodically reviewing those assets.

**Your Financial Advisor can provide further details for the excluded positions noted above.

Other Assets & Liabilities Not Held at Merrill Lynch or Bank of America*

Description / Asset Type	Value (\$)	Owner / Student
50 Main Street Primary Residences	500,000	BETH

Description / Liability Type	Balance (\$)	Owner	Interest Rate / Loan Type / Adj. Period Begin Date	Monthly Payment (\$) / Payments Remaining (Mo) / Holding Period (Yr)
50 Main Street Primary Residence Mortgage	150,000	BETH	4.50% Fixed	0

*You have identified the values for all of these assets and liabilities. Be sure to periodically review these holdings with your Financial Advisor, and advise if there have been any changes to their value, outstanding balance or other details.

Appendix: Client Profile

Savings

Description / Savings Type / Contribution Account	Owner / Student Growth Rate	Company Details/ Amount (\$ or % of Salary)/ Salary Association	Duration
Taxable Savings Taxable Other Savings 5AX-12345 (Merrill Lynch)	BETH Inflation (2.080%)	\$20,000	2016 until Retirement
Tax-Deferred Saving Tax-Deferred (Client Contribution) Beth's 401k (MFP Account)	BETH Inflation (2.080%)	Maximize Salary Income	2017 until Retirement

Asset Allocation

Client: BETH SMITH
 Investor Profile: Moderate
 Last Updated: 07/06/2016

Asset Class	Current (\$)	Current (%)	Target (\$)	Target (%)	Change (\$)	Change (%)
Equity	1,188,000	66.00%	809,637	44.98%	(378,363)	(21.02%)
Fixed Income	540,000	30.00%	942,904	52.38%	402,904	22.38%
Cash	72,000	4.00%	47,460	2.64%	(24,540)	(1.36%)
Total	1,800,000		1,800,000			

For Goals-Based Analysis

Description/Goal Type	Asset Class			
	Equity	Fixed Income	Cash	Total
Desired Retirement Spending	44.14%	53.86%	2.00%	100.00%
Desired Retirement Lifestyle				

Description/Goal Type	Asset Class			Total
	Equity	Fixed Income	Cash	
Education Goal	38.67%	55.39%	5.95%	100.00%
Education Goal				
Buy Boat	84.00%	14.00%	2.00%	100.00%
Large Purchase				
Surplus from Current Assets	53.00%	45.00%	2.00%	100.00%

Main / Scenario Settings

Scenario Selection:	Base Case
Education Funds Surplus Allocate Towards Retirement Needs:	No
Allocation View Settings:	Equity View: Equity
	Fixed Income View: Fixed Income
Managed Account Classification:	By Mandate
Pooled Investment Vehicle Classification:	By Holdings
Cash Flow Mode:	Define Taxable Savings
Goals-Based analysis only:	
Allow Withdrawal from Qualified Accounts before Age 59 ½:	Yes

Tax Information

You have provided the following estimated tax rates for use in this analysis:

	Effective Income Tax Rate (%)	Capital Gains Tax Rate (%)
Pre-Retirement:	35.00%	30.00%
Post-Retirement:	20.00%	15.00%

Assumptions Regarding Fees

The following describes the methodology for estimated fees that have been factored into certain analyses that may be contained in this Report. These estimated fees are meant to represent portfolio management or other advisory-related fees that you may incur for accounts that are part of your portfolio as included in this Report. Commissions and other fees that may apply are not included in these fee assumptions.

Fee assumptions are included in the following analyses: Retirement; Goal Funding Status; Education; Stock Options; Estate; and Insurance. For purposes of these analyses, fees are calculated based on a percentage of your assets and are deducted once a year based on the year-end values reflected in the particular analysis. Specific fee assumptions used can be found below. This Report does not reflect or represent any actual fees that may apply to your account(s) currently or in the future. Additionally, annual portfolio management or other advisory-related fees are typically deducted on a quarterly or monthly basis, which could further impact this analysis by potentially underestimating the actual fees you may pay.

Fee assumptions are only considered within a hypothetical forward-looking projected analysis to simulate the lower return on investments that may apply when fees are included for planning purposes. Fees have been assumed on all assets as indicated in below. If specific accounts are not subject to portfolio management or advisory-related fees, returns for those accounts may be higher than reflected in the analysis. **Fee assumptions have been included for estimated projection purposes only. Your fees may vary significantly and you should refer to the client agreement for the particular service for specific fees that may apply to your account(s).**

Deferred Compensation accounts are not included in these fee assumptions.

If you have any questions regarding how these fees have been factored in your analysis, please speak with your Financial Advisor. The following are the estimate fees that have been used:

Retirement Assets:	0.00%
Taxable Assets:	0.00%
Education Assets:	0.00%