



**72t Early Payout Planner
Report
for
Mr. John McClient III**

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72t Early Payout Planner

Assumptions

Owner's Age By End of This Year:	55 yrs.
Owner's Age 70½ Year:	2025
Life Expectancy Table Used:	Uniform Life

Summary

These results are estimates only, based on assumptions you have chosen. Your actual results will vary and may be more or less favorable than those shown here. Based on your inputs, the following table shows early payout options:

Year	Account Owner's Age	Fixed Amortization Method		Fixed Annuitization Method		Minimum Distribution Method	
		Balance as of 11/16	Annual Dist.	Balance as of 11/16	Annual Dist.	Balance as of 11/16	Annual Dist.
2010	55	\$125,000.00	\$4,617.41	\$125,000.00	\$4,639.45	\$125,000.00	\$3,004.81
2011	56	\$127,605.54	\$4,617.41	\$127,582.18	\$4,639.45	\$129,314.90	\$3,177.27
2012	57	\$130,367.41	\$4,617.41	\$130,319.29	\$4,639.45	\$133,705.89	\$3,367.91
2013	58	\$133,295.00	\$4,617.41	\$133,220.63	\$4,639.45	\$138,158.26	\$3,569.98
2014	59	\$136,398.24	\$4,617.41	\$136,296.05	\$4,639.45	\$142,663.58	\$3,774.17
TOTAL DISTRIBUTIONS		= \$23,087.07		= \$23,197.26		= \$16,894.13	

The above projections are based on the following assumptions:

- The 2002 final regulations issued by the IRS as well as the clarifications in Revenue Ruling 2002-62.
- A hypothetical annual return on investment of 6%.
- An interest rate for the Fixed Amortization and Fixed Annuitization method not more than 120% of the federal mid-term rate for either of the 2 months immediately preceding the month in which the distribution begins. The rate entered for this illustration was 2.33%.

Important Notes

This Early Payout Planner is calculating what the IRS calls "Substantially Equal Periodic Payments" or SEPPs for short. SEPPs are calculated using one of the following three methods:

- Fixed Amortization Method - a level amount is calculated by amortizing the Account Balance over a specified number of years (determined using a life expectancy table) using a chosen interest rate,
- Fixed Annuitization Method - a level amount is calculated by dividing the Account Balance by an annuity factor that is the present value of an annuity of \$1 per year beginning at the Owner's age and continuing for the life of the Owner (or the joint lives of the Owner and Beneficiary), or
- The Minimum Distribution Method - annual amounts are calculated by dividing the Account Balance by the number from the life expectancy table. The resulting annual payouts are recalculated for each year. The distribution will vary from year to year depending on the Account Balance and the Owner's (and Beneficiary's) age.



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IMPORTANT LEGAL INFORMATION:

This is an educational tool designed to provide you with feedback based on the information that you input and is not intended as investment advice. This is not a recommendation to buy or sell any particular product or security or a definitive answer to your personal financial situation. For a thorough analysis of your financial situation, please contact your financial adviser. These results are hypothetical only and do not reflect any particular financial vehicle. Some financial vehicles have charges, fees, and expenses that are not reflected in the results shown, and the impact of state and local taxes also are not included. If such costs were reflected, the amounts available for distribution would be lower.