



# Basic Sample Envision Report

March 08, 2007

Prepared for:  
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Prepared by:  
**Trusted Advisor**

This report is not complete unless all pages, as noted, are included. Please read the information in 'Disclosures' found within this report for an explanation of the terms and concepts presented in this report. Envision is not a financial plan. It does not include a detailed analysis of insurance, real estate investment or savings strategies. It also does not cover estate and tax planning. The Envision Process and delivery of this report do not create an advisory relationship between the firm and you.

This is a preliminary report. It may not accurately reflect your current situation and life goals. It is intended as a discussion document. Your Financial Advisor can work with you to create or modify an Investment Plan to specifically suit your needs.

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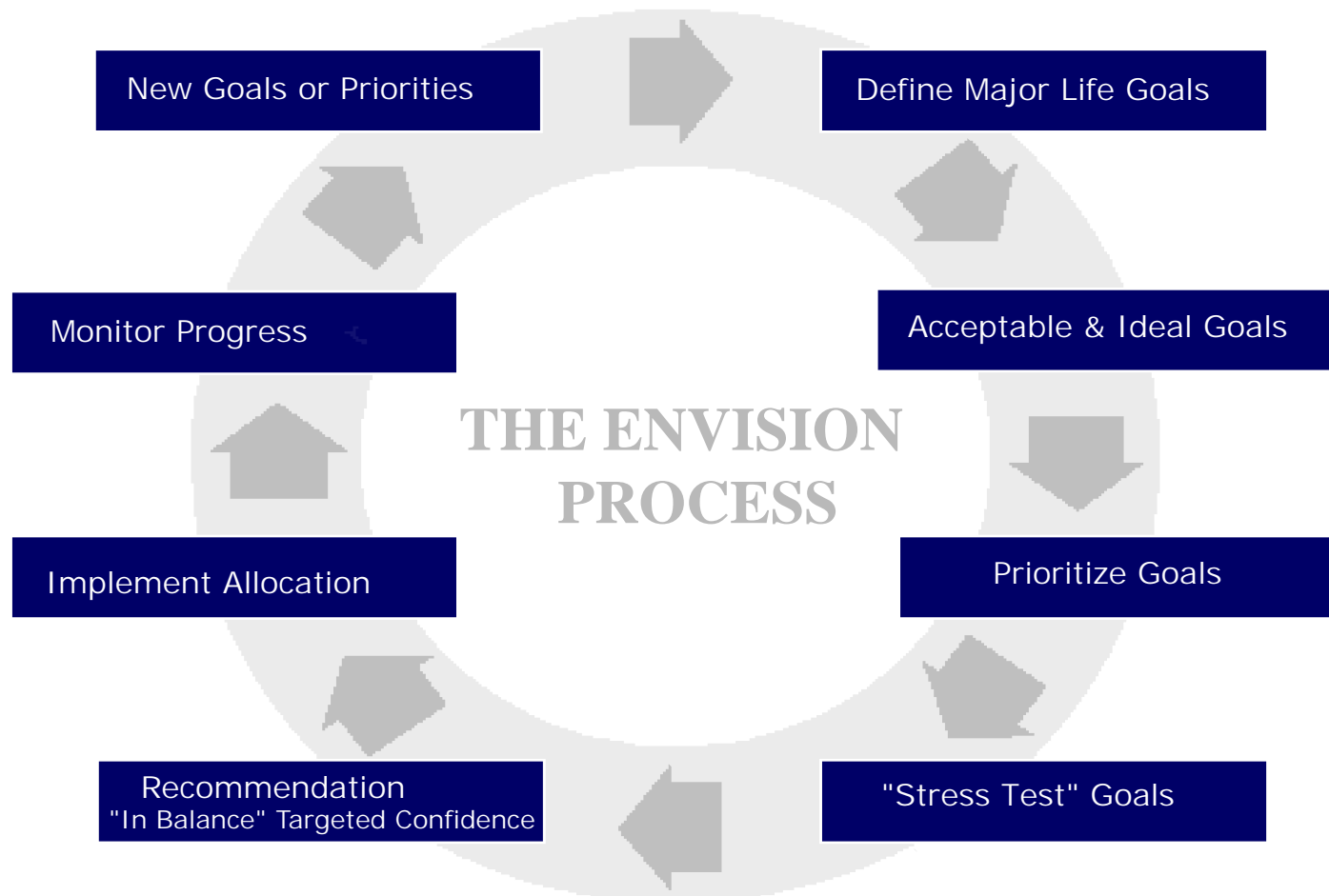
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Note: This is a sample report and does not contain actual client data and/or securities information.

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## The Envision Process



The Envision process begins by identifying a range of financial goals. Your Ideal Investment Plan reflects your optimal goals. Your Acceptable Investment Plan reflects goals that are satisfactory. The next step is evaluating the variables that may help determine the likelihood of achieving your Ideal Investment Plan versus your Acceptable Investment Plan. For most people, some goals are more important than others. By prioritizing your goals, a Recommended Investment Plan can be developed. Upon your request, we have the ability to review your progress and asset allocation. You will have the sole responsibility for determining whether, when and how to implement any of the suggestions contained in the Recommended Investment Plan. Furthermore, by accepting this Envision report, there is no requirement that you implement any of the suggestions or otherwise conduct business through the firm or its affiliates. The Disclosures include more detailed information about the Envision process.

## Profile Summary Data

### Personal Information

Name	Date of Birth	Annual Income	Projected Annual Social Security (First Year)
Jim Taylor Sample 2007	10/10/1952	\$250,000	\$17,506
Susan Taylor	09/15/1952	\$60,000	\$13,051

### Life Goals

Description	Ideal Value	Acceptable Value
Retirement Age - Jim	52	62
Retirement Age - Susan	52	62
Retirement Spending Need (Annual Increase)	\$183,600 (2.00%)	\$122,400 (2.00%)
Estate Goal	\$2,040,000	\$510,000

### Education Goals <sup>+</sup>

Name	Date of Birth	Ages	Institution	Ideal Value	Acceptable Value	Annual Increase
Sara	07/07/1991	18 - 21		\$30,600	\$30,600	2.00%
John	06/06/1987	18 - 21		\$30,600	\$30,600	2.00%

### Other Goals

Description	Annual Amount	Net or Gross	Whose Age	Start Age	End Age	Annual Increase
RV	\$153,000	Net	Jim	Ret.	Ret.	2.00%

### Other Income

Description	Annual Amount	Net or Gross	Whose Age	Start Age	End Age	Annual Increase
Dental Practice	\$76,500	Gross	Jim	62	66	2.00%
Jim's Insurance	\$100,000	Net	Jim	Death	Death	0.00%

### Savings

Description	Annual Amount	Owner	Tax Status	Annual Increase
Contribution	\$30,600	Joint	Taxable	2.00%
Contribution	\$15,300	Susan	Deferred	2.00%
Contribution	\$40,800	Jim	Deferred	2.00%

**Liabilities**

Description	Borrower	Type	Interest Rate	Balance	Monthly Payment
Wachovia Mortgage	Joint	Other	5.50%	\$200,000	\$1,700
<b>Total Liabilities :</b>				<b>\$200,000</b>	

**Risk & Return\*****Income Requirements**

Not expecting to need income from the portfolio for several years; investment strategy should emphasize growth.\*\*

	Investment Objective	Equity %	Downside Risk	Average Return (as of 3/31/2006)	Description
Ideal Portfolio	Conservative Growth	60.0%	-10.1%	8.0%	Growth investors do not seek account income and their primary objective is capital appreciation. Conservative Growth investors seek maximum growth consistent with a relatively modest degree of risk. They are willing to accept lower potential returns in exchange for lower risk. Equities may be a significant percentage of the account.
Acceptable Portfolio	Moderate Growth	80.0%	-14.5%	8.8%	Growth investors do not seek account income and their primary objective is capital appreciation. Moderate Growth investors seek to balance potential risk of capital loss with their goal of higher potential growth. Equities may be the primary asset in the account.

## Priorities

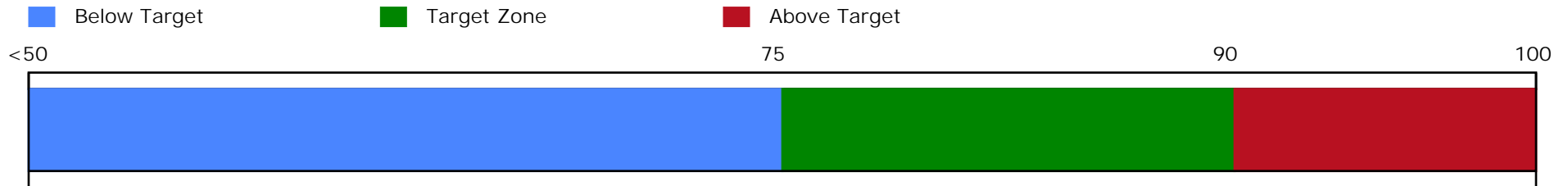
Goal	Retire Later	Reduce Retirement Spending	Reduce Size of Estate	Take More Investment Risk	Save More
To achieve our early retirement age(s), we would be willing to:	N/A		X		
To achieve our higher spending target in retirement, we would prefer to:	X	N/A	X		
In order to achieve our larger estate goal, we would be willing to:	X		N/A		
To reduce the investment risk in our portfolio, we would be willing to:	X	X	X	N/A	
We would like to reduce our current savings and to achieve this we would prefer to:					N/A
To meet our education funding goals, we would be willing to:	X		X		
To meet our other goals, we would be willing to:	X	X	X		

<sup>+</sup> All numbers provided for Education Goal calculations are hypothetical in nature and are based on assumptions entered into the calculation. You should check the figures to ensure they are reasonable and you should consult with the institution on the accuracy of the information before making any investment decisions based on this information.

<sup>++</sup> Although you may have indicated that you have no need for current income from your portfolio, we recognize that you may wish to select a strategic allocation with an income component since it may be more aligned with your risk tolerance. Generally, income producing portfolios generate a lower investment return but correspondingly have a lower investment risk.

\*The information shown is derived from 60 years of historical market index or related asset class data through 3/31/2006 applied to hypothetical allocations. Downside Risk represents the loss the allocation would have potentially experienced in a particularly negative environment in any 12 month period. Risk and return for actual securities would differ. Past performance is not a guarantee of future results. The Disclosures include more detailed information.

## The Investment Plan Result

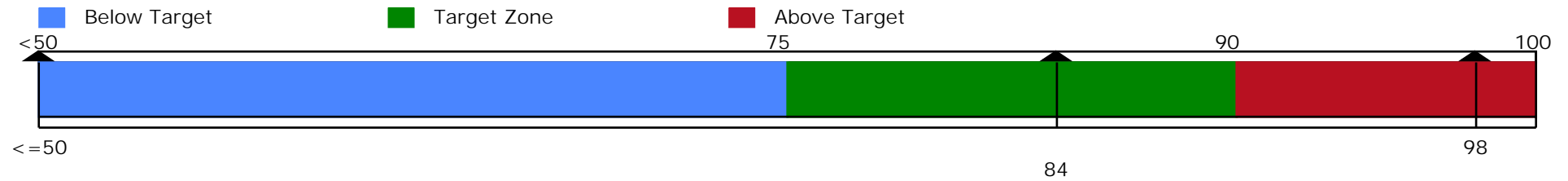


### What is the Investment Plan Result?

Central to the Envision process is the Investment Plan Result calculation. With Envision, we simultaneously evaluate your goals, your strategic asset allocation and your assets to determine the likelihood that your investment plan would have achieved your goals. The Envision process subjects your investment plan to a sophisticated stress testing process that simulates 1,000 market environments, both good and bad. Your Investment Plan Result is the percentage of the 1,000 simulations in which your goals were met for your Ideal, Acceptable, and Recommended Investment Plan. **Remember, the simulations do not represent actual investment performance and are only intended to provide you with an opportunity to evaluate your Recommended Investment Plan, including your asset allocation. The Disclosures include more detailed information regarding the simulation process.**

- **Below Target**  
An Investment Plan Result below 75 means that your investment plan would not have achieved your goals in a large number of the historical simulations. You may wish to consider adjustments to your goals, your allocation and/or your investments.
- **Target Zone**  
An Investment Plan Result between 75 and 90 means that in many of the historical simulations your investment plan would have achieved your goals. You might be required to make changes to your Recommended Investment Plan in order to stay within your Target Zone, but those changes are likely to be minor.
- **Above Target**  
An Investment Plan Result above 90 means that in a significantly large number of historical simulations your investment plan would have achieved or exceeded your goals. You may wish to consider a less risky allocation, or an adjustment to your goals.

## Recommended Investment Plan



	Ideal	Recommended	Acceptable
<b>Retirement Age</b>			
Jim	52	60	62
Susan	52	60	62
<b>Annual Retirement Spending</b>	\$183,600	\$165,000	\$122,400
<b>Other Goals</b>			
RV	\$153,000 (Age Ret.-Ret.)	\$153,000 (Age Ret.-Ret.)	\$153,000 (Age Ret.-Ret.)
<b>Annual Education Goals</b>			
Sara	\$30,600 (Age 18-21)	\$30,600 (Age 18-21)	\$30,600 (Age 18-21)
John	\$30,600 (Age 18-21)	\$30,600 (Age 18-21)	\$30,600 (Age 18-21)
<b>Annual Savings</b>	\$86,700	\$86,700	\$96,900
<b>Other Sources of Income (Annual)</b>			
Dental Practice	\$76,500 (Age 62-66)	\$76,500 (Age 62-66)	\$76,500 (Age 62-66)
Jim's Insurance	\$100,000 (Age Death-Death)	\$100,000 (Age Death-Death)	\$100,000 (Age Death-Death)
<b>Annual Social Security</b>			
Susan	\$13,051 (Age 62-Death)	\$15,093 (Age 62-Death)	\$15,246 (Age 62-Death)
Jim	\$17,506 (Age 62-Death)	\$19,008 (Age 62-Death)	\$19,152 (Age 62-Death)
Susan	\$4,455 (Age 93-End)	\$3,916 (Age 93-End)	\$3,906 (Age 93-End)
<b>Estate Goal</b>	\$2,040,000	\$510,000	\$510,000
<b>Strategic Allocation</b>	Conservative Growth	Moderate Growth	Moderate Growth
Percent in Equities	60.0%	80.0%	80.0%
Downside Risk	-10.1%	-14.5%	-14.5%
<b>Investment Plan Result</b>	19	84	98

**Moderate Growth**

Growth investors do not seek account income and their primary objective is capital appreciation. Moderate Growth investors seek to balance potential risk of capital loss with their goal of higher potential growth. Equities may be the primary asset in the account. Please refer to the Disclosures for more detailed information.

This information is not used to update your client account profile information. Please contact your Financial Advisor if any changes are needed to update your client profile.

Your Recommended Investment Plan Result was calculated assuming that you will modify your strategic asset allocations, if applicable, throughout the life of the plan. The recommended strategic asset allocation reflected on this page illustrates the strategic allocation you plan to implement now. Future allocations are illustrated on the Age Based Asset Allocation page.

## Achieving Your Goals

### Retirement Age

Jim	60
Susan	60

### Annual Retirement Spending

\$165,000

### Other Goals

RV	\$153,000 (Age Ret.-Ret.)
----	---------------------------

### Annual Education Goals

Sara	\$30,600 (Age 18-21)
John	\$30,600 (Age 18-21)

### Annual Savings

\$86,700

### Other Sources of Income (Annual)

Dental Practice	\$76,500 (Age 62-66)
Jim's Insurance	\$100,000 (Age Death-Death)

### Social Security

Susan	\$15,093 (Age 62-Death)
Jim	\$19,008 (Age 62-Death)
Susan	\$3,916 (Age 93-End)

### Estate Goal

\$510,000

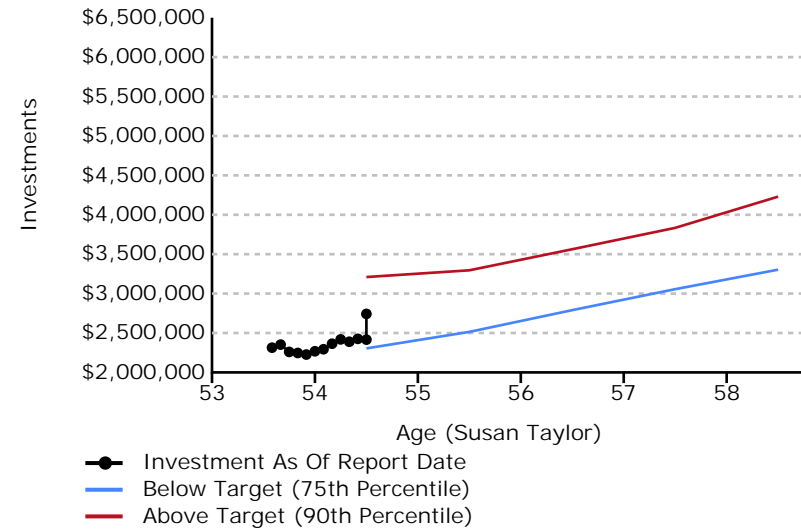
### Strategic Allocation

Moderate Growth

Percent in Equities	80.0%
Downside Risk	-14.5%

### Investment Plan Result

84

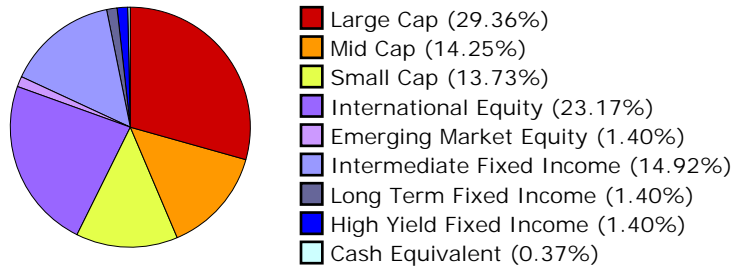


The Target Zone may help you evaluate your Recommended Investment Plan. It does not represent a projection of future portfolio values. The target zone graph is shown in Actual dollars.

This information is not used to update your client account profile information. Please contact your Financial Advisor if any changes are needed to update your client profile.

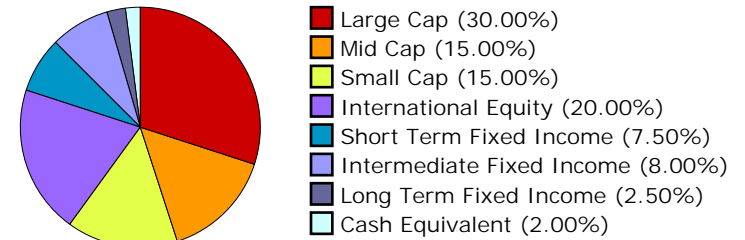
## Market Capitalization Analysis

### Current



Average Return: 8.9%  
Downside Risk: -14.8%

### Moderate Growth



Average Return: 8.8%  
Downside Risk: -14.5%

### Long Positions

Asset Class Type	Current		Strategic		Difference	
	Value	Percentage	Value	Percentage	Value	Percentage
Large Cap	\$ 805,065.38	29.36%	\$ 822,662.13	30.00%	\$ 17,596.75	0.64%
Mid Cap	\$ 390,746.97	14.25%	\$ 411,331.06	15.00%	\$ 20,584.09	0.75%
Small Cap	\$ 376,483.31	13.73%	\$ 411,331.06	15.00%	\$ 34,847.75	1.27%
International Equity	\$ 635,290.00	23.17%	\$ 548,441.42	20.00%	\$ - 86,848.58	- 3.17%
Emerging Market Equity	\$ 38,500.00	1.40%	\$ 0.00	0.00%	\$ - 38,500.00	- 1.40%
Short Term Fixed Income	\$ 0.00	0.00%	\$ 205,665.53	7.50%	\$ 205,665.53	7.50%
Intermediate Fixed Income	\$ 409,021.43	14.92%	\$ 219,376.57	8.00%	\$ - 189,644.86	- 6.92%
Long Term Fixed Income	\$ 38,500.00	1.40%	\$ 68,555.18	2.50%	\$ 30,055.18	1.10%
High Yield Fixed Income	\$ 38,500.00	1.40%	\$ 0.00	0.00%	\$ - 38,500.00	- 1.40%
Cash Equivalent	\$ 10,100.00	0.37%	\$ 54,844.14	2.00%	\$ 44,744.14	1.63%
<b>Total:</b>	<b>\$ 2,742,207.09</b>	<b>100.00%</b>	<b>\$ 2,742,207.09</b>	<b>100.00%</b>	<b>\$ 0.00</b>	<b>0.00%</b>

Current Allocation indicates how an investor's portfolio is allocated based on Wachovia Securities asset classifications and current market value

Strategic Allocation illustrates how much of an investor's portfolio should be allocated to the various asset classes based on the recommended investment plan.

The information shown is based on 60 years of historical market index or related asset class data through 3/31/2006 applied to a hypothetical allocation. Risk and return for actual securities would differ. Past performance is not a guarantee of future results. There can be no guarantee that your investment goals will be reached by following a prescribed asset allocation plan. The Disclosures include more detailed information.

Totals may not equal calculated amounts due to rounding differences.

The Disclosures include definitions of the terms on this page and other detailed information.

Market Values are based on closing prices and positions as of 3/7/2007 for security level holdings.

# Age Based Asset Allocations

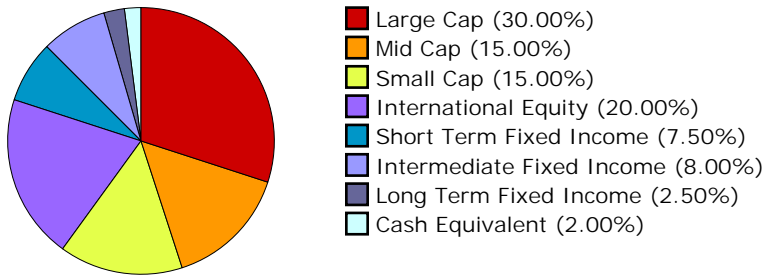
## Moderate Growth

Average Return:	8.8%
Downside Risk:	-14.5%

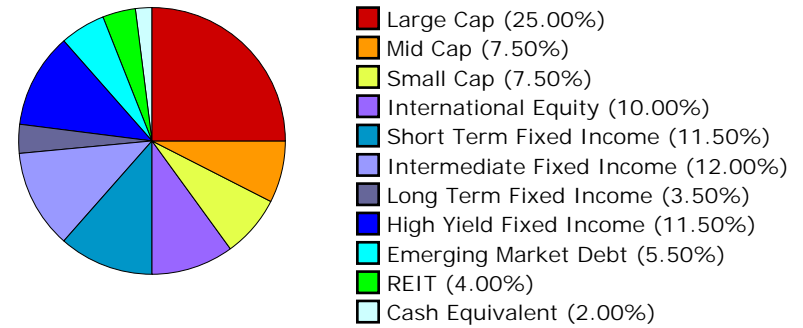
## Moderate Growth & Income

Average Return:	7.5%
Downside Risk:	-9.6%

Age Now - 59



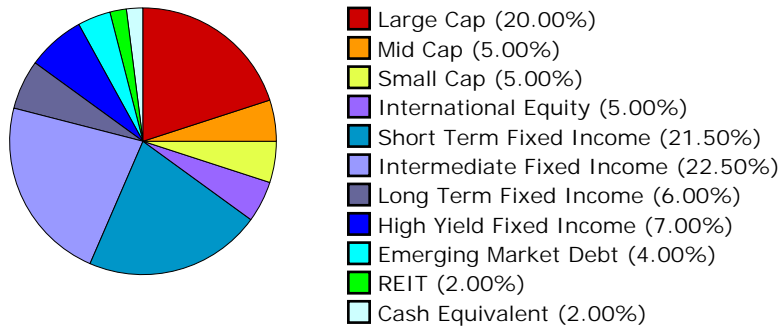
Age Ret. - 79



**Conservative Growth & Income**

Average Return: 6.8%

Downside Risk: -5.7%

**Age 80 - End**

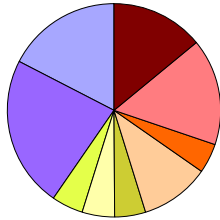
This analysis is designed to illustrate your anticipated strategic allocations throughout the life of the plan. The age selected is based on the primary client's age. Please remember to update your goals with your Financial Advisor periodically, since you may determine that your actual strategic allocations should differ. The information shown is derived from 60 years of historical market index or related asset class data through [3/31/2006] applied to hypothetical allocations.

Downside Risk represents the loss the allocation would have potentially experienced in a particularly negative market environment in any 12 month period. Risk and return for actual securities would differ. Past performance is not a guarantee of future results. The Disclosures at the end of this report include more detailed information.

## Account Summary

1 (Jim Taylor MG Model Tax Def) (EXTERNAL)

### Asset Allocation



Large Cap Growth	(14.03%)
Large Cap Value	(16.17%)
Mid Cap Growth	(4.49%)
Mid Cap Value	(10.52%)
Small Cap Growth	(4.70%)
Small Cap Value	(4.92%)
Small Cap Blend	(4.78%)
International Equity	(22.97%)
Intermediate Taxable Fixed Income	(17.43%)

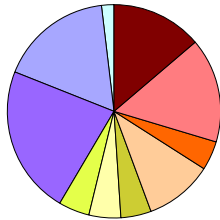
### Security Level - Long Positions

Name	Amount	%
CALAMOS GROWTH FD CL A	\$ 81,714.75	4.49
CONSTELL SANDS CAP INST	\$ 121,495.67	6.67
CRM MID CAP VALUE INSTL	\$ 97,861.84	5.37
DODGE & COX INTL STCK FD	\$ 169,856.91	9.33
FPA CAPITAL FUND INC	\$ 87,117.02	4.78
HARBOR SML CAP VALU FD-I	\$ 89,609.99	4.92
HOTCHKIS&WILEY COR VAL-I	\$ 144,575.39	7.94
JANUS MD CAP VAL FD INST	\$ 93,785.81	5.15
JULIUS BAER INTNL EQU II	\$ 169,628.43	9.31
NB INTL INSTITUTIONAL FD	\$ 78,838.39	4.33
PIMCO TOTAL RETURN INSTL	\$ 156,902.27	8.61
TCW GALILEO DIVERS VAL-I	\$ 149,881.41	8.23
TOUCHSTONE SMALL CAP-I	\$ 85,566.01	4.70
WELLS FARGO ADV END SL-I	\$ 134,126.00	7.36
WESTERN ASSET CORE BD-I	\$ 160,520.13	8.81

<b>Long Mkt Value:</b>	<b>\$ 1,821,480.02</b>
<b>Short Mkt Value:</b>	<b>\$ 0.00</b>
<b>Cash Balance:</b>	<b>\$ 0.00</b>
<b>Account Value:</b>	<b>\$ 1,821,480.02</b>

## 2 (Susan Taylor MG Model Taxable) (EXTERNAL)

## Asset Allocation

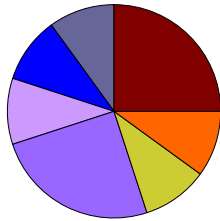


■ Large Cap Growth (13.77%)
■ Large Cap Value (15.86%)
■ Mid Cap Growth (4.40%)
■ Mid Cap Value (10.32%)
■ Small Cap Growth (4.61%)
■ Small Cap Value (4.83%)
■ Small Cap Blend (4.69%)
■ International Equity (22.53%)
■ Intermediate Taxable Fixed Income (17.10%)
■ Cash Equivalent (1.89%)

## Security Level - Long Positions

Name	Amount	%
CALAMOS GROWTH FD CL A	\$ 23,580.54	4.40
CONSTELL SANDS CAP INST	\$ 35,060.17	6.54
CRM MID CAP VALUE INSTL	\$ 28,240.13	5.27
DODGE & COX INTL STCK FD	\$ 49,015.85	9.15
FPA CAPITAL FUND INC	\$ 25,139.49	4.69
HARBOR SML CAP VALU FD-I	\$ 25,858.89	4.83
HOTCHKIS&WILEY COR VAL-I	\$ 41,720.32	7.79
JANUS MD CAP VAL FD INST	\$ 27,063.90	5.05
JULIUS BAER INTNL EQU II	\$ 48,949.92	9.14
NB INTL INSTITUTIONAL FD	\$ 22,750.50	4.25
PIMCO TOTAL RETURN INSTL	\$ 45,277.51	8.45
TCW GALILEO DIVERS VAL-I	\$ 43,251.49	8.07
TOUCHSTONE SMALL CAP-I	\$ 24,691.91	4.61
WELLS FARGO ADV END SL-I	\$ 38,704.93	7.22
WESTERN ASSET CORE BD-I	\$ 46,321.52	8.65

<b>Long Mkt Value:</b>	<b>\$ 525,627.07</b>
<b>Short Mkt Value:</b>	<b>\$ 0.00</b>
<b>Cash Balance:</b>	<b>\$ 10,100.00</b>
<b>Account Value:</b>	<b>\$ 535,727.07</b>

**3 (Susan's IRA) (EXTERNAL)****Asset Allocation**

Large Cap Growth	(25.00%)
Mid Cap Growth	(10.00%)
Small Cap Growth	(10.00%)
International Equity	(25.00%)
Emerging Market Equity	(10.00%)
High Yield Fixed Income	(10.00%)
Long Term Taxable Fixed Income	(10.00%)

**Asset Class Level - Long Positions**

Name	Amount	%
Large Cap Growth	\$96,250.00	25.00
Mid Cap Growth	\$38,500.00	10.00
Small Cap Growth	\$38,500.00	10.00
International Equity	\$96,250.00	25.00
Emerging Market Equity	\$38,500.00	10.00
High Yield Fixed Income	\$38,500.00	10.00
Long Term Taxable Fixed Income	\$38,500.00	10.00
<b>Long Mkt Value:</b>	<b>\$ 385,000.00</b>	
<b>Short Mkt Value:</b>	<b>\$ 0.00</b>	
<b>Cash Balance:</b>	<b>\$ 0.00</b>	
<b>Account Value:</b>	<b>\$ 385,000.00</b>	

<b>Security-Level Holdings:</b>	<b>\$2,357,207.09</b>
<b>Asset Class-Level Holdings:</b>	<b>\$385,000.00</b>
<b>Total Holdings:</b>	<b>\$2,742,207.09</b>

As an accommodation to you, we have included assets held away from our firm in external accounts. We assume no responsibility for the accuracy or completeness of the information you have provided with respect to these assets. We make no representation that we have performed due diligence on these assets. In some cases, we may update the pricing of securities. However, in some cases, the prices may not be updated. In addition, any transactions involving these assets will not be reflected unless you provide updated information. We rely on you to provide information in order to update the values of your external accounts. The accuracy and completeness of the information you provide may materially affect the results and any recommendations contained in this report.

## Range of Simulation Possible Outcomes

### Results shown in Actual dollars

Percentile	Year 5	Year 10	Year 15	Year 20	Year 25	At Death
<b>Recommended</b>						
Best	\$7,319,066	\$11,816,155	\$17,959,992	\$25,375,765	\$34,305,471	\$79,037,883
25th	\$5,432,603	\$7,623,384	\$10,322,818	\$13,651,045	\$17,831,334	\$35,926,801
50th	\$4,408,818	\$5,634,833	\$7,284,316	\$8,793,869	\$10,533,426	\$17,518,822
75th	\$3,589,821	\$4,130,905	\$4,757,944	\$5,209,237	\$5,708,370	\$5,824,410
Worst	\$2,701,358	\$2,521,065	\$2,344,547	\$1,740,045	\$797,967	<b>\$-5,258,493</b>

The range of results are based upon the assumption that you implement the Strategic or Custom Allocation and continue with the savings and/or spending patterns you have indicated. These potential outcomes are also based upon the historical information regarding asset classes discussed in the Disclosures of this report. These results are intended to provide you with an opportunity to evaluate your Recommended Investment Plan, including your asset allocation.

Envision stress tests your Recommended Investment Plan with 1,000 simulations. The above graph and table represent various scenarios from the Best to the Worst case for this investment plan.

- **The Best case scenario indicates that in 5% of the simulations the investment plan achieved at least the corresponding Ending Plan Wealth.**
- **The Median case scenario indicates that in 50% of the simulations the investment plan achieved at least the corresponding Ending Plan Wealth.**
- **The Worst case scenario indicates that in 95% of the simulations the investment plan achieved at least the corresponding Ending Plan Wealth.**

There is no guarantee these results will be achieved. The At Death column is based on either your life expectancy using standard mortality tables, or an alternative age you have indicated. Please be sure to inform us of changes to your goals, savings and spending patterns so we can incorporate changes into your Recommended Investment Plan.

## Investment Plan Assumptions

The cash flows for this plan were last inflated on 1/6/2007\*

### Tax Assumptions

Description	Pre-Retirement Tax Rates	Post-Retirement Tax Rates
Filing State	Delaware	Delaware
Filing Status	Joint	Joint
Federal Income Tax Rate - Ordinary Income	31.04%	26.33%
State Income Tax Rate - Ordinary Income	5.95%	5.95%
Federal Income Tax Rate - Capital Gains	18.81%	20.00%
State Income Tax Rate - Capital Gains	5.95%	5.95%

### Investment Assumptions

Description	Rates
Percentage of Capital Gains Long Term	50.00%
Effective Tax Rate	22.89%
Yearly Asset Turnover Rate	100.00%
Annual Investment Expenses	0.00%

### Other Assumptions

Description	Rates
General Default Inflation Rate	2.00%

\* Cash flows are inflated once per year on the anniversary of the investment plan's creation date. The inflating of cash flows is necessary to keep goals, savings, other income, etc. up to date with their specified inflation rates.

Tax assumptions are based on Federal and State Tax information as of December, 2006. Envision assumes these rates will be in effect throughout your lifetime. Therefore, we are using a 20% rate for long term capital gains. Due to the complicated nature of planning and calculating federal and state income tax rates, the rates and assumptions listed above are estimates. Your actual situation will differ from these assumptions. This analysis does not constitute tax or legal advice. Please consult with your tax professional and attorney for legal and tax advice.

## Disclosures

**IMPORTANT:** The projections or other information generated by Envision 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.

### Envision Methodology

Based on accepted statistical methods, Envision uses a simulation model to test your Ideal, Acceptable and Recommended Investment Plans. The simulation model uses assumptions about inflation, financial market returns and the relationships among these variables. These assumptions were derived from analysis of historical data (see Asset Class Assumptions disclosures for more information). Using Monte Carlo simulation Envision simulates 1,000 different potential outcomes over a lifetime of investing varying historical risk, return, and correlation amongst the assets. Some of these scenarios will assume strong financial market returns, similar to the best periods of history for investors. Others will be similar to the worst periods in investing history. Most scenarios will fall somewhere in between.

### THE ENVISION PROCESS IS NOT FINANCIAL PLANNING

The Envision process helps you and your Financial Advisor clearly understand your personal values and goals. You and your Financial Advisor can then design a unique investment strategy suited to your goals and financial situation. Unlike financial planning, however, Envision does not include a detailed analysis of insurance, real estate investment or savings strategies. It also does not cover estate and tax planning. If you desire the benefits of a broader, more comprehensive financial planning service, talk to your Financial Advisor about purchasing a comprehensive financial plan.

### The Envision Process

The Envision process is designed to help you achieve your most important financial goals. The Envision process begins by identifying your ideal financial goals. These become inputs to your Ideal Investment Plan. The next step is to identify tolerable adjustments to your Ideal Investment Plan - for example, retiring at 65 instead of 62. This is referred to as your Acceptable Investment Plan. These two benchmarks, your Ideal and Acceptable Investment Plans, frame the Envision process. In formulating these two plans, you and your Financial Advisor identify your highest priority goals. The final step in the process is the creation of your Recommended Investment Plan. This provides a framework for allocating your assets to seek to achieve your most important financial goals. You will have the sole responsibility for determining whether, when and how to implement any of the suggestions contained in the Recommended Investment Plan. Furthermore, by accepting this Envision report, there is no requirement that you implement any of the suggestions or otherwise conduct business through the firm or its affiliates.

### Envision Investment Plan Result Interpretation and Assumptions

The simulated investment returns are combined with your unique financial inflows (savings) and outflows (spending goals). The end result is a statistical assessment expressed as a number referred to as the Investment Plan Result. An Investment Plan Result of 83, for example, means that in 830 of the 1,000 scenarios you would have successfully achieved all of your goals. **It is important to note that the Investment Plan Result reflects the assumption that your**

**assets are invested according to your Strategic (or Custom) allocation. It also reflects the assumption that you continue with the savings and spending patterns you have indicated and which are incorporated into your Recommended Investment Plan. However, there is no guarantee that these results will be achieved.**

### Envision Analysis - The Target Zone

Your Envision analysis may suggest that your investment plan may have had a relatively high likelihood of meeting your goals. This concept of having a relatively high likelihood is referred to as the Target Zone. The Target Zone is the range between the 75th and 90th percentile results. This means that between 750 and 900 of the 1,000 simulations resulted in successfully achieving the goals of the investment plan. An Investment Plan Result that falls within this Target Zone suggests that your investment plan had a reasonable chance of success in the simulations. In fact, at the 75th percentile level, in 250 of the 1,000 simulations, you would have failed to achieve your financial goals. In some instances, simulations for your Acceptable Investment Plan may not provide a Investment Plan Result in the Target Zone.

### Envision Implemented

Envision allows you to identify unrealistic expectations and create an investment plan of action. If this is the result, we will help you re-evaluate your goals, make adjustments, and create a Recommended Investment Plan that you feel is right for you. Whether you are already retired, planning for future retirement, or planning for other goals, the Envision process enables you to monitor and test your Recommended Investment Plan throughout your lifetime. You can change existing goals or add new goals in future years. Through periodic monitoring, you can assess the impact that your actual savings and spending patterns, investment returns and portfolio values have had on your Investment Plan result.

### Asset Class Assumptions

Securities are grouped in classes based on shared characteristics, such as maturity for bonds and size of the corporation for stocks. The mix of classes best suited for an investor will depend on his or her individual investment goals and tolerance for risk. It is generally understood that as an investor takes more risk, he or she can seek a higher rate of return over time.

### Asset Class Assumptions - Selection

Market returns are cyclical, with markets passing through alternating periods of strong returns, weak returns, and returns that fall somewhere in between. To be valid, performance and risk calculations should be based on indices that have passed through several of these market cycles. Some market indices do not provide sufficient historical data to gauge asset class performance over multiple market cycles. In those cases, we have made some adjustments, including the use of performance statistics of related asset classes, to reflect various market cycles that may not be represented in the time period for which data is available.

### Asset Class Assumptions - Source Data

The Representative indices displayed in the table below are indicative of the data used in these calculations. Representative indices are intended to demonstrate publicly available benchmarks to help investors understand the nature of the securities within each asset class. The primary data used in calculating performance statistics is provided by the Center for Research in Securities Pricing (CRSP). [CRSP®, Center for Research in Securities Prices. Graduate School of Business, The University of Chicago. Used with Permission. All rights reserved. crsp.uchicago.edu. ] Each CRSP benchmark index has at least 60 years of performance history. In addition, our analysis of historical returns was adjusted to account for the effects of inflation.

### Asset Class Assumptions - Risk

Risk calculations are used to estimate how asset classes and combinations of classes will respond during negative market environments. Downside Risk represents the 95th percentile return from the standard deviation distribution for the portfolio over a one-year holding period. A 95th percentile return means that in 95 years out of 100 (or 19 years out of 20), the markets would have offered returns superior to the Downside Risk Tolerance. However, there is also a 5% probability (1 year out of 20) that the return actually experienced over a one-year holding period would have been even lower than the Downside Risk Tolerance. Risk and return figures are derived from historical experience and standard investment industry statistical calculations. They are for comparative purposes and not designed to predict actual performance.

### Asset Class Assumptions - Portfolio Implementation

As outlined above, it is assumed that the implemented portfolio matches the recommended allocation model. In actuality, the implemented portfolio may or may not match the risk and return characteristics of the recommended model over time due to security selection, inability to invest in the indices, and other factors. Also, there is no guarantee that portfolios will not exceed the risk tolerance range or that historically derived results will be achieved in the future. Returns have not been reduced by sales charges or expenses typically associated with various types of investments. Your actual investment performance may be higher or lower than that of the asset class to which it was assigned. Our assumptions about risks and returns for individual asset classes are combined with assumptions about the relationships between these returns (their correlation). Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. We use our best efforts to correctly classify investments. However, no warranty of accuracy is made.

### Broad Asset Classes

Asset Classes for mutual funds, variable annuities and exchange-traded funds are derived from Morningstar Categories. Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

**Equity Investments:** Equity investments refer to buying stocks of United States companies. The market capitalization of companies is used to group large, medium (Mid) and small companies. The investment return to the owner of stock (shareholder) is in the form of dividends and/or capital appreciation. The market capitalization of companies is used to group large, medium (Mid), and small companies. Shareholders share in both the upside potential and the downside risk.

**Fixed Investments:** Bonds are promissory notes of a United States corporation or federal government entity (taxable bonds) or a state or local government entity (tax-exempt or municipal bonds). Bonds usually make a series of interest payments followed by a return of principal at maturity. If sold prior to maturity, the price that can be obtained for a bond may be more or less than face value, depending on interest rates at the time the bond is sold and the remaining term of the bond. Short-term bonds have maturities ranging from one to six years; intermediate bonds have effective maturities between seven and twelve years; and long-term bonds have maturities of twelve years or longer.

*Income from tax exempt bonds is generally free from federal and state taxes for residents of the issuing state. While the interest income is tax-free, capital gains if any are subject to taxes. Income of certain tax-exempt bonds may be subject to the Federal Alternative Minimum Tax (AMT).*

**Multi-Class:** This category is primarily used to classify investments that include a substantial amount of both equity and fixed income investments, or some other combination of classes.

**International Investments:** International investments include any type of investment made in financially established markets outside of the United States. Various securities can be used to invest in international markets, including but not limited to fixed income securities, American Depository Receipts (ADRs), equities and funds.

*Investing in foreign securities such as International Investments, Emerging Market Equity, and Emerging Market Debt, presents certain and unique risks traditionally not associated with domestic investment, such as currency fluctuation and political and economic changes. These types of investments may focus on certain geographical regions, thereby increasing vulnerability to adverse developments in that region. This may result in greater price volatility.*

**Emerging Markets Equity:** Emerging Markets Equity consists of stocks issued by publicly traded companies of the major developing countries around the world. Countries represented by the emerging market equity indices include Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and Venezuela.

**Alternative Income:** Distinct from traditional Fixed Income is the Alternative Income category, which includes Hi-Yield Debt, Emerging Markets Debt, and REITs. Such investments offer greater income potential, but also higher levels of risk than traditional forms of debt.

**High Yield Debt:** High Yield Bonds are promissory notes of a corporation or government entity that are considered to be below investment grade by bond rating services. The characterization of a high yield bond reflects the creditworthiness of the issuer and potential concerns that interest payments and return of principal may not be made as promised. High yield bonds may have maturities of various lengths.

**Emerging Markets Debt:** Emerging Markets Debt is comprised of external debt instruments in the developing markets. These instruments may be denominated in United States dollars or in external currencies. A large portion of the emerging market debt is issued by Argentina, Brazil, Bulgaria, Columbia, Ecuador, Egypt, Mexico, Morocco, Nigeria, Panama, Peru, Philippines, Poland, Russia, South Africa, Turkey, Ukraine and Venezuela.

**Real Estate Investment Trust (REIT)** A REIT combines the capital of many investors to either acquire or provide financing for real estate.

**REIT Equity:** An equity REIT usually assumes ownership status in the property in which it invests, enabling its investors to earn dividends on rental income from the property and appreciation in property sale. Equity REITs are characterized as equities or alternative income, due to their unique qualities.

**REIT Mortgage:** A mortgage REIT usually invests in loans and mortgages secured by real estate and derives its income from mortgage interest and fees. Some mortgage REITs also borrow money from the banks and re-lend it at higher interest rates.

*There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of changing economic conditions.*

**Cash Equivalents:** This category includes short term, liquid, interest-bearing investments having maturities of less than one year. It is usually used for temporary investment purposes

pending a distribution or other transaction. Money market accounts and Treasury bills are considered cash equivalents.

**Alternative Investments:** Alternative investments encompass a range of processes to provide the investor with access to markets or investment strategies that are generally not easily accessible by individuals or smaller institutional investors. These often involve potentially higher risk strategies, such as employing leverage and / or short sales.

**Managed Futures:** Managed futures funds combine the capital of many investors in order to invest in the global futures and forward markets. This may include currencies, stock indices, financial instruments, energy products, metals, and agricultural products. Global futures exchanges allow managers to diversify portfolios by geography and by product. Managed futures are speculative investments that are subject to a significant amount of risk.

**Fund of Hedge Fund (Fund of Funds):** Currently three types of FoFs are classified in the Wachovia Securities Capital Markets Assumptions:

**Hedged Equities:** A Fund of Hedge Funds that falls under this category usually invests a significant percentage of its assets with hedged equities hedge funds. Hedged equities hedge funds generally seek to make profits by buying a group of under-priced stocks/bonds and shorting a related group of over-priced stocks/bonds or indices.

**Relative Value:** FoFs that fall under this category usually invest with hedge funds that utilize relative value strategy. Relative value hedge funds generally seek to make profits by taking advantage of the arbitrage opportunities between related securities and corporate events such as mergers, bankruptcy, etc.

**Diversified:** A Fund of Hedge Funds that falls under this category usually invests with hedge funds that fall under relative value and hedged equities categories.

*Hedge funds are complex investment vehicles and are not suitable for all investors. Hedge funds often engage in the use of leverage and other speculative investment practices, such as short sales, options, derivatives, futures and illiquid investments that may increase the risk of investment loss.*

**Commodities:** These assets are usually agricultural products such as corn, livestock, coffee and cocoa or metals such as gold, copper and silver. Each commodity generally has a common price internationally. For example, corn generally trades at one price on commodity markets worldwide. Commodities can either be sold on the spot market for immediate delivery or on the commodities exchanges for later delivery. Trade on commodities exchanges is usually in the form of future contracts.

*Trading in futures of commodities and options is not appropriate for all persons, as the risk of loss is substantial. Therefore, except for those considered to be bona fide hedgers, only risk capital should be used in futures.*

**Other:** This classification represents securities which could not be definitively classified because there is insufficient similarity between the security and the defined asset classes. There may be inconsistencies in one or more of the following factors: historical performance, investment objective or asset composition. This analysis assigns relatively high downside risk and relatively low returns to assets classified as 'Other' in order to conservatively assess their impact on the portfolio.

### Style Definitions

Growth stocks are characterized by high rates of sales and/or profit growth as the result of particular competitive advantages, such as patents and brand names. The ability of the company to generate above average returns is the premise of growth investing.

Value investors seek to buy companies whose market price is less than the true economic value of the company. Value stocks may have shown disappointing results in sales or profits in recent periods. These companies may be facing new competitive challenges, or might serve markets undergoing a temporary downturn. By buying companies at attractive prices, value investors seek to benefit as the market comes to recognize the true value of the security.

Blend (sometimes referred to as Core) investing is generally characterized as a strategy that seeks to balance the portfolio of stocks between the Growth and Value styles as market conditions fluctuate.

### Report Disclosure

The material has been prepared or is distributed solely for information purposes and does not supersede the proper use of your account statements and/or trade confirmations, which are considered to be the official and accurate records of your account activity. Any market prices are only indications of market values, are subject to change, and may not reflect the value at which securities could be sold. Additionally, the report is prepared as of trade date, rather than settlement date, and may be prepared on a different date than your statement. The information contained in this report may not reflect all holdings or transactions, their costs, or proceeds in your account. Contact your Financial Advisor for further information. The report may also include information you provided about assets held at other firms. We have relied solely on information from you regarding those assets.

This report is not a substitute for your own records and the year-end 1099 form. Cost data and acquisition dates provided by you are not verified by our firm. Our firm does not render legal, accounting or tax advice. Please consult your legal tax advisors before taking any action that may have tax consequences.

**Strategic Allocations (Standard)**

Additional firm-sponsored strategic allocation models may be selected for your Investment Plan that may include updated asset allocation assumptions or may vary slightly from these standard strategic allocation models. Please refer to your Current vs. Strategic Allocation page for an illustration of the allocation mix for these models.

Name	Conservative Income	Conservative Growth & Income	Conservative Growth	Moderate Income	Moderate Growth & Income	Moderate Growth	Long Term Income	Long Term Growth & Income	Long Term Growth
Large Cap Growth	0.00%	0.00%	12.50%	0.00%	5.00%	15.00%	0.00%	8.00%	17.50%
Large Cap Value	0.00%	20.00%	12.50%	10.00%	20.00%	15.00%	10.00%	20.00%	17.50%
Mid Cap Growth	0.00%	0.00%	5.00%	0.00%	0.00%	7.50%	0.00%	5.00%	10.00%
Mid Cap Value	0.00%	5.00%	5.00%	0.00%	7.50%	7.50%	0.00%	10.00%	10.00%
Small Cap Growth	0.00%	0.00%	5.00%	0.00%	0.00%	7.50%	0.00%	5.00%	10.00%
Small Cap Value	0.00%	5.00%	5.00%	0.00%	7.50%	7.50%	0.00%	10.00%	10.00%
International Equity	0.00%	5.00%	15.00%	5.00%	10.00%	20.00%	5.00%	10.00%	23.00%
REIT Equity	1.50%	2.00%	0.00%	4.50%	4.00%	0.00%	7.50%	3.70%	0.00%
High Yield Fixed Income	5.50%	7.00%	0.00%	13.50%	11.50%	0.00%	27.50%	11.00%	0.00%
Emerging Market Debt	3.00%	4.00%	0.00%	7.00%	5.50%	0.00%	15.00%	5.30%	0.00%
Short Term Taxable Fixed Income	40.00%	21.50%	16.50%	25.00%	11.50%	7.50%	0.00%	0.00%	0.00%
Intermediate Taxable Fixed Income	40.00%	22.50%	17.00%	26.50%	12.00%	8.00%	16.50%	5.00%	0.00%
Long Term Taxable Fixed Income	0.00%	6.00%	4.50%	6.50%	3.50%	2.50%	16.50%	5.00%	0.00%
Cash Equivalent	10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

## Capital Market Assumptions<sup>1</sup>

Capital Market Assumptions for all asset classes assume a broadly diversified portfolio generally representative of the risks and opportunities of the asset class. To the extent that the investors portfolio is not as diversified as the assumptions made for the asset class, the return and risk potential for the portfolio may vary significantly from the assumed Capital Market Assumptions.

Asset Class	Source Data	Downside Risk	Average Annual Return <sup>2</sup>	Representative Index
Large Cap Growth	CRSP - Deciles 1,2	-18.85%	8.51%	Morningstar Large Growth
Large Cap Value	CRSP - Deciles 1,2	-16.38%	7.76%	Morningstar Large Value
Large Cap Blend	CRSP - Deciles 1,2	-17.64%	8.14%	S & P 500
Mid Cap Growth	CRSP - Deciles 3-5	-23.09%	9.72%	Morningstar Mid Growth
Mid Cap Value	CRSP - Deciles 3-5	-19.80%	9.56%	Morningstar Mid Value
Mid Cap Blend	CRSP - Deciles 3-5	-21.21%	9.92%	S & P 400 Mid Cap
Small Cap Growth <sup>4</sup>	CRSP - Deciles 6-10	-28.33%	10.09%	Morningstar Small Growth
Small Cap Value <sup>4</sup>	CRSP - Deciles 6-10	-22.61%	10.79%	Morningstar Small Value
Small Cap Blend <sup>4</sup>	CRSP - Deciles 6-10	-25.60%	10.38%	S & P 600 Small Cap
International Equity <sup>5</sup>	MSCI Europe Asia and the Far East (1970), CRSP Deciles 1,2 Total Return Indexes	-18.22%	9.30%	MSCI Europe Asia and the Far East Index
Emerging Market Equity	MSCI Emerging Market Index	-28.02%	10.44%	MSCI Emerging Market Index
REIT Equity	NAREIT Equity REIT Index (1972), CRSP Deciles 3-5	-16.91%	3.47%	NAREIT REIT Index
REIT Mortgage	NAREIT Mortgage REIT	-24.60%	3.51%	NAREIT Mortgage REIT Index
High Yield Fixed Income <sup>3</sup>	ML US High Yield, Cash Pay (1984), CRSP 7 Year Govt Bond, CRSP Deciles 6-10	-3.57%	6.32%	ML US High Yield Cash Pay
Emerging Market Debt	J.P. Morgan Emerging Markets Bond Index Plus	-17.35%	5.86%	J.P. Morgan Emerging Markets Bond Index Plus
Short Term Taxable Fixed Income	CRSP - 2 Year Govt Bond Total Return Index	3.29%	4.92%	CRSP - 2 Year Govt Bond Total Return Index
Intermediate Taxable Fixed Income	CRSP - 7 Year Govt Bond Total Return Index	-4.27%	5.14%	Lehman Brothers Intermediate Government/Corporate
Long Term Taxable Fixed Income	CRSP - Long Term Govt Bond Total Return Index	-8.69%	5.43%	Lehman Brothers Long Government /Corporate
Short Term Tax Exempt Fixed Income	CRSP - 1-3 Year Govt Bond Total Return Index	0.03%	3.52%	CRSP - 1-3 Year Govt Bond Total Return Index
Intermediate Tax Exempt Fixed Income	Lehman 8-12 Year Municipal Bond Index (1980)	-3.42%	3.84%	Lehman Municipal Bond Index
Long Term Tax Exempt Fixed Income	Lehman 22+ year Municipal Bond Index (1980)	-4.94%	4.42%	Lehman Brothers Long Bond Index
International Fixed Income <sup>5</sup>	ML Global Sovereign Bond Index (1985), CRSP 7 Year Govt Bond	-7.08%	3.74%	ML Global Sovereign Bond Index
Multi Class	CRSP - Intermediate Taxable & Deciles 1,2	-10.44%	6.92%	Blend: 60% S&P 500 -- 40% LB Aggregate
Managed Futures	CISDM Fund / Pool Qualified Universe Index (1980)	-16.20%	6.50%	CISDM Fund / Pool Qualified Universe Index
Hedge Funds - Relative Value	Hedge Fund Research Incorporated (HFRI)	-5.97%	7.72%	HFRI Indices
Hedge Funds - Diversified	Hedge Fund Research Incorporated (HFRI)	-7.43%	7.96%	HFRI Indices

Asset Class	Source Data	Downside Risk	Average Annual Return <sup>2</sup>	Representative Index
Hedge Funds - Hedged Equities	Hedge Fund Research Incorporated (HFRI)	-8.92%	8.17%	HFRI Indices
Commodities	Goldman Sachs Commodity Total Return Index	-20.13%	5.47%	Goldman Sachs Commodity Total Return Index
Gold <sup>6</sup>	London PM Fixing	-24.71%	2.55%	London Fixing
Other	CRSP Deciles 1,2 CRSP 7 Year Bond Total Return Index	-36.77%	0.45%	None
Cash Equivalent	CRSP - Treasury Bill 3- Month Index	1.65%	4.78%	T-Bill 3 Month Yield

### Detailed Asset Classes and Capital Market Assumptions

<sup>1</sup> Capital Market Assumptions (CMAs) are based on CRSP data from 1926 for equity classes (Large, Mid and Small Cap) and Treasury Bill 3 Month Yield. For Fixed Income classes, CRSP data is available beginning in 1941. Inception date for Source Data other than CRSP is noted in parenthesis in the Source Data column. All Source Data has been analyzed through %CMAAsOfDate. CMAs have been adjusted for an inflation assumption of 2.0%.

<sup>2</sup> The Average Annual Return is time-weighted. It is a measure of the compound rate of growth of the asset class.

<sup>3</sup> Various rating services, such as Standard and Poor's and Moody's Investor Service rate the creditworthiness of bonds. Investing in lower-rated debt securities or funds that invest in such securities involves additional risk because of the lower credit quality of the security or fund portfolio. These securities or funds are subject to a higher level of volatility and increased risk of default, or loss of principal.

<sup>4</sup> Investing in small companies or mutual funds that invest in small companies involves additional risk. Smaller companies typically have a higher risk of failure and are not as well established as larger blue chip companies. Historically, smaller-company stocks have experienced a greater degree of price volatility than the overall market average.

<sup>5</sup> International investing may involve special risks such as currency fluctuation, political instability, and different methods of accounting and reporting requirements.

<sup>6</sup> The Gold index is based on the London Bullion Market Association's "Gold Fixing" pricing. This price fixing is conducted twice daily by five market making members of the association, in a process which dates back to 1919.