

Prepared for

**John J. Sample**  
*and*  
**Susan G. Sample**

Illustration Date

March 27, 2010

Prepared by

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# **ROTH IRA** CONVERSION STRATEGY

*An illustration to help you securely maximize your after-tax lifetime income*

## **Disclosure Page**

### **Important - Please Read**

This analysis compares different options available to you. It provides only a broad, general and non-exhaustive guideline which may be helpful in shaping your thinking about your retirement planning. Nothing contained herein should be considered as a recommendation of any specific option, unless otherwise stated. The report and graphs are dependent upon the quality and accuracy of data furnished by you.

Any changes in, or inaccuracy of, the information you have provided to us may affect the information presented in this financial analysis. Calculations illustrating income tax concepts and deductions are estimates only and should not be relied upon in filing income tax returns or in making tax-related decisions. Tax laws, including tax rates, are amended from time to time and such amendments may affect the options and information presented in this illustration. Assumed asset growth rates and hypothetical investment returns are used at various places in this financial analysis. All assumed growth rates and investment returns are for illustration purposes only and are not intended to represent the actual future performance or growth of any specific investment or asset. All illustrations demonstrating investment growth assume a constant annual growth rate whereas actual rates may vary. All illustrations assume reinvestment of all earnings, but does not consider the effect of taxes or investment fees and expenses unless otherwise noted.

Past performance is not indicative of future results and nothing contained herein should be construed as a guarantee of a particular result. This material is for estimating purposes only and must be monitored periodically.

## *Would You Benefit From a Roth IRA Conversion?*

The purpose of this report is to help you decide whether it is in your best interest to convert all or part of your IRA, 401(k), and 403(b) accounts to a Roth IRA account. The concept is simple: You pay taxes "up front" on your traditional accounts to convert them to Roth IRA accounts for the promise that you will *never* have to pay federal income taxes on these accounts - including the future growth - forever.

### *Taxes are "On Sale" Through December 31, 2010*

Millions of taxpayers are taking advantage of what may be their lowest income tax rates in the next decade to convert some of their traditional retirement accounts to Roth IRA accounts. In 2011 the tax cuts implemented in 2001 and 2003 expire and the following tax increases are scheduled to take place beginning the 2011 tax year:

- The 10% tax bracket is eliminated. This means that you will pay 15% instead of 10% on the first \$17,200 of income and your income taxes will increase by \$840 per year.
- The child tax credit will drop from \$1,000 in 2010 to \$500 in 2011.
- The marriage penalty returns. You will leave the 15% tax bracket earlier than you did in 2010 and could pay up to \$2,900 more taxes each year.
- The 25% income tax bracket will be increased to 28%
- The 28% income tax bracket will be increased to 31%
- The 33% tax bracket will be increased to 36%
- The 35% tax bracket will be increased to 39.6%

Unless Congress enacts new law, these tax rates that were in effect prior to 2001 will be in effect starting in 2011. This illustration assumes the above rates will be in effect.

### *New Taxes: H.R. 4872 Surtax on Investment Income*

As part of the Reconciliation Act of 2010, beginning 2013, households with adjusted gross incomes in excess of \$250,000 (\$200,000 single) will pay a surtax of 3.8% on capital gains, dividends, interest income, annuity income, rents, royalties, and income from Subchapter-S corporations. This illustration uses these formulas.

### *Will Income Taxes Rise Even Higher in the Future?*

President Obama has given Congress guidance to increase taxes for those who make more than \$250,000 per year to help finance today's record budget deficits. If President Obama follows Franklin Delano Roosevelt's lead, 2011 may be only the beginning of a new wave of income tax increases. In 1932, and again in 1936, when faced by budget deficits caused by the Great Depression, FDR increased the top tax bracket from 25% to 79% (See: <http://www.treasury.gov/education/fact-sheets/taxes/ustax.shtml>).

## *2010 - Roth IRA Conversion Opportunity for Everyone*

On May 17, 2006 President Bush signed into law the *Tax Increase Prevention and Reconciliation Act of 2005* that, starting in 2010, eliminates the \$100,000 income limitation from conversions from a regular IRA to a Roth IRA. This law also has a special provision for conversions made in 2010 that allows one-half of the amount includable in the taxpayer's gross income as a result of the conversion to be added to the 2011 income and one-half in 2012.

## *Assumed Future Tax Law Changes*

This illustration assumes the following future changes to tax law:

- Beginning 2011, tax rates return to those in effect prior to 2001
- Tax bracket inflation adjustment of 3.00%

## *Roth IRA Advantages*

Named for the late William V. Roth, Jr., a Roth IRA has the following advantages:

- Growth in a Roth IRA is tax-free
- Withdrawals from a Roth IRA are tax-free after five years, or age 59 1/2 if later
- No Required Minimum Distributions
- Beneficiaries do not pay income taxes when they inherit your Roth IRA
- Beneficiaries may continue tax-free growth and to receive tax-free distributions over their life expectancies (see Stretch IRA illustration for details)

## *Fixed Annuity Products*

Fixed annuity products have become extremely popular in recent years because of market volatility and increased life expectancy. They offer the following main benefits:

- Safety
- Guaranteed Minimum Interest Rates
- Competitive Current Interest Rates
- Guaranteed Lifetime Income - an income that you cannot outlive

## *How You Can Benefit From Having a Roth IRA*

The following pages discuss in detail the three main advantages you may have during the next 35 years by converting part of your assets to a Roth IRA:

- Tax-Free Income
- The Legacy You Leave Your Heirs
- Emergency Fund

## *Disclaimer*

The calculations in this report are estimates only, and should not be construed as tax, legal, or accounting advice. Future income tax rates are not guaranteed and are subject to change.

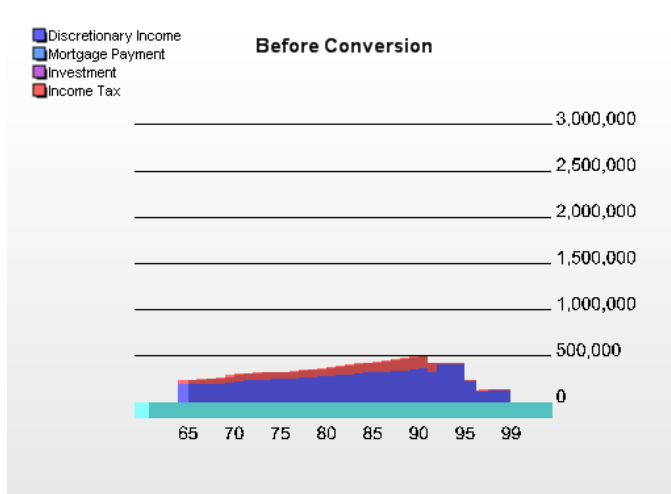
## Tax-Free Income / Legacy for Heirs

The following two graphs provide a representation of the long term effect that converting some of your traditional retirement accounts to Roth IRA accounts may have on your future after-tax income and the remaining assets left to your heirs. No one can predict future inflation, rates of return, or changes in income tax laws, so you should not interpret this as a projection or guarantee of actual income results or as income tax advice. Based on the information you provided to Michael J. Prestwich, and the assumptions disclosed later in this report, here are the hypothetical results of the following scenario:

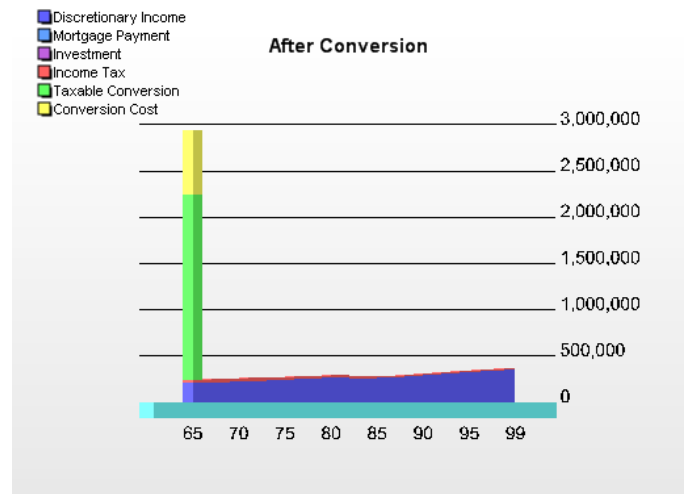
- Convert \$2,000,000 of traditional retirement assets to Roth IRA assets
- The **cost to convert to Roth IRA is approximately \$695,643** shown by the increased income taxes in the yellow portion of the graph on the right
- This tax increase is paid in one or more of the following ways:
  - Use existing assets
  - Take a loan against your home using an equity line of credit
  - Take a distribution from your IRA, pay the taxes, and use this money
- The Roth IRA graph on the right shows **\$40,128 higher after-tax income** during the next 35 years
- The effect on your assets of the Roth IRA conversion is **\$3,398,015 higher assets** during the next 35 years. See the last year of the ledger page for details.

**Total Benefit of Roth IRA Conversion:**

**\$3,438,143**



Before Roth IRA Conversion



After Roth IRA Conversion

Based on 2010 tax tables. Beginning 2011 tax rates assume that brackets return to pre-2001 levels, and rates thereafter are adjusted each year for 3.00% inflation. Neither ImagiSOFT, Inc. nor its representatives or employees provide tax, legal, or accounting advice. You should consult with your attorney or qualified tax advisor regarding these matters.

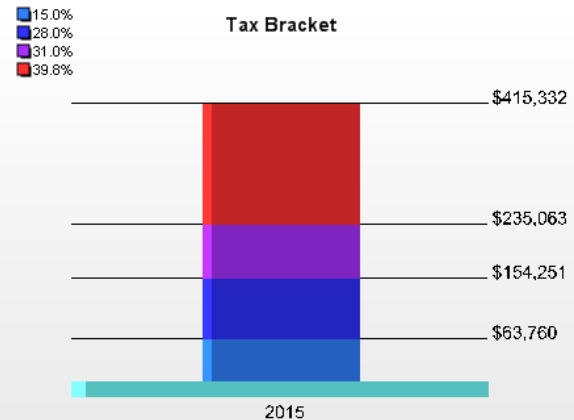
## Emergency Fund

Almost everyone has an emergency at one time in their life and may have to withdraw a large lump sum from their retirement assets to cover it. Another thing you should consider when deciding how much of your retirement assets to convert to a Roth IRA is how much readily available, tax-free, emergency cash that you may need. For example, let us compare the income tax effect of a \$100,000 medical emergency at age 70 between traditional retirement assets and a Roth IRA:

The chart at the right shows how much your income would increase to receive a \$100,000 after-tax distribution from a traditional plan. Here is the math:

$$\begin{array}{r}
 \$159,801 \text{ Distribution} \\
 - \quad \$59,801 \text{ Taxes}^* \\
 \hline
 \$100,000 \text{ After-tax Distribution}
 \end{array}$$

As you can see, in this case you would need to withdraw about 60% more just to pay the taxes on the distribution.

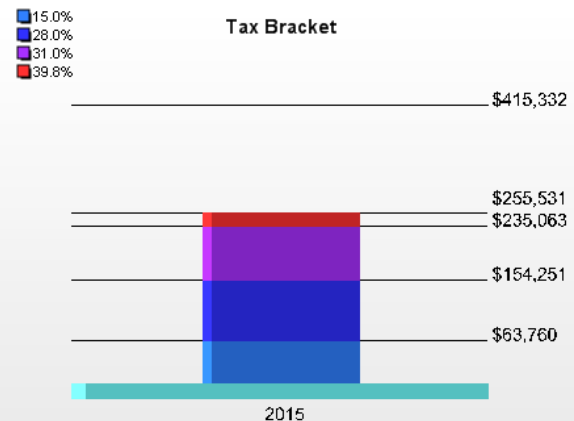


## TRADITIONAL RETIREMENT PLAN

The \$100,000 distribution from a Roth IRA, on the other hand, is free of income taxes.

$$\begin{array}{r}
 \$100,000 \text{ Distribution} \\
 - \quad \$0 \text{ Taxes}^* \\
 \hline
 \$100,000 \text{ After-tax Distribution}
 \end{array}$$

In this situation, the Roth IRA would have \$59,801 more than the traditional retirement plan to accumulate toward your future. Assuming a 5% rate of return, this difference would grow to \$97,409 in 10 years and \$158,669 in 20 years, completely income tax free.



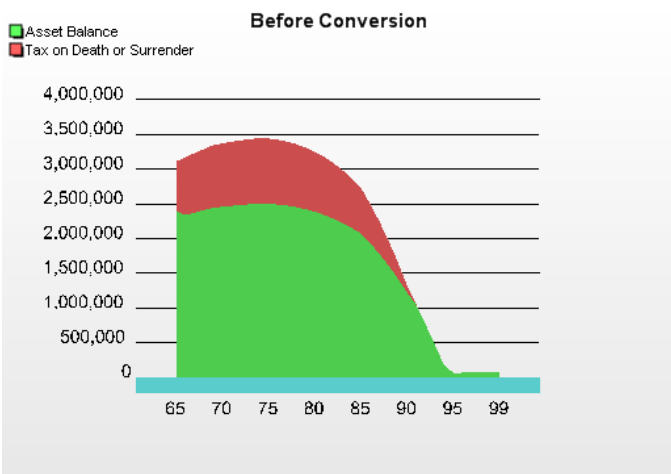
## ROTH IRA

\* Based on federal income tax rates for a tax payer, age 70, a Married filing jointly return, with an adjusted gross income of \$297,831, 2 exemptions, and \$35,000 of deductions. Tax rates assume that brackets return to pre-2001 levels, and rates thereafter are adjusted each year for 3.00% inflation. Neither ImagiSOFT, Inc. nor its representatives or employees provide tax, legal, or accounting advice. You should consult with your attorney or qualified tax advisor regarding these matters.

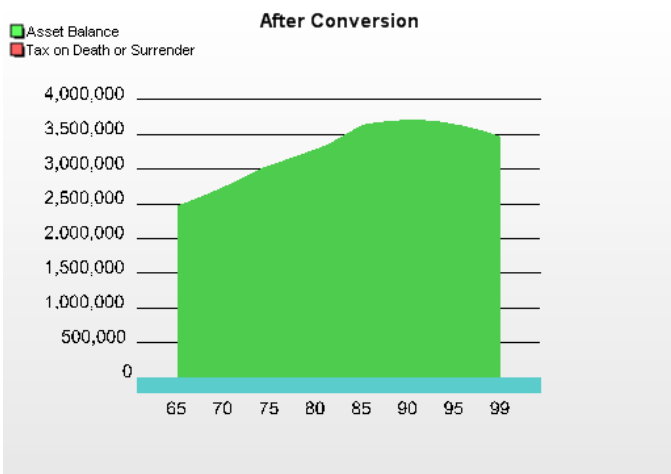
# Hypothetical After-Tax Asset Comparison

Prepared for John J. Sample  
By Michael J. Prestwich  
March 27, 2010

## Current Strategy



## Roth IRA Strategy



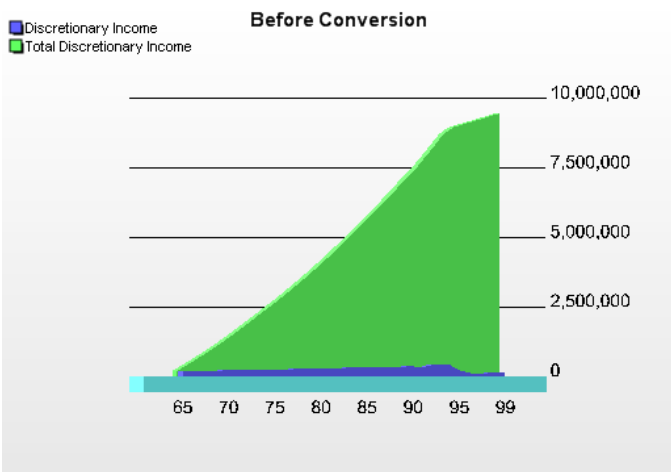
End of Year	Age	(1) Gross Asset Balance	(2) Taxes on Death or Surrender	(3) Net Asset Balance	(1) Gross Asset Balance	(2) Taxes on Death or Surrender	(3) Net Asset Balance
1	66	3,113,125	717,780	2,395,345	2,476,341	0	2,476,341
2	67	3,174,488	834,823	2,339,665	2,525,493	0	2,525,493
3	68	3,233,854	858,301	2,375,553	2,576,915	0	2,576,915
4	69	3,290,971	880,890	2,410,081	2,630,711	0	2,630,711
5	70	3,345,570	902,484	2,443,086	2,686,993	0	2,686,993
6	71	3,372,206	914,044	2,458,162	2,745,877	0	2,745,877
7	72	3,396,120	923,377	2,472,743	2,807,483	0	2,807,483
8	73	3,417,002	931,509	2,485,493	2,871,940	0	2,871,940
9	74	3,434,520	938,310	2,496,210	2,939,380	0	2,939,380
10	75	3,448,322	943,639	2,504,683	3,009,942	0	3,009,942

End of Year	Age	(1) Gross Asset Balance	(2) Taxes on Death or Surrender	(3) Net Asset Balance	(1) Gross Asset Balance	(2) Taxes on Death or Surrender	(3) Net Asset Balance
11	76	3,440,729	939,851	2,500,878	3,055,652	0	3,055,652
12	77	3,423,988	933,140	2,490,848	3,101,933	0	3,101,933
13	78	3,397,379	922,522	2,474,856	3,148,760	0	3,148,760
14	79	3,360,139	907,695	2,452,444	3,196,106	0	3,196,106
15	80	3,311,455	888,336	2,423,119	3,243,937	0	3,243,937
16	81	3,250,470	864,107	2,386,364	3,292,221	0	3,292,221
17	82	3,176,274	834,646	2,341,628	3,340,917	0	3,340,917
18	83	3,087,900	799,571	2,288,329	3,410,958	0	3,410,958
19	84	2,984,327	758,478	2,225,849	3,486,498	0	3,486,498
20	85	2,864,471	710,937	2,153,534	3,562,965	0	3,562,965
21	86	2,727,186	656,495	2,070,691	3,640,319	0	3,640,319
22	87	2,497,417	565,682	1,931,735	3,662,335	0	3,662,335
23	88	2,243,323	464,988	1,778,335	3,680,652	0	3,680,652
24	89	1,963,304	354,028	1,609,276	3,694,940	0	3,694,940
25	90	1,655,668	232,133	1,423,535	3,704,851	0	3,704,851
26	91	1,318,625	99,493	1,219,132	3,710,012	0	3,710,012
27	92	1,041,715	0	1,041,715	3,710,029	0	3,710,029
28	93	759,277	0	759,277	3,704,482	0	3,704,482
29	94	469,768	0	469,768	3,692,926	0	3,692,926
30	95	173,011	0	173,011	3,674,888	0	3,674,888
31	96	68,066	0	68,066	3,649,869	0	3,649,869
32	97	68,747	0	68,747	3,617,336	0	3,617,336
33	98	69,435	0	69,435	3,576,725	0	3,576,725
34	99	70,129	0	70,129	3,527,439	0	3,527,439
35	100	70,830	0	70,830	3,468,845	0	3,468,845

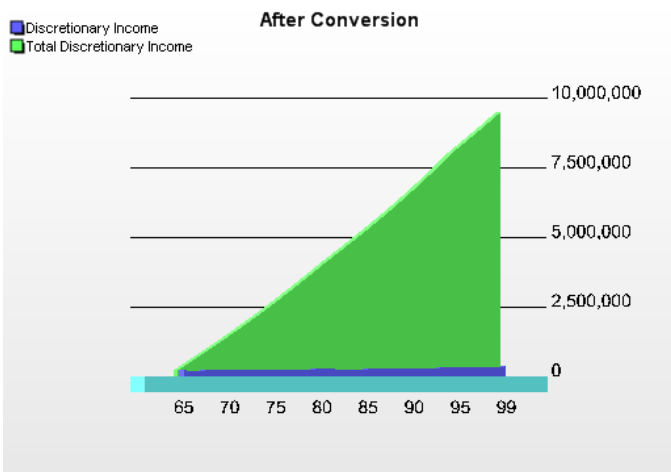
# Hypothetical After-Tax Income Comparison

Prepared for John J. Sample  
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 March 27, 2010

## Current Strategy



## Roth IRA Strategy



End of Year	Age	(4) Cash Flow	(5) Income Taxes	(6) Discretionary Income	(7) Total Discretionary Income to Date	(4) Cash Flow	(5) Income Taxes	(6) Discretionary Income	(7) Total Discretionary Income to Date
1	66	240,000	42,555	197,445	197,445	245,000	24,481	220,519	220,519
2	67	247,200	50,851	196,349	393,794	248,120	33,265	214,855	435,374
3	68	254,616	52,768	201,848	595,641	251,334	33,558	217,776	653,150
4	69	262,254	55,686	206,568	802,209	254,644	33,860	220,784	873,934
5	70	270,122	57,720	212,402	1,014,611	258,053	34,172	223,881	1,097,815
6	71	302,186	68,265	233,921	1,248,532	261,564	34,533	227,031	1,324,845
7	72	308,965	69,915	239,050	1,487,582	265,181	34,935	230,246	1,555,092
8	73	315,998	71,633	244,365	1,731,947	268,906	35,349	233,557	1,788,649
9	74	323,291	73,421	249,871	1,981,818	272,743	35,776	236,967	2,025,616
10	75	330,856	75,280	255,575	2,237,393	276,696	36,217	240,479	2,266,094

End of Year	Age	(4)	(5)	(6)	(7) Total	(4)	(5)	(6)	(7) Total
		Cash Flow	Income Taxes	Discretionary Income	Discretionary Income to Date	Cash Flow	Income Taxes	Discretionary Income	Discretionary Income to Date
11	76	322,540	70,749	251,791	2,489,183	276,254	27,030	249,224	2,515,318
12	77	332,216	73,297	258,919	2,748,102	279,832	26,908	252,924	2,768,243
13	78	342,183	75,922	266,261	3,014,363	283,517	26,782	256,735	3,024,978
14	79	352,448	78,625	273,823	3,288,186	287,312	26,654	260,658	3,285,636
15	80	363,022	81,410	281,613	3,569,799	291,222	26,522	264,700	3,550,336
16	81	373,912	84,277	289,635	3,859,433	295,248	26,387	268,861	3,819,196
17	82	385,130	87,231	297,899	4,157,332	299,396	26,250	273,146	4,092,343
18	83	396,683	90,273	306,410	4,463,742	283,204	26,252	256,952	4,349,295
19	84	408,584	93,407	315,177	4,778,919	283,067	26,286	256,781	4,606,076
20	85	420,841	96,635	324,206	5,103,125	287,599	26,321	261,278	4,867,354
21	86	433,467	99,960	333,507	5,436,633	292,268	26,357	265,911	5,133,265
22	87	446,471	117,571	328,900	5,765,533	282,935	13,993	268,941	5,402,207
23	88	459,865	121,484	338,381	6,103,914	288,902	14,032	274,870	5,677,077
24	89	473,661	125,515	348,146	6,452,060	295,049	14,072	280,977	5,958,054
25	90	487,871	129,666	358,204	6,810,264	301,381	14,113	287,267	6,245,321
26	91	502,508	133,942	368,565	7,178,829	307,904	14,156	293,748	6,539,069
27	92	430,505	106,999	323,506	7,502,335	314,619	14,199	300,420	6,839,489
28	93	430,490	19,162	411,328	7,913,663	321,538	14,244	307,293	7,146,782
29	94	431,884	17,228	414,656	8,328,319	328,664	14,291	314,373	7,461,155
30	95	433,321	15,247	418,074	8,746,393	336,005	14,339	321,666	7,782,822
31	96	240,419	14,576	225,843	8,972,236	343,564	14,388	329,176	8,111,998
32	97	136,325	14,629	121,696	9,093,932	351,351	14,439	336,912	8,448,910
33	98	137,894	14,683	123,211	9,217,142	359,372	14,491	344,881	8,793,792
34	99	139,511	14,739	124,772	9,341,914	367,633	14,544	353,089	9,146,880
35	100	141,177	14,796	126,381	9,468,295	376,143	14,600	361,543	9,508,423

## Notes to the Hypothetical After-Tax Asset and Income Comparison Pages

- 1) The Gross Asset Balance is a combined balance of savings, money markets, certificates of deposit, bonds, annuities, IRA, 401(k), 403(b), Roth IRA, stocks, and other investments as disclosed to Michael J. Prestwich. Increases value by purely hypothetical projected rates of return that should not be misconstrued as a guarantee or projection of future rates. Reductions in value reflect any future hypothetical withdrawals from these assets.
- 2) Taxes on Death or Surrender is if the hypothetical income tax effect if the Gross Asset Balance were paid out in a single year. You should not misconstrue this report as income tax advice. Please consult with your tax advisor or attorney for an authoritative opinion about income tax matters. Tax laws are complex and subject to change, and could be higher or lower in the future.
- 3) The Net Asset Balance is the Gross Asset Balance in column 1 reduced by the hypothetical Taxes on Death or Surrender from column 2.
- 4) Cash Flow is a total of Social Security, defined benefit plans, wages, annuities, and other income as disclosed to Michael J. Prestwich. This column also reflects any future hypothetical withdrawals from the assets in column 1 and any investments made and mortgage payments.
- 5) This software attempts to calculate the income tax impact of income from these assets; however, you should not misconstrue this report as income tax advice. Please consult with your tax advisor or attorney for an authoritative opinion about income tax matters. Tax laws are complex and subject to change, and could be higher or lower in the future. This column does not include possible premium increases or decreases in your Medicare Part B due to a Roth IRA Conversion, nor does it include the additional income taxes due for the Roth IRA conversion of approximately \$695,643. The details of this Roth IRA Conversion cost is disclosed elsewhere in this report.
- 6) Discretionary Income is the Cash Flow from column 4 less the Income Taxes in column 5 and any investment and mortgage commitments.
- 7) Total Discretionary Income to Date is the yearly totals from column 6.

I hereby acknowledge receipt of a copy of this illustration, and confirm that the costs and benefits of converting traditional retirement assets to Roth IRA assets have been explained to me. Any products recommended by Michael J. Prestwich have been fully disclosed to my satisfaction, and meet my financial needs, timeframe, and risk tolerance. I have been given an opportunity to ask any questions about all aspects of this report and understand that all values are for illustration purposes only and are not a guarantee or projection of future results. I acknowledge that I have been advised to consult with independent tax counsel regarding the tax treatment of the assets affected by this illustration.

If annuity products are recommended as part of this illustration, this report must be accompanied with company approved illustrations and/or brochures. Annuities are products of the insurance industry and are not guaranteed by any bank, or insured by the FDIC. Values shown are not guaranteed and are for illustrative purposes only.

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Client's Signature

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Date

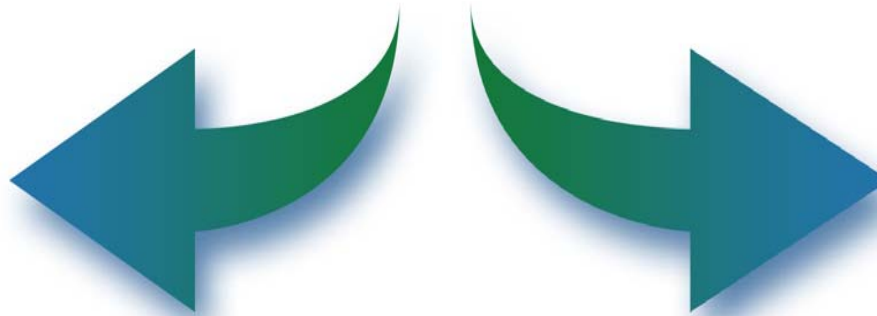
## Roth IRA Conversion - Kid's Inheritance

**\$500,000 Traditional Plan**  
(subject to future, possibly higher, income taxes)

**\$170,643**

Income Tax Increase\*  
"Conversion Cost"

**Paid using current assets**  
In 2010



**\$500,000**

IRA Conversion in 2010  
Hypothetical Fund

**Hypothetical Fund 5%**  
Hypothetical Investment



**\$500,000 Roth IRA**  
(sheltered from future income taxes)

\* Based on 2010 tax tables. Beginning 2011, tax rates assume that brackets return to pre-2001 levels, and rates thereafter are adjusted each year for 3.00% inflation. If annuity products are recommended as part of this illustration, this report must be accompanied with company approved illustrations and/or brochures. Annuities are products of the insurance industry and are not guaranteed by any bank, or insured by the FDIC. Values shown are not guaranteed and are for illustrative purposes only. Neither ImagiSOFT, Inc. nor its representatives or employees provide tax, legal, or accounting advice. You should consult with your attorney or qualified tax advisor regarding these matters.

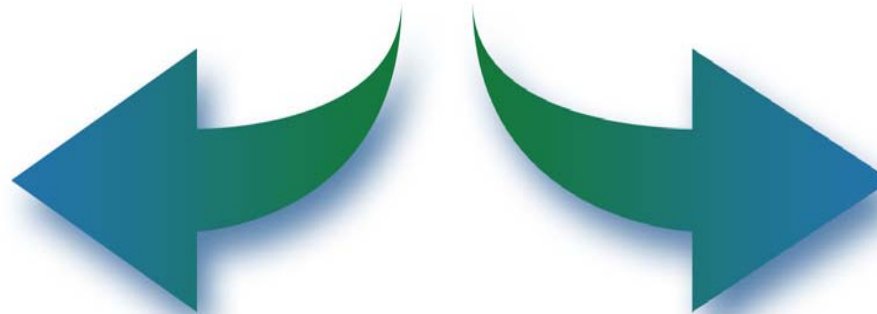
## Roth IRA Conversion - Safe, Tax-Free Income

**\$750,000 Traditional Plan**  
(subject to future, possibly higher, income taxes)

**\$262,500**

Income Tax Increase\*  
"Conversion Cost"

**Paid using current assets**  
In 2010



**\$750,000**

IRA Conversion in 2010  
Allianz Life

**MasterDex X**  
Fixed Indexed Annuity  
**10.00% Premium Bonus**



**\$825,000 Roth IRA**  
(sheltered from future income taxes)

\* Based on 2010 tax tables. Beginning 2011, tax rates assume that brackets return to pre-2001 levels, and rates thereafter are adjusted each year for 3.00% inflation. If annuity products are recommended as part of this illustration, this report must be accompanied with company approved illustrations and/or brochures. Annuities are products of the insurance industry and are not guaranteed by any bank, or insured by the FDIC. Values shown are not guaranteed and are for illustrative purposes only. Neither ImagiSOFT, Inc. nor its representatives or employees provide tax, legal, or accounting advice. You should consult with your attorney or qualified tax advisor regarding these matters.

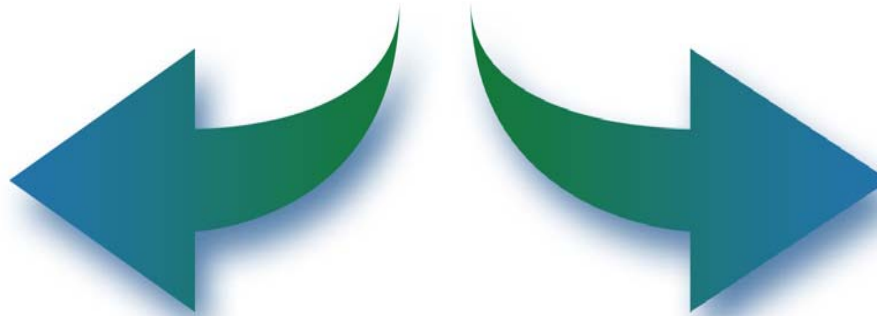
## Roth IRA Conversion - Safe, Tax-Free Income

**\$750,000 Traditional Plan**  
(subject to future, possibly higher, income taxes)

**\$262,500**

Income Tax Increase\*  
"Conversion Cost"

**Paid using current assets**  
In 2010



**\$750,000**

IRA Conversion in 2010  
Great American Life

**Safe Return**  
Fixed Indexed Annuity



**\$750,000 Roth IRA**  
(sheltered from future income taxes)

\* Based on 2010 tax tables. Beginning 2011, tax rates assume that brackets return to pre-2001 levels, and rates thereafter are adjusted each year for 3.00% inflation. If annuity products are recommended as part of this illustration, this report must be accompanied with company approved illustrations and/or brochures. Annuities are products of the insurance industry and are not guaranteed by any bank, or insured by the FDIC. Values shown are not guaranteed and are for illustrative purposes only. Neither ImagiSOFT, Inc. nor its representatives or employees provide tax, legal, or accounting advice. You should consult with your attorney or qualified tax advisor regarding these matters.

# Income

Year	Client							Spouse							
	Age	Social Security	Defined Benefit	Wages	Annuity	Other	Total	Age	Social Security	Defined Benefit	Wages	Annuity	Other	Total	Total
2010	1	65	24,000	96,000			120,000	55			60,000			60,000	<b>\$180,000</b>
2011	2	66	24,720	96,000			120,720	56			61,800			61,800	<b>\$182,520</b>
2012	3	67	25,462	96,000			121,462	57			63,654			63,654	<b>\$185,116</b>
2013	4	68	26,225	96,000			122,225	58			65,564			65,564	<b>\$187,789</b>
2014	5	69	27,012	96,000			123,012	59			67,531			67,531	<b>\$190,543</b>
2015	6	70	27,823	96,000			123,823	60			69,556			69,556	<b>\$193,379</b>
2016	7	71	28,657	96,000			124,657	61			71,643			71,643	<b>\$196,300</b>
2017	8	72	29,517	96,000			125,517	62			73,792			73,792	<b>\$199,309</b>
2018	9	73	30,402	96,000			126,402	63			76,006			76,006	<b>\$202,408</b>
2019	10	74	31,315	96,000			127,315	64			78,286			78,286	<b>\$205,601</b>
2020	11	75	32,254	96,000			128,254	65	12,000	36,000				48,000	<b>\$176,254</b>
2021	12	76	33,222	96,000			129,222	66	12,360	36,000				48,360	<b>\$177,582</b>
2022	13	77	34,218	96,000			130,218	67	12,731	36,000				48,731	<b>\$178,949</b>
2023	14	78	35,245	96,000			131,245	68	13,113	36,000				49,113	<b>\$180,358</b>
2024	15	79	36,302	96,000			132,302	69	13,506	36,000				49,506	<b>\$181,808</b>
2025	16	80	37,391	96,000			133,391	70	13,911	36,000				49,911	<b>\$183,302</b>
2026	17	81	38,513	96,000			134,513	71	14,329	36,000				50,329	<b>\$184,842</b>
2027	18	82	39,668	96,000			135,668	72	14,758	36,000				50,758	<b>\$186,426</b>
2028	19	83	40,858	96,000			136,858	73	15,201	36,000				51,201	<b>\$188,059</b>
2029	20	84	42,084	96,000			138,084	74	15,657	36,000				51,657	<b>\$189,741</b>
2030	21	85	43,347	96,000			139,347	75	16,127	36,000				52,127	<b>\$191,474</b>
2031	22	86	22,324	48,000			70,324	76	16,611	36,000				52,611	<b>\$122,935</b>
2032	23	87	22,993	48,000			70,993	77	17,109	36,000				53,109	<b>\$124,102</b>
2033	24	88	23,683	48,000			71,683	78	17,622	36,000				53,622	<b>\$125,305</b>
2034	25	89	24,394	48,000			72,394	79	18,151	36,000				54,151	<b>\$126,545</b>
2035	26	90	25,126	48,000			73,126	80	18,696	36,000				54,696	<b>\$127,822</b>
2036	27	91	25,879	48,000			73,879	81	19,256	36,000				55,256	<b>\$129,135</b>
2037	28	92	26,656	48,000			74,656	82	19,834	36,000				55,834	<b>\$130,490</b>
2038	29	93	27,455	48,000			75,455	83	20,429	36,000				56,429	<b>\$131,884</b>
2039	30	94	28,279	48,000			76,279	84	21,042	36,000				57,042	<b>\$133,321</b>
2040	31	95	29,127	48,000			77,127	85	21,673	36,000				57,673	<b>\$134,800</b>
2041	32	96	30,001	48,000			78,001	86	22,324	36,000				58,324	<b>\$136,325</b>
2042	33	97	30,901	48,000			78,901	87	22,993	36,000				58,993	<b>\$137,894</b>
2043	34	98	31,828	48,000			79,828	88	23,683	36,000				59,683	<b>\$139,511</b>
2044	35	99	32,783	48,000			80,783	89	24,394	36,000				60,394	<b>\$141,177</b>

# Assets

## *Before Conversion*

Savings, Money Markets						CD, Bonds				Non-Qualified Annuity						
Year	Age	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance
2010	1	65			500	50,500				25,000	24,375	999,375				
2011	2	66			505	51,005				25,000	24,359	998,734				
2012	3	67			510	51,515				25,000	24,343	998,078				
2013	4	68			515	52,030				25,000	24,327	997,405				
2014	5	69			520	52,551				25,000	24,310	996,715				
2015	6	70			526	53,076				25,000	24,293	996,008				
2016	7	71			531	53,607				25,000	24,275	995,283				
2017	8	72			536	54,143				25,000	24,257	994,540				
2018	9	73			541	54,684				25,000	24,239	993,778				
2019	10	74			547	55,231				25,000	24,219	992,998				
2020	11	75			552	55,783				25,000	24,200	992,198				
2021	12	76			558	56,341				25,000	24,180	991,378				
2022	13	77			563	56,905				25,000	24,159	990,537				
2023	14	78			569	57,474				25,000	24,138	989,676				
2024	15	79			575	58,048				25,000	24,117	988,793				
2025	16	80			580	58,629				25,000	24,095	987,887				
2026	17	81			586	59,215				25,000	24,072	986,960				
2027	18	82			592	59,807				25,000	24,049	986,009				
2028	19	83			598	60,405				25,000	24,025	985,034				
2029	20	84			604	61,010				25,000	24,001	984,035				
2030	21	85			610	61,620				25,000	23,976	983,010				
2031	22	86			616	62,236				25,000	23,950	981,961				
2032	23	87			622	62,858				25,000	23,924	980,885				
2033	24	88			629	63,487				25,000	23,897	979,782				
2034	25	89			635	64,122				25,000	23,870	978,651				
2035	26	90			641	64,763				25,000	23,841	977,493				
2036	27	91			648	65,410				25,000	23,812	976,305				
2037	28	92			654	66,065				300,000	16,908	693,213				
2038	29	93			661	66,725				300,000	9,830	403,043				
2039	30	94			667	67,392				300,000	2,576	105,619				
2040	31	95			674	68,066				105,619						
2041	32	96			681	68,747										
2042	33	97			687	69,435										
2043	34	98			694	70,129										
2044	35	99			701	70,830										

# Assets

## *Before Conversion*

### IRA, 401(k) Plans

Year	Age	Conversion	Vest	Deposit	Withdrawal	Interest	Gross Balance	Tax on Death or Surrender	Net Balance
2010	1	65			35,000	98,250	2,063,250	717,780	1,345,470
2011	2	66			39,680	101,179	2,124,749	834,823	1,289,926
2012	3	67			44,500	104,012	2,184,261	858,301	1,325,960
2013	4	68			49,465	106,740	2,241,536	880,890	1,360,646
2014	5	69			54,579	109,348	2,296,305	902,484	1,393,820
2015	6	70			83,807	110,625	2,323,123	914,044	1,409,078
2016	7	71			87,665	111,773	2,347,231	923,377	1,423,854
2017	8	72			91,689	112,777	2,368,319	931,509	1,436,810
2018	9	73			95,883	113,622	2,386,057	938,310	1,447,748
2019	10	74			100,255	114,290	2,400,093	943,639	1,456,454
2020	11	75			121,286	113,940	2,392,747	939,851	1,452,897
2021	12	76			129,634	113,156	2,376,269	933,140	1,443,129
2022	13	77			138,234	111,902	2,349,937	922,522	1,427,415
2023	14	78			147,090	110,142	2,312,989	907,695	1,405,294
2024	15	79			156,214	107,839	2,264,614	888,336	1,376,278
2025	16	80			165,610	104,950	2,203,954	864,107	1,339,847
2026	17	81			175,288	101,433	2,130,099	834,646	1,295,453
2027	18	82			185,257	97,242	2,042,085	799,571	1,242,513
2028	19	83			195,525	92,328	1,938,888	758,478	1,180,410
2029	20	84			206,100	86,639	1,819,427	710,937	1,108,490
2030	21	85			216,993	80,122	1,682,556	656,495	1,026,061
2031	22	86			298,536	69,201	1,453,221	565,682	887,539
2032	23	87			310,763	57,123	1,199,580	464,988	734,592
2033	24	88			323,356	43,811	920,036	354,028	566,007
2034	25	89			336,326	29,185	612,895	232,133	380,762
2035	26	90			349,686	13,160	276,370	99,493	176,877
2036	27	91			276,370				
2037	28	92							
2038	29	93							
2039	30	94							
2040	31	95							
2041	32	96							
2042	33	97							
2043	34	98							
2044	35	99							

# Assets

## *Before Conversion*

Roth IRA			Stocks, Investments										Total	Total	Total
Year	Age	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance	Deposit	Withdrawal	Balance	
2010	1	65										\$0	\$60,000	\$2,395,345	
2011	2	66										\$0	\$64,680	\$2,339,665	
2012	3	67										\$0	\$69,500	\$2,375,553	
2013	4	68										\$0	\$74,465	\$2,410,081	
2014	5	69										\$0	\$79,579	\$2,443,086	
2015	6	70										\$0	\$108,807	\$2,458,162	
2016	7	71										\$0	\$112,665	\$2,472,743	
2017	8	72										\$0	\$116,689	\$2,485,493	
2018	9	73										\$0	\$120,883	\$2,496,210	
2019	10	74										\$0	\$125,255	\$2,504,683	
2020	11	75										\$0	\$146,286	\$2,500,878	
2021	12	76										\$0	\$154,634	\$2,490,848	
2022	13	77										\$0	\$163,234	\$2,474,856	
2023	14	78										\$0	\$172,090	\$2,452,444	
2024	15	79										\$0	\$181,214	\$2,423,119	
2025	16	80										\$0	\$190,610	\$2,386,364	
2026	17	81										\$0	\$200,288	\$2,341,628	
2027	18	82										\$0	\$210,257	\$2,288,329	
2028	19	83										\$0	\$220,525	\$2,225,849	
2029	20	84										\$0	\$231,100	\$2,153,534	
2030	21	85										\$0	\$241,993	\$2,070,691	
2031	22	86										\$0	\$323,536	\$1,931,735	
2032	23	87										\$0	\$335,763	\$1,778,335	
2033	24	88										\$0	\$348,356	\$1,609,276	
2034	25	89										\$0	\$361,326	\$1,423,535	
2035	26	90										\$0	\$374,686	\$1,219,132	
2036	27	91										\$0	\$301,370	\$1,041,715	
2037	28	92										\$0	\$300,000	\$759,277	
2038	29	93										\$0	\$300,000	\$469,768	
2039	30	94										\$0	\$300,000	\$173,011	
2040	31	95										\$0	\$105,619	\$68,066	
2041	32	96										\$0	\$0	\$68,747	
2042	33	97										\$0	\$0	\$69,435	
2043	34	98										\$0	\$0	\$70,129	
2044	35	99										\$0	\$0	\$70,830	

# Residence *Before Conversion*

Residence				Mortgage			Equity line of credit				Total Interest	Total Payment	Total Balance
Year	Age	Increase	Value	Interest	Payment	Balance	Loan	Interest	Payment	Balance			
2010	1	65	16,000			816,000							
2011	2	66	16,320			832,320							
2012	3	67	16,646			848,966							
2013	4	68	16,979			865,946							
2014	5	69	17,319			883,265							
2015	6	70	17,665			900,930							
2016	7	71	18,019			918,949							
2017	8	72	18,379			937,328							
2018	9	73	18,747			956,074							
2019	10	74	19,121			975,196							
2020	11	75	19,504			994,699							
2021	12	76	19,894			1,014,593							
2022	13	77	20,292			1,034,885							
2023	14	78	20,698			1,055,583							
2024	15	79	21,112			1,076,695							
2025	16	80	21,534			1,098,229							
2026	17	81	21,965			1,120,193							
2027	18	82	22,404			1,142,597							
2028	19	83	22,852			1,165,449							
2029	20	84	23,309			1,188,758							
2030	21	85	23,775			1,212,533							
2031	22	86	24,251			1,236,784							
2032	23	87	24,736			1,261,519							
2033	24	88	25,230			1,286,750							
2034	25	89	25,735			1,312,485							
2035	26	90	26,250			1,338,734							
2036	27	91	26,775			1,365,509							
2037	28	92	27,310			1,392,819							
2038	29	93	27,856			1,420,676							
2039	30	94	28,414			1,449,089							
2040	31	95	28,982			1,478,071							
2041	32	96	29,561			1,507,632							
2042	33	97	30,153			1,537,785							
2043	34	98	30,756			1,568,541							
2044	35	99	31,371			1,599,912							

# Federal Tax Liability

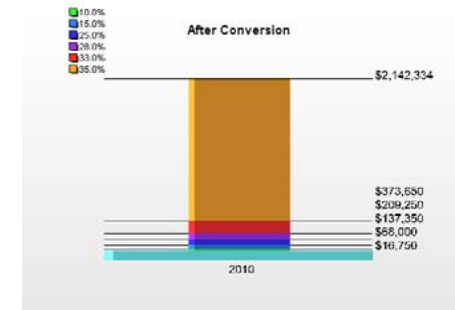
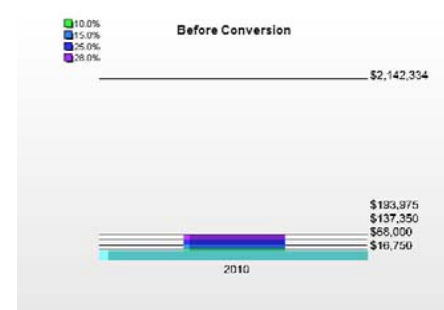
## *Before Conversion*

Year	Age	Filing Status	Number of Exemptions	Adjusted Gross Income	Taxable Income	Tax Due	After-Tax Cash Flow
2010	1 65	Married filing jointly	2	\$236,275	\$193,975	\$42,555	\$197,445
2011	2 66	Married filing jointly	2	\$243,356	\$201,056	\$50,851	\$196,349
2012	3 67	Married filing jointly	2	\$250,650	\$208,350	\$52,768	\$201,848
2013	4 68	Married filing jointly	2	\$258,162	\$215,862	\$55,686	\$206,568
2014	5 69	Married filing jointly	2	\$265,901	\$223,601	\$57,720	\$212,402
2015	6 70	Married filing jointly	2	\$297,831	\$255,531	\$68,265	\$233,921
2016	7 71	Married filing jointly	2	\$304,472	\$262,172	\$69,915	\$239,050
2017	8 72	Married filing jointly	2	\$311,363	\$269,063	\$71,633	\$244,365
2018	9 73	Married filing jointly	2	\$318,511	\$276,211	\$73,421	\$249,871
2019	10 74	Married filing jointly	2	\$325,925	\$283,625	\$75,280	\$255,575
2020	11 75	Married filing jointly	2	\$315,654	\$273,354	\$70,749	\$251,791
2021	12 76	Married filing jointly	2	\$325,116	\$282,816	\$73,297	\$258,919
2022	13 77	Married filing jointly	2	\$334,864	\$292,564	\$75,922	\$266,261
2023	14 78	Married filing jointly	2	\$344,902	\$302,602	\$78,625	\$273,823
2024	15 79	Married filing jointly	2	\$355,242	\$312,942	\$81,410	\$281,613
2025	16 80	Married filing jointly	2	\$365,892	\$323,592	\$84,277	\$289,635
2026	17 81	Married filing jointly	2	\$376,862	\$334,562	\$87,231	\$297,899
2027	18 82	Married filing jointly	2	\$388,160	\$345,860	\$90,273	\$306,410
2028	19 83	Married filing jointly	2	\$399,798	\$357,498	\$93,407	\$315,177
2029	20 84	Married filing jointly	2	\$411,785	\$369,485	\$96,635	\$324,206
2030	21 85	Married filing jointly	2	\$424,132	\$381,832	\$99,960	\$333,507
2031	22 86	Single	1	\$440,197	\$401,547	\$117,571	\$328,900
2032	23 87	Single	1	\$453,396	\$414,746	\$121,484	\$338,381
2033	24 88	Single	1	\$466,991	\$428,341	\$125,515	\$348,146
2034	25 89	Single	1	\$480,993	\$442,343	\$129,666	\$358,204
2035	26 90	Single	1	\$495,417	\$456,767	\$133,942	\$368,565
2036	27 91	Single	1	\$423,194	\$384,544	\$106,999	\$323,506
2037	28 92	Single	1	\$141,078	\$102,428	\$19,162	\$411,328
2038	29 93	Single	1	\$135,192	\$96,542	\$17,228	\$414,656
2039	30 94	Single	1	\$129,166	\$90,516	\$15,247	\$418,074
2040	31 95	Single	1	\$127,854	\$89,204	\$14,576	\$225,843
2041	32 96	Single	1	\$129,157	\$90,507	\$14,629	\$121,696
2042	33 97	Single	1	\$130,497	\$91,847	\$14,683	\$123,211
2043	34 98	Single	1	\$131,879	\$93,229	\$14,739	\$124,772
2044	35 99	Single	1	\$133,302	\$94,652	\$14,796	\$126,381

# Proposed Roth Conversion

## \$500,000 "Kid's Inheritance" in 2010

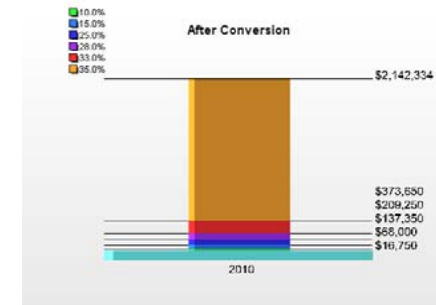
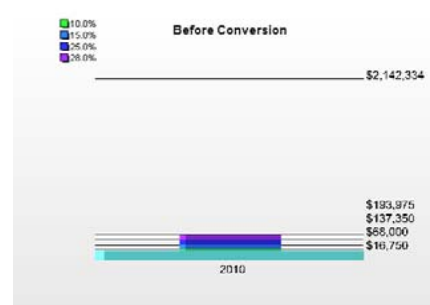
Year	Age	Interest	Withdrawal	Income	Balance	Additional Gross Income	Additional Tax Due
2010	1 65	25,000			525,000	500,000	170,643
2011	2 66	26,250			551,250		
2012	3 67	27,563			578,813		
2013	4 68	28,941			607,753		
2014	5 69	30,388			638,141		
2015	6 70	31,907			670,048		
2016	7 71	33,502			703,550		
2017	8 72	35,178			738,728		
2018	9 73	36,936			775,664		
2019	10 74	38,783			814,447		
2020	11 75	40,722			855,170		
2021	12 76	42,758			897,928		
2022	13 77	44,896			942,825		
2023	14 78	47,141			989,966		
2024	15 79	49,498			1,039,464		
2025	16 80	51,973			1,091,437		
2026	17 81	54,572			1,146,009		
2027	18 82	57,300			1,203,310		
2028	19 83	60,165			1,263,475		
2029	20 84	63,174			1,326,649		
2030	21 85	66,332			1,392,981		
2031	22 86	69,649			1,462,630		
2032	23 87	73,132			1,535,762		
2033	24 88	76,788			1,612,550		
2034	25 89	80,628			1,693,177		
2035	26 90	84,659			1,777,836		
2036	27 91	88,892			1,866,728		
2037	28 92	93,336			1,960,065		
2038	29 93	98,003			2,058,068		
2039	30 94	102,903			2,160,971		
2040	31 95	108,049			2,269,020		
2041	32 96	113,451			2,382,471		
2042	33 97	119,124			2,501,594		
2043	34 98	125,080			2,626,674		
2044	35 99	131,334			2,758,008		



# Proposed Roth Conversion

## \$750,000 "Safe, Tax-Free Income" in 2010

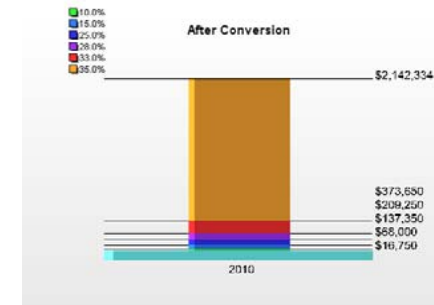
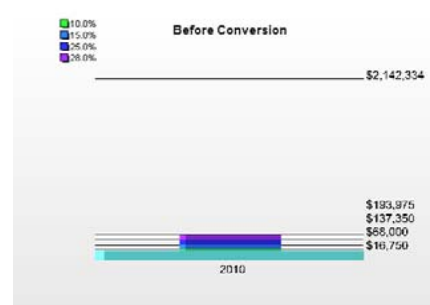
Year	Age	Interest	Withdrawal	Income	Balance	Additional Gross Income	Additional Tax Due
2010	1 65	41,250	20,000		846,250	750,000	262,500
2011	2 66	42,313	20,000		868,563		
2012	3 67	43,428	20,000		891,991		
2013	4 68	44,600	20,000		916,590		
2014	5 69	45,830	20,000		942,420		
2015	6 70	47,121	20,000		969,541		
2016	7 71	48,477	20,000		998,018		
2017	8 72	49,901	20,000		1,027,919		
2018	9 73	51,396	20,000		1,059,314		
2019	10 74	52,966	20,000		1,092,280		
2020	11 75	54,614	37,500		1,109,394		
2021	12 76	55,470	38,625		1,126,239		
2022	13 77	56,312	39,784		1,142,767		
2023	14 78	57,138	40,977		1,158,928		
2024	15 79	57,946	42,207		1,174,668		
2025	16 80	58,733	43,473		1,189,928		
2026	17 81	59,496	44,777		1,204,647		
2027	18 82	60,232	46,120		1,218,760		
2028	19 83	60,938	47,504		1,232,194		
2029	20 84	61,610	48,929		1,244,874		
2030	21 85	62,244	50,397		1,256,721		
2031	22 86	62,836	80,000		1,239,557		
2032	23 87	61,978	82,400		1,219,135		
2033	24 88	60,957	84,872		1,195,220		
2034	25 89	59,761	87,418		1,167,563		
2035	26 90	58,378	90,041		1,135,900		
2036	27 91	56,795	92,742		1,099,953		
2037	28 92	54,998	95,524		1,059,427		
2038	29 93	52,971	98,390		1,014,008		
2039	30 94	50,700	101,342		963,366		
2040	31 95	48,168	104,382		907,153		
2041	32 96	45,358	107,513		844,997		
2042	33 97	42,250	110,739		776,508		
2043	34 98	38,825	114,061		701,273		
2044	35 99	35,064	117,483		618,853		



# Proposed Roth Conversion

## \$750,000 "Safe, Tax-Free Income" in 2010

Year	Age	Interest	Withdrawal	Income	Balance	Additional Gross Income	Additional Tax Due
2010	1 65	37,500	20,000		767,500	750,000	262,500
2011	2 66	38,375	20,600		785,275		
2012	3 67	39,264	21,218		803,321		
2013	4 68	40,166	21,855		821,632		
2014	5 69	41,082	22,510		840,203		
2015	6 70	42,010	23,185		859,029		
2016	7 71	42,951	23,881		878,099		
2017	8 72	43,905	24,597		897,407		
2018	9 73	44,870	25,335		916,942		
2019	10 74	45,847	26,095		936,694		
2020	11 75	46,835	37,500		946,029		
2021	12 76	47,301	38,625		954,706		
2022	13 77	47,735	39,784		962,657		
2023	14 78	48,133	40,977		969,813		
2024	15 79	48,491	42,207		976,096		
2025	16 80	48,805	43,473		981,428		
2026	17 81	49,071	44,777		985,723		
2027	18 82	49,286	46,120		988,889		
2028	19 83	49,444	47,504		990,829		
2029	20 84	49,541	48,929		991,442		
2030	21 85	49,572	50,397		990,617		
2031	22 86	49,531	80,000		960,147		
2032	23 87	48,007	82,400		925,755		
2033	24 88	46,288	84,872		887,171		
2034	25 89	44,359	87,418		844,111		
2035	26 90	42,206	90,041		796,276		
2036	27 91	39,814	92,742		743,347		
2037	28 92	37,167	95,524		684,991		
2038	29 93	34,250	98,390		620,850		
2039	30 94	31,043	101,342		550,551		
2040	31 95	27,528	104,382		473,696		
2041	32 96	23,685	107,513		389,868		
2042	33 97	19,493	110,739		298,623		
2043	34 98	14,931	114,061		199,493		
2044	35 99	9,975	117,483		91,984		



# Assets

## *After Conversion*

Savings, Money Markets							CD, Bonds				Non-Qualified Annuity					
Year	Age	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance
2010	1	65		50,000					670,643	8,234	337,591					
2011	2	66						25,000		7,815	320,406					
2012	3	67						25,000		7,385	302,791					
2013	4	68						25,000		6,945	284,736					
2014	5	69						25,000		6,493	266,229					
2015	6	70						25,000		6,031	247,260					
2016	7	71						25,000		5,557	227,817					
2017	8	72						25,000		5,070	207,887					
2018	9	73						25,000		4,572	187,459					
2019	10	74						25,000		4,061	166,521					
2020	11	75							25,000	3,538	145,059					
2021	12	76							25,000	3,001	123,060					
2022	13	77							25,000	2,452	100,512					
2023	14	78							25,000	1,888	77,399					
2024	15	79							25,000	1,310	53,709					
2025	16	80							25,000	718	29,427					
2026	17	81							25,000	111	4,538					
2027	18	82														
2028	19	83														
2029	20	84														
2030	21	85														
2031	22	86														
2032	23	87														
2033	24	88														
2034	25	89														
2035	26	90														
2036	27	91														
2037	28	92														
2038	29	93														
2039	30	94														
2040	31	95														
2041	32	96														
2042	33	97														
2043	34	98														
2044	35	99														

# Assets

## *After* Conversion

### IRA, 401(k) Plans

Year	Age	Conversion	Vest	Deposit	Withdrawal	Interest	Gross Balance	Tax on Death or Surrender	Net Balance
2010	1 65	2,000,000							
2011	2 66								
2012	3 67								
2013	4 68								
2014	5 69								
2015	6 70								
2016	7 71								
2017	8 72								
2018	9 73								
2019	10 74								
2020	11 75								
2021	12 76								
2022	13 77								
2023	14 78								
2024	15 79								
2025	16 80								
2026	17 81								
2027	18 82								
2028	19 83								
2029	20 84								
2030	21 85								
2031	22 86								
2032	23 87								
2033	24 88								
2034	25 89								
2035	26 90								
2036	27 91								
2037	28 92								
2038	29 93								
2039	30 94								
2040	31 95								
2041	32 96								
2042	33 97								
2043	34 98								
2044	35 99								

# Assets

## After Conversion

Roth IRA						Stocks, Investments						Total	Total	Total
Year	Age	Vest	Deposit	Withdrawal	Interest	Balance	Vest	Deposit	Withdrawal	Interest	Balance	Deposit	Withdrawal	Balance
2010	1	65		40,000	103,750	2,138,750						\$0	\$760,643	\$2,476,341
2011	2	66		40,600	106,938	2,205,088						\$0	\$65,600	\$2,525,493
2012	3	67		41,218	110,254	2,274,124						\$0	\$66,218	\$2,576,915
2013	4	68		41,855	113,706	2,345,975						\$0	\$66,855	\$2,630,711
2014	5	69		42,510	117,299	2,420,764						\$0	\$67,510	\$2,686,993
2015	6	70		43,185	121,038	2,498,617						\$0	\$68,185	\$2,745,877
2016	7	71		43,881	124,931	2,579,667						\$0	\$68,881	\$2,807,483
2017	8	72		44,597	128,983	2,664,053						\$0	\$69,597	\$2,871,940
2018	9	73		45,335	133,203	2,751,921						\$0	\$70,335	\$2,939,380
2019	10	74		46,095	137,596	2,843,422						\$0	\$71,095	\$3,009,942
2020	11	75		75,000	142,171	2,910,593						\$0	\$100,000	\$3,055,652
2021	12	76		77,250	145,530	2,978,873						\$0	\$102,250	\$3,101,933
2022	13	77		79,568	148,944	3,048,248						\$0	\$104,568	\$3,148,760
2023	14	78		81,954	152,412	3,118,707						\$0	\$106,954	\$3,196,106
2024	15	79		84,414	155,935	3,190,228						\$0	\$109,414	\$3,243,937
2025	16	80		86,946	159,511	3,262,793						\$0	\$111,946	\$3,292,221
2026	17	81		89,554	163,140	3,336,379						\$0	\$114,554	\$3,340,917
2027	18	82		92,240	166,819	3,410,958						\$0	\$96,778	\$3,410,958
2028	19	83		95,008	170,548	3,486,498						\$0	\$95,008	\$3,486,498
2029	20	84		97,858	174,325	3,562,965						\$0	\$97,858	\$3,562,965
2030	21	85		100,794	178,148	3,640,319						\$0	\$100,794	\$3,640,319
2031	22	86		160,000	182,016	3,662,335						\$0	\$160,000	\$3,662,335
2032	23	87		164,800	183,117	3,680,652						\$0	\$164,800	\$3,680,652
2033	24	88		169,744	184,033	3,694,940						\$0	\$169,744	\$3,694,940
2034	25	89		174,836	184,747	3,704,851						\$0	\$174,836	\$3,704,851
2035	26	90		180,082	185,243	3,710,012						\$0	\$180,082	\$3,710,012
2036	27	91		185,484	185,501	3,710,029						\$0	\$185,484	\$3,710,029
2037	28	92		191,048	185,501	3,704,482						\$0	\$191,048	\$3,704,482
2038	29	93		196,780	185,224	3,692,926						\$0	\$196,780	\$3,692,926
2039	30	94		202,684	184,646	3,674,888						\$0	\$202,684	\$3,674,888
2040	31	95		208,764	183,744	3,649,869						\$0	\$208,764	\$3,649,869
2041	32	96		215,026	182,493	3,617,336						\$0	\$215,026	\$3,617,336
2042	33	97		221,478	180,867	3,576,725						\$0	\$221,478	\$3,576,725
2043	34	98		228,122	178,836	3,527,439						\$0	\$228,122	\$3,527,439
2044	35	99		234,966	176,372	3,468,845						\$0	\$234,966	\$3,468,845

# Residence *After Conversion*

Residence				Mortgage			Equity line of credit				Total Interest	Total Payment	Total Balance
Year	Age	Increase	Value	Interest	Payment	Balance	Loan	Interest	Payment	Balance			
2010	1	65	16,000			816,000							
2011	2	66	16,320			832,320							
2012	3	67	16,646			848,966							
2013	4	68	16,979			865,946							
2014	5	69	17,319			883,265							
2015	6	70	17,665			900,930							
2016	7	71	18,019			918,949							
2017	8	72	18,379			937,328							
2018	9	73	18,747			956,074							
2019	10	74	19,121			975,196							
2020	11	75	19,504			994,699							
2021	12	76	19,894			1,014,593							
2022	13	77	20,292			1,034,885							
2023	14	78	20,698			1,055,583							
2024	15	79	21,112			1,076,695							
2025	16	80	21,534			1,098,229							
2026	17	81	21,965			1,120,193							
2027	18	82	22,404			1,142,597							
2028	19	83	22,852			1,165,449							
2029	20	84	23,309			1,188,758							
2030	21	85	23,775			1,212,533							
2031	22	86	24,251			1,236,784							
2032	23	87	24,736			1,261,519							
2033	24	88	25,230			1,286,750							
2034	25	89	25,735			1,312,485							
2035	26	90	26,250			1,338,734							
2036	27	91	26,775			1,365,509							
2037	28	92	27,310			1,392,819							
2038	29	93	27,856			1,420,676							
2039	30	94	28,414			1,449,089							
2040	31	95	28,982			1,478,071							
2041	32	96	29,561			1,507,632							
2042	33	97	30,153			1,537,785							
2043	34	98	30,756			1,568,541							
2044	35	99	31,371			1,599,912							

# Federal Tax Liability *After Conversion*

Year	Age	Filing Status	Number of Exemptions	Adjusted Gross Income	Taxable Income	Tax Due	After-Tax Cash Flow
2010	1 65	Married filing jointly	2	\$2,184,634	\$2,142,334	\$24,481	\$220,519
2011	2 66	Married filing jointly	2	\$186,627	\$144,327	\$33,265	\$214,855
2012	3 67	Married filing jointly	2	\$188,682	\$146,382	\$33,558	\$217,776
2013	4 68	Married filing jointly	2	\$190,800	\$148,500	\$33,860	\$220,784
2014	5 69	Married filing jointly	2	\$192,985	\$150,685	\$34,172	\$223,881
2015	6 70	Married filing jointly	2	\$195,236	\$152,936	\$34,533	\$227,031
2016	7 71	Married filing jointly	2	\$197,558	\$155,258	\$34,935	\$230,246
2017	8 72	Married filing jointly	2	\$199,952	\$157,652	\$35,349	\$233,557
2018	9 73	Married filing jointly	2	\$202,420	\$160,120	\$35,776	\$236,967
2019	10 74	Married filing jointly	2	\$204,965	\$162,665	\$36,217	\$240,479
2020	11 75	Married filing jointly	2	\$173,154	\$130,854	\$27,030	\$249,224
2021	12 76	Married filing jointly	2	\$173,746	\$131,446	\$26,908	\$252,924
2022	13 77	Married filing jointly	2	\$174,358	\$132,058	\$26,782	\$256,735
2023	14 78	Married filing jointly	2	\$174,992	\$132,692	\$26,654	\$260,658
2024	15 79	Married filing jointly	2	\$175,647	\$133,347	\$26,522	\$264,700
2025	16 80	Married filing jointly	2	\$176,324	\$134,024	\$26,387	\$268,861
2026	17 81	Married filing jointly	2	\$177,026	\$134,726	\$26,250	\$273,146
2027	18 82	Married filing jointly	2	\$178,262	\$135,962	\$26,252	\$256,952
2028	19 83	Married filing jointly	2	\$179,650	\$137,350	\$26,286	\$256,781
2029	20 84	Married filing jointly	2	\$181,080	\$138,780	\$26,321	\$261,278
2030	21 85	Married filing jointly	2	\$182,553	\$140,253	\$26,357	\$265,911
2031	22 86	Single	1	\$117,094	\$78,444	\$13,993	\$268,941
2032	23 87	Single	1	\$118,087	\$79,437	\$14,032	\$274,870
2033	24 88	Single	1	\$119,109	\$80,459	\$14,072	\$280,977
2034	25 89	Single	1	\$120,163	\$81,513	\$14,113	\$287,267
2035	26 90	Single	1	\$121,248	\$82,598	\$14,156	\$293,748
2036	27 91	Single	1	\$122,365	\$83,715	\$14,199	\$300,420
2037	28 92	Single	1	\$123,516	\$84,866	\$14,244	\$307,293
2038	29 93	Single	1	\$124,701	\$86,051	\$14,291	\$314,373
2039	30 94	Single	1	\$125,923	\$87,273	\$14,339	\$321,666
2040	31 95	Single	1	\$127,180	\$88,530	\$14,388	\$329,176
2041	32 96	Single	1	\$128,476	\$89,826	\$14,439	\$336,912
2042	33 97	Single	1	\$129,810	\$91,160	\$14,491	\$344,881
2043	34 98	Single	1	\$131,184	\$92,534	\$14,544	\$353,089
2044	35 99	Single	1	\$132,600	\$93,950	\$14,600	\$361,543