Northwestern Mutual

Draft

Your Financial Plan

Subject Sixty Six

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Tanay Singh

Your Financial Representative

Tanay Singh

Financial Representative
(803) 254-0133
tanay.singh@nm.com

Together, we'll create an actionable, realistic plan that gives you financial security while helping you build the life you want.

This plan is not complete without the Disclosure pages appearing at the end.

Contents

A Recap of the Facts

Here is a summary of the details you provided about your current financial life and the goals you would like to achieve. If there are additional details or something has changed about your situation, let us know and we can incorporate this in your plan.

Current Insurance Policies

Household

Subject Sixty Six, 22

January 1, 1998

Whole Life $100,000

Your Financial Objectives

- Retirement income of $13,021/yr in 2063

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Your Net Worth

Net worth is a quick way to get a bird's-eye view of your current financial picture.

$100

Assets	$100	Liabilities	$0
Cash / Cash Equivalent	$100		
Checking	100		

1 Depicts non-guaranteed elements, such as dividends and other non-guaranteed benefits or values. For certain policies, the accumulated value includes a non-guaranteed dividend, which may be paid upon surrender of the policy. The assumptions upon which such non-guaranteed elements are based are subject to change by Northwestern Mutual. Actual results may be more or less favorable than those depicted. See the accompanying basic illustration for guaranteed elements and other important information.

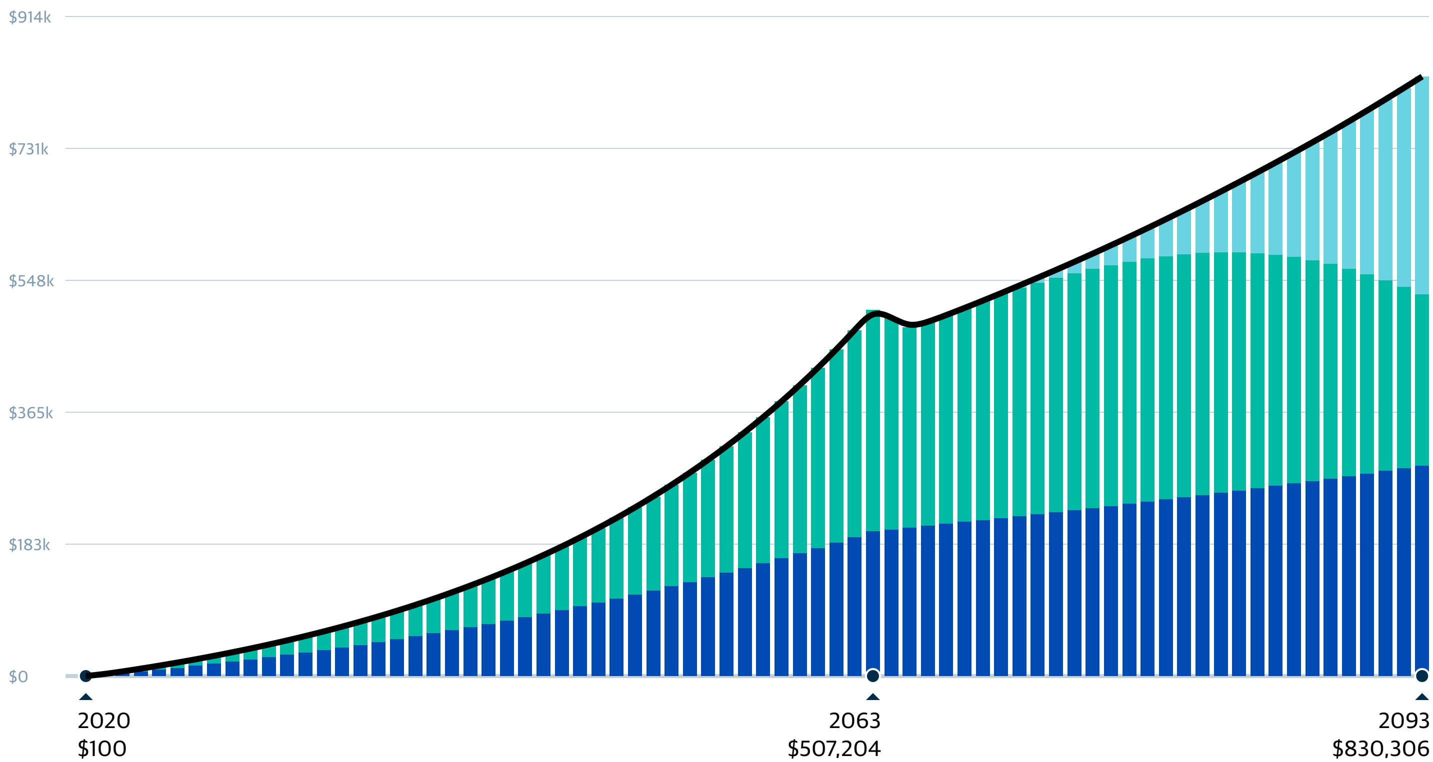
Projected Net Worth

WITH YOUR PLAN

Your projected net worth will change as your assets earn interest or are spent down.

Net Worth Balance

- Non-Qualified
- Qualified
- Bank Accounts



- 2063: Subject first to retire
- 2093: Subject, age 95

1. Depicts non-guaranteed elements, such as dividends and other non-guaranteed benefits or values. For certain policies, the accumulated value includes a non-guaranteed dividend, which may be paid upon surrender of the policy. The assumptions upon which such non-guaranteed elements are based are subject to change by Northwestern Mutual. Actual results may be more or less favorable than those depicted. See the accompanying basic illustration for guaranteed elements and other important information.

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Your 2020 Cash Flow Overview

We calculate your cash flow by looking at your current income and expenses, as well as your target savings. Based on these factors, here's how we think your annual budget, from January 1 to December 31, 2020 should look.

Includes $4,553 taxes & withholdings.

Committed: Fixed Expenses

● $9,923

Average: $827 /mo

Your non-negotiable, most inflexible expenses that keep your life running.

Primary Residence $9,923

Committed: Goal Funding

● $2,524

Average: $210 /mo

The savings target that we recommend you allocate for financial security and retirement goals.

We've included your annual pre-paycheck retirement contributions of $600.

Discretionary Spending

● $3,000

Average: $250 /mo

These remaining dollars have not been allocated to any specific purpose and are free to use for whatever you would like.

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Our Planning Strategy

Your plan is designed to help you balance your current and future priorities. It is important to look at your whole financial picture to understand how one financial decision affects another.

To help simplify the planning process, we've organized your goals into three types: Protect, Optimize, and Grow.

This framework helps us coordinate your plan's many moving parts to help tell the story of the life you want to live.

Protect

Your financial security comes first. Life is full of ups and downs, and we'll make sure you have everything you need to be prepared for both.

Optimize

We'll help you find the best ways to pay down any debts, freeing your money up for other goals.

Grow

Retirement and big-ticket items, like buying a home or starting a family, require saving strategies. We'll address each of your goals in detail and show you how to achieve them.

Your Financial Plan Summary

This page summarizes your financial security, debt paydown, and savings goals.

Disability Insurance

Purchase these policies to protect a portion of your income.

- New policy for Subject:
  Indiv. Disability: $1,250/mo benefit
  Est. premium: $17/mo

Retirement Savings

Accumulate $306,476 in retirement assets by 2063.

Achievable in 2063	$306,476
Starting Balance	0
2020: Funding	600
2021-2093: Funding	344,825
Employer Contributions	40,870
Growth (Assumed 5.46%/yr)	881,181

Very Conservative

Emergency Fund

Save 6 months of Expenses ($6,742).

Achievable in 2023	$6,742
Starting Balance	0
2020: Funding	1,364
2021-2023: Funding	5,235
Growth (Assumed 1.25%/yr)	142

Does not reflect gifts or taxes. See specific goal pages for more detail.

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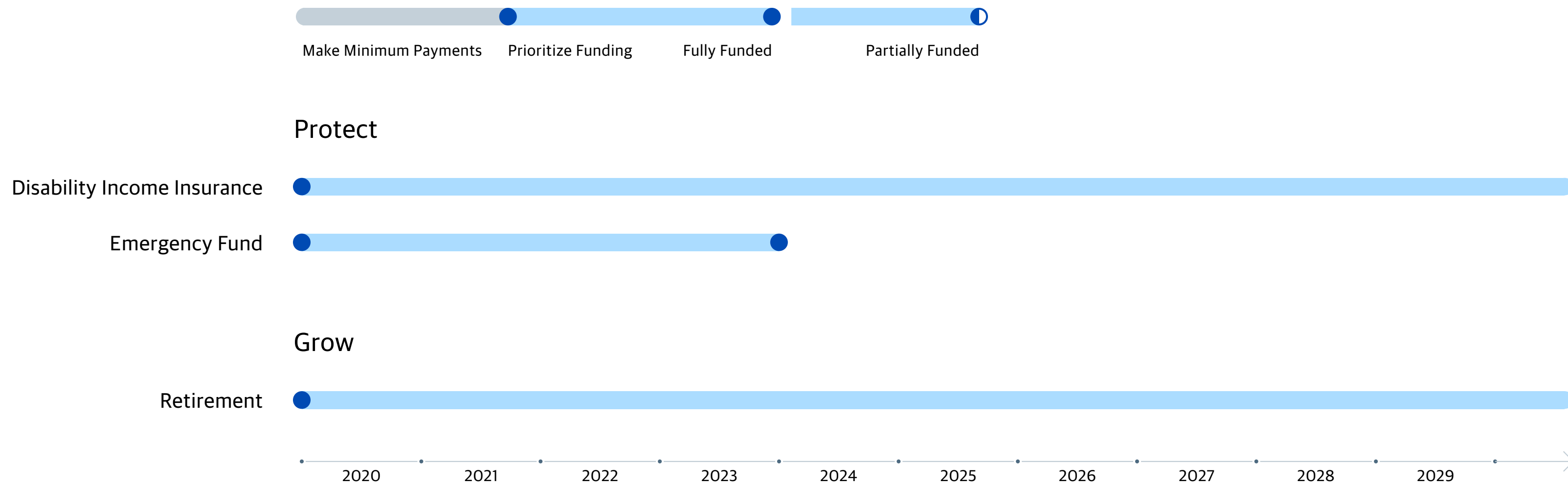
Goals Timeline

This timeline shows how we recommend prioritizing the funding of your goals over time.



Protect

Your Financial Security Comes First

Protecting Your Income

Establishing an Emergency Fund

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Understanding Your Earning Potential

Your ability to earn an income is often your most valuable asset.

You may think your most valuable possession is a tangible thing, like a home or bank account. But when you look at the numbers, the income you could earn over the course of a lifetime is most likely greater than anything else you own.

You could earn $1,362,327 from now to retirement.

Starting with your current salary of $20,000, we've added up the total of every working year until retirement. Each consecutive year is adjusted upwards for inflation by 2.06%

If you stopped working today, you would need to invest $469,019 at an average annual rate of return of 5.46% in order to replace this income until retirement.

Protect the value of your lifetime earning potential

- Disability Income Insurance
- Life Insurance
- Emergency Fund

Minimize a variety of risks to your income

- Getting Injured
- Passing Away
- Losing Your Job

The Financial Impact of a Disability

Disability Income Insurance covers a range of circumstances, from long-term illness to temporary injury.

Any disability that prevents you from working could lower your income, and even a short-term change in income can affect your finances in a number of different ways.

Becoming disabled is more common than you might think.

We ran a simulation of how your financial plan could be affected if you had to stop working today[1].

Subject's Outlook

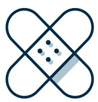
42%

Chance you will experience a disability between now and retirement.

2.0 yrs

Average amount of time you could be out of work, and without an income.

What happens when you get disabled?



Illness or Injury Occurs

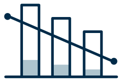
Even a short-term disability event can create a long-term financial impact.

Life Without a Paycheck

As your income goes down, there's a good chance that your medical costs will rise.

Assets Take Time to Recover

It can take years to rebuild your assets, even if you can go back to work.



Lost Growth Opportunity

Not only are you spending to cover expenses, you could also lose the potential growth on those funds had you saved them instead.

1. Based on 2013 IDI [Individual Disability Insurance] valuation tables from the American Academy of Actuaries.

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Impact of Subject's Disability

A temporary disability can have immediate and lasting impacts on your finances

$100
Current net worth

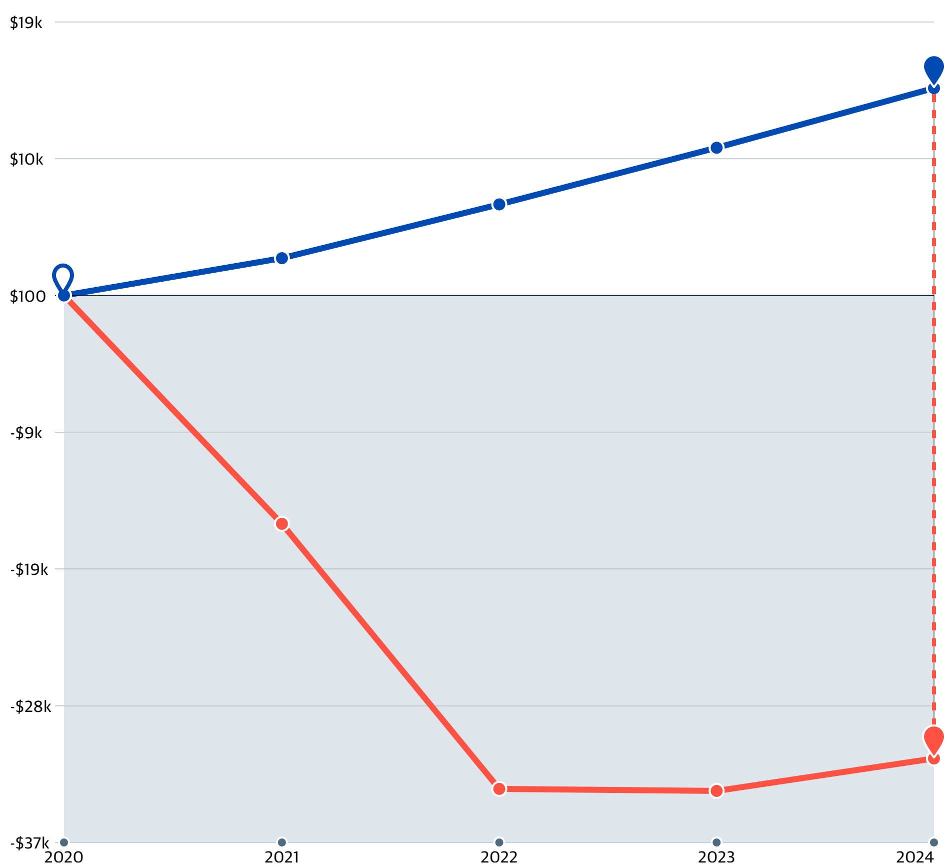
$14,353
Your projected net worth in 2024

-$31,726
Net worth in 2024 after a 2.0 year disability

$46,079
Difference in net worth in 2024

This near-term difference can have a lasting impact. A $46,079 investment in 2024 could create $46,079 in additional net worth at your retirement in 2063.

Impact of a 2.0 Year Disability to Your Net Worth



We assume you do not currently have disability coverage.
Assumed average growth rate of 3.44% for your liquid assets including cash, qualified and non-qualified accounts.
Based on the most recent IDI (Individual Disability Insurance) valuation tables from the American Academy of Actuaries.

You'll never get back to where you started.
Get the maximum disability benefit available to avoid this potential loss.

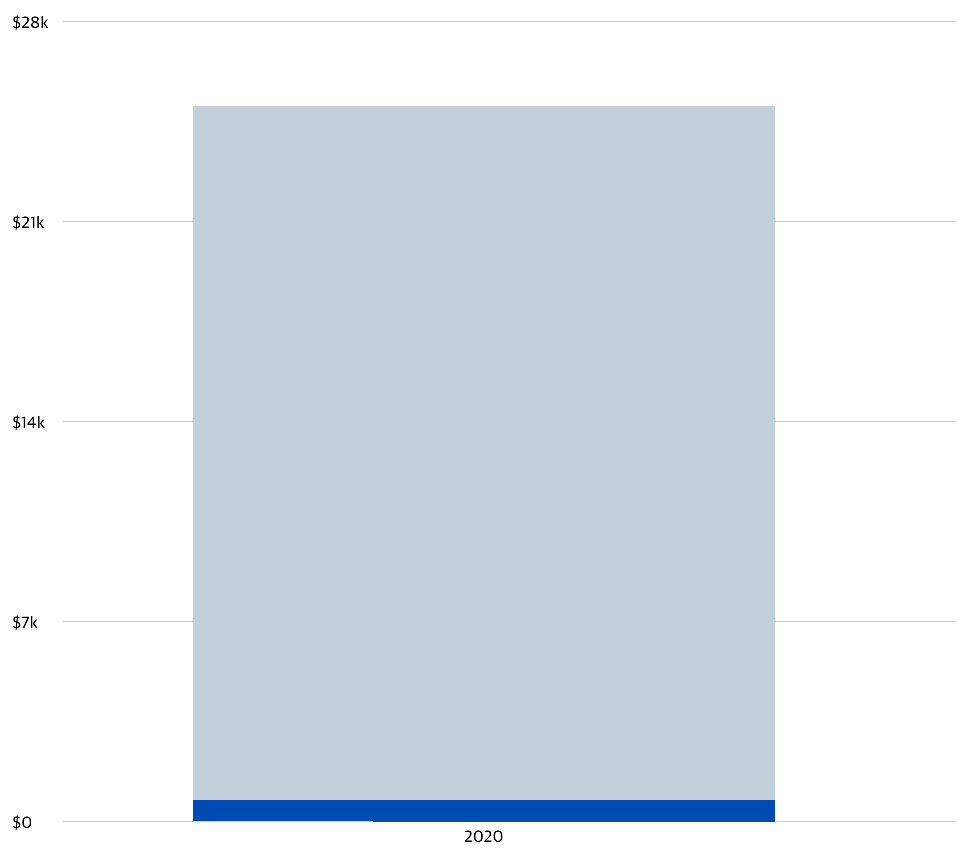
There's a **45% chance** that a temporary disability could become permanent.

Paying Expenses if Subject Dies

It can be hard to visualize your life insurance need in the long-term. The chart below indicates how sufficiently your current assets and expected income streams will fund your annual after-tax household expenses.

- Ongoing Lifestyle
- Subject's Existing Policy
- Liquid Assets, Property & Other
- Income

Household Expenses



- 2020
  If Subject dies, final expenses
- 2021
  Taxes paid

Your available assets are projected to cover your remaining expenses.

It's still a good time to review the reasons to own life insurance, and make sure you're covered for any opportunities or challenges that might be ahead.

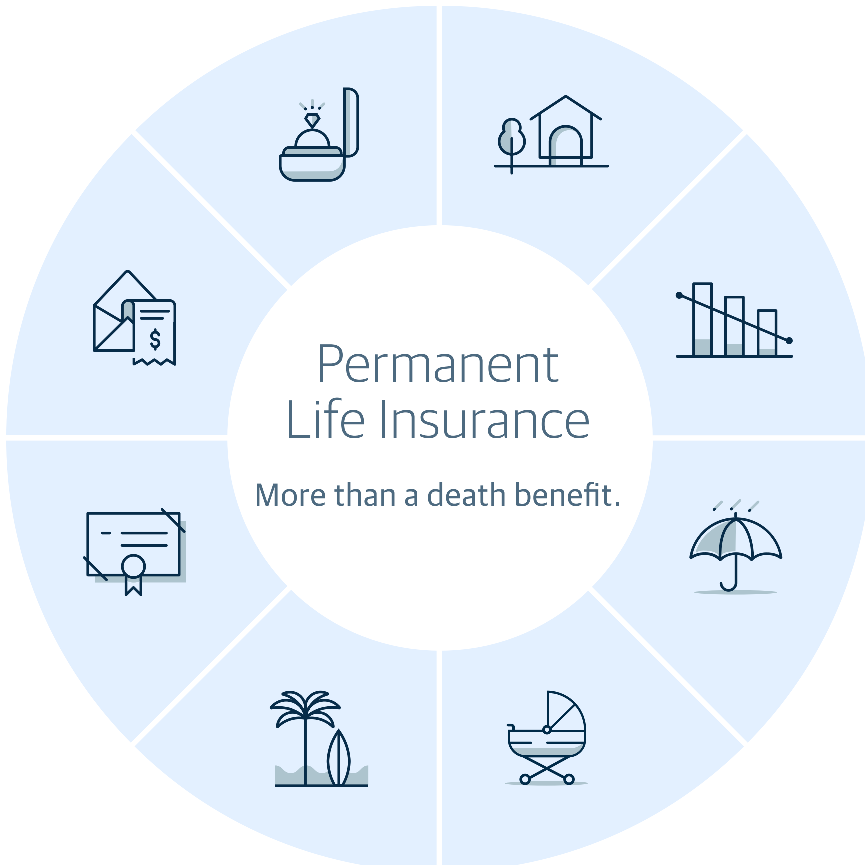
We'll regularly review your needs to make sure you have the right minimum policy amount in place.

We've taken into account:

- Insurance proceeds are invested into a brokerage account with a rate of return of 5.46%.
- Your existing assets are expected to grow over time.

Your Potential Life Insurance Needs

No matter how much life insurance you need today, there are 3 important reasons to lock in a policy now rather than later.



1 **You're likely never more insurable than you are today.**
Life insurance tends to get more expensive as you get older, and you may not qualify for as much coverage down the road.

2 **You will probably need more coverage in the future.**
Certain life goals, such as raising a family, owning a home, or launching a business will increase your life insurance need significantly.

3 **Permanent policies build accumulated value over time.**
Accumulated value is like equity in a home — the longer you pay your premiums, the more you own. It becomes an asset you can use toward a variety of goals, like college tuition or retirement.

If you plan on using permanent life insurance to fund some of your future goals, keep in mind:

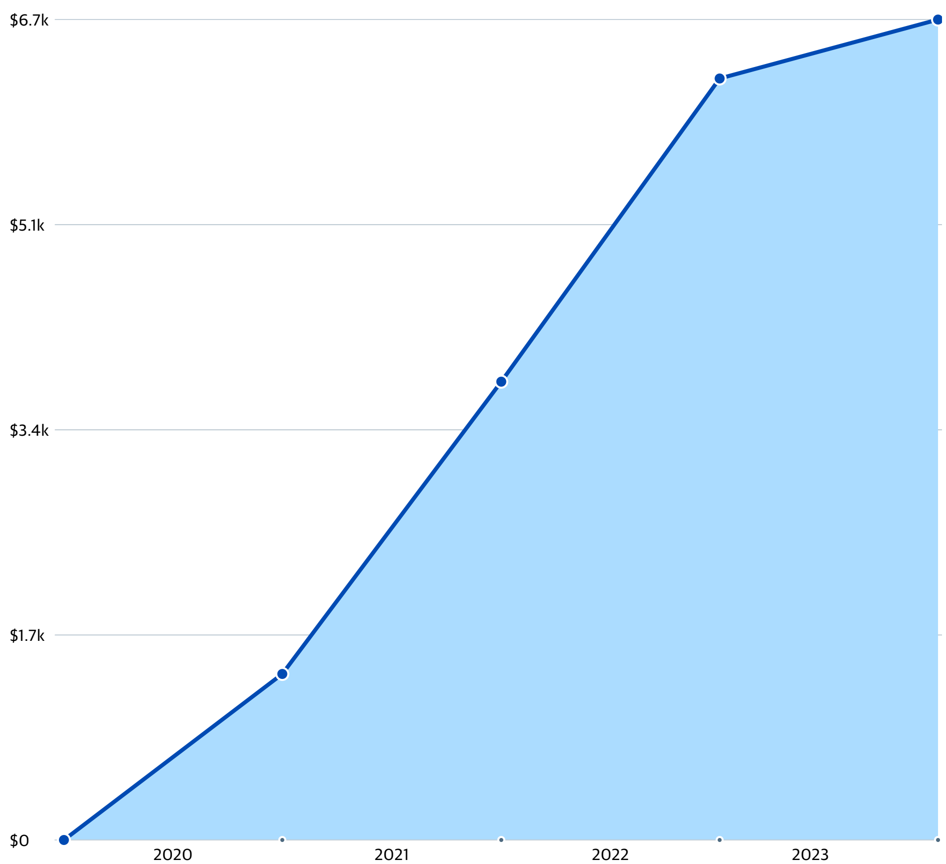
- You need to own permanent life insurance for a number of years to accrue significant accumulated value.
- Much of the growth in accumulated values that you will need will depend on dividends, which are not guaranteed.
- Using accumulated value for loans or withdrawals will decrease the death benefit.
- If you withdraw too much accumulated value from a policy, you may cause the policy to lapse, which could trigger a taxable event.

Household Emergency Fund

A financial safety net can bring freedom and peace of mind by putting you in a better position to cover significant, unanticipated expenses, or helping your household manage unexpected changes to income.

Target Savings	$6,742
Achievable in 2023	$6,742
Additional Funds Saved	$6,599
Growth (assumed 1.25% /yr)	$142

Projected Balance



Set aside at least one month ($1,124) of household expenses.

2020 Funding	$1,364
2021 Funding	$2,385
2022 Funding	$2,444
2023 Funding	$406

Ultimately, you should save at least 6 months of expenses, but one month is the absolute minimum we recommend before focusing on any other goals, even retirement.

Grow

Plan for the Future

Retirement Strategies

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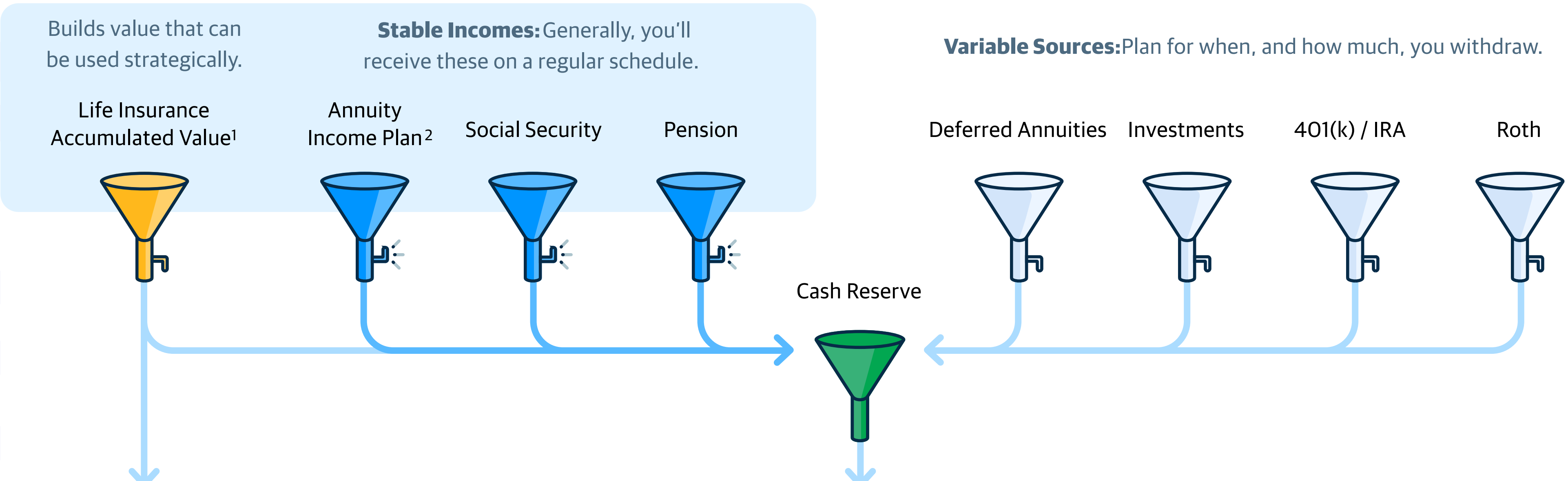
Retirement Strategy

To retire comfortably, we recommend saving enough to maintain the lifestyle you've enjoyed while working. To do that, you may need to utilize a few different retirement income sources. We can help you build a retirement portfolio that meets your needs.

Mitigate risks in retirement by utilizing sources not affected by the market — reducing your reliance on variable sources.



Legacy Planning

Have a plan for how your estate will continue to support loved ones and donate to charitable causes.

Retirement Income

Finding the most tax-efficient way to draw from variable income can make your money last even longer.

1. The primary purpose for life insurance is to provide a death benefit. Using accumulated value to supplement your retirement income may reduce death benefits and may affect other aspects of your plan.
2. If you have a variable income plan, the amounts represented may fluctuate.

Available Income

We've evaluated and compared your current path to our recommended path — looking at available income and sources of income. Based on our evaluation, our recommended path can help ensure you don't run out of money and you're withdrawing it from accounts in a tax efficient way.

Calculating income available

Based on the resources you have available, we estimate how much money you can spend each year without running out of money before your death.

The percentages listed represent how much of retirement is funded by that source.

CURRENT PATH

Estimated income available

$34,007 / yr after tax

$14,151 / yr in today's dollars

Income sources

Retirement Withdrawals Non Qualified, Qualified	0.0%
Earned & Other Earned and Other	0.0%
Income Sources Social Security	100.0%

RECOMMENDED PATH

Estimated income available

$37,325 / yr after tax

$15,531 / yr in today's dollars

Income sources

Retirement Withdrawals Non Qualified, Qualified, Roth	39.6%
Earned & Other Earned and Other	0.0%
Income Sources Social Security	60.4%

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Accumulation of Assets

RECOMMENDED PATH

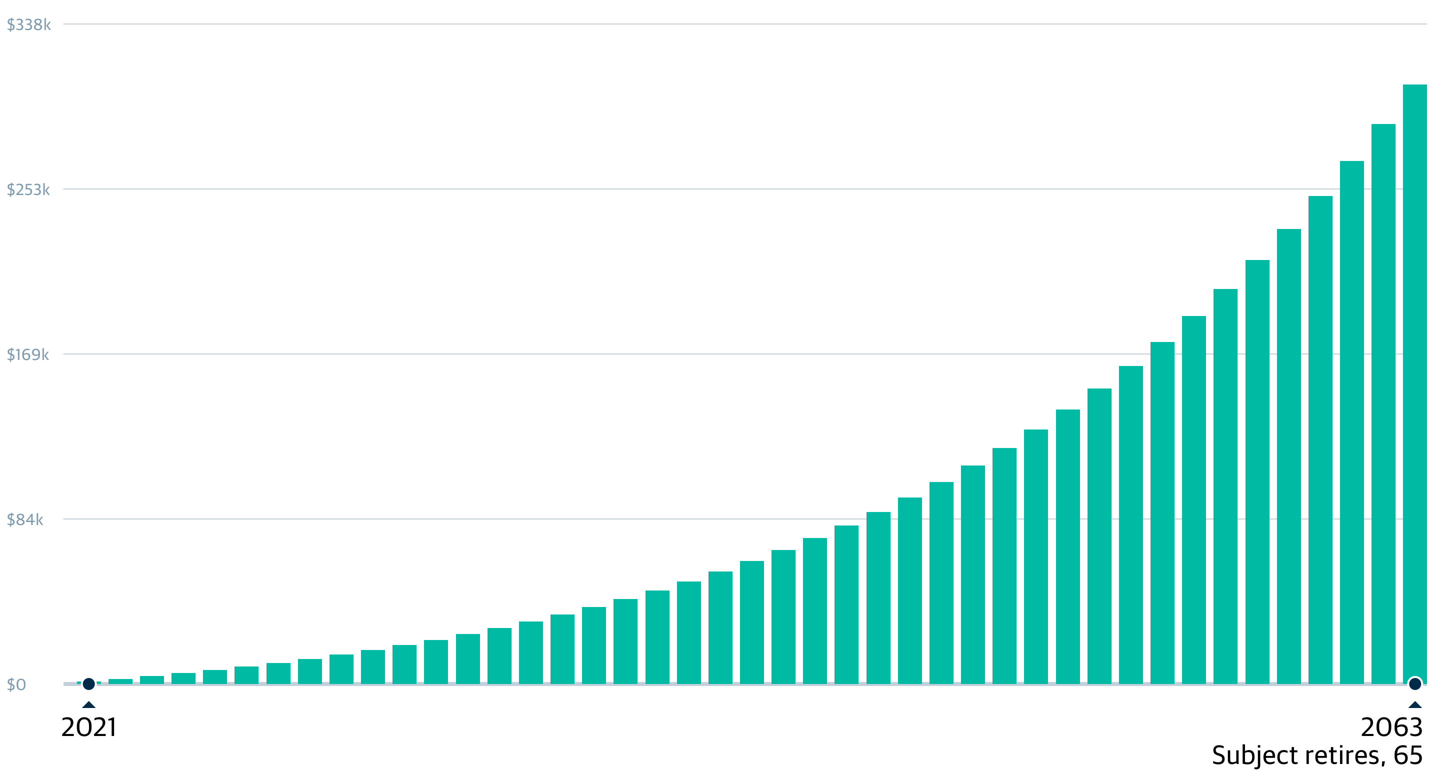
This graph shows how your asset balances will grow each year. At the time of retirement, you will have $306,476 in investments.

Retirement Accounts

Qualified

To calculate growth, we assume an average return of 6.07% for all assets.

RETIREMENT ASSET BALANCES



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Decumulation of Assets

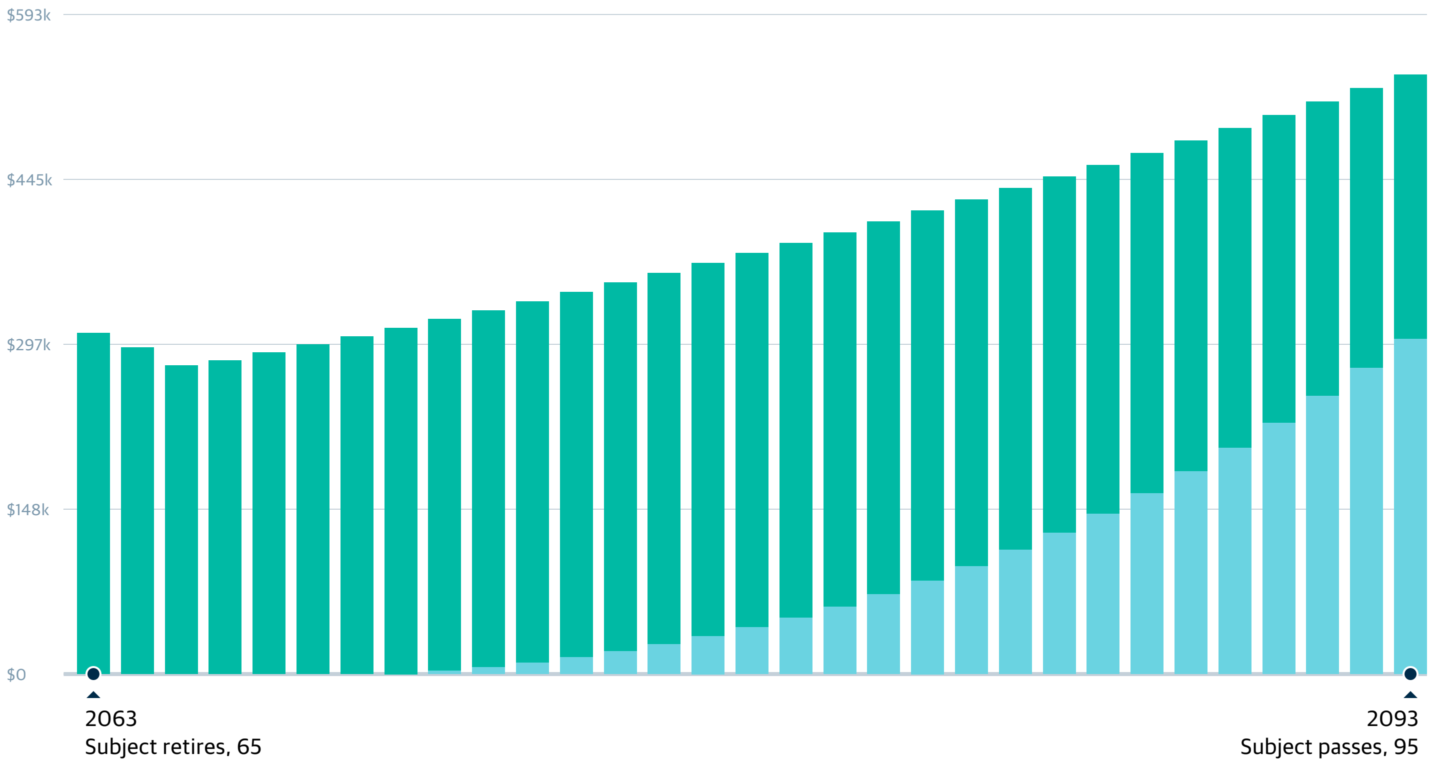
RECOMMENDED PATH

This projection shows how you will strategically spend down your assets in retirement.

Retirement Accounts
- Qualified
- Non-Qualified

To calculate growth, we assume an average return of 5.46% for all assets.

RETIREMENT ASSET BALANCES



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Income Projections

COMPARISON

We estimate you'll need $31,293 per year to cover your expenses. Based on your expected resources in retirement, we estimated how much income you can generate each year.

Income need (average)
$31,293 / yr
$13,021 / yr in today's dollars

Current Path [1]
$34,007 / yr
$14,151 / yr in today's dollars

Recommended Path [2]
$37,325 / yr
$15,531 / yr in today's dollars

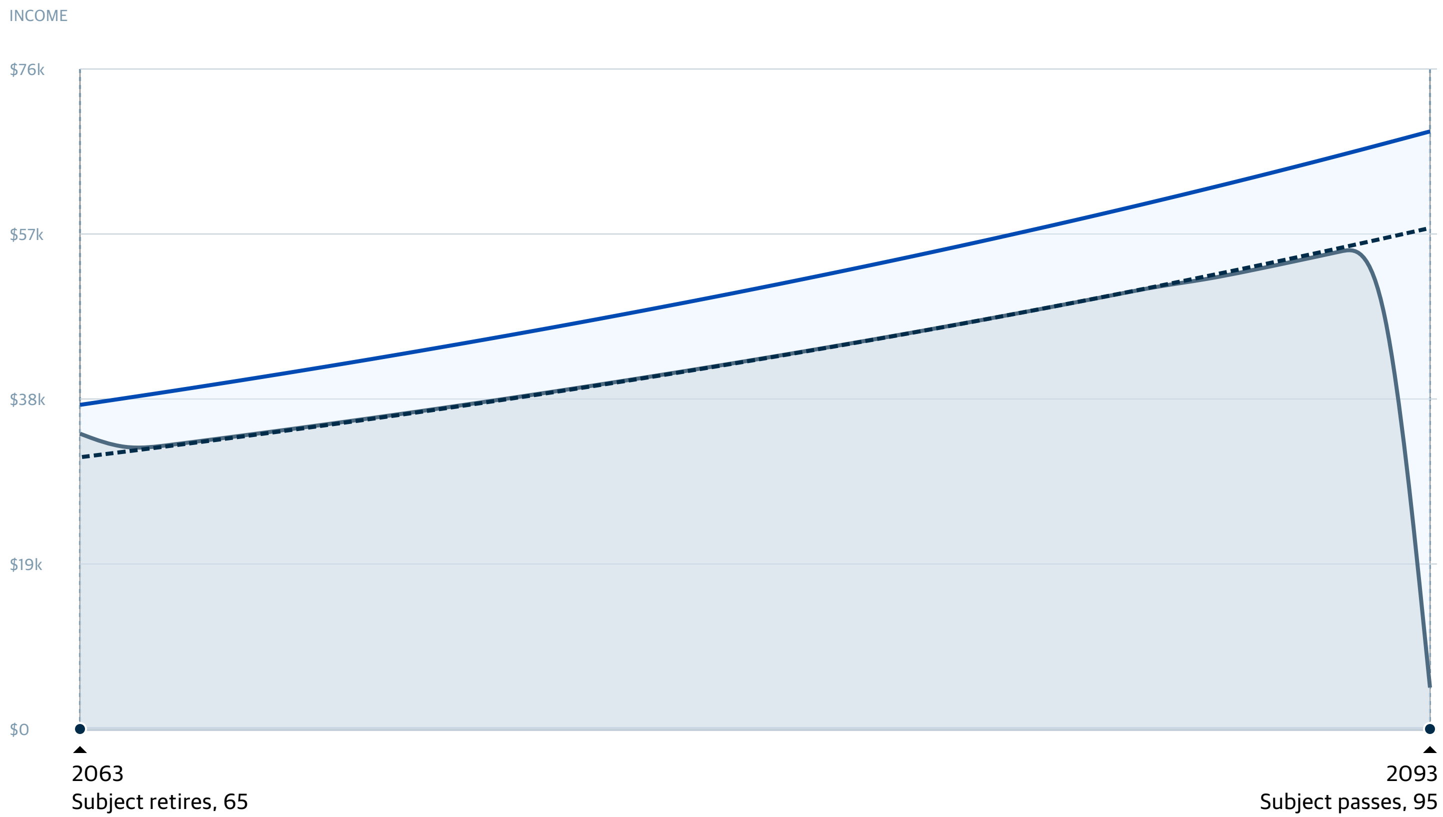
Income need (average)
Current path available income
Recommended path available income

To calculate your projections, we assume:

1. Contributions remain at your current allocations.
2. Contributions start at 3.00% of income annually to a target of 3.00% in 2063, and an average rate of return on investments at 6.07% pre-retirement and 5.46% during retirement.

For both paths, we assume 2.06% inflation on earned income.

Income need shown is after-tax



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Retirement Strategy Breakdown

CURRENT PATH

This is a projection of your income need in retirement and shows how your current resources will cover those needs. Anything above the income need line are taxes and extra withdrawals due to minimum distributions.

--- Income need
— After-tax income need

Shortage

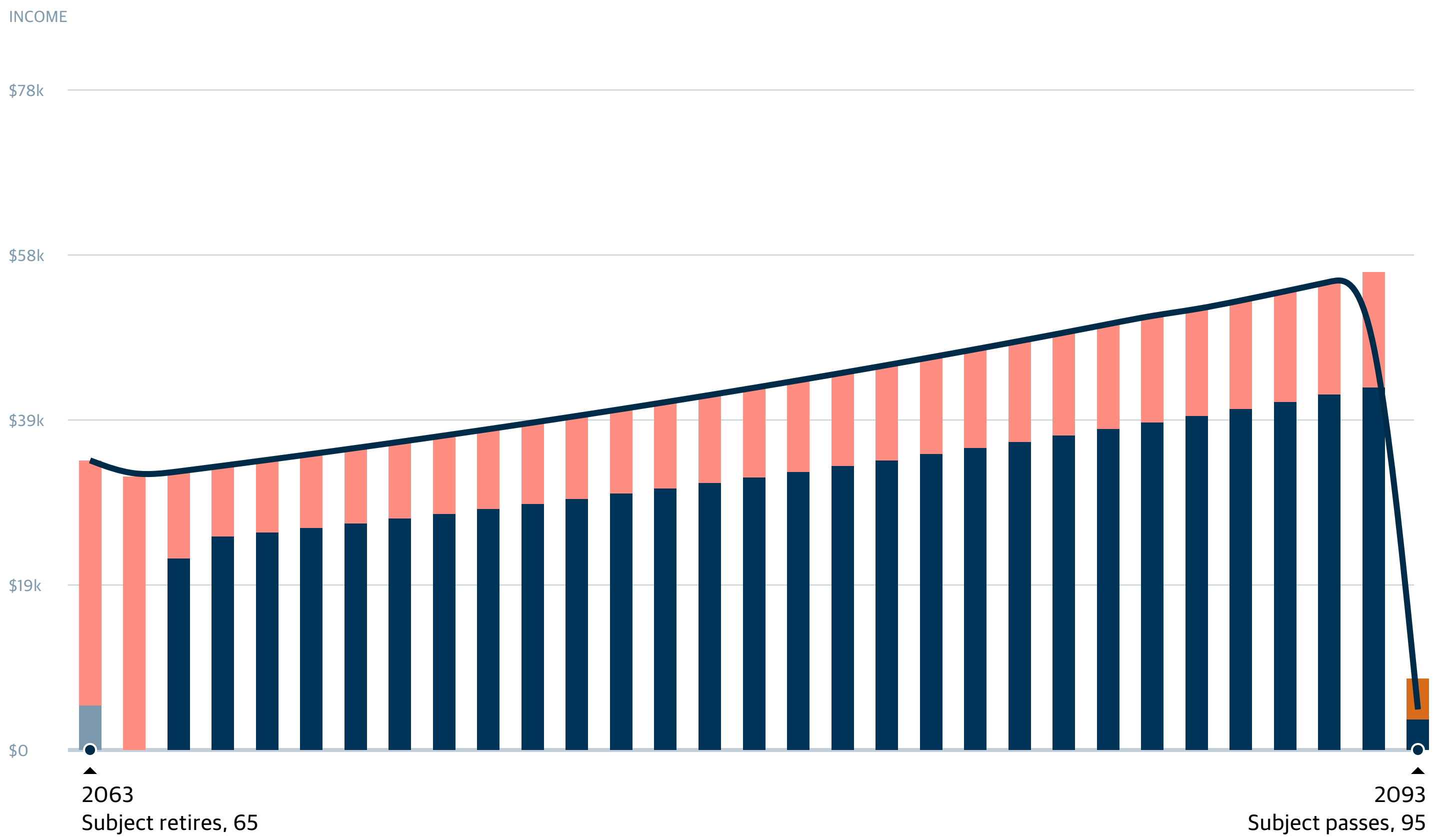
Life Insurance

Death Benefit

Income Sources

Other income

Social Security



Contributions start at 0.00% of income annually to a target of 0.00% in 2063. We assume your investments grow at a constant annual rate of 0.00% pre-retirement and 5.46% during retirement.

We assume an inflation rate of 2.06% and annual growth of your income at that rate.

Retirement Strategy Breakdown

RECOMMENDED PATH

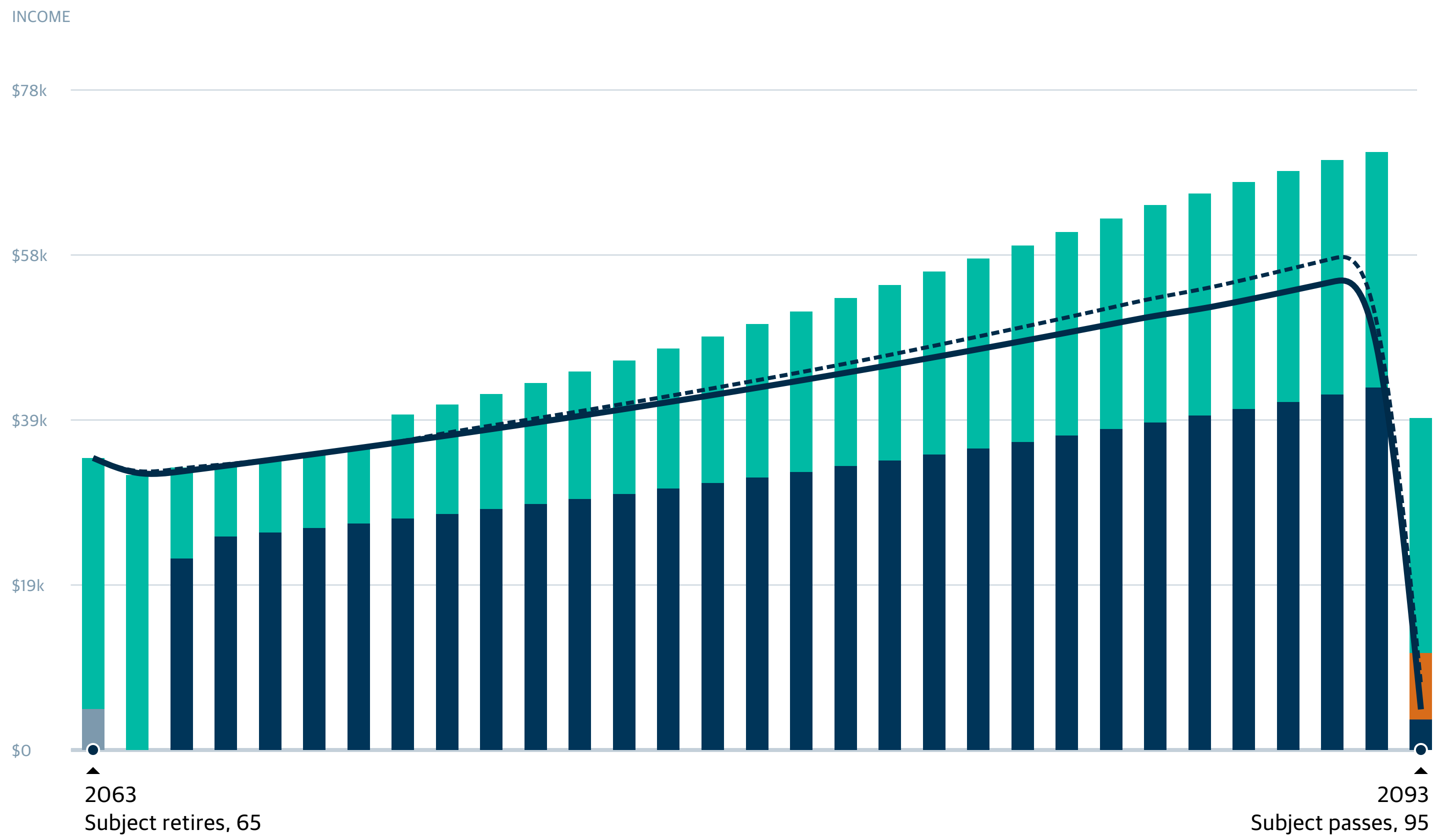
This is a projection of your income need in retirement and shows how your recommended resources will cover those needs. Anything above the income need line are taxes and extra withdrawals due to minimum distributions.

- - - Income need
— After-tax income need

Retirement Withdrawals
- Qualified

Life Insurance
- Death Benefit

Income Sources
- Other income
- Social Security



Contributions start at 3.00% of income annually to a target of 3.00% in 2063. We assume your investments grow at a constant annual rate of 6.07% pre-retirement and 5.46% during retirement.

We assume an inflation rate of 2.06% and annual growth of your income at that rate.

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Retirement Strategy: in Today's Dollars

RECOMMENDED PATH

This is a projection of your income need in retirement and shows how your recommended resources will cover those needs. Anything above the income need line are taxes and extra withdrawals due to minimum distributions.

--- Income need

Retirement Withdrawals
Qualified

Life Insurance Death Benefit

Earned & Other
Other income

Income Sources
Social Security

For recommended path, we assume:
You'll make the recommended contributions according to your plan, and an average rate of return on investments is 6.07% pre-retirement, 5.46% during retirement

Retirement Assets

RECOMMENDED PATH

Based on your current resources and our recommendations, below is a breakdown of all your retirement assets.

Name	Type	Owner	Current balance (2020)	Assumed return	Expected balance (2063)
401(k) Pre-tax Contributions Employer Match	Plan 401k 3.00% of salary 3.00% of salary	Subject	$0	6.09%	$306,476
Whole Life Accum...	Accumulated Value[1]	Subject	$0		$0
				Total Balance	**$306,476**

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Income Sources

RECOMMENDED PATH

Based on your current resources and our recommendations, below is a breakdown of your income sources in retirement.

Type	Owner	Starting Year [1]	Expected Income
Social Security	Subject	2065	**$9,811** [2]

[1] First full year of income available for the start date

[2] 75.00% of projected Social Security benefit in today's dollars.

Action Steps

Start Making Progress

Take it one step at a time, and never hesitate to reach out if you have any questions.

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Track Your 2020 Goals

Your goals are listed in order of importance, so you can work toward them as efficiently as possible. Every year when we review your plan, we'll update this page to reflect your progress and any new goals.

Monitor Your Cash Flow

Fixed Expenses: $9,923 Committed Goals: $2,524 Discretionary Spending: $3,000

Purchase Disability Insurance

Maximum benefit available for Subject.

Save a Baseline Emergency Fund

Save 6 months of expenses ($6,742).

Retirement Savings

Subject : meet the minimum contribution to get your employer match.

Retirement Savings

Make $600 (3% of your gross income) in contributions to reach a year-end balance of $1,200.

End of year balances take into account any growth and starting balances.

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5-year Cash Flow

Take a look at your cash flow over the next 5 years. If things change, we can always make adjustments.

Inflows		2020	2021	2022	2023	2024
Subject's Paycheck	Paystub - Subject	$20,000	$20,412	$20,832	$21,262	$21,700
Subject's Tax Refund	Tax Refund	-	$2,201	$2,244	$2,286	$2,329
Total Inflows		**$20,000**	**$22,613**	**$23,077**	**$23,548**	**$24,029**
Outflows: Funding						
Retirement Contributions	Retirement	$600	$612	$625	$638	$651
Emergency Fund	Emergency Fund	$1,364	$2,385	$2,444	$406	-
Outflows: Expenses						
Fixed Expenses		$9,923	$10,127	$10,336	$10,549	$10,766
Protect Your Loved Ones	Subject's Life Insurance	$360	$360	$360	$360	$360
Protect Your Income	Subject's Disability Income Insurance	$200	$200	$200	$200	$200
Income Withholdings		$4,553	$4,646	$4,742	$4,840	$4,939
Discretionary Expenses		$3,000	$4,282	$4,369	$4,457	$4,546
Total Outflows		**$20,000**	**$22,613**	**$23,077**	**$21,450**	**$21,463**
Net Cash Flow	The sum of outflows, subtracted from inflows.	-	-	-	$2,098	$2,566

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Goal Calendar

To give you a sense of how achievable your goals really are, we created this calendar to give you a guideline at how you can work toward them over the course of the next 12 months.

	Jan '20	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Your Goals	$210	$210	$210	$210	$210	$210	$210	$210	$210	$210	$210	$210
Subject's New Disability Ins. Premiums	$17	$17	$17	$17	$17	$17	$17	$17	$17	$17	$17	$17
Subject's Existing Life Ins. Premiums	$30	$30	$30	$30	$30	$30	$30	$30	$30	$30	$30	$30
Emergency Savings	$114	$114	$114	$114	$114	$114	$114	$114	$114	$114	$114	$114
401(k)[1]	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50	$50

[1] Pre-paycheck contributions.

Purchase Disability Income Insurance

Remember, disability income insurance protects your greatest asset—your ability to earn a living. As shown earlier, disability is more common than you think, and the financial impact can be catastrophic. Getting more coverage can significantly reduce that potential impact on your financial future.

Recommended Policies

Subject's Disability	$1,250 Monthly Benefit	$17/mo Estimated Premium

We've already factored premiums into your cash flow.

Next Steps

To get your recommended coverage, submit an application for underwriting and pay your first premium.

The underwriting process, through which your eligibility is determined, may include a medical exam and/or interview.

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Estate Documents

Estate planning, while often overlooked, is an essential part of your financial security. Having the right documents in place ensures your wishes regarding your health and wealth are followed in the event you aren't able to communicate them yourself.

Review all your documents annually and update them as necessary.

If there's a check in any of these boxes, it means you have the document, and you're all set. If this is a plan for you and your spouse, the checkbox applies to both of you. So, if one of you has the document but the other doesn't, we won't check that box until you BOTH have the documents.

○ Living Will

A living will, also known as an advance directive, is used to communicate your wishes regarding certain end-of-life medical care. This document is often accompanied by or contained within a health care power of attorney (POA).

○ Powers of Attorney (POAs)

These documents give another person the authority to make decisions on your behalf in the event you are no longer able to do so. Two common types of POAs are a financial POA and a health care POA or proxy. In your POA, you should name someone you trust. If you don't have these documents and you become incapacitated, a court will name a guardian for you.

○ Beneficiary Forms

Beneficiary forms are used for retirement accounts, life insurance, and annuities to specify how you would like these assets transferred upon your death. These forms are important because they supersede a last will and allow assets to transfer without probate.[1]

It's important to name both primary AND secondary beneficiaries, because there may be instances where the primary beneficiary is no longer able to receive the assets.

○ Payable on Death (POD), Transfer on Death (TOD)

POD and TOD instructions direct how you would like assets such as bank accounts, stocks, or mutual funds transferred upon your death. These documents have their own transfer instructions and aren't subject to the terms of a will, and so bypass probate.[1] POD instructions are used for bank accounts such as checking, savings, and CDs. TOD instructions are used for securities-based assets such as stocks, bonds, and mutual funds.

○ Will

A will outlines your wishes for how your estate is handled upon your death.

If you don't have a will, your assets are distributed according to state law, which may go against your wishes and can cost more in time and money. If you have minor children, a will is critical for naming a legal guardian if you can no longer provide care. Your will is also a good place to specify how you would like your digital assets (email accounts, social media, devices) handled, as these may contain valuable or private information.

○ Trust

A trust is a legal arrangement where assets intended for a beneficiary or beneficiaries are held by a trustee.

There are many, many uses for trusts, but some of the most common reasons people use trusts are for probate[1] avoidance, to prevent the estate from being contested in court, to control when beneficiaries gain access to assets, and for strategic tax planning for sizeable estates. Trusts can also be used for charitable giving or planning for children or relatives with special needs.

○ Estate Attorney

An estate attorney may be hired to draft your estate planning documents. Estate attorneys are an especially good idea for more complex documents like trust agreements. It's probably in your best interest to use an attorney when it comes to estate planning, because you and your estate are unique, and it is important that a human—not a computer—help you keep your affairs in order.

1. Probate is a legal process by which the validity of a decedent's will is established. Probate assets are inventoried, valued, and distributed to heirs accordingly. If there is no will, assets are distributed according to state law. Probate can be expensive and lengthy, and is often best avoided if possible.

Ensure Your Plan's Success

Track your progress online

Use your Plan Tracker to watch your hard work pay off in real time. Just log in to NorthwesternMutual.com and find the Planning tab.

Rather not go digital? You can always refer to the "Track Your Goals" page in your plan to stay on top of your goal funding.

Stay in touch with your financial representatives

This is just the beginning—successful plans are carried out over many years. Your plan is meant to evolve with you, so let's continue to work together as your life moves forward.

Tanay Singh

(803) 254-0133
tanay.singh@nm.com

WHO WE ARE

"Northwestern Mutual" refers to The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI, and its subsidiaries. Life insurance (including life insurance with long-term care benefits), disability insurance and annuities are issued by NM. Long-term care insurance is issued by Northwestern Long Term Care Insurance Company (NLTC), Milwaukee, WI, a subsidiary of NM. Investment products are offered through **Northwestern Mutual Investment Services, LLC**(NMIS), 1-866-664-7737, a dually registered broker-dealer and investment adviser and a subsidiary of NM, member FINRA and SIPC. Variable annuities and variable insurance are underwritten by NMIS. Investment management, fee-based financial planning and trust and private client services are offered by Northwestern Mutual Wealth Management Company (NMWMC), a limited purpose federal savings bank and a subsidiary of NM. Investment products and trust services are not insured by the FDIC and are not obligations of or guaranteed by NMWMC, NMIS or NM. All investments are subject to risk including the possible loss of principal invested.

The person working with you may have the title of Financial Representative, Financial Advisor or Wealth Management Advisor (referred to here as "Representatives" or "Representative"). Representatives have different capabilities as explained below.

All Representatives are agents of NM. In this capacity, they are able to sell and service various types of NM insurance products, such as life insurance, disability income insurance and annuities, which can help protect you and your family from adverse financial impact if you die prematurely or become disabled and also may give you financial security during retirement. They are part of NM's exclusive distribution system. Exclusivity means that NM makes its products available for sale only through NM agents such as your Representatives and that your Representatives will offer suitable NM products to you first. If you choose not to purchase an NM product, or if NM does not manufacture a product that meets your needs, your Representatives may also be able to sell and service insurance products offered by other companies.

Your Representative is not licensed to sell or discuss with you securities or investments.

Your Representative may have letters after his or her name, which means that he or she has obtained certain additional qualifications or designations. The Certified Financial Planner Board of Standards, Inc. owns the certification marks CFP® and Certified Financial Planner™, which it awards to individuals who successfully complete initial and ongoing certification requirements. The Chartered Advisor for Senior Living (CASL®) designation is conferred by The American College of Financial Services.

WHAT WE DO:

Your Representative will help you define your financial needs, assess your current circumstances, compare them with your goals, and chart a path to a more secure financial future. Your Representative has developed this plan with you to determine whether, or how, your needs can be met using any of the products and services your Representative can offer you. You are under no obligation to purchase anything. You are free to implement any part of this plan with any product provider, or not at all. Once your Representative has prepared this plan for you, and delivered it to you, your financial planning engagement with NM has terminated. NM and your Representative have no further obligations to give you advice, recommendations or guidance regarding your plan. Neither NM nor your Representative is obligated to monitor your plan or your situation to follow up on any of the recommendations or advice in this plan. If your financial situation has changed, then you should contact your Representative to discuss whether you need a new plan. Some Wealth Management Advisors offer financial planning for a fee. If you have entered into an engagement with a Wealth Management Advisor for fee-based financial planning, then some of the disclosures for this plan do not apply to your situation and you should see the terms of the written agreement with your Wealth Management Advisor for more details about your planning engagement.

If pages of this plan have language on them stating "draft" or "working draft", then this plan is being furnished to you as a draft only for purposes of discussion or working with you to develop a financial plan. You should not rely on any of the advice or recommendations contained in a "draft" plan.

HOW WE GET PAID:

Your Representative is compensated only when you "take action," by purchasing insurance, investments or advisory services. Your Representative does not charge a separate fee for financial planning and does not receive any compensation for helping clients analyze where they stand compared to their financial goals (except for certain Wealth Management Advisors who offer fee-based planning to some clients—see above).

As an insurance agent and registered representative, your Representative is compensated through commissions, which are typically calculated as a percentage of: (1) the insurance premium you pay; (2) the amount you pay for an investment or annuity or (3) the accumulated value of your investments. Some products pay more compensation than other products. This is usually because some products have more complex features and require more work from your Representative in the sales process and/or in the servicing of the product as compared to products with lesser compensation. Representatives who are Financial Advisors or Wealth Management Advisors receive as compensation a percentage of the fees you pay as a client of an NMWMC advisory program, or a percentage of the fees you pay to receive trust or private client services.

Your Representative may also receive additional compensation in the form of cash bonuses, non-cash compensation (e.g., achievement recognition, conferences, prizes, awards, preferential servicing) and retirement benefits based on commissions received in connection with selling Northwestern Mutual insurance products; these forms of compensation incentivize your Representative to recommend and sell NM insurance products.

NM Representatives know that in the long run they will benefit most by serving you well. Your interests and theirs align because they rely heavily on the referrals they receive from satisfied clients. Nevertheless, the fact that your Representative receives transaction-based compensation, such as commissions when recommending investment and insurance products is a conflict of interest. Northwestern Mutual addresses this conflict of interest by educating its Representatives to act in your interests and by having a supervisory system that helps to ensure that insurance and investment products are appropriately sold.

WHAT WE ASSUME:

We put this financial plan together to help you achieve your goals. To do that, we look at your **income**, **expenses**,**assets**, and **liabilities**. We either take information you have provided us or make assumptions about certain information if you did not give it to us. We also make assumptions about the future.

Inflation: We assume that your expenses will increase at an inflation rate of 2.06%. We also assume that your income will increase at an inflation rate of 2.06% (except for income attributable to alimony, pension payments, annuity payments, or disability insurance payments, which we do not adjust for inflation).

Taxes: We assume you will pay state and federal income taxes and FICA on your income, and we make an estimate of those taxes based on information we have available. We calculate estimated federal income taxes assuming you use the standard deduction and do not itemize. We calculate federal capital gains taxes according to current federal capital gains tax rates. For state income taxes we will use each state's tax brackets and applicable standard deduction and exemption amounts to estimate state income taxes. We calculate state capital gains taxes using state tax rates applicable to ordinary income in your state. We will withhold FICA taxes for Social Security and Medicare. We do not withhold additional Medicare taxes for high earners that were enacted as part of the Affordable Care Act. When we liquidate assets (e.g., retirement income, education), we will calculate applicable capital gains taxes based on information we have about basis of any non-qualified assets you own. We assume when you use accumulated value from permanent life insurance to generate income that you will withdraw the accumulated value in a manner that will not be a taxable event, either through loans, using dividends or surrendering to basis. However, if you withdraw too much accumulated value from a policy, it may result in a taxable gain.

Growing Assets: : We assume assets you have and save in the future will grow at a constant rate. If you have completed an investor profile with your Representative, and been assigned a proposed asset allocation, then the rate of return we use in this plan will correspond to the expected return for the asset allocation that has been selected based on your risk tolerance, time horizon, and investment objectives. If you have not completed an investor profile and we are not providing an asset allocation recommendation in this plan then for each applicable goal in your plan we will default to assuming a rate of return that is appropriate based on the time horizon for your goal: 0-4 Years – 4.84%; 5-9 Years—5.34%; 10-14 Years—5.78%; 15-22 Years—6.4%; 23+ Years—6.7%.

When you reach retirement, we will assume that you move your assets to a more conservative portfolio with a rate of return of 4.84%. If your asset allocation is more conservative than a mix of 80% Fixed Income, 20% Equities, then we will leave you in your target allocation during retirement and you will have the same rate of return both during accumulation and decumulation.

We assume assets in cash balance pension plans grow at 3.1% per year. We do not include variable annuities in your asset allocation and are not giving you investment advice about the allocation of sub accounts within variable annuities. When we show you the assumed rate of return on assets in your plan, we are showing you the weighted average or the returns on investments and cash balance pension assets. We do not treat funds that your company has allocated towards a defined benefit plan as an asset, but rather will show in your plan what you expect the income from that plan to be.

Liabilities: We make assumptions about the interest rates you pay on your debts, if you do not provide that information. If you provide us your credit rating, we will assume that if you have good credit you will have lower interest rates than if you have bad credit. A credit score of 700 and above is considered good credit, bad credit is anything below. The following chart lays out the interest rate assumptions we will make (in lieu of telling us the rate you are paying) for each debt type:

Debt Type	Good Credit Assumed Rate	Bad Credit Assumed Rate
Credit Card	15%	23%
Introduction Card	15%	23%
Cash Card	23%	23%
Student Loans	6%	6%
Personal Loans	6%	10%
Other Loans	6%	10%
401(k) Loan	5.25%	5.25%
Auto Loan	6%	10%
Mortgage Loan	4.5%	5.5%
HEL	6.5%	7.5%
HELOC	5.5%	6.5%

Expenses: We give you advice sometimes to limit your spending on some things you may be able to do without (Discretionary Expenses), so that you can save for your goals. However, we realize that some expenses are unavoidable (Fixed Expenses) and we rely on you to identify for us such unavoidable expenses. We look at your Fixed Expenses in determining how much you can save.

Disability Income Insurance: We use the 2013 Individual Disability Insurance valuation tables from the American Academy of Actuaries (the "IDI tables") to determine the odds of you becoming disabled or to project the average length of what a disability might be for you. The IDI tables provide data regarding the risk and length of a disability for individuals of differing ages, beginning with persons who have attained the age of 20. If you have not yet attained the age of 20 at the time that your plan is created, we use the data regarding the risk and length of a disability for a 20-year-old person to approximate the risk and length of a disability for you.

Life Insurance: We assume that you will need life insurance to fund the needs of your spouse and any children. Broadly this includes funding all expenses and goal contributions (such as saving for retirement, education, paying off debt) that are in your plan. We will calculate all the funds needed for a child's education and include that amount in the life insurance need. We discount future expenses and expected goal contributions at the rate of inflation to determine their present value. We assume that the surviving spouse will be unable to work for three months after their partner's death and include funds needed to account for expenses during that time; we will refer to the money needed to be set aside for this expense as a Readjustment Fund. If you are single and do not have any children, we will recommend that you purchase at a minimum an amount of life insurance to pay off final expenses and any debts. We assume a default value of $25,000 for final expenses unless you provide us with a different amount.

We believe you should consider purchasing permanent life insurance to meet some of your needs for life insurance if it appears you have enough resources to do so. We suggest that you consider allocating a portion of your goal dollars (the overall amount you spend to achieve your goals) towards purchasing permanent life insurance. Your Representative will recommend how much and what type of life insurance you should purchase based on your circumstances.

Retirement: We assume that you will retire between the ages of 60 and 70. Unless your advisor has selected a different age (between 90 and 100), we assume that if you are male, you will live until age 92 and if you are female, we assume you will live until age 95. We selected these assumed ages of mortality because, based on Social Security mortality tables, there is a 90% probability that your lifespan will not exceed these assumed ages. To determine how much you need to save for retirement, we calculate how much you will spend during retirement based on information that you have provided to us about your expenses, debt repayments, and insurance premiums. Unless you have told us that certain of your expenses will end as of a particular date, we assume that all of your pre-retirement expenses will continue into and throughout your retirement and will continue to increase at the rate of inflation identified above. If you have told us that certain expenses will end as of a particular date, we will account for the discontinuation of those expenses as of that date. We also will take into account any debt repayments or insurance premiums that you will pay during retirement and any applicable end date for those repayment or premiums. The amount you need to save for retirement is calculated based on the difference between your retirement spending and the income you will be receiving during retirement from other sources such as Social Security, a pension, or an annuity.

Permanent Life Insurance and Retirement: If your plan uses withdrawals of accumulated value from permanent life insurance as a supplemental source of income, we are assuming (1) that you have been provided an illustration of a life insurance policy that supports those accumulated values and (2) that the withdrawals of accumulated value are being done in a way that does not generate income taxes on the withdrawal. Remember: (1) you need to own permanent life insurance for a number of years to accrue significant accumulated value; (2) much of the growth in accumulated values that you will need will depend on dividends, which are not guaranteed; (3) using accumulated value for loans or withdrawals will decrease the death benefit; (4) if you withdraw too much accumulated value from a policy, you may generate a taxable gain; you may cause the policy to lapse and terminate the policy.

Saving for Retirement: The goal contribution section in the plan will show how much you should save for the next 1-2 years. However, in the future, you may have to increase your savings even higher than the amounts suggested in the goal contributions section. We recommend that you start out by saving a minimum amount towards retirement, and then increase your rate of savings over time as you improve your financial situation. If you are not doing so already, we recommend that you save at least enough to qualify for the full amount of any matching contribution made by your employer to your retirement plan if there is room in your budget to do so.

Goal Funding: In giving you advice about how to achieve your goals, we assume that some goals are more important than others. Basic Security Goals: We will recommend that you fund first goals that related to your "Basic Security," which means that we will recommend that you first fund purchasing disability insurance for yourself and your partner; then purchase the amount of life insurance needed to protect you and your partner; then save one month of expenses as the base of an emergency fund; then put in place a plan to pay down credit cards; then save enough to fund what you have identified as essential expenses in retirement. Other Goals: After these goals are funded, we will suggest allocating dollars between other goals, such as purchasing a home or savings for your children's education and will also allocate dollars to increase your emergency fund up six months and fund your complete need for retirement savings. If you have different kinds of debt, we will first recommend paying down credit card debt, then other debts based on how you have told us you want to prioritize repayment.

Goal Tracking: You are responsible for making the contributions to your accounts to achieve your goals. We may provide you tools to assist you in determining whether you are on track to meet your goals. However, we are not monitoring your plan or your goals. The advice you have received in this plan is based on the information we have today. If your circumstances have changed from those detailed here, you should contact your Representative to discuss whether it makes sense to re-run your plan, as that may change the advice we give you about how to meet your goals.

Employee Stock Options: Any valuation of employee stock options or restricted stock (collectively referred to as "ESOs") that is contained in this plan is based on information you have provided and is solely an estimate for analysis purposes only. The valuation shown may take into account an estimate of taxes that will be incurred if you exercise any ESOs. This plan is not intended to constitute advice on whether or how to exercise any ESOs or whether to buy or sell the stock underlying any ESOs. ESOs are by their nature more volatile than the underlying shares of stock. Please consult your tax professional or tax advisor regarding the possible tax consequences of exercising or selling ESOs.

Limitations of Your Plan: Planning is useful for a variety of obvious reasons, but under no circumstances should you believe that this plan is a prediction or projection about the future. Your Representative, NM, and its subsidiaries are not projecting or forecasting that the rates that you see in your plan will occur in the future. Charts or illustrations used in this plan are for illustrative purposes and are not intended to represent the performance of any insurance product or investment.

The Information in Your Plan: The information contained in this plan is for informational purposes only and may not reflect all policies, holdings or transactions, their values, costs, charges, or proceeds in your portfolio, policies or accounts. This plan was prepared based on information provided by you and by various other sources. You should not rely on this plan to determine the value of your assets. Any decisions made by you, based on such information, are made at your risk. The information in this plan does not in any way alter or supersede the terms of any policy, contract, confirmation or statement received from NM, NMIS, NMWMC, their subsidiaries and affiliates, or other organizations. NM, NMIS, NMWMC and their affiliates do not make any representations or guarantees as to the accuracy of such information. We encourage you to review and maintain the original, official reporting documents relating to the assets in this plan (contracts, policy statements, account statements, confirmations, etc.).

This publication was compiled by NM and does not contain legal or tax advice. It is intended solely for the information and education of NM clients and their legal or tax advisors. It is not intended to be used and cannot be used to avoid any federal tax penalties that may be imposed on a taxpayer. Taxpayers should seek advice regarding their particular circumstances from an independent legal, accounting, or tax advisor. Tax and other planning developments after the original date of publication may affect these discussions.