

Results of the Monte Carlo Analysis

The Monte Carlo Analysis uses the Brute Force Monte Carlo® technique. This technique is a random process which utilizes returns from a normal distribution based on the estimated rate of return and standard deviation of the individual asset classes and the respective correlations. The results are based on 1,000 trials of the Plan.



The Monte Carlo Analysis results in a Probability of Success ranging from 0% to 99% in 1% increments. The Probability of Success will never exceed 99% because there is never a 100% guarantee that clients will achieve all their financial goals.

Monte Carlo results are divided into three segments:

Below Confidence Zone (< 60%)	In Confidence Zone (60% - 90%)	Above Confidence Zone (> 90%)
<ul style="list-style-type: none"> • Too much uncertainty for your age • Not enough protection against future shocks 	<ul style="list-style-type: none"> • Good balance between current and future lifestyle • May hold up well against future shocks 	<ul style="list-style-type: none"> • Probably giving up more than necessary now • Ok if you are ultra-conservative with your planning

The default range of the Confidence Zone is based primarily on what goals are included in the Plan.

When a Retirement Goal is included, the default Confidence Zones are age-based. Younger clients will have a wider Confidence Zone compared to the narrower range for older clients.

Probability of Success Range		
Age	Low Range	High Range
<39	60	90
40-59	70	90
60-79	75	90
80+	85	99