



The Envision® process

Defining tomorrow, today

On-plan with the *Envision* process

It's as true for financial and investment matters as it is for life in general: planning for the future allows you to know where you're headed and feel confident in where you stand in relation to your goals and intentions.

Our commitment to helping you plan effectively, invest wisely and map a realistic course to your future years is nowhere more evident than in the *Envision* planning process.

The *Envision* process offers you and your financial professional the tools and technology you need to discuss your life expectations, decide on an appropriate investment strategy, track your progress and re-sync – or rethink – your approach whenever necessary.



A quick tour around the *Envision* process

The *Envision* process creates an effective, easy-to-understand method for you to prioritize and achieve important life goals.

8. New goals or priorities

New goals and priorities – Change can present challenges, whether it happens in your own life or in the world around you. Whenever necessary, it is easy to update your *Envision* plan to account for the changes and measure the impact it has on your ability to achieve your stated goals. If your investment plan needs to be updated, the appropriate adjustments can be made at your convenience.

7. Monitor progress

Monitoring progress – The most important part of the *Envision* process is the way you are able to monitor your progress toward the goals and dreams you wish to accomplish. Your *Envision* plan will update each night and create a benchmark unique to your goals and circumstances. This information can be displayed on your statements and online.

6. Implement allocation

Implementation – Based on your goals, dreams, concerns, risk tolerances, and financial circumstances, your financial professional can propose an investment mix to help you achieve those goals. Our product-neutral approach allows your financial professional the freedom to select products that will optimize your ability to achieve your goals.

5. Recommendation “In balance” targeted confidence

Making a recommendation – Once your financial professional has an understanding of your ideal or acceptable scenarios, he or she will also create a recommended scenario for you that will incorporate the goals you value most while potentially deemphasizing some of your lower priority goals.

The
Envision
process



1. Define major life goals

Define major life goals – The *Envision* process begins by allowing you to explore what goals and dreams you have while addressing the concerns you have about being able to achieve them. This important step serves as the basis for the conversations between you and your financial professional as he or she accompanies you through the process.

2. Ideal & acceptable goals

Ideal and acceptable – Throughout your conversations with your financial professional, you explore your ability to achieve your goals in multiple scenarios, starting with the ideal and the acceptable. The ideal scenario represents your goals and dreams in a “perfect world” scenario. Meanwhile, the acceptable scenario represents the satisfactory compromises you could make to your ideal goals and still feel content with your life.

Today vs.
tomorrow

3. Prioritize goals

Prioritizing goals – To explore as much of your ideal scenario as possible, we encourage the use of our *Envision* Priority Cards. This interactive activity ensures that you and your financial professional are on the same page, working together to achieve the goals you value most.

4. “Stress test” goals

Stress-testing goals – To determine the level of confidence you can achieve with your ideal and acceptable scenarios, the *Envision* technology stress-tests each scenario 1,000 times. During each of these 1,000 iterations, your goals are subjected to simulated random market returns (up years, down years, flat years, etc.) to help you determine how likely you are to achieve your goals.



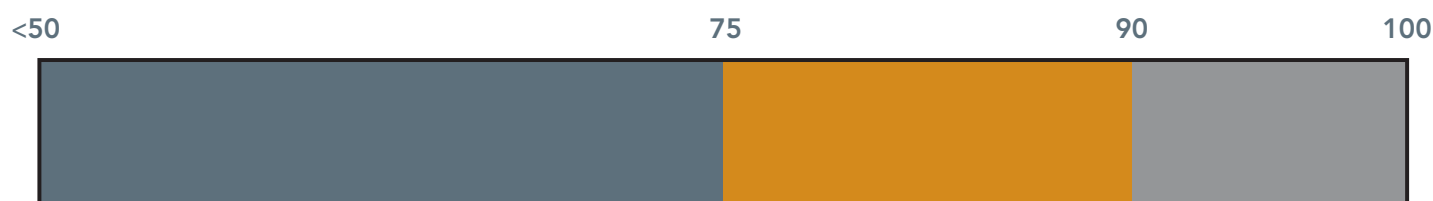


Aim for your Target Zone

By blending the human dimension of personal goal-setting with high-tech statistical modeling, the *Envision* process goes way beyond investment processes that simply aim for a dollar amount or try to match a performance benchmark.

To begin the *Envision* process, you'll sit down with your financial professional to discuss your lifestyle expectations, life goals and financial objectives. Once you've decided on your ideal and acceptable investment approaches and outcomes, the *Envision* process will help you arrive at an asset allocation that supports your objectives.

As the graph below illustrates, a "reasonable" stress-test result – meaning that somewhere between 750 and 900 market simulations show you meeting or exceeding your goals – is your investment sweet spot. For that reason, we call this your "Target Zone."



What does the score reflect? A score in the following ranges typically reflects:



Low level of confidence, or unlikely to achieve goals



Reasonable level of confidence that goals can be met or exceeded



High level of confidence, more risk than necessary, or leaving more assets than desired

Once a score is identified, how is it interpreted? Thanks to the balancing effect of the Target Zone, there's no need to aim for an *Envision* plan result of 100 – or even 90, for that matter. Anything above your target range, though indicating high confidence in reaching some of your high-priority goals, could also indicate you're assuming more risk than necessary or sacrificing some goals at the expense of others. Conversely, you don't want a score so low that you end up experiencing a lack of confidence in your ability to achieve your goals.

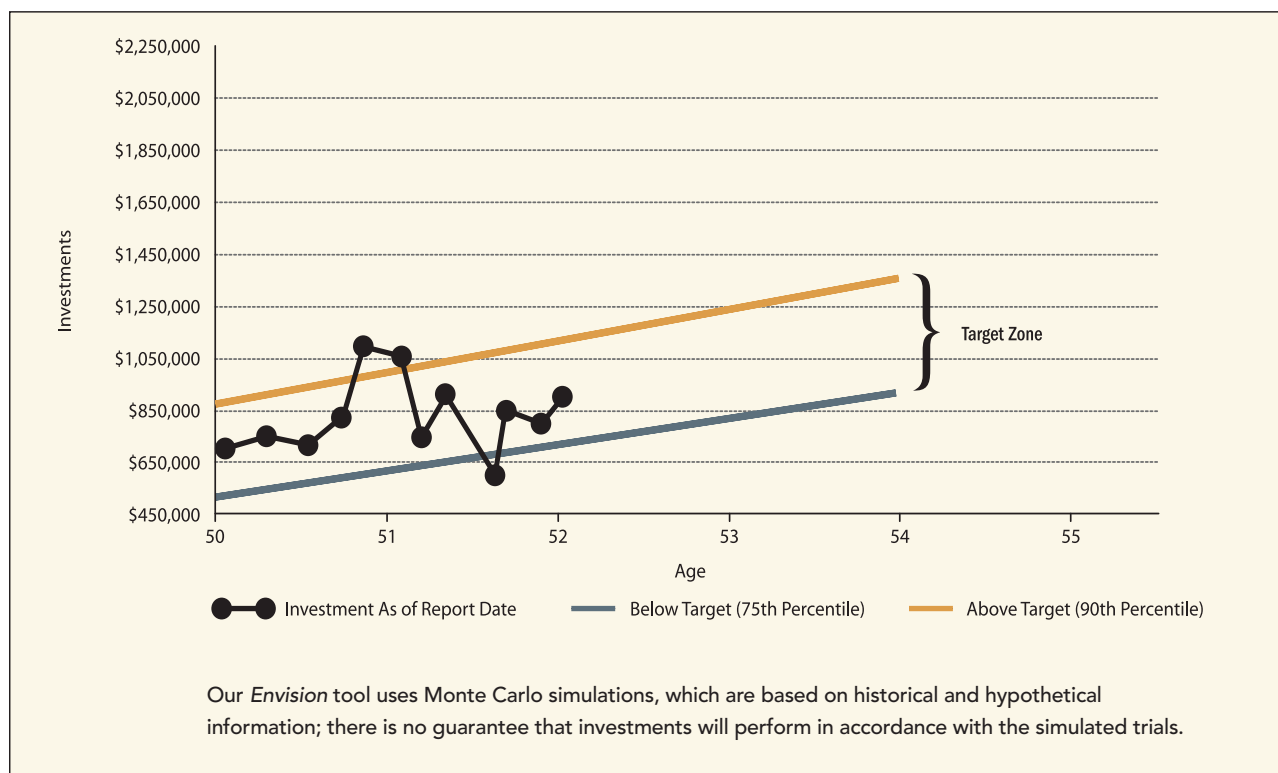
As you go forward, the *Envision* process makes it easy to keep track of your progress and realign your investment plan with your Target Zone whenever necessary.

Follow your dot

Imagine something as simple as a black dot – and a series of dots – to pinpoint and chart your progress toward your life goals. If you're drawn to efficient, straightforward results reporting, you'll love this method.

With the *Envision* process, your dot moves up and down in correlation to the value of your investments. By tracking your ongoing investment results against your unique Target Zone rather than simply tracking your portfolio's performance against a major standardized index such as the S&P 500, you're in a much better position to answer the question, "How am I doing?"

Think of your dot as a personal growth chart for your progress toward your financial goals. It's really all you need to know when you have an *Envision* plan in place.



Important: The projections or other information generated by *Envision* regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

Envision methodology: Based on accepted statistical methods, the *Envision* tool uses a simulation model to test your ideal, acceptable and recommended investment plans. The simulation model uses assumptions about inflation, financial market returns and the relationships among these variables. These assumptions were derived from analysis of historical data. Using Monte Carlo simulation the *Envision* tool simulates 1,000 different potential outcomes over a lifetime of investing varying historical risk, return, and correlation amongst the assets. Some of these scenarios will assume strong financial market returns, similar to the best periods of history for investors. Other will be similar to the worst periods in investing history. Most scenarios will fall somewhere in between.



Flexibility along the way

Life has a way of throwing new opportunities and unexpected events our way. If your life goals change with time or if fluctuating market conditions throw your plan off-kilter, the *Envision* process offers the flexibility to make adjustments.

The following are examples of life changes and events that might call for adjustments to your *Envision* plan:

- Increasing medical costs
- Getting married or divorced
- Helping a child or grandchild afford higher education
- Caring for an elderly parent
- Starting a new or second career
- Inheriting money or other assets

Whenever you experience a change that is likely to affect your financial outlook, simply contact your financial professional to determine if your *Envision* plan needs any adjusting.

And even if you haven't experienced a major life change but are rethinking your life goals, the *Envision* process can help you "try on" your ideas before committing to them. For example, if you're thinking about retiring early or starting a business, your *Envision* plan can tell you how adding this goal could affect your ability to reach your objectives. You can even run several scenarios to see which solution works best for you.

We've found that clients appreciate a planning process that adjusts to and accommodates the twists and turns of life.



Go forward with confidence

Because life and the markets change over time, you need an investment plan that helps you know exactly where you stand now, tomorrow and in the years to come.

Contact your financial professional today to schedule a confidential meeting to discuss how an *Envision* plan can help you plan more effectively, bring new clarity to your life goals and enhance your confidence in your ability to achieve them.

envisionyourgoals.com

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