

WELLS
FARGO

ADVISORS

Six Steps to a Secure Retirement

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Together we'll go far

Date goes here



Agenda

Welcome and Introduction

Step 1: Challenges and Perils

Step 2: Where You Stand Today

Step 3: Getting to Where You Want to Be

Step 4: Envisioning Your Retirement

Step 5: Your Dreams and Goals

Step 6: Bringing It All Together

Retirement



Step 1: Challenges and Perils

- A retired couple in 2008 needed \$376,000 to have a 90% chance of covering health care costs during retirement.¹
- 59% of the general public and 52% of “affluent investors” don’t know or have a good idea of what they’ll need to save to maintain their current standard of living during retirement.²
- 49% of workers report less than \$25,000 in total savings and investments (excluding their home and defined benefit plans).³
- 30% of workers expect Social Security to be a primary source of retirement income.³

¹ Employee Benefits Research Institute.

² Bank of America, “2008 Retirement Savings Survey.”

³ Employee Benefits Research Institute, “2008 Retirement Confidence Survey.”

Step 1: Challenges and Perils

- Approximately 10% of Americans age 65 or older live in poverty.¹
- Average 401(k) balances fell in 2008 to \$50,200.²
- The percentage of eligible employees who make catch-up contributions to their retirement plans ranged from 43.1% at the smallest companies to only 12% at the largest.³

¹ U.S. Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2007."

² Fidelity Investments.

³ Profit Sharing/401(k) Council of America, "51st Annual Survey of Profit Sharing and 401(k) Plans."

Step 1: Challenges and Perils

- Experiencing poor investment performance
- Living far longer than you imagined
- Dealing with increased inflation
- Paying taxes
- Facing health concerns
- Supporting parents and/or children
- Encountering the unexpected

Step 2: Where You Stand Today

- What are your assets and liabilities?
- What are your sources of retirement income?
- What is your benefits situation?
- How much insurance do you have?
- Is there any likelihood of an inheritance?
- Do you have an updated will, trust or both?
- Do you have medical directives?
- Does your family know where your key documents are?
- What do you want your legacy to be?

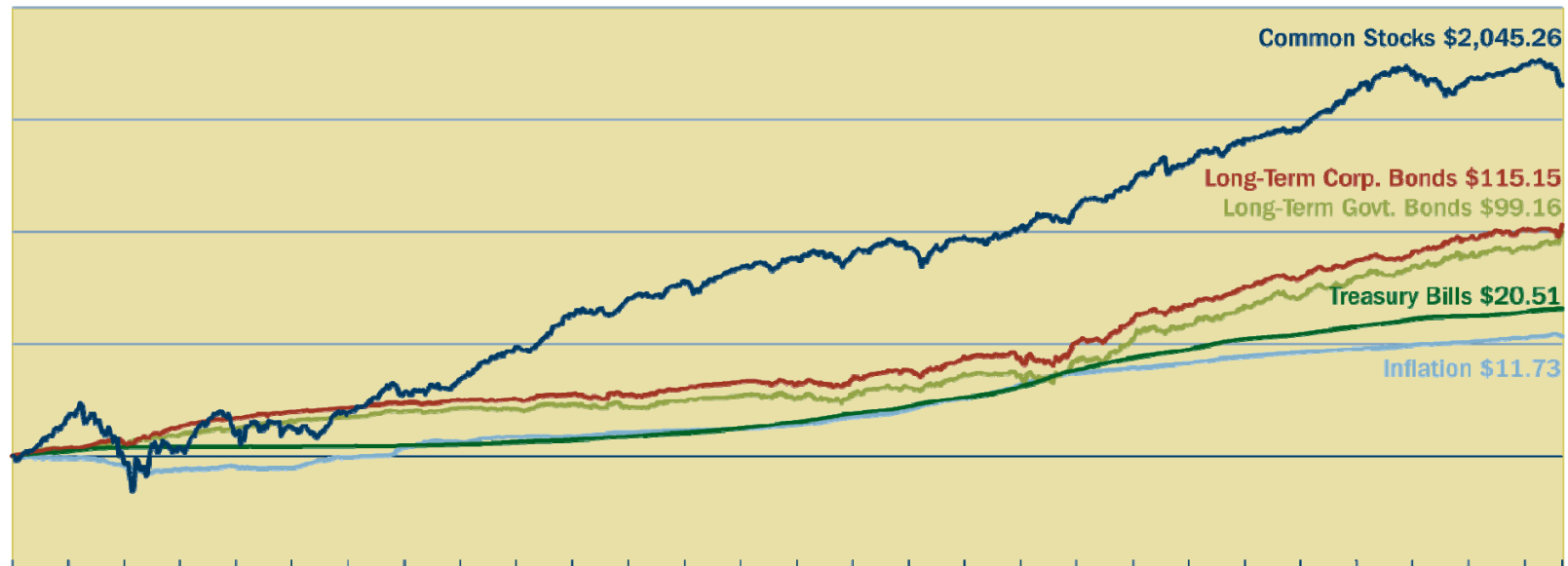
Step 3: Getting to Where You Want to Be

- Your need for income vs. growth
- Types of risk
- Need to rebalance
- Asset allocation

Stocks, Bonds, Bills and Inflation

Asset Class Returns

WEALTH INDEXES OF INVESTMENT IN THE U.S. CAPITAL MARKETS (YEAR-END 1925-2008)



Large Company Stocks: Represented by the Standard & Poor's 500 Stock Composite Index (S&P 500) 1957-present and the S&P 90, 1926-1956.

Long-Term Corporate Bonds: Represented by the Citigroup long-term, high-grade, corporate bond total return index.

Long-Term Government Bonds: Measured using a one-bond portfolio with a maturity near 20 years.

U.S. Treasury Bills: Measured by rolling over each month a one-bill portfolio containing, at the beginning of each month, the bill having the shortest maturity not less than one month.

All rights reserved. You cannot invest directly in an index. Past performance is no guarantee of future results. All return results assume monthly reinvestment of dividend or interest income. Inflation is measured by the Consumer Price Index for all urban consumers, not seasonally adjusted. Treasury bills and government bonds are guaranteed by the U.S. Government and, if held to maturity, offer a fixed rate of return and fixed principal value. Yield and market value of bonds will fluctuate if sold prior to maturity. The return of principal value of an investment in stocks fluctuates with changes in market conditions. Chart is for illustrative purposes only. Figures do not reflect the effects of taxes or transaction costs.

Annual Returns for Key Indexes (1993-2008)

Ranked in order of performance (best to worst)

Highest

↑

PERFORMANCE

↓

Lowest

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
International	32.9%	International 8.1%	Large Cap Value 38.4%	Large Cap Value 23.1%	Large Cap Value 35.2%	Large Cap Value 38.7%	Mid Cap Growth 51.3%	Small Cap Value 22.8%	Small Cap Value 14.0%	Bonds 9.8%	Small Cap Growth 48.5%	Mid Cap Value 23.7%	International 14.0%	International 26.90%	Large Cap Growth 11.8%	Bonds 5.08%
Small Cap Value	23.8%	Large Cap Growth 2.7%	S&P 500 37.6%	S&P 500 23.0%	Mid Cap Value 34.4%	S&P 500 28.6%	Small Cap Growth 43.1%	Mid Cap Value 19.2%	Bonds 9.0%	Mid Cap Value -9.6%	Small Cap Value 46.0%	Small Cap Value 22.3%	Mid Cap Value 12.7%	Small Cap Value 23.5%	International 11.6%	Small Cap Value -28.92
Large Cap Value	18.1%	S&P 500 1.3%	Large Cap Growth 37.2%	Large Cap Value 21.6%	S&P 500 33.4%	International 20.3%	Large Cap Growth 33.1%	Bonds 10.1%	Mid Cap Value 2.3%	Small Cap Value -11.4%	Mid Cap Growth 42.7%	International 20.7%	Mid Cap Growth 12.1%	Large Cap Value 22.3%	Mid Cap Growth 11.4%	Large Cap Value -36.85
Mid Cap Value	15.6%	Small Cap Value -1.6%	Mid Cap Value 34.9%	Small Cap Value 21.4%	Small Cap Value 31.8%	Mid Cap Growth 17.9%	International 27.3%	Large Cap Value 7.0%	Large Cap Value -5.6%	Large Cap Value -15.5%	International 39.2%	Large Cap Value 16.5%	Large Cap Value 7.1%	Mid Cap Value 20.2%	Bonds 7.4%	S&P 500 -37.00%
Small Cap Growth	13.4%	Bonds -1.9%	Mid Cap Growth 34.0%	Mid Cap Value 20.3%	Large Cap Growth 30.5%	Large Cap Value 15.6%	S&P 500 21.0%	S&P 500 -9.1%	Small Cap Growth -9.2%	International -15.7%	Mid Cap Value 38.1%	Mid Cap Growth 15.5%	Large Cap Growth 5.3%	S&P 500 15.8%	Small Cap Growth 7.1%	Mid Cap Value -38.44
Mid Cap Growth	11.2%	Large Cap Value -2.0%	Small Cap Growth 31.0%	Mid Cap Growth 17.5%	Mid Cap Growth 22.5%	Bonds 8.4%	Large Cap Value 7.3%	Mid Cap Growth -11.8%	S&P 500 -11.9%	S&P 500 -22.1%	Large Cap Value 30.0%	Small Cap Growth 14.3%	S&P 500 4.9%	Small Cap Growth 13.4%	S&P 500 5.5%	Large Cap Growth -38.44%
S&P 500	10.1%	Mid Cap Value -2.1%	Small Cap Value 25.8%	Small Cap Growth 11.3%	Small Cap Growth 13.0%	Mid Cap Value 5.1%	Bonds 0.4%	International -14.0%	Mid Cap Growth -20.2%	Mid Cap Growth -27.4%	Large Cap Growth 29.8%	S&P 500 10.9%	Small Cap Value 4.7%	Mid Cap Growth 10.7%	Large Cap Value -0.2%	Small Cap Growth -38.54%
Bonds	8.8%	Mid Cap Growth -2.2%	Bonds 15.3%	International 6.3%	Bonds 7.9%	Small Cap Growth 1.2%	Mid Cap Value -0.1%	Large Cap Growth -22.4%	Large Cap Growth -20.4%	Large Cap Growth -27.9%	S&P 500 28.7%	Large Cap Growth 6.3%	Small Cap Growth 4.2%	Large Cap Growth 9.1%	Mid Cap Value -1.4%	International -43.06%
Large Cap Growth	2.9%	Small Cap Growth -2.4%	International 11.6%	Bonds 4.1%	International 2.1%	Small Cap Value -6.5%	Small Cap Value -1.5%	Small Cap Growth -22.4%	International -21.2%	Small Cap Growth -30.3%	Bonds 4.3%	Bonds 3.0%	Bonds 1.6%	Bonds 4.1%	Small Cap Value -9.8%	Mid Cap Growth -44.32%

Definitions of Indexes

■ **S&P 500 Index** measures the performance of large-capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX and Nasdaq. The weightings make each company's influence on the Index's performance directly proportional to that company's market value.

■ **International** is represented by the MSCI EAFE Index (Europe, Australasia, Far East), which is a free-float-adjusted market capitalization index that is designed to measure developed-market equity performance, excluding the U.S. and Canada. As of April 2002, the MSCI EAFE Index consisted of the following 21 developed-market country indexes: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

The Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represent approximately 92% of the total market capitalization of the Russell 3000 Index.

■ **Large-Cap Value** is represented by the Russell 1000 Value, which measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted-growth values.

■ **Large-Cap Growth** is represented by the Russell 1000 Growth, which measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted-growth values.

The Russell Midcap Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 74% of the total market capitalization of the Russell 3000 Index.

■ **Mid-Cap Value** is represented by the Russell Midcap Value, which measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted-growth values.

■ **Mid-Cap Growth** is represented by the Russell Midcap Growth, which measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted-growth values.

Definitions of Indexes *(continued)*

Russell 2000 Index measures the performance of small-capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks in the broad-market Russell 3000 Index.

- Small-Cap Value** is represented by the Russell 2000 Value, which measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted-growth values.
- Small-Cap Growth** is represented by the Russell 2000 Growth, which measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted-growth values.
- Bonds** are represented by the Lehman Brothers U.S. Intermediate Government/Credit Bond Index, which is the intermediate component of the Lehman Brothers U.S. Government/Credit Index and is a widely recognized index which features a blend of U.S. Treasury, government-sponsored (U.S. Agency and supranational), mortgage and corporate securities limited to a maturity of no more than 10 years.

This chart is provided for illustrative purposes only and is not indicative of any specific investment; individual investment results will vary. Information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. The data assumes the reinvestment of all income and dividends and does not account for taxes and transaction costs. Investment manager performance relative to the different asset class indexes has varied widely across the asset classes during the past 15 years.

Asset allocation/investment timing cannot eliminate the risk of fluctuating prices and uncertain returns. Past performance is no guarantee of future results.

Please note that all indexes are unmanaged and do not take into account any fees or expenses of investing in the individual securities they track, and that individuals cannot invest directly in an index. Investments in stocks and bonds are subject to risk, including market and interest-rate fluctuations. Stocks of mid-cap and small-cap companies are typically more volatile than stocks of larger companies. They often involve higher risks, as they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. Global/international investing involves risks not typically associated with U.S. investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

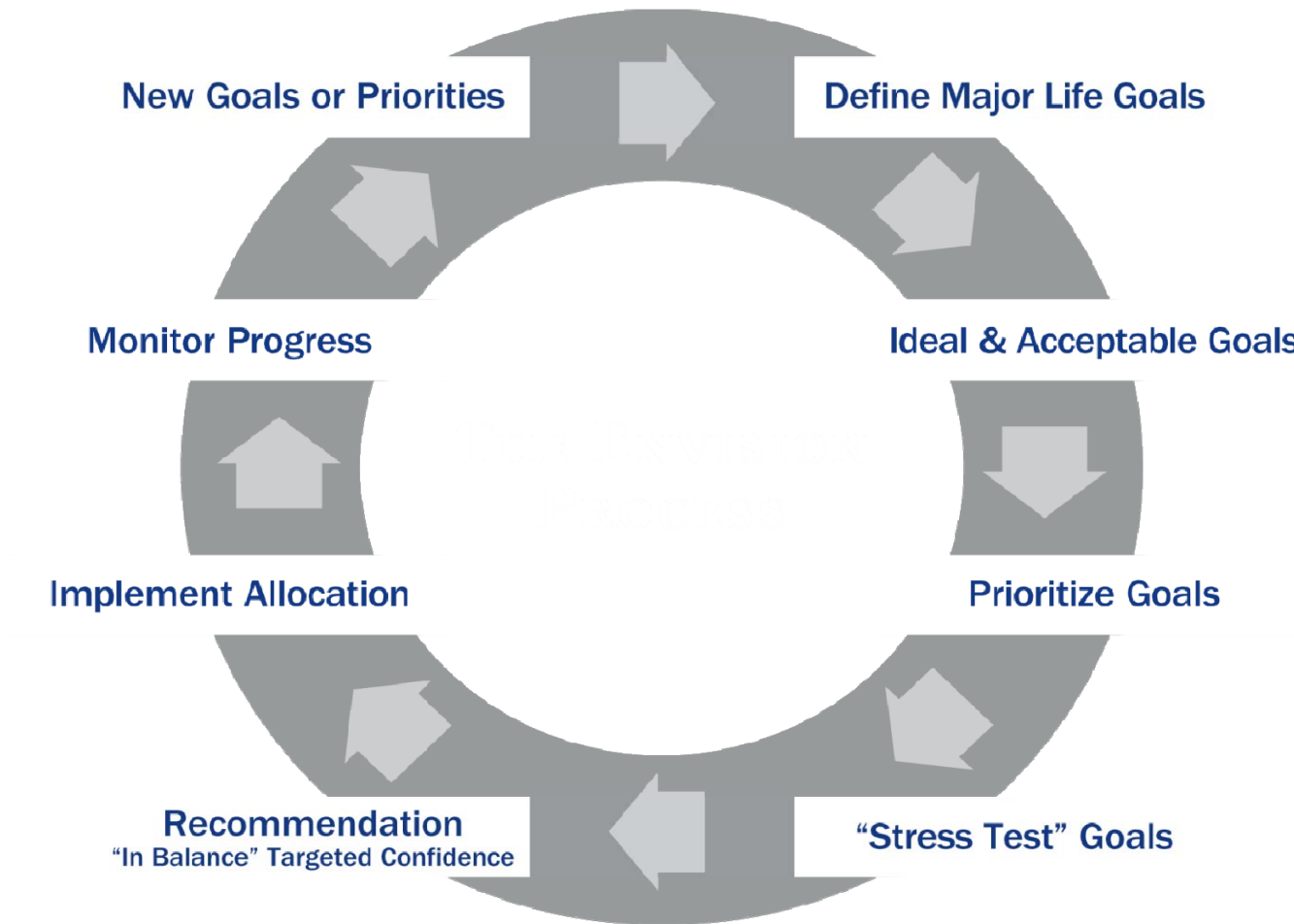
Bonds are represented by the Lehman Brothers Government/Corporate Intermediate Bond Index, an index based on all publicly issued, intermediate government and corporate debt securities with an average maturity of four to five years.

Step 4: Envisioning Your Retirement

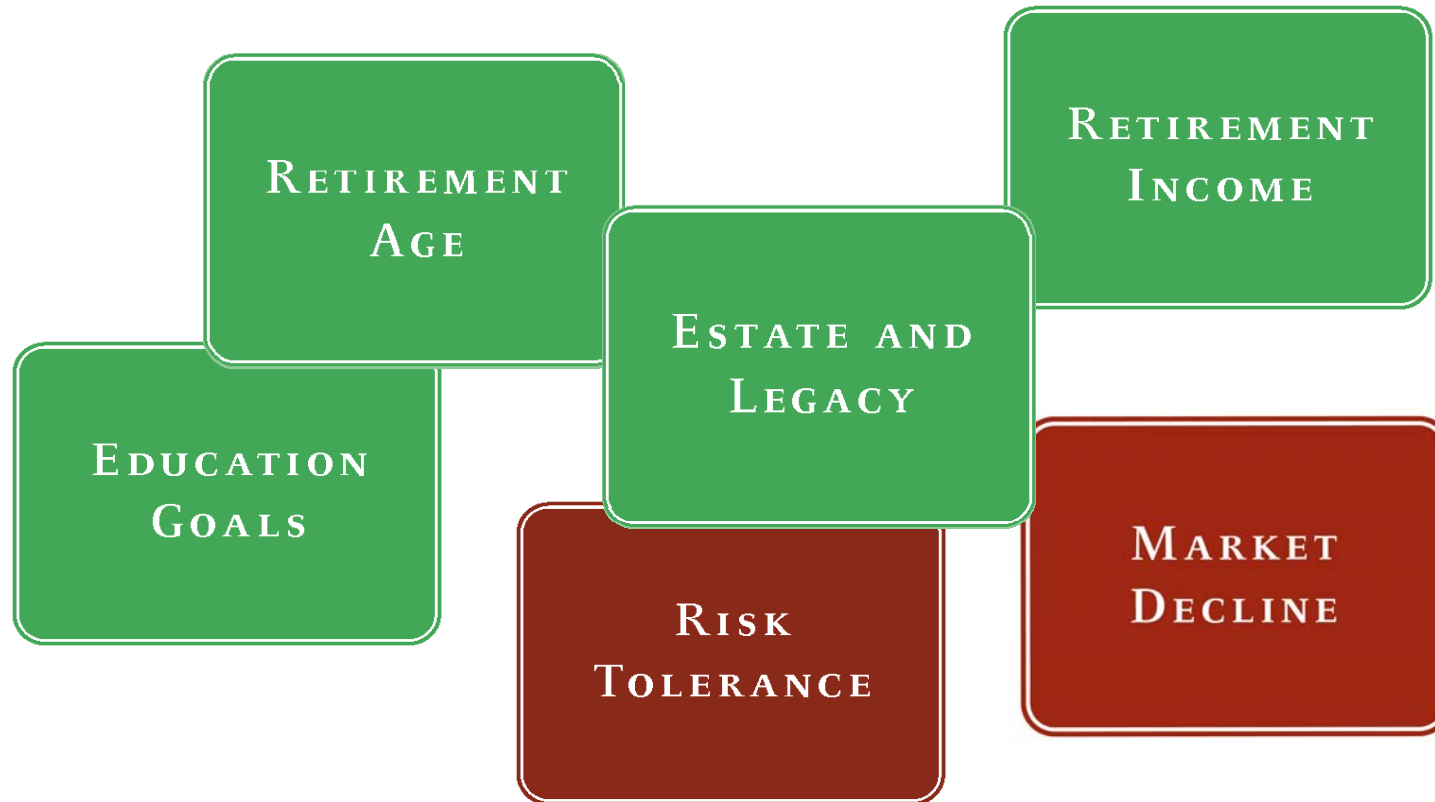
The goal of EnvisionSM is to let you live the one life you have in the best way possible, without undue compromise to your current lifestyle and without taking on unnecessary investment risk.



The Envision Process



Step 5: Your Dreams and Goals



Case Study:

Tonya and Todd Johnson

(Ages 51 and 53)

- Tonya is a school principal.
- Todd is an attorney.
- Their daughter, Pam, is 23 and out of school.
- Their goal is a “comfortable” retirement, ideally at age 55, but 62 would be acceptable.
- They’re not sure what amount of savings is “right.”
- They would like to:
 - Travel
 - Buy a larger boat
 - Leave an inheritance for Pam



Case Study:

Tonya and Todd Johnson

- Tonya's salary is \$60,000.
- Todd's salary is \$150,000.
- They have:
 - \$165,000 in taxable investments, \$500,000 in retirement accounts, \$35,000 in cash
 - \$350,000 home with \$150,000 left on the mortgage
 - \$206,000 home with \$50,000 left on the mortgage (rental property), currently generating \$12,000 in income; plan to sell it around age 81
 - \$6,000 in Tonya's pension
- They are saving \$22,000 per year.



Case Study:

Tonya and Todd Johnson



Case Study: Tonya and Todd Johnson

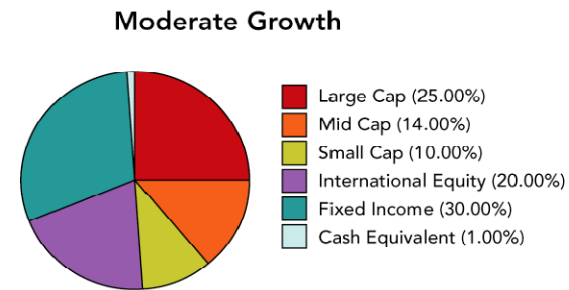
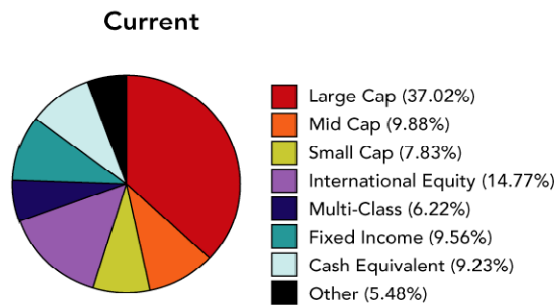
Recommended Plan



Case Study: Tonya and Todd Johnson

Current vs Strategic Allocation

Market Capitalization Analysis



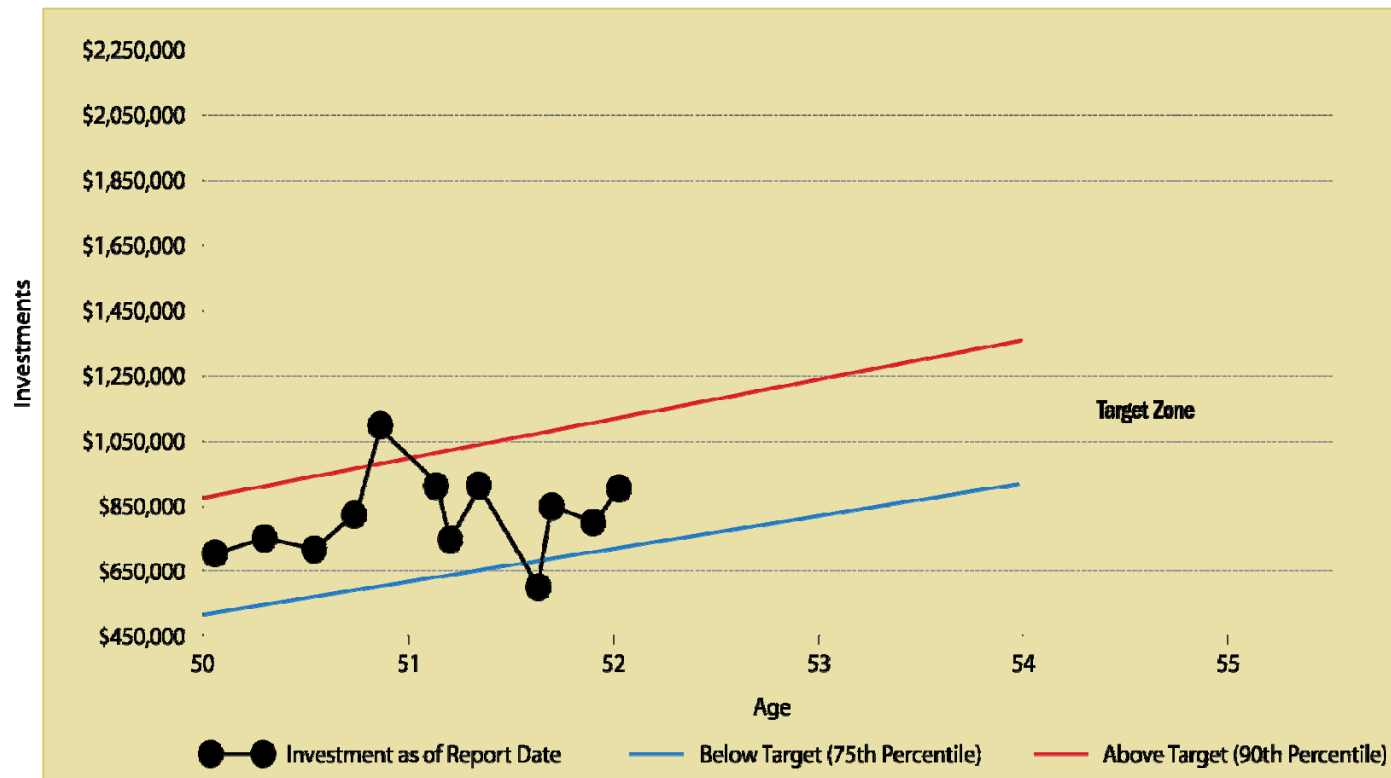
Long Positions							
Market Cap	Current		Strategic		Difference		
Large Cap	\$ 270,925.03	37.02%	\$ 182,983.25	25.00%	\$ 87,941.78	-12.02%	
Mid Cap	\$ 72,325.00	9.388%	\$ 102,470.62	14.00%	\$ -30,145.62	4.12%	
Small Cap	\$ 57,325.00	7.83%	\$ 73,193.30	10.00%	\$ -15,868.30	2.17%	
International Equity	\$ 108,126.39	14.77%	\$ 146,386.60	20.00%	\$ -38,260.21	5.23%	
Multi-Class	\$ 45,555.62	6.22%	\$ 0.00	0.00%	\$ 45,555.62	-6.22%	
Fixed Income	\$ 70,000.00	9.56%	\$ 219,579.90	30.00%	\$ -149,579.90	20.44%	
Cash Equivalent	\$ 67,541.76	9.23%	\$ 7,319.33	1.00%	\$ 60,222.43	-8.23%	
Other	\$ 40,134.20	5.48%	\$ 0.00	0.00%	\$ 40,134.20	-5.48%	
Total:	\$ 731,933.00	100.00%	731,933.00	100.00%	\$ 0.00	0.00%	

Step 6: Bringing It All Together

- Implementing your plan
- Monitoring progress
- Changing when necessary

Case Study: Tonya and Todd Johnson

Achieving Your Goals



The Target Zone may help you evaluate your Recommended Plan. It does not represent a projection of future portfolio values. The Target Zone graph is shown in actual dollars. Envision uses Monte Carlo simulations, which are based on historical and hypothetical information; there is no guarantee that actual future investments will perform in accordance with the simulated trials.

Wrap-Up

Please fill out the Evaluation Form. Thank you for participating!

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Envision Methodology, Selection Criteria and Key Assumptions

Envision's simulation model incorporates assumptions on inflation, financial market returns and the potential relationship between these variables based on an analysis of historical data. Using Monte Carlo simulations, Envision simulates thousands of different potential outcomes over a lifetime of investing. The varying historical risk, return and correlation between the assets is based on indexes over several market cycles. If the indexes do not provide sufficient historical data to gauge asset-class performance, we may use the performance statistics of related asset classes. Elements of the report's presentations and simulation results are under license from Financeware, Inc., patents pending. ©2009 Financeware, Inc. All rights reserved.

Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. Returns and probabilities generated by Monte Carlo simulation are based on historical and hypothetical information; there is no guarantee that actual future investments will perform in accordance with the probability assessment.

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Investment and Insurance Products:

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NO BANK GUARANTEE

MAY LOSE VALUE

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