



The Envision<sup>®</sup> process

**Defining tomorrow, today**

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. The Envision process does just that.



## Put your financial picture in focus

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

At our firm, we've built one of the nation's premier investment firms around a deep respect for planning. Our commitment to helping you plan effectively, invest wisely, and map a realistic financial course to your future years is at the heart of our Envision planning process.

By blending the human dimension of personal goal-setting with innovative technology, our planning process goes way beyond simply aiming for a dollar amount or trying to match a performance benchmark.

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 rethink your approach whenever necessary.



## A quick tour around the Envision process

Our firm's Envision process creates an effective, easy-to-understand method for you to prioritize and achieve important life goals. When you first develop your Envision plan, you and your financial professional will probably start with "Defining major life goals" and then address the other areas of the Envision process. As your life changes, your Envision plan is flexible to change too, and you can revisit your Envision plan at any stage that is appropriate for your personal situation.

### Define major life goals

You and your financial professional will sit down together to begin exploring your goals and dreams and discuss any concerns you might have around achieving them.

### Ideal and acceptable goals

Throughout your conversations, you'll examine 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." The acceptable scenario represents the compromises you could make to your ideal goals and still feel comfortable with your life.

### Prioritize goals

To explore as many of your ideal goals 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.

### "Stress test" goals

To determine the level of confidence you can achieve with your ideal and acceptable goals, 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.

### Recommendation

#### "In balance" target confidence

Once your financial professional has an understanding of your ideal or acceptable goals, he or she will create a recommended scenario incorporating the goals you value most while potentially deemphasizing some of your lower priority goals.

### Implement allocation

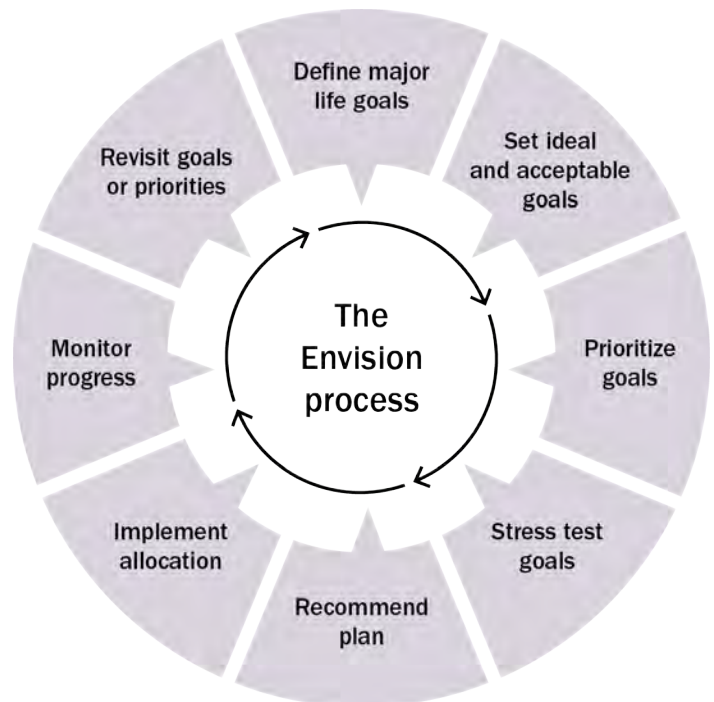
Based on your goals, dreams, concerns, risk tolerance, and financial circumstances, your financial professional can propose an investment mix to help you achieve those goals.

### Monitor progress

Your Envision plan will create a benchmark unique to your goals and circumstances as a way to track progress along the way. This information will update each night and is available on your statements and online.

### New goals and priorities

Change can present challenges, whether it happens in your own life or in the world around you. If your goals or financial circumstances change, or the markets fluctuate, it's easy to update your Envision plan to account for the changes and measure the impact it has on your ability to stay on track.



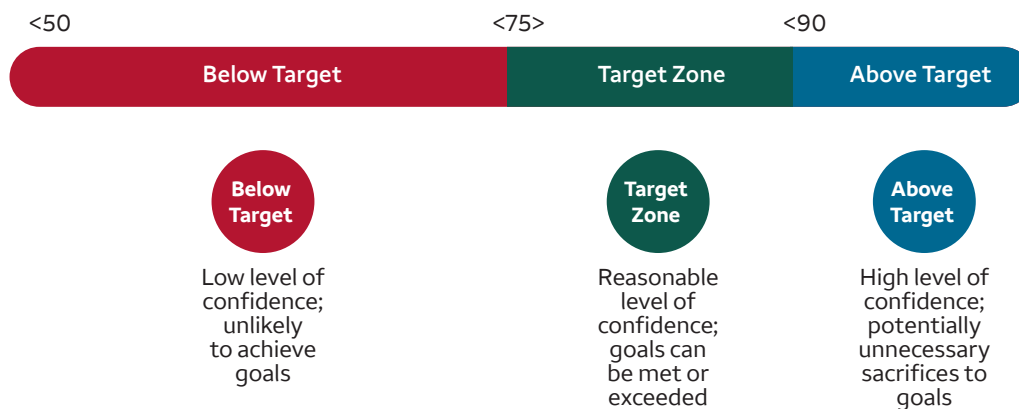


## Aim for your Target Zone

The Envision process starts with a conversation. Your financial professional will sit down with you to discuss your lifestyle expectations, life goals, and financial objectives.

Once you've decided on your ideal and acceptable goals, the Envision process “stress-tests” them against historical market simulations. Your personal “Target Zone” is based on the results and helps you and your financial professional allocate your assets in a manner suitable to your objectives. Better yet, it can provide an investment “sweet spot” and helps instill confidence in your likelihood of achieving your goals.

The graph below helps visualize your Target Zone. Each tested investment scenario is given a numerical result, which is plotted on the graph. A result in the following ranges typically reflects:



## How do you interpret your plan result?

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 (greater than 90), 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 plan result so low (below 75) 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.

## Why “100” isn’t ideal

For most of us, it seems natural to associate “100” with a perfect score. To understand why your Envision plan puts your Target Zone between 75 and 90, consider the following example:

Assume you have a plane to catch tomorrow morning. Your flight is scheduled to leave at 10:00 a.m. If you show up at 9:30 a.m., what’s the likelihood you’ll catch the flight? It’s not likely. If everything goes right, you might just make it, but the odds are against you. This stressful scenario is similar to having an Envision plan score below your Target Zone (<75).

Now let’s say you arrive way too early — at 3:00 a.m. — for that same 10 o’clock flight. You’ll definitely make the boarding call, but what have you sacrificed for the certainty? A good night’s sleep? Hours spent at an airport when you could have been doing something else? This overly cautious approach is similar to having an Envision plan score above your Target Zone (>90). You have a high probability of reaching your goals, but you’re giving up too much to reach them.

Finally, let’s say you arrive at the airport two hours before your flight. That plenty of time to check your bags, pass through security, and catch your flight comfortably. This scenario is comparable to investing within your Target Zone (75–90). It puts you in a position to meet your goals without undue financial sacrifice or overexposure to risk.

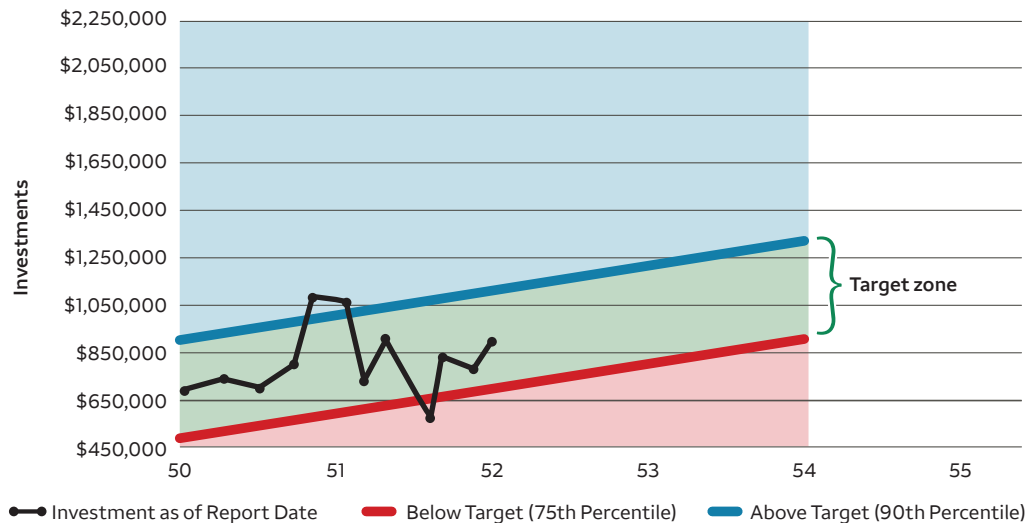


## Track your progress with your dot

With the Envision process, following your progress is simple. 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 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?” Now and again, your dot may move out of your Target Zone, and your financial professional can help you get back on track. At least annually — if not more often — you and your financial professional should meet to review your progress.

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.

Charting your progress. The Envision Target Zone also serves as a foundational tool when your goals or priorities change or when life events create a need to re-evaluate how changes affect your goals and priorities. Using your dot (see above), your financial professional can update you on your progress as frequently as you want — monthly, quarterly, or annually.



Our Envision tool uses Monte Carlo simulations, which are based on historical and hypothetical information; there is no guarantee that investments will perform in accordance with the simulated trials.

**IMPORTANT:** The projections or other information generated by the Envision tool 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. Others 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 course, 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 whether 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.**

Contact your financial professional  
today to experience the Envision  
process for yourself.



[envisionyourgoals.com](https://envisionyourgoals.com)

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