



Financial Needs Analysis

Private and Confidential

for

Mr Hon Hee Siew

Prepared by

Erik Hon

17-Dec-09

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Important Notes

Your AM Team adviser is licensed by the Monetary Authority Of Singapore (MAS) to act as a Financial Adviser's Representative (FAR) , and is employed by AM Team, a company licensed by the MAS to act as a Financial Adviser (FA

Your adviser must have sufficient information before making a suitable recommendation. The information that you provide in the Fact Finding relating to your investment objectives, financial situation and your particular needs will be the basis on which advice will be given.

Your adviser is required to disclose to you the fees and commissions payable to AM Team on any product recommended to you.

An insurance and/or investment product purchased without the full completion of the Fact Finding process, or following from a partial or inaccurate completion, may not be appropriate to your needs.

It is important that you carry out financial review and risk profiling at least once a year. This is to ensure that any financial products recommended based on your updated information will be more suitable for your needs.

Disclaimer

This financial plan herein is hypothetical in nature and is intended to help you in making decisions on your financial future based on information that you have provided and reviewed.

IMPORTANT: The projections or other information generated by this financial plan regarding the likelihood of various investment outcomes and goals attainment are hypothetical in nature, and are not guarantees of future results.

The assumptions used in this financial plan are based on information provided and reviewed by you. Those assumptions must be reconsidered on a regular basis to ensure that the results are adjusted accordingly. The smallest of changes in assumptions can have a dramatic impact on the outcome of this financial plan. Any inaccurate representation by you of any facts or assumptions will render the results null and void.

This plan does not constitute advice in areas of legal, estate or tax. It is your responsibility to consult the relevant professionals in those areas either independently or in conjunction with this planning process.

The recommendations herein are made by the FAR based on their professional knowledge in the industry and their understanding of your financial status, investment objective and risk tolerance.

The assumptions used in this financial plan are based on information provided and reviewed by you. The information and materials contained in this page, including text, graphics, links or other items are provided for reference only and do not constitute a professional advice, recommendation, an offer or solicitation to buy or sell investments. Persons accessing these pages are advised to obtain appropriate professional advice where necessary. Past performance figures shown are not indicative of future performance. Investment involves risk, therefore the offering documents of the funds should be read for further details.

The results presented in this plan are not predictions of actual results. Actual results may vary to a material degree due to external factors beyond scope and control of this financial plan. Historical data used to produce future assumptions used in the financial plan, such as hospitalization charges, inflation rates, fund historical performance, is not a guarantee of future performance or results.

This plan does not consider the selection of investment instruments. The results in this plan do not constitute an actual offer to buy, sell or recommend a particular investment or insurance product. All investments are inherently risky. Past performance and any forecast is not necessarily indicative of the future or like performance of any investment instrument.

Financial Planning Process

Understanding the Financial Planning Process

Financial planning is the process of meeting your life goals through the proper management of your finances. It is a process that consists of specific steps that help you ascertain your financial condition objectively. The financial planning process consists of six steps that help you take a big picture, look at where you are financially. Using these six steps, you can work out where you are now, what you may need in the future and what you must do to reach your goals. The process involves gathering relevant information, setting life goals, examining your current financial status and coming up with a strategy or plan on how you can meet your current situation and future plans.



Financial Planning Process

Establishing and defining the client-planner relationship

The financial planner should clearly explain or document the services to be provided to you and define both his and your responsibilities. The planner should explain fully how he will be paid and by whom. You and the planner should agree on how long the professional relationship should last and on how decisions will be made.

Gathering client data, including goals

The financial planner should ask for information about your financial situation. You and the planner should mutually define your personal and financial goals, understand your time frame for results and discuss, if relevant, how you feel about risk. The financial planner should gather all the necessary documents before giving you the advice you need.

Analyzing and evaluating your financial status

The financial planner should analyze your information to assess your current situation and determine what you must do to meet your goals. Depending on what services you have asked for, this could include analyzing your assets, liabilities and cash flow, current insurance coverage, investments or tax strategies.

Developing and presenting financial planning recommendations and/or alternatives

The financial planner should offer financial planning recommendations that address your goals, based on the information you provide. The planner should go over the recommendations with you to help you understand them so that you can make informed decisions. The planner should also listen to your concerns and revise the recommendations as appropriate.

Implementing the financial planning recommendations

You and the planner should agree on how the recommendations will be carried out. The planner may carry out the recommendations or serve as your 'coach', coordinating the whole process with you and other professionals such as attorneys or stockbrokers.

Monitoring the financial planning recommendations

You and the planner should agree on who will monitor your progress towards your goals. If the planner is in charge of the process, he/she should report to you periodically to review your situation and adjust the recommendations, if needed, as your life changes.

Company Introduction

Our Financial Adviser Company - Business Activities

Our company is a Financial Adviser Company licensed by the Monetary Authority of Singapore(MAS) and is currently authorised by the MAS to:

Provide advice on collective investment schemes, Provide advice on general insurance policies, Provide advice on life insurance policies

Your consultant is licensed to advise on both investment products and insurance. He/she is able to source and recommend objectively the products of various life insurance and asset management companies to best meet your insurance needs and/or investment goals. Your consultant is required to disclose to you the asset management companies and life insurance companies from which he/she can source the products.

Client Details

Full Fact-Find

Client discloses all information requested by the FA and wishes to receive recommendation on product suitability. To qualify as a full fact-find, the FA would need to gather information on the client's income and expenses, assets and liabilities, current investment portfolio, investment objectives, risk profile, personal priorities, retirement needs, and saving goals. The FA would then conduct a needs analysis based on the information collected, and recommend products suitable for the client.

Personal Particulars - Client	
Full Name	Hon Hee Siew
Preferred Name	Erik
Salutation	Mr
Gender	Male
NRIC/ Passport	S7917771A
Birthday	4/30/1985
Intended Retirement Age	50
Race	Caucasian
Marital Status	Divorced
Home Phone	64799999
Hand Phone	9389999
Personal Email Address	limpeh@hotmail.com
Address 1	54 Lengkok Bahru
Address 2	#14-182
State	Singapore
Postal Code	151054
Country	Singapore
Nationality	Singapore
Citizenship	Singapore

General Health	
Smoker	No
Height	1.85
Weight	74
Requires Medical Attention	No
Medical Condition	

Employment	
Occupation	Film Director
Employer	Dreamworkz
Singapore Tax Resident	Yes
Annual Income (SGD)	100000
Annual Income Range	>= \$1,000,000
CPF Contribution Criteria	Private
Pensionable Status	Non - Pensionable
CPF Contribution Rate (%)	20

Goals and Objectives

Goals and Objectives	Client
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Risk Management

Provide financial support for family in event of death	High
Protect income against temporary/total disability-illness	Medium
Protect income against accident	Medium
Protect income against long term disability	Medium
Provide financial support in event of major illnesses	High
Provide for Mortgage Protection	High
Provide financial support in event of old age disability	Medium
To provide for Hospitalization and Surgical expenses	High
Private Hospital	Class B
Govt/Restructured Hospital	Class A
To provide for death/disability coverage due to accidental reasons (PA)	Medium

Investment Planning

To provide for Children's Education	Medium
To provide for Retirement	High
To get better returns on my Cash and CPF/SRS savings	High
Better returns on my Cash and CPF/SRS savings for	

General Insurance Planning

Home	Yes
Motor	Yes
Travel	Yes

Goals and Objectives

Goals and Objectives	Client
Keyman	Yes
Partnership	Yes
Group Employee	Yes

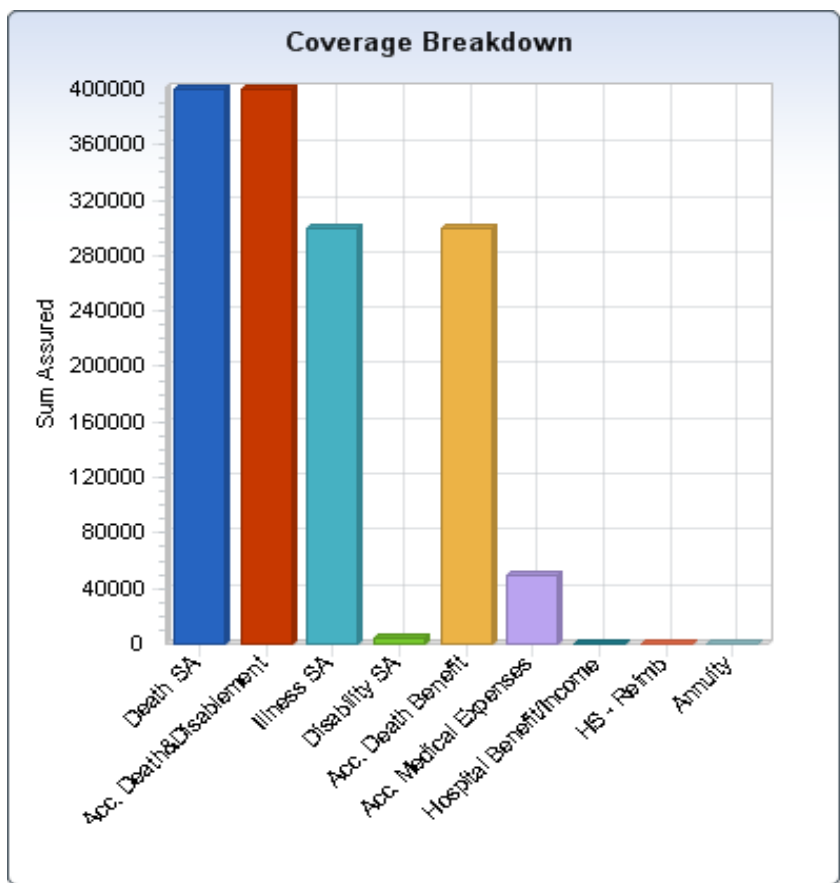
Estate and Tax Planning

CPF Nomination	Yes
Tax	Yes
Will	Yes
Will's Next Review Day	

Others

Repaying or Reducing Debts / Loans	High
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Insurance Overview



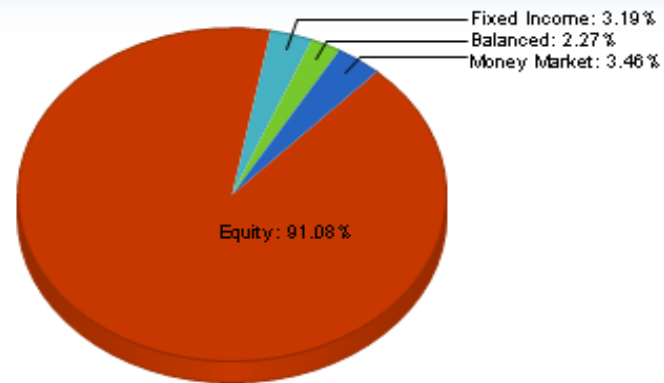
Total Death Sum Assured	400000
Total Accidental Death/Disablement	400000
Total Critical Illness Sum Assured	300000
Total Accidental Death Benefit	300000
Total Accident Medical Expenses	50000
Total HS Reimbursement	0
Total Hospital Benefit/Income	0
Total Disability Income Per Month	4000
Total Annuity Income Per Month	0

Distribution of Premium and Cash Value

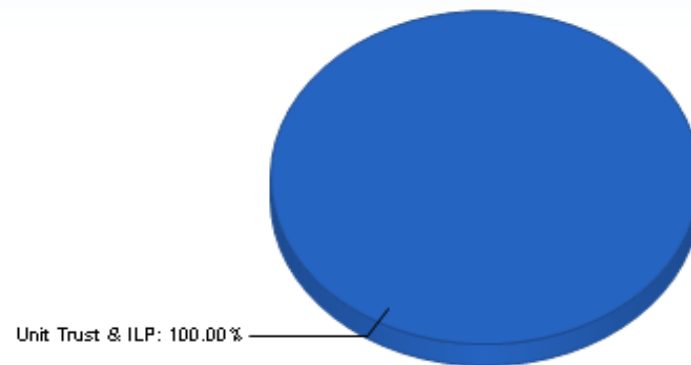
Total Annual Premium (Cash)	10000	Total Current Cash Value	0
Total Single Premium (Cash)	0		
Total Accumulated Top-up	0		

Investment Summary

Asset Chart



Product Type Chart



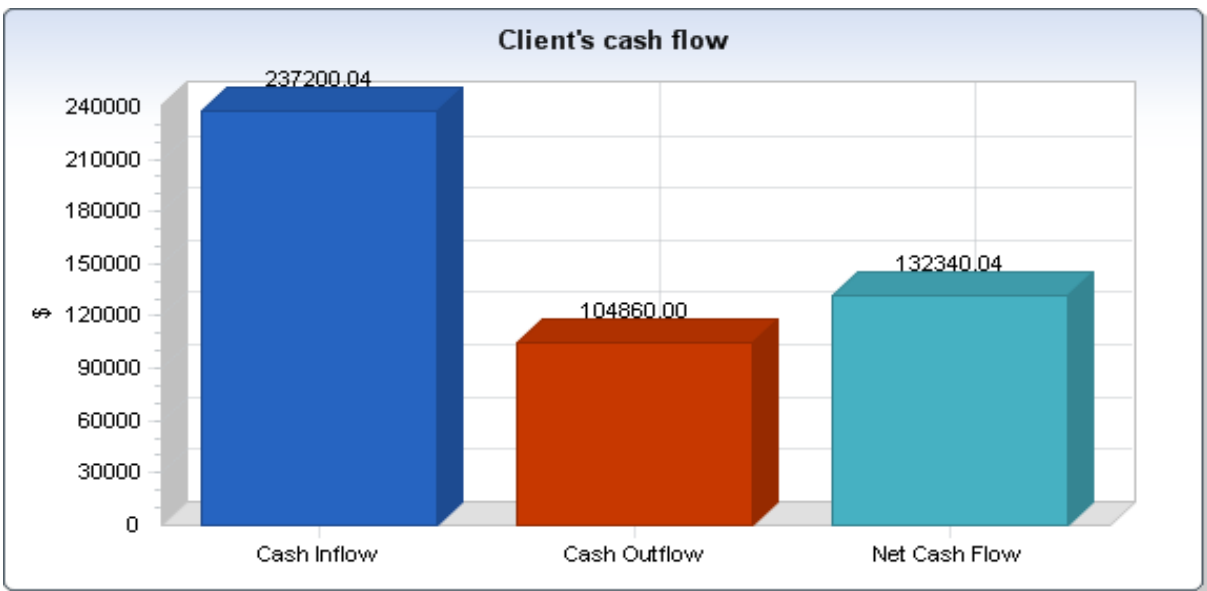
Investment Summary

	Client	Total
Alternatives Investment	0	0
Collectibles	0	0
Commodities	0	0
Capital Protected/Guaranteed	0	0
Money Market	14,459.57	14,459.57
Equity	380,666.64	380,666.64
Fixed Income	13,346.33	13,346.33
Index	0	0
Balanced	9,472.29	9,472.29
Not Define	0	0
Others	0	0
Real Estate	0	0

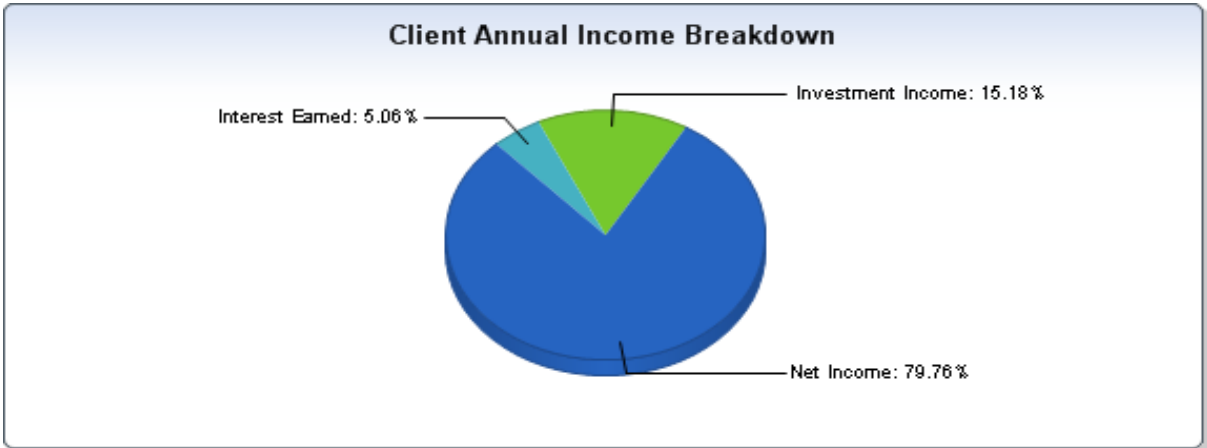
Cash Flow

Cash Flow is a consolidation of your annual cash inflows and outflows. It is calculated by adding all your cash inflows and then subtracting all of your cash outflows, which include lifestyle expenses, savings and investments, and taxes. Based on the information that you have provided, you have a **cash flow surplus of \$ 132,340.04 in 2009.**

	Client(\$)
Total annual cash inflow	237,200.04
Total annual cash outflow	(104,860.00)
Net annual cash flow	132,340.04



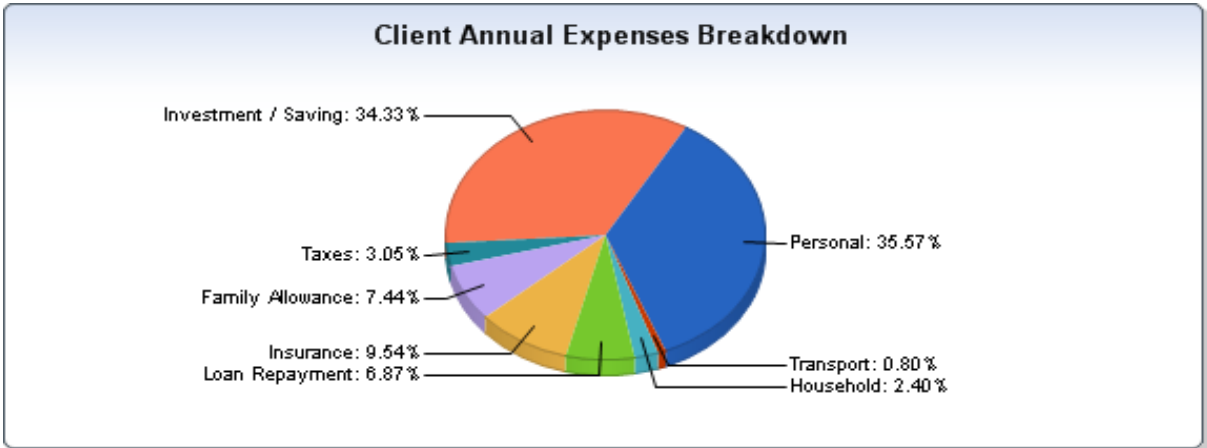
Annual Income



Cash Inflow	Client	
	Monthly(\$)	Yearly(\$)
Income	16,666.67	200,000.04
Bonus	0.00	0.00
Gross Income	16,666.67	200,000.04
Less Employee CPF Contribution	(900.00)	(10,800.00)
a. Net Income	15,766.67	189,200.04
b. Allowance	0.00	0.00
c. Interest Earned	1,000.00	12,000.00
d. Investment Income	3,000.00	36,000.00
e.	0.00	0.00
f.	0.00	0.00
Total Cash Inflow (a+b+c+d+e+f)	19,766.67	237,200.04

CPF Inflow	Client	
	Monthly(\$)	Yearly(\$)
Employee CPF Contribution	900.00	10,800.00
Employer CPF Contribution	652.50	7,830.00
Total CPF Inflow	1,552.50	18,630.00

Annual Expenses



Expenses	Client	
	Monthly(\$)	Yearly(\$)
Food	1,000.00	12,000.00
Entertainment	500.00	6,000.00
Shopping (Wearables)	200.00	2,400.00
Spectacles / Contact Lens	83.33	1,000.00
Mobile Phone	50.00	600.00
Medical (GP, dental, checkups, etc.)	25.00	300.00
Travel	1,250.00	15,000.00
Total Personal	3,108.33	37,300.00
Public Transport	70.00	840.00
Total Transport	70.00	840.00
Utility & Conservancy	80.00	960.00
Telephone & Internet	80.00	960.00
Cable TV	50.00	600.00
Total Household	210.00	2,520.00
Housing Installment (CPF)	600.00	7,200.00
Total Loan Repayment	600.00	7,200.00
Insurance Premium - Personal (Cash)	833.33	10,000.00
Total Insurance	833.33	10,000.00
Allowance for Parents	650.00	7,800.00
Total Family Allowance	650.00	7,800.00
Income Tax	250.00	3,000.00
Property Tax	16.67	200.00
Total Taxes	266.67	3,200.00
Investments	2,000.00	24,000.00
Savings	1,000.00	12,000.00

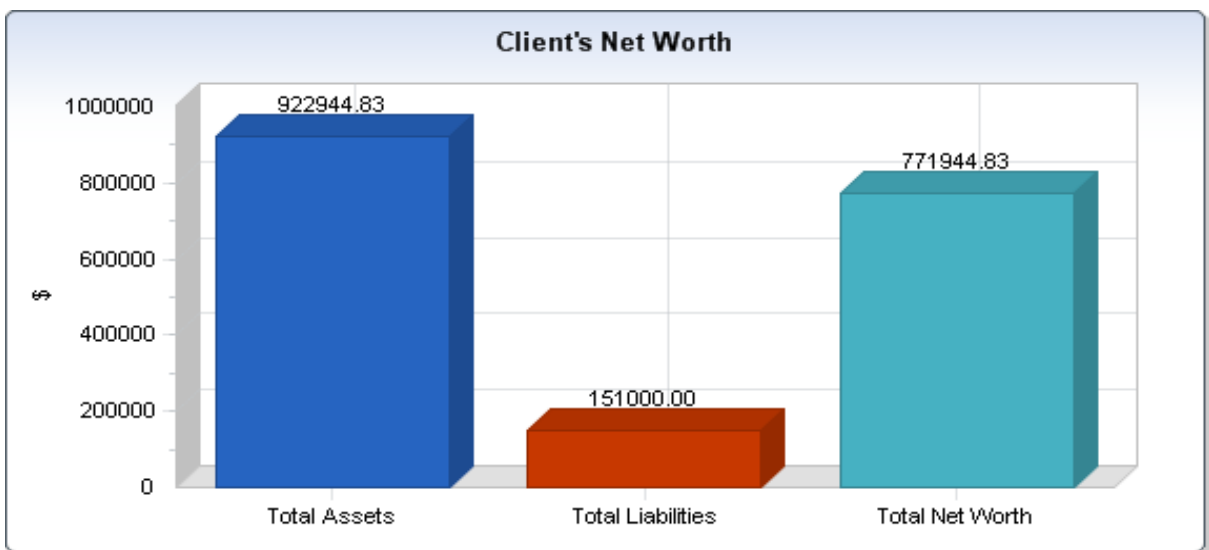
Annual Expenses

Expenses	Client	
	Monthly(\$)	Yearly(\$)
Total Investment/Saving	3,000.00	36,000.00
Grand Total Expenses	8,738.33	104,860.00

Net Worth

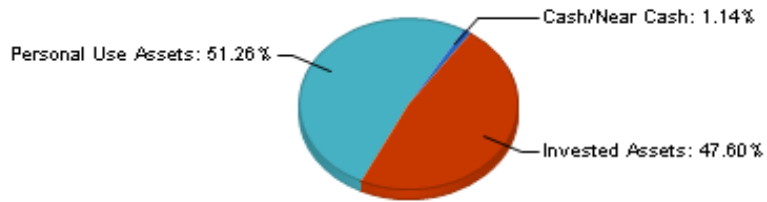
Net Worth is calculated by subtracting the total value of your current liabilities from the total value of your current assets. It is desirable to have a high positive Net Worth because it means that you own more assets than you owe. Based on the information that you have provided, your **current Net Worth is \$ 771,944.83** .

	Client(\$)
Total Assets	922,944.83
Total Liabilities	(151,000.00)
Net Worth	771,944.83



Total Assets

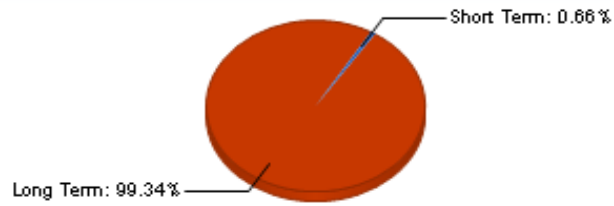
Client Assets Distribution Breakdown



Assets	Client
Bank Account	10,000.00
Sub Total for Cash/Near Cash	10,000.00
Mutual Fund & ILP	417,944.84
Sub Total for Invested Assets	417,944.83
Residence (market value)	450,000.00
Sub Total for Personal Use	450,000.00
Grand Total Asset	922,944.83

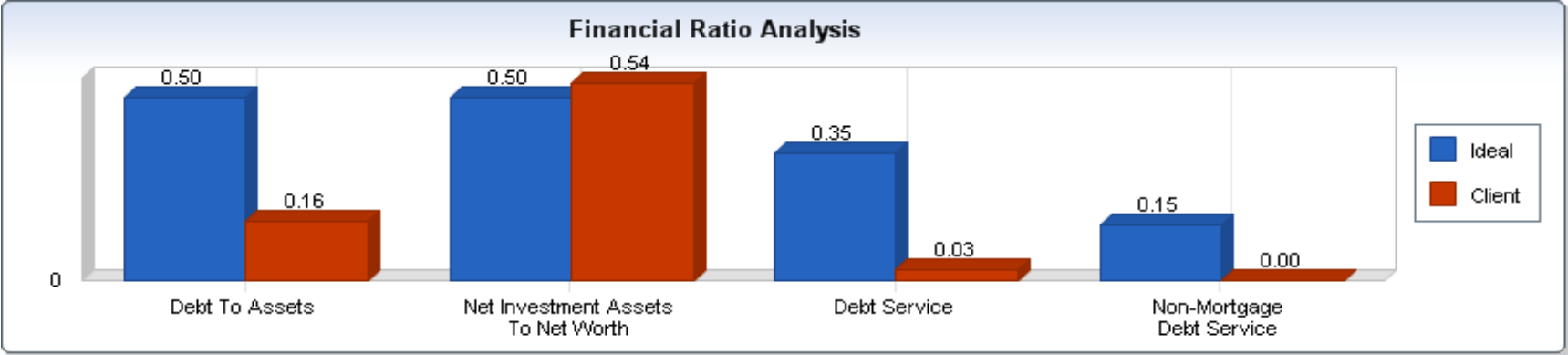
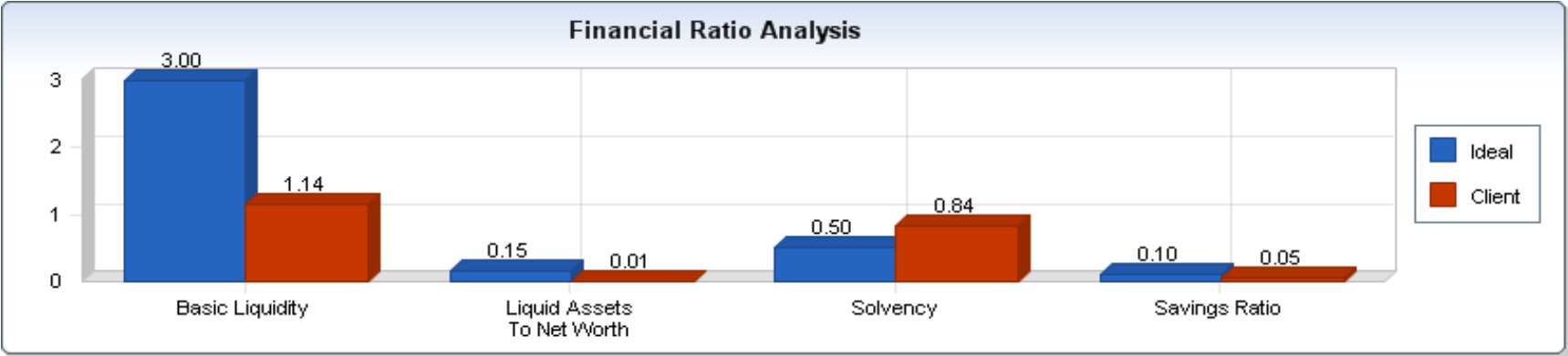
Total Liabilities

Client Liabilities Distribution Breakdown











Liabilities	Client
Hire Purchase	1,000.00
Total Short Term Liabilities	1,000.00
Mortgage on Residential Property	150,000.00
Total Long Term Liabilities	150,000.00
Grand Total Liabilities	151,000.00

Financial Ratio Analysis



	Basic Liquidity Ratio	Liquid Assets To Net Worth Ratio	Solvency Ratio	Savings Ratio	Debt To Assets Ratio	Net Investment Assets To Net Worth Ratio	Debt Service Ratio	Non-Mortgage Debt Service Ratio
Ideal	> 3	> 0.15	> 0.5	> 0.1	< 0.5	> 0.5	< 0.35	< 0.15
Client	1.14	0.01	0.84	0.05	0.16	0.54	0.03	0.00

Client's Financial Ratio Analysis

-  **1. Basic Liquidity Ratio** **Ideal is 3 or more**
This ratio shows, in the unfortunate event that you lose all sources of income, how long (number of months) you can continue to meet all your expenses with your cash assets. It is recommended that you have liquid assets to cover at least 3 months of your monthly expenses.
-  **2. Liquid Assets To Net Worth Ratio** **Ideal is 0.15 or more**
This ratio shows the amount of your cash/near cash assets as a percentage of your Net Worth. It is recommended to have at least 15% of your Net Worth in liquid assets.
-  **3. Solvency Ratio** **Ideal is 0.5 or more**
This ratio measures the proportion of assets that are financed through your own cash reserves and not through borrowings. While building up your assets is fine, you need to be mindful of the debts that are building up as well. This ratio shows how much a decline in value of your assets you can sustain before you become insolvent. (Insolvent means that your total liabilities are greater than your total assets). The higher the ratio, the better.
-  **4. Savings Ratio** **Ideal is 0.1 or more**
This ratio measures the amount of cash surplus that you commit to savings. It is recommended that you have a 10% ratio to meet your future needs.
-  **5. Debt To Asset Ratio** **Ideal is less than 0.5**
This ratio indicates the amount of debt that you incurred to acquire your assets. A ratio that is more than 50% is considered not prudent as it means that you have borrowed too much to finance your assets.
-  **6. Net Investment Assets To Net Worth Ratio** **Ideal is 0.5 or more**
This ratio measures how well you are in accumulating invested assets by comparing the value of invested assets as a percentage of your Net Worth. It is important to accumulate invested assets that help you to grow your Net Worth. When you are near your retirement, this ratio should be 50% or more.
-  **7. Debt Service Ratio** **Ideal is less than 0.35**
This ratio measures your ability to service your debt commitments. It is recommended to be below 0.35.
-  **8. Non-Mortgage Debt Service Ratio** **Ideal is less than 0.15**
This ratio is similar to the debt service ratio but excludes the debt service requirements of a mortgage. It proves an indication of the amount of income towards non-mortgage debt repayments. A ratio of 15% or lower is recommended to be safe while a ratio of 20% or above would indicate an unhealthy situation. Too high a ratio mean that the individual has borrowed excessively or spending beyond his means as most non-mortgage debt tend to relate to lifestyle expenses rather than for long-term investment purposes.

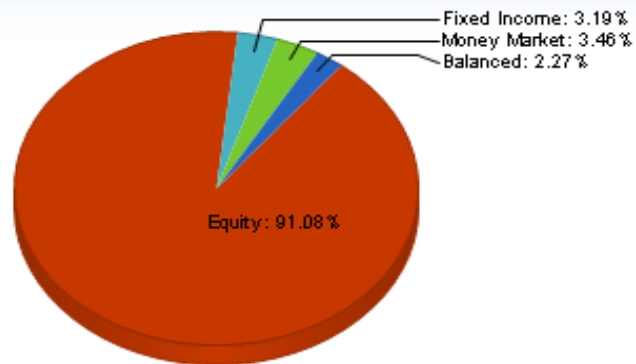
Risk Profile

Risk Profile for client

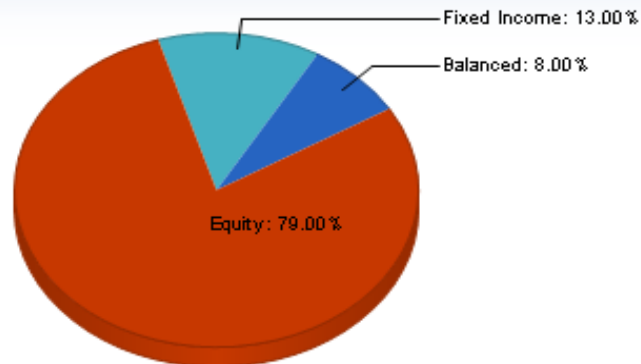
Risk Profile - Default Moderately Aggressive

You are an adventurous investor who wants a portfolio that will give you higher returns but with the knowledge that this means you have to take some risk. However, you will maintain some of your investment in lower risk funds to 'buffer' potential losses in higher risk investments. In general, one or more of these points should apply to you. You know that in order to achieve high returns you must be willing to accept market fluctuations and its potential downside risks. While you recognize the potential upside gains in high risk investments, you still want some degree of safety and will keep some of your investments in low risk low return funds. You should not need to have to realise any of your investments soon. You want to have an above average lifestyle when you retire. You do not need to be terribly extravagant but you would like some creature comforts to make up for all the hard work you've put in over the years. You can consider funds of iFAST Research Risk Rating 8 or lower

Current Portfolio Asset Breakdown



Recommended Asset Allocation



Risk Profile

Asset Type	Current Portfolio (%)	Proposed Portfolio (%)	Underweight/ Overweight
Alternatives Investment	0	0	NA
Collectibles	0	0	NA
Commodities	0	0	NA
Capital Protected/Guaranteed	0	0	NA
Money Market	3.46	0	Overweight by 3.46
Equity	91.08	79	Overweight by 12.08
Fixed Income	3.19	13	Underweight by 9.81
Index	0	0	NA
Balanced	2.27	8	Underweight by 5.73
Not Define	2.27	8	Underweight by 5.73
Others	0	0	NA
Real Estate	0	0	NA

Risk Profile

Account Type: Independent

1. What is your age group?

- < 30 years old
- 30 – 38 years old
- 39 – 55 years old
- > 55 years old

2. When do you intend to start drawing out this amount of money?

- < 3 years
- 3 – 5 years
- 6 – 10 years
- > 10 years

3. How much do you know about investments?

- I do not know anything about how the stock markets move
- I know that stock markets move in cycles, and the ups and downs characterized by these movements are normal
- I know enough to pick out even the short-term trends and fluctuations of stock markets
- I know the historical background on the markets I invest in, and actively seek out information that may indicate future trends

4. Which of these statements apply to you :

- I am risk averse. I do not like to see my portfolio in negative territory. I do not mind that my investment returns are small (between 3% to 5% p.a.)
- I have a moderate risk appetite. I am willing to see some fluctuation to my portfolio, but not too much. Overall, medium returns are good enough for me (between 5% to 7% p.a.)
- High returns are important to me. I am willing to take higher risks for significantly higher returns over time (above 10% p.a.)
- I think that I am good enough in investing such that I will do much better than most people. I expect returns of over 20% p.a

5. To what extent does a stock market crash resulting in a large drop in your funds affect you?

- I lay awake about it at night worrying that I may lose my investments and will consult my friends on what to do
- I worry about it and consult the experts. If they say sell, I will sell. If they say otherwise, I will then decide myself on what to do next
- I sell straight away as soon as I can to limit my losses. Any significant crash indicates that more is on the way
- I am not bothered in the least and view it as part of short-term market fluctuations. I am a long-term investor and this has no effect on my investment strategy on decisions

Risk Profile

6. If experts all say that it was a good time to buy into the market after it has sank 50%, what would your reaction be?

- Curse them because I had bought in at the all time highs of the markets and there was no way I was going to lose more money buying more of the fund
- Consider their recommendations carefully and the overall market fundamentals and put some money into the fund if I agree with them. Whether I had lost money or made money in that stock market previously is irrelevant
- Give a yawn and turn away. I do not believe in what experts say. I would stick to just investing for the long haul and not try to time the market meanwhile
- Get all excited and put shift all my money into the fund mentioned. This is the opportunity for me to make it big!

7. How often do you go back and check the prices of the funds that you buy and what is your typical reaction every time you check?

- I check every day and I always feel, Hmm, why hasn't the price moved?
- I check once a week or month and do not expect great jump in fund prices
- I check once a year when I am doing my annual review and am usually satisfied with the prices as they are within my expectations
- I will only look at them when I intend to sell off some of the funds (perhaps around retirement time, etc). In the meantime, I do not care how high or low they go nor do I have any interest in checking

8. Given two hypothetical portfolio, how would you invest: Portfolio 1: Gives an average annual return of 5% but downside is minimal Portfolio 2: Gives an average annual return of more than 10% but downside could be more than 20% in 1 year.

- 100% in portfolio 1
- 75% in portfolio 1 and 25% in portfolio 2
- 50% in portfolio 1 and 50% in portfolio 2
- 25% in portfolio 1 and 75% in portfolio 2

9. Given that an investment may lose 30% of its value within a year but has potential to gain 60% during the same period, how much of your investment monies would you invest into that instrument?

- 20%
- 0%
- 30%
- 10%

10. What is the range of losses and gains which you will be comfortable with on your investment within the span of one year? Ranges from:

- Loss of 10% to gain of 15%
- Loss of 5% to gain of 8%
- Loss of 25% to gain of 50%
- Loss of 15% to gain of 20%

11. Which statement best describes your investment preference?

- Emphasis on quick capital appreciation
- Emphasis on generating a stable stream of income
- Emphasis on steady capital appreciation
- Capital preservation

Risk Profile

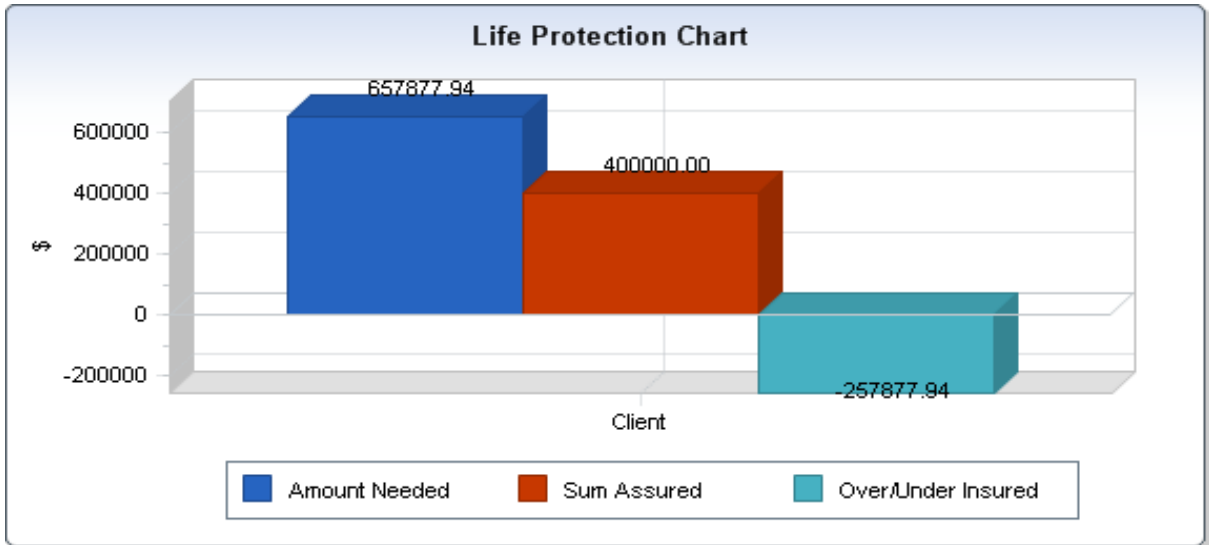
12. If you have a portfolio heavily weighted in equity funds and equity markets are going through a correction; would you:
- Check on the portfolio every other day and worry over how much the portfolio has dipped not knowing what to do
 - Think through your portfolio and switch most of it to bonds
 - Add on to equity funds which invest into markets which you feel have strong fundamentals
 - Take a wait and see attitude but not worry too much because you believe that long term investing works

Risk Management - Life Income Protection

Analysis

Life income protection is about providing adequate income for your dependents in the unfortunate event of your unexpected death, total loss of income, temporary or permanent inability to work.

Client currently have **insufficient capital and life insurance** to meet client's family ongoing financial needs. Client need an additional coverage of **\$257,877.94**.



Life Protection	Client
Years to provide for Family Expenses	\$30.00
Annual Amount required \$	\$50,000.00
Final Expenses \$	\$10,000.00
Inflation adjusted rate of return (tax adjusted) %	2.00%
Total Amount Needed \$	\$657,877.94
Value of liquid assets	(\$472,944.84)
Total Liabilities \$	\$1,000.00
Total Sum Assured \$	(\$400,000.00)
Over Insured \$	\$0.00
Under Insured \$	\$257,877.94

Recommendation

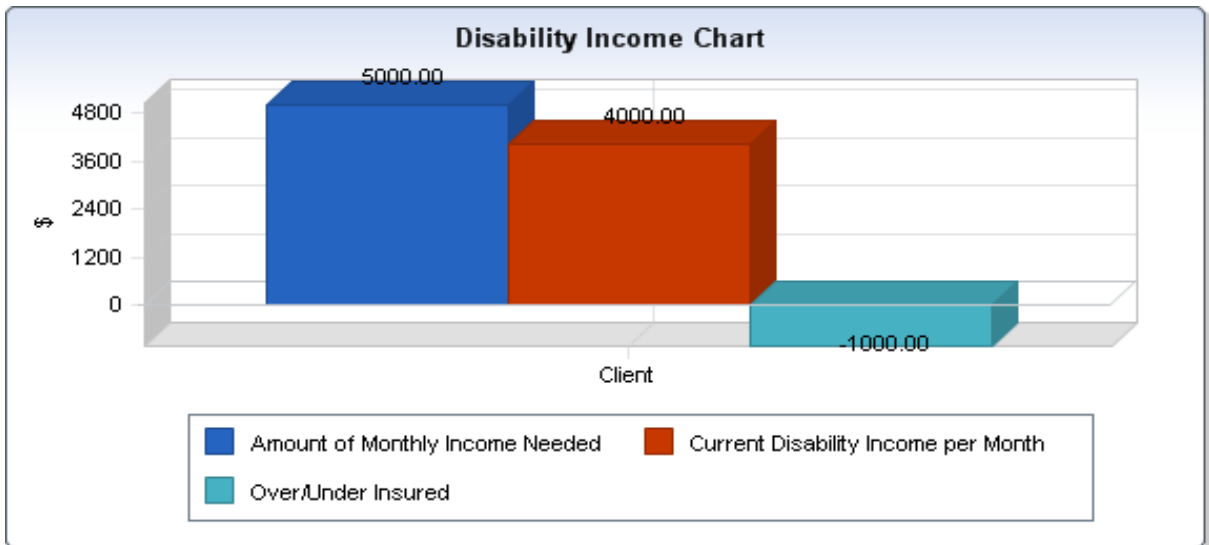
under insured. to add another Term policy

Risk Management - Disability Income Protection

Analysis

Disability income protection is to ensure that there is sufficient income replacement to maintain your desired lifestyle, should you become disabled.

Client desired monthly income is **\$5,000.00**. Client current disability income per month coverage is **\$4,000.00**, hence it is insufficient. Client will need an additional monthly coverage of **\$1,000.00**.



Disability Income Protection	Client
Amount of monthly income need for protection \$	\$5,000.00
Current disability income per month \$	\$4,000.00
Over Insured \$	\$0.00
Under Insured \$	\$1,000.00

Recommendation

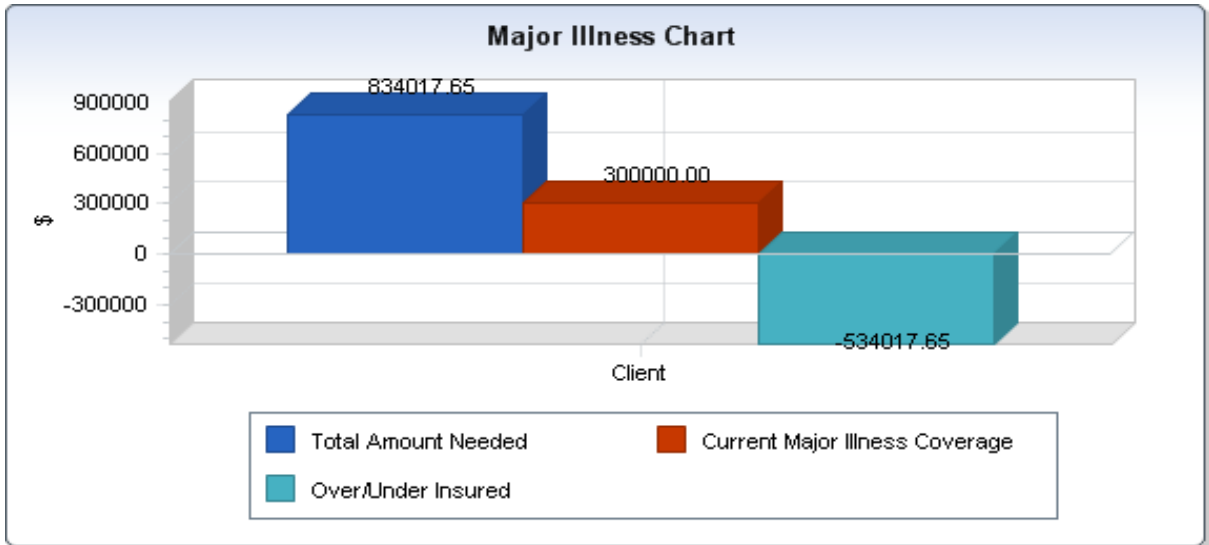
Under insured. To add another policy.

Risk Management - Major Illness Protection

Analysis

Major illness protection is to cover against the high costs incurred in the event that you suffer a debilitating major illness.

Based on our analysis, client will require an annual amount of **\$40,000.00** for a period of **30** years and an immediate lump sum of **\$50,000.00**. This will work out to be a total of **\$834,017.65** at the inflation adjusted rate of return of 3%. Client current major illness coverage is **\$300,000.00**, which is insufficient. Client will require an additional estimated coverage of



Major Illness Protection	Client
Years of Coverage	30
Annual Amount Required \$	\$40,000.00
Lump Sum Required \$	\$50,000.00
Inflation adjusted Rate of Return %	3.00%
Total Amount Needed	\$834,017.65
Current Major Illness Coverage \$	\$300,000.00
Over Insured \$	\$0.00
Under Insured \$	\$534,017.65

Hospital & Surgical	Client	
	Company	Personal
Type of Hospital	Private	Private
Type of Ward	A	A
Hospital & Surgical Benefit	Yes	Yes
Hospital Cash Benefit	Yes	Yes

Recommendation

require another policy

Client's Retirement

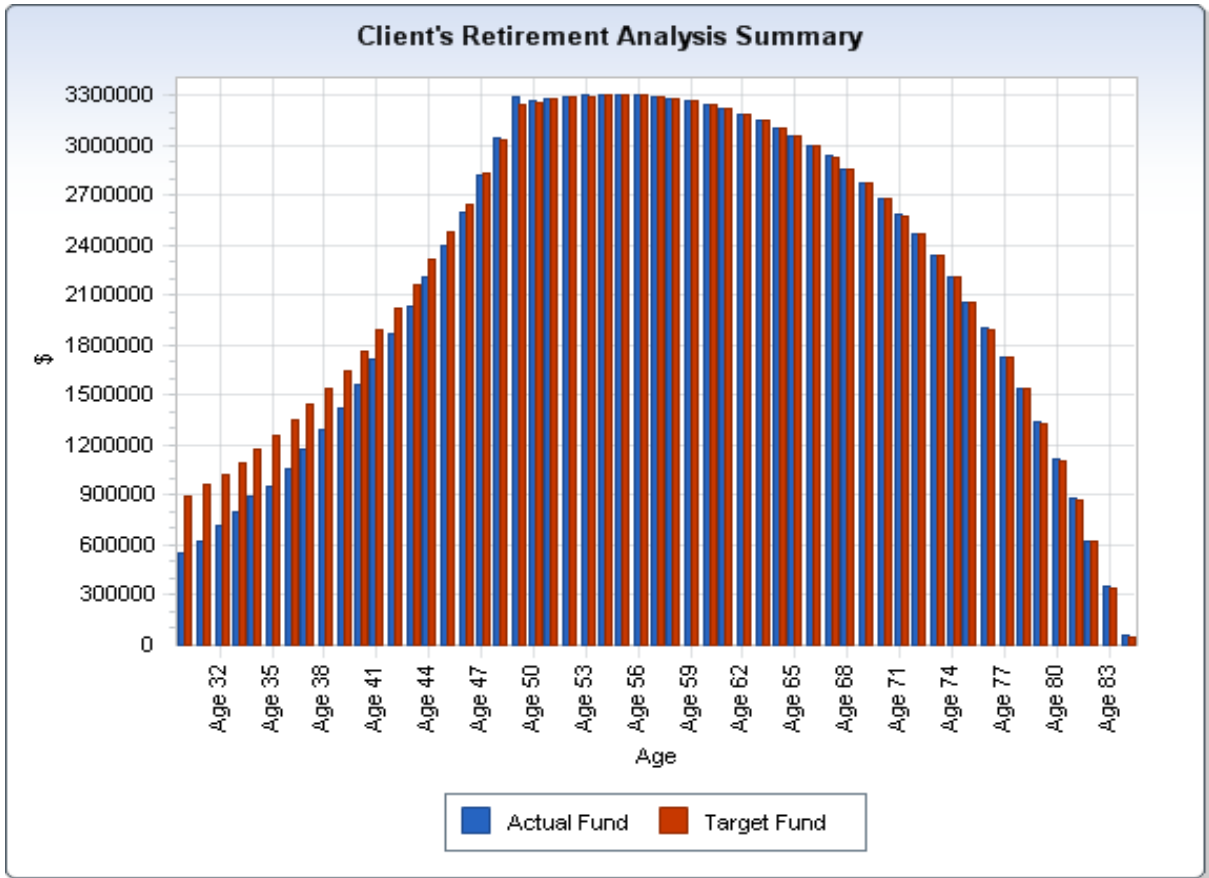
Analysis

Retirement planning ensures that you build a sizeable retirement nest egg that can allow you to live comfortably without working in your later years.

You intend to retire in the year **2029** at age **50** with monthly income of **\$5,000.00** in today's dollars. You also wish to have a capital preservation amount of **\$50,000.00** This will work out to be a retirement nest egg of **\$3,246,339.59** based on the assumptions that the inflation adjusted rate of return before retirement is assumed at **0%** while inflation adjusted rate of return during retirement at **0%**.

Based on the information you provided, at the time of your retirement, your CPF asset is projected to be **\$415,182.72** excluding your Medisave. Your investment will be worth **\$3,159,404.87** . You will have an outstanding CPF Housing Loan of **\$43,200.00** . On top of that, according to your life stages needs, you have a net outflow of **\$128,926.71** .

Based on our analysis, you will have sufficient capital to fund your retirement needs.



Client's Retirement Analysis Information

Current Retirement Fund at Retirement Age

Total CPF fund at retirement age	\$415,182.72
Total investment value at retirement age	\$3,159,404.87
Total outstanding housing loan at retirement age	\$43,200.00
Total retirement fund available at retirement age	\$3,402,460.88
At what age will the retirement fund last until	86

Retirement funds needed	\$3,246,339.59
Shortfall	\$0.00
Monthly amount to invest to meet retirement fund	\$0.00
Lump sum needed to invest to meet retirement fund	\$0.00

Recommendations

You can meet your retirement desired needs.

Desired Retirement Needs

Intended retirement age	50
Client's age to implement plan	30
Years to provide for retirement	35
Capital preservation	\$50,000.00
Investment rate of return before retirement (%)	7.00%
Investment rate of return during retirement (%)	4.00%
Inflation rate (%)	3.00%
Inflation adjusted rate of return before retirement (%)	1.00%
Inflation adjusted rate of return during retirement (%)	0.25%
Desired monthly retirement income in today's dollars	\$5,000.00

Client's CPF Analysis Information

Income

Gross income	\$10,000.00
No. of months bonus	3
Rate of wage increment per year (%)	5.00%

CPF Account Balances

Ordinary Account	\$15,000.00
Special Account	\$18,000.00
Medisave Account	\$12,000.00
SRS Account	\$0.00

CPF Housing Schemes

Installment paid from CPF (per month) Start age:27 ; End Age:55	\$600.00
---	----------

Annual CPF Outflows from Medisave

Private medical insurance Start age:27 ; End Age:65	\$600.00
---	----------

Projected CPF Fund at Retirement Age

Years to retirement	20
Total Ordinary Account	\$142,136.24
Total Special Account	\$236,139.36
Total Medisave Account	\$36,907.12
Total SRS Account	\$0.00
Total outstanding housing loan	\$43,200.00

Assets Accumulation & Life Stages

Years to retirement : 20

Cash investment

Type of Asset:	ROI (%)	Current Market Value (\$)	Annual Contribution (\$)	F.V. at Retirement Age (\$)
Bank Account	0.50%	\$10,000.00	\$1,000.00	\$32,028.07
UT & ILP	7.00%	\$395,287.42	\$24,000.00	\$2,513,529.40
Cash Investment Total		\$405,287.42	\$25,000.00	\$2,545,557.47

Ordinary Account

Type of Asset:	ROI (%)	Current Market Value (\$)	Annual Contribution (\$)	F.V. at Retirement Age (\$)
UT & ILP	7.00%	\$13,386.86	\$5,000.00	\$256,780.39
Ordinary Account Total		\$13,386.86	\$5,000.00	\$256,780.39

Special Account

Type of Asset:	ROI (%)	Current Market Value (\$)	Annual Contribution (\$)	F.V. at Retirement Age (\$)
UT & ILP	5.00%	\$9,270.56	\$3,000.00	\$123,795.42
Special Account Total		\$9,270.56	\$3,000.00	\$123,795.42

Description	Start age - End Age	Amount (\$)	ROI (%)	Nature of Live Stage	Lump sum or regular amount
Marriage	35 - 35	\$50,000.00	0.00%	Outflow	One Time Lump Sum

Education

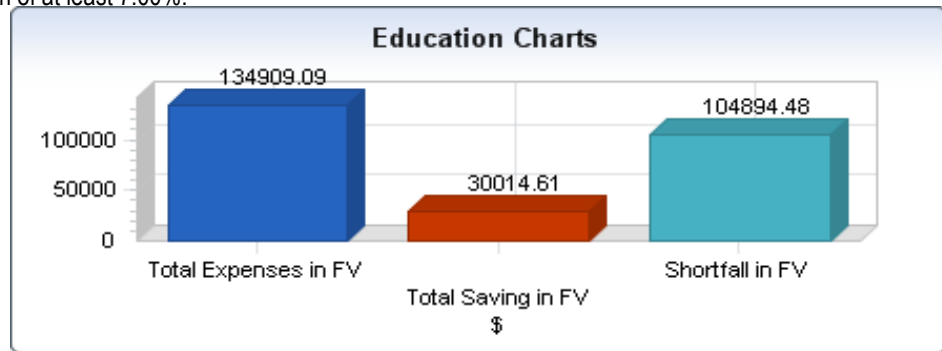
Client

Scenario: Study in UK

Analysis

Education planning is to ensure that you have sufficient funds for specific education needs which include the tuition fees and living expenses.

You have savings of \$ 20,000.00. Based on our analysis, you need an education fund of \$ 134,909.09 in 6 years time. To accumulate this fund, you need to invest an amount of \$ 1,169.64 monthly, or a lump sum investment of \$ 69,895.62 at an annual return of at least 7.00%.



Present Age	24
Total Tuition Expenses per Year in Today's Dollars (\$)	25,000.00
Total Living Expenses per Year in Today's Dollars (\$)	30000
Expected Investment Rate of Return (%)	7
Education Inflation Rate (%)	4
Living Inflation Rate (%)	3
Course Length (yrs)	2
Entry Age	30
Current Saving (\$)	20,000.00
Total Tuition & Living Expenses in Future Value (\$)	134,909.09
Shortfall in Future Value (\$)	104,894.48
Lump Sum Investment Amount Starting From Now (\$)	69,895.62
Monthly Investment Amount Starting From Now (\$)	1,169.64

Recommendation

Please refer to Recommended Portfolio to meet this need.

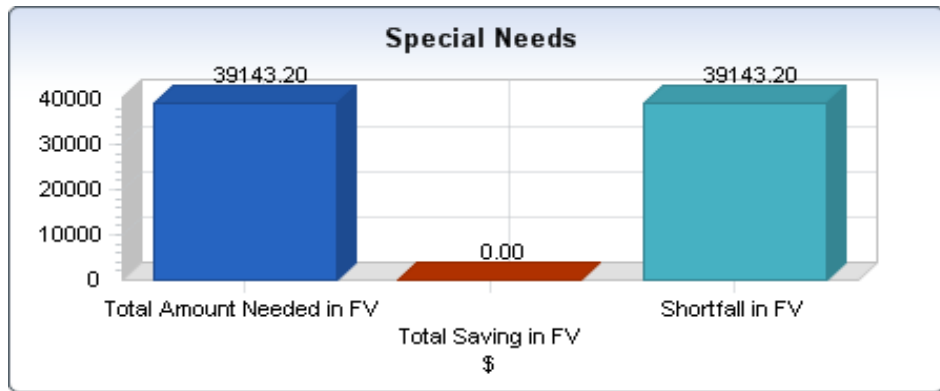
Special Needs

Client

Scenario: Honeymoon in South America

You have indicated that you need a lump sum of \$ 30,000.00 in today's value. With the inflation rate of 3.00%, this amount would grow to be \$ 39,143.20 in 9 years time

You have savings of \$ 0.00. Based on our analysis, if you invest your current savings with annual return of at least 7.00%, you will not be able to meet your goal. To make up for the shortfall, you need to either invest an additional lump sum of \$ 21,291.30 or invest \$ 259.69 monthly, with at least an annual return of 7.00%.



Present Age (Year)	24
Lump Sum Required in Today's Dollars (\$)	30,000.00
At What Age the Fund is Needed?	33
Investment Rate of Return (%)	7
Inflation Rate (%)	3
Current Savings (\$)	0
Total Lump Sum Required in FV (\$)	39,143.20
Shortfall in FV (\$)	39,143.20
Lump Sum Investment Amount Starting From Now (\$)	21,291.30
Monthly Investment Amount Starting From Now (\$)	259.69

Recommendation

Consolidated Recommendation

Risk Management - Disability Income

Under insured. To add another policy.

Risk Management - Life Protection

under insured. to add another Term policy

Risk Management - Major Illness

require another policy

Retirement

You can meet your retirement desired needs.

Education - Study in UK

Please refer to Recommended Portfolio to meet this need.

Declarations

Client Acknowledgement

1. I /We understand that my/our consultant is a licensed Financial Adviser Representative with AM Team, a financial advisory company licensed by Monetary Authority of Singapore (MAS)
2. The information provided by me / us in this Personal Financial Review will be used as the basis for advice and recommendations presented to me/us in investment and insurance
3. I / We understand that my/our consultant must have sufficient information before making a suitable recommendation. Any financial products/services purchased without the completion of a Personal Financial Review, or based on partial or inaccurate information, may not be appropriate for me/us
4. I / We understand that my/our consultant must have disclosed all the fees and charges to be borne by me / us
5. I /We understand that it is important that I/we carry out a financial review and risk profile review at least once a year. This is to ensure that any financial products recommended based on my/our updated information will be suitable for my/our needs, and that my/our financial plan will continue to remain relevant to me/us over time

Client Name: Hon Hee Siew

Client NRIC: S7917771A

Date: 12/17/2009

Signature:

Adviser Acknowledgement

1. I have declared to my client/s that I am a licensed Financial Adviser Representative with AM Team, a financial advisory company licensed by Monetary Authority of Singapore (MAS)
2. The information provided by my client/s in this Personal Financial Review will be used as the basis for advice and recommendations presented to him/her/them in investment and insurance
3. I have gathered sufficient information before making a suitable recommendation to my client/s
4. I have disclosed all the fees and charges to be borne by my client/s
5. I understand that it is important that I carry out a financial review and risk profile review at least once a year. This is to ensure that any financial products recommended based on my updated information will be suitable for my client/s' needs, and that my financial plan will continue to remain relevant to him/her/them over time
6. I declare that the information provided to me in this Financial Needs Analysis form is strictly confidential and is only to be used for the purpose of fact find in the process of recommending suitable investment and insurance products and shall not be used for any other purposes

Adviser Name: Erik Hon

Company Name & Advisor Code: AM Team; AMT00007

Date: 12/17/2009

Signature:

Appendix

1. Financial Ratio Calculation
2. Retirement Calculation
3. Education Calculation
4. Special Needs Calculation

Client Ratio Analysis Formula

1. Basic Liquidity Ratio

Liquid Assets -->Bank Account + Fixed Deposit + Insurance [cash value] + [Others] + [Others]

Monthly Expenses --> (Total Annual Expenses / 12)

10,000.00 -->10,000.00 + 0.00 + 0.00 + 0.00 + 0.00

8,738.33 --> (104,860.00 / 12)

2. Liquid Asset to Net Worth Ratio

Liquid Assets (Bank Account + Fixed Deposit + Insurance [cash value] + [Others] + [Others])

Total Net Worth

10,000.00 -->10,000.00 + 0.00 + 0.00 + 0.00 + 0.00

771,944.83

3. Solvency Ratio

Total Net Worth

Total Assets

771,944.83

922,944.83

4. Savings Ratio

Annual Savings (from cash flow > expenses)

Annual Income (total cash inflow) + Total CPF Inflow (inclusive of Employee and Employer)

12000

237,200.04 + 18,630.00

Client Ratio Analysis Formula

5. Debt to Assets Ratio

$$\frac{\text{Total Liabilities}}{\text{Total Assets}}$$
$$\frac{151,000.00}{922,944.83}$$

6. Net Investments Assets to Net Worth Ratio

$$\frac{\text{Investment(Invested Assets)}}{\text{Total Net Worth}}$$
$$\frac{417,944.83}{771,944.83}$$

7. Debt Service Ratio

Annual Debt Payment from Loan Repayment Annual Expenses --> Housing Installment (Cash) + Housing Installment (CPF) + Renovation Loan + Car Installment + Personal Bank Loan + Hire Purchase + Credit Card

$$\frac{\text{Annual take home Income (Total cash flow)}}{7,200.00 \text{ -->} 0.00 + 7,200.00 + 0.00 + 0.00 + 0.00 + 0.00 + 0.00}$$
$$237,200.04$$

8. Non-mortgage Debt Service Ratio

Total annual non-mortgage debt repayments --> Renovation Loan + Car Installment + Personal Bank Loan + Hire Purchase + Credit Card

$$\frac{\text{Annual take home income (Total cash inflow)}}{0.00 \text{ -->} 0.00 + 0.00 + 0.00 + 0.00 + 0.00}$$
$$237,200.04$$

Retirement Analysis Calculation

Rate of return before retirement = $(1 + \text{rate of investment before retirement}) / (1 + \text{Inflation}) - 1$

Rate of return after retirement = $(1 + \text{rate of investment after retirement}) / (1 + \text{Inflation}) - 1$

Desired Income at Retirement Age = $FV(\text{Inflation Rate}, \text{Retirement age} - \text{Age to Implement}, 0, \text{Desired Monthly Retirement})$

Yearly DrawnDown Amount During Retirement = $FV(\text{Inflation Rate}, (\text{Retirement Age} - \text{Age to Implement}), 0, (\text{Desired Income at Retirement Age} * 12))$

Desired Retirement Fund Needed = $PV(\text{Inflation Adjusted Rate of Return Before Retirement}, (\text{Age to Death} - \text{Retirement Age}), \text{Yearly DrawnDown Amount}, 0, 1)$

Present Value of Capital Preservation = $PV(\text{Rate of Return Before Retirement}, (\text{Age of Death} - \text{Retirement Age}), 0, \text{FV of Capital Preservation needed}, 0)$

Retirement Amount = Present Value of Capital Preservation + Yearly Drawdown Amount during Retirement

Total Outstanding House Loan will be deducted from the Actual Beginning Value at Retirement Age

Remarks

Set Type equal to	If payments are due	Financial Calculator Mode
0	At the end of the period	Payment set to END
1	At the beginning of the period	Payment set to BEGIN

All Investment Interest Rate Earned are computed and credited in the following year

Client's Retirement Analysis Calculation Step Table

Age	Actual Beginning Value	Income for the year	OA Net Inflow	SA Net Inflow	Medisave Net Inflow	SRS Net Inflow	Invested Asset Net Inflow	Live Stages Net Inflow	(-)Retirement Drawdown	(=)Actual Fund End Value	Target Fund Start Value	(=)Target Fund End Value
30	\$427,944.84	\$120,000.00	\$20,843.20	\$21,672.05	\$15,601.80	\$0.00	\$62,120.73	\$0.00	\$0.00	\$548,182.62	\$838,915.84	\$897,639.95
31	\$548,182.62	\$156,000.00	\$6,009.01	\$3,845.33	\$3,773.97	\$0.00	\$66,331.66	\$0.00	\$0.00	\$628,142.59	\$897,639.95	\$960,474.75
32	\$628,142.59	\$163,800.00	\$6,159.23	\$3,997.36	\$3,930.69	\$0.00	\$70,833.54	\$0.00	\$0.00	\$713,063.41	\$960,474.75	\$1,027,707.98
33	\$713,063.41	\$171,990.00	\$6,313.21	\$4,154.16	\$4,091.01	\$0.00	\$75,646.60	\$0.00	\$0.00	\$803,268.39	\$1,027,707.98	\$1,099,647.54
34	\$803,268.39	\$180,589.50	\$6,471.04	\$4,317.90	\$4,257.08	\$0.00	\$80,792.38	\$0.00	\$0.00	\$899,106.79	\$1,099,647.54	\$1,176,622.87
35	\$899,106.79	\$189,618.98	\$6,632.82	\$4,488.67	\$4,429.31	\$0.00	\$86,294.03	(\$50,000.00)	\$0.00	\$950,951.62	\$1,176,622.87	\$1,258,986.47
36	\$950,951.62	\$199,099.92	\$5,705.41	\$9,589.57	\$787.04	\$0.00	\$92,176.23	\$0.00	\$0.00	\$1,059,209.87	\$1,258,986.47	\$1,347,115.52

Retirement Analysis Calculation

Client's Retirement Analysis Calculation Step Table

Age	Actual Beginning Value	Income for the year	OA Net Inflow	SA Net Inflow	Medisave Net Inflow	SRS Net Inflow	Invested Asset Net Inflow	Live Stages Net Inflow	(-)Retirement Drawdown	(=)Actual Fund End Value	Target Fund Start Value	(=)Target Fund End Value
37	\$1,059,209.87	\$209,054.92	\$5,848.04	\$10,793.11	(\$1.44)	\$0.00	\$98,465.41	\$0.00	\$0.00	\$1,174,314.99	\$1,347,115.52	\$1,441,413.61
38	\$1,174,314.99	\$219,507.67	\$5,994.25	\$11,224.53	(\$1.20)	\$0.00	\$105,189.84	\$0.00	\$0.00	\$1,296,722.41	\$1,441,413.61	\$1,542,312.56
39	\$1,296,722.41	\$230,483.05	\$6,144.10	\$11,673.28	(\$1.01)	\$0.00	\$112,379.77	\$0.00	\$0.00	\$1,426,918.55	\$1,542,312.56	\$1,650,274.44
40	\$1,426,918.55	\$242,007.20	\$6,297.70	\$12,140.03	(\$0.87)	\$0.00	\$120,067.50	\$0.00	\$0.00	\$1,565,422.91	\$1,650,274.44	\$1,765,793.65
41	\$1,565,422.91	\$254,107.56	\$6,455.15	\$12,625.48	(\$0.75)	\$0.00	\$128,287.65	\$0.00	\$0.00	\$1,712,790.44	\$1,765,793.65	\$1,889,399.21
42	\$1,712,790.44	\$266,812.94	\$6,616.53	\$13,130.37	(\$0.66)	\$0.00	\$137,077.21	\$0.00	\$0.00	\$1,869,613.89	\$1,889,399.21	\$2,021,657.15
43	\$1,869,613.89	\$280,153.59	\$6,781.94	\$13,655.48	(\$0.58)	\$0.00	\$146,475.75	\$0.00	\$0.00	\$2,036,526.48	\$2,021,657.15	\$2,163,173.15
44	\$2,036,526.48	\$294,161.27	\$6,951.49	\$14,201.61	(\$0.51)	\$0.00	\$156,525.62	\$0.00	\$0.00	\$2,214,204.69	\$2,163,173.15	\$2,314,595.27
45	\$2,214,204.69	\$308,869.33	\$7,125.27	\$14,769.60	(\$0.46)	\$0.00	\$167,272.07	\$0.00	\$0.00	\$2,403,371.17	\$2,314,595.27	\$2,476,616.94
46	\$2,403,371.17	\$324,312.80	\$6,210.18	\$16,417.08	\$44.74	\$0.00	\$178,763.56	\$0.00	\$0.00	\$2,604,806.73	\$2,476,616.94	\$2,649,980.13
47	\$2,604,806.73	\$340,528.44	\$6,365.43	\$17,120.68	(\$0.39)	\$0.00	\$191,051.88	\$0.00	\$0.00	\$2,819,344.33	\$2,649,980.13	\$2,835,478.74
48	\$2,819,344.33	\$357,554.86	\$6,524.57	\$17,805.45	(\$0.35)	\$0.00	\$204,192.45	\$0.00	\$0.00	\$3,047,866.45	\$2,835,478.74	\$3,033,962.25
49	\$3,047,866.45	\$375,432.60	\$6,687.68	\$18,517.62	(\$0.31)	\$0.00	\$218,244.56	\$0.00	\$0.00	\$3,291,316.00	\$3,033,962.25	\$3,246,339.61
50	\$3,248,116.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$108,366.67	\$3,265,339.30	\$3,246,339.61	\$3,263,491.86
51	\$3,265,339.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$111,617.67	\$3,279,870.50	\$3,263,491.86	\$3,277,949.16
52	\$3,279,870.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$114,966.20	\$3,291,500.47	\$3,277,949.16	\$3,289,502.28
53	\$3,291,500.47	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$118,415.19	\$3,300,008.69	\$3,289,502.28	\$3,297,930.57
54	\$3,300,008.69	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$121,967.65	\$3,305,162.68	\$3,297,930.57	\$3,303,001.44
55	\$3,305,162.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$125,626.68	\$3,306,717.44	\$3,303,001.44	\$3,304,469.75
56	\$3,306,717.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$129,395.48	\$3,304,414.84	\$3,304,469.75	\$3,302,077.24
57	\$3,304,414.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$133,277.34	\$3,297,983.00	\$3,302,077.24	\$3,295,551.90
58	\$3,297,983.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$137,275.66	\$3,287,135.63	\$3,295,551.90	\$3,284,607.29
59	\$3,287,135.63	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$141,393.93	\$3,271,571.37	\$3,284,607.29	\$3,268,941.89
60	\$3,271,571.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$145,635.75	\$3,250,973.04	\$3,268,941.89	\$3,248,238.39
61	\$3,250,973.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150,004.82	\$3,225,006.95	\$3,248,238.39	\$3,222,162.91
62	\$3,225,006.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$154,504.97	\$3,193,322.06	\$3,222,162.91	\$3,190,364.26
63	\$3,193,322.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$159,140.11	\$3,155,549.23	\$3,190,364.26	\$3,152,473.12
64	\$3,155,549.23	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$163,914.32	\$3,111,300.31	\$3,152,473.12	\$3,108,101.15
65	\$3,111,300.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$168,831.75	\$3,060,167.30	\$3,108,101.15	\$3,056,840.18
66	\$3,060,167.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$173,896.70	\$3,001,721.42	\$3,056,840.18	\$2,998,261.22

Retirement Analysis Calculation

Client's Retirement Analysis Calculation Step Table

Age	Actual Beginning Value	Income for the year	OA Net Inflow	SA Net Inflow	Medisave Net Inflow	SRS Net Inflow	Invested Asset Net Inflow	Live Stages Net Inflow	(-)Retirement Drawdown	(=)Actual Fund End Value	Target Fund Start Value	(=)Target Fund End Value
67	\$3,001,721.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$179,113.60	\$2,935,512.13	\$2,998,261.22	\$2,931,913.52
68	\$2,935,512.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$184,487.01	\$2,861,066.12	\$2,931,913.52	\$2,857,323.57
69	\$2,861,066.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$190,021.62	\$2,777,886.28	\$2,857,323.57	\$2,773,994.03
70	\$2,777,886.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$195,722.27	\$2,685,450.57	\$2,773,994.03	\$2,681,402.63
71	\$2,685,450.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$201,593.94	\$2,583,210.90	\$2,681,402.63	\$2,579,001.04
72	\$2,583,210.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207,641.75	\$2,470,591.92	\$2,579,001.04	\$2,466,213.66
73	\$2,470,591.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213,871.01	\$2,346,989.75	\$2,466,213.66	\$2,342,436.36
74	\$2,346,989.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$220,287.14	\$2,211,770.71	\$2,342,436.36	\$2,207,035.19
75	\$2,211,770.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$226,895.75	\$2,064,269.96	\$2,207,035.19	\$2,059,345.02
76	\$2,064,269.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$233,702.62	\$1,903,790.03	\$2,059,345.02	\$1,898,668.10
77	\$1,903,790.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$240,713.70	\$1,729,599.38	\$1,898,668.10	\$1,724,272.58
78	\$1,729,599.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$247,935.11	\$1,540,930.84	\$1,724,272.58	\$1,535,390.97
79	\$1,540,930.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$255,373.17	\$1,336,979.98	\$1,535,390.97	\$1,331,218.51
80	\$1,336,979.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$263,034.36	\$1,116,903.44	\$1,331,218.51	\$1,110,911.52
81	\$1,116,903.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$270,925.39	\$879,817.17	\$1,110,911.52	\$873,585.58
82	\$879,817.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$279,053.15	\$624,794.58	\$873,585.58	\$618,313.73
83	\$624,794.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$287,424.75	\$350,864.62	\$618,313.73	\$344,124.54
84	\$350,864.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$296,047.49	\$57,009.82	\$344,124.54	\$50,000.13

Education Calculation

Client

Scenario: Study in UK

Present Age	24
Total Tuition Expenses per Year in Today's Dollars (\$)	25,000.00
Total Living Expenses per Year in Today's Dollars (\$)	30,000.00
Expected Investment Rate of Return (%)	7
Education Inflation Rate (%)	4
Living Inflation Rate (%)	3
Course Length (yrs)	2
Entry Age	30
Current Saving (\$)	20,000.00

Calculations

$$\begin{aligned}\text{Total Tuition Fee} &= 25,000.00 \times 2 \\ &= \$ 50,000.00\end{aligned}$$

$$\begin{aligned}\text{Total Living Expenses} &= 30,000.00 \times 2 \\ &= \$ 60,000.00\end{aligned}$$

$$\begin{aligned}\text{Total Expenses in Future Value} &= FV(0.0400, 6, 0, - 50,000.00, 1) + FV(0.030, 6, 0, - 60,000.00, 1) \\ &= \$ 134,909.09\end{aligned}$$

$$\begin{aligned}\text{Total Saving in Future Value} &= FV(0.0700, 6, 0, - 20,000.00, 1) \\ &= \$ 30,014.61\end{aligned}$$

$$\begin{aligned}\text{Shortfall in Future Value} &= 134,909.09 - 30,014.61 \\ &= \$ 104,894.48\end{aligned}$$

$$\begin{aligned}\text{Lump Sum Investment Amount} &= PV(0.0700, 6, 0, 104,894.48, 1) \\ &= \$ 69,895.62\end{aligned}$$

$$\begin{aligned}\text{Monthly Investment Amount} &= PMT(0.0058, 72, 0, - 104,894.48, 1) \\ &= \$ 1,169.64\end{aligned}$$

Special Needs Calculation

Client

Scenario: Honeymoon in South America

Present Age (Year)	24
Lump Sum Required in Today's Dollar (\$)	30,000.00
At What Age the Fund is Needed?	33
Investment Rate of Return (%)	7
Inflation Rate (%)	3
Current Savings (\$)	0

Calculations

$$\begin{aligned}\text{Total Lump Sum required in Future Value} &= \text{FV}(0.030, 9, 0, -30,000.00, 1) \\ &= \$ 39,143.20\end{aligned}$$

$$\begin{aligned}\text{Total Saving in Future Value} &= \text{FV}(0.070, 9, 0, -0.00, 1) \\ &= \$ 0.00\end{aligned}$$

$$\begin{aligned}\text{Shortfall in Future Value} &= 39,143.20 - 0.00 \\ &= \$ 39,143.20\end{aligned}$$

$$\begin{aligned}\text{Lump Sum Investment Amount Needed} &= \text{PV}(0.0700, 9, 0, 39,143.20, 1) \\ &= \$ 21,291.31\end{aligned}$$

$$\begin{aligned}\text{Monthly Investment Amount} &= \text{PMT}(0.0058, 108, 0, -39,143.20, 1) \\ &= \$ 259.69\end{aligned}$$