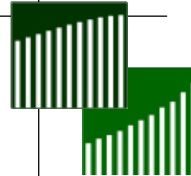


Roth Conversion Comparison Analysis

Phase 1

Income to match your lifestyle
and preserve your wealth



Phase 2

Continuing income for
spousal security and
independence

Prepared For : _____

January 06, 2012

Prepared By : _____

Financial Analyst
First Financial of Sewickley

This information is hypothetical and is provided for informational purposes only. It is not intended to represent any specific return, yield, or investment, nor is it indicative of future results. Information provided by you has not been verified by our firm.

Contents & Disclosure

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Important Disclosure Regarding Illustration of the "Roth Conversion"

The following presentation tracks and projects a Traditional IRA balance through retirement and compares its activities and events with those of that same Traditional IRA balance that's been converted to a Roth IRA. This presentation can only provide broad general guidelines, which may be helpful in shaping your thinking about the decision on whether to convert a portion of or all of a given IRA balance to a Roth IRA

It is important to recognize that in computing and illustrating this hypothetical retirement projection:

- i) This illustration assumes the original owner (and spouse if applicable) will have no need for income from the IRA in excess of the retirement needs indicated.
- ii) This illustration assumes that all distributions are taken at year's end (12/31), by the client (and spouse if applicable).
- iii) This illustration is not meant to be and cannot be precise about any future events that are reflected within. All rates of return are hypothetical and are not a guarantee of the future performance of any financial product. In addition, income and capital projections reflect the impact of estimated federal income taxes only, when applicable. Many, but not all, states follow the federal rules regarding the deductibility of contributions and the taxability of distributions from IRAs. Because of the variability of state specific income taxation this illustration does not show any estimated state tax calculations.

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Initial Information & Assumptions

Analysis - Initial Data, Assumptions & Options

Analysis Info

Analysis Date : 01/06/2012
2012 Conversion Date : 01/06/2012

Client Info

Name : Joe Sample
DOB / Age : 05/09/1947 / 65
Retirement Age : 66
Illustrate To Age/Yr. : 86 / 2033

Current - Pre-Retirement

@PV of 2012 Conversion & Tax Rate : **\$54,992 (28.00%)**
Traditional IRA & Roth IRA ROI : 6.00%
Net Savings ROI : 4.00%

Account Balances (As of 01/06/2012)

Traditional IRA : \$200,000
Savings : \$0

Spouse Info

Name : Jane Sample
DOB / Age : 01/04/1952 / 60
Illustrate To Age/Yr. : 85 / 2037

Post Conversion - Retirement Period

Income Tax Rate : 15.00%
Traditional & Roth ROI : 5.00%
Net Savings ROI : 3.00%

Discussion Of Presentation Graphs & Ledgers

The first graph on the following page compares the ability of the different IRA account options to provide the indicated retirement income needs. The second compares the total and net account values of the two options on an annual basis through retirement. Please note that the Roth IRA, because it is not subject to income taxes, does not show any tax components, nor is there a savings balance component. On the other hand, the Traditional IRA, which is subject to required minimum distribution rules, inevitably will develop as savings account component when the RMDs distribution yield a net distribution in excess of retirement needs.

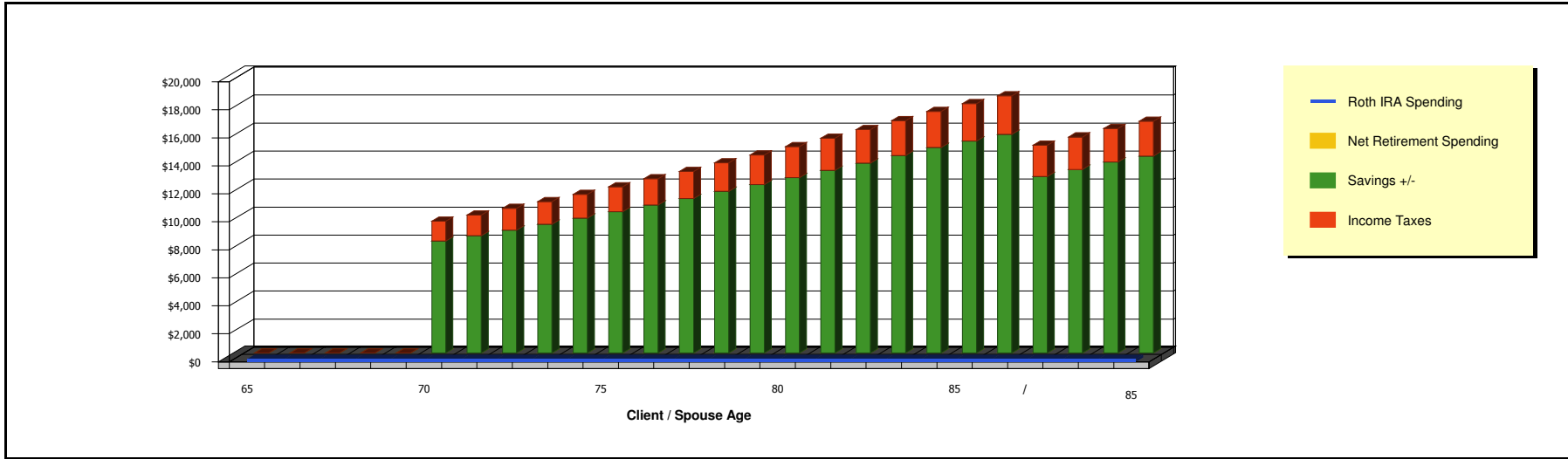
In the first graph, the blue line represents the income needs provided by the Roth IRA conversion option, the Traditional IRA (the no conversion option) is represented with 3 different elements in what is called a stacked bar. The total height of the bar represents annual gross distributions from the IRA, the red the IRA income taxes, the green the deposits to or from savings and the gold the income need being provided by this option.

In the second graph, the blue line represents the Roth IRA balance, the Traditional IRA (the no conversion option) is represented with 3 different elements, in what is called a stacked bar. The total height of the bar represents the total of the account balances, the red the IRA estimated lump sum income tax, the green the savings balance and the gold the net IRA value after the estimated lump sum income tax.

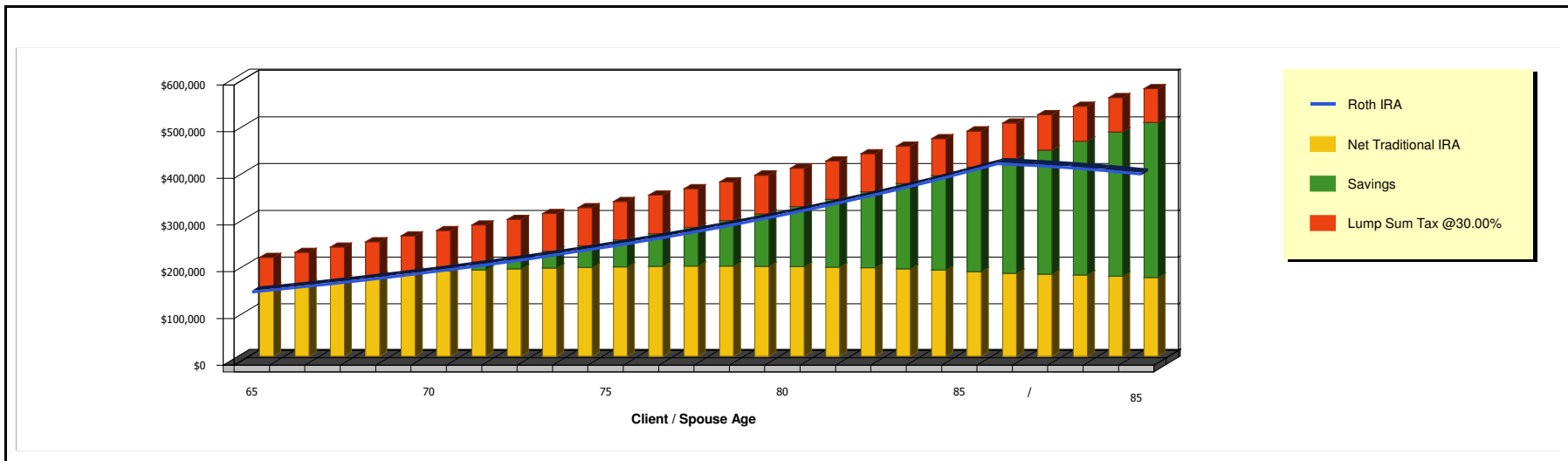
Please note: For years in which the savings account is used to provide a portion or all of the income needs, that savings withdrawal amount will show below the zero line to reflect a withdrawal, not a deposit. In addition, the ledger page(s) that follows will provide the detail on which both graphs are based.

Comparison Of Traditional IRA vs Roth Conversion Options

Retirement Income Need (Spending) Comparison



Retirement Account Balance Comparison



Comparative Summary Income Ledger

Net Income Ledger (No Conversion vs 2012 Conversion Taxes From IRA)

Age / LX	No Conversion						2012 Conversion					
	Traditional IRA			Savings			Roth IRA ./ Savings					
	Earnings	Distribution (* RMD)	Income Taxes	Net Spending	Net to Savings	IRA Balance	Earnings	Net Deposit From IRA	Savings Balance	Earnings	Spending	Balance
01/06/2012						\$200,000			\$0			\$145,008
Conversion												\$54,992
65	11,868	0	0	0	0	211,868	0	0	0	8,605	0	153,614
12 RC Tax										1,008	56,000	0
66	10,593	0	0	0	0	222,462	0	0	0	7,681	0	161,294
67	11,123	0	0	0	0	233,585	0	0	0	8,065	0	169,359
68	11,679	0	0	0	0	245,264	0	0	0	8,468	0	177,827
69	12,263	0	0	0	0	257,527	0	0	0	8,891	0	186,718
70 / 27.4	12,876	9,399	1,410	0	7,989	261,005	0	7,989	7,989	9,336	0	196,054
71 / 26.5	13,050	9,849	1,477	0	8,372	264,206	240	8,372	16,601	9,803	0	205,857
72 / 25.6	13,210	10,321	1,548	0	8,772	267,096	498	8,772	25,871	10,293	0	216,150
73 / 24.7	13,355	10,814	1,622	0	9,192	269,637	776	9,192	35,839	10,807	0	226,957
74 / 23.8	13,482	11,329	1,699	0	9,630	271,790	1,075	9,630	46,544	11,348	0	238,305
75 / 22.9	13,589	11,869	1,780	0	10,088	273,510	1,396	10,088	58,028	11,915	0	250,220
76 / 22.0	13,676	12,432	1,865	0	10,567	274,754	1,741	10,567	70,337	12,511	0	262,731
77 / 21.2	13,738	12,960	1,944	0	11,016	275,531	2,110	11,016	83,463	13,137	0	275,868
78 / 20.3	13,777	13,573	2,036	0	11,537	275,735	2,504	11,537	97,504	13,793	0	289,661
79 / 19.5	13,787	14,140	2,121	0	12,019	275,381	2,925	12,019	112,448	14,483	0	304,145
80 / 18.7	13,769	14,726	2,209	0	12,517	274,424	3,373	12,517	128,339	15,207	0	319,352
81 / 17.9	13,721	15,331	2,300	0	13,031	272,814	3,850	13,031	145,220	15,968	0	335,319
82 / 17.1	13,641	15,954	2,393	0	13,561	270,501	4,357	13,561	163,138	16,766	0	352,085
83 / 16.3	13,525	16,595	2,489	0	14,106	267,431	4,894	14,106	182,138	17,604	0	369,690
84 / 15.5	13,372	17,254	2,588	0	14,666	263,549	5,464	14,666	202,268	18,484	0	388,174
85 / 14.8	13,177	17,807	2,671	0	15,136	258,919	6,068	15,136	223,472	19,409	0	407,583
86 / 14.1	12,946	18,363	2,754	0	15,609	253,502	6,704	15,609	245,785	20,379	0	427,962
82 / 17.1	12,675	14,825	2,224	0	12,601	251,352	7,374	12,601	265,759	21,398	0	424,333
83 / 16.3	12,568	15,420	2,313	0	13,107	248,500	7,973	13,107	286,839	21,217	0	419,517

Comparative Summary Income Ledger Continued

Net Income Ledger (No Conversion vs 2012 Conversion Taxes From IRA)

Age / LX	No Conversion						2012 Conversion					
	Traditional IRA			Savings			Roth IRA ./ Savings					
	Earnings	Distribution (* RMD)	Income Taxes	Net Spending	Net to Savings	IRA Balance	Earnings	Net Deposit From IRA	Savings Balance	Earnings	Spending	Balance
84 / 15.5	12,425	16,032	2,405	0	13,627	244,892	8,605	13,627	309,072	20,976	0	413,427
85 / 14.8	12,245	16,547	2,482	0	14,065	240,590	9,272	14,065	332,409	20,671	0	406,164
	336,130	295,540	44,331	0	251,209		81,200	251,209		367,215	0	