



Product Backgrounder

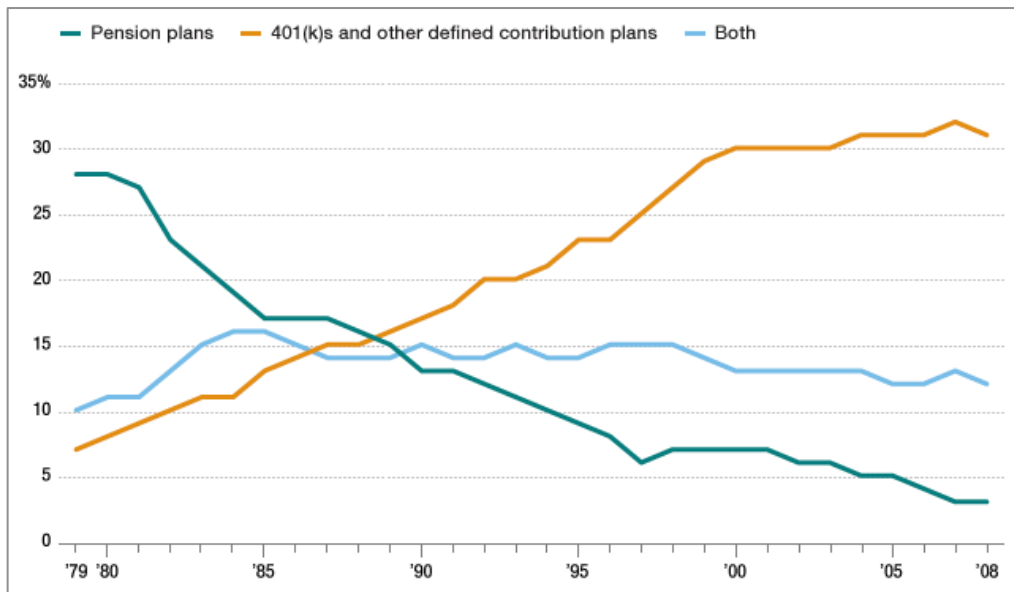
VisualCalc™ Retirement Planning Calculator

Product Overview

The VisualCalc™ Retirement Planning Calculator is a web-based calculator that financial planning institutions, including banks, retirement plan administrators, financial planners, and investment advisors can offer their clients to help them properly prepare for their retirement. This customer self-service calculator can be deployed on a financial institution's website to help its clients assess their current retirement financial health, and understand what changes they can make to better align their current financial and investment strategy with their future retirement needs. A firm's associates can also use it as an interactive sales tool to help establish and cultivate relationships with their clients and prospects. Providing clients with a clear, concise snapshot of their current retirement health almost always results in them increasing the amount of their contributions, helping financial institutions maximize their retirement assets under management.

Market Background: The Challenge

Organizations, both public and private, are facing a new set of challenges as retirement planning behavior and requirements have evolved over the last decade. Unlike previous generations, who had set pensions and very little involvement in creating and managing their retirement plans, employees today are actively involved in managing their own retirement funding. Unfortunately, the general public lacks the financial knowledge necessary to navigate these waters on their own.



Organizations are now trying to assist their employees by providing contributions and matching funds to encourage employees to save for their retirement, but, in general, there is still significant progress

VisualCalc™ Retirement Planning Calculator

that needs to be made. Average saving rates per household are still dismal, and even those employees who do save for their retirement don't always manage their funds well, a fact that became readily apparent after the recent economic downturn. Many were too aggressive in their investment strategies, and suffered significant losses, while others were too conservative, and are now looking at 1% returns on their investments.

In response to this, financial institutions now need to provide their clients with sufficient support, education and tools so that they can play an active role in managing their own retirement strategy and funds. While many financial institutions have instituted general retirement education and outreach programs, these may not be the most effective measures, since every client's retirement planning needs are unique. Programs tailored to each client are ideal, but, in many cases, they are not a practical or affordable option. Web-based self-service tools can help bridge this gap, enabling the clients themselves to actively construct and manage a personalized retirement plan that is optimal for their needs.

The Solution: The VisualCalc Retirement Planning Calculator

To meet this evolving requirement, VisualCalc has developed the VisualCalc Retirement Planning Calculator. The VisualCalc Retirement Planning Calculator is an interactive, graphical, web-based calculator that provides clients with a personalized, comprehensive snapshot of their current retirement strategy (including retirement plan balances for both qualified and non-qualified plans, investments, monthly savings targets, etc.), and then shows, in form of easy-to-interpret charts and graphs, whether or not the client is on track to meet their retirement goals. Any deficiencies or gaps are clearly highlighted.

Providing clients with a clear, concise snapshot of their

current retirement health enables financial institutions to help these clients optimize their retirement investment strategy. This generally involves increasing the amount of their contributions, as well as reallocating their funds to an investment mix that best meets their retirement goals. The net effect of this is that financial institutions are able to maximize their retirement assets under management.

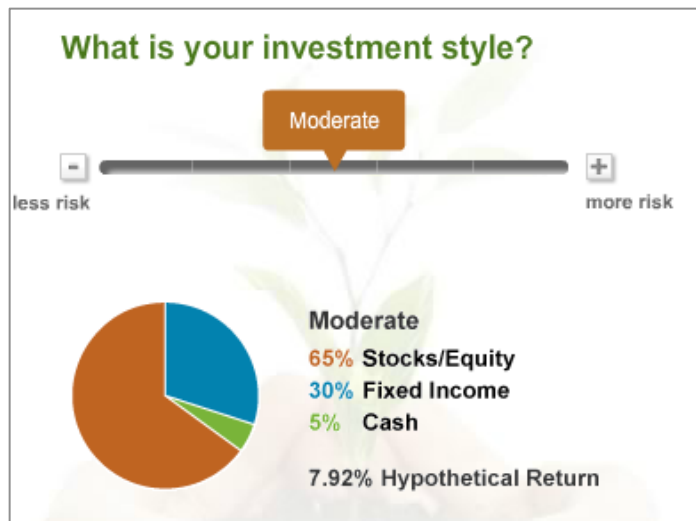


VisualCalc™ Retirement Planning Calculator

Data from general industry-wide use of retirement planning calculators, as well as specific results from existing VisualCalc customers, validate this benefit:

- One financial institution that has deployed the VisualCalc Retirement Planning Calculator has found that their clients who use the calculator have grown their account balances 40% more than those who do not. These clients have increased their contributions to their plans, access their accounts 25% more often, and perform nearly twice as many transactions on their website.
- Another institution that deployed the VisualCalc Retirement Planning Calculator one year ago has found almost a 10% increase in the number of participants to its elective deferred compensation plan. In addition, participants have increased their contribution rates and replacement ratios.
- An independent study found that workers who have performed a retirement needs calculation are more than twice as likely than those who have not to expect they will need to accumulate at least \$1 million before retiring.
- Another independent study revealed that 77% of retirement plan participants would increase their retirement savings if they knew how much they needed to save.

In addition to showing clients whether or not they are on track to meet their retirement needs, the VisualCalc Retirement Planning Calculator also supports interactive, “what-if” analyses capabilities that enable clients to assess what changes are required to achieve their retirement objectives. Users can manipulate a set of easy-to-use input mechanisms, such as buttons and sliders, to change a multitude of variables related to their financial strategy and retirement goals, including investment allocations, social security assumptions, projected pre- and post-retirement earnings, and expected retirement age. The impact of these changes, and their effect on the user’s retirement health, are immediately shown in clear, easy-to-understand tables, graphs and charts. This helps clients determine what changes are needed to best meet their retirement objectives.



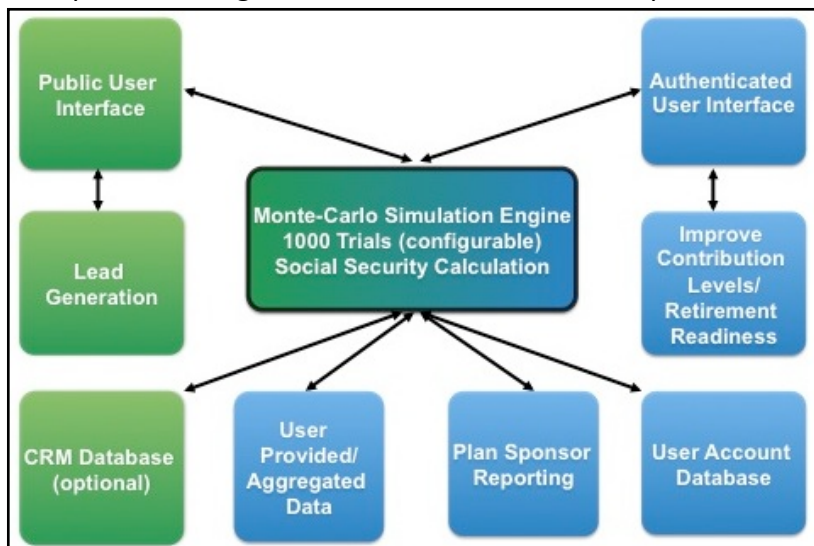
The VisualCalc Retirement Planning Calculator can also be used for interactive collaboration by a financial institution’s associates and their clients, most likely via a web conferencing service, enabling them to jointly review the client’s current retirement strategy, and explore changes that would improve the client’s retirement health.

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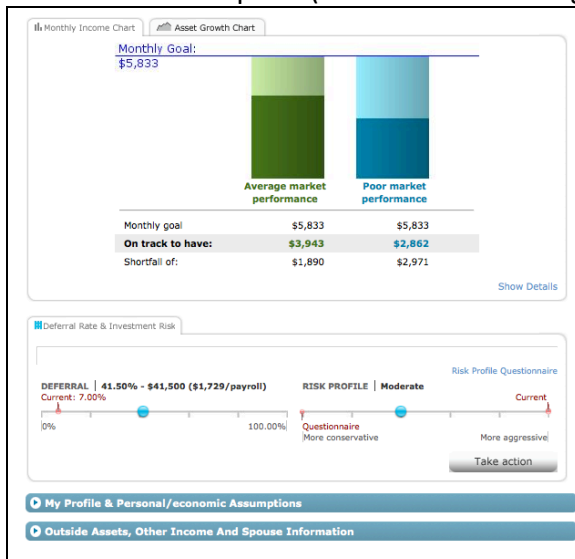
The VisualCalc Retirement Planning Calculator also helps financial institutions that offer or administer retirement plans monitor key metrics associated with these retirement plans, such as participation rate, overall contributions, and allocations across different retirement investment funds. The VisualCalc Retirement Planning Calculator includes an intuitive, interactive web analytics platform that enables financial institutions to track their client’s usage patterns, including login frequency, average visit durations, access to printed reports, etc.

A Comprehensive, Customizable, Integrated Platform

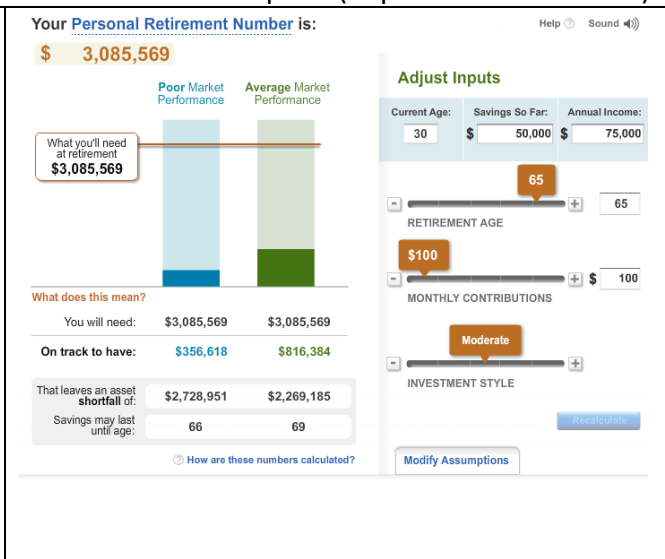
The VisualCalc Retirement Planning Calculator is built on a platform featuring an embedded calculation engine that supports state-of-the-art computational algorithms and simulation techniques, such as Monte Carlo methods. This advanced pre-configured calculation engine drives the results of the user’s analysis. On top of this analysis engine, the calculator’s user interface can be easily customized to incorporate the financial institution’s branding and graphical standards, so that the calculator has a consistent “look and feel” with the institution’s website and other marketing properties and collateral.



Customized Example A (Retirement Planning Firm)



Customized Example B (Top 3 Investment Firm)



Two Deployment Modes Available: Public Mode and Private Mode

The VisualCalc Retirement Planning Calculator can be deployed in two alternative modes: 1) a turn-key, non-authenticated mode (Public Mode), and 2) a fully integrated, authenticated mode (Private Mode).

The Public Mode version of the VisualCalc Retirement Planning Calculator can be quickly and easily deployed on a financial institution's website in turn-key fashion, with a minimal set of changes required to adapt it to the institution's graphic standards.

The Private Mode version of the VisualCalc Retirement Planning Calculator offers an additional level of customization and integration. The calculator's functionality can be customized to incorporate a given financial institution's specific needs, including account types and names, defined benefit plans, interest rates, and business rules. The calculator can also be integrated with the institution's internal databases, so their client's account information and the institution's business rules can be automatically loaded into each user's session. The calculator is also able to bring in external data, such as social security balances and account balances at other financial institutions, so that users are presented with the most complete, accurate and personalized picture of their current retirement plan. This holistic view of both internal and external resources also helps financial institutions work with their clients to optimize the overall allocation of their retirement fund balances, including the consolidation of multiple accounts into a single integrated account, again helping to increase their retirement assets under management.



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