

Holding	2007 Starting			2007 Distribution/			2008 Starting			2008 Distribution/			2009 Starting			2009 Distribution/			2010 Starting			2010 Distribution/			2011 Starting			2011 Distribution/			2012 Starting			2012 Distribution/		
	Amount	2007 Return	2007 Year-End	Reinvestment	Amount	2008 Return	2008 Year-End	Reinvestment	Amount	2009 Return	2009 Year-End	Reinvestment	Amount	2010 Return	2010 Year-End	Reinvestment	Amount	2011 Return	2011 Year-End	Reinvestment	Amount	2012 Return	2012 Year-End	Reinvestment	Amount	2013 Return	2013 Year-End	Reinvestment	Amount	2014 Return	2014 Year-End	Reinvestment				
Cash*	120,000	5.14	126,168	12,408	138,576	2.77	142,415	-41,520	100,895	0.53	101,430	18,570	120,000	0.06	120,720	-36,029	84,691	0.04	85,030	34,970	120,000	0.04	120,480		120,000	0.04	120,480		120,000	0.04	120,480					
T. Rowe Short-Term Bond PRWBX	130,000	5.48	137,124		137,124	1.23	138,811		138,811	9.00	151,304	-21,304	130,000	3.13	134,069		134,069	1.46	136,026		136,026	2.86	139,916		136,026	2.86	139,916		136,026	2.86	139,916					
Harbor Bond HABDX	150,000	8.69	163,035		163,035	3.34	168,480	-18,480	150,000	13.84	170,760	-20,760	150,000	7.96	161,940		161,940	3.48	167,576	-17,576	150,000	9.32	163,980		150,000	9.32	163,980		150,000	9.32	163,980					
Harbor Real Return HARRX	100,000	11.39	111,390	-11,390	100,000	-4.13	95,870		95,870	15.05	110,298	-10,298	100,000	7.35	107,350		107,350	11.35	119,534	-19,534	100,000	8.44	108,440		100,000	8.44	108,440		100,000	8.44	108,440					
Vanguard Wellesley Income VWINX	100,000	5.61	105,610		105,610	-9.84	95,218		95,218	16.02	110,472	-10,472	100,000	10.65	110,650	-10,650	100,000	9.63	109,630		109,630	10.06	120,659	-20,659	100,000	9.63	109,630		109,630	10.06	120,659					
Vanguard Dividend Growth VDIGX	400,000	7.00	428,000		428,000	-25.57	318,560		318,560	21.74	387,815		387,815	11.42	432,103		432,103	9.43	472,850	-72,850	400,000	10.39	441,560	-41,560	400,000	10.39	441,560		441,560	-41,560	400,000	10.39	441,560			
Harbor International HAINX	200,000	21.82	243,640	-43,640	200,000	-42.66	114,680		114,680	38.57	158,912	2,969	161,881	11.98	181,274		181,274	-11.13	161,098	9,426	170,524	20.87	206,112	31,537	170,524	20.87	206,112		206,112	31,537	170,524					
Vanguard Total Stock VTSMX	100,000	5.49	105,490		105,490	-37.04	66,417		66,417	28.70	85,479		85,479	17.09	100,087		100,087	0.96	101,048		101,048	16.25	117,468	-17,468	100,087	0.96	101,048		101,048	16.25	117,468					
Loomis Sayles Bond LSBDX	125,000	8.53	135,663		135,663	-21.82	106,061		106,061	37.19	145,505	-20,505	125,000	13.58	141,975	-16,975	125,000	3.76	129,700		129,700	15.13	149,324	-24,324	125,000	3.76	129,700		129,700	15.13	149,324					
PIMCO Commodity Real Return PCRA**	75,000	23.17	92,378	-17,378	75,000	-43.71	42,217		42,217	39.50	58,893		58,893	23.50	72,733		72,733	-8.10	66,842		66,842	4.81	70,057	4,943	66,842	-8.10	66,842		66,842	4.81	70,057					
	1,500,000		1,648,498		1,588,498		1,288,729		1,228,729		1,480,868		1,419,068		1,562,901		1,499,247		1,549,334		1,483,770		1,637,996		1,500,000		1,648,498		1,588,498		1,288,729					
Withdrawal Amount				-60,000				-60,000				-61,800				-63,654				-65,564				-67,531								-67,531				
Reinvested Amount				12,408								21,539								44,396				36,480							36,480					

#### Bucket Maintenance System

- 1) 4% annual withdrawal rate with 3% annual inflation adjustment.  
Forgo inflation adjustment in years when portfolio loses value.  
Starting withdrawal amount = \$60,000 (4% of starting balance of \$1.5 million).
- 2) Portfolio rebalanced annually (back to starting position size) if position size exceeds 110% of original size.
- 3) Rebalancing proceeds used for living expenses.
- 4) If rebalancing proceeds are less than annual living expenses, remainder pulled from cash bucket.
- 5) If rebalancing proceeds are greater than annual living expenses, re-fill cash bucket, then move any remaining proceeds into worst-performing positions since inception.

\*Vanguard Prime Money Market Fund return used as proxy for cash.

\*\*Actual portfolio includes Harbor Commodity Real Return, launched in 2008. PIMCO, a near-clone, used as a proxy.