(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization
International Bureau

(43) International Publication Date
30 June 2005 (30.06.2005)

PCT

(10) International Publication Number
WO 2005/059709 A3

(51) International Patent Classification[7]: G06F 17/60

(21) International Application Number:
PCT/US2004/042072

(22) International Filing Date:
15 December 2004 (15.12.2004)

(25) Filing Language: English

(26) Publication Language: English

(30) Priority Data:
60/530,144 17 December 2003 (17.12.2003) US

(71) Applicant and
(72) Inventor: **LOEPER, David, B.** [US/US]; 207 Michaux Crossing Lane, Midlothian, VA 23001 (US).

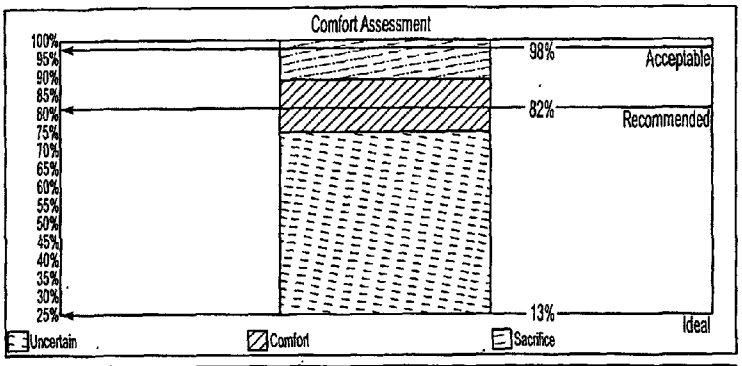
(74) Agent: **GOULD, Lewis, F., Jr.**; Duane Morris LLP, One Liberty Place, Philadelphia, PA 19103-7396 (US).

(81) Designated States *(unless otherwise indicated, for every kind of national protection available)*: AE, AG, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BW, BY, BZ, CA, CH, CN, CO, CR, CU, CZ, DE, DK, DM, DZ, EC, EE, EG, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MA, MD, MG, MK, MN, MW, MX, MZ, NA, NI, NO, NZ, OM, PG, PH, PL, PT, RO, RU, SC, SD, SE, SG, SK, SL, SM, SY, TJ, TM, TN, TR, TT, TZ, UA, UG, US, UZ, VC, VN, YU, ZA, ZM, ZW.

(84) Designated States *(unless otherwise indicated, for every kind of regional protection available)*: ARIPO (BW, GH, GM, KE, LS, MW, MZ, NA, SD, SL, SZ, TZ, UG, ZM, ZW), Eurasian (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European (AT, BE, BG, CH, CY, CZ, DE, DK, EE, ES, FI, FR, GB, GR, HU, IE, IS, IT, LT, LU, MC, NL, PL, PT, RO, SE, SI, SK, TR), OAPI (BF, BJ, CF, CG, CI, CM, GA, GN, GQ, GW, ML, MR, NE, SN, TD, TG).

[Continued on next page]

(54) Title: METHOD AND SYSTEM FOR FINANCIAL ADVISING



	Ideal	Recommended	Acceptable
Zone	Uncertain	Comfort	Sacrifice
Comfort Level	13%	82%	98%
Simulation Method	Monte Carlo	Monte Carlo	Monte Carlo

Definitions:
- Uncertain - Confidence too low, significant changes to goal may be necessary now or in the future
- Comfort - Sufficient confidence without undue sacrifice, changes to goals mainly to be minor and manageable
- Sacrifice - Unnecessary sacrifice to lifestyle or undue investment risk

	Ideal	Recommended	Acceptable
Retirement Age			
Client	63	65	68
Spouse	59	61	64
Retirement Need			
Client	$120,000	$120,000	$110,000
Target End Value	$2,000,000	$500,000	$100,000
Avg. Annual Savings			
Pre-Retirement	$32,934	$32,667	$54,251
Default Inflation Rate	3%	3%	3%
Education	Yes	Yes	Some
Median Return	6.72%	9.09%	11.07%
Risk			
Std. Deviation	7.96%	14.15%	21.54%
Downside (95%-tile)	-5.56%	-11.71%	-18.85%
Other Goals			
Gifting to Son	$10,000	No	No
Travel	$25,000	$25,000	$5,000

(57) Abstract: A method of providing financial advice to a client that provides sufficient confidence that their goals will be achieved or exceeded but that avoids excessive sacrifice to the client's current or future lifestyle and avoids investment risk that is not needed to provide sufficient confidence, of the goals a client personally values. The method comprises obtaining typical client background information, as well as a list of investment goals, and ideal and acceptable values in dollar amounts and timing for each goal. A recommendation is then created using the portfolio value, and the client goal preferences and the ideal and acceptable values of goals, by simulating models of the relevant capital markets and investing exclusively in passive investment alternatives to avoid the risk of potential material underperformance of active investments under the premise of avoiding investment risk that is not needed to confidently buy the client the goals they personally value.

WO 2005/059709 A3

Published:
— *with international search report*
— *before the expiration of the time limit for amending the claims and to be republished in the event of receipt of amendments*

(88) Date of publication of the international search report:
15 September 2005

For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.