

The background features a glowing blue sphere on the left, with several wavy, metallic-looking lines extending from it. The right side of the image is dominated by a bright, horizontal beam of light that fades into a dark blue gradient at the top and bottom. The overall aesthetic is futuristic and high-tech.

Create Your Own “Plan for Living”

Plan for Tomorrow...Live for Today

What Is A “Plan for Living”

A Well-Designed Financial Security Plan to Help Ensure You Have – and Maintain – the Retirement Lifestyle You Envision.



Agenda

Benefits of Creating a Retirement Plan

Two Significant Risks To Any Retirement Plan

Retirement Income Strategies

How To Create A Plan for Living



Benefits Of Creating A Retirement Plan

Help Ensure The Lifestyle You Desire

Protection Against Retirement Risks

Understand Your Expenses & Income Sources

**A Little Time Invested Now
Can Pay Enormous Dividends In the Future**

What People Have Said About...

Creating A Plan

Writing It all Down Made Me Look At What I've Got Versus What I Need."

"I Didn't Actually Know If My Wife And I Would Be Okay Until We Did This."

"I'm Glad We Talked About the Concept of Long Term Health Care, Because I've Never Really Thought About It Before."

**KNOWING You're on Track Is Better Than
WONDERING If You're On Track**



Two Significant Risks To Any Retirement Plan

Two Significant Risks

Running
Out of
Money

- Market Volatility
- Living Longer



Unknown
Health
Related
Cost

- Medicare – Out of
Pocket Costs
- Long Term Care – High
Cost If Needed





Risk #1: Running Out Of Money

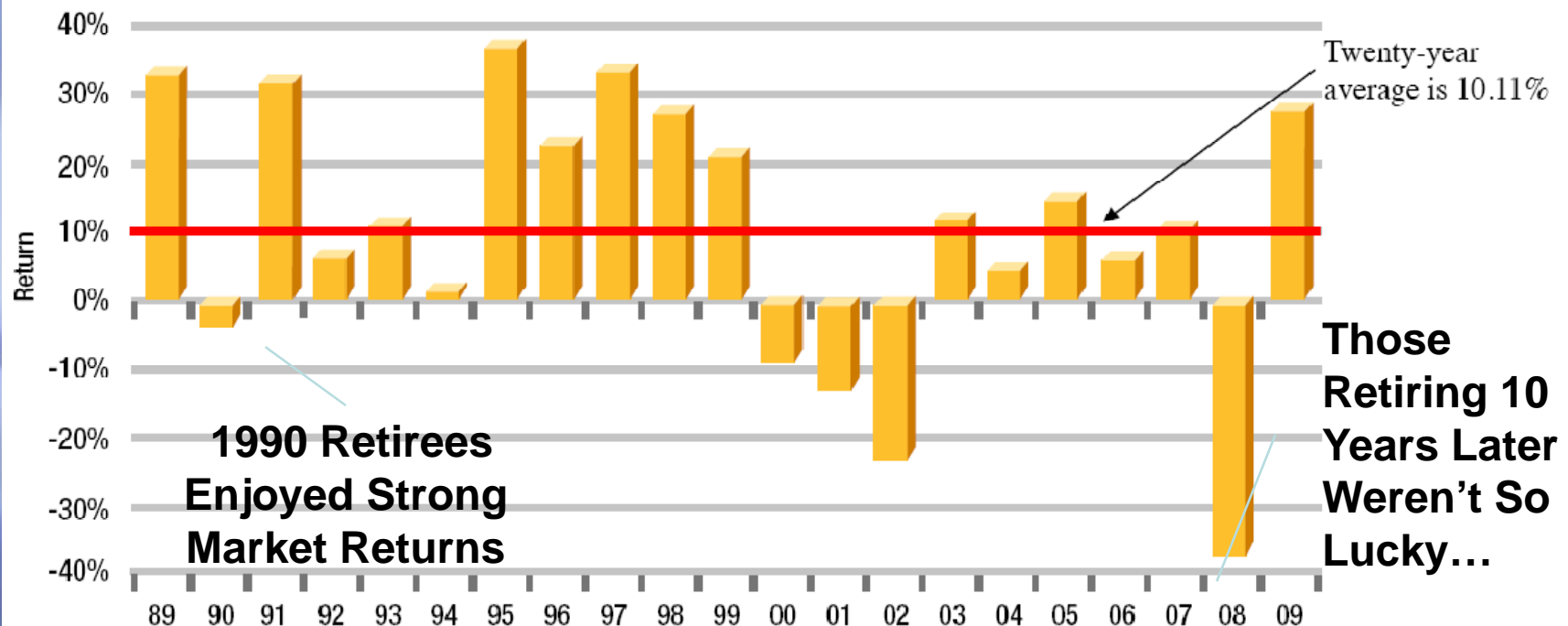
MYTH

If My Portfolio Averages a Return of 6% a Year, as Long as I Withdraw Only 5%, My Money Will Last a Lifetime

FACT

Poor Returns and Market Volatility, Especially Near or Early In Retirement, Can Result In A Higher Probability Of Depleting Your Nest Egg

Impact of Market Volatility



**The Success Of Your Plan Should Not Be Dependent
On The Timing Of Your Retirement**

Source: Morningstar Direct. Data as of December 31, 2009.

Living Longer: Facts & Stats

38%

Chance that at least one member of a healthy 65 year old couple will live to age 95




50%

Chance that a 65 year old male has of living to age 86



19

Average additional years women can expect to live, if they retire at age 65



Risk #2: Unknown Health-Related Costs

MYTH

Long Term Care Insurance Only Pays for Nursing Homes

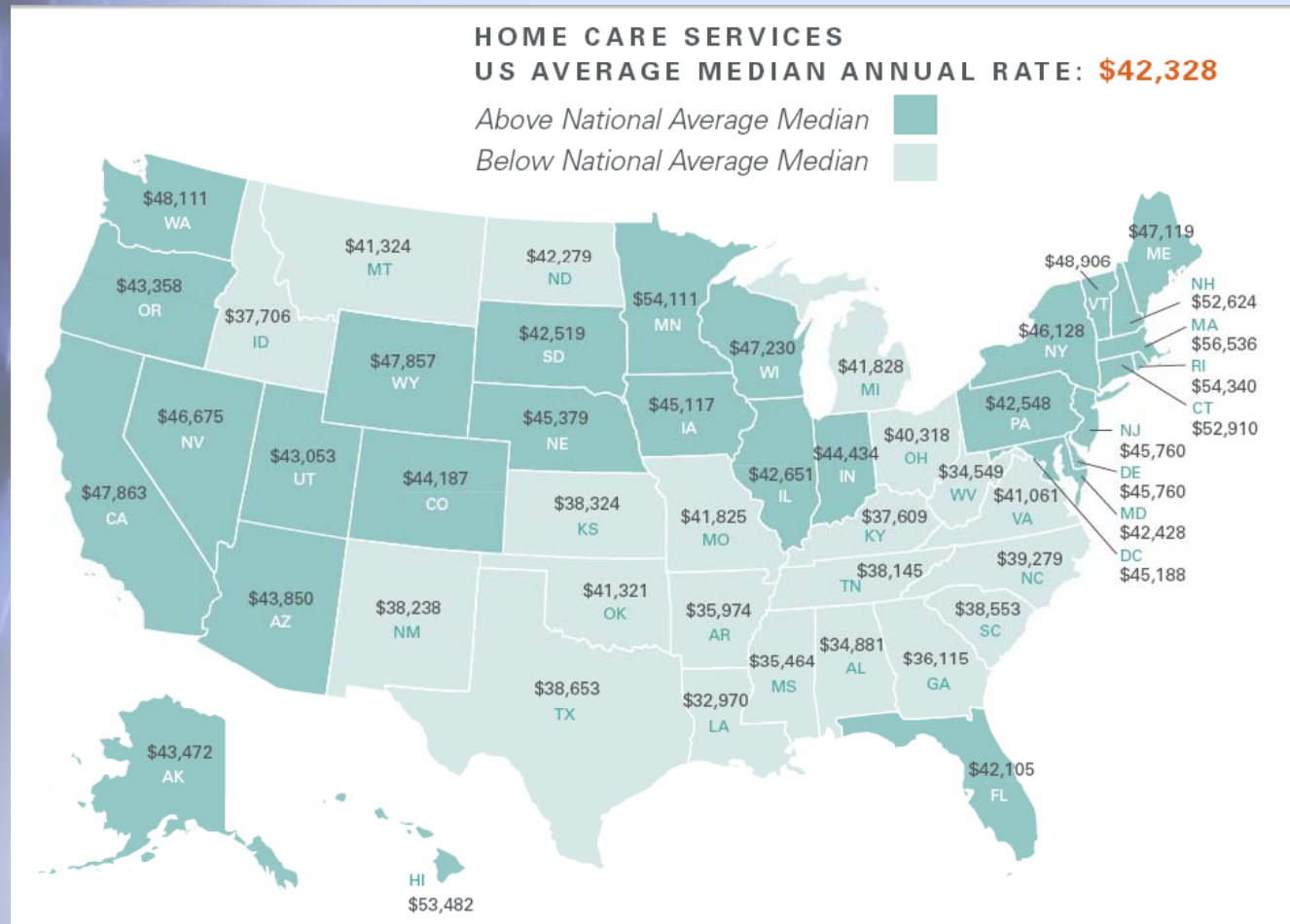
FACT

Long Term Care Insurance Can Help You Stay In Your Own Home and Out of a Nursing Home

More Than **70%** Of Long Term Care Insurance Claims Paid Are For Home Care Services.*

*Source: Genworth Financial, Long Term Care Claims Experience Data – December 1974 through June 30, 2009

2010 Cost Of Extended Care At Home



*Genworth Financial, Long Term Care Claims Experience Data — December 1974 through June 30, 2009



Risk #2: Unknown Health-Related Costs

MYTH

Medicare and Our Other Health Insurance Will Cover Us If We Need Long Term Care (LTC)

FACT

Generally, Medicare and Typical Health Plans Do Not Cover Long Term Care.

A Long Term Care Event Can Cost More Than \$220,000. *

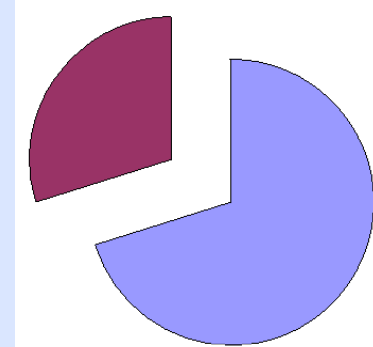
Should I Self-Insure or Add LTCI Protection?

Self-Insure:

Sufficient Assets Should Be Identified and Separated From Retirement Income Assets

Add Protection:

Multiple, Tax-Efficient Ways to Fund Long Term Care Protection



Traditional Long Term Care Insurance

OR

Add LTC “Leverage” to Your Assets for Both Control and Protection

The Success Of Your Plan Should Not Be Dependent On The Timing Of Your Retirement

A person in a dark suit is walking through a brightly lit, futuristic corridor. The scene is heavily tinted with a blue color. The person is in the foreground, slightly to the left, and is walking towards the right. The corridor has a curved ceiling and walls, with some lights visible. The overall atmosphere is high-tech and somewhat mysterious.

Retirement Income Strategies

Common Retirement Income Strategies

Strategy	Things to Consider
<p>Social Security</p> <ul style="list-style-type: none">•Pays For Some Essential Expenses	<p>Timing Of Social Security Is Critical</p> <ul style="list-style-type: none">•The Age At Which Benefits Begin Greatly Impacts The Amount Received
<p>Delay Retirement/Part-Time Work</p> <ul style="list-style-type: none">•Extra Years of Earning Can Improve Sustainability of Retirement Lifestyle	<p>It May Not Be Your Choice</p> <ul style="list-style-type: none">•Health Issues And Layoffs Can Impact How Much You Can Earn
<p>4% Withdrawal Strategy</p> <ul style="list-style-type: none">•Withdraw No More the 4% Annually From Retirement Savings	<p>Does Not Eliminate Longevity Risk</p> <ul style="list-style-type: none">•Requires Disciplined Investment Management
<p>Convert Assets Into Guaranteed Income</p> <ul style="list-style-type: none">•Ensure Consistent Monthly Income for Life	<p>Add Up Your Essential Expenses</p> <ul style="list-style-type: none">•Cash Flow Is Needed Every Month

Usually, Multiple Sources of Income Are Recommended



How To Create A “Plan For Living”



How To Create A Plan For Living

Gather and Organize Your Important Documents

Checkbook With Record Of Recent Transactions

Recent Credit Card Statements

Pension Information

Social Security Benefits Summary

Current Financial Portfolio Information:

(Stocks, Bonds, Annuities, Mutual Funds, ETC.)

Summaries Of Other Assets Such As Real Estate



**This Can Seem Daunting But It's An Important Step In
Creating Your Personalized Retirement Plan**

How To Create A Plan For Living

Start Thinking Of You Retirement Expenses In Two Ways

Essential Expenses

Costs Will Continue In Retirement:

- Housing
- Food
- Clothing
- Transportation
- Insurance
- Medical Expenses



Discretionary Expenses

Things You Want To Do In Retirement:

- Travel
- Dine out regularly
- Go to movies or cultural events
- Donate to charities
- Play golf, etc.



Using Estimates Of What You Currently Spend Can Help You Create A Realistic Plan For the Future

How To Create A Plan For Living

Separate Your Income Sources Into Guaranteed and “Expected”

Guaranteed Income

Income Will Continue For Life:

- Social Security
- Pension
- Income Annuities

Expected Income

Not Guaranteed:

- Portfolio Withdrawals
- Wages
- Rental Income
- Asset Sales (Downsizing Home)

Market Conditions Can Significantly Impact Non-Guaranteed Income Sources (e.g. Housing Crisis, Recession, Unemployment)

How To Create A Plan For Living

Separate Your Income Sources Into Guaranteed and “Expected”

Step 1: Gather Important Documents And Think Of Expenses As Essential And Discretionary

Step 2: Complete the Plan for Living workbook and Ask the Important Questions

Step 3: Work with a Financial Professional to Ensure Your Needs Are Covered And Your Gaps, If Any, Are Accounted For

When Will You Create Your Plan?

In Summary:

Retirement Can Present Many Challenges...

Decreased Assets Due To Market Volatility

Living Longer, Requiring More Money For Retirement

Rising Healthcare Costs

But, You Have the Power to Manage Them!

Create A Written Plan

And...

Identify Where Your Financial Security Can Be Improved

Thank You For Your Time and Attention!