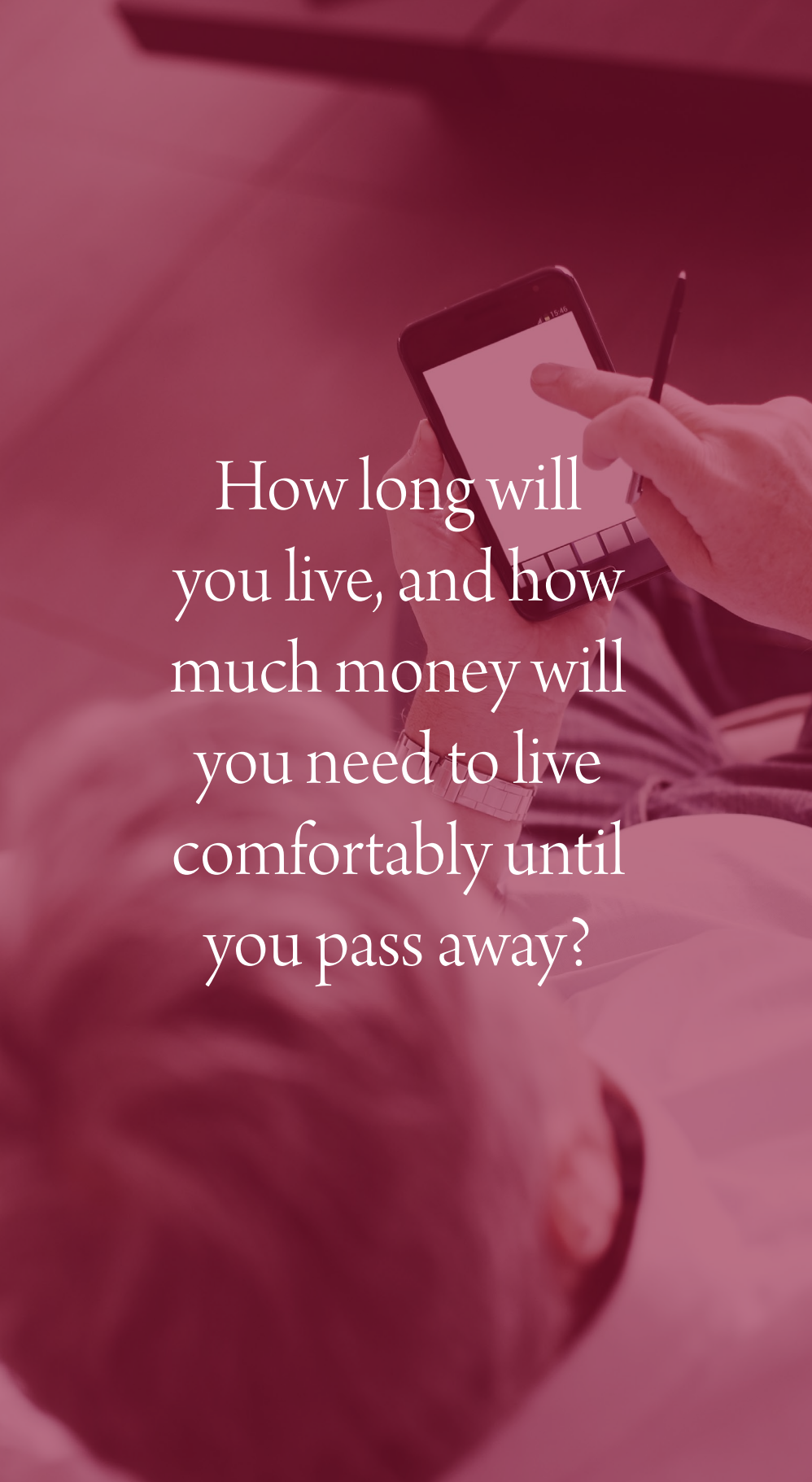




THE VALUE OF AN
**OBJECTIVE
OPINION**

Why objective financial
advice is important.



How long will you live, and how much money will you need to live comfortably until you pass away?

These are two primary questions to address when planning for retirement income. If we each had the answer, we'd have a better chance of meeting the goal of not outliving our money. However, these also are two of the most difficult questions to answer accurately.

The Importance of Timing

Although genetics can play into one's life expectancy, a survey by the Society of Actuaries showed that there is a disconnection between how long people expect to live and the age their oldest family members reached. Despite half of retirees and pre-retirees reporting that they had a family member who lived longer than 90 years, both groups expected to live an average of six years less than their oldest-living family member.¹

Another challenge to planning your retirement income is estimating when you'll retire. Plan as you may, this can be a variable you can't control — largely due to employer changes, like closures or downsizing, or potential health issues you or your loved ones may experience. In fact, the age people expect to retire is often higher than the actual age at which most people retire. In recent years, 33 percent of workers have indicated they expect to retire after age 65. At the same time, studies show that only 16 percent of Americans actually retire at age 65. Presently, the median retirement age is 62, and about 35 percent of retirees retired before age 60.²

¹ Society of Actuaries. December 2013. "2013 Risks and Process of Retirement Survey Report." P. 103. <https://www.soa.org/research/research-projects/pension/research-post-retirement-needs-and-risks.aspx>. Accessed April 14, 2016.

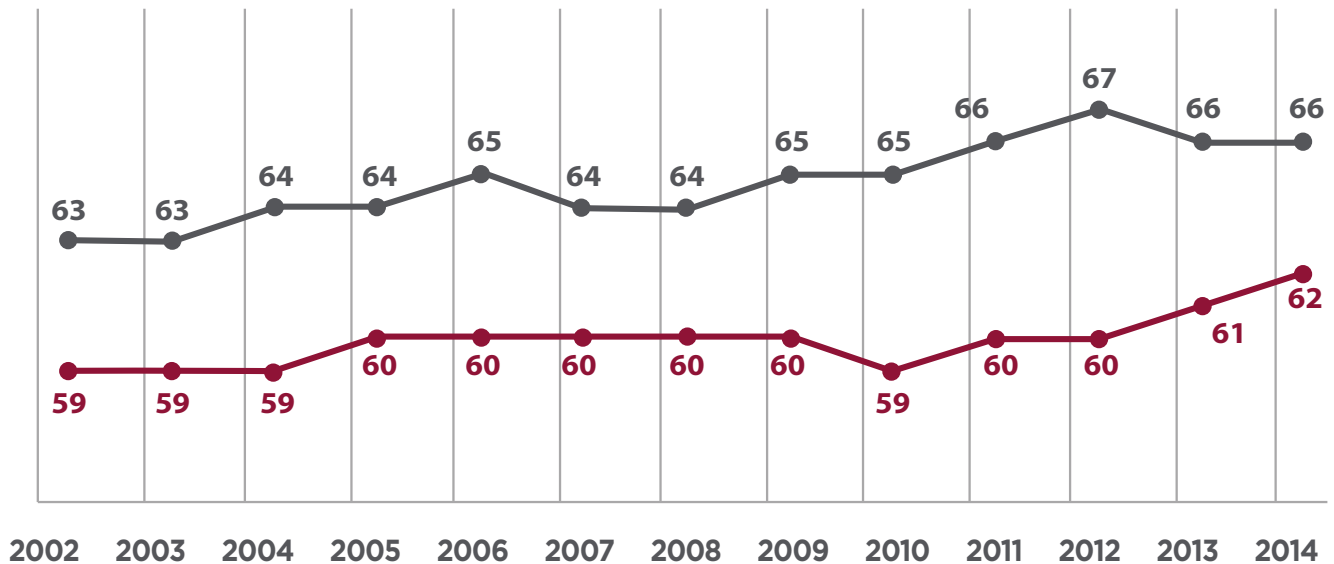
² U.S. News & World Report. May 12, 2014. "The Ideal Retirement Age – And Why You Won't Retire Then."

<http://money.usnews.com/money/retirement/articles/2014/05/12/the-ideal-retirement-age-and-why-you-wont-retire-then>. Accessed April 14, 2016.

Americans' Actual vs. Expected Age of Retirement³

■ Average expected retirement age among non-retirees

■ Average actual retirement age among retirees



The Importance of Income Planning

A 2014 poll revealed that baby boomers who firmly believe they have enough money to do everything they want expect to retire at age 66. Boomers who do not believe this predict they will retire significantly later, at age 73.⁴ However, as we've established with regard to life expectancy and retirement age, our beliefs do not always reflect our reality.

Unfortunately, today's statistics show that Americans on average are ill-prepared for retirement. In a 2013 survey that asked what amount of savings people think they will need for retirement,

50 percent of respondents said half a million dollars or less.⁵ Yet another study revealed that the current median savings of middle-class Americans in their 40s is \$40,000 and only \$20,000 for those in their 50s. Respondents between the ages of 30 and 49 are saving a median amount of \$200 each month for retirement, whereas those between the ages of 50 and 59 are saving only \$78 a month.⁶

Are Americans concerned about not having enough retirement income? Absolutely. Among the biggest worries for a majority of Americans is not being able to pay medical bills should they experience a serious illness or accident.⁷

³ Gallup. April 28, 2014. "Average U.S. Retirement Age Rises to 62." <http://www.gallup.com/poll/168707/average-retirement-age-rises.aspx>. Accessed Jan. 11, 2016.

⁴ Gallup. Jan. 20, 2014. "Many Baby Boomers Reluctant to Retire." <http://www.gallup.com/poll/166952/baby-boomers-reluctant-retire.aspx>. Accessed Jan. 11, 2016.

⁵ Texas Enterprise. April 9, 2014. "Can You Afford to Retire?" <http://www.texasenterprise.utexas.edu/2014/04/09/finance/can-you-afford-retire>. Accessed Jan. 11, 2016.

⁶ Wells Fargo. Oct. 22, 2014. "Wells Fargo Survey Finds Saving for Retirement Not Happening for a Third of Middle Class." https://www.wellsfargo.com/about/press/2014/middle-class-retirement-saving_1022/. Accessed Jan. 11, 2016.

⁷ Gallup. April 22, 2014. "Retirement Remains Americans' Top Financial Worry."

<http://www.gallup.com/poll/168626/retirement-remains-americans-top-financial-worry.aspx/>. Accessed July 8, 2016.

Today's Retirees⁸

Retirement Statistics (research date: April 8, 2015)	Data
Average retirement age	63
Average length of retirement	18 years
Average savings of a 50-year-old	\$42,797
Total cost for a couple over 65 to pay for medical treatment over a 20-year span	\$218,000
Percentage of people ages 30-54 who believe they will not have enough money put away for retirement	80%
Percentage of Americans over 65 who rely completely on Social Security	36%
Percentage of Americans who don't save anything for retirement	38%
Americans older than 50 account for:	
Percentage of all financial assets	77%
Percentage of total consumer demand	54%
Prescription drug purchases	77%
All over-the-counter drugs	61%
Auto sales	47%
All luxury travel purchases	80%

⁸ Statistic Brain. Jan. 3, 2016. "Retirement Statistics." <http://www.statisticbrain.com/retirement-statistics/>. Accessed Jan. 11, 2016.

⁹ Ibid.



Amount of Savings Needed for Retirement⁹

Monthly income need	Savings needed for 20 years	Savings needed for 30 years
\$1,000	\$166,696	\$212,150
\$2,000	\$333,392	\$424,300
\$3,000	\$500,087	\$636,450
\$4,000	\$666,783	\$848,601
\$5,000	\$833,479	\$1,060,751
\$6,000	\$1,000,175	\$1,272,901
\$7,000	\$1,166,871	\$1,485,051
\$8,000	\$1,333,567	\$1,697,201
\$9,000	\$1,500,262	\$1,909,351
\$10,000	\$1,666,958	\$2,121,501

The sums on the left assume your portfolio will earn a 6 percent annualized return during the course of your retirement and endure 2 percent annual inflation erosion.

This chart is for illustrative purposes only, is not a representation of past or future results, and is no guarantee of return or future performance. It is a hypothetical example and does not represent any specific product or service.



The Value of an Objective Opinion

With the new paradigm of living longer and the potential impacts of both good and bad market performance, seeking guidance from a financial advisor who can help you structure a retirement income strategy that reflects your financial situation, risk tolerance and investment objectives is becoming an increasingly important part of planning for retirement. And not just any financial advice, but objective financial advice.

With so much at stake, it's important that you feel you can trust a financial advisor to consider a wide variety of possible solutions, including both investment and insurance products, before making any recommendations. You also want to have confidence that the advice being provided by your financial advisor is in your best interests — not his or hers.

Within the financial services industry, there are independent financial professionals who operate as self-employed business owners and sell the products of multiple financial institutions.

This contrasts with financial professionals who represent a financial institution and are employees of that institution. These employees are generally referred to as “captive” financial professionals.

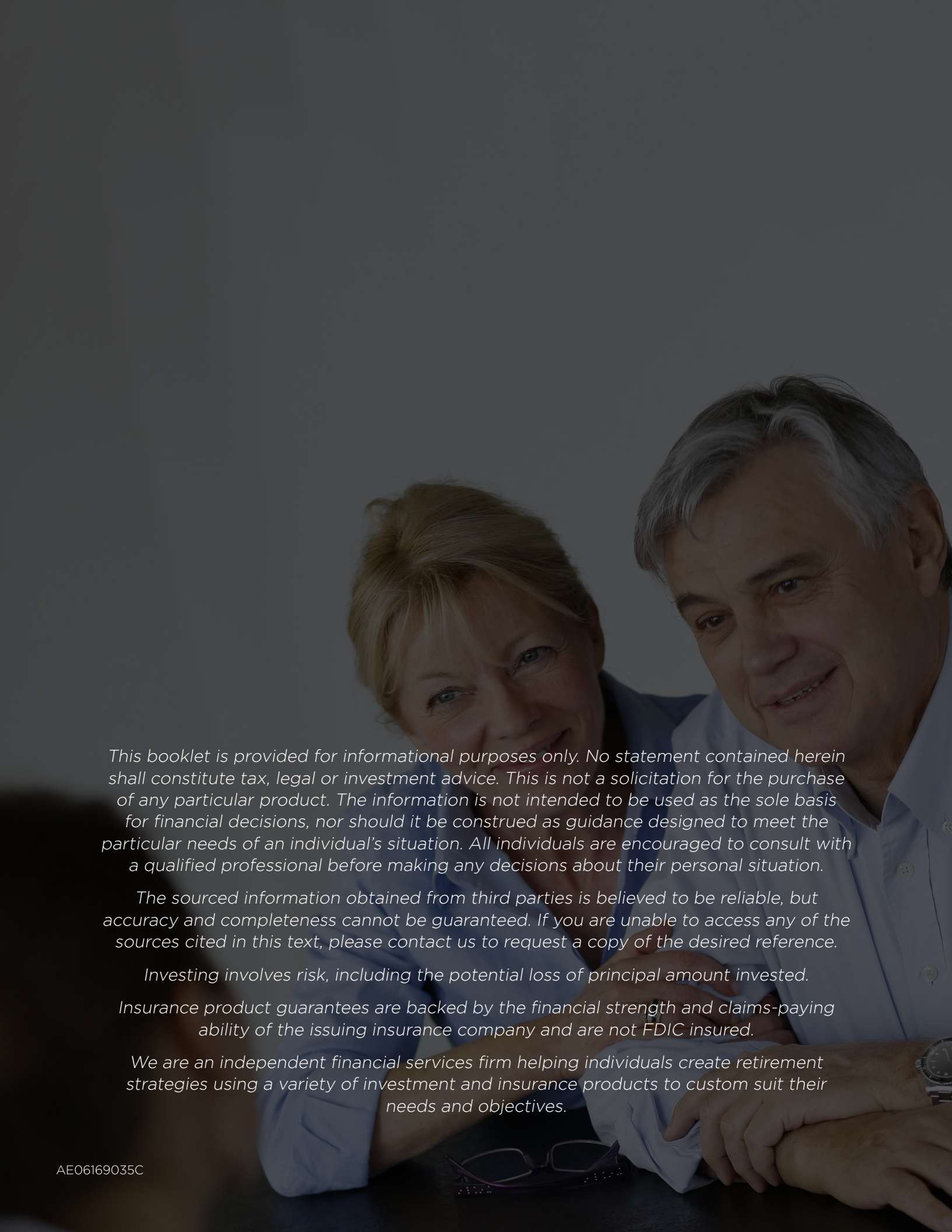
While captive financial professionals are typically required to sell only the propriety products of the financial institution that employs them, independent financial professionals are able to work with many financial institutions, providing their clients with a wider array of products from which to choose, potentially increasing the likelihood of being able to provide the best product or products for their clients’ particular situations. Many independent financial advisors can help individuals create retirement strategies using a variety of investment and insurance products to custom suit their needs and objectives.

As small business owners, independent financial advisors are likely to have smaller clientele than larger companies that employ multiple financial advisors. If “the personal touch” is important to you, you may have more luck finding it with an independent financial advisor. There’s also something to be said for working directly with the business owner, who understands and has a greater appreciation for the impact each client has on his or her business.

The Benefits of Independence

As the demand for objective advice grows, it stands to reason more people may choose to work with independent professionals. Independent financial advisors are not forced to sell only the proprietary products of a single financial institution; rather, they generally have access to a larger selection of possible solutions from a wide range of financial institutions to help clients work toward their financial goals.

Planning for retirement income today can be challenging. For this reason, you may want to consider securing objective financial advice to help you meet this challenge, and take steps to help keep you on the path toward your desired financial future.



This booklet is provided for informational purposes only. No statement contained herein shall constitute tax, legal or investment advice. This is not a solicitation for the purchase of any particular product. The information is not intended to be used as the sole basis for financial decisions, nor should it be construed as guidance designed to meet the particular needs of an individual's situation. All individuals are encouraged to consult with a qualified professional before making any decisions about their personal situation.

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Investing involves risk, including the potential loss of principal amount invested.

Insurance product guarantees are backed by the financial strength and claims-paying ability of the issuing insurance company and are not FDIC insured.

We are an independent financial services firm helping individuals create retirement strategies using a variety of investment and insurance products to custom suit their needs and objectives.