Financial Snapshot

The Financial Snapshot serves to help identify your financial needs and priorities and may be used in developing proposed solutions consistent with your needs and objectives. Other "needs analysis" programs may provide different results, depending on methodology, assumptions and/or input. While the worksheets can give you a general idea of certain financial needs, you should consult with your licensed financial representative on how specific products may work for you in your particular situation. Your licensed financial representative will also provide you with costs and complete details about any products recommended to meet your specific needs and financial objectives.

See the assumptions used in the preparation of this report on page 19.

The information, general principles and conclusions presented in this report are subject to local, state and federal laws and regulations, court cases and any revisions of same. While every care has been taken in the preparation of this report, VSA, L.P. is not engaged in providing legal, accounting, financial or other professional services. This report should not be used as a substitute for the professional advice of an attorney, accountaint, or other qualified professional.

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Provided to:

Provided by:

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Cash Needs at Death Snapshot for:

While this worksheet can give you a general idea of the cash needs that may exist if you died today, you should consult with your financial advisor before purchasing any insurance products.

Cash Needs at Death
(See page 13 for more information on the cash needs that may arise at your death.)

1. **Final Expense Fund:** Enter the amount you want to provide for each type of final expense.

Final Medical Expenses	$ ____________	
Funeral Expenses	____________	
Debt Liquidation	____________	
Estate Settlement Costs	____________	
Bequests	____________	
Total Final Expense Fund		$ 0

2. **Housing Fund:** Enter any mortgage balance you want liquidated at your death or, alternatively, enter an amount for a rent payment fund. $ ____________

3. **Education Fund:** Enter a lump sum to be available for college or vocational education purposes. $ ____________

4. **Emergency Fund:** Enter the amount of any emergency fund you want to provide. $ ____________

5. **Personal Services Fund:** Enter the amount you want to provide for each type of personal services expense.

Child Care Expenses	$ ____________	
Household Duties	____________	
Home/Yard Maintenance Expenses	____________	
Total Personal Services Fund		$ 0

☐ **Total Cash Needs at Death:** $_________0

Income Needs at Death Snapshot for:

While this worksheet can give you a general idea of the income needs that may exist if you died today, you should consult with your financial advisor before purchasing any insurance products.

Survivor Income Needs at Death

Current Monthly Income: Enter the amount of your current monthly income. $ ____________

Monthly Survivor Income Objective: How much of your current monthly income should be continued to your survivors in the event of your death? $ ____________

Sources of Survivor Income at Death

(See page 14 for more information on sources of income at death.)

Sources of Survivor Income: Enter the amount of monthly income you expect your survivors to receive at your death from each of the following sources:

Social Security Survivor Benefits	$	____________
Survivor Income Benefit		____________
Investment Income		____________
Other Income ( )		____________
Total Survivor Income at Death	$	0

Survivor Income Analysis

Monthly Survivor Income Shortage or (-) Surplus: $ 0

Annual Survivor Income Shortage or (-) Surplus: $ 0

If the Survivor Income Analysis results in a (-) Surplus, congratulations! You have met your survivor income objective and need not complete the balance of this worksheet.

Assumed Interest Rate: Enter the interest rate you feel is realistic to use for income-producing purposes over a period of years. While a lower interest rate requires a larger amount of capital to cover an income shortage, a somewhat conservative rate is generally recommended. **Note:** The interest rate must be entered in decimal form (e.g., 4% would be entered as .04). 0.0%

Capital Required to Provide $ 0 **Annual Income Shortage: $ __________**

Cash and Income Needs at Death Summary Snapshot for:

Sources of Cash at Death

Liquid Assets: Bank and money market accounts, CDs , stocks, bonds, mutual fund s, reti rement savi ngs, etc. avail able to meet ca sh and i ncome needs at your death. Do **not** include the value of any investments assumed to provide income in Sources of Survivor Income on page 4. $ ________

Existing Life Insurance: All insurance c urrently in-force o n yo ur l ife, including group term life insurance. $ ________

Total Sources of Cash at Death **$** 0

Cash and Income Needs Summary

Cash Needs at Your Death:

Final Expense Fund	$	0		
Housing Fund				
Education Fund				
Emergency Fund				
Personal Services Fund		0		
Capital Required for Cash Needs			**$**	0

Income Needs at Your Death:

Monthly Survivor Income Objective	$			
Total Monthly Survivor Income Available		0		
Monthly Survivor Income Surplus or (-) Shortage		0		
Annual Survivor Income Surplus or (-) Shortage		0		
Capital Required To Provide $ 0 Annual Income Shortage at 0.0% Interest			**$**	

Capital Needs Summary:

Total Capital Required for Cash and Income Needs	**$**	0
less: Liquid Assets and Life Insurance	$	0

Additional Capital Needed: **$** 0

College Savings Snapshot for:

This worksheet uses **college cost inflation rate** and **investment rate of return** assumptions that you select. Different assumptions will produce different results.

Where You Stand Today

Child's First Name: ____________

Years Until Child Enters College: ____________

Estimated Cost of College Education: Enter the "nest egg" you want to have available to help pay the cost of a 4-(or more) year college education. $ ____________

Current Monthly College Savings: $ ____________

Current Value of Any College Savings: $ ____________

Inflation Factor: If you want to consider the impact of inflation on college costs, enter the appropriate factor based on an assumed inflation rate (enter 1.0 if you do not want to consider college inflation): ____________

College Inflation Factor (3% inflation)			
Years (1)	Factor	Years (1)	Factor
1	1.030	10	1.344
2	1.061	11	1.384
3	1.093	12	1.426
4	1.126	13	1.469
5	1.159	14	1.513
6	1.194	15	1.558
7	1.230	16	1.605
8	1.267	17	1.653
9	1.305	18	1.702

College Inflation Factor (4% inflation)			
Years (1)	Factor	Years (1)	Factor
1	1.040	10	1.480
2	1.082	11	1.539
3	1.125	12	1.601
4	1.170	13	1.665
5	1.217	14	1.732
6	1.265	15	1.801
7	1.316	16	1.873
8	1.369	17	1.948
9	1.423	18	2.026

College Inflation Factor (5% inflation)			
Years (1)	Factor	Years (1)	Factor
1	1.050	10	1.629
2	1.103	11	1.710
3	1.158	12	1.796
4	1.216	13	1.886
5	1.276	14	1.980
6	1.340	15	2.079
7	1.407	16	2.183
8	1.477	17	2.292
9	1.551	18	2.407

(1) Years Until Child Enters College

Your College Savings Objective

Investment Return Factor: Enter the appropriate factor based on the rate of return you want to assume for your college savings: ____________

Investment Return Factor (4% interest)			
Years (1)	Factor	Years (1)	Factor
1	1.040	10	1.480
2	1.082	11	1.539
3	1.125	12	1.601
4	1.170	13	1.665
5	1.217	14	1.732
6	1.265	15	1.801
7	1.316	16	1.873
8	1.369	17	1.948
9	1.423	18	2.026

Investment Return Factor (6% interest)			
Years (1)	Factor	Years (1)	Factor
1	1.060	10	1.791
2	1.124	11	1.898
3	1.191	12	2.012
4	1.262	13	2.133
5	1.338	14	2.261
6	1.419	15	2.397
7	1.504	16	2.540
8	1.594	17	2.693
9	1.689	18	2.854

Investment Return Factor (8% interest)			
Years (1)	Factor	Years (1)	Factor
1	1.080	10	2.159
2	1.166	11	2.332
3	1.260	12	2.518
4	1.360	13	2.720
5	1.469	14	2.937
6	1.587	15	3.172
7	1.714	16	3.426
8	1.851	17	3.700
9	1.999	18	3.996

(1) Years Until Child Enters College

Estimated College Savings "Nest Egg" Needed in Years: $ 0

Value of Current College Savings in Years: $ 0

College Savings Shortage or (-) Surplus: $ 0

If you have a College Savings (-) Surplus, congratulations! You have met your college savings objective and need not complete the balance of this worksheet.

College Savings Snapshot for:

This worksheet uses **college cost inflation rate** and **investment rate of return** assumptions that you select. Different assumptions will produce different results.

What You Need to Do

Monthly College Savings Factor: Enter the appropriate Monthly Savings Factor based on the same assumed interest rate you used for the Investment Return Factor on page 6: ____________

Monthly Savings Factor (4% interest)			
Years [1]	Factor	Years [1]	Factor
1	.0818	10	.0068
2	.0401	11	.0060
3	.0262	12	.0054
4	.0192	13	.0049
5	.0151	14	.0045
6	.0123	15	.0041
7	.0103	16	.0037
8	.0089	17	.0034
9	.0077	18	.0032

Monthly Savings Factor (6% interest)			
Years [1]	Factor	Years [1]	Factor
1	.0811	10	.0061
2	.0393	11	.0054
3	.0254	12	.0048
4	.0185	13	.0042
5	.0143	14	.0038
6	.0116	15	.0034
7	.0096	16	.0031
8	.0081	17	.0028
9	.0070	18	.0026

Monthly College Factor (8% interest)			
Years [1]	Factor	Years [1]	Factor
1	.0803	10	.0055
2	.0386	11	.0047
3	.0247	12	.0042
4	.0177	13	.0037
5	.0136	14	.0032
6	.0109	15	.0029
7	.0089	16	.0026
8	.0075	17	.0023
9	.0064	18	.0021

[1] Years Until Child Enters College

Monthly College Savings Needed to Provide $ 0
College Savings Shortage in Years: $ 0

Current Monthly College Savings: $ ____________

Additional Monthly College Savings Needed: $ 0

Disability Income Needs Snapshot for:

If you are sick or hurt, how will you replace your income? How will you pay monthly expenses?

Where You Stand Today

Fixed Monthly Expenses		Variable Monthly Expenses	
Mortgage (including property tax)/Rent Payment	$	Utilities (electricity, gas, water, telephone, TV, Internet)	$
Insurance Premiums (auto, home, medical/dental, life, disability income)		Transportation (fuel, parking, tolls, mass transit, auto maintenance and repair)	
Car Payment		Food/Personal Care Items	
Bank Loan/ Credit Card Payments		Doctor/Dental/Prescription Drug/Vet Expenses	
Child Care Expenses		Clothing/Laundry/Dry Cleaning	
Education/School Expenses		Home Repair/Maintenance	
Retirement Savings		Entertainment	
Savings/Investments		Vacation/Travel/Hobbies	
Other: ____________________		Other: ____________________	
Total Fixed Expenses	**$** 0	**Total Variable Expenses**	**$** 0

Monthly Income Available in the Event of Disability

(See page 16 for information on income sources that may be available during disability.)

Short-Term (6 months or less)		Long-Term (after 6 months)	
Short-Term Group Disability Income	$	Long-Term Group Disability Income	$
Short-Term Individual Disability Income		Long-Term Individual Disability Income	
Spouse's Net Monthly Income		Spouse's Net Monthly Income	
Investment Income		Investment Income	
Other: ____________________		Social Security Disability Benefit	
		Other: ____________________	
Total Short-Term Income	**$** 0	**Total Long-Term Income**	**$** 0

Monthly Disability Income Needs

Short-Term (6 months or less)		Long-Term (after 6 months)	
Total Monthly Expenses	$ 0	Total Monthly Expenses	$ 0
Total Monthly Short-Term Disability Income Available	0	Total Monthly Long-Term Disability Income Available	0
Short-Term Disability Income Shortage or (-) Surplus	**$ 0**	**Long-Term Disability Income Shortage or (-) Surplus**	**$ 0**

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Retirement Income Needs Snapshot for:

While this worksheet can give you a general idea of your retirement income needs, you should consult with your financial advisor before purchasing any financial products.

Monthly Retirement Budget

Monthly Basic Expenses		Monthly Discretionary Expenses	
Housing/Utilities	$ ______	Entertainment	$ ______
Food	______	Hobbies	______
Transportation	______	Travel	______
Taxes	______	Charitable Gifts	______
Insurance Premiums	______	Vacation Home	______
Healthcare Costs	______	Other: ______	______
Personal Needs/Clothing	______	Other: ______	______
Debt Payments	______	Other: ______	______
Other: ______	______	Other: ______	______
Other: ______	______	Other: ______	______
Total:	**$ 0**	**Total:**	**$ 0**

Sources of Monthly Retirement Income
(See page 17 for information on sources of retirement income.)

Sources of Retirement Income: Enter the amount of monthly income you expect to receive at retirement from each of the following sources:

Social Security Benefit	$ ______
Monthly Income from Employer-Provided Plans	______
Annuity Payments	______
Rental Income	______
Trust Fund Income	______
Monthly Paycheck	______
Other Income (______)	______
Total Monthly Retirement Income	**$ 0**

Retirement Income Snapshot

Total Monthly Retirement Budget:	**$ 0**
Total Monthly Retirement Income:	**$ 0**
Monthly Retirement Income Shortage or (-) Surplus:	**$ 0**
Annual Retirement Income Shortage or (-) Surplus:	**$ 0**

If the Retirement Income Snapshot results in a (-) Surplus, congratulations! You have met your retirement income objective and need not complete the balance of this worksheet.

Assumed Interest Rate: Enter the interest that you feel is realistic to use for income-producing purposes over a period of years. While a lower interest rate requires a larger amount of capital to cover an income shortage, a somewhat conservative rate is generally recommended. **Note:** The interest rate must be entered in decimal form (e.g., 4% would be entered as .04). ______

☐ **Capital Required to Provide $ 0** **Annual Income Shortage:** **$ ______**

Long-Term Care (LTC) Expense Snapshot for:

This worksheet uses **LTC expense inflation rate** and **investment rate of return** assumptions that you select. Different assumptions will produce different results.

Long-Term Care Planning Assumptions

Your Current Age: ________

Age When Long-Term Care Services Will Be Needed: ________

Years Until Long-Term Care Services Will Be Needed: 0

Number of Years Long-Term Care Services Will Be Needed: ________

Anticipated Monthly Long-Term Care Expenses in Today's Dollars: $ ________

Anticipated Annual Long-Term Care Expenses in Today's Dollars: $ 0

Long-Term Care Expense Inflation Factor: Enter the appropriate factor based on an assumed inflation rate: ________

LTC Inflation Factor (3%)			
Years (1)	Factor	Years (1)	Factor
1	1.030	16	1.605
2	1.061	17	1.653
3	1.093	18	1.702
4	1.126	19	1.754
5	1.159	20	1.806
6	1.194	21	1.860
7	1.230	22	1.916
8	1.267	23	1.974
9	1.305	24	2.033
10	1.344	25	2.094
11	1.384	26	2.157
12	1.426	27	2.221
13	1.469	28	2.288
14	1.513	29	2.357
15	1.558	30	2.427

LTC Inflation Factor (4%)			
Years (1)	Factor	Years (1)	Factor
1	1.040	16	1.873
2	1.082	17	1.948
3	1.125	18	2.026
4	1.170	19	2.107
5	1.217	20	2.191
6	1.265	21	2.279
7	1.316	22	2.370
8	1.369	23	2.465
9	1.423	24	2.563
10	1.480	25	2.666
11	1.539	26	2.772
12	1.601	27	2.883
13	1.665	28	2.999
14	1.732	29	3.119
15	1.801	30	3.243

LTC Inflation Factor (5%)			
Years (1)	Factor	Years (1)	Factor
1	1.050	16	2.183
2	1.103	17	2.292
3	1.158	18	2.407
4	1.216	19	2.527
5	1.276	20	2.653
6	1.340	21	2.786
7	1.407	22	2.925
8	1.477	23	3.072
9	1.551	24	3.225
10	1.629	25	3.386
11	1.710	26	3.556
12	1.796	27	3.733
13	1.886	28	3.920
14	1.980	29	4.116
15	2.079	30	4.322

(1) Years Until Long-Term Care Services Will Be Needed

Current Monthly Long-Term Care Savings: $ ________

Current Balance of Any Long-Term Care Savings: $ ________

Investment Return Factor: Enter the appropriate factor based on the rate of return you want to assume for your long-term care savings: ________

Investment Return Factor (4%)			
Years (1)	Factor	Years (1)	Factor
1	1.040	16	1.873
2	1.082	17	1.948
3	1.125	18	2.026
4	1.170	19	2.107
5	1.217	20	2.191
6	1.265	21	2.279
7	1.316	22	2.370
8	1.369	23	2.465
9	1.423	24	2.563
10	1.480	25	2.666
11	1.539	26	2.772
12	1.601	27	2.883
13	1.665	28	2.999
14	1.732	29	3.119
15	1.801	30	3.243

Investment Return Factor (6%)			
Years (1)	Factor	Years (1)	Factor
1	1.060	16	2.540
2	1.124	17	2.693
3	1.191	18	2.854
4	1.262	19	3.026
5	1.338	20	3.207
6	1.419	21	3.400
7	1.504	22	3.604
8	1.594	23	3.820
9	1.689	24	4.049
10	1.791	25	4.292
11	1.898	26	4.549
12	2.012	27	4.822
13	2.133	28	5.112
14	2.261	29	5.418
15	2.397	30	5.743

Investment Return Factor (8%)			
Years (1)	Factor	Years (1)	Factor
1	1.080	16	3.426
2	1.166	17	3.700
3	1.260	18	3.996
4	1.360	19	4.316
5	1.469	20	4.661
6	1.587	21	5.034
7	1.714	22	5.437
8	1.851	23	5.871
9	1.999	24	6.341
10	2.159	25	6.848
11	2.332	26	7.396
12	2.518	27	7.988
13	2.720	28	8.627
14	2.937	29	9.317
15	3.172	30	10.063

(1) Years Until Long-Term Care Services Will Be Needed

Long-Term Care (LTC) Expense Snapshot for:

This worksheet uses **LTC expense inflation rate** and **investment rate of return** assumptions that you select. Different assumptions will produce different results.

Estimated Future Expenses of Long-Term Care Services

Estimated Future LTC Expenses for Years:	$	0
Value of Current LTC Savings in 0 Years:	$	0
Other Resources Available to Pay LTC Expenses:	$	
Long-Term Care Savings Shortage or (-) Surplus:	$	0

If you have a Long-Term Care Savings (-) Surplus, congratulations! You have met your LTC funding objective and need not complete the balance of this worksheet.

What You Need to Do

Monthly LTC Savings Factor: Enter the appropriate Monthly LTC Savings Factor based on the same assumed interest rate you used for the Investment Return Factor on page 10: ____________

Monthly LTC Savings Factor (4%)			
Years [1]	Factor	Years [1]	Factor
1	.0818	16	.0037
2	.0401	17	.0034
3	.0262	18	.0032
4	.0192	19	.0029
5	.0151	20	.0027
6	.0123	21	.0025
7	.0103	22	.0027
8	.0089	23	.0022
9	.0077	24	.0021
10	.0068	25	.0019
11	.0060	26	.0018
12	.0054	27	.0017
13	.0049	28	.0016
14	.0045	29	.0015
15	.0041	30	.0014

Monthly LTC Savings Factor (6%)			
Years [1]	Factor	Years [1]	Factor
1	.0811	16	.0031
2	.0393	17	.0028
3	.0254	18	.0026
4	.0185	19	.0024
5	.0143	20	.0022
6	.0116	21	.0020
7	.0096	22	.0018
8	.0081	23	.0017
9	.0070	24	.0016
10	.0061	25	.0014
11	.0054	26	.0013
12	.0048	27	.0012
13	.0042	28	.0011
14	.0038	29	.0010
15	.0034	30	.0009

Monthly LTC Savings Factor (8%)			
Years [1]	Factor	Years [1]	Factor
1	.0803	16	.0026
2	.0386	17	.0023
3	.0247	18	.0021
4	.0173	19	.0019
5	.0137	20	.0017
6	.0109	21	.0015
7	.0089	22	.0014
8	.0075	23	.0013
9	.0064	24	.0012
10	.0055	25	.0011
11	.0047	26	.0010
12	.0042	27	.0009
13	.0037	28	.0008
14	.0032	29	.0007
15	.0029	30	.0006

[1] Years Until Long-Term Care Services Will Be Needed

Monthly LTC Savings Needed to Provide $ 0 LTC Savings Shortage in 0 Years:	$	0
Current Monthly LTC Savings:	$	

☐ **New Monthly Long-Term Care Savings Needed:** $ ________0

Another alternative is to purchase **long-term care insurance** to pay for at least a portion of future long-term care costs. Whether purchased for yourself, your spouse or for an aging parent, long-term care insurance can help protect assets accumulated over a lifetime from the ravages of long-term care costs, whenever those costs are incurred. See page 18 for more information.

Financial Snapshot Summary for:

This Summary reflects the information you entered and the Financial Snapshot Assumptions you selected (see page 19 for an explanation of the Assumptions used).

Cash and Income Needs at Death

Total Cash Needs at Death	$	0
Capital Required To Provide $ 0 Annual Income Shortage at Death	$	
Total Capital Required for Cash and Income Needs	$	0
less: Liquid Assets and Life Insurance	$	0
Additional Capital Required for Cash and Income Needs at Death:	**$**	**0**

College Savings for

College Savings Shortage or (-) Surplus:	$	0
Monthly College Savings Needed to Provide $0 College Savings Shortage in Years:	$	0
Current Monthly College Savings:	$	
Additional Monthly College Savings Needed:	**$**	**0**

Disability Income Needs

Short-Term (6 months or less)			**Long-Term (after 6 months)**		
Total Monthly Expenses	$	0	Total Monthly Expenses	$	0
Total Monthly Short-Term Disability Income Available		0	Total Monthly Long-Term Disability Income Available		0
Short-Term Disability Income Shortage or (-) Surplus	**$**	**0**	**Long-Term Disability Income Shortage or (-) Surplus**	**$**	**0**

Retirement Income Needs

Annual Retirement Income Shortage or (-) Surplus:	$	0
Capital Required to Provide $ 0 Annual Income Shortage:	**$**	

Long-Term Care Expense

Long-Term Care Savings Shortage or (-) Surplus:	$	0
Monthly LTC Savings Needed to Provide $ 0 LTC Savings Shortage in 0 Years:	$	0
Current Monthly LTC Savings:	$	
New Monthly Long-Term Care Savings Needed:	**$**	**0**

Additional Information: Cash Needs at Death

Will your family have the resources to pay for the cash needs that may arise at your death?

Most people want to provide for these cash needs to assure that financial problems are not added to their family's sorrow:

Final Expense Fund

This fund is intended to cover the immediate expenses that arise at death, such as medical and funeral expenses, debt liquidation (credit cards, car loans, college loans, etc.), estate settlement costs, including legal fees and any taxes, and any special bequests.

According to the National Funeral Directors Association, the average cost of a traditional funeral, including embalming and a casket, is $8,755. Cemetery services, including the grave-site and vault or liner, can cost an additional $3,000 to $4,000. (Source: FuneralWise.com; www.funeralwise.com; October 2020).

Housing Fund

This fund can enable your dependents to stay in their home by liquidating the mortgage or providing a rent payment fund.

According to the Mortgage Bankers Association, "A homeowner may face foreclosure for many reasons, but most commonly it is due to an extreme change in their life situation — job loss, death, divorce, prolonged illness."

Education Fund

Do you want your children to benefit from a college or vocational education?

In 2021-2022, the average annual cost for a full-time student at a four-year public college is estimated at $22,690 and at $55,930 for a private nonprofit college (Source: The College Board Trends in College Pricing 2021).

Emergency Fund

It can be difficult to pay for large unexpected expenses, such as auto or home repairs, from current income.

The best way to prepare for emergencies is to have quick access to additional money. Otherwise, your family may be forced to rely on credit cards or a loan, which could simply compound the problem.

Personal Services Fund

When a breadwinner dies, new expenses may be created, such as expenses related to child care, household duties and home and yard maintenance.

Child-care costs can be significant and vary widely based on quality, age of the child, type of operator and region. Prices for child care centers ranged from a low of $4,670 in Mississippi to a high of $12,781 in Massachusetts per year for a 4-year-old child, and from a low of $5,307 in Mississippi to a high of $20,415 in Massachusetts per year for an infant in 2017 (Source: *Parents and the High Cost of Child Care: 2018 Report*, Child Care Aware).

Additional Information: Sources of Income at Death

If something happens to you, how will your earning power be replaced?

What sources of income may be available to your dependents if something happens to you? Evaluate these potential income sources as you decide how to provide an income for the support of your loved ones in the event of your death:

Social Security Survivor Benefits

When a person who has worked and paid Social Security taxes dies, certain family members may be eligible to receive survivor benefits. Your surviving spouse may be eligible to receive monthly payments if caring for your child who is under age 16, or of any age if disabled before age 22. Payments may also be made to surviving spouses beginning at their age 65 (60 if a reduced benefit is elected). In addition, monthly payments may be made to your children who are under age 18 (19 if in high school full time), or of any age if disabled before age 22. Finally, your mother and/or father, age 62 or over, may receive survivor benefits if, at the time of your death, either was dependent on you for at least 50% of his/her support.

In order to estimate the survivor benefits your family may be eligible to receive, visit the Social Security website where you'll find several calculators that can be used to estimate survivor benefits (http://ssa.gov/planners/benefitcalculators.htm).

Survivor Income Benefits

Will your surviving spouse and/or dependent children be eligible to receive survivor benefits from, for example, a retirement plan or an employer-provided survivor benefit?

Investment Income

Do you have investments that can provide a continuing source of income to your survivors, such as investment real estate? Keep in mind that this income source should not include any investments that may need to be liquidated at your death.

Other Sources of Income

Will any other sources of income be available at your death, such as trust fund income?

Additional Information: College Savings Strategies

While paying for college has never been easy, the increasing costs of a college education make it even more challenging today. Even with the availability of college financial aid programs, most families will still need and want to contribute toward the cost of their child's college education. Fortunately, there are a variety of strategies that can be utilized to help save for college costs:

Section 529 Plans (Qualified Tuition Programs)

Section 529 Plans allow you to either prepay your child's college tuition or contribute to an account established to pay the qualified higher education expenses of your child. While contributions to the account are not tax deductible, investment growth is tax deferred and distributions used to pay for qualified higher education expenses are exempt from federal income tax. While authorized by federal law, Section 529 Plans are operated by the states. The rules, requirements, fees and expenses of Section 529 Plans vary from state to state, as does state and local taxation of contributions and distributions.

Coverdell Education Savings Accounts

Taxpayers within specified adjusted gross income levels may contribute up to $2,000 per year per beneficiary to an Education Savings Account. While contributions are not tax deductible, earnings grow tax deferred and are distributed tax free, provided they are used to pay the beneficiary's qualified education expenses.

U.S. Savings Bonds

Subject to certain limits, interest on series EE and I savings bonds may be excluded from income if used to pay qualified education expenses in the year the bonds are redeemed.

Savings/Investment Accounts

Depending on your risk tolerance, income tax bracket and the time frame in which the funds will be needed, education savings can be placed in a savings account, certificate of deposit, U.S. Treasury securities or money market account, or invested in some combination of stocks and bonds, either directly or through mutual funds.

Additional Information: Sources of Income While Disabled

What sources of funds may be available to replace your income during a disability?

Group and Individual Disability Income Benefits

Your employer may provide you with disability income benefits through a group insurance plan. These benefits may be short-term (generally payable for only the first six months of a disability), long-term (generally payable after you have been disabled for six months), or both.

In addition, you may have purchased individual disability income insurance. As with employer-provided group insurance plans, individual disability income insurance plans may provide short-term disability income, long-term disability income or both.

Spouse's Income

If your spouse is currently an income earner, it may be realistic to assume that his or her income will continue if you become disabled. On the other hand, if your spouse does not currently earn an income, it may not be realistic to assume that he or she could replace your earning power. In evaluating your disability income needs, enter any spouse's income net of taxes (i.e., "take-home" pay).

Investment Income

Do you have any investments that can be used to supplement your income if you become disabled? While a longer disability may force you to liquidate assets if other sources of income are not sufficient, a forced liquidation of assets should be avoided if at all possible. Otherwise, a single disability could consume assets you've worked a lifetime to accumulate.

Social Security Disability Benefit (long-term only)

Assuming that you qualify, Social Security disability benefits do not begin until the sixth full month of disability. If you are working and paying into the Social Security system, you are sent an annual statement that provides an estimate of the Social Security disability benefit you may be entitled to receive. Alternatively, you can visit the Social Security website where you'll find several calculators that can be used to estimate the disability benefit (http://ssa.gov/planners/benefitcalculators.htm).

Keep in mind that it can be difficult to qualify for Social Security disability benefits. In fact, from 2010 through 2019, an average of only 32% of Social Security disability claims were eventually approved. (Source: Annual Statistical Report on the Social Security Disability Program, 2020; released November 2021)

Investment Income

Will any other sources of income be available if you become disabled, such as trust fund income?

Additional Information: Sources of Retirement Income

When you retire and your earning power ceases, you will need to depend on three primary sources for your retirement income:

Social Security Retirement Benefits

If you are working and paying into the Social Security system, you are sent an annual statement that provides an estimate of the Social Security retirement benefits you may be entitled to receive. Alternatively, you can visit the Social Security website where you'll find several calculators that can be used to estimate retirement benefits (http://ssa.gov/planners/benefitcalculators.htm).

Employer-Provided Qualified Retirement Plans

Some employers offer qualified retirement plans that allow employees to contribute pre-tax dollars that accumulate tax deferred until received. Consider taking full advantage of any such plan offered by your employer. Tax deferral can result in more funds accumulated for retirement than saving for retirement without the benefit of tax deferral. Plus, your employer may match at least a portion of your contributions.

Personal Retirement Savings

For many people, there is a gap between the retirement income they can expect from Social Security and employer-provided qualified retirement plans and their retirement income objectives. If that's true in your situation, personal retirement savings represent a way to bridge that gap.

One or more of the following personal retirement planning options may be of interest to you. Your licensed financial adviser will discuss with you how specific products may work for you in your particular situation, including the product's features, benefits, risks, charges and expenses.

Individual Retirement Account (IRA)	Anyone with compensation and their spouses can establish this personal, tax-favored retirement plan. You can select a regular IRA, which may allow for tax-deductible contributions, together with tax-deferred accumulations and taxable distributions or, subject to income requirements, a Roth IRA, which does not allow for tax-deductible contributions, but provides tax-deferred accumulations and tax-free distributions.
Annuities	An annuity can be used to accumulate funds on a tax-deferred basis. Then, at retirement, the value of the annuity can be converted to an income that you cannot outlive. An annuity does not provide any tax deferral advantage over other types of investments offered through employer-provided qualified plans or IRAs. If, however, you are already contributing the maximum to an employer-sponsored qualified retirement plan or an IRA, an annuity can be an attractive way to save for retirement. Note, however, that annuity contracts contain exclusions, limitations, reductions of benefits and terms for keeping them in force, which will be explained by your licensed financial advisor.
Savings / Investment Accounts	Depending on your risk tolerance, income tax bracket and the time frame in which the funds will be needed, retirement savings can be placed in a savings account, certificate of deposit, U.S. Treasury securities or money market account, or invested in some combination of stocks and bonds, either directly or through mutual funds.

Additional Information: Long-Term Care Insurance

Long-term care refers to help with daily activities needed by people with disabilities or chronic, longer-lasting illnesses, such as help with eating, bathing and dressing. Long-term care also includes assistance for those suffering from cognitive impairments, such as Alzheimer's disease and dementia. Other types of insurance, such as health insurance and disability insurance, do not typically pay for these services, nor does Medicare. Long-term care can be provided in a variety of settings, such as your home, an assisted living community or in a nursing home.

A typical long-term care insurance policy helps cover the cost of long-term care services, including:

- Assistance in your home with daily activities, such as bathing, dressing, meals and housekeeping services; visiting nurses and/or home health aides who come to your home.
- Services available in your community, such as adult day care.
- The cost of an assisted living community.
- Nursing home care.

In purchasing long-term care insurance, it is important to select coverage that matches your needs and preferences. As you evaluate various policy features and benefits, however, keep in mind that the choices you make can affect the premiums you pay and the benefits you are entitled to receive.

Covered Services	What services are covered by the policy? Does the policy offer "shared care," where two people can share the pool of benefits provided by the policy?
Benefit Amount	What is the daily benefit amount? Is it payable only while you are confined to a nursing home, or is a benefit also payable for home health care and other care alternatives? Does the policy have a maximum lifetime benefit?
Benefit Period	For how long are benefits payable? In a nursing home? At home? For an assisted living facility?
Elimination Period	When do benefits begin? Nursing home care? Home health care? Assisted living?
Maximum Lifetime Benefit	Does the policy have a maximum lifetime benefit? If so, what is it?
Pre-Existing Conditions	Are pre-existing conditions covered the same as any other conditions? If not, how long must you wait before they are covered?
Excluded Conditions	Are any conditions, such as Alzheimer's Disease, senility or dementia, excluded from coverage?
Inflation	Are benefit amounts adjusted to reflect increasing long-term care costs? How?
Prior Hospital Stay	Is a prior hospital stay required in order to receive benefits? Are medical certifications required in order to receive benefits?
Spousal Discount	Does the insurance company offer a discount when both spouses purchase long-term care insurance policies?
Premiums Waived	Are premiums waived after you begin receiving benefits? When?
Guaranteed Renewable	Can you renew the coverage for life, so long as you pay the premiums when due?
Premium Increases	Can your premiums be increased? How often? Under what conditions?

Assumptions Used in Preparation of the Financial Snapshot

Cash Needs at Death Financial Snapshot Assumptions: The Cash Needs at Death Financial Snapshot assumes that death occurs today.

Income Needs at Death Financial Snapshot Assumptions: The Income Needs at Death Financial Snapshot uses the **capital retention method** to illustrate the capital needed at an assumed interest rate to provide survivor income assuming death occurs today. The capital retention method uses **interest only** to provide survivor income. Principal is not liquidated and remains available for the survivors. The assumed interest rate used has a direct effect on the illustrated amount of capital required to provide any annual income shortage...the higher the assumed interest rate, the less illustrated capital required to provide annual income.*

College Savings Financial Snapshot Assumptions: The College Savings Financial Snapshot asks that you select from three assumed inflation rates and interest rates. It is important to understand that these are assumptions only and provide hypothetical results of your college savings needs. Using a different set of inflation and interest rate assumptions will result in a different set of hypothetical results. The **assumed inflation rate** used has a direct effect on the illustrated college "nest egg" required...the higher the assumed inflation rate, the larger the illustrated college "nest egg" will be. The **assumed interest rate** used has a direct effect on the illustrated value of any current college savings, as well as on any new monthly college savings needed to achieve your college savings objective...the higher the assumed interest rate, the larger the illustrated value of any current college savings and the smaller any new monthly college savings will be.*

Disability Income Needs Financial Snapshot Assumptions: The Disability Income Needs Financial Snapshot is based solely on information you enter into the worksheet concerning your monthly expenses and your anticipated sources of income if you become disabled. As a result, any illustrated disability income shortage or surplus is only as accurate as the information you enter.

Retirement Income Needs Financial Snapshot Assumptions: The Retirement Income Needs Financial Snapshot uses the **capital retention method** to illustrate the capital needed at an assumed interest rate to provide any annual retirement income shortage. The capital retention method uses **interest only** to provide annual retirement income. Principal is not liquidated and remains available. The assumed interest rate used has a direct effect on the illustrated amount of capital required to provide any annual retirement income shortage...the higher the assumed interest rate, the less illustrated capital required to provide annual income.*

Long-Term Care Expense Financial Snapshot Assumptions: The Long-Term Care Expense Financial Snapshot asks that you select from three assumed inflation rates and interest rates. It is important to understand that these are assumptions only and provide hypothetical results of your long-term care savings needs. Using a different set of inflation and interest rate assumptions will result in a different set of hypothetical results. The **assumed LTC inflation rate** used has a direct effect on the illustrated long-term care savings required...the higher the assumed inflation rate, the larger the illustrated long-term care savings needed will be. The **assumed interest rate** used has a direct effect on the illustrated value of any current long-term care savings, as well as on any new monthly long-term savings needed to achieve your long-term care savings objective...the higher the assumed interest rate, the larger the illustrated value of any current LTC savings and the smaller any new monthly LTC savings needed will be.*

* Remember that these are hypothetical illustrations only and are not indicative of any particular investment or performance. They do not reflect the fees and expenses associated with any particular investment, which would reduce the performance shown in these hypothetical illustrations if they were included. In addition, rates of return will vary over time, particularly for longer-term investments.