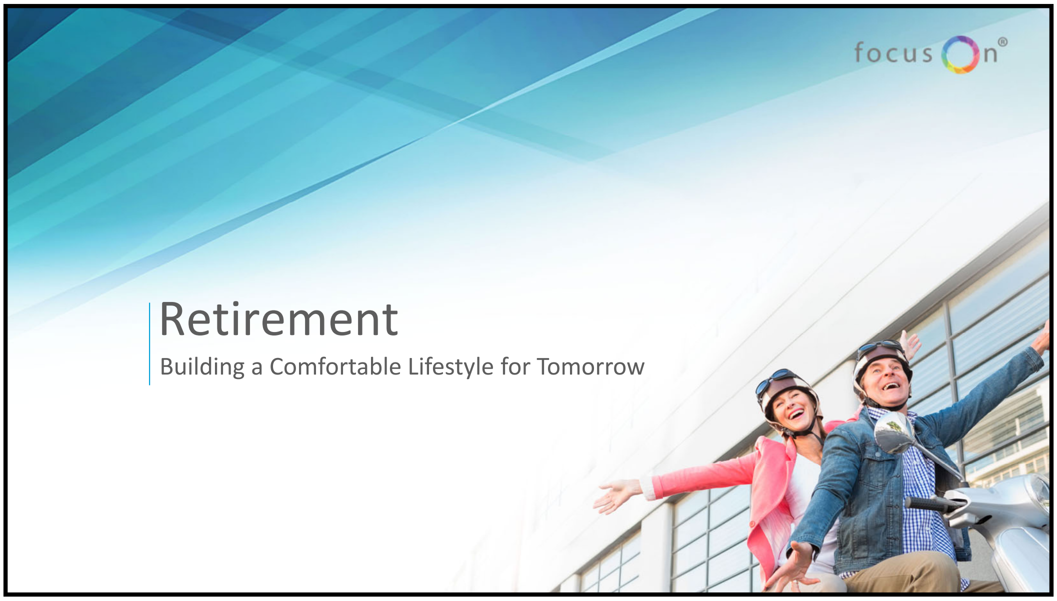

Welcome to our retirement seminar on building a comfortable lifestyle for tomorrow. We're glad that you could join us here today.

Before we get started, I'd like to introduce myself and my company.

[Note to presenter: Give a brief personal background, then talk about your organization and give its location. If appropriate, introduce other members of your organization who are in the room and discuss any housekeeping issues.]

Our Commitment

- Provide sound financial information
- Help you identify goals
- Offer complimentary, no-obligation consultation

The information provided in this presentation is not written or intended as tax, legal, investment, or retirement advice or recommendations, and it may not be relied on for the purpose of avoiding any federal tax penalties. Individuals are encouraged to seek guidance from an independent tax or legal professional.

We use seminars like this one to introduce ourselves and to develop strong working relationships with members of the community like you.

Our commitment extends beyond simply offering financial services. We are committed to helping you evaluate your financial situation and giving you tools to help make informed decisions and pursue your financial goals.

We hope that after attending the seminar, you'll want to meet with us in our office. This is a complimentary, no-obligation consultation that we offer to everyone who attends our seminars. During that meeting, we can discuss any questions you have as a result of what we discuss here. If you prefer, we can use that time to examine your specific situation and begin the process of helping you formulate a financial strategy that will suit your needs.

We know that we'll establish a working relationship with you only when *you* are confident that we can be of service. We want you to understand your options and to know how you may benefit from working with us.

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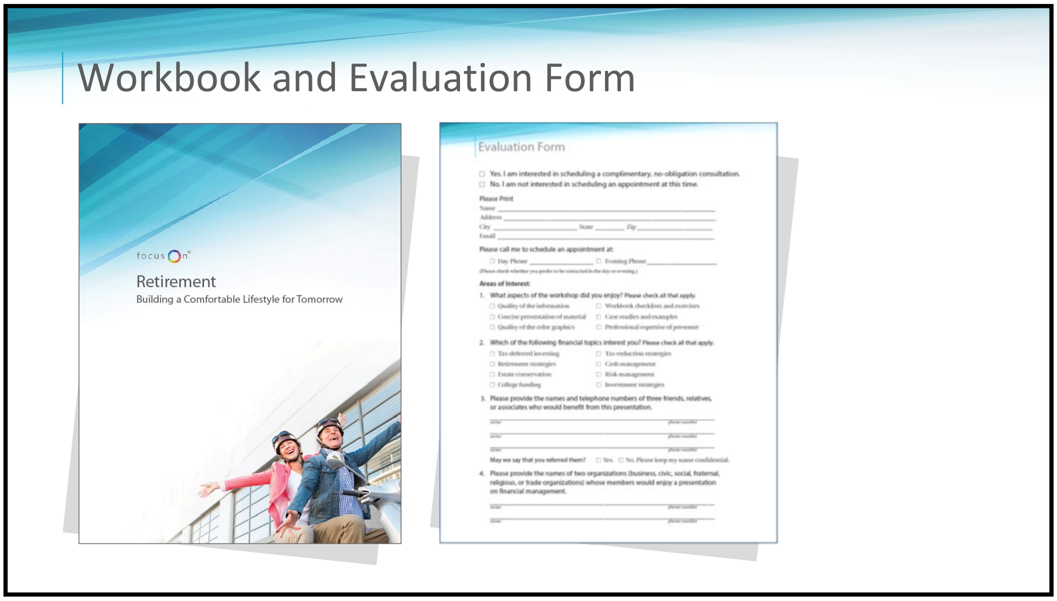


Let’s talk about the workbook you received as you entered.

We’ve found that people are more likely to remember something they act on rather than something they only hear about. That’s why we designed this workbook so you can apply what you learn to your situation. In it you’ll find helpful materials that reinforce the seminar’s major points and will be a valuable resource for you.

Feel free to highlight, underline, or make notes in whatever way serves you best.

Inside your workbook, you’ll find an evaluation form just like this one.

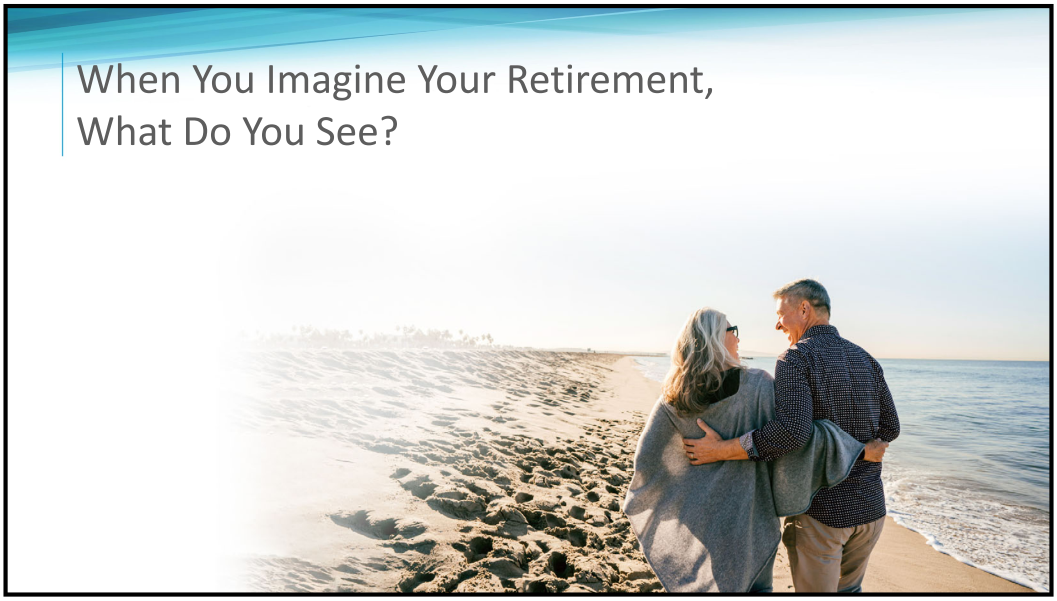
[Note to presenter: Pull out an evaluation form for your seminar participants to see.]

At the end of the presentation, please use this form to tell us whether you’re interested in taking advantage of the complimentary, no-obligation consultation.

We’d like to make you two promises concerning this form. First, if you check “Yes, I am interested in scheduling a complimentary, no-obligation consultation,” we’ll call you in the next couple of days and set up an appointment. Second, if you check “No, I am not interested in scheduling an appointment at this time,” we won’t call you directly after the seminar.

In exchange for these two promises to you, please promise that you will fill out this form. Many seminar attendees do come in for a consultation, so we’ve set aside time just to meet with you.

When you do come to our office, feel free to leave your checkbook at home. We are very interested in developing working relationships with you, but that decision is yours.



When you close your eyes and imagine your own retirement, what do you see? Most people imagine retirement as a happy time, a reward for a lifetime of hard work, full of possibility and potential.

Many of us look forward to pursuing hobbies and traveling, while others might envision an opportunity to go back to school, start a new career or business, or simply spend more time with friends and family.

We have good reasons to see retirement in a positive light. After all, Americans are living longer, healthier lives than ever before. In fact, retirement could make up a full third of our lives. Of course, this means that our retirement assets will have to do more for us over a longer period of time.

When you open your eyes from your retirement daydream, the reality may seem a bit daunting.

With so many financial challenges — bills, housing expenses, college savings (if you have children), and just the basic costs of everyday life — how do you make saving for retirement a high priority when you might not retire for decades?

The key is to understand why you need to plan so far ahead and then learn more about how to balance today's challenges with tomorrow's goal.

Your presence here today is an important first step in the pursuit of a comfortable retirement. Together, we will explore the "whys" and the "hows" and look at actions you can take both today and in the future.

There are three keys to funding a comfortable retirement.

First, you need to evaluate your retirement income needs. This involves understanding those all-important “whys” — the factors that will influence your personal situation — as well as taking a quick look at some of the income resources that may be available to you in retirement, such as Social Security. Then we’ll put pen to paper and describe how to calculate a total retirement savings goal, breaking it down into an annual amount.

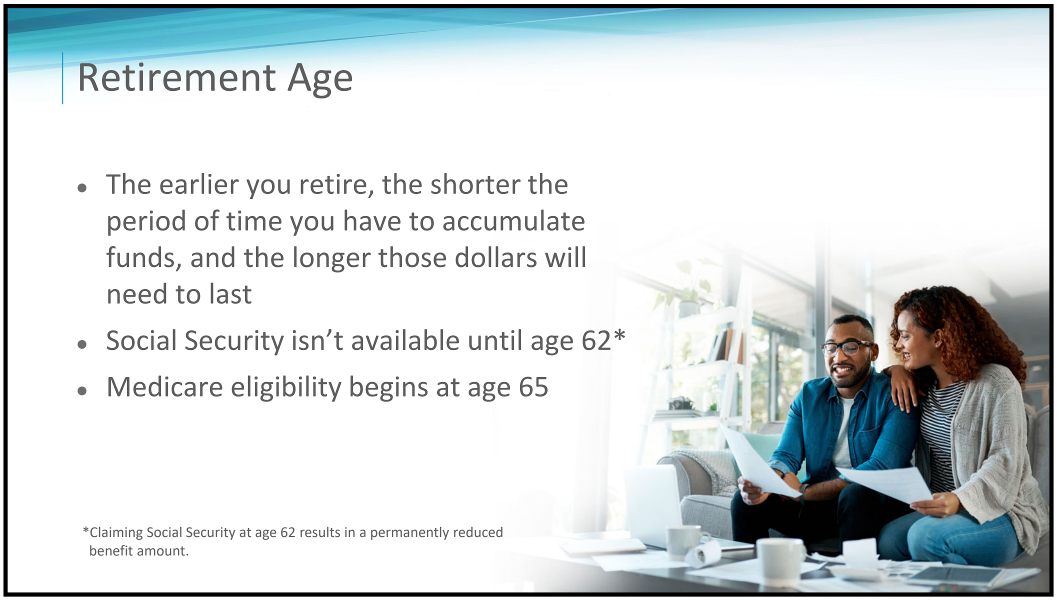
Next, we’ll look at the “hows,” which represent the bulk of our conversation today. How do you develop a strategy to pursue your retirement savings goal? We’ll walk through several retirement savings tools and then explore the process of building a retirement investment portfolio.

Finally, we’ll spend a few brief moments covering how to help protect your nest egg from some of life’s most serious financial risks — both before and during retirement.

Let’s discuss these key steps in greater detail.

Many factors will significantly influence how much income you will need in retirement. These "whys" are some of the most important reasons why you need to make retirement planning a key financial goal throughout your lifetime.

The reasons are: the age when you plan to retire, the length of your retirement, your health-care needs and expenses, the effects of inflation, and the type of retirement lifestyle you envision.

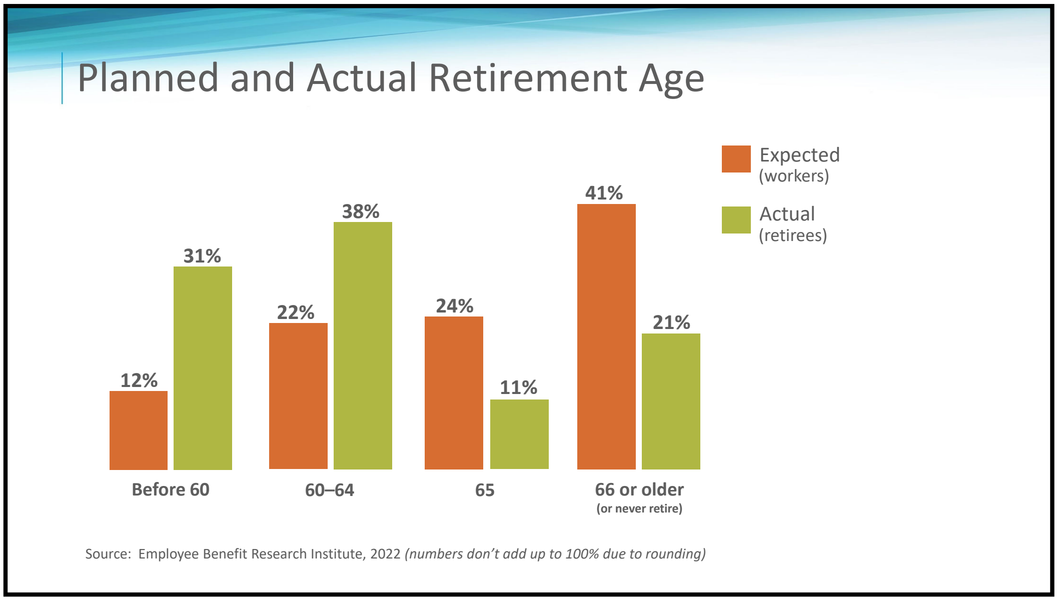


Have you thought about the age when you'd like to retire?

This is important, because the earlier you retire, the shorter the period of time you have to accumulate funds, and the longer the period of time those dollars will need to last.

Although you can retire at any time, many people target the age when they're eligible for Social Security retirement benefits. You can claim Social Security as early as age 62, but keep in mind that the longer you wait (up to age 70), the more you'll receive each month. We'll take a more detailed look at Social Security in a little while.

Also, you're not eligible for Medicare health coverage until age 65, so if you want to retire before then, you'll want to plan for private health insurance.

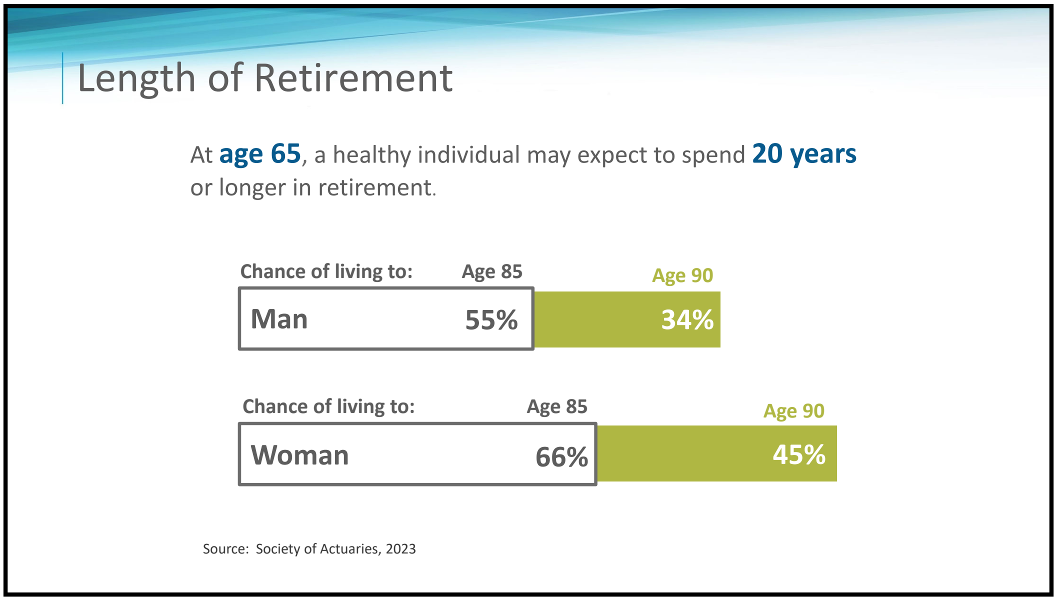


Keep in mind that you can't always control your retirement age.

A recent survey found that the ages when workers *expect* to retire were later than the *actual* ages when retirees left the workforce. In fact, the vast majority of retirees said they retired prior to age 65 — some for reasons beyond their control.

Consider the possibility that you might be unable to continue working because of poor health or changes at your company, such as downsizing or workplace closure. This is a major reason why it's important to save for retirement throughout your life — you can never be sure what the future may bring, despite your best-laid plans.

Source: Employee Benefit Research Institute, 2022 *(numbers don't add up to 100% due to rounding)*

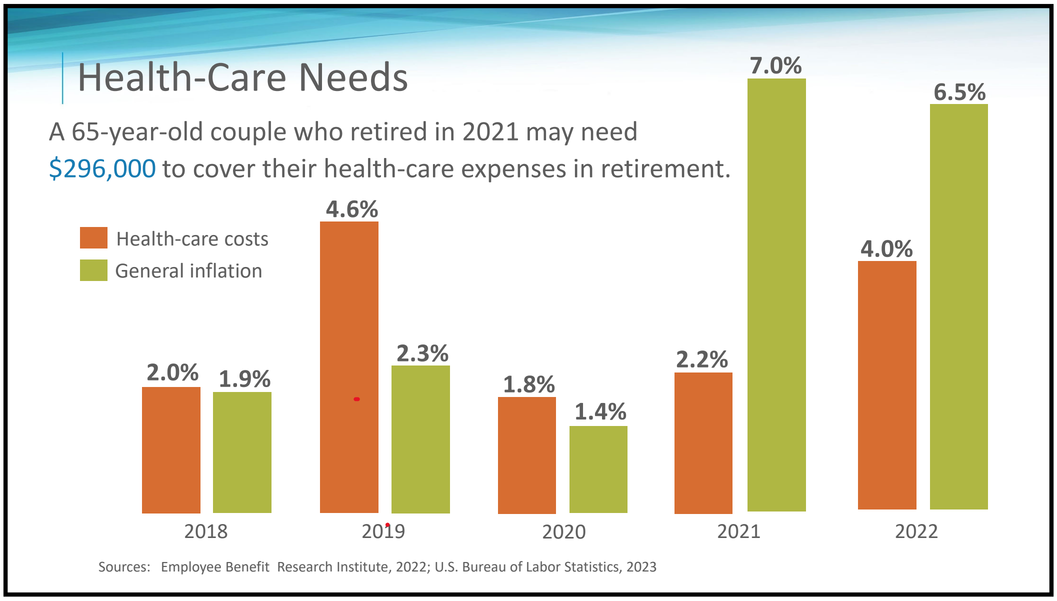


We alluded to the second factor a moment ago: the length of your retirement.

With recent advances in technology and medicine, life expectancies are stretching considerably. As you can see, chances are good that you'll be spending a large portion of your life in retirement. In fact, a 65-year-old in average health is likely to live another 20 to 25 years. Are you prepared, financially speaking, to live this long?

[Note to presenter: Discuss chances that a 65-year-old man and woman will live to age 85 or 90.]

Source: Society of Actuaries, 2023



Longevity is related to health care, which is our third factor to consider.

This chart shows that in three out of the last five years, health-care costs increased at a faster rate than general inflation.[1] Although inflation in general has been unusually high in recent years, health care cost increases could rise even faster in the future.

Fewer employers are offering health-care benefits to retirees, and many that do offer benefits are scaling back.

In fact, if Medicare benefits remain at current levels, it's estimated that a 65-year-old couple who retired in 2021, live an average life expectancy, and have average prescription drug expenses might need nearly $300,000 just to pay their health expenses in retirement.[2]

Under the circumstances, it's little wonder that paying for medical expenses has become one of the biggest worries that many retirees face — and one of the most important reasons to plan ahead. During retirement, you won't have to make sacrifices in other areas of your budget in order to pay your medical bills.

Sources: 1) U.S. Bureau of Labor Statistics, 2023; 2) Employee Benefit Research Institute, 2022 *(estimate is based on savings needed to cover premiums for Medicare Part B and Part D, the Part B deductible, premiums for Medigap Plan G, and median out-of-pocket prescription drug expenses)*

Inflation

Item	Cost Today	Future Cost in 20 Years
Gallon of milk	$4.00	$7.22
Haircut	$45.00	$81.28
Running shoes	$100.00	$180.61
New car	$47,000	$84,887

Assumes a 3% inflation rate

Future costs in this hypothetical example are based on mathematical principles and used for illustrative purposes only. A 3% annual inflation rate cannot be guaranteed. Actual results will vary.

Inflation is another important factor that could affect the amount you will need to save for retirement.

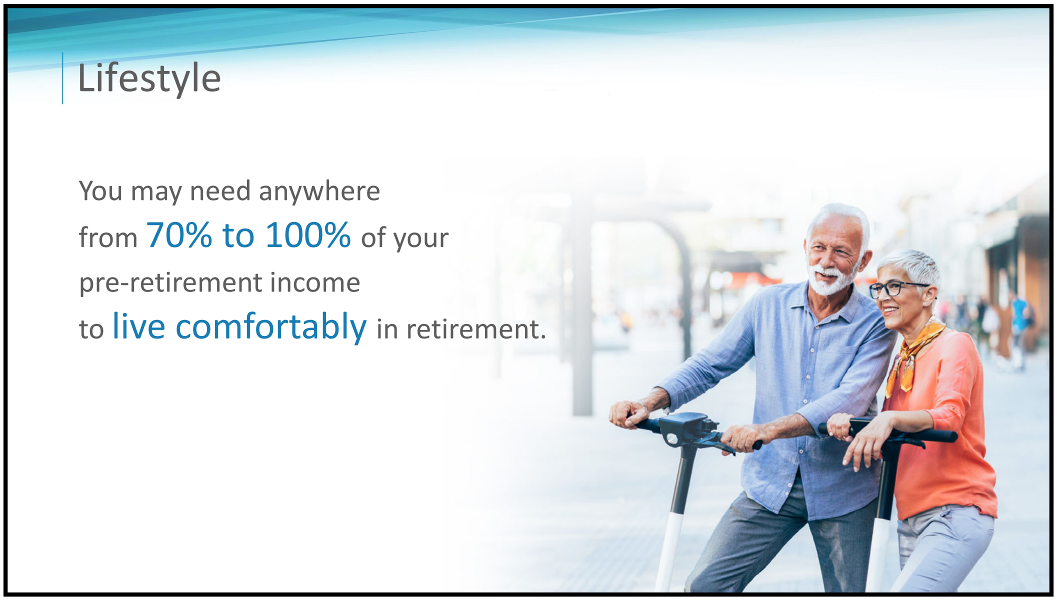
Inflation is the rise in consumer prices over time. Because inflation makes it more expensive to buy the things you need to live comfortably from day to day, it can effectively lower the value of your savings from year to year.

For example, this table shows how a low 3 percent inflation rate could affect the cost of everyday items over 20 years. Essentially, the purchasing power of your money would be cut nearly in half in about 20 years.

Over the past 20-year period ended in 2022, inflation averaged 2.5 percent on an annual basis, but this average hides years of unexpected spikes. For example, inflation in 2021 was 7.0 percent, the highest annual rate since the early 1980s.[1]

Future costs in this hypothetical example are based on mathematical principles and are used for illustrative purposes only. A 3 percent annual inflation rate cannot be guaranteed. Actual results will vary.

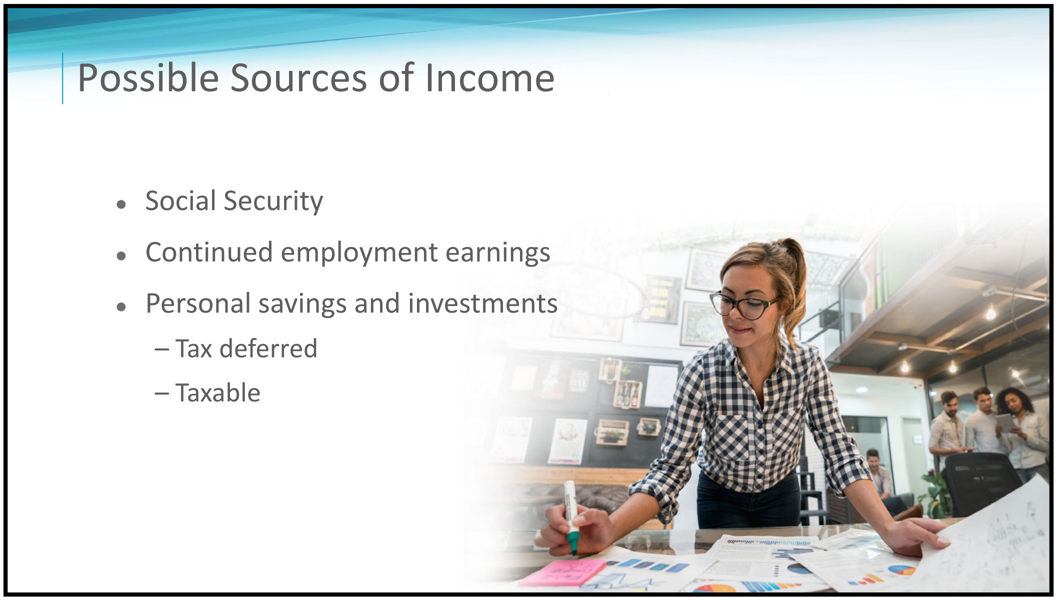
Source: 1) U.S. Bureau of Labor Statistics, 2023 (Consumer Price Index for the period 1/1/2003 to 12/31/2022)



And finally, the last retirement income factor we'll consider is your lifestyle. Unlike several of the other factors, this one is largely under your control.

For example, you may plan to travel extensively, be involved in philanthropic endeavors, or maintain a membership at the local country club. Or you may simply want to spend more time reading and playing board games with your grandchildren.

Depending on your specific goals, you may need anywhere from 70 percent to 100 percent of your pre-retirement income to live comfortably in retirement.

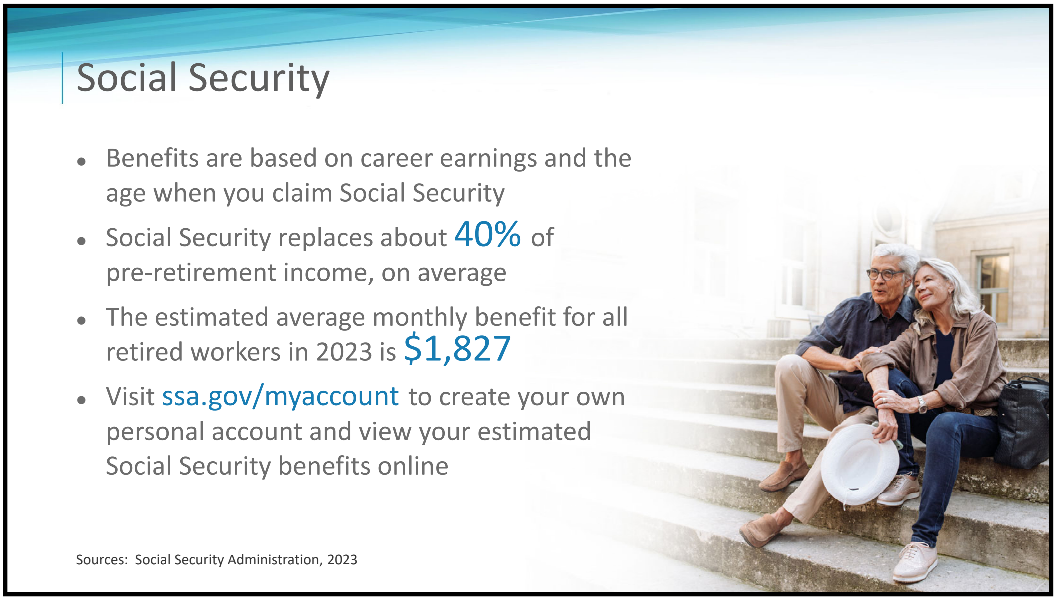


Now that you have some idea of the factors that could affect your retirement savings and income needs, the next question becomes: What resources will you have available?

The primary sources of retirement income are Social Security, continued employment earnings, and personal savings and investments, including both tax-deferred and taxable vehicles.

Some retirees are still fortunate enough to have a traditional pension plan (also known as a defined benefit plan), but these benefits are gradually becoming a relic of the past. In the private sector, they have been replaced by employer-sponsored retirement plans such as 401(k)s, which generally require that you, the plan participant, be responsible for your own retirement savings and investment decisions.

For that reason and because time is limited, we won’t be discussing traditional pensions today. But if you’re lucky enough to have one, a pension could be a very important component of your retirement income strategy and will need to be considered in relation to everything else we discuss here today.



Let's take a minute or two to look at how Social Security works.

Social Security benefits are based on two factors: your highest 35 years of earnings in the workforce and your age when claiming benefits.

If you retire at your "full retirement age" (66 to 67, depending on birth year), you will receive your "full" Social Security benefit. However, you can choose to retire as early as age 62 and receive a reduced benefit — as much as 25 to 30 percent less than your full retirement age benefit. If you retire later (up to age 70), you'll receive a larger benefit (24 to 32 percent more than the full benefit amount). In your workbook on page 6, you'll find a table that shows how claiming age affects your benefit amount.

Social Security currently replaces about 40 percent of pre-retirement income, on average; the higher your income, the smaller that percentage. The estimated average monthly Social Security benefit for all retired workers in 2023 is $1,827.

Typically, the monthly benefit increases annually to keep pace with the rising cost of living; however, there have been years with no increases because the overall inflation rate was too low to trigger an increase.

Visit **ssa.gov/my account** to create your own personal Social Security account on the Social Security website and view your estimated benefits online.

Source: Social Security Administration, 2023

Continued employment earnings can also help provide income during retirement. About seven out of 10 workers in one survey said they plan to continue working for pay after they reach retirement age; however, consider that just 27 percent of current retirees said they have actually worked for pay in retirement.

Although it’s good to hope for the best, it’s also important to bear in mind that 47 percent of today’s retirees stopped working earlier than they had planned, often because of unexpected crises.

The best way to prepare for the unexpected in retirement may be to strive to save enough so that if you are unable to work for pay, you can still enjoy the kind of lifestyle you have envisioned.

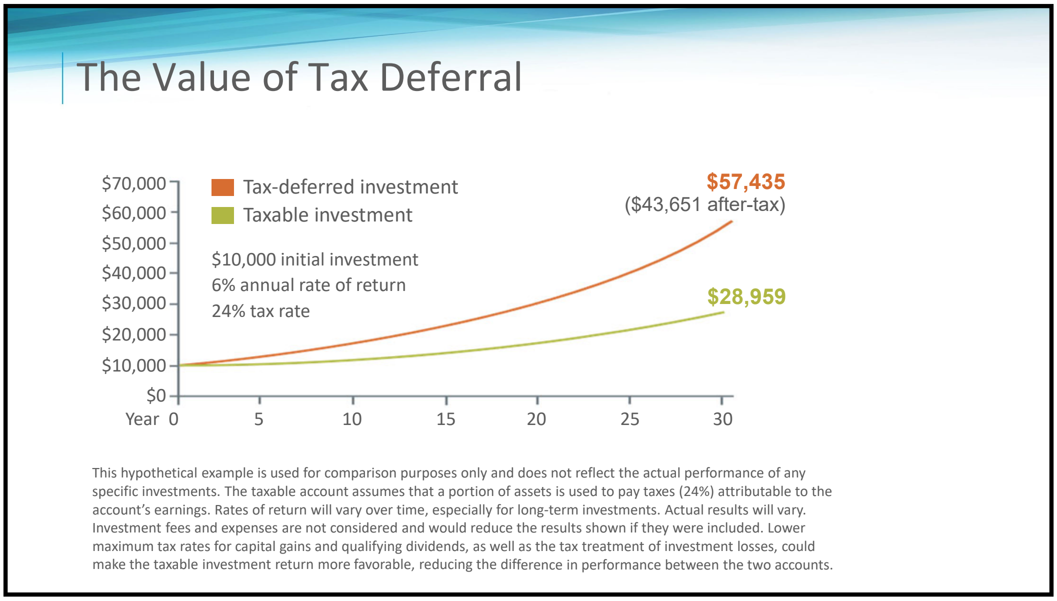
Source: Employee Benefit Research Institute, 2022

Personal savings and investments will make up the bulk of retirement income for many of today's workers.

People often choose to save for retirement using tax-deferred retirement savings vehicles, such as work-based retirement savings plans and IRAs. Annuities are an additional option to consider.

And some investors supplement their tax-deferred savings and investments by investing in stocks, bonds, cash alternatives, mutual funds, and exchange-traded funds.

We'll discuss each of these options in a bit more detail in the next section of this presentation on developing a strategy.



Let's take a quick look at how tax deferral can help you pursue your savings goal.

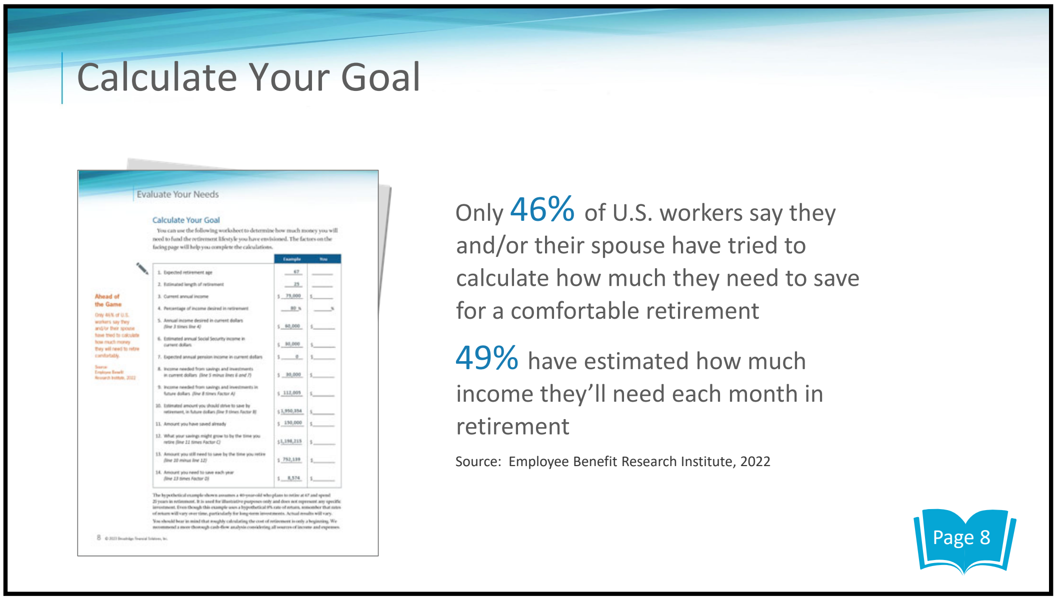
Generally, deferring current taxes can help you save money. That's why so many people choose to contribute to work-based savings plans and traditional IRAs.

When you contribute funds to a tax-deferred account, you pay no current taxes on the contributions or any earnings until you withdraw funds, generally in retirement. This may allow your savings to accumulate faster over time because you have your full contribution working for you.

Let's assume you have $20,000 to invest. You put $10,000 into a taxable account that earns a 6 percent annual return and use a portion of these assets to pay taxes attributable to the account's earnings. You put the other $10,000 into a tax-deferred account such as a 401(k) that also earns 6 percent annually. Assuming a 24 percent tax rate, in 30 years your taxable account would be worth about $29,000, while your tax-deferred account would be worth over $57,000. That's a difference of almost $30,000.

Even if the funds invested in the tax-deferred account are subject to federal income tax upon withdrawal — as they would if you made pre-tax contributions to a 401(k) plan — you would come out ahead. This is true even if you took the entire amount in the tax-deferred account as a lump-sum distribution after 30 years and paid tax on the full amount. (At a 24% tax rate, you'd end up with a little over $43,600.) Of course, most individuals draw on their retirement savings gradually during their retirement years — when they may be in a lower tax bracket — rather than taking a large lump-sum distribution.

This hypothetical example is used for comparison purposes only and does not reflect the performance of any specific investments. The taxable account assumes that a portion of assets is used to pay taxes (24%) attributable to the account's earnings. Rates of return will vary over time, especially for long-term investments. Actual results will vary. Investment fees and expenses are not considered and would reduce the results shown if they were included. Lower maximum tax rates for capital gains and dividends, as well as the tax treatment of investment losses, could make the taxable investment return more favorable, reducing the difference in performance between the accounts shown.



Now that we've reviewed several of the reasons why it's important to plan ahead for retirement and briefly reviewed some of the key resources that may be at your disposal, it's time to estimate the amount of money you may need to save to pursue your dreams.

Just 46% of U.S. workers have tried to calculate how much money they will need to live comfortably in retirement.[1] Yet this is the first step in putting together a well-thought-out retirement savings strategy.

In your workbook, you'll find a worksheet to help you estimate the amount of money you may need to save each year, based on a number of different factors. Please turn to page 8.

[Pause to give participants sufficient time to locate the worksheet.]

As you can see, the first column shows an example of how the worksheet works. The second column is for you to fill out after you return home and have access to your records. Use the factors on page 9, which use various assumptions for inflation and rates of return, to complete the worksheet. Note that none of the assumptions can be guaranteed; the worksheet is meant to give you a general idea of how much you should be saving.

[Note to presenter: You can go through the worksheet during the presentation or provide a brief overview of the steps and encourage participants to complete it at home at their convenience.]

Source: 1) Employee Benefit Research Institute, 2022