



Steps to Develop a Sound Retirement Plan *and ways to deal with them*

SITUATION

Employees who recently retired, or who are just about to, often miss significant opportunities to manage their money effectively and retire successfully—with sound financial strategies. They often don't know or understand their options, so they cannot make informed decisions. At worst, they make bad decisions that lead to anxiousness, frustration and bewilderment about their finances.

PROBLEM

Lack of effective planning. This usually results from not knowing the steps to make a good retirement plan, or not understanding enough at each step to make informed choices.

SOLUTION

Planning for a financially successful retirement can be complex, but *it does not have to be complicated*. When you know the steps and what to consider, making effective decisions becomes easier. In brief, a good retirement plan should consider:

Deciding Individual Goals and Lifestyle Preferences

- ✓ What you plan to do in retirement—quit working, work at something else, travel?
- ✓ How well you plan to live, and where
- ✓ What it will cost to live the way you want
- ✓ How you plan to adjust to this major life change—retirement

Sources of Retirement Income and Benefits

- ✓ Pension benefits—employer sponsored, 401(k)/403(b) plans, IRAs, etc.
- ✓ Investments and savings—where you are now and what more you can do
- ✓ Selling assets—moving to a smaller home
- ✓ Government benefits—Medicare, Social Security
- ✓ The best timing strategy for tapping each source

Calculating What You Have Compared to What You Will Need

- ✓ Asset types and each one's real growth potential
- ✓ Taxation and inflation against each asset

Accepting and Managing Financial Realities

- ✓ The impact of cash flow on capital
- ✓ The importance of balance and diversification
- ✓ The relative security of each investment
- ✓ The cost of procrastinating

How to Manage and Keep the Plan Current and Effective

Retirement is the reward people work hard to attain. Financial independence makes successful retirement successful, allowing you to choose how you will live. Luck and happenstance will not make it so. Only effective planning can assure achieving the comfort and security of a richly rewarding retirement.

[Cover Letter introduces a new bulletin series to accountants/others
and is set up here in format to extract Microsoft™ Outlook™ data for mail merging in MS Word™]

Date

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Dear xxxx:

Things change rapidly in today's financial world—for advisors and consumers alike. Keeping up with the latest issues and opportunities in retirement financial strategies, estate planning and investment management can be problematic. We aim to help.

The enclosed bulletin is our inaugural issue. It introduces bulletins the way we plan to produce them—in a straightforward and useful style.

- **Situation** describes a condition with regards to circumstances, most often a set of facts about a client.
- **Problem** states the issue, which when resolved, will move the client towards his or her retirement goals.
- **Solution** will pose one or more strategies or techniques to resolve the problem.

We will not inundate you with junk. Our aim is to provide you with meaningful information in a way that might help both you and your clients. We all know that communicating complex ideas and concepts so clients understand is not always easy. The objective is to advise them, help them make informed decisions and take action. We are pretty good at this, as our track record demonstrates.

This issue is just to let you know what's coming. Our next bulletin will be on the Roth IRA, a profitable strategy for substantially increasing the return on IRAs of people who meet certain criteria. Please keep an eye out for it.

Sincerely,

I. M. Goode