

Most Common Problems We Hear

PROBLEMS	IMPACT	CAUSE
Common Problems We Hear	Impact these Problems Can Have	Why these Problem Still Exist
1) We do not have a <u>WRITTEN FINANCIAL PLAN</u>	<ul style="list-style-type: none"> • Confusion from Spouses and beneficiaries on next steps • Uncertainty about future • Family disputes due to lack of clarity 	<ul style="list-style-type: none"> • Never been approached about having a written Financial Plan • Do not feel comfortable with our current advisor • Do not see the value in having a Financial Plan • Not sure on where to go to ask about planning
2) We do not have a Retirement Income <u>STRATEGY</u>	<ul style="list-style-type: none"> • Running out of Money • Having to rely on government funding • Inefficiently utilizing assets 	<ul style="list-style-type: none"> • Have never had a strategy discussed with them • Was not aware of optional distribution strategies • Not sure who to talk to
3) We have not addressed how we will react and address a <u>LONG TERM CARE</u> event	<ul style="list-style-type: none"> • Depleting retirement assets to pay for the care • Leaving less money to spouse our heirs • mental and physical stress on loved ones 	<ul style="list-style-type: none"> • Thought it would be expensive • Felt they were too old or not qualified • Did not understand the options available • Not aware of Long Term Care or keep putting it off
4) Our <u>ESTATE PLAN</u> is either out dated and/or we have never looked at it together with our investments/assets/insurances	<ul style="list-style-type: none"> • Family members un-able to make financial or health care decisions • In-laws having access to inheritance • Inheritance Assets subject to litigation • Probate and Creditors are engaged 	<ul style="list-style-type: none"> • Believed once they had a will then they were covered • Unaware of any changes in laws that require updates • Felt no need for a Trust, etc since their estate was simple • Thought the costs of estate planning would be expensive
5) We have not discussed how <u>RISING TAXES</u> can affect our retirement income and assets we leave to our heirs	<ul style="list-style-type: none"> • Paying more taxes than they could have if they had a plan • Drawing taxable money when not needed • Leaving taxable accounts (IRA's & 401K's) up to governments to decide what will be taxed 	<ul style="list-style-type: none"> • Thought CPA would let us know if we needed to know • Not aware we had options or that there were strategies that could provide better outcomes • Assumed that taxes would stay the same or go down as they got into retirement since our income would go down
6) We have not reviewed any survivor or estate <u>LIFE INSURANCE</u> programs	<ul style="list-style-type: none"> • Insufficient income to cover living expenses • No remaining assets left to cover loss of income • Heirs receive taxable inheritance that could have been tax free 	<ul style="list-style-type: none"> • Just feel that we don't need life insurance • Assumed we couldn't get approved • Thought it may be too costly our wouldn't be able to afford it • Never thought about using life insurance as an asset or an estate tool