

# Life Checkup

## RETIREMENT WORKSHEET

Client name \_\_\_\_\_

### Step 1: IDENTIFYING PRIORITIES

Rank your top three goals and concerns with 1 being the highest.

#### Goals

- \_\_\_\_ Retire early
- \_\_\_\_ Create a steady stream of income
- \_\_\_\_ Volunteer
- \_\_\_\_ Leave a legacy
- \_\_\_\_ Travel/hobbies
- \_\_\_\_ Go to school
- \_\_\_\_ Other

#### Concerns

- \_\_\_\_ Taxes
- \_\_\_\_ Inflation
- \_\_\_\_ Market declines
- \_\_\_\_ Lack of guaranteed income
- \_\_\_\_ Longevity
- \_\_\_\_ Increasing medical costs
- \_\_\_\_ Outliving savings
- \_\_\_\_ Uncertain interest rates
- \_\_\_\_ Risk tolerance
- \_\_\_\_ Care giving
- \_\_\_\_ Other

### Step 2: DETERMINING READINESS

Determine your retirement readiness by completing the following series of questions.

A. Are you contributing to your retirement plan? Yes No

B. If you are over age 50, have you taken advantage of the catch-up contribution? Yes No

C. How much income will you need to retire?

The rule of thumb is to be prepared to replace 80-90% of your annual pre-retirement income in retirement.

Your current annual salary: \$ \_\_\_\_\_

x 0.90

Your retirement income need: \$ \_\_\_\_\_ ( C )

Distributions from pre-tax retirement plans are taxed as ordinary income and, if taken prior to reaching age 59½ may be subject to an additional 10% federal income tax penalty. Your ability to liquidate assets and your return on assets is dependent upon market conditions

Assets may not be readily converted into cash.

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Guarantees are dependent upon the claims-paying ability of the issuing company.

#### D. What are your streams of income?

Estimate Your Income From Social Security. The amount you will receive from social security is unknown, however you may want to use 40% of your pre-retirement salary as an estimate of your benefit. Your benefits from social security may be significantly reduced if participating in a state pension plan. Check with your employer. For social security benefit figures, refer to Replacement Rates at [www.NASI.org](http://www.NASI.org).

Your current annual salary: \$ \_\_\_\_\_

x 0.40

Approx Social Security Benefit: \$ \_\_\_\_\_

Estimated Income from a Pension Plan. The amount you can anticipate to receive from a pension plan can vary. Consider using a 40% replacement if you do not contribute to social security, or a 20% replacement if you do contribute to social security.

Your current annual salary \$ \_\_\_\_\_

x .40 (no SS) or x .20 (with SS)

Approx. Pension Benefit: \$ \_\_\_\_\_ / year

Other Retirement Income (part time job, rental property)

Other Income: \$ \_\_\_\_\_

**Total streams of income:** \$ \_\_\_\_\_ ( D )

#### E. What are my current retirement savings?

**Type**

**Account Value**

403(b)/457(b)/401(k) plan \$ \_\_\_\_\_

IRA \$ \_\_\_\_\_

other \$ \_\_\_\_\_

Future lump sum deposits expected (e.g., inheritance):

\$ \_\_\_\_\_

**Total current retirement savings** \$ \_\_\_\_\_ ( E )

**F. Years in retirement** \_\_\_\_\_ ( F )

**G. Income from Current Retirement Savings**

\$ \_\_\_\_\_ / year ( G )

( E ) divided by ( F )

#### H. How much more income is needed to address your expected retirement expenses?

This is your retirement income gap, or annual income shortfall

\$ \_\_\_\_\_

( C ) minus ( D ) minus ( G )

### Step 3: SELECTING SOLUTIONS

Take your next step. Consider these solutions to help achieve your retirement goals.

Increase contributions annually

Put any salary increases or bonuses into savings

Retire at a later date

When over age 50, take advantage of additional catch-up provision

Save in an annuity that provides steady stream of income for life

Deposit any tax refunds into an IRA

Take advantage of additional savings with an IRA

Reduce anticipated retirement expenses

This analysis is based on the information you supplied. Please note there are no guarantees that any goals or objectives will be reached.

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