



THE SOCIETY FOR FINANCIAL AWARENESS
DC Metropolitan Chapter www.dcsofa.org

Financial Blunders



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Basic Strategies to Get Started

- ▶ **HELOC**
- ▶ **Reverse Dollar Cost Averaging**
- ▶ **Liquidity**

Building an Emergency Fund



Plan for life's unexpected emergencies by setting up an Emergency Savings fund.



Set aside at least 3-6 months worth of expenses to help cope with life's emergencies.

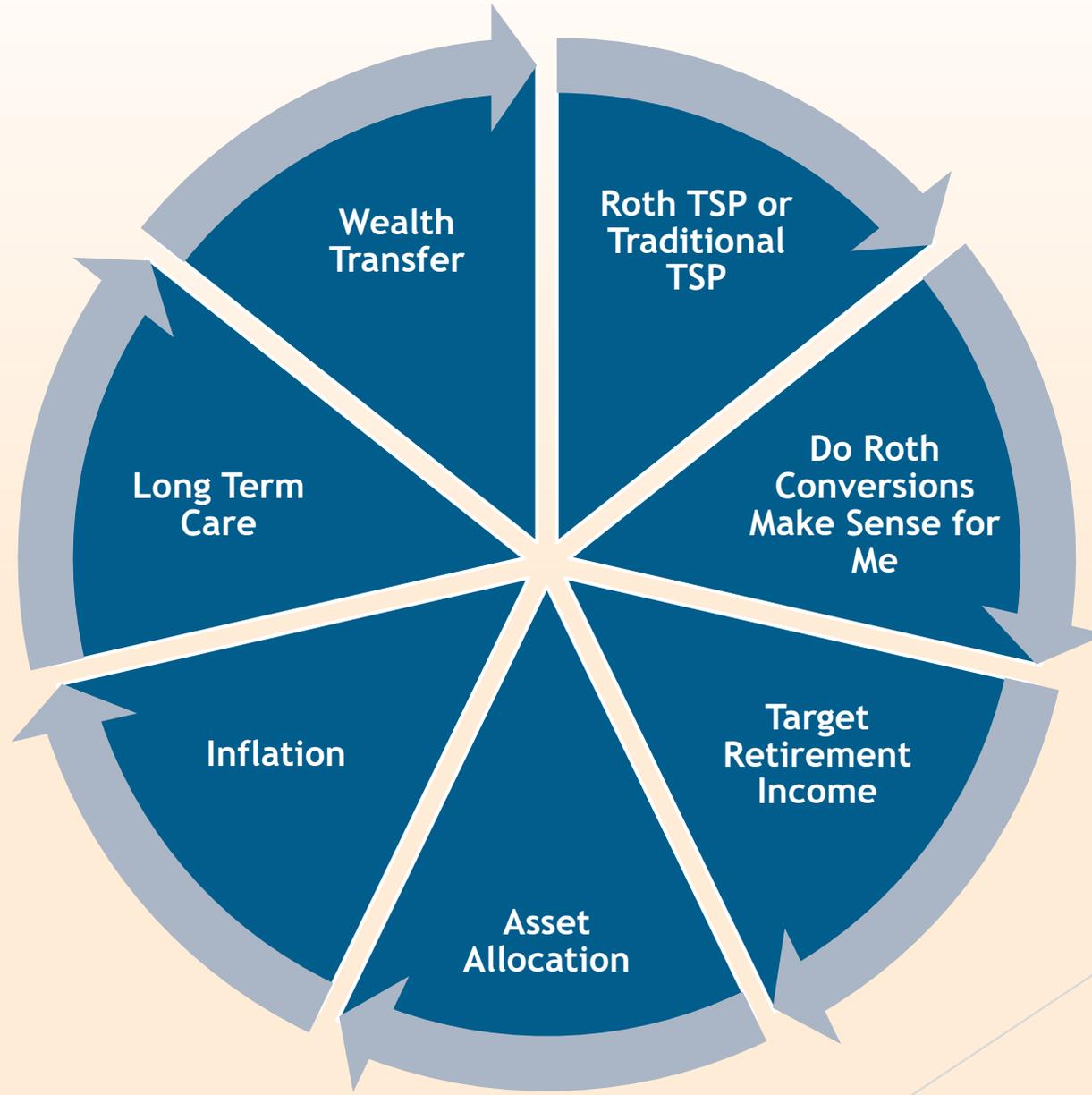


Emergencies can happen to anyone, anytime!



Seek conservative savings vehicles that keep pace with inflation.

Planning for Financial Roadblocks

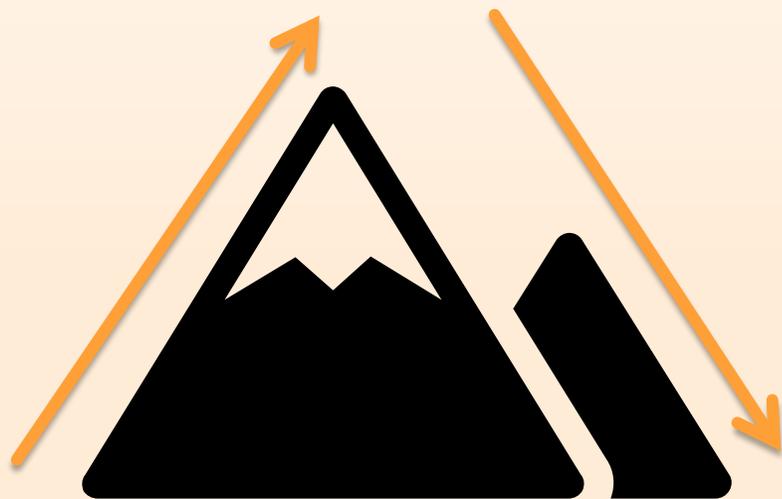


ASSET ALLOCATION

Choosing Your Investment Mix

Consider...

Risk and Return



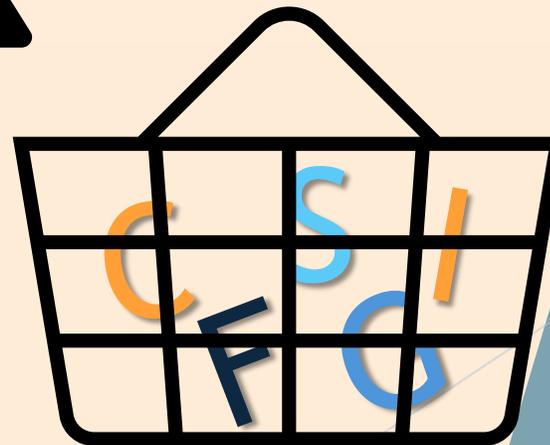
F, C, S, I

Buy and Hold



G

Diversify



Time = Sustained Risk

Review and Rebalance

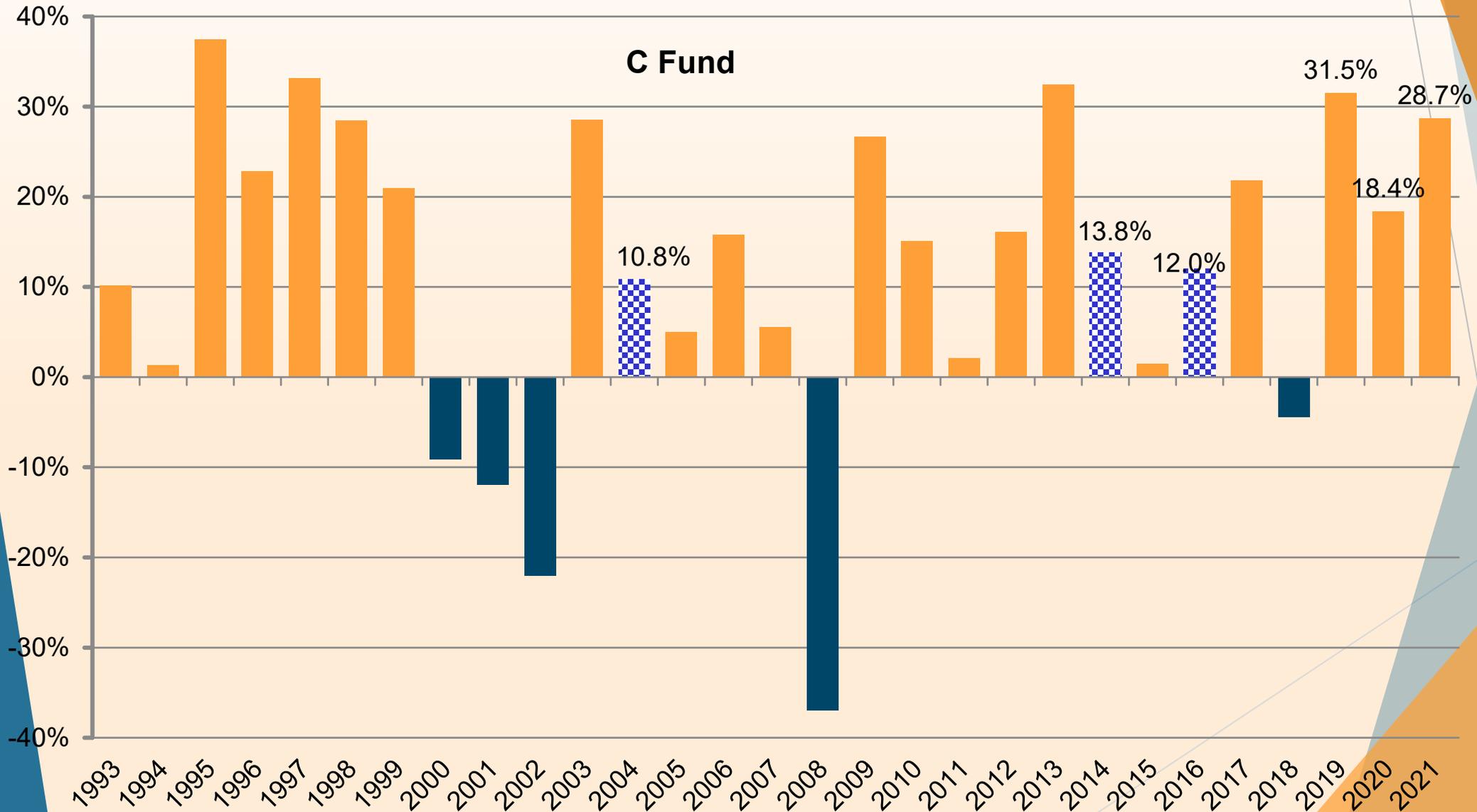
Recent Investment Returns for the TSP Funds

Rates of Return as of November 30, 2025

Year	G Fund Bond/US Govt. Short Term	F Fund Bond/US Intermediate	C Fund Stocks - Large US Companies (S&P 500)	S Fund Stocks - Small and Medium US Companies	I Fund Stocks - International
Inception date	4/1/1987	1/29/1988	1/29/1988	5/1/2001	5/1/2001
1 year	4.46%	5.65%	14.96%	4.08%	24.91%
3 year	4.35%	4.54%	20.52%	15.31%	15.91%
5 year	3.42%	-0.22%	15.24%	7.85%	9.75%
10 year	2.74%	2.10%	14.60%	10.66%	8.15%
Since inception	4.65%	5.32%	11.36%	9.47%	5.90%

Volatility Illustrated:

There are not many “Average” Years for the Stock Market



TSP C Fund Calendar Year Returns, 1993 to 2021

The Average Annual Return for the C Fund was 12.3% for the 29-year period. But there were only three years when the returns were close to the average (+1.5% to -1.5%). The returns for all the other years were much higher or lower. That is an example of “volatility,” the high variation in returns compared to the average.

Note: The data assumes no further contributions and reinvestment of all income. It does not account for taxes. Standard & Poor's 500 Index. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. Past performance is no guarantee of future performance. All investments involve the risk of loss. Source: TSP.gov

Asset Class Returns

2010-2024																	
Ann.	Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Large Cap	Sm all Cap	REITs	REITs	REITs	Sm all Cap	REITs	REITs	Sm all Cap	EM Equity	Cash	Large Cap	Sm all Cap	REITs	Com dty.	Large Cap	Large Cap	DM Equity
13.9%	20.6%	27.9%	8.3%	19.7%	38.8%	28.0%	2.8%	21.3%	37.8%	1.8%	31.5%	20.0%	41.3%	16.1%	26.3%	25.0%	19.9%
Sm all Cap	EM Equity	Sm all Cap	Fixed Income	High Yield	Large Cap	Large Cap	Large Cap	High Yield	DM Equity	Fixed Income	REITs	EM Equity	Large Cap	Cash	DM Equity	Sm all Cap	EM Equity
10.3%	17.9%	26.9%	7.8%	19.6%	32.4%	13.7%	1.4%	14.3%	25.6%	0.0%	28.7%	18.7%	28.7%	1.5%	18.9%	11.5%	15.6%
REITs	REITs	EM Equity	High Yield	EM Equity	DM Equity	Fixed Income	Fixed Income	Large Cap	Large Cap	REITs	Sm all Cap	Large Cap	Com dty.	High Yield	Small Cap	Asset Alloc.	Asset Alloc.
9.4%	16.8%	19.2%	3.1%	18.6%	23.3%	6.0%	0.5%	12.0%	21.8%	-4.0%	25.5%	18.4%	27.1%	-12.7%	16.9%	10.0%	7.0%
Asset Alloc.	DM Equity	Com dty.	Large Cap	DM Equity	Asset Alloc.	Asset Alloc.	Cash	Com dty.	Sm all Cap	High Yield	DM Equity	Asset Alloc.	Small Cap	Fixed Income	Asset Alloc.	High Yield	High Yield
7.2%	16.5%	16.8%	2.1%	17.9%	14.9%	5.2%	0.0%	11.8%	14.6%	-4.1%	22.7%	10.6%	14.8%	-13.0%	14.1%	9.2%	6.8%
High Yield	Com dty.	Large Cap	Cash	Sm all Cap	High Yield	Small Cap	DM Equity	EM Equity	Asset Alloc.	Large Cap	Asset Alloc.	DM Equity	Asset Alloc.	Asset Alloc.	High Yield	EM Equity	Large Cap
5.9%	16.1%	15.1%	0.1%	16.3%	7.3%	4.9%	-0.4%	11.6%	14.6%	-4.4%	19.5%	8.3%	13.5%	-13.9%	14.0%	8.1%	6.2%
DM Equity	Large Cap	High Yield	Asset Alloc.	Large Cap	REITs	Cash	Asset Alloc.	REITs	High Yield	Asset Alloc.	EM Equity	Fixed Income	DM Equity	DM Equity	REITs	Com dty.	Com dty.
5.7%	15.1%	14.8%	-0.7%	16.0%	2.9%	0.0%	-2.0%	8.6%	10.4%	-5.8%	18.9%	7.5%	11.8%	-14.0%	11.4%	5.4%	5.5%
EM Equity	Asset Alloc.	Asset Alloc.	Sm all Cap	Asset Alloc.	Cash	High Yield	High Yield	Asset Alloc.	REITs	Sm all Cap	High Yield	High Yield	High Yield	Large Cap	EM Equity	Cash	Fixed Income
3.4%	10.4%	13.3%	-4.2%	12.2%	0.0%	0.0%	-2.7%	8.3%	8.7%	-11.0%	12.6%	7.0%	1.0%	-18.1%	10.3%	5.3%	4.0%
Fixed Income	High Yield	DM Equity	DM Equity	Fixed Income	Fixed Income	EM Equity	Small Cap	Fixed Income	Fixed Income	Com dty.	Fixed Income	Cash	Cash	EM Equity	Fixed Income	REITs	Cash
2.4%	9.4%	8.2%	-11.7%	4.2%	-2.0%	-1.8%	-4.4%	2.6%	3.5%	-11.2%	8.7%	0.5%	0.0%	-19.7%	5.5%	4.9%	2.1%
Cash	Fixed Income	Fixed Income	Com dty.	Cash	EM Equity	DM Equity	EM Equity	DM Equity	Com dty.	DM Equity	Com dty.	Com dty.	Fixed Income	Small Cap	Cash	DM Equity	REITs
1.2%	4.7%	6.5%	-13.3%	0.1%	-2.3%	-4.5%	-14.6%	1.5%	1.7%	-13.4%	7.7%	-3.1%	-1.5%	-20.4%	5.1%	4.3%	1.8%
Com dty.	Cash	Cash	EM Equity	Com dty.	Com dty.	Com dty.	Com dty.	Cash	Cash	EM Equity	Cash	REITs	EM Equity	REITs	Com dty.	Fixed Income	Sm all Cap
-1.0%	0.9%	0.1%	-18.2%	-1.1%	-9.5%	-17.0%	-24.7%	0.3%	0.8%	-14.2%	2.2%	-5.1%	-2.2%	-24.9%	-7.9%	1.3%	-1.8%

Source: Blackrock via AE Wealth Management

Asset Allocation

Percent \$ Value

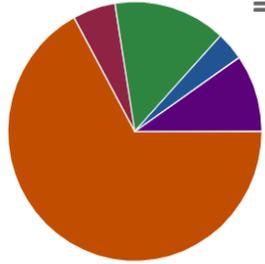
TSP: \$1,208,000
CJC Annuity:

How are you Invested In TSP:

		Allocation (%)	Contribution (\$)
C Fund:		30	362400
S Fund:			
I Fund:			
F Fund:			
G Fund:		25	302000
L Fund:	L 2025	15	181200
L Fund:	L 2030	30	362400
L Fund:			
Total		100.0	\$1,208,000

L Funds Allocation Comparison

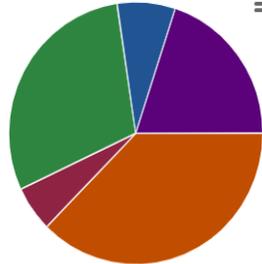
L Income



January 2026

G Fund 67.06%
F Fund 5.44%
C Fund 14.30%
S Fund 3.57%
I Fund 9.63%

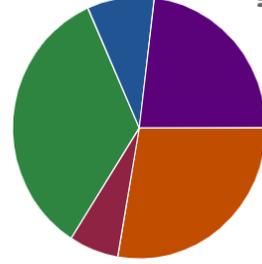
L 2030



January 2026

G Fund 37.38%
F Fund 5.62%
C Fund 29.64%
S Fund 7.41%
I Fund 19.95%

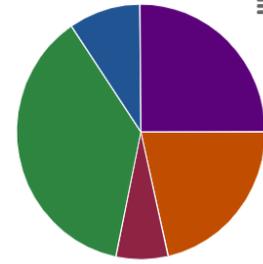
L 2035



January 2026

G Fund 27.74%
F Fund 6.32%
C Fund 34.29%
S Fund 8.57%
I Fund 23.08%

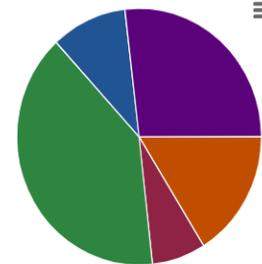
L 2040



January 2026

G Fund 21.47%
F Fund 6.78%
C Fund 37.31%
S Fund 9.33%
I Fund 25.11%

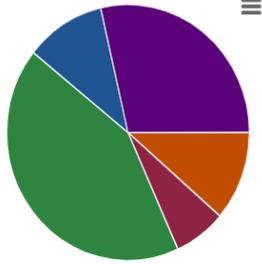
L 2045



January 2026

G Fund 16.16%
F Fund 7.09%
C Fund 39.91%
S Fund 9.98%
I Fund 26.86%

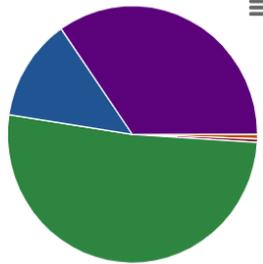
L 2050



January 2026

G Fund 11.33%
F Fund 6.92%
C Fund 42.51%
S Fund 10.63%
I Fund 28.61%

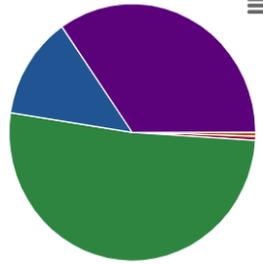
L 2055



January 2026

G Fund 0.56%
F Fund 0.44%
C Fund 51.48%
S Fund 12.87%
I Fund 34.65%

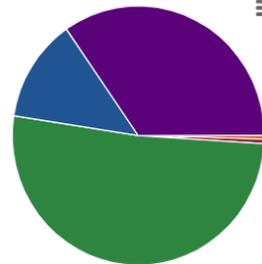
L 2060



January 2026

G Fund 0.50%
F Fund 0.50%
C Fund 51.48%
S Fund 12.87%
I Fund 34.65%

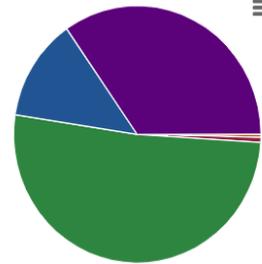
L 2065



January 2026

G Fund 0.44%
F Fund 0.56%
C Fund 51.48%
S Fund 12.87%
I Fund 34.65%

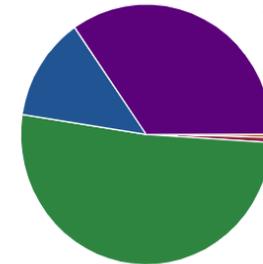
L 2070



January 2026

G Fund 0.36%
F Fund 0.64%
C Fund 51.48%
S Fund 12.87%
I Fund 34.65%

L 2075



January 2026

G Fund 0.36%
F Fund 0.64%
C Fund 51.48%
S Fund 12.87%
I Fund 34.65%

Asset Allocation

1 – Current TSP 55% / 45%

\$1,208,000



42.9%

3.5%

8.8%

3.0%

41.8%

C

S

I

F

G

\$518,468

\$41,730

\$106,491

\$35,805

\$505,506

0%

0%

0%

0%

0%

\$0

\$0

\$0

\$0

\$0

Total Portfolio

	1,208,000					
	42.9%	3.5%	8.8%	3.0%	41.8%	100%
	\$518,468	\$41,730	\$106,491	\$35,805	\$505,506	1,208,000
	C Fund	S Fund	I Fund	F Fund	G Fund	
L 2025	\$44,557	\$11,615	\$30,242	\$11,198	\$83,588	181,200
L 2030	\$111,510	\$30,115	\$76,249	\$24,607	\$119,918	362,400
Individual	\$362,400	\$0	\$0	\$0	\$302,000	664,400

MUST HAVE A PLAN!

**Especially when you are within 10 yrs. of
RETIREMENT!!!!**

1. What is your

Withdrawal Rate Need?

2. What is your

Target Asset Allocation?

Understanding the 4% Withdrawal Rule

If an investor withdraws a fixed percentage of their assets annually for retirement expenses, what is the likelihood that they will outlive their savings?

Withdrawal Rate	100/0	75/25	50/50	25/75	0/100
3%	100%	100%	100%	100%	84%
4%	98%	100%	96%	80%	35%
5%	80%	82%	67%	31%	22%
6%	62%	60%	51%	22%	11%
7%	55%	45%	22%	7%	2%
8%	44%	35%	9%	0%	0%

Step #1:

Understanding Your Target Retirement Income (TRI)

Gross Income – Spouse A	\$150,000
Gross Income - Spouse B	\$100,000
Total Gross Income	\$250,000
Less	
TSP/401(k)	\$27,000
TSP/401(k)	\$27,000
Social Security	\$17,540
Savings	\$0
Mortgage	\$0
Roth TSP	\$0
Roth	\$0
Non/Qualified IRA	\$0
College	\$0
Credit Cards	\$0
Tax Equivalent	\$0
Total Payments	\$71,540
Target Retirement Income	\$178,460

Step #2: Understanding Your Investment Income Need

Target Retirement Income	\$178,460
Social Security	(\$52,775)
Pension	(\$67,511)
Investment Income Needed	\$58,174

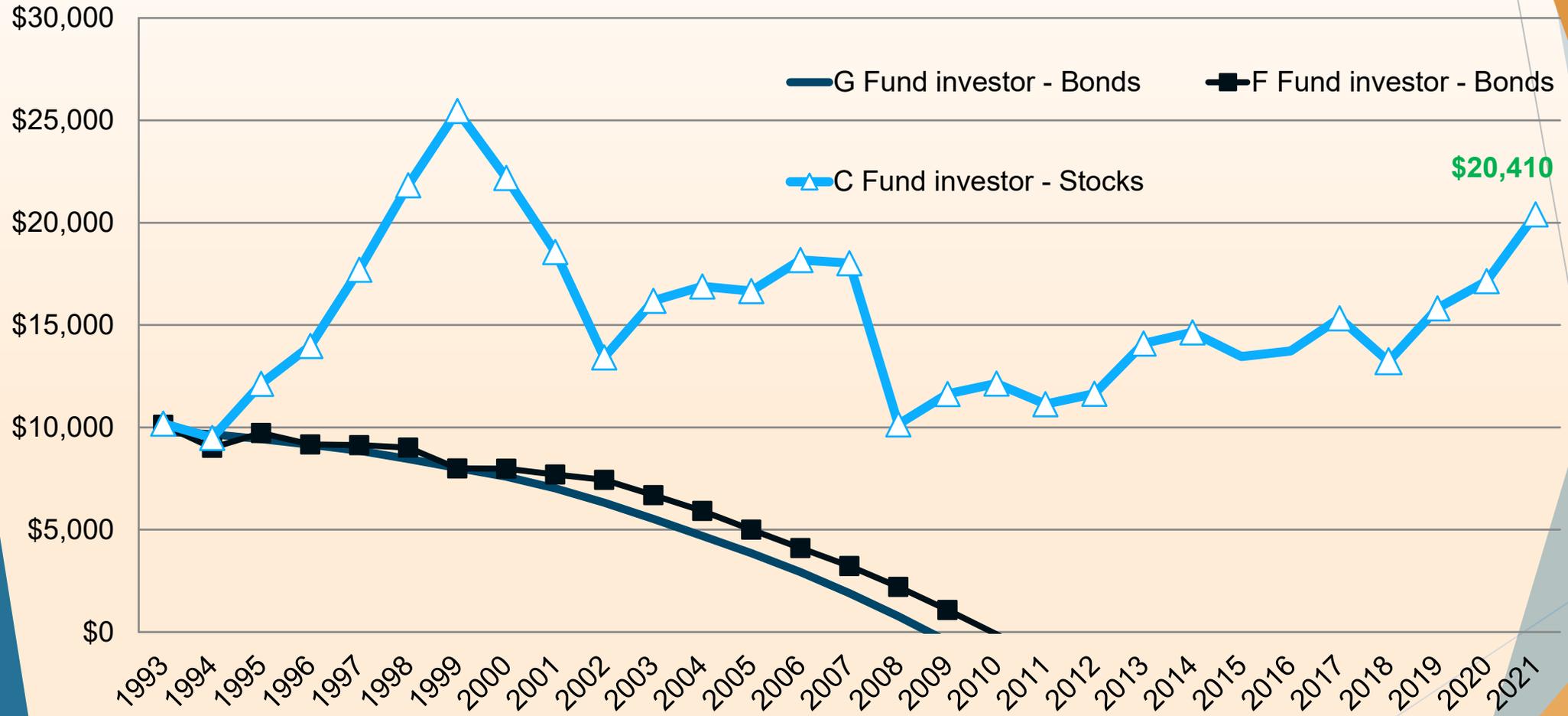
Inflation	Income	W/D		ASSETS & INCOME	ROR	Withdrawal Rate Pressure
0.0%	\$52,775	←	GUARANTEED	Social Security		<p>A gauge with a semi-circular scale. The scale is divided into three colored segments: green (left), yellow (middle), and red (right). A needle points to 3.64% on the scale.</p>
0.0%	\$67,511	←		Pensions		
	\$120,286	←		Total Guaranteed Income		
<input checked="" type="checkbox"/> Auto Adjust	\$58,240	← 3.64%	NON-GUARANTEED	Investment Income \$1,600,000	4.0%	
	\$178,526	←		Total Guaranteed & Non guaranteed Income		
0.0%	\$178,460	←		Target Retirement Income		

Recent Investment Returns for the TSP Funds

Rates of Return as of November 30, 2025

Year	G Fund Bond/US Govt. Short Term	F Fund Bond/US Intermediate	C Fund Stocks - Large US Companies (S&P 500)	S Fund Stocks - Small and Medium US Companies	I Fund Stocks - International
Inception date	4/1/1987	1/29/1988	1/29/1988	5/1/2001	5/1/2001
1 year	4.46%	5.65%	14.96%	4.08%	24.91%
3 year	4.35%	4.54%	20.52%	15.31%	15.91%
5 year	3.42%	-0.22%	15.24%	7.85%	9.75%
10 year	2.74%	2.10%	14.60%	10.66%	8.15%
Since inception	4.65%	5.32%	11.36%	9.47%	5.90%

Loss of Purchasing Power: What Happens When You Start Spending?



Example:

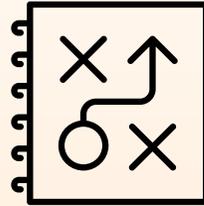
At the beginning of 1993, retirees Bill, Jack, and Mary each have \$10,000 in the TSP. They each invest in one fund: Bill in G, Jack in F and Mary in C.

They annually withdraw enough to buy 2000 first class stamps (after paying taxes of 30%).

*Note: This is for illustration purposes only. Past performance is no guarantee of future performance.
All investments involve the risk of loss. The data assumes reinvestment of all income.*

CRT

5



1

Marginal Tax Brackets

Life Insurance

4

Tax Strategies

2

Taxable / Tax-Free / Tax Deferred

3

Roth Strategies



Roth vs Traditional TSP

Which is Right for YOU?

Target Retirement Income



Gross Income - Sue	\$107,000
Gross Income - Bill	\$0
Total Gross Income	\$107,000
Less	
TSP/401(k)	\$24,500
IRA	\$6,500
Social Security	\$6,634
IRA	\$6,500
Mortgage	\$0
College	\$0
Credit Cards	\$0
Debts	\$0
Tax Equivalent	\$0
Non/Qualified IRA	\$0
Roth	\$0
Total Payments	\$44,134
Target Retirement Income	\$62,866

Income	\$0
Total Income	\$107,000

Additional Information

Sue 61-62;
Bill 61-62

Retirement Income Projections

	COLA	WD		
Sue	0%	0%	Pension	\$0
	0%	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	0%	0%	401k & IRA	\$0
			TOTAL	\$0
Bill	0%	0%	Pension	\$0
	0%	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	0%	0%	IRA	\$0
			TOTAL	\$0
W/D Rate from Cash Assets				\$0
Total Income at year # 1 =				\$0
0.0%	Target Retirement Income			\$62,866

0	2,360	0
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Employee	Match	Add.
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Regular Savings	CD's	College Savings	Rate	Future Value
Savings 100,000			1%	101,000
			1%	0
			1%	0
Tax Deferred	Roth	401k & IRA		
		IRA 550,000	4%	0
	roth 66,000		4%	68,640
		TSP 310,000	4%	926,640
Tax Deferred	Roth	IRA		
	roth 22,000		4%	0
		IRA 300,000	4%	22,880
			4%	318,760
				1,437,920

0	0	37,500
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Government Bonds	Corporate Bonds	BoA Trust	Rate	Future Value
			5%	0
		25,000	5%	0
			5%	26.250

PRESENT

SUE RETIRE

Total Income \$107,000

0 0 0

0

Additional Information

Sue 62-70

Bill 62-70

Retirement Income Projections

Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	3%	0%	401k & IRA	\$31,506
			TOTAL	\$50,342

Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,750
			TOTAL	\$12,750

0% W/D Rate from Cash Assets \$0

\$0

Total Income at year # 8 = \$63,092

0.0% Target Retirement Income \$62,866

Employee Match Add.

Regular Savings	CD's	College Savings
Savings 101,000		
Tax Deferred	Roth	401k & IRA
		IRA 578,760
	roth 68,640	TSP 347,880
Tax Deferred	Roth	IRA
	roth 22,880	IRA 318,760

Rate Future Value

1% 109,369
1% 0
1% 0

4% 0
4% 93,939
4% 966,258

4% 0
4% 31,313
4% 314,061

0 0 0

Savings Type Assets Total 1,514,938

Government Bonds	Corporate Bonds	BoA Trust
		26,250

Rate Future Value
5% 0
5% 0
5% 28,782

RMD & SS

Total Income		\$107,000		
Additional Information				
Sue 70-100				
Bill 70-100				
Retirement Income Projections				
Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$32,000
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	401k & IRA	\$38,650
	TOTAL			\$89,486
Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$32,000
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,562
	TOTAL			\$44,562
0%	W/D Rate from Cash Assets		\$0	
			\$0	
Total Income at year # 30 = \$134,049				
0.0%	Target Retirement Income		\$62,866	

0	0	0
Employee	Match	Add.
0	0	0

Regular Savings		CD's	College Savings	Rate	Future Value	
Savings	109,369			1%	147,412	
				1%	0	
				1%	0	
Tax Deferred		Roth	401k & IRA			
			IRA	603,504	4%	0
					4%	304,680
		roth	93,939		4%	879,550
			TSP	362,753		
Tax Deferred		Roth	IRA			
					4%	0
					4%	101,560
		roth	31,313		4%	285,878
			IRA	314,061		
Savings Type Assets Total					1,719,080	

Government Bonds	Corporate Bonds	BoA Trust	Rate	Future Value
			5%	0
		38,783	5%	0
			5%	0

What is Your Tax Bracket?

Your Line 15: \$183,000 ~ So,
what marginal rate are you in
now?

How many
of you
think you
will be in
a lower
tax
bracket
when you
retire?

Tax Bracket 2025

Tax Rate	For Single Filers	For Married Individuals Filing Joint Returns	For Heads of Households
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000
12%	\$11,925 to \$48,475	\$23,850 to \$96,950	\$17,000 to \$64,850
22%	\$48,475 to \$103,350	\$96,950 to \$206,700	\$64,850 to \$103,350
24%	\$103,350 to \$197,300	\$206,700 to \$394,600	\$103,350 to \$197,300
32%	\$197,300 to \$250,525	\$394,600 to \$501,050	\$197,300 to \$250,500
35%	\$250,525 to \$626,350	\$501,050 to \$751,600	\$250,500 to \$626,350
37%	\$626,350 or more	\$751,600 or more	\$626,350 or more

SUE RETIRE

Total Income	\$107,000
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0	0	0
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0

Additional Information

Sue 62-70

Bill 62-70

Retirement Income Projections

Sue	COLA	0%	Pension	\$18,836
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	3%	0%	401k & IRA	\$31,506
			TOTAL	\$50,342

Bill	COLA	0%	Pension	\$0
	WD	0%	Social Security	\$0
	0%	0%	Tax Deferred	\$0
	0%	0%	Roth	\$0
	4%	0%	IRA	\$12,750
			TOTAL	\$12,750

0%	W/D Rate from Cash Assets	\$0
		\$0

Total Income at year # 8 = \$63,092

0.0% Target Retirement Income \$62,866

Employee	Match	Add.
----------	-------	------

Regular Savings	CD's	College Savings
Savings 101,000		
Tax Deferred	Roth	401k & IRA
	roth 68,640	IRA 578,760
		TSP 347,880
Tax Deferred	Roth	IRA
	roth 22,880	IRA 318,760

Rate	Future Value
------	--------------

1%	109,369
1%	0
1%	0

4%	0
4%	93,939
4%	966,258

4%	0
4%	31,313
4%	314,061

0	0	0
---	---	---

Savings Type Assets Total 1,514,938

Government Bonds	Corporate Bonds	BoA Trust
		26,250

Rate	Future Value
5%	0
5%	0
5%	28,782

What is Your Tax Bracket?

Your Line 15: \$183,000 ~ So,
what marginal rate are you in
now?

How many
of you
think you
will be in
a lower
tax
bracket
when you
retire?

Tax Bracket 2025

Tax Rate	For Single Filers	For Married Individuals Filing Joint Returns	For Heads of Households
10%	\$0 to \$11,925	\$0 to \$23,850	\$0 to \$17,000
12%	\$11,925 to \$48,475	\$23,850 to \$96,950	\$17,000 to \$64,850
22%	\$48,475 to \$103,350	\$96,950 to \$206,700	\$64,850 to \$103,350
24%	\$103,350 to \$197,300	\$206,700 to \$394,600	\$103,350 to \$197,300
32%	\$197,300 to \$250,525	\$394,600 to \$501,050	\$197,300 to \$250,500
35%	\$250,525 to \$626,350	\$501,050 to \$751,600	\$250,500 to \$626,350
37%	\$626,350 or more	\$751,600 or more	\$626,350 or more

A Traditional TSP

B Roth/Roth TSP

Years ---> 1 -- 20

\$18,000 @ 5% ROR → 401(k)



Accumulated: **\$624,947**
X 4% W/D

\$24,997
(taxes, Fed 25% + State 6%) - \$7,749

\$17,248.00

Years ---> 1 -- 20

\$18,000 x 25% Fed + 6% State =
\$12,420 @ 5% ROR → Roth

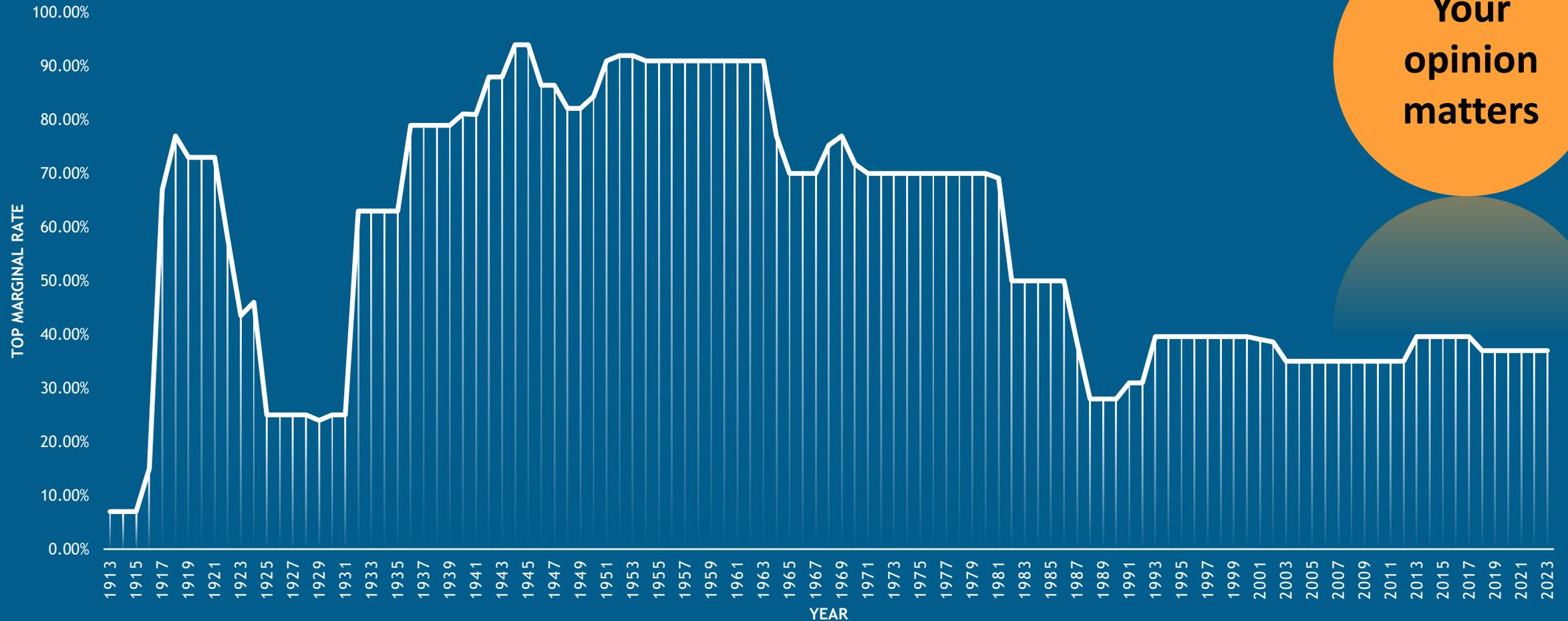


Accumulated: **\$431,213**
X 4% W/D

\$17,248.00

Where Do You Think Taxes Will Be in Your Future?

HISTORICAL HIGHEST MARGINAL INCOME TAX RATES



Your
opinion
matters

▶ The data referenced in this chart we created is from the Tax Policy Center: <https://taxpolicycenter.org/statistics/historical-highest-marginal-income-tax-rates>

▶ This table contains a number of simplifications and ignores a number of factors, such as the amount of income or types of income subject to the top rates, or the value of standard and itemized deductions. Sources: IRS Revenue Procedures, various years. Also, Eugene Steuerle, The Urban Institute; Joseph Pechman, *Federal Tax Policy*; Joint Committee on Taxation, Summary of Conference Agreement on the Jobs and Growth Tax Relief Reconciliation Act of 2003, JCX-54-03, May 22, 2003.

How Will You Pay for LTC?

- Pay out-of-pocket - Self Insure
- Rely on government programs such as Medicare or Medicaid
- Buy long-term care insurance
- Life Insurance with LTC Rider/or Hybrid Policy
- Elder Care Planning

Existing Policies Premium Rate Increases

State	Filer	Calculated premium change (\$M)	Written premium (\$M)	Approved rate change (%)*	Number of policyholders affected	Renewal business effective date
VA	Genworth Life Insurance Co.	9.7	26.9	36.1	10,228	04/21/22
OH	Genworth Life Insurance Co.	9.7	14.8	65.4	6,713	03/31/22
PA	John Hancock	7.5	12.7	59.1	4,760	05/09/22
TN	Genworth	5.5	9.2	59.5	4,431	04/27/22
KY	Genworth	5.1	12.7	39.9	4,617	03/31/22
IA	Genworth	5.0	10.6	47.4	2,612	02/18/22
NE	Medico	4.9	4.6	107.1	2,383	01/01/22
AL	Genworth	4.7	31.0	15.0	8,321	03/14/22
TX	Atlantic American	4.6	7.5	62.2	2,821	01/29/22
NE	Ability Insurance Co. ²	4.6	8.1	56.7	2,024	01/13/22

**11%
Annual
Increase!**

Date compiled Aug 4, 2022

LTC = long-term care

Information collected on a best-effort basis. Rate filing information is sourced from the System for Electronic Rate and Form Filing documents.

Reflects individual long-term care rate filings for Type of Insurance LTC021, LTC031, LTC041 and LTC051 with renewal business effective dates between Jan. 1 and June 30, 2022. Excludes pending, disapproved and withdrawn filings; filings where rate change was zero; filings where data on the premium impacted was unavailable; filings where the disposition table was unavailable, notably in the state of Florida.

Written premium, calculated premium change, approved rate change and number of policyholders affected are based on disposition section of rate filings. Approved rate change reflects the calculated premium change divided by written premium.

Top 10 filings shown are based on calculated premium change.

*Approved rate change shown may be the ultimate increase as some states cap the amount an insurer can raise rates in a given year.

¹ Adjustments made to values shown due discrepancies between disposition table and correspondence from the state insurance regulators within the filing.

² Include LTC premium changes for policies of medico Insurance Co. that have been novated over to Ability Insurance Co.

Source: S&P Global Market Intelligence

Stress Test Your LTC Premiums

<u>Beginning Balance</u>	<u>Gross Level ROR</u>
\$3,930	11.00
<u>Annual Additions or Withdrawals</u>	<u># of Years</u>
\$0	20
	<u>Ord. Inc. Tax Rate%</u>
	0.00
	Federal + State

<u>Year</u>	<u>Beginning Balance</u>
1	3,930
2	4,272
3	4,643
4	5,046
5	5,485
6	5,961
7	6,479
8	7,042
9	7,654
10	8,320
11	9,042
12	9,828
13	10,682
14	11,611
15	12,620
16	13,716
17	14,908
18	16,204
19	17,612
20	19,142

Can you afford this?

Life Insurance Policy w/ LTC Rider

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	40	10,000	131,352	424,819
11	50	0	172,900	570,921
20	59	0	139,300	744,923

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	50	10,000	130,764	422,917
11	60	0	135,800	568,365
20	69	0	130,764	741,588

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	60	10,000	115,808	374,547
11	70	0	115,808	503,360
20	79	0	115,808	656,537

End of Year	Age	Planned Premium	Death Benefit	Total Benefits
1	65	10,000	92,786	300,089
11	75	0	100,000	403,295
20	84	0	100,000	526,208

Estate Planning Tips

Wills vs.
Trusts

Revocable
Living
Trusts

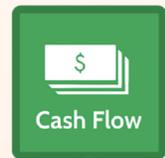
Avoiding
Probate

Death
Taxes

Gifting

Survivor
Benefit
Pension

Life
Estates,
POD's,
TOD's



Protection

Savings

Growth





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