A WORKSHOP FOR FEDERAL EMPLOYEES

Financial Blunders

Common money mistakes — and how to avoid them

CREATED BY

C|J CAMPBELL &associates
Financial Services Redefined

GETTING STARTED

Basic strategies to get started.

01

HELOC

A home-equity line of credit is a low-cost source of liquidity you can tap before selling invested assets in a down market.

02

Reverse dollar-cost averaging

In retirement you are selling shares, not buying them. Systematic withdrawals during downturns lock in losses — the sequence of returns matters.

03

Liquidity

Keep accessible cash reserves so you are never forced to sell investments at the wrong time to cover a short-term need.

FOUNDATION

Building an emergency fund.

Start with a plan

Set up a dedicated emergency savings fund before you invest for growth — it is your first line of defense.

Three to six months

Hold at least 3–6 months of living expenses so an unexpected cost never derails your retirement plan.

It happens to everyone

Job changes, health events, and repairs arrive without warning. The fund is what keeps them from becoming a crisis.

Keep pace with inflation

Use conservative, liquid vehicles that still earn — cash that loses to inflation quietly erodes your safety net.

TODAY'S ROADMAP

Planning for financial roadblocks.

The most common blunders we will work through today.

01

Asset Allocation

Choosing and maintaining the right investment mix for your stage of life.

02

Target Retirement Income

Knowing the number you actually need — and the withdrawal rate it implies.

03

Tax Strategy

Roth vs. Traditional, bracket management, and where taxes may be headed.

04

Inflation & Purchasing Power

Protecting what your dollars can buy across a long retirement.

05

Long-Term Care

Funding the risk that most retirement plans quietly ignore.

06

Estate & Wealth Transfer

Passing assets efficiently to the people and causes you care about.

ASSET ALLOCATION

Choosing your investment mix.

01

Risk & return

Higher potential return means higher potential risk. Match the mix to your timeline and temperament.

02

Buy & hold

Time in the market beats timing the market. Stay invested through the full cycle.

03

Diversify

Spread across the C, S, I, F, and G funds so no single market decides your outcome.

04

Time = sustained risk

The longer your horizon, the more short-term volatility you can afford to absorb.

05

Review & rebalance

Drift happens. Periodically reset back to your target allocation.

Allocation drives most of your long-run results.

Recent investment returns for the TSP funds.

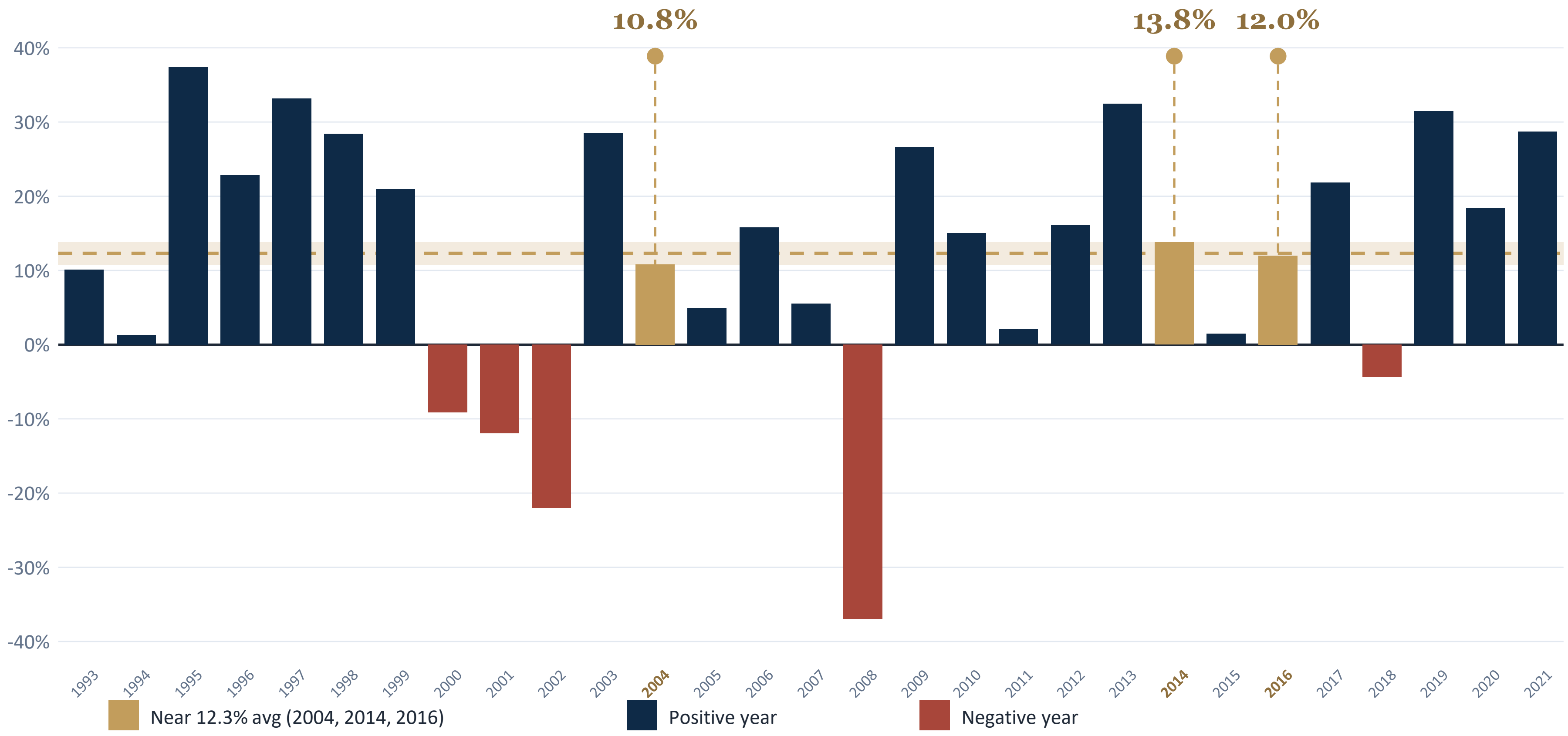
Rates of return as of November 30, 2025.

Period	G Fund US Govt Short-term	F Fund US Bond Intermediate	C Fund Large US (S&P 500)	S Fund Small/Mid US	I Fund 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%**

Source: TSP.gov. Past performance is no guarantee of future performance.

There aren't many "average" years for the stock market.

TSP C Fund Calendar Year Returns, 1993 to 2021. The 29-year average was 12.3% — but only three years (2004, 2014, 2016) came close to that average. Most years were far above or far below.



29-YEAR AVG

12.3%

Years near average:

3 of 29

(within ±1.5%)

Source: TSP.gov. Past performance is no guarantee of future performance.

DIVERSIFICATION OVER TIME

Asset class returns.

Leadership rotates. The chart that wins one year rarely wins the next — there is no permanent winner among asset classes.

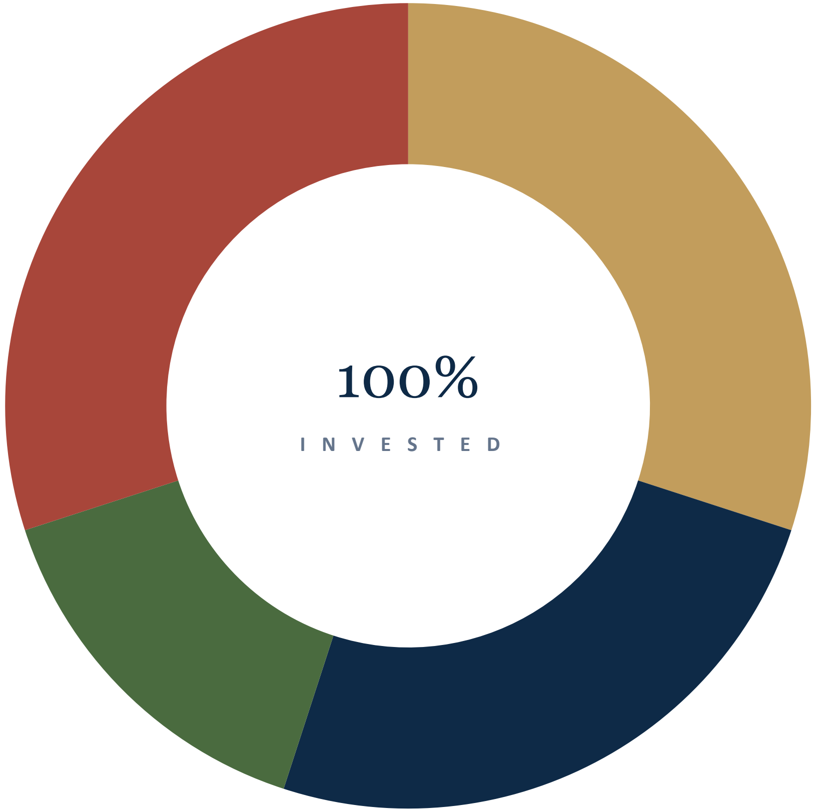
2010–2024 Ann.	Vol.	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	YTD
Large Cap 13.9%	Small Cap 20.6%	REITs 27.9%	REITs 8.3%	REITs 19.7%	Small Cap 38.8%	REITs 28.0%	REITs 2.8%	Small Cap 21.3%	EM Equity 37.8%	Cash 1.8%	Large Cap 31.5%	Small Cap 20.0%	REITs 41.3%	Comdty. 16.1%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

Source: BlackRock via AE Wealth Management.

ASSET ALLOCATION — HOW YOU'RE INVESTED

Where are you invested in TSP?

A starting view of the $1,208,000 portfolio across direct fund holdings and L Fund vintages.



TOTAL TSP

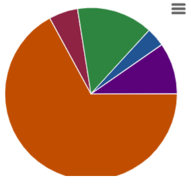
$1,208,000

C Fund	**30%**	$362,400
G Fund	**25%**	$302,000
L 2025	**15%**	$181,200
L 2030	**30%**	$362,400

How allocations shift across vintages.

Each L Fund holds a different stock-to-bond ratio. Younger vintages tilt aggressive; closer-to-retirement funds tilt conservative.

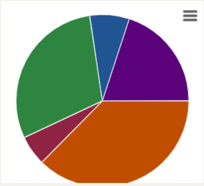
L Income



January 2026

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

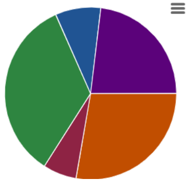
L 2030



January 2026

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

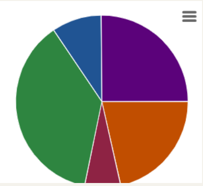
L 2035



January 2026

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

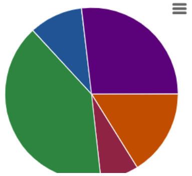
L 2040



January 2026

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

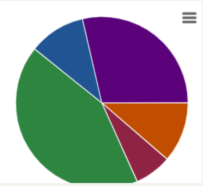
L 2045



January 2026

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

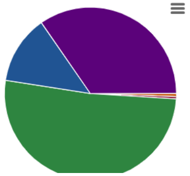
L 2050



January 2026

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

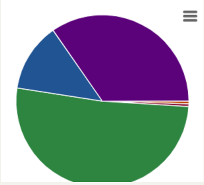
L 2055



January 2026

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

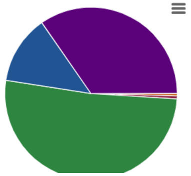
L 2060



January 2026

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

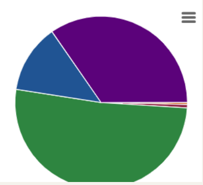
L 2065



January 2026

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

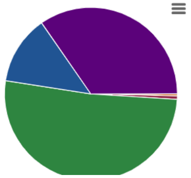
L 2070



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 — UNDERLYING FUNDS

Current TSP allocation: 55 / 45.

L Fund vintages contain underlying holdings. Looking through to the actual five-fund mix: stocks 55% / bonds 45%.

STOCKS	BONDS
55.2%	**44.8%**

C Fund	S Fund	I Fund	F Fund	G Fund
42.9%	3.5%	8.8%	3.0%	41.8%
$518,468	**$41,730**	**$106,491**	**$35,805**	**$505,506**
Large US (S&P 500)	*Small/Mid US*	*International*	*US Bond Index*	*US Govt Securities*

ASSET ALLOCATION — FULL BREAKDOWN

Total portfolio breakdown by L Fund vintage.

How $1,208,000 splits across L 2025, L 2030, and individual holdings — by underlying fund.

ALLOCATION	C Fund	S Fund	I Fund	F Fund	G Fund	TOTAL
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	—	—	—	$302,000	**$664,400**
TOTAL	**$518,468**	**$41,730**	**$106,491**	**$35,805**	**$505,506**	**$1,208,000**

STOCKS (C + S + I) $666,689 | BONDS (F + G) $541,311 | *≈ 55 / 45*

You must have a plan.

Especially when you are within 10 years of retirement.

01 What's your withdrawal rate need?

02 What's your targeted asset allocation?

THE TRINITY UNIVERSITY STUDY

Understanding the 4% withdrawal rule.

If an investor withdraws a fixed percentage of their assets annually for retirement, what is the likelihood they will not outlive their savings?

STOCK / BOND ALLOCATION

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 01

Understanding your Target Retirement Income (TRI).

The income you'll need each year to maintain your lifestyle in retirement — gross income minus the deductions that go away when you stop working.

Component	Amount
GROSS INCOME	
Spouse A	$150,000
Spouse B	$100,000
Total Gross Income	**$250,000**
LESS — DEDUCTIONS	
TSP / 401(k) — Spouse A	$27,000
TSP / 401(k) — Spouse B	$27,000
Social Security	$17,540
Savings	$0
Mortgage	$0
Roth TSP / Roth IRA	$0
Non-Qualified IRA	$0
College	$0
Credit Cards	$0
Tax Equivalent	$0
Total Payments	**$71,540**

TARGET RETIREMENT INCOME **$178,460**

STEP 02

Understanding your Investment Income Need.

Subtract guaranteed income sources from your TRI. What remains is what your portfolio actually has to produce — not your full lifestyle figure.

Component	Amount
Target Retirement Income	**$178,460**
— Social Security	($52,775)
— Pension	($67,511)

INVESTMENT INCOME NEEDED

$58,174

STEP 03

Understanding your *Withdrawal Rate Pressure.*

Your investment need divided by your portfolio balance is your withdrawal rate. The lower the rate, the longer your money lasts.

WITHDRAWAL RATE FORMULA

Investment Need		Investment Balance		Withdrawal Rate
$58,174	÷	$1,600,000	=	3.64%

0% – 3%

SAFE

Portfolio is highly likely to outlast outlast you with growth potential. potential.

3% – 4.5%

SUSTAINABLE

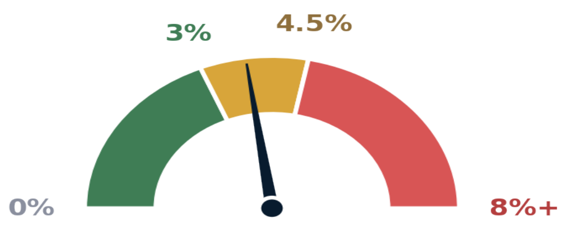
The classic 4% rule territory — — close watch required.

4.5%+

UNSUSTAINABLE

High risk of depletion within a typical retirement horizon.

WITHDRAWAL RATE PRESSURE

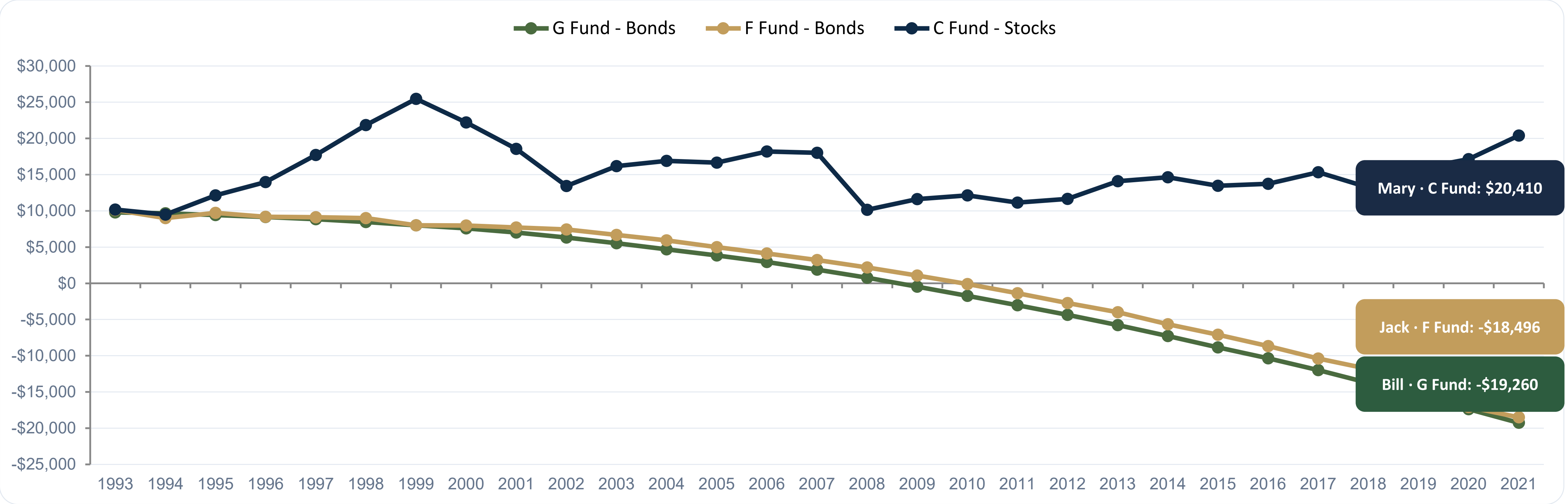


3.64%

AVG WITHDRAWAL RATE · SUSTAINABLE

What happens when you start spending?

In 1993, retirees Bill, Jack, and Mary each have $10,000 in the TSP. Each year they withdraw enough to buy 2,000 first-class stamps (after 30% tax). Same starting amount. Same withdrawal need. Three different funds.



Past performance is no guarantee of future performance. The data assumes reinvestment of all income.

SECTION TWO

Tax strategies.

Timing what you owe is as important as growing what you save.

WHAT WE WILL COVER

01 Marginal tax brackets

02 Taxable / tax-free / tax-deferred

03 Roth strategies

04 Life insurance

05 Charitable remainder trusts

THE CORE DECISION

Roth vs. Traditional TSP — which is right for you?

PRE-TAX TODAY

Traditional TSP

- Contributions are pre-tax — you deduct now.
- Grows tax-deferred until withdrawal.
- Withdrawals taxed as ordinary income.
- The bet: you will be in a lower bracket later.

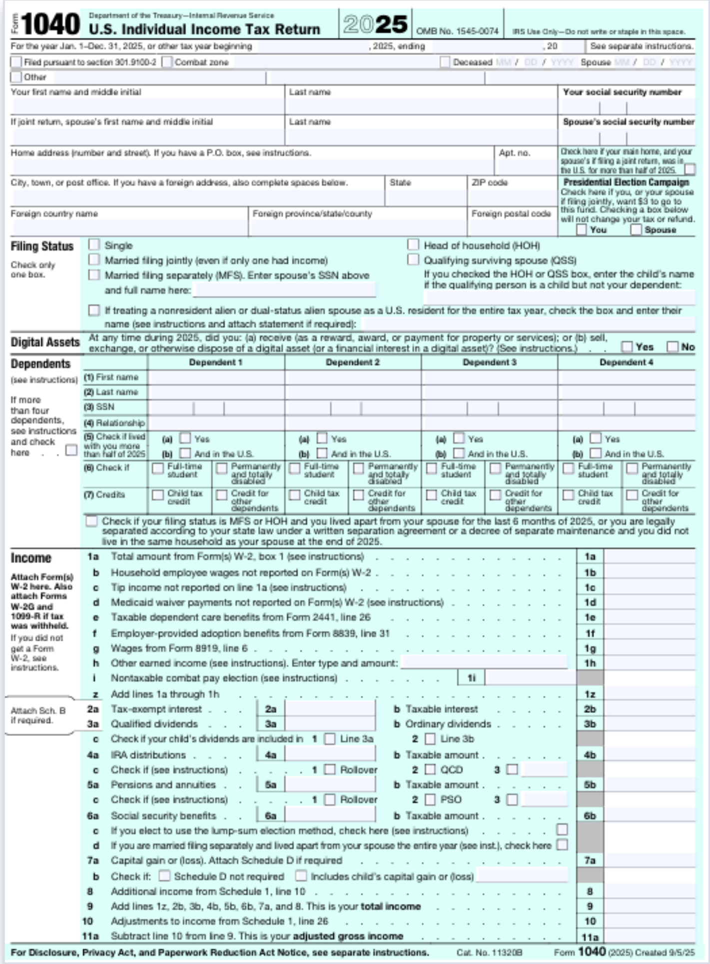
AFTER-TAX TODAY

Roth TSP

- Contributions are after-tax — no deduction now.
- Grows completely tax-free.
- Qualified withdrawals are tax-free.
- The bet: same or higher bracket later.

WHERE IT SHOWS UP

It all comes down to line 15.


Form 1040 Department of the Treasury—Internal Revenue Service U.S. Individual Income Tax Return 2025 OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2025, or other tax year beginning , 2025, ending , 20 See separate instructions.

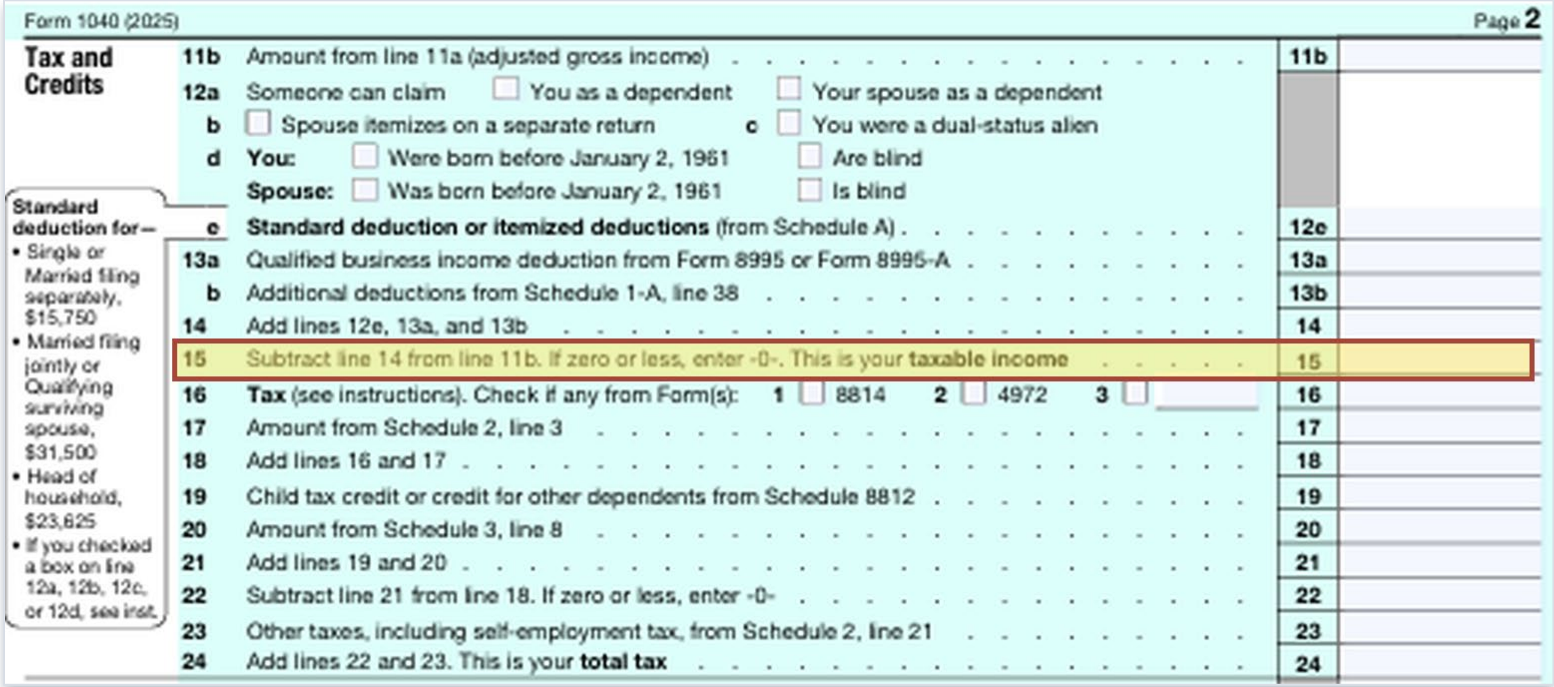
Filing Status: Single; Married filing jointly (even if only one had income); Married filing separately (MFS). Enter spouse's SSN above and full name here; Head of household (HOH); Qualifying surviving spouse (QSS)

Digital Assets: At any time during 2025, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

1a	Total amount from Form(s) W-2, box 1 (see instructions)	1a	
b	Household employee wages not reported on Form(s) W-2	1b	
c	Tip income not reported on line 1a (see instructions)	1c	
d	Medicaid waiver payments not reported on Form(s) W-2 (see instructions)	1d	
e	Taxable dependent care benefits from Form 2441, line 26	1e	
f	Employer-provided adoption benefits from Form 8839, line 31	1f	
g	Wages from Form 8919, line 6	1g	
h	Other earned income (see instructions). Enter type and amount:	1h	
i	Nontaxable combat pay election (see instructions) 1i		
z	Add lines 1a through 1h	1z	
2a	Tax-exempt interest 2a; b Taxable interest	2b	
3a	Qualified dividends 3a; b Ordinary dividends	3b	
4a	IRA distributions 4a; b Taxable amount	4b	
5a	Pensions and annuities 5a; b Taxable amount	5b	
6a	Social security benefits 6a; b Taxable amount	6b	
7a	Capital gain or (loss). Attach Schedule D if required	7a	
8	Additional income from Schedule 1, line 10	8	
9	Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7a, and 8. This is your total income	9	
10	Adjustments to income from Schedule 1, line 26	10	
11a	Subtract line 10 from line 9. This is your adjusted gross income	11a	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11320B Form 1040 (2025)

Everything flows to one line.


Form 1040 (2025) Page 2

Tax and Credits

11b	Amount from line 11a (adjusted gross income)	11b	
12a	Someone can claim ☐ You as a dependent ☐ Your spouse as a dependent		
b	☐ Spouse itemizes on a separate return c ☐ You were a dual-status alien		
d	You: ☐ Were born before January 2, 1961 ☐ Are blind		
	Spouse: ☐ Was born before January 2, 1961 ☐ Is blind		
e	**Standard deduction or itemized deductions** (from Schedule A)	12e	
13a	Qualified business income deduction from Form 8995 or Form 8995-A	13a	
b	Additional deductions from Schedule 1-A, line 38	13b	
14	Add lines 12e, 13a, and 13b	14	
15	Subtract line 14 from line 11b. If zero or less, enter -0-. This is your **taxable income**	15	
16	**Tax** (see instructions). Check if any from Form(s): 1 ☐ 8814 2 ☐ 4972 3 ☐	16	
17	Amount from Schedule 2, line 3	17	
18	Add lines 16 and 17	18	
19	Child tax credit or credit for other dependents from Schedule 8812	19	
20	Amount from Schedule 3, line 8	20	
21	Add lines 19 and 20	21	
22	Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Other taxes, including self-employment tax, from Schedule 2, line 21	23	
24	Add lines 22 and 23. This is your **total tax**	24	

Standard deduction for—
- Single or Married filing separately, $15,750
- Married filing jointly or Qualifying surviving spouse, $31,500
- Head of household, $23,625
- If you checked a box on line 12a, 12b, 12c, or 12d, see inst.

LINE 15 = taxable income — it sets the marginal rate on your next dollar.

2025 TAX BRACKETS

What's your tax bracket?

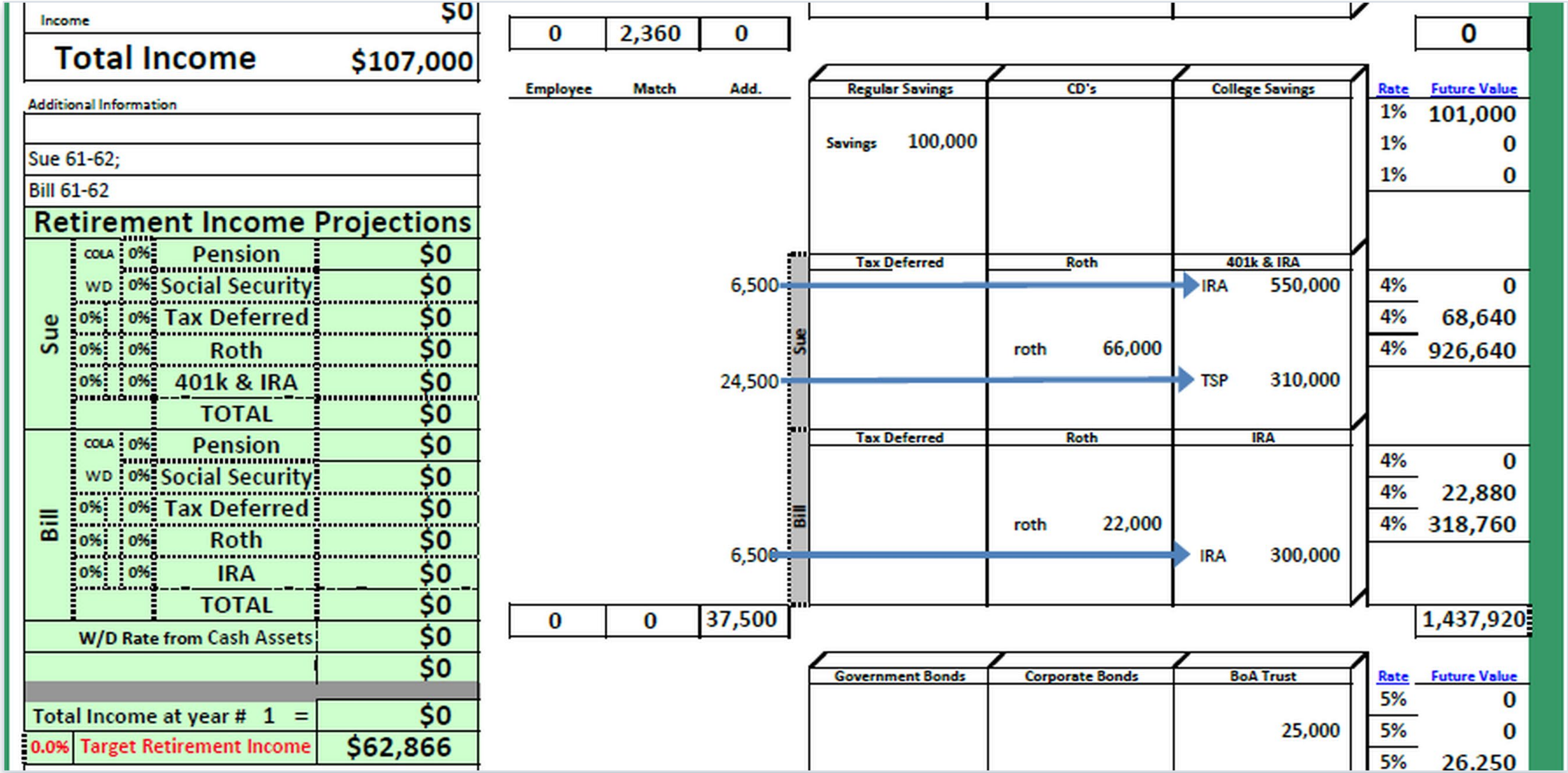
Your Line 15 income sets the marginal rate on your next dollar.

Rate	Single	Married filing jointly	Head of household
10%	$0 – $11,925	$0 – $23,850	$0 – $17,000
12%	$11,925 – $48,475	$23,850 – $96,950	$17,000 – $64,850
22%	$48,475 – $103,350	$96,950 – $206,700	$64,850 – $103,350
24%	$103,350 – $197,300	$206,700 – $394,600	$103,350 – $197,300
32%	$197,300 – $250,525	$394,600 – $501,050	$197,300 – $250,500
35%	$250,525 – $626,350	$501,050 – $751,600	$250,500 – $626,350
37%	$626,350 +	$751,600 +	$626,350 +

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

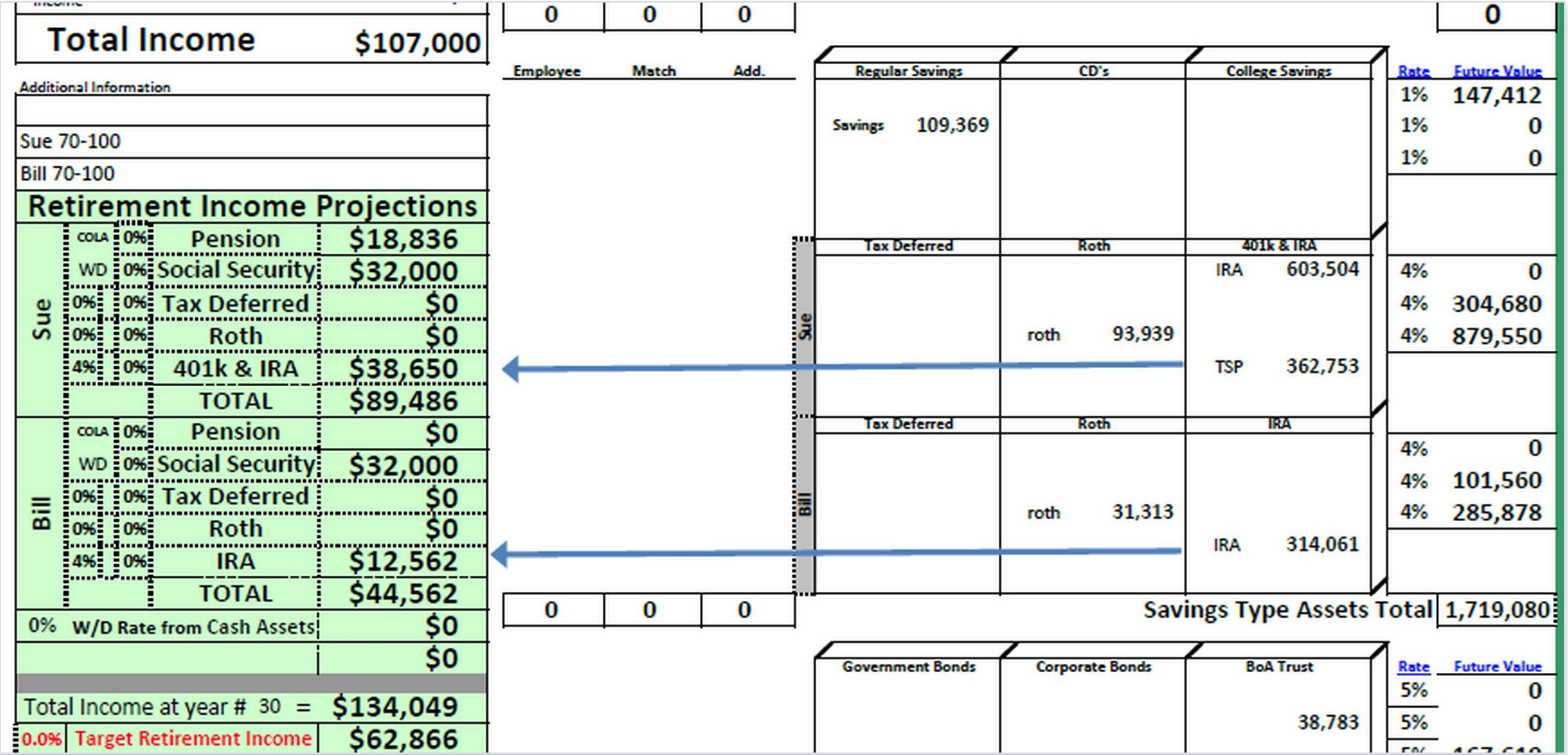
Where your income comes from today.

Working years — every income source mapped onto one timeline, before RMDs and Social Security begin.



The RMD & Social Security years.

Later in retirement, RMDs and Social Security can push taxable income above your working-year levels.



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

Employee	Match	Add.
0	0	0
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		
Sue		roth 93,939	IRA 603,504	4%	0
			TSP 362,753	4%	304,680
				4%	879,550
	Tax Deferred	Roth	IRA		
Bill		roth 31,313	IRA 314,061	4%	0
				4%	101,560
				4%	285,878
			Savings Type Assets Total		1,719,080
	Government Bonds	Corporate Bonds	BoA Trust	Rate	Future Value
			38,783	5%	0
				5%	0

A 20-YEAR TEST

Traditional vs. Roth — the same income, either way.

Same $18,000 a year for 20 years — two very different tax treatments.

A · TRADITIONAL TSP

Contribute $18,000 a year at 5% for 20 years — pre-tax.

Accumulated	**$624,947**
× 4% withdrawal	**$24,997**
– tax · 25% Fed + 6% State	**–$7,749**

$17,248
ANNUAL INCOME AFTER TAX

=

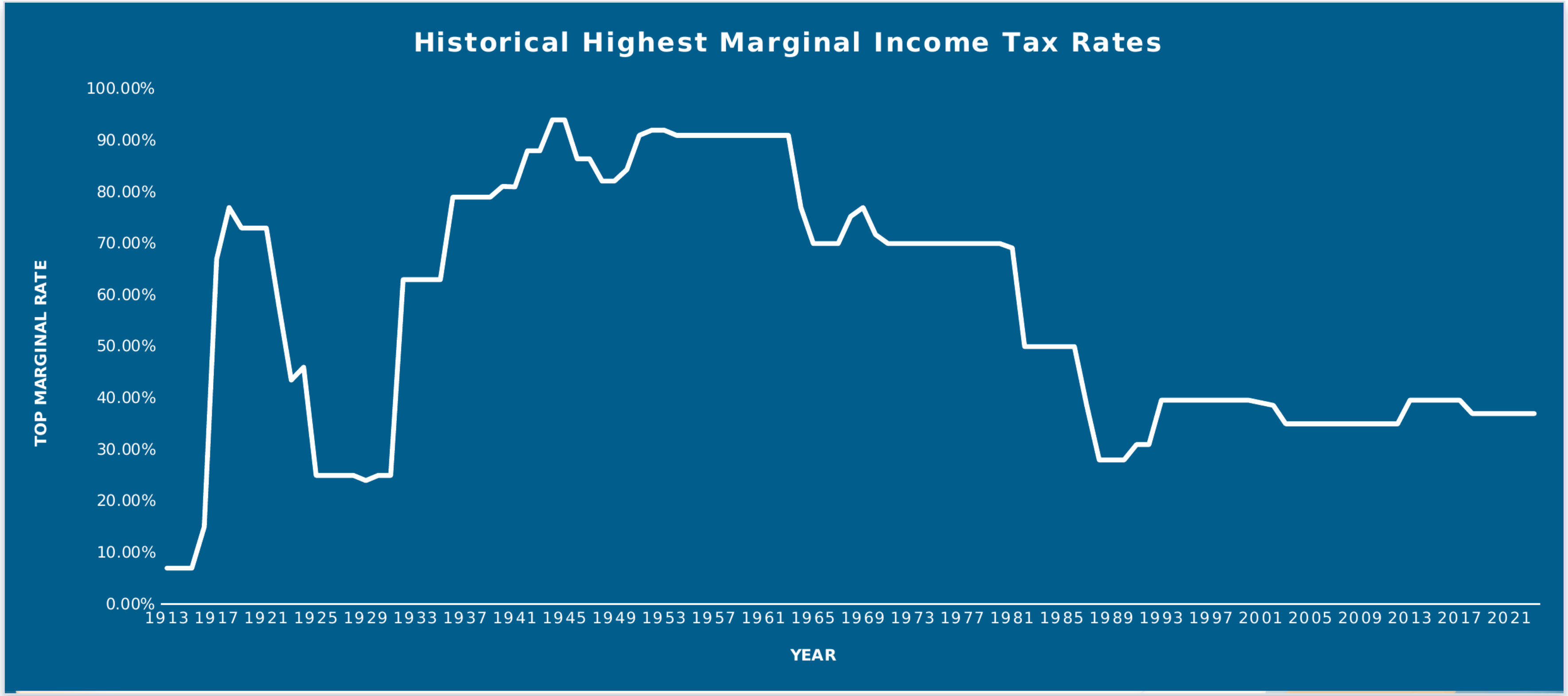
B · ROTH / ROTH TSP

Pay 31% tax first, then invest $12,420 a year at 5% for 20 years.

Accumulated	**$431,213**
× 4% withdrawal	**$17,248**
tax on withdrawals	**$0**

$17,248
ANNUAL INCOME · TAX-FREE

Where are taxes headed?



Source: Tax Policy Center, historical highest marginal income tax rates. Illustrative; ignores income thresholds and deductions.

Your opinion matters.

Today's top rate of 37% is low by historical standards. What that means for your Roth-vs-Traditional decision is worth a hard look.

SECTION THREE

Long-term care.

The risk most retirement plans forget to fund.

About 70% of people turning 65 will need some form of long-term care.

FIVE WAYS TO FUND IT

How will you pay for long-term care?

01 **Self-insure**

Pay out of pocket. Works only if your portfolio can absorb a multi-year care event without derailing the plan.

02 **Government programs**

Medicare covers very little; Medicaid requires spending down your assets to qualify.

03 **Traditional LTC insurance**

Dedicated coverage — but premiums are not guaranteed and have risen sharply.

04 **Life insurance with an LTC rider, or a hybrid**

Guaranteed benefits with a death benefit if care is never needed.

05 **Elder-care & Medicaid planning**

Legal structuring to protect assets and qualify for benefits appropriately.

Premiums keep climbing.

Top 2022 rate-increase filings — approved increases routinely exceed 50%.

State	Filer	Written premium ($M)	Approved rate change	Policyholders
VA	Genworth Life Insurance Co.	26.9	**36.1%**	10,228
OH	Genworth Life Insurance Co.	14.8	**65.4%**	6,713
PA	John Hancock Life Insurance Co.	12.7	**59.1%**	4,760
TN	Genworth Life Insurance Co.	9.2	**59.5%**	4,431
KY	Genworth Life Insurance Co.	12.7	**39.9%**	4,617
IA	Ability Insurance Co.	10.6	**47.4%**	2,612
NE	Mutual of Omaha Insurance Co.	4.6	**107.1%**	2,383
AL	Genworth Life Insurance Co.	31.0	**15.0%**	8,321
TX	Allianz Life Insurance Co. of N.A.	7.5	**62.2%**	2,821
NE	Ability Insurance Co.	8.1	**56.7%**	2,024

Source: S&P Global Market Intelligence, LTC rate filings, Jan–Jun 2022. Historically these policies have averaged roughly 11% annual increases.

Stress-test your LTC premiums.

Traditional LTC premiums are not guaranteed. Model the policy before you sign: take the starting premium, compound the increases the industry has actually delivered, and see where you land at age 80.

THE STRESS TEST

Beginning premium: $3,930
Gross level ROR: 11%
Horizon: 20 years

$3,930 → $19,142

Nearly 5× in twenty years. Can you afford that at 80?

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

A GUARANTEED ALTERNATIVE

The hybrid LTC product.

			All Values and Benefits Guaranteed Guaranteed 1.00% Interest Rate								
End of Year	Age	Scheduled Premium	Cash Value	Total Received on Surrender	Net Death Benefit	Total LTC Benefit (Excludes Inflation)	Max Monthly LTC Benefit* (Excludes Inflation)	Max Monthly Inflation Rider Benefit*	Total Monthly Benefit	Total Benefit** (Total LTC Benefit Plus Inflation)
1	58	10,000	6,044	6,044	97,595	292,786	4,066	0	4,066	315,644
2	59	10,000	10,479	10,479	97,595	292,786	4,066	122	4,188	325,113
3	60	10,000	15,072	15,072	97,595	292,786	4,066	248	4,314	334,867
4	61	10,000	19,825	19,825	97,595	292,786	4,066	377	4,444	344,913
5	62	10,000	24,738	24,738	97,595	292,786	4,066	510	4,577	355,260
Total		50,000								
6	63	10,000	29,818	29,818	97,595	292,786	4,066	648	4,714	365,918
7	64	10,000	35,073	35,073	97,595	292,786	4,066	789	4,856	376,895
8	65	10,000	40,513	40,513	97,595	292,786	4,066	935	5,001	388,202
9	66	10,000	46,153	46,153	97,595	292,786	4,066	1,085	5,151	399,848
10	67	10,000	52,008	52,008	100,000	292,786	4,066	1,239	5,306	411,844
Total		100,000								
11	68	0	53,489	53,489	100,000	292,786	4,066	1,399	5,465	424,199
12	69	0	54,993	54,993	100,000	292,786	4,066	1,562	5,629	436,925
13	70	0	56,518	56,518	100,000	292,786	4,066	1,731	5,798	450,033
14	71	0	58,058	58,058	100,000	292,786	4,066	1,905	5,972	463,534
15	72	0	59,609	59,609	100,000	292,786	4,066	2,084	6,151	477,440
Total		100,000								
16	73	0	61,163	61,163	100,000	292,786	4,066	2,269	6,335	491,763
17	74	0	62,718	62,718	100,000	292,786	4,066	2,459	6,526	506,516
18	75	0	64,267	64,267	100,000	292,786	4,066	2,655	6,721	521,711
19	76	0	65,811	65,811	100,000	292,786	4,066	2,856	6,923	537,363
20	77	0	67,350	67,350	100,000	292,786	4,066	3,064	7,131	553,484
Total		100,000								

One policy, two jobs.

A $10,000 first-year premium, illustrated by issue age — younger locks in more benefit.

Issue age	First-year premium	Year-1 death benefit	Year-20 total benefits
40	$10,000	$131,352	**$744,923**
50	$10,000	$130,764	**$741,588**
60	$10,000	$115,808	**$656,537**
65	$10,000	$92,786	**$526,208**

The earlier you start, the more death benefit and long-term-care benefit the same premium buys.

WEALTH TRANSFER

Estate planning essentials.

Wills vs. trusts

A will directs assets; a trust can avoid probate and control timing. Most plans use both.

Revocable living trusts

Keep control while you are alive, then transfer smoothly and privately at death.

Avoiding probate

Titling and beneficiary design can keep assets out of a slow, public court process.

Beneficiary titling

Life estates, POD and TOD designations move assets directly to the people you choose.

Death taxes & gifting

Lifetime gifting and planning can shrink what is exposed to estate and death taxes.

Survivor benefits

Coordinate pension survivor options and life insurance so a spouse is never left short.

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THANK YOU

Questions are where planning begins.

Share your feedback via the link in the webinar chat

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