

# A Woman's

## JOURNEY

Toward Financial  
Independence

NOT INSURED BY  
FDIC OR ANY FEDERAL  
GOVERNMENT AGENCY

MAY  
LOSE  
VALUE

NOT A DEPOSIT OF OR  
GUARANTEED BY ANY BANK  
OR ANY BANK AFFILIATE



# A WOMAN'S FINANCES

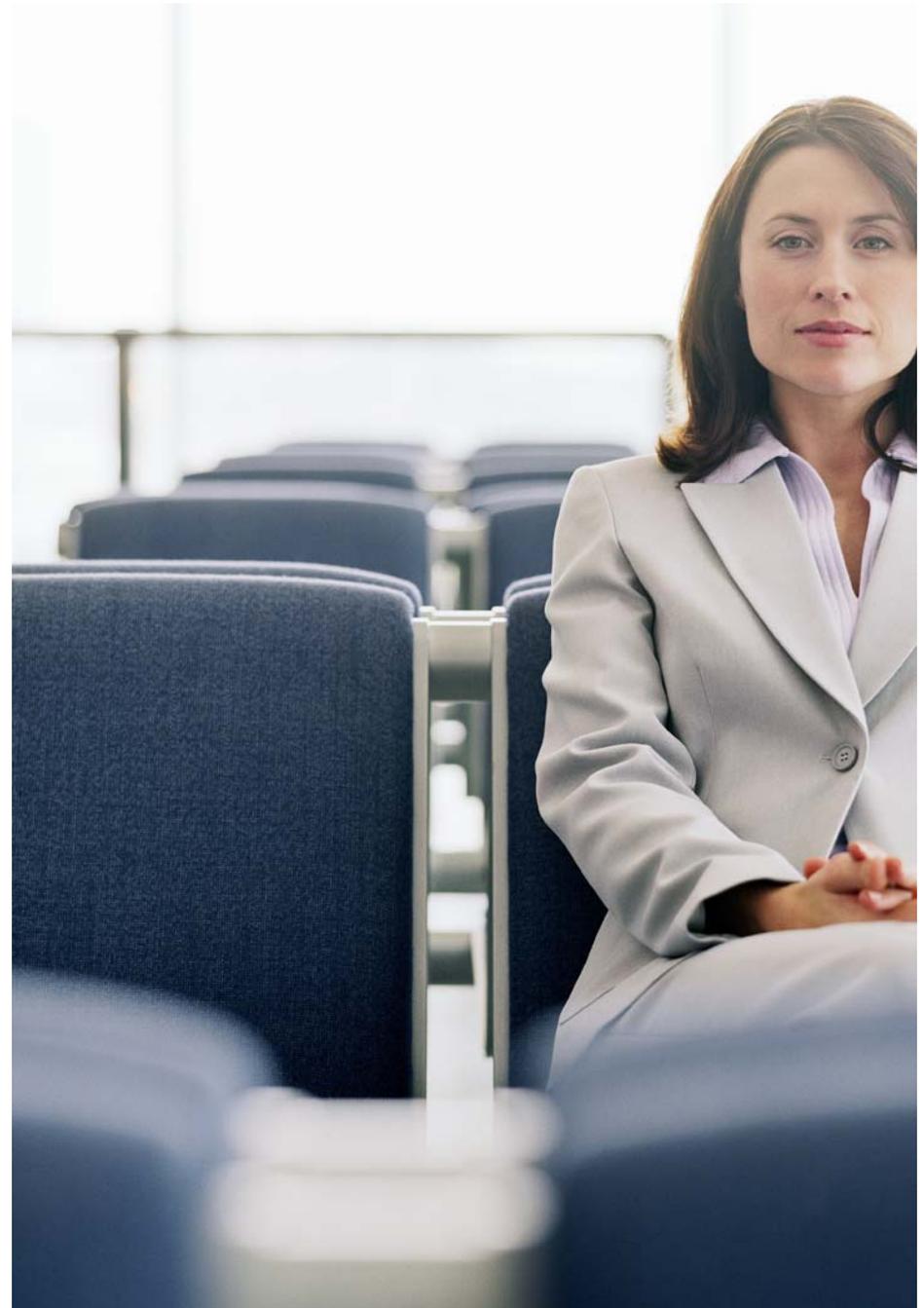
## *The good news:*

- **Women seem to be better at investing than men<sup>1</sup>**
- **Women are more likely to participate in a retirement plan than men.<sup>2</sup>**
- **In 2007, 22% of wives earned more than their husbands.<sup>3</sup>**

<sup>1</sup> [www.smartmoney.com](http://www.smartmoney.com), Testosterone and the Trading Floor, March 2010

<sup>2</sup> Employee Benefit Research Institute (EBRI), 2010 Retirement Confidence Survey

<sup>3</sup> New Economics of Marriage: The Rise of Wives, Pew Research Center, January 2010



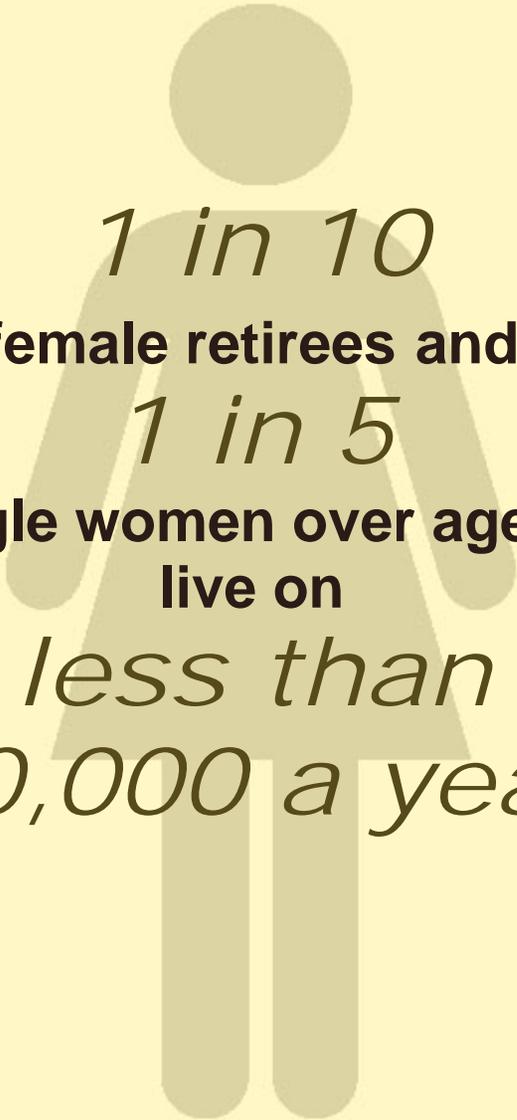
# A WOMAN'S FINANCES

## *The bad news:*

- Only a third of women consider themselves “confident” investors<sup>1</sup>
- Among those nearing retirement age, the average balance for women was less than 21 percent that of men's.<sup>2</sup>

<sup>1</sup> *Women still less confident than men when it comes to investing, research shows,*  
[www.investmentinternational.com](http://www.investmentinternational.com), October 2010

<sup>2</sup> [www.brookings.edu](http://www.brookings.edu), January 2010



*1 in 10*  
female retirees and  
*1 in 5*  
single women over age 65  
live on  
*less than*  
*\$10,000 a year.*<sup>1</sup>

# A WOMAN'S UNIQUE CHALLENGES



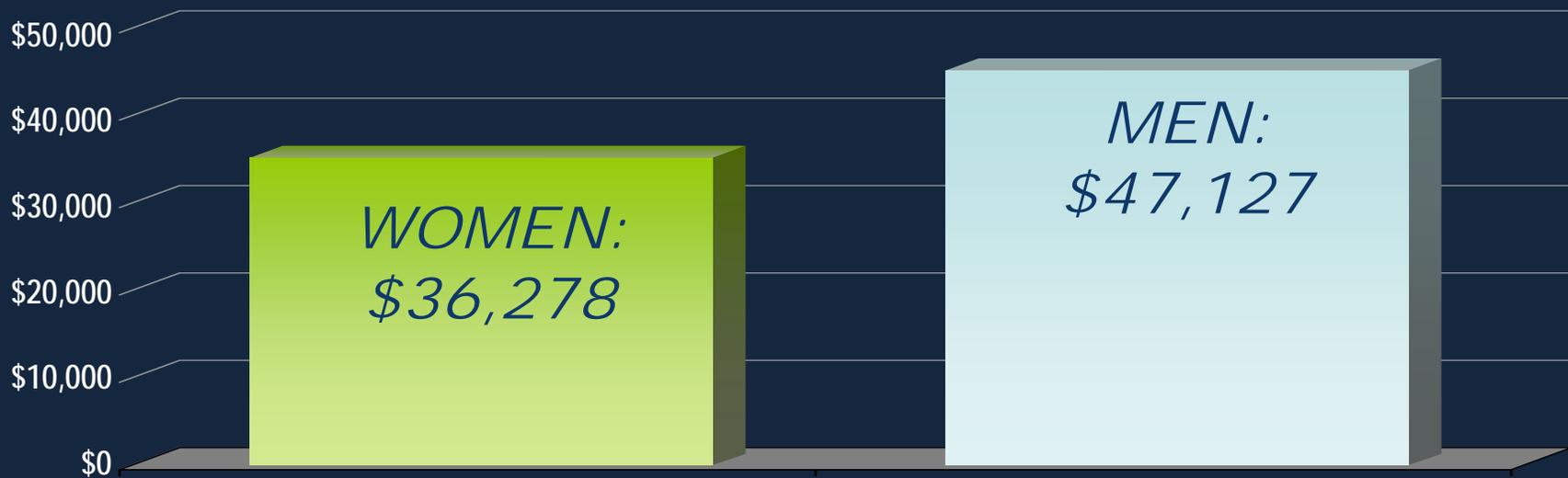
*In general, women:*

- 1. Earn less**
- 2. Live longer**
- 3. Spend fewer years in the work force**
- 4. Must confront the “what-if” factor**

# A WOMAN'S UNIQUE CHALLENGES

## 1. *Women Earn Less Than Men*

**Real median earnings of men and women age 15 and older who worked full-time, year-round**



Data source: Institute for Women's Policy Research, September 2010

# A WOMAN'S UNIQUE CHALLENGES

## 2. *Women Live Longer Than Men*

- **By 2030, there will be 11 million women in the 65-69 age group compared to 9.75 million men<sup>1</sup>**
- **Women represent 85 percent of the population aged 100+ years<sup>2</sup>**

<sup>1</sup> National Institute on Aging, *Expanding aging U.S. Population*, September 2008

<sup>2</sup> Time magazine, *Why Do Women Live Longer Than Men?*, August 2008

### Life expectancy at age 65:

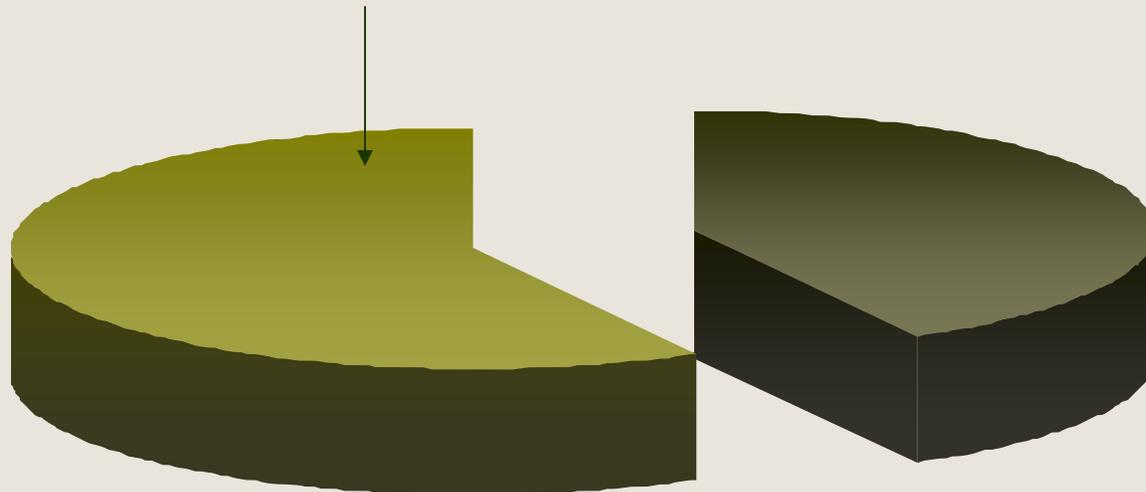


Data source: Society of Actuaries, "2005 Risks and Process of Retirement Survey Report"  
Longevity data presented does not reflect mortality from birth statistics available from U.S. Census Bureau.

# A WOMAN'S UNIQUE CHALLENGES

## 3. *Women Spend Less Time in the Work Force*

**58%** of female baby boomers have less than \$10,000 saved for retirement.<sup>1</sup>



<sup>1</sup> [www.awomansworth.net](http://www.awomansworth.net), Copyright 2007 – 2009, Operation "Girl Talk" Talking Together for Financial Freedom...

# A WOMAN'S UNIQUE CHALLENGES



## 4. Women Must Confront the “What-if” Factor:

What if...

- inflation gets worse?
- I develop serious health problems?
- I outlive my savings?
- I get divorced or am widowed?

# A WOMAN'S UNIQUE CHALLENGES

Average expenditures per year for a married couple with no children<sup>1</sup>

## 4. The What-If Factor: What if My Husband Dies?

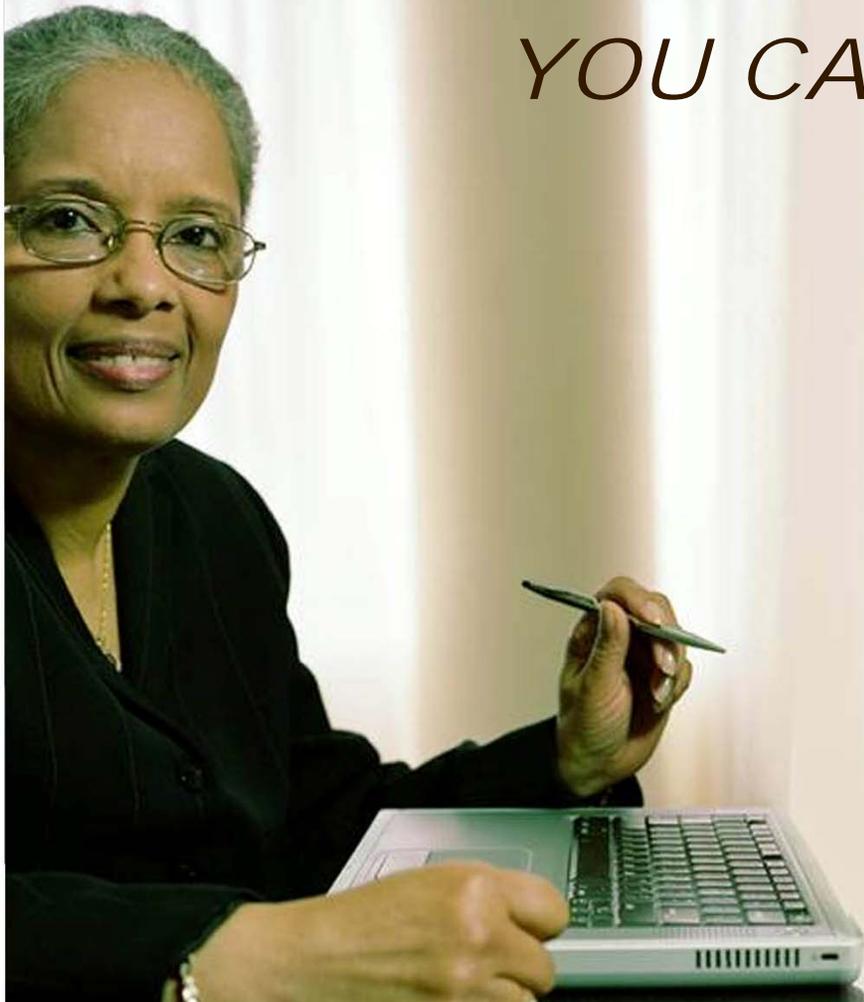
<sup>1</sup> Data source: Consumer Expenditure Survey, 2009 (U.S. Dept. of Labor, Bureau of Labor Statistics, 2010)

<sup>2</sup> Data source: Women's Institute for a Secure Retirement, 5/06

Food	\$6,372
Housing	\$16,895
Transportation	\$7,658
Health Care	\$3,126
Entertainment	\$2,693
Insurance Pensions	\$5,471
Apparel and Services	\$1,725
Everything Else (personal care, education, cash contributions, etc.)	\$5,127
<b>TOTAL</b>	<b>\$49,067</b>
<b>Average Annual Expenditure Reduction</b>	<b>-20%<sup>2</sup></b>
<b>TOTAL</b>	<b>\$39,253</b>

*Do you have a plan for how to pay for your ongoing expenses and make up for the lost income?*

# OVERCOMING CHALLENGES



- YOU CAN:* —
- 1.** Identify and prioritize your goals
  - 2.** Start with a budget and develop a strategy
  - 3.** Focus on the fundamentals of investing
  - 4.** Talk to a financial professional

# OVERCOMING CHALLENGES



## 1.

### Identify and Prioritize Your Goals

- Retirement
- Housing
- College Education
- Business
- Passing on wealth

**What's important to *you*?**

# OVERCOMING CHALLENGES

## 2. Start with a Budget, Develop a Strategy

- ✓ Little indulgences add up
- ✓ Get rid of high-interest debt
- ✓ Contribute the max to your 401(k)
- ✓ Know where your retirement income is coming from



# OVERCOMING CHALLENGES

## 2. Start with a Budget, Develop a Strategy

*Little Indulgences Can really Add Up*

Do You:	What if You:	Savings Over 15-Year Period:
<ul style="list-style-type: none"> <li>• Drink 1 latte every morning?</li> <li>• Smoke 1 pack of cigarettes per day?</li> <li>• Spend roughly \$50 at Happy Hour(s) per week?</li> <li>• Spend roughly \$2500 or more per year on clothes, shoes, etc.?</li> <li>• Go out for lunch every day during the week?</li> </ul>	<ul style="list-style-type: none"> <li>Drank 1 latte every other day (3/week)?</li> <li>Smoked 4 packs per week?</li> <li>Saved \$15 per week from Happy Hour?</li> <li>Saved \$20 per week from shopping?</li> <li>Brown-bagged your lunch 3 times/wk?</li> </ul>	<ul style="list-style-type: none"> <li>\$15,597</li> <li>\$23,396</li> <li>\$25,995</li> <li>\$34,660</li> <li>\$51,990</li> </ul>
<p><b>Not have any money to save for retirement?</b></p>	<p><b>Took the money you would have spent on all of your habits and invested it?</b></p>	<p><b>\$151,638</b></p>

Latte example assumes the savings of \$4.50 per latte, twice per week (\$9.00). Smoking example assumes the savings of \$4.50 per pack, three times per week (\$13.50). Happy hour example assumes the savings of \$15.00 per week. Shopping example assumes the savings of \$20.00 per week. Lunch example assumes the savings of \$20.00 per week. Retirement money example assumes the savings of \$87.50 per week on all items. All of the above savings examples use the avg. ann. rate of the S&P 500TR for the past 75 years. (9.92%).

# OVERCOMING CHALLENGES

## *Additional Weekly Savings Can Really Add Up*

*\$20/WEEK INVESTED IN GROWTH MUTUAL FUNDS  
(assumes 8% growth rate)*



From Age 40 to Age 65  
**\$82,744**



From Age 25 to Age 65  
**\$285,107**



This hypothetical example is for illustrative purposes only. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

# OVERCOMING **CHALLENGES**



## **3.** Focus on the Fundamentals of Investing

- Understand the effects of inflation
- Understand the effects of taxes
- Know the advantages of diversification and equities
- Don't panic over the press

# 3. Focus on the Fundamentals of Investing

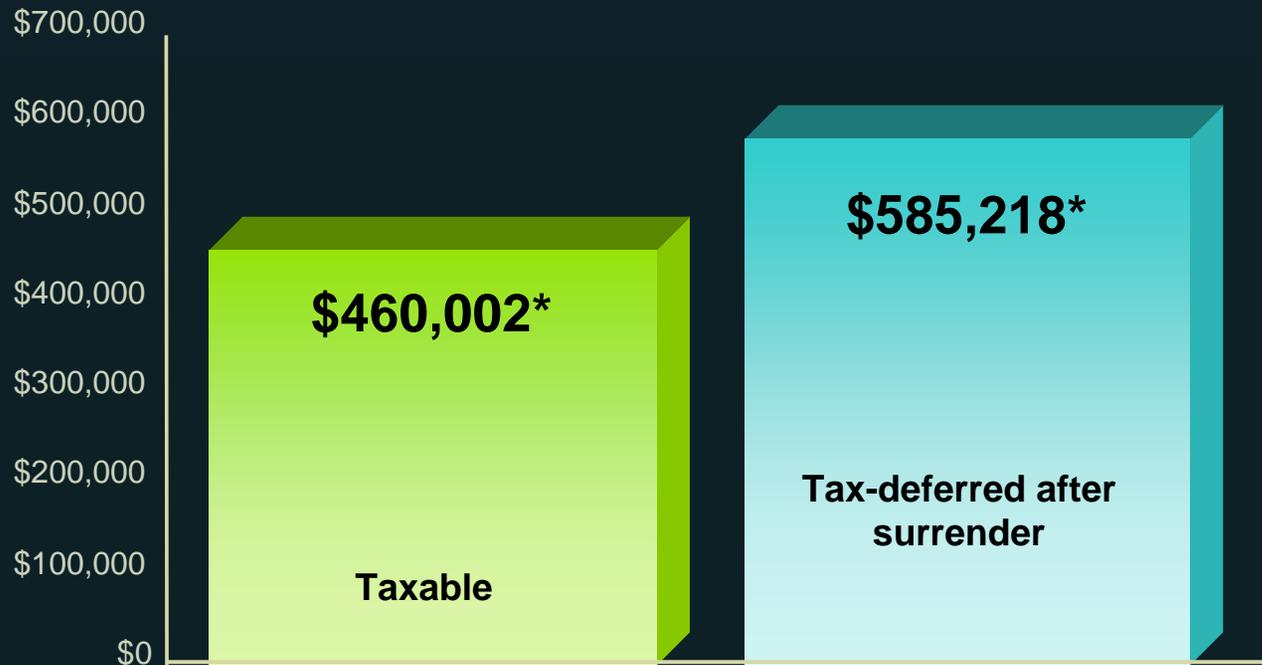
## *The reduced purchasing power of cash*

Using the historical average for inflation since 1925, 3.00%, the graph shows its effect on a hypothetical cash investment with a fixed return of 5% for a 20-year period with an initial investment of \$100,000.



Source for inflation (CPI) average: Thomson Reuters, 1/10.

# 3. Focus on the Fundamentals of Investing



## Assumptions

- ✓ \$4,000 annual investment
- ✓ 8% annual rate of return
- ✓ Age 30 to 65

This hypothetical example does not represent the performance of any particular investment. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

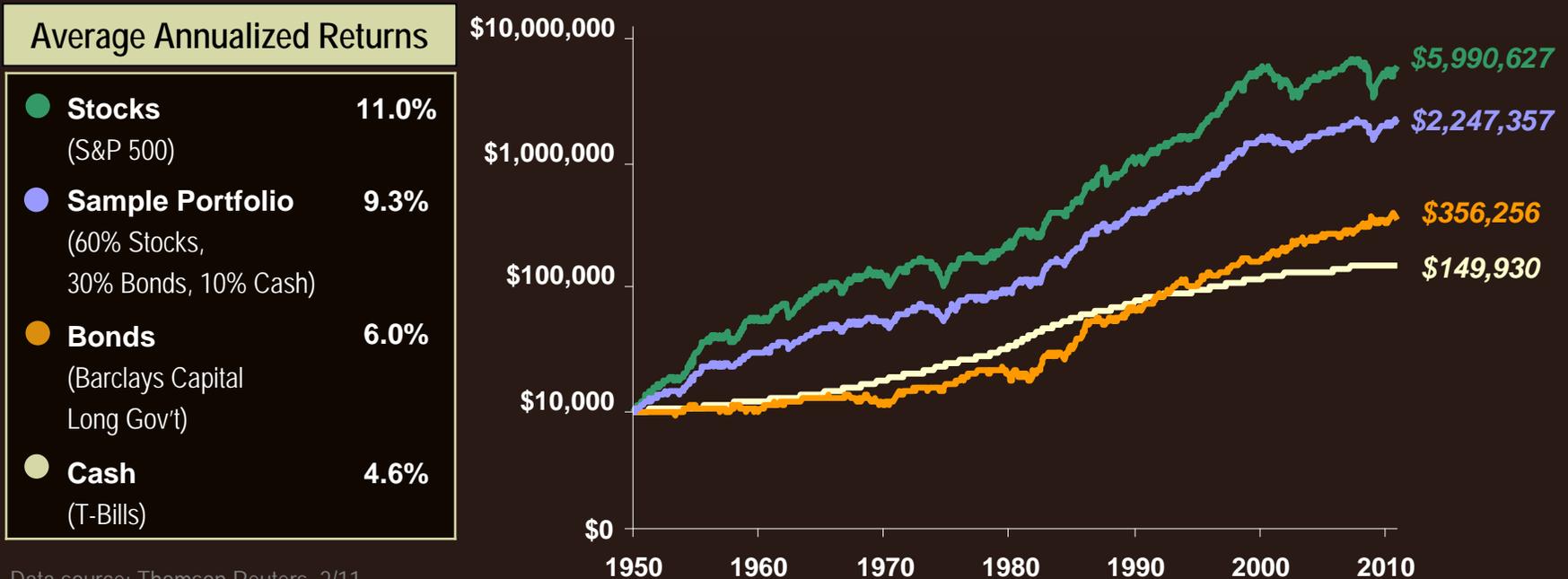
\* Tax deferred with surrender results assume a federal income tax rate of 27%, but does not include any prior distributions, state taxes, or deduction of any fees and charges which, if included, would lower the results.

Lower tax rates on capital gains and dividends would increase the investment return of the taxable investment, thereby reducing the difference in performance between the accounts shown. You should consider your investment time horizon and income tax brackets, both current and anticipated, when making an investment decision. These factors, along with any changes in tax rates or tax treatment of investment earnings may further impact the results of this comparison.

*By investing in a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity if it makes sense because of the annuity's other features, such as lifetime income payments and death benefit protection. These features may be purchased at an additional cost.*

# 3. Focus on the Fundamentals of Investing

Assumes an initial investment of \$10,000 on 1/31/50.



Data source: Thomson Reuters, 2/11.

## INDEX PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

Fund shares, when redeemed, may be worth more or less than their original price. Assumes no taxes or transaction costs.

Barclays Capital Long Gov't Index and the S&P 500 Index are unmanaged and do not represent the performance of any particular investment. You cannot invest directly in either the Barclays Capital Long Gov't Index or the S&P 500 Index.

The S&P 500 Index is a composite of the 500 largest companies in the United States. Barclays Capital Long Gov't Index is based upon all publicly issued long-term government debt securities. U.S. 30-day Treasury Bills (T-Bills) Index is based upon the average monthly yield of 30-day Treasury Bills.

Stock: A share of ownership or equity in a corporation. A corporation's financial performance chiefly determines the value of its stock. Stocks are typically more volatile than other investment commodities, such as bonds or T-Bills. Stocks are also known as equities.

Bond: A debt security issued by a company, municipality, or government agency. A bond investor lends money to the issuer and, in exchange, the issuer promises to repay the loan amount on a specified maturity date; the issuer also must pay the bondholder periodic, fixed interest payments over the life of the loan.

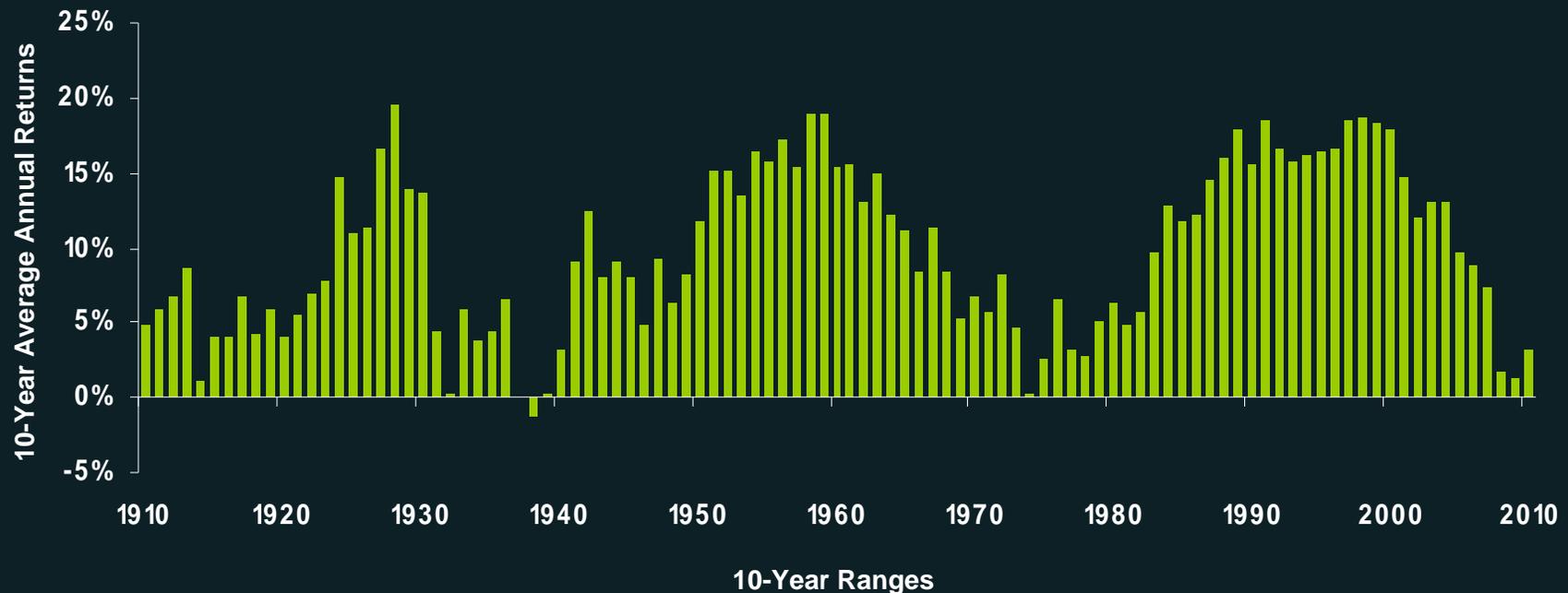
Cash: Cash investments, including T-Bills, provide liquidity and have the lowest risk-and-return characteristics of any class.

Diversification neither ensures a profit nor protects against a loss.

# 3. Focus on the Fundamentals of Investing

After periods of decline, the market has always recovered

Dow Jones Rolling 10-Year Average Annual Returns (12/31/1910–12/31/2010)



**INDEX PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS.** Assumes reinvestment of income and no transaction costs or taxes. This data is for illustrative purposes only and not indicative of any investment. Indices are unmanaged, are not available for direct investment, and do not represent the performance of any of The Hartford's products or any particular investment. The Dow Jones Industrial Average (DJIA) is an unmanaged price weighted index of 30 of the largest, most widely held stocks traded on the NYSE. Data source: Ned Davis Research, 2/11.

# OVERCOMING CHALLENGES



## 4. Talk to a Financial Professional

- Experience
- Time
- Resources
- Knowledge
- Investment planning
- Investment discipline

"The Hartford" is The Hartford Financial Services Group, Inc. and its subsidiaries, including the issuing companies of the Hartford Life Insurance Company and Hartford Life and Annuity Insurance Company.

Investing in a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity if it makes sense because of the annuity's other features, such as lifetime income payments and death benefit protection. These features can be purchased at an additional cost.

Variable annuities are long-term investment vehicles designed for retirement purposes and are subject to market fluctuation, investment risk, and possible loss of principal. Withdrawals of earnings are taxable as ordinary income and, if taken prior to age 59½, may be subject to a 10% federal tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

**This information is written in connection with the promotion or marketing of the matter(s) addressed in this material. The information cannot be used or relied upon for the purpose of avoiding IRS penalties. These materials are not intended to provide tax, accounting or legal advice. As with all matters of a tax or legal nature, you should consult your own tax or legal counsel for advice.**

Hartford variable annuities are issued by Hartford Life and Annuity Insurance Company and by Hartford Life Insurance Company and are underwritten and distributed by Hartford Securities Distribution Company, Inc. The Hartford Mutual Funds are underwritten and distributed by Hartford Investment Financial Services, LLC.

*You should carefully consider the investment objectives, risks, charges, and expenses of Hartford variable annuities and their underlying funds before investing. This and other information can be found in the prospectus for the variable annuity and the prospectuses for the underlying funds, which can be obtained from your investment representative or by calling 800-862-6668. Please read them carefully before you invest or send money.*

*You should carefully consider investment objectives, risks, charges, and expenses of The Hartford Mutual Funds before investing. This and other information can be found in the Fund's prospectus or summary prospectus, which can be obtained from your investment representative or by calling 888-843-7824. Please read them carefully before you invest or send money.*

This seminar has been funded in whole or in part by Hartford Life Distributors, LLC, a broker dealer affiliate of The Hartford.

All information and representations herein are as of 2/11 unless otherwise noted.