



THE WHITE PAPER

Your Guide to Life Planning

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A Net Worth Statement Helps Keep Retirees on Track

A number of planning tools can help retirees monitor their cash flow and make appropriate adjustments in response to changes in income and expenses. Not the least of these is a net worth statement.

By calculating your net worth, you are essentially taking a snapshot of your current financial status. That snapshot can then provide you with the information you need to make important financial decisions.

What is net worth? It is more than just your income -- it's your overall wealth. To determine your net worth, just add up your assets and subtract your liabilities. Your assets are everything you own, including the money in your bank accounts, retirement plans, and investments accounts as well as real estate and even possessions such as your car(s) or a boat. Your liabilities are what you owe. This may include the balance on your home mortgage, credit card debt, car payments, and even unpaid taxes.

Taking stock of your assets and liabilities may require a bit of research at first, but the process will get easier each time you do it. It's a good idea to review the calculation each year to make sure you stay on the right track.

Whether your net worth is higher or lower than you expected really should not be of concern. The main purpose of identifying your net worth is to give you a reference point for assessing your overall financial health.

The following worksheet will help you break down your assets and liabilities so you can reach your bottom line.

YOUR ASSETS

Cash/bank accounts, CDs, etc. ¹	\$
Vested share of retirement accounts (employer plans, pensions, profit-sharing plans, etc.)	\$
Market value of investments (stocks, bonds, mutual funds, IRAs, annuities, etc.) ²	\$
Market value of real estate (home, other property)	\$
Market value of vehicles (car, boat)	\$
Cash value of insurance policies	\$
Other (valuables, furnishings, etc.)	\$

TOTAL ASSETS \$

YOUR LIABILITIES

Balance due on home or real estate mortgage(s)	\$
Balance due on loans (car, student, real estate)	\$
Balance due on rental properties	\$
Balance due on credit cards	\$

Fixed monthly payments	\$
Unpaid taxes	\$
Other	\$
TOTAL LIABILITIES	\$
YOUR NET WORTH (Subtract liabilities from assets)	\$

¹CDs are FDIC insured and offer a fixed rate of return if held to maturity.

²Investing in stocks involves risks, including loss of principal. Bonds are subject to market and interest rate risk if sold prior to maturity. Bond values will decline as interest rates rise and are subject to availability and change in price. Investing in mutual funds involves risk, including loss of principal. Mutual funds are offered and sold by prospectus only. You should carefully consider the investment objectives, risks, expenses and charges of the investment company before you invest. For more complete information about any mutual fund, including risks, charges and expenses, please contact your financial professional to obtain a prospectus. The prospectus contains this and other information. Read it carefully before you invest.

An annuity is a long-term, tax-deferred investment vehicle designed for investment purposes and contains both an investment and an insurance component. They are sold only by prospectus. Guarantees are based on the claims-paying ability of the issuer and do not apply to an annuity's separate account or its underlying investments. The investment return and principal value of the available subportfolios will fluctuate so that the value of an investor's unit, when redeemed, may be worth more or less than their original value. Gains from tax-deferred investments are taxable as ordinary income upon withdrawal.

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