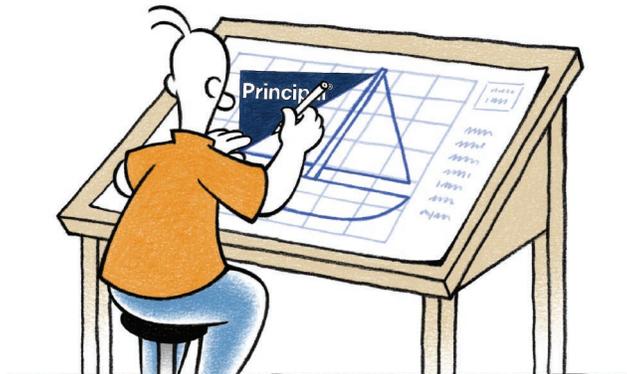


Financial Strategies

# Design Your Financial Future





# Success is in your reach – if you plan

## Take stock of your needs, objectives and opportunities

How solid is your financial foundation? Are you taking advantage of all the opportunities available to you? Are you maximizing your personal and business assets? Employment benefits? Insurance plans? Are you taking full advantage of any government programs for which you qualify?

## Have you considered that you might live longer than expected?

In 2005, a 65-year old man can expect to live to almost age 82.<sup>1</sup> In 2050, the life expectancy increases to almost age 92.<sup>2</sup> Will you be prepared to live and enjoy a longer and more active retirement?

## What can I do if I haven't saved enough for retirement?

Most older workers (88 percent) plan to continue to work after they are eligible for full retirement benefits, citing “the need for more money” (28 percent) as the leading reason, followed closely by “a desire to remain active mentally, physically or socially” (25 percent).<sup>3</sup>

Each year you continue to work lessens your retirement needs by several percent and increases the value of your assets (by the annual rate of return and any additional savings). Also, by delaying your application for Social Security benefits, you can increase your benefit payments substantially, thus reducing the amount of your assets for your living needs.

Taken together, these factors can substantially reduce the private retirement assets required by the typical household. That observation applies to many types of households – for example, both married couples and single people – across a wide range of incomes.<sup>4</sup>

<sup>1</sup> Center for Disease Control & Prevention, Health, United States, 2008, Table 26. Life expectancy at birth, at 65 years of age, and at 75 years of age, by race and sex: United States, selected years 1900-2005.

<sup>2</sup> Centers for Disease Control and Prevention, Morbidity and Mortality Weekly Report, February 14, 2003.

<sup>3</sup> Charles Schwab Q3 Retirement Survey by Kelton Research, August 31, 2010

<sup>4</sup> Congress of the United States, Congressional Budget Office, Economic and Budget Issue Brief, May 12, 2004.

## Where will you be at age 65?

One income replacement ratio study found that actual replacement levels of retirees vary by household income, and more than 70 percent of pre-retirement income is needed at all income levels.<sup>5</sup>

### Actual Replacement Ratios<sup>5</sup>

Pre-retirement income	Social Security Percentage (%)	Private/Employer Resources Percentage (%)	Total Percentage (%)
\$30,000	59	31	90%
50,000	51	30	81
70,000	42	35	77
90,000	36	42	78
150,000	23	61	84
200,000	17	69	86
250,000	14	74	88

<sup>5</sup> Aon Consulting and Georgia State University 2008 Replacement Ratio Study, 2008, pages 2 and 12. Data source is U.S. Department of Labor's Bureau of Labor Statistics' Consumer Expenditure Survey (CES) for years 2003, 2004 and 2005, which provided data on 12,823 working consumer units and 6,498 retired consumer units.

## Achieve success by planning

Our needs-analysis program, Financial Strategies, guides you through the planning process. Together, we develop personalized strategies that can help you:

- Increase and preserve wealth
- Increase retirement income
- Reduce risk and tax liability
- Minimize out-of-pocket expenses
- Accumulate funds for college
- Increase benefits
- Maximize estate holdings

## There's no better time to plan than now

Imagine having your own financial strategy – a plan that puts your dollars to work more efficiently. By carefully orchestrating your investments, savings, retirement and insurance programs, we can help you develop a strategy where everything works in harmony. We also help eliminate costly redundancies and make the most of your available capital.



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