Core Financial Concepts

Prepare for your Future

A Transamerica Company

Charting your financial future begins with these core concepts.

The Six Steps to Financial Independence[1]

Are you asking the right questions and making the right moves for your future?

Cash Flow

- Earn additional income
- Manage expenses

Debt Management

- Consolidate debt
- Strive to eliminate debt

Emergency Fund

- Save at least 3-6 months' income
- Prepare for unexpected expenses

Proper Protection

- Protect against loss of income
- Protect family assets

Build Wealth

- Strive to outpace inflation and reduce taxes

Preserve Wealth

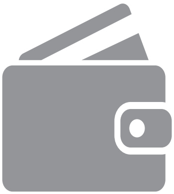
- Reduce taxation
- Build a family legacy

Life Insurance

How much do you need?

Age, health, debts, dependents, income and a variety of other factors should all be considered.*

However, the basic rule of thumb is approximately **10x** your annual family income.

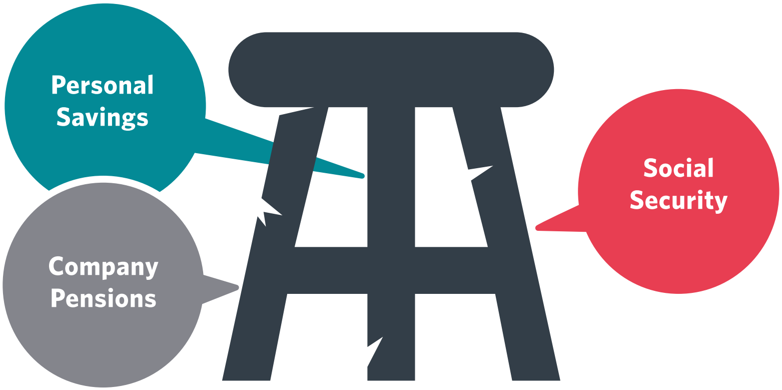


* There are many variables that affect your life insurance needs. You may need more or less insurance depending on any existing savings, assets, retirement funds and whether the purpose of the death benefit is to replace income or for estate planning. Also, when purchasing any insurance product, there can be certain risks, fees, charges, and limitations that one must take into consideration.

The 3-Legged Stool

A Traditional Retirement Model

Past retirees often enjoyed a combination of a company pension, a Social Security check and their personal savings. With this traditional model being questioned, a new retirement strategy focused on personal responsibility is needed.

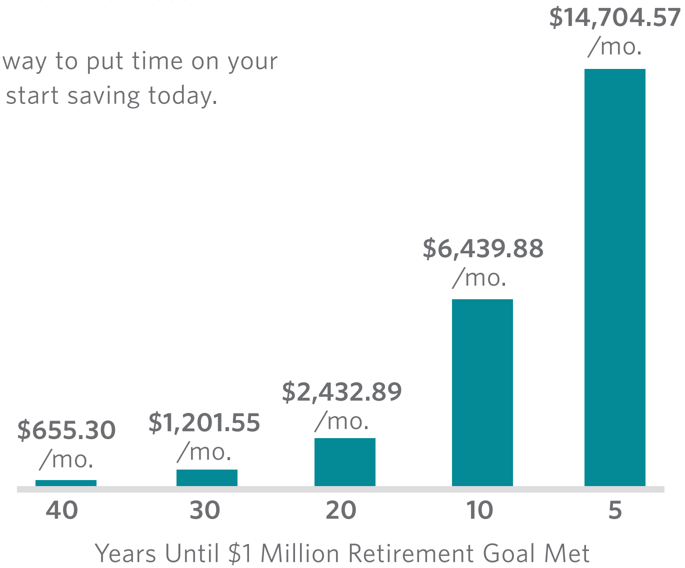


The **High Cost** of Waiting

Time: Your worst enemy or greatest ally

Here is a hypothetical example of how the monthly amount required to reach $1 million for retirement changes with how much time you have to hit that goal in a 5% tax-deferred account.*

The best way to put time on your side is to start saving today.



* In this hypothetical example, a 5% compounded rate of return is assumed on hypothetical monthly investments over different time periods. The example is for illustrative purposes only and does not represent any specific investment. It is unlikely that any one rate of return will be sustained over time. This example does not reflect any taxes, or fees and charges associated with any investment. If they had been applied, the period of time to reach a $1 million retirement goal would be longer. Also, keep in mind, that income taxes are due on any gains when withdrawn.

Power of Time

Time can be your greatest ally or your worst enemy. If you haven't started saving for your future, start now.

An example of saving $2,500 per year, for 25 years, in a product earning 5% per year.*

	Person A	Person B	Difference
Age Started Investing	30	40	10 years
Principal Invested (25 years)	$62,500	$62,500	$0.00
Age Stopped Investing	55	65	10 Years
Total Accumulation at age 65	$204,074	$125,284	$78,790

* All figures are for illustrative purposes only and do not reflect an actual investment in any product. Additionally, they do not reflect the performance risks, taxes or charges associated with any actual investment, which would lower performance. This illustration is not an indication or guarantee of future performance. Contributions are made at the end of the period. All accumulation figures are rounded to the nearest dollar.

The Rule of 72

The Rule of 72 is a mathematical concept that approximates the number of years it will take to double the principal at a constant rate of return compounded over time. All figures are for illustrative purposes only, and do not reflect the risks, expenses or charges associated with an actual investment. The rate of return of investments fluctuates over time and, as a result, the actual time it will take an investment to double in value cannot be predicted with any certainty. Results are rounded for illustrative purposes. Actual results in each case are slightly higher or lower.

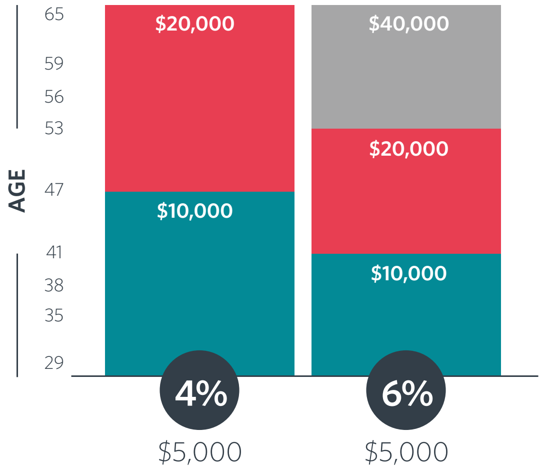
If you're concerned about taxes, your financial professional can help you develop a strategy that considers the impact of taxes.*

72 ÷ 2% = 36 At 2% money nearly doubles every 36 years		72 ÷ 4% = 18 At 4% money nearly doubles every 18 years		72 ÷ 6% = 12 At 6% money nearly doubles every 12 years	
YEARS	**AMOUNT**	**YEARS**	**AMOUNT**	**YEARS**	**AMOUNT**
Initial Amount	$10,000	Initial Amount	$10,000	Initial Amount	$10,000
35	$19,999	18	$20,258	12	$20,122
70	$39,996	36	$41,039	24	$40,489
		53	$79,941	36	$81,473
				48	$163,939

* World Financial Group Insurance Agency, LLC and its agents may not provide tax or legal advice. Anyone to whom this material is promoted, marketed, or recommended should consult with and rely on their own independent tax and legal professionals regarding their particular situation and the concepts presented herein.

How many times will your money double?

Notice how a $5,000 investment at age 29 doubles more often as the rate of return increases.



That's exciting to think about. But consider the interest rate on your credit card. Is it 18%? Higher? The Rule of 72 can work against you just as powerfully as it can work for you. Debt management is still important.

The Impact of Losses

It hurts more than you think

If you lose 50% of $10,000, what rate of return does it take to get back to $10,000?

A 50% gain only gets you back to $7,500.

A 100% gain is required to fully recover a 50% loss.

What Does Your **Future** Hold?

We can offer three options:

Client

- Consider becoming a client if you do not need additional income or if you're satisfied with your career.
- Take advantage of our strategies to help you chart your path to financial independence.

Part-time Career

- Consider becoming a part-time licensed agent and explore the opportunity of self-employment.
- Licensing, commissions, technology and field training programs help you get off to a quick start.
- Control your time and create a career on your terms.

Full-time Career

- If you're interested in a career in financial services, consider becoming a full-time agent with WFGIA.
- Build a business as big as your commitment and vision.
- Earn incentives: bonus pools, overrides, and renewals and trails.

1 When investing, there can be certain risks, fees, charges, and limitations that one must take into consideration.

WorldFinancialGroup.com

WFG Headquarters: 11315 Johns Creek Parkway, Johns Creek, GA 30097-1517. Phone: 770.453.9300

121462R1

WFGUS 8/20