



PRINCIPLES OF
**RETIREMENT
PLANNING**

Principles of Retirement Planning Course Syllabus

Course Description

This course provides a fundamental working knowledge of the principles of conservative retirement planning as they apply to retirement planning. The materials cover varied aspects of conservative retirement planning, such as changes in planning paradigms, history of markets, impact of bear markets, retirement budgeting, aspects of financial decisions, and more, while highlighting the ABC Planning Model. Students will increase their awareness of the overall risk in the markets as well as possible asset allocation models to help manage exposure to risk. This course also covers conservative retirement planning, income planning, asset allocation, and appropriate financial decisions. It is not designed to give specific solutions to individual needs.

This is not a financial seminar; this is a financial course of study where you will leave with the knowledge and confidence to make financial decisions suited to your level of risk and in line with the goals and objectives you establish.

Course Objectives

The objectives of this course are to provide you with the tools, insight, and proven strategies that will allow you to build a retirement plan that you are confident will achieve the goals you set for your retirement. This course will teach you easy-to-understand strategies on how to save money on taxes, manage investment risks and create the income stream for the retirement that you want. By the end of this course, you should be able to:

1. Understand the development of risk in the markets
2. Strategically allocate your assets in a conservative manner
3. Develop an income plan for your retirement
4. Know the difference between fixed principal and fixed income assets and how to use them
5. Develop your own financial profile
6. Know what questions to ask a potential advisor
7. Determine your own personal risk tolerance
8. Develop your own retirement budget

Your Reading Material

The course is based on the book “Bat-Socks, Vegas and Conservative Investing” by author and financial planner David P. Vick and its companion, “The Principles of Retirement Planning Workbook”. Both will be provided for you. Plus you will receive the “ABC Concepts” DVD.



Course Participation

If you are looking for answers to what happens to your plans when the financial markets experience a downward trending bear, and what you can do to limit the exposure you have to it, this course is for you. If you are concerned about your IRA, 401(k), 403(b) or other retirement accounts or maybe just want to be more confident in your current plan, you will believe this course is time and money well spent.

The best way to profit from this course is to read the assigned chapters, do the assigned homework and participate in the classroom discussions as you feel comfortable.

Course Outline

Below is an outline of the content of each section of the course.

Section 1: Keeping Up With the Changes?

The days of pensions are disappearing and Social Security is in jeopardy! Today, retirees are forced to adapt to new rules which, in many cases, they have never played by in the past. Section 1 will cover ways to address these new rules and adjust to shifting paradigms and perspectives.

Chapter 1: Understanding Conservative Retirement Planning

Defines what conservative retirement planning is and helps identify who is a conservative planner.

Chapter 2: Reasons Behind Current Market Shifts

This chapter discusses changes in planning perspectives & paradigms which affect the conservative planner.

Chapter 3: Deciphering Market Jargon

The class will discuss six well known Wall Street maxims and whether they might actually be myths.

Chapter 4: Old Market Strategies vs. New Retirement Planning Strategies

This chapter explains the need for a new conservative planning model and why Wall Street may be a broken culture, exposing its "greed is good" nature.

Section 2: How Do You Manage Risk In Retirement?

In Section 2, we will discuss the ABC Color of Money. Each color represents a category of money: Yellow, Green, and Red. The class will discuss what type of asset comprises each



PRINCIPLES OF RETIREMENT PLANNING

category. You will learn how to allocate the proper assets to each category. We will discuss how the ABC Model can help you in Bull Markets and save you in Bear Markets.

Chapter 5: The ABC Planning Model: Simplicity at its Best

The ABC Planning Model is explained in detail, showing the conservative nature of the model.

Chapter 6: Yellow Money: Understanding Cash Assets

This chapter identifies the type of assets in Column A, the importance of liquidity, and their positives and negatives.

Chapter 7: Green Money: Fixed Principal Assets

Describes which assets are ideal for the B Column. Outlines three Green Money Rules and why they are important to the conservative planner.

Chapter 8: Red Money: Understanding Growth Assets

Talks about the risk nature of Column C and what type of assets belong in a conservative investor's risk portion of their portfolio. We will also discuss the difference between tactically managed and Buy & Hold managed assets.

Chapter 9: Managing Volatility in Retirement

We discuss the effects of a bear market on a portfolio of assets and why the ABC Planning Model works well in a prolonged bear market.

Section 3: Income Planning Challenges

This section will address your number one need in retirement... INCOME. There are eight major challenges to creating an income to fund your quality of life in retirement. You will learn the challenges as well as how to plan to have enough and stay ahead of the inflation curve. For most Americans, their largest asset going into retirement is their 401(k), 403(b) or their IRA. In this section, we will go into great depth on how to preserve those accounts from the devastation of Taxes and Required Minimum Distribution (RMD). Plus you will learn appropriate tax-free income strategies.

Chapter 10: Challenges to Retirement Income Planning

This chapter reveals the great need for income planning and eight challenges the retirement minded face in retirement.

Chapter 11: Income Planning Concepts

This chapter covers the basic concepts in developing a plan for funding your quality of life in retirement along with possible solutions.



Chapter 12: Problems with a 401(k) in Retirement

The student will learn seven problems with a 401(k) in while in retirement including limited choices and beneficiaries.

Chapter 13: Green Money Income Planning

The student will learn when to use annuities and guarantees in planning for retirement income.

Chapter 14: Red Money Income Planning

The student will learn the importance of a sequence of returns as it relates to withdrawing income from securities accounts and how to balance the guarantees and risk in an income stream.

Chapter 15: Tax Free Income Planning

With income taxes at historical lows, the student will learn how to incorporate tax free strategies like municipal bonds, Roth IRAs, and LIRPs.

Section 4: How to Create Your Plan

In our final section you will learn how to create your own ABC Plan. We will discuss the planning process in great length, including the Seven Steps to Building Your ABC Plan. We will also discuss how to use the tools for planning that are in your workbook to make sure your plan is designed to suit your true needs.

Chapter 16: Finding an Advisor

Choosing an advisor who you like, trust and is competent is made easier to understand in this chapter, which includes over 20 questions to ask a potential advisor.

Chapter 17: How to Work Through a Retirement Planning Decision

Discusses the planning process of investigate, recommend, implement, review and adjust. Shows the class the three elements of a decision and why a process is the best way to make a financial decision.

Chapter 18: Seven Steps to an ABC Plan

This is a review of the previous chapters, while taking the student through a Seven Step process to develop an ABC Plan.



PRINCIPLES OF RETIREMENT PLANNING

Tools for Planning

Below are forms used by the instructor to help students develop their own financial plan:

- **Asset Review Forms**
 - Includes two forms to use in planning: “Issues & Goals” & “Financial Planning Data Form”.
- **Retirement Budget Forms**
 - Provides a comprehensive budgeting form for retirement needs.
- **Risk Tolerance Questionnaire**
 - Provides a simple 7 Question Risk Assessment Questionnaire.
- **Red Risk Resources**
 - Includes articles on Tactical vs. Buy & Hold.

Course Instructors

Course Instructors come from the financial services industry. They bring many years of experience to the classroom and enhance the course with “Real World” examples of many of the principles being taught. This course is interactive and your participation is encouraged, but not required.

Communication with Instructor

The instructor is open for questions and inquiries about the material covered by the course and may be reached by telephone or email.