What's in a Number?

Deciding how much to save for a given event can feel like pulling a number out of a hat. Over time everything changes: markets ebb, costs rise, goals fluctuate. There is a better way to plan that doesn't involve predicting the future. Learn a better way to plan for:

- **Your retirement**
- **College expenses**
- **Your premature death**

Here's why... NO ONE HAS A CRYSTAL BALL

In traditional financial planning, advisors routinely ask consumers to try to predict the future... their future. How much will you need for retirement? How much will college cost? How much will your family need if you die?

Asking you to make guesses about such things is unfair... and dangerous. No one really knows what the future holds.

What will the market do? What will things cost? Will taxes go up? What new inventions will you want that don't exist today? Will you become disabled or die prematurely? How long will you live into retirement?

Making guesses about the future is not the way to build your financial confidence. There is a better way.

Flaws in Traditional Financial Planning

Here's how traditional financial planning plays itself out around kitchen tables and in conference rooms across the country:

An advisor asks you to identify your future financial needs and provides various strategies to meet those goals. Your to-do list may include retirement, paying for your children's education, and perhaps putting a bit aside.

Next, you'll be asked to make some assumptions about average life expectancy, medical expenses, future education costs, expected investment returns and more.

With "answers" to these questions and probably a few more, your advisor thinks he has the numbers needed to fuel his calculator and voila — your financial plan is ready!

Unfortunately, there are more than a few flaws in this approach:

- **The financial goal or target you guessed will rarely be correct.** There is absolutely no way to know how much money you will need for a financial event that is going to happen decades from now. How could you possibly know such things?
- **Needs-based planning is a minimalistic approach.** You need shelter, bread, and water to live, and yet, you want much more out of life. The same should be true for financial decision making. The word need itself implies "the minimum." Needs-based and goal planning pursues the minimum. Optimal results or possibilities are rarely considered.

- **Traditional planning may cause people to take too much risk with their money.** In an effort to hit a stated financial goal, high risk products are often introduced. The higher the return, the less you have to save… right? Wrong. The rearview mirror is shockingly clear that taking too much risk with money is often a recipe for financial disaster.

- **There are no financial shock absorbers.** Traditional financial plans allow little room for life's surprises. While pursuing a financial goal, people are often ill-prepared for an unexpected life event. The loss of a job. A lawsuit. A hurricane or tornado. An exciting investment opportunity. Weddings and maybe even divorces. Parent care. An early death or a long-term care situation. These possibilities must be considered, and your financial future must be resilient enough to withstand the impact.

- **Focusing on needs often grossly underestimates the true cost of living.** Traditional financial plans assume an unrealistic world where market rates of return are level and inflation rates remain constant. However, your financial success should occur even if taxes rise and inflation continues to erode the economy. Your financial decisions should contemplate these realities. Plus, you will want to own the latest technology inventions, you will need to replace things as they wear out, and it is human nature to want an expanding life as time rolls by. These everyday economic forces create substantial obstacles for you as you try protect and grow your wealth. Unfortunately, traditional planning approaches may fail to prepare you properly to face the Real Cost of Living™.

A Better, Sounder Approach: No Crystal Ball Required

A better and sounder approach to preparing for the future is one that relies on sound economic theory. The Living Balance Sheet® and your Guardian financial representative will help you incorporate strategies to better prepare you for the future.

- **Protect first.** The most important step in planning your financial future is to secure what you have with proper insurance protections. We help you obtain maximum protection for your assets and income throughout your entire life.

- **Increase Savings.** We will help you identify ways to become a better saver… perhaps as much as 15-20% a year so you don't have to rely upon unsafe market returns that may not materialize.

- **Minimize taxes.** We seek tax-advantaged financial strategies to reduce your tax burden and make your money work more efficiently.

- **Reduce risk.** We don't chase a high rate of return on your investments. Instead, we seek lower risk financial strategies to help assure that your financial future will be realized.

- **Adequate liquidity.** Investments are important, but you need enough liquidity to respond to life and seize opportunities.

- **Trim back or eliminate debt.** We don't drag your wealth through time with a log of debt attached to it. We help you restructure your debt so that it is in healthy balance with your earning potential.

- **Budgeting skills.** We help you develop a budget that gives you freedom to enjoy life, but instills the discipline necessary to keep you on track. Our Living Balance Sheet technology monitors your budget and provides guidance along life's journey.

We've questioned the traditional thinking that has led so many Americans astray, and have developed proven strategies to help clients better prepare for the future.

We won't ask you to peer into a crystal ball and make guesses. Instead, you can look at your Living Balance Sheet with our help to find the real answers you have been looking for.

Guardian, its subsidiaries, agents, and employees do not provide tax, legal, or accounting advice.
Consult your tax, legal, or accounting professional regarding your individual situation. .

Not all states have creditor protection for life insurance policies.
You should contact your state's insurance department or consult your legal advisor regarding your individual situation.

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