



**RetireworX**

RETIREMENT  
PLANNING  
SOFTWARE

LOADING...

Ver. 3.0.5464

**Release 3.0**

Summary of Changes

## Summary of Changes



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# RetireworX Planner™ Release 3.0

## Summary of Changes



### 1 Introduction & Overview

#### 1.1 Reader's Note

Note that the purpose of this document is simply to **INFORM** you regarding the changes from Release 2 to Release 3. The specifics of **HOW TO USE** the new features of Release 3 are fully explained in the online Help menu and in the User's Manual, which can be downloaded from the Download page on our website [www.retireworx.com/planner/download](http://www.retireworx.com/planner/download).

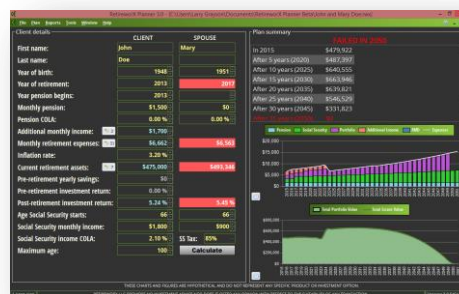
#### 1.2 Color Palettes

The primary colors of Release 2 have been replaced in Release 3 with a softer color palette.

Release 2



Release 3



#### 1.3 Internal Calculations

Numerous internal calculations have been updated to more accurately calculate the allocation of assets for covering expenses. As a result, you may notice minor changes in the results and possibly the success or failure of a plan that was created using Release 2.

The primary reason for this difference is in the way that the RetireworX Planner™ allocates the base and the growth for qualified, non-qualified and tax-free assets when covering expenses, which provides a more accurate representation of how a plan performs over a long period of time.

#### 1.4 Specific Product Simulations

Release 3 provides the ability to simulate the performance of specific annuities, life insurance policies, and individual retirement accounts. You can now easily convert assets in the portfolio to simulate these products. The features of these new product simulations are discussed in detail later in this document.

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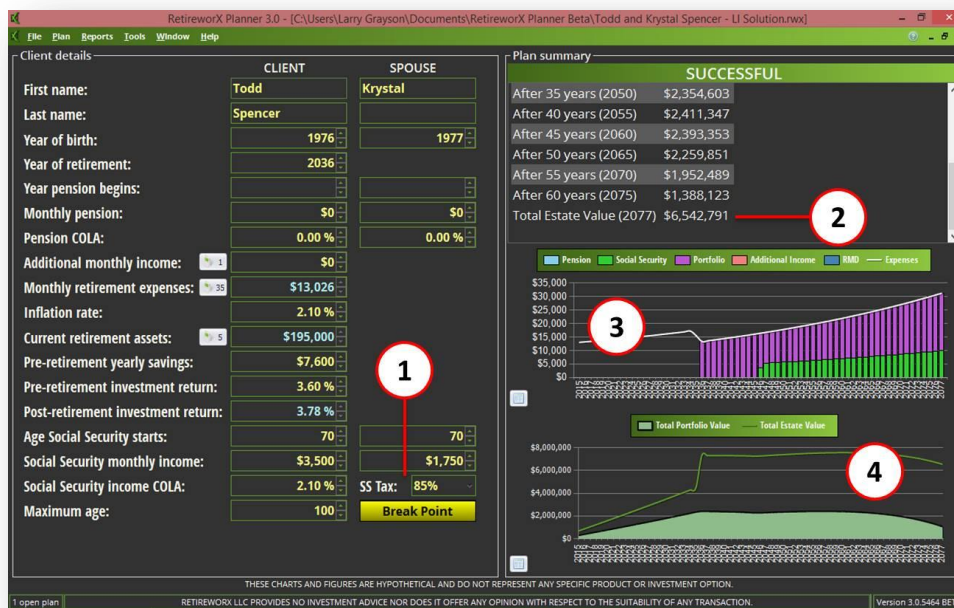
### 1.5 New Features

Several new features have been added to Release 3 such as non-inflationary expenses, estate reporting, tax-free additional income and more.

### 1.6 Improved Controls

Release 3 now gives you additional controls over your environment such as modifiable default and increment values for most of the data fields, auto-save function to safeguard your data, and more.

## 2 Main Dashboard



### 2.1 Adjustable Social Security Taxation Rate

You can now adjust how much of the Social Security income is subject to taxation – 85%, 50%, or 0%.

### 2.2 Total Estate Value

The total estate value is displayed at the end of the plan.

## Summary of Changes

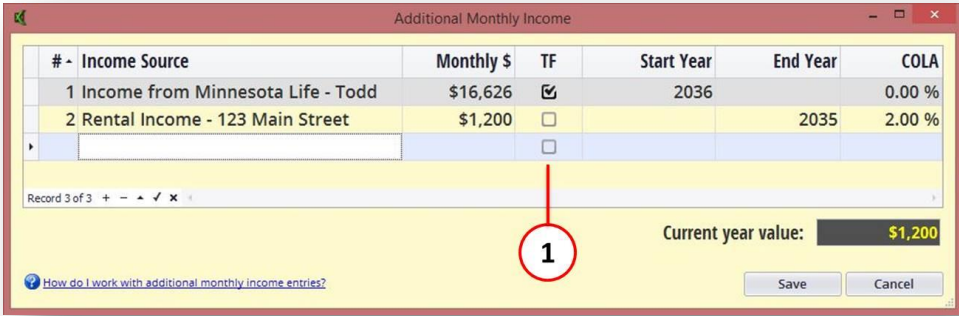
### 2.3 Monthly Expense Distribution Graph

The color scheme for the graph has been changed. Required Minimum Distributions from IRA's are now displayed as a separate item. The Total Expenses line has been changed from a red line to a white line.

### 2.4 Portfolio Assets Graph

The total estate value is displayed as a separate line on the graph.

## 3 Additional Monthly Income Worksheet



#	Income Source	Monthly \$	TF	Start Year	End Year	COLA
1	Income from Minnesota Life - Todd	\$16,626	<input checked="" type="checkbox"/>	2036		0.00 %
2	Rental Income - 123 Main Street	\$1,200	<input type="checkbox"/>		2035	2.00 %

Record 3 of 3

Current year value: **\$1,200**

Save Cancel

### 3.1 Tax-Free Checkbox

You can now indicate that an additional monthly income source is not subject to taxation.

## 4 Monthly Retirement Expenses Worksheet



#	Item	NT	NI	Expense	Start Year	End Year
1	Mortgage/Rent	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$1,739		2034
2	Property Taxes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$233		
3	Property Insurance	<input type="checkbox"/>	<input type="checkbox"/>	\$83		

Record 12 of 45

Total taxable expenses: **\$10,770**

Total non-taxable (NT) expenses: **\$317**

Tax bracket: 18 %

Total expenses including income taxes: **\$13,025**

Save Cancel

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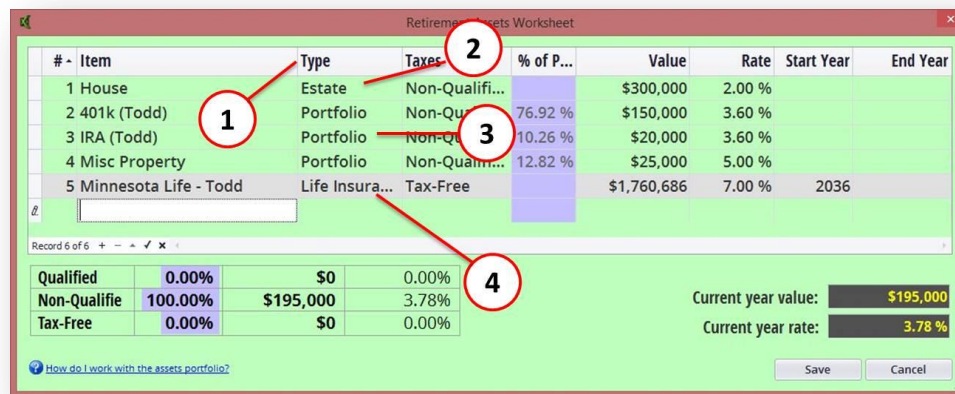
## Summary of Changes



### 4.1 Non-Inflationary Checkbox

You can now indicate that a monthly expense is not subject to inflation.

## 5 Retirement Assets Worksheet



### 5.1 Asset Type

Assets can now be categorized as Portfolio assets, Estate assets, or product assets (IRA, Life Insurance or Annuity). The default is Portfolio.

### 5.2 Estate Assets

Estate assets are reserved and are never used to cover monthly expenses. They can appreciate and are included in the total estate value.

### 5.3 Portfolio Assets

Portfolio assets are used to cover monthly expense needs. Any remaining value in portfolio assets is included in the total estate value at the end of the plan.

### 5.4 Product Assets

Product assets (IRA, Life Insurance, Annuity) are used to cover monthly expense needs and can be depleted unless they are annuitized or used to generate lifetime income.

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### 6 Annuity

When you select Annuity as an asset type, the system displays an Annuity asset detail screen, where you enter all of the information regarding the annuity. If a yearly lifetime income is specified, or the "annuitized asset" box is checked, then this asset's base and growth are not touched to pay monthly expenses.

The screenshot shows the 'Annuity Details' window. The asset description is 'AM EQ Bonus Gold (IRA) - Joe'. The cash value (premium) is \$300,000, and the total cash value is \$330,000. The annual rate of return is 4.25%, and the net rate of return is 3.35%. The asset value tax status is 'Qualified', and the start year is 2014. The 'Annuitized asset' checkbox is checked. Scheduled monthly withdrawals are \$0, and the tax status is 'Taxable'. The start year / end year is blank. The yearly lifetime income is \$14,124, with a 'Calculate' and 'Unlock' button next to it. The tax status is 'Taxable', and the annual increase is 0.00%. The start year is 2015. There are 'Delete', 'Save', and 'Cancel' buttons at the bottom.

### 7 Life Insurance

When you select Insurance as an asset type, the system displays a Life Insurance asset detail screen, where you enter all of the information from your life insurance exhibit. If an annual income is specified, then this asset's base and growth are not touched to pay monthly expenses.

The screenshot shows the 'Life Insurance Details' window. The asset description is 'Minnesota Life - Todd'. The premium / frequency is \$24,000 annually. The start year / end year is 2014 / 2035. The cash value after premium(s) is \$1,760,686, and the death benefit after premium(s) is \$2,619,072. The annual rate of return is 7.00%, and the asset value tax status is 'TaxFree'. The start year is 2036. Scheduled annual withdrawals are \$0, and the tax status is 'TaxFree'. The start year / end year is blank. The annual income is \$199,506, with a 'TaxFree' status. The inflation adjustment (COLA) is 0.00%. The start year / end year is 2036. The death benefit value is \$4,432,795, and the maximum age is 100. There are 'Delete', 'Save', and 'Cancel' buttons at the bottom.

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### 8 IRA

When you select IRA as an asset type, the system displays an IRA asset detail screen, where you enter all of the information about the individual retirement account. Required minimum withdrawals are applied automatically after a certain age. Otherwise, this asset type is treated as a simple portfolio asset in all other respects.

Asset description:	Mary's IRA
Asset owner:	Client
Total amount:	\$250,000
Annual rate of return:	3.90%
Asset value tax status:	Qualified
Start year:	2014
Early monthly withdrawals:	\$600
Tax status:	Taxable
Start year / End year:	2019 / 2020
RMD starting year:	2021
RMD estimated amount:	\$11,538

### 9 Estate Report

In addition to the existing reports, a new Estate Report has been added. This report will itemize

**Estate Value**

Prepared for  
**Joe & Mary Smith**

Prepared by:  
John Smith  
Cadillac Financial  
123 Main Street  
Anytown, NY 01234  
Phone: 234-555-1212  
Email: john.smith@cadillac-financial.com

Year	2052 (Age 100)
Portfolio Assets	\$478,478
Estate Assets	\$589,649
Death Benefits	\$0
Total Estate Value	\$1,068,127

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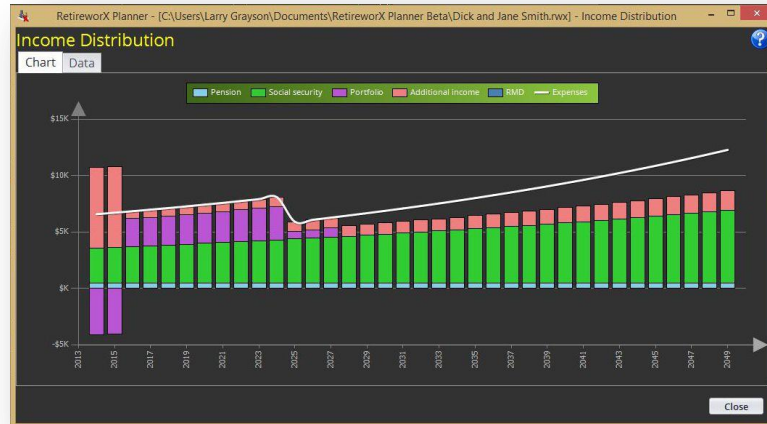
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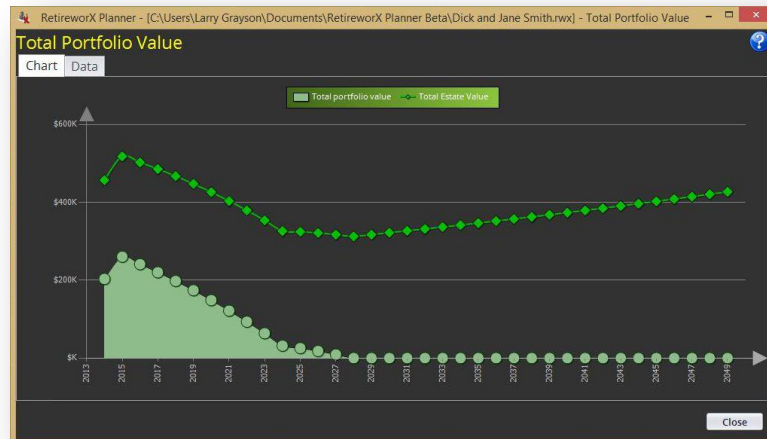
### 10 Income Distribution Graph

The monthly expenses graph has a new color palate. The total expenses line is now white and there is an additional bar for IRA required minimum distributions (RMD).



### 11 Total Portfolio Value Graph

The Total Portfolio Value graph now shows a line depicting the total estate value, which includes Portfolio, annuity, Life Insurance, IRA, and Estate asset types.



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### 12 Defaults

As a new feature, you now have the ability to set the default values as well as the incremental step values for the increase and decrease arrows next to the fields on the dashboard and worksheets.

RetireworX Planner - Options

Monthly Expense Retirement Assets Advisor Documents Defaults

Custom default field values and increments:  
(Values shown in red are not editable)

Title	Location	Value	Increme...
▶ Pension COLA	Dashboard	2.00 %	0.10 %
Inflation rate	Dashboard	3.10 %	0.10 %
Pre-retirement invest...	Dashboard	0.00 %	0.25 %
Post-retirement inves...	Dashboard	0.00 %	0.25 %
Social Security COLA	Dashboard	2.10 %	0.10 %
Default Client Age (Ye...	Dashboard	70	1
Monthly Pension	Dashboard	\$0	\$500
Additional Monthly In...	Dashboard	\$0	\$500
Monthly Retirement ...	Dashboard	\$0	\$500
Current retirement a...	Dashboard	\$0	\$50,000
Pre-retirement yearly...	Dashboard	\$0	\$1,000
Age social security sta...	Dashboard	66	1
Social security month...	Dashboard	\$0	\$100
Maximum age	Dashboard	100	1
Additional Income C...	Additional Income W...	2.00 %	0.10 %

Reset

OK Cancel