SENIOR ADVISOR CORPORATION®

PROTECTING SENIORS' INDEPENDENCE

INSURANCE | INVESTMENTS | RETIREMENT

UNDERSTANDING YOUR OPTIONS

HEALTH CARE | DISABILITY | SOCIAL SECURITY | MEDICARE

HOME HEALTH CARE | LONG TERM CARE | PROTECTING YOUR LEGACY

RETIREMENT INCOME & ASSETS

Hello.

Buenas.

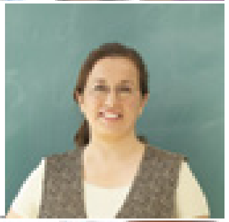
Here, at the Senior Advisor Corporation, our clients come first. We are an independent brokerage firm dedicated to protecting our clients' independence through education, advocacy and serving as a liaison to help make informed decisions. We are passionate about what we do and true to the people we serve.

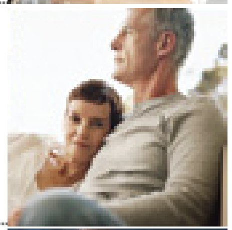
We believe that education is the first step. Our healthcare system is not the same as it used to be, and we want to make sure you understand how it is changing, how these changes might affect you, and what you can do to protect yourself and your retirement. In the next few pages, you will find answers to some frequently asked questions about the changes in health care, disability, Social Security, Medicare, home care, and long term care and the steps you can take to go about protecting your retirement income and assets.

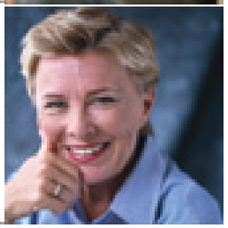
We're excited you decided to get some information together to learn about your options. Please visit **www.senioradvisorcorp.com** to learn more about us, or call **305-385-1880** for additional information.

Sincerely,

Donald A. Shelton, C.L.T.C., C.S.A.
President and CEO
Senior Advisor Corporation







The Health Care Overhaul: How Could It Affect You?

Depending on your individual situation, you will have different options. New state-run insurance marketplaces, called "health insurance exchanges," will start taking effect January 1, 2014. A health insurance exchange is a set of state-regulated and standardized health care plans from which individuals may purchase health insurance that is eligible for Federal subsidies. In this case, a subsidy is an assistance paid to the health care sector by the government to producers or distributors in that sector to encourage its growth. Exchanges are meant to help insurers comply with regulations in order to protect consumers, compete cost-efficiently, offer coverage to more people, and hopefully contain overall health costs.

If You Are Employer-Insured or Pay On Your Own

You have the option to **keep your current plan**, or **buy subsidized coverage through a health insurance exchange** in 2014.

If you keep your **current plan**, you may have already started seeing changes. You will notice your plan will have to stop some practices. For instance, they will no longer be able to set lifetime limits on coverage and cancel policy holders who get sick, and they will also have to allow children to stay on their parents' policies until age 26 and cover children with pre-existing conditions, but can still deny adults with medical problems until 2014.

Premiums for individual policies will be 10 to 13 percent higher by 2016 than the average premium, but most people will qualify for subsidies, and end up paying less than they do now. High-income earners (those making more than $250,000) will pay several thousand more in Medicare payroll taxes as of 2018.

You may be eligible for **subsidized coverage.** If your employers policy covers less than 60 percent of costs, or if you are paying more than 9.5 percent of your income to get it, you can buy subsidized coverage. Insurers will have to pay a 40 percent excise tax on high-value group plans (those where premiums for families are $27,500 or more) starting in 2014. Experts say the tax will likely be passed on to employees through higher premiums or lower benefits and wages.

If you pay on your own, a family of four with an income less than $88,000 can get tax credits, on a sliding scale, to help them pay insurance premiums and deductibles. If you are employed, you can get a voucher from your employer to buy insurance on the exchanges.

If You Are Insured Through Medicare

You will pay less for preventative care and prescription drugs. If you receive benefits through a private Medicare Advantage plan, you could pay more or receive reduced benefits. Everyone's situation is unique; read on to find out specifics.

Preventative Care

Medicare will pay for an annual check-up, and deductibles and co-payments for many preventative services and screenings will be eliminated.

Prescription Drug Coverage

The gap in coverage of prescription drugs, known as the "doughnut hole," will gradually be filled by 2020. This year, consumers who hit the doughnut hole will receive a $250 rebate. Subsidies would be reduced for individuals making more than $85,000 or couples making more than $170,000.

Enrolled in Medicare Advantage

Subsidies for these plans run by insurance companies under contract with the government will be slashed substantially, leaving their 10 million beneficiaries stranded with the prospect of higher premiums or reduced benefits.

Have questions? Call us at 305.385.1880 for a complimentary consultation and no-obligation review of your situation.

If You Are Uninsured, You Can Get Coverage

According to the new law taking effect in 2014, most Americans will be required to either buy health insurance or pay a penalty. If you are uninsured, there are two ways that you can get coverage:

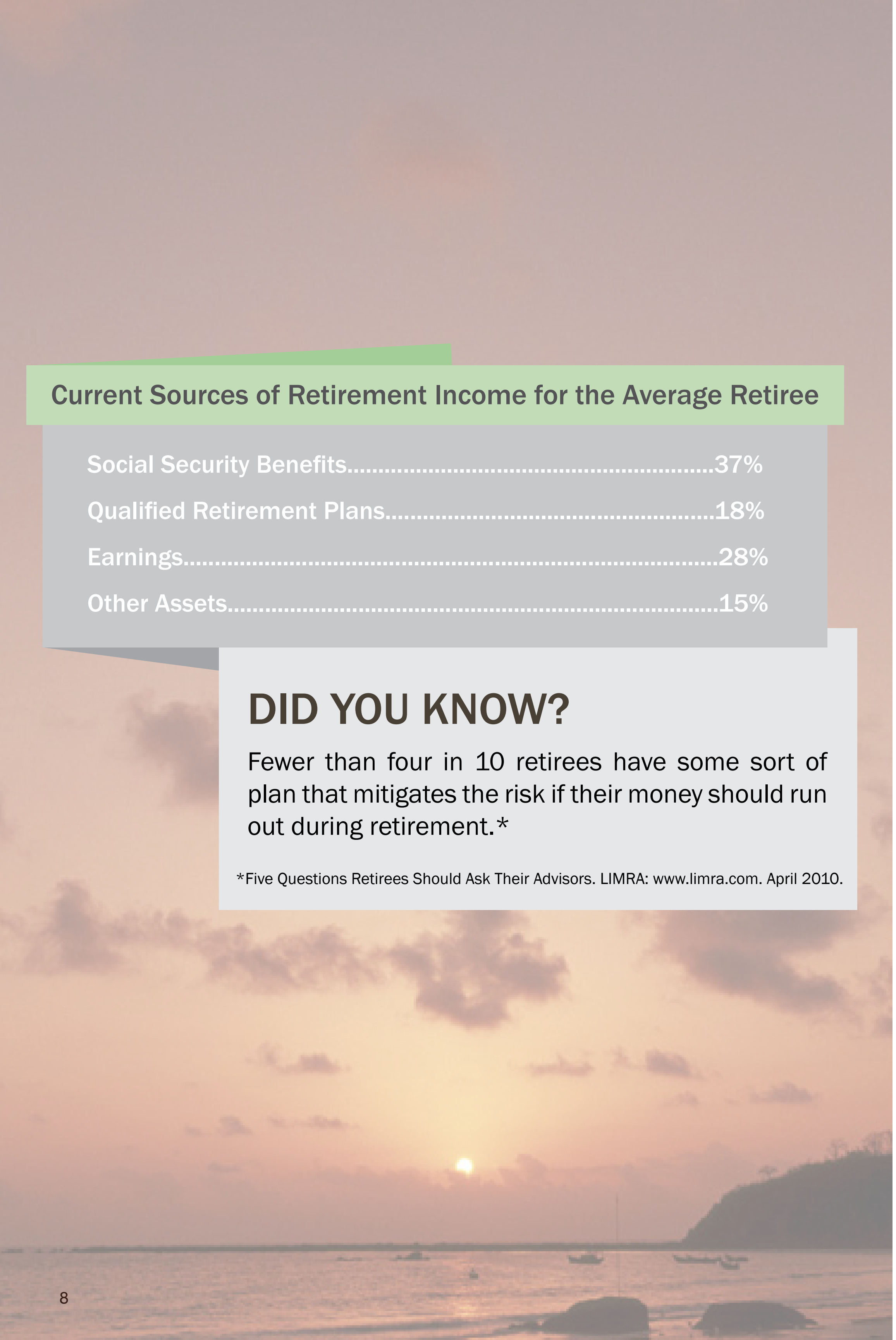
Through a high-risk pool

If you are refused coverage because of your health, you can get insurance from a new, high-risk pool. This pool will be established within six months and will operate until 2014, when insurance companies can no longer refuse applicants with pre-existing health conditions. Annual out-of-pocket medical costs will be capped at $5,950 for individuals and $11,900 for families.

Through state-run exchanges

If your employer does not cover you, and you make too much to qualify for Medicaid, you can buy from private insurers through exchanges starting in 2014.

Coverage for those making up to four times the poverty threshold ($88,200 for a family of four in 2009) will get subsidies on a sliding scale. That means you will pay somewhere between three percent and 9.5 percent of your income for insurance, and the government will cover the rest. Health plans will cover at least 60 percent of medical costs, and insurers will also have to offer more tiers that cover up to 90% of costs for additional premiums. Premiums of older people can be no more than three times as expensive as those of younger people.



Current Sources of Retirement Income for the Average Retiree

Social Security Benefits	37%
Qualified Retirement Plans	18%
Earnings	28%
Other Assets	15%

DID YOU KNOW?

Fewer than four in 10 retirees have some sort of plan that mitigates the risk if their money should run out during retirement.*

*Five Questions Retirees Should Ask Their Advisors. LIMRA: www.limra.com. April 2010.

Understanding Social Security

On average, Social Security benefits currently represent approximately 37 percent of the typical retiree's income, according to the Social Security Administration. For future generations of retiree's, Social Security may represent a much smaller percentage of retirement income.

When Social Security was established in 1935, the average life span among Americans was 63. Today, the average lifespan is more than 77 years, according to the National Center for Health Statistics. In 1950, 16.5 workers paid retirement benefits for each retiree. By the year 2031, when baby boomers will be leaving the workforce in large numbers, the ratio may be approaching two workers to every one retiree. By then, the burden of taxes on each worker may well be unmanageable. This aging of the population has led some experts to predict that the Social Security system may run out of funds by the year 2037, a possibility that makes building your own funds for retirement more important than ever.

Does all of this mean you will have no benefits to draw on when you retire? While an exact timetable of what will happen to Social Security is uncertain, present trends clearly indicate that your own efforts to build financial security for your retirement years are crucial.

The time to begin planning for retirement—no matter what your age—is now. Get in touch with one of our financial professionals today for a free analysis of your needs to make sure you're on the right track with an up-to-date retirement plan. Our approach can help you fully achieve the retirement you've been working for.

How Does Social Security Work?

Social Security contributions are paid by you and your employer. Your contributions are deducted from your paychecks since the day you start working and are matched by an equal amount paid by your employer. These contributions pay for the following:

Retirement Benefits: Collectible at any time after age 62, and based on the number of years you have been working and the amount you earned.

Survivor's Benefits: A kind of life insurance coverage available to your spouse and dependents.

Disability Insurance: Provides a monthly income in the event you are unable to work due to a disability.

Medicare: Entitles you to medical benefits and coverage, including hospital insurance after age 65.

The exact amount of your Social Security benefit will depend on your earnings history. You should receive an annual estimate of this benefit, called your "Social Security Statement." You can also call the Social Security Administration's toll-free number at **1.800.772.1213** to request form SSA 7004, the Request for Personal Earnings and Benefit Estimate Statement. After you complete the form and send it back, you will receive a personalized estimate of your benefits, plus a statement showing your annual earnings.

Think of your Social Security options as only a small percentage of your total retirement plan, and be sure to set aside a portion of your income on a regular basis. Saving and investing for your nest egg is imperative. Call one of our financial professionals today at **305.385.1880** to help you shape a solid roadmap to retirement.

Tips on How to Make the Most of Your Benefits

- ✓ **Stay ahead.** Remember to apply for retirement benefits a few months before you want them to start because it takes time to process all of the paperwork.
- ✓ **Wait to collect.** The longer you wait to cash in on your Social Security, the higher the benefits you will receive for the rest of your life.
- ✓ **Take advantage of spousal benefits.** Depending who is the highest earner, decide whether you'll collect your own Social Security benefits, or your spouse's. If you retire before a spouse, you can collect your own benefits, then switch and choose the spousal benefits if they are greater.
- ✓ **Apply early.** Make sure to apply for Medicare *before* you retire. Apply for any additional health insurance within six months of Medicare eligibility.
- ✓ **Stay up-to-date.** Keep Social Security records current and updated if you change your name, in order to have your earnings credited properly.

Have questions? We have answers! Visit our website at www.senioradvisorcorp.com or call us at 305.385.1880 to speak to a financial professional today.

Mastering Medicare: Your Guide to Social Insurance

What is Medicare? Medicare is a social insurance program provided to those age 65 and older, or with certain disabilities, that covers certain medical services and supplies in hospitals, doctors' offices, and other health care settings. Services are either covered under Medicare policy Part A, Part B, Part C, or Part D. If you have both Part A and Part B, hospital and medical services and supplies must be covered as long as they are reasonable and necessary for your health, no matter what type of Medicare plan you have. Non-federal supplemental insurance is available as well, such as Medigap, because it's important to remember that Medicare doesn't cover all of your health care expenses.

A Quick Look at Medicare's Four Parts:

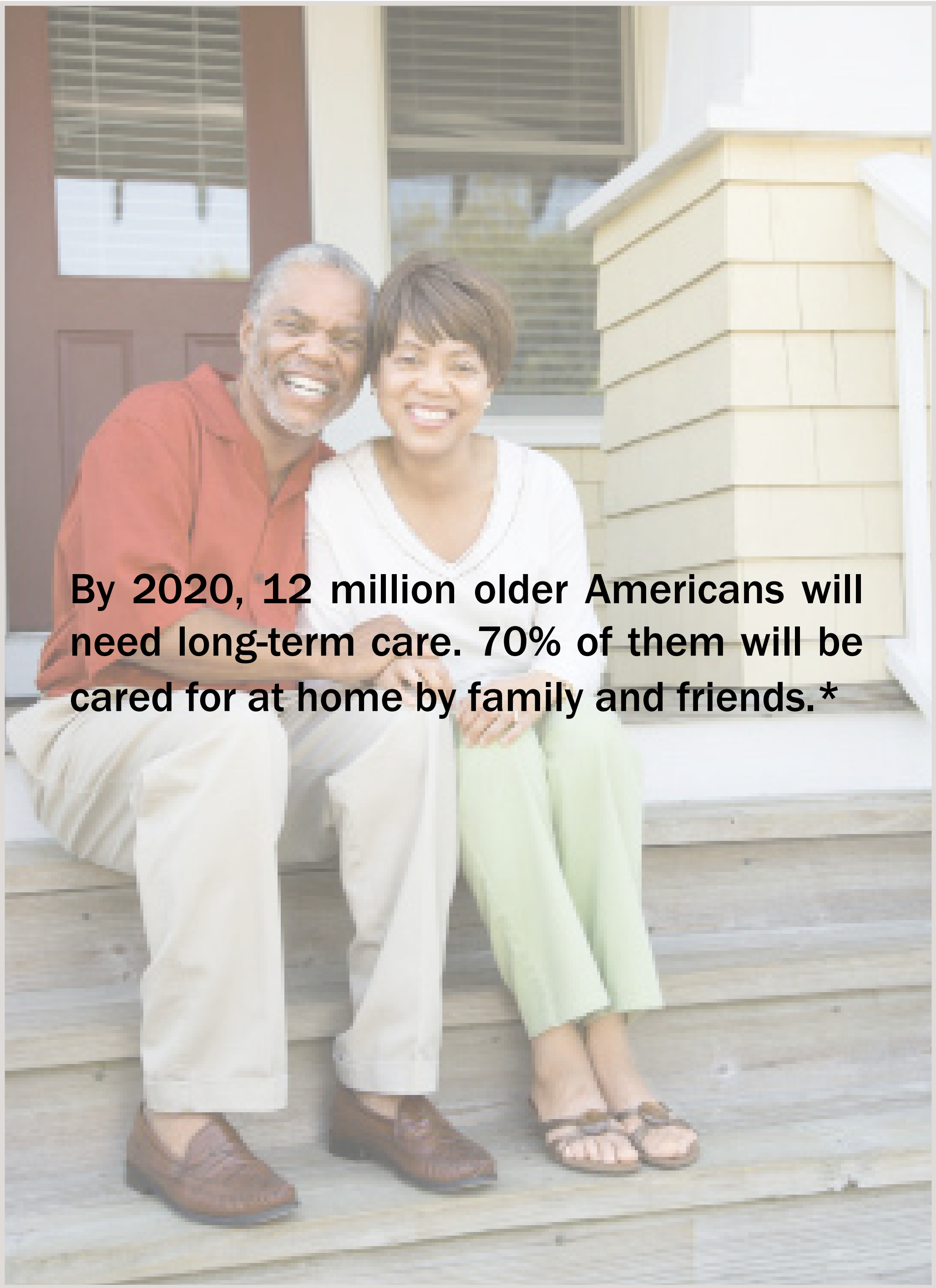
Part A. The original Medicare insurance coverage that helps pay for hospital bills, such as patient rooms, meals, nursing services, hospice care, and home health care. When you sign up for Medicare, you are automatically enrolled in Part A. Most people will not have to pay a monthly premium for Part A because they or their spouse paid Medicare taxes while they were working. If you have not paid Medicare taxes through your employer you will have to pay a premium for this part.

Part B. A supplemental insurance option for people who qualify for Medicare, Part B's purpose is to provide coverage for health care not covered under Part A, such as doctors' services outside of the hospital setting, doctor visits (whether received as a hospital inpatient, at a doctor's office, or as an outpatient at a hospital or other health care facility), lab tests and X-rays, physical therapy and rehabilitation services, ambulance calls, and some home health care.

Part B requires you to sign up and pay a monthly premium, which is deducted from your Social Security check, and pay a yearly deductible. You are responsible for a 20 percent copayment for approved services and supplies. Keep in mind that the premium cost increases every January, and if you do not sign up for Part B when you are first eligible, you may have to permanently pay a higher monthly premium.

Part C. Advantage Plans (such as HMOs and PPOs) are sometimes referred to as Medicare Part C. These are private health plans approved by Medicare, which generally offer extra benefits, and may include drug coverage. These plans can save you money, since out-of-pocket costs in these plans are generally lower than with Medicare alone. It's important to remember that when you join an Advantage Plan, you are still are covered by Medicare Parts A and B.

Part D. A coverage that requires a monthly premium, Part D is prescription drug coverage available to everyone with Medicare that helps lower prescription drug costs and helps protect against higher costs in the future. Part D changes on a regular basis and can be confusing. Be sure to research, ask questions, and get the plan that is right for you and covers the drugs you need.



*Medicare Official Website www.medicare.gov/longtermcare/static/home.asp

Thinking About the Future: Options for Long-Term Care

What is Long-Term Care (LTC) Insurance? LTC insurance is a type of coverage for seniors that helps cover the costs of daily assistance care such as eating, bathing, and transferring in the case of chronic illness or disability. Keep in mind that these services, called “custodial care” or “non-skilled care,” are not typically covered by traditional health insurance or Medicare.

Important Things to Look for in a Long-Term Care Policy:

Financial Strength. You want to be sure that the benefits of your policy are adequate and that they will pay out for a long enough period of time if something should happen.

Inflation Protection. Assuming a five percent annual rate of increase, in 14 years, $130 a day for LTC can double to $260. Inflation can wreak havoc on any long-term financial plan—choose one with security.

Rate Increases. Your premiums are determined at the time of purchase, but they can increase. While you as an individual will not see a rate increase, your entire class of premiums might. When you purchase your policy, find out how your provider handles rate increases and if you could be subject to one.

Claims Procedures. Understanding the claims process is the first step toward having full control over your policy. Find out the true procedure of your insurance provider, and be sure to find out which claims are actually paid, as well as how many.

Choosing long-term care is an important decision, and it is crucial to look at all of your choices. A clear long-term care plan allows you to maximize your independence, and gives you the option to be covered anywhere you choose, ideally in the comfort of your own home.

Protecting your Legacy: The Facts About Life Insurance

A key component of a well-built retirement plan, life insurance provides a death benefit to your beneficiaries and can replace some of the income you would have earned. You want to be able to replace your income to your spouse and kids to make sure they live the life you want, even if you couldn't. It could aid in preserving your savings, maintaining your family's standard of living, safeguarding your education funding, and paying off a mortgage. The life insurance policy that is right for you depends on many factors, including your budget, the amount of coverage you need, and the length of time you would like the coverage to last.

There is no hard and fast rule about the amount of life insurance you need, but here is a table to show you some of the benefits of different types of life insurances out there: term, whole, universal, and variable universal life insurance.

DID YOU KNOW?

About 7 out of 10 middle-market households agree that life insurance is the best way to protect against premature death of a primary wage earner.*

*Facts About Life 2010. LIMRA: www.limra.com. Life Insurance Awareness Month, September 2010.

A Guide to the Four Main Types of Life Insurance

	Term	Whole	Universal	Variable
Death Benefit	✓	✓	✓	✓
Lower Costs	✓			
Guaranteed Cash Value		✓	✓	
Market Participation				✓
Tax Advantages	✓	✓	✓	✓
Flexible Payments			✓	✓
Access to your Money		✓	✓	✓
Tax-Deferred		✓	✓	

1. This assumes the contract qualifies as life insurance under section 7702 of the Internal Revenue Code and is not a modified endowment contract (MEC) under section 7702A. Most distributions are taxed on a first-in/first-out basis as long as the contract meets non-MEC definitions under section 7702A. Loans and partial withdrawals from an MEC generally are taxable and, if taken prior to age 59 1/2, may be subject to a 10% penalty.

2. This assumes there is sufficient cash value to cover monthly policy charges. Keep in mind that variable universal life insurance has market volatility so it's possible that you may need to pay an additional premium on your policy.

Guarantees are subject to the financial strength and claims paying ability of the issuing company.

Getting Started: Planning Your Roadmap to Retirement

A secure, comfortable retirement is every worker's dream. And now because we're living longer, healthier lives, we can expect to spend more time in retirement than our parents and grandparents did. Achieving the dream of a secure, comfortable retirement is much easier when you plan your finances.

A little retirement planning now can make a huge difference later. But with daily responsibilities and competing financial priorities, it can be easy to put off. When it comes to long-term goals like retirement, it can be hard to know where to start. The good news is that we have the resources you need. Together, we can help you develop a solid retirement savings strategy that can help ensure you'll have enough income to live comfortably after you stop working.

Where Am I Today?

Preparing for your retirement starts by understanding your current financial condition. Gather the most recent statements from all of your savings, investment and retirement plan accounts as well as any loan, mortgage or credit card statements you may have. Also, locate your most recent benefits estimate from the Social Security Administration. Review this information with your financial advisor to get a good sense of your current financial picture.

Where Would I like to Be?

The next step is to figure how much income you'll need when you retire. It's likely you'll want to maintain at least 80% of your current annual income, but this amount depends on what expenses (housing, health care, etc.) and activities (travel, hobbies, etc.) you anticipate for your retirement years.

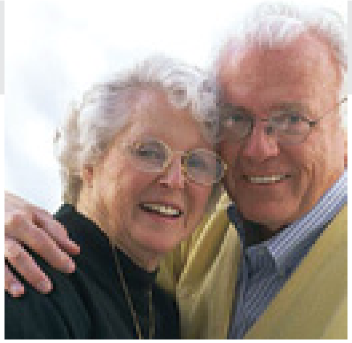
Can I Get There?

Knowing how—and how much—to save is a big part of your retirement program and is critical to realizing your retirement goals. Recent studies show that many working individuals are not saving enough. After taking into account your anticipated Social Security and/or pension income, we'll help you identify how much personal savings you'll need to retire comfortably. The sooner you start saving, the better off you'll be.

How Can I Stay on Track?

Once you've started saving for retirement, it's important to review your strategy and investments with your financial advisor at least annually to help ensure your investments are properly diversified and you have the right mix of investments for your situation. In addition, if your retirement goals or circumstances change, we can help you make the necessary updates to your retirement strategy.

When you retire, you'll need an income stream that can keep up with rising costs. Because many people are living 20 years or more in retirement, your retirement savings will need to last longer and do more.



Building and Safeguarding your Nest Egg

Maximize your employer plan contributions. Participate in your employer-sponsored retirement plan and don't leave money on the table—contribute at least the amount your employer will match and more if you can. As your income rises, consider investing the extra money in your plan.

Open an IRA. Whether Roth or traditional, an IRA can be an excellent way to augment your employer plan and continue saving. The Investment Company Institute says IRA owners tend to have significantly more assets than those who don't have one. Learn more about which IRA is right for you on our website at **www.senioradvisorcorp.com**.

Don't forget about annuities or taxable investments. Even if you've maxed out on the retirement side, you still can supplement your savings with other types of investments. For example, annuities can be suitable for those who have contributed the maximum to employer-sponsored retirement plans but still want to set aside more tax-deferred money and have maximum control over your assets.

Begin by considering the lifestyle you envision in retirement. After you select a mix of funds that meet your goals and risk tolerance, it is important to review your retirement portfolio annually and rebalance it if necessary.

Retirement accounts remain among many people's most valuable assets—that's why it's important to keep them protected. Safety is crucial, as well as steady growth in the long-term.

Deferring current taxes may help you build value. The power of a product with tax-deferred accumulation can be more beneficial than a taxable product. Compared with other tax-deferred contracts, such as IRAs and 401(k)s, you have much greater control over the income generated from an annuity.

What is an annuity? An annuity is a long-term product that builds value through the potential of credited interest over time. It is a secure contract between you and an insurance company where you make a lump sum payment or series of payments, and the insurer will make payments to you now or later—you choose. Some advantages to having an annuity is that they are tax-deferred and may include a death benefit. Specifically designed to supplement retirement income, an annuity can provide income after you have stopped working that you can't outlive.

If you have been investing in other avenues, an annuity might be the next logical step for a portion of your personal retirement savings plan. We believe it's always best to fully research your options to find out what may be right for you.

Call one of our professionals today at **305.385.1880** for a no-obligation review of your situation, and start planning for your retirement.

Reaching your financial goals is an important step to achieving your retirement goals, whether that means tomorrow or 50 years from now. We believe in options, and we want to offer what is best for you. Because we know that everyone's situation is unique, we partner with more than 20 major providers, allowing us to not focus on a specific product, but instead on the overall picture. We will work with you to build a strong, lasting portfolio with growth potential for your future plans, protection of your assets and a stable income for years to come. We're here to help.

This brochure is designed to provide general information on the subjects covered. Pursuant to IRS Circular 230, it is not, however intended to provide specific legal or tax advice and cannot be used to avoid tax penalties or to promote, market, or recommend any tax plan or arrangement. Please consult one of our financial professionals at the Senior Advisor Corporation regarding your specific situation at 305.385.1880.

Count On Us To Help Get You Where You Want To Be.

Begin by envisioning the lifestyle you desire in retirement. We want to make sure you are in the best possible situation for your needs. We stand by the belief that if you are properly protected, then there is no need to change, but, it's always best to review your retirement portfolio on a regular basis and rebalance it if necessary.

For a free, no-obligation analysis of your needs, contact us today to speak with a licensed financial professional.

Call: **1-866-575-8722** or **305-385-1880**

Fax: **305-385-1867**

Email: **info@senioradvisorcorp.com**

Online: **www.senioradvisorcorp.com**

Visit:: **14221 SW 120th Street, Suite 232, Miami, FL 33186**

We're looking forward to working with you!

SENIOR ADVISOR CORPORATION
PROTECTING SENIORS' INDEPENDENCE

INSURANCE | INVESTMENTS | RETIREMENT
14221 SW 120th Street Suite 232, Miami, FL 33186
www.senioradvisorcorp.com

Our Mission

"To build and maintain relationships of trust, operate from a client-centered approach, and offer strong, lasting solutions by properly uncovering our clients' needs."

-Donald A. Shelton C.L.T.C., C.S.A.
President and CEO