



Five Stages of Your Financial Life

Stage 2: Middle Adulthood

LIFE IS A MARATHON, NOT A SPRINT.

Through your effort and hard work you are succeeding at your job, your kids are happy and healthy and you live in a nice neighborhood with good schools. And while you have many years of accomplishment under your belt by now, you know there are many more years to go.

The busyness of life at this stage can be all consuming with your work and family commitments. It is critical that you take the following steps of your developing WealthPlan™ to help continue your progress to the financial life you dream of.

1. Eliminate high interest rate debt

If you still have any high interest debt (credit cards, car loans, etc.) left over from earlier in life, now is the time to be rid of it for good. Permanently adjust your cash flow so you will never incur this kind of debt again.

2. Secure adequate life and disability insurance

Your family and your creditors are depending on your future earning ability, and what may be provided at work is often not enough to cover these commitments and obligations. Level premium term life insurance and an individual disability insurance policy may be what is called for.

3. Increase 401(k) plan funding

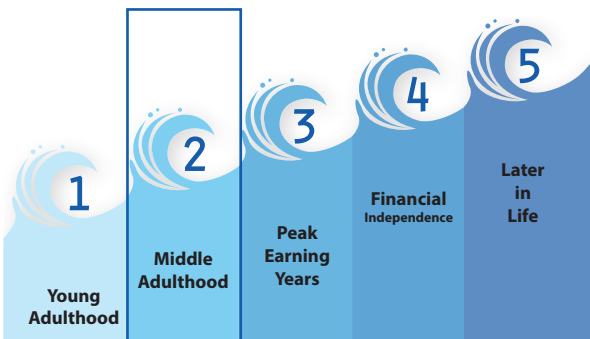
Taking advantage of your employer's match is good as far as it goes. At least you are not leaving money on the table. But it will take more than that to have the money you will need in retirement. Increase the amount you are contributing every year to eventually reach the maximum allow by law and the plan.

4. Fund kids college costs

Decide on the level and length of college education costs you would like to have on hand when your child turns 18. Then use one or more of the many savings options now available such as prepaid tuition and 529 savings accounts.

5. Invest strategically

Develop, implement and monitor a comprehensive investment plan that covers your entire portfolio. Utilize proven strategies of low cost and global diversification to help avoid emotional decisions based on either fear or greed.



It is important at this stage for you to stay the course laid out in your WealthPlan™. It can often appear that time is going by faster than your wealth is accumulating. That's because it is! If you keep saving, and avoid the disasters that can be caused by concentrated investing and attempted market timing, it will pay off as you enter into the next stage of wealth, your peak earning years.