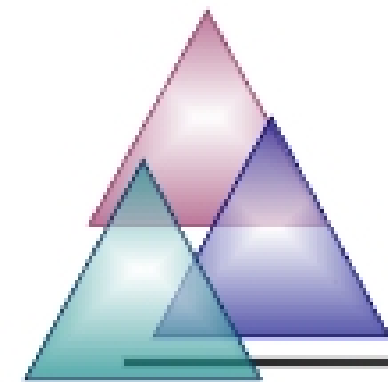




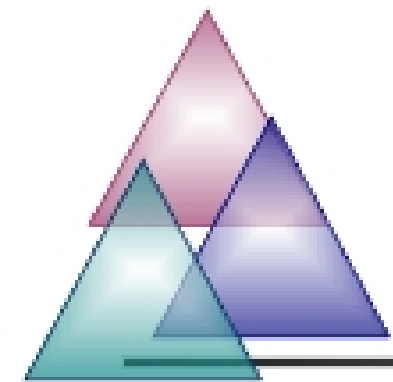
Chapter 15

Introduction to Retirement Planning



Retirement Planning

- One of the central missions for individuals is long-term financial security and independence.
- This goal is realized when a person is financially secure enough to live at his or her desired comfort level without the need for employment income.



Basic Factors Affecting Retirement Planning

- Work Life Expectancy (WLE)
- Retirement Life Expectancy (RLE)
- Basic savings concepts
- Inflation
- Investment returns
- Annual income needs
- Wage replacement ratio (WRR)
- Retirement income sources
- Qualitative factors