

# Building lifelong client relationships for a solid business

Fidelity Advisor Retirement Income Services | Overview

## Combine income planning with effective client management strategies

Many pre-retirees and retirees are in need of wealth management assistance. By some estimates, Americans may need to cover at least 60% of their retirement expenses from personal saving and invested assets.<sup>1</sup>

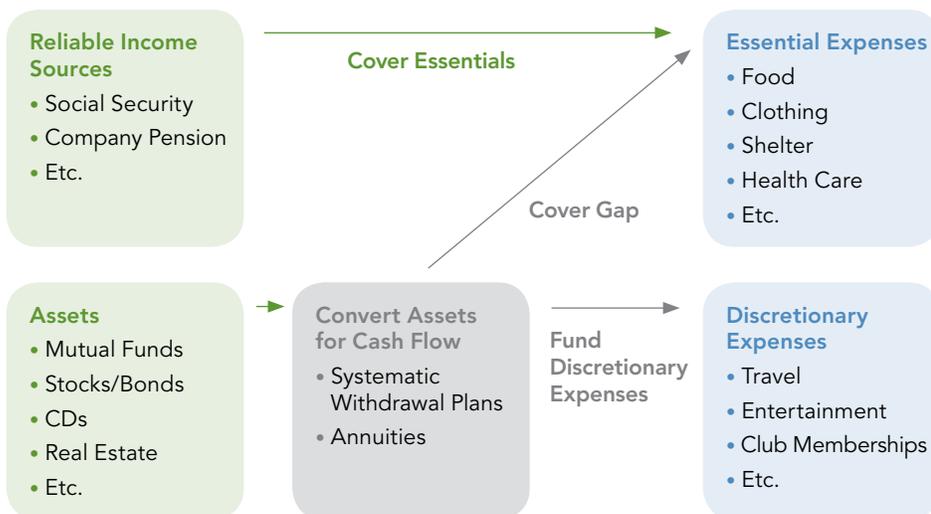
By offering retirement income planning, you can differentiate yourself with services that may be valuable to clients for the rest of their lives.

### Retirement income planning process

Fidelity's approach to building retirement income plans can be applied to various firm-specific business models and wealth management approaches.

1. Get a complete picture of a client's expenses and income sources.
2. Be sure reliable income sources can cover the client's essential expenses:
  - Start with Social Security and pensions.
  - Use annuities or systematic withdrawal plans to cover any gaps.
3. Help the client fund discretionary expenses by recommending appropriate investment and withdrawal strategies to manage spending.
4. Review the plan on an annual basis or as needed.

### Creating a retirement income plan



## Retirement income planning can help strengthen your business

A 2006 Fidelity survey found that advisors building retirement income plans have experienced the following benefits:<sup>2</sup>

**Improved client satisfaction:** 50% more clients were "very satisfied" with their advisor after building an income plan.

**Greater asset consolidation:** 77% of investors would be willing to move all their assets to one place.

**More referrals:** 95% of investors who were "very satisfied" with their advisor's income planning service did or would refer someone to that advisor.

## Building retirement income plans may help you identify and assess:

- High-value clients
- Assets held at other firms
- Total household wealth
- Clients' need for additional products and services

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1. Social Security Administration, "Income of the population 55 or older – 2006," February 2009.

2. Fidelity Advisor 2006 Survey of Investors at Retirement, conducted by NFO Research from July 5 to July 12, 2006, including 813 investors between the ages of 55 and 70 with investable assets of \$250,000 or more.

## More resources available

Please visit [advisor.fidelity.com](http://advisor.fidelity.com) or call your Fidelity representative for planning tools, educational information, and shareholder materials designed to help you take advantage of this opportunity to build a successful retirement income planning business.

Broker-Dealer Advisors  
and Planners  
**800-544-9999**

Insurance Inside Regional  
Investment Consultants  
**800-544-1916**

Insurance Relationship  
Management  
**877-236-8119**

Registered Investment  
Advisors  
**866-544-1742**

Trust Institutions  
**866-544-1742**

## Take a multifaceted approach to wealth management

Retirement income planning involves more than just selling individual investments or insurance products. To maintain a successful retirement-focused practice, you may want to offer a range of products and services that, when combined, represent an integrated plan for wealth management designed to last throughout the client's retirement.

Product or service	Intended goal or purpose
Target payment funds	Generate regular payments from accumulated assets
Annuities	Convert assets into reliable income streams*
Growth investments	Fund discretionary expenses and keep pace with inflation
Income investments	Generate income and offset risks posed by growth investments
Long-term care insurance	Protect wealth in the event of a long-term or degenerative illness
Tax management	Enhance wealth through tax efficiency
Systematic withdrawal plan	Maintain a prudent withdrawal rate; facilitate tax management and order-of-withdrawal strategies
Trusts	Protect, manage, and distribute wealth
Estate planning	Ensure wealth is transferred in desired ways
Charitable giving plans	Help clients pursue philanthropic goals

## Discuss spending patterns as part of every retirement income plan

It is important to have frank conversations about clients' expected spending habits in retirement. Some clients may plan to spend lavishly on travel or grandchildren, but withdrawing assets too aggressively (especially early in retirement) can be devastating in the long run. Make spending and withdrawal strategies a part of every client's retirement income plan.

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