MetLife

retirewise®

Creating and Managing Wealth

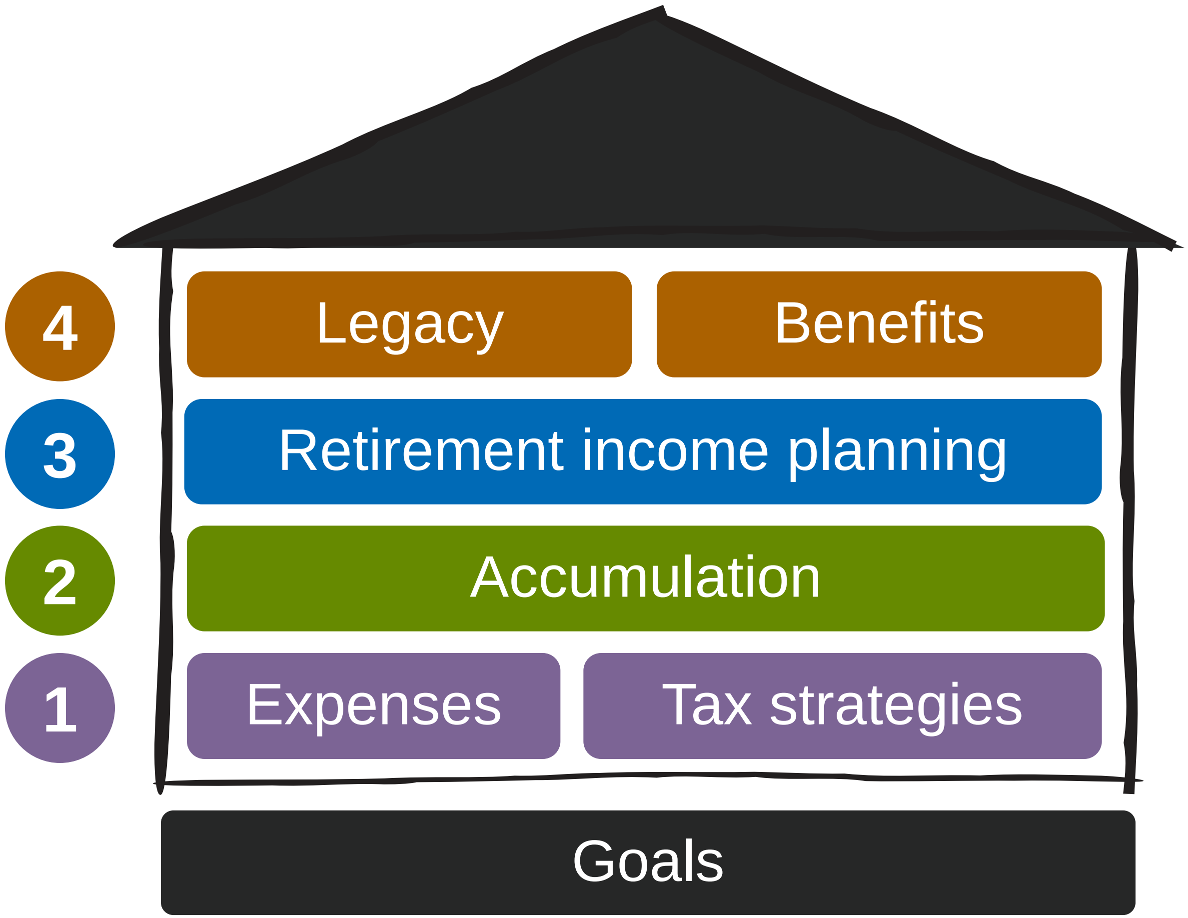
PlanSmart®

a financial education series for employees

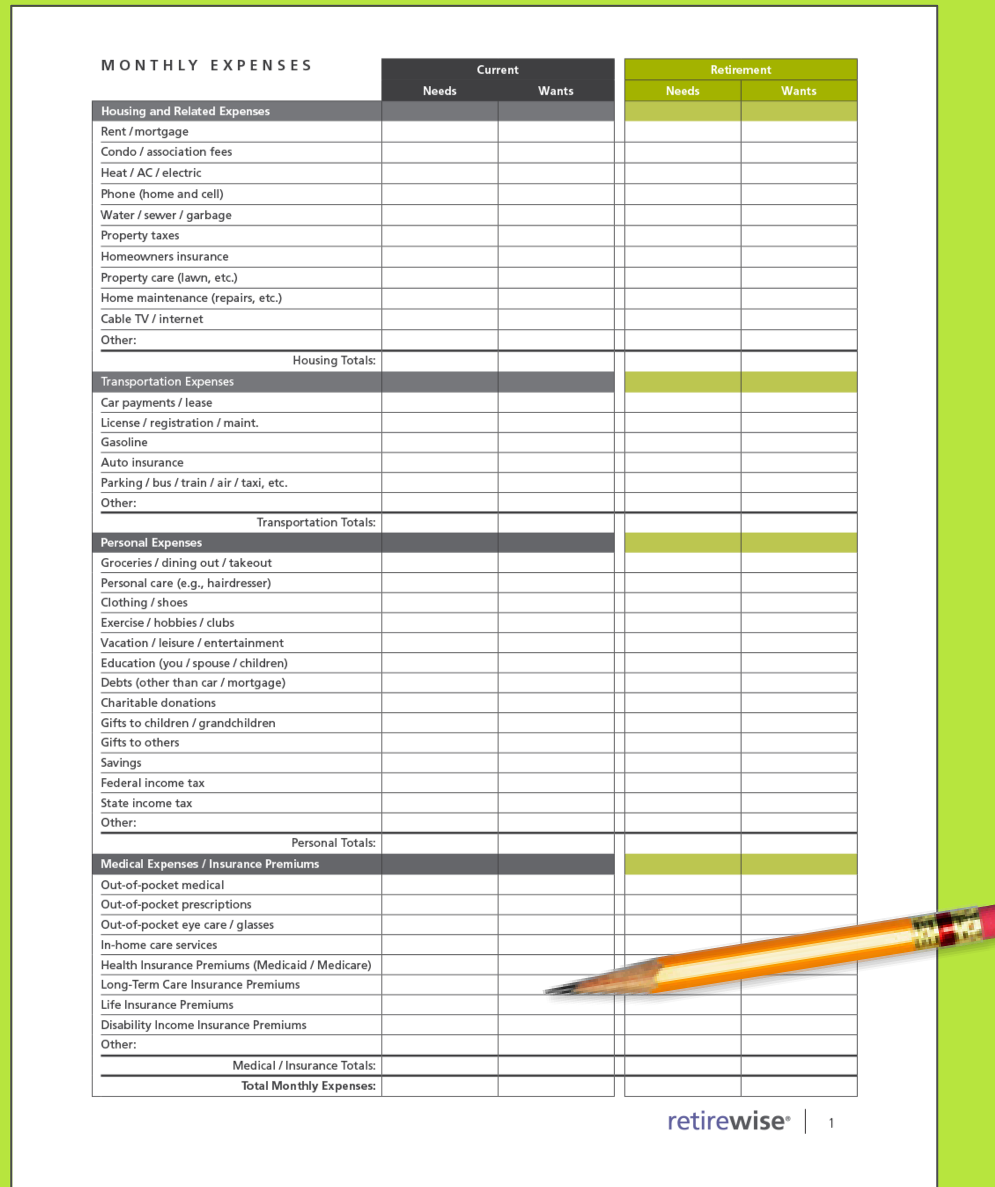
What is important about retirement planning to you?

MetLife

Building your “retirement house”



Looking at an **important relationship**



MONTHLY EXPENSES

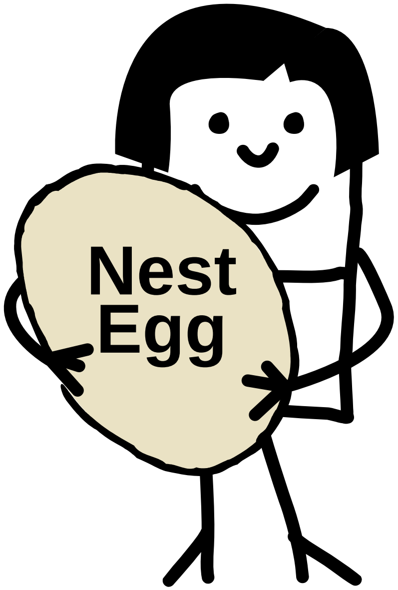
	Current		Retirement	
	Needs	Wants	Needs	Wants
Housing and Related Expenses				
Rent / mortgage				
Condo / association fees				
Heat / AC / electric				
Phone (home and cell)				
Water / sewer / garbage				
Property taxes				
Homeowners insurance				
Property care (lawn, etc.)				
Home maintenance (repairs, etc.)				
Cable TV / internet				
Other:				
Housing Totals:				
Transportation Expenses				
Car payments / lease				
License / registration / maint.				
Gasoline				
Auto insurance				
Parking / bus / train / air / taxi, etc.				
Other:				
Transportation Totals:				
Personal Expenses				
Groceries / dining out / takeout				
Personal care (e.g., hairdresser)				
Clothing / shoes				
Exercise / hobbies / clubs				
Vacation / leisure / entertainment				
Education (you / spouse / children)				
Debts (other than car / mortgage)				
Charitable donations				
Gifts to children / grandchildren				
Gifts to others				
Savings				
Federal income tax				
State income tax				
Other:				
Personal Totals:				
Medical Expenses / Insurance Premiums				
Out-of-pocket medical				
Out-of-pocket prescriptions				
Out-of-pocket eye care / glasses				
In-home care services				
Health Insurance Premiums (Medicaid / Medicare)				
Long-Term Care Insurance Premiums				
Life Insurance Premiums				
Disability Income Insurance Premiums				
Other:				
Medical / Insurance Totals:				
Total Monthly Expenses:				

retirewise® | 1

MetLife

Rule of 25

Annual Income X 25 =



from which to draw **4%** annually

Source: Fidelity Advisor, Retirement Savings Self-Assessment, April 2006

MetLife

Rule of 25

Applying the Rule of 25 to calculate the total assets needed to meet retirement goals

Assume an assets drawdown of 4%, starting at retirement in 15 years

Monthly	Annual	
$5,000	$60,000	– need based on homework
$2,500	$30,000	– available via Social Security, pensions
$2,500	$30,000	– gap we need to fill
	x 25	– 100 divided by 4% drawdown
	$750,000	– of assets needed
	$450,000	– of assets available
	$300,000	– additional assets needed

Figures, calculations and illustrations are hypothetical in nature and are for illustrative purposes only and do not take into account the potential impact of fees, expenses or taxes.

Investment **guiding principles**

Manage risks → Understand the **risks inherent** in different types of **investments**

Get invested → Don’t pay the **cost of waiting**

Diversify → A diversified portfolio of investments **may allow for more consistent returns**

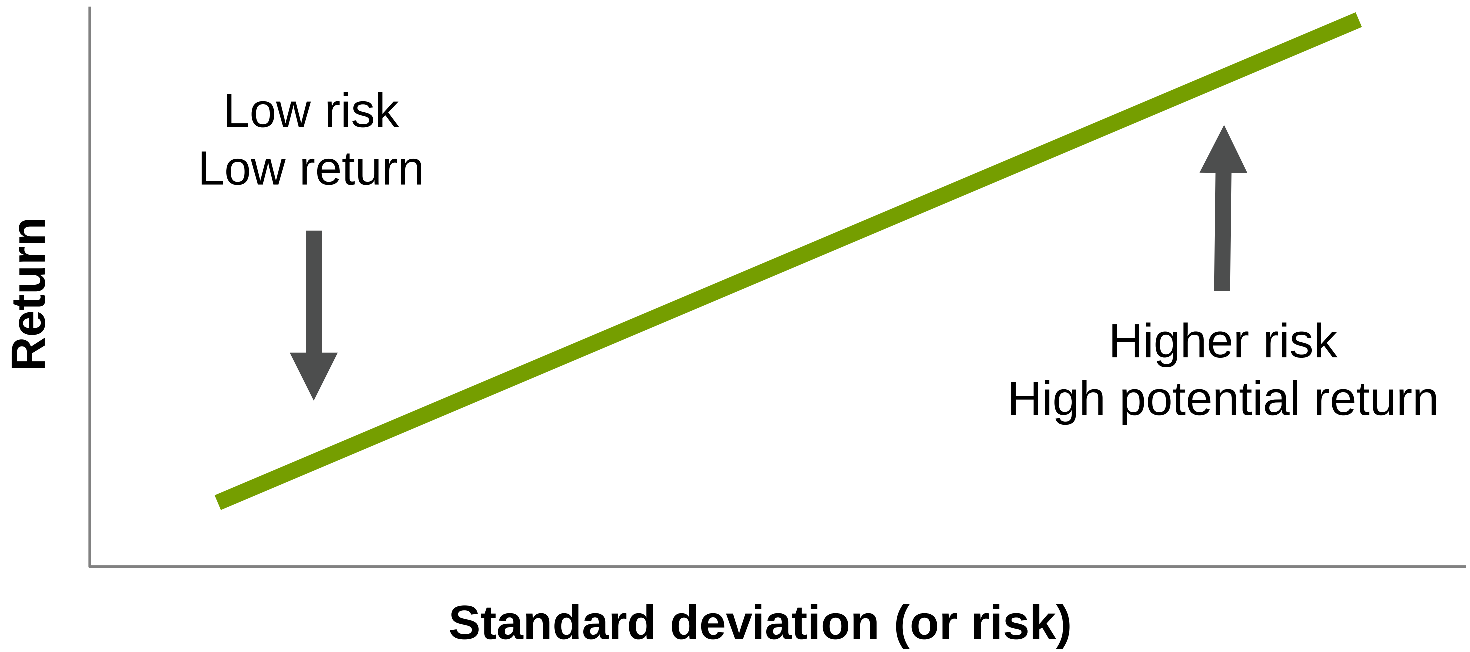
Stay invested → It’s **“time in”** the market, not “timing” the market

Balance → **Periodic adjustments** are needed due to varied economic conditions

MetLife

Risk/return relationship

Risk/return tradeoff



Source: www.Investopedia.com

Inflation risk. How much will things cost in the future?

Ford Mustang 1985

$6,572*

Ford Mustang 2016

$33,295**

*Thepeoplehistory.com

**Ford Mustang GT, caranddriver.com January 2016

MetLife

Interest rate risk: Understanding the impact of interest rates on bond prices

Interest rate/ bond price relationship

KEY TAKEAWAY

Bond prices and interest rates have an inverse relationship

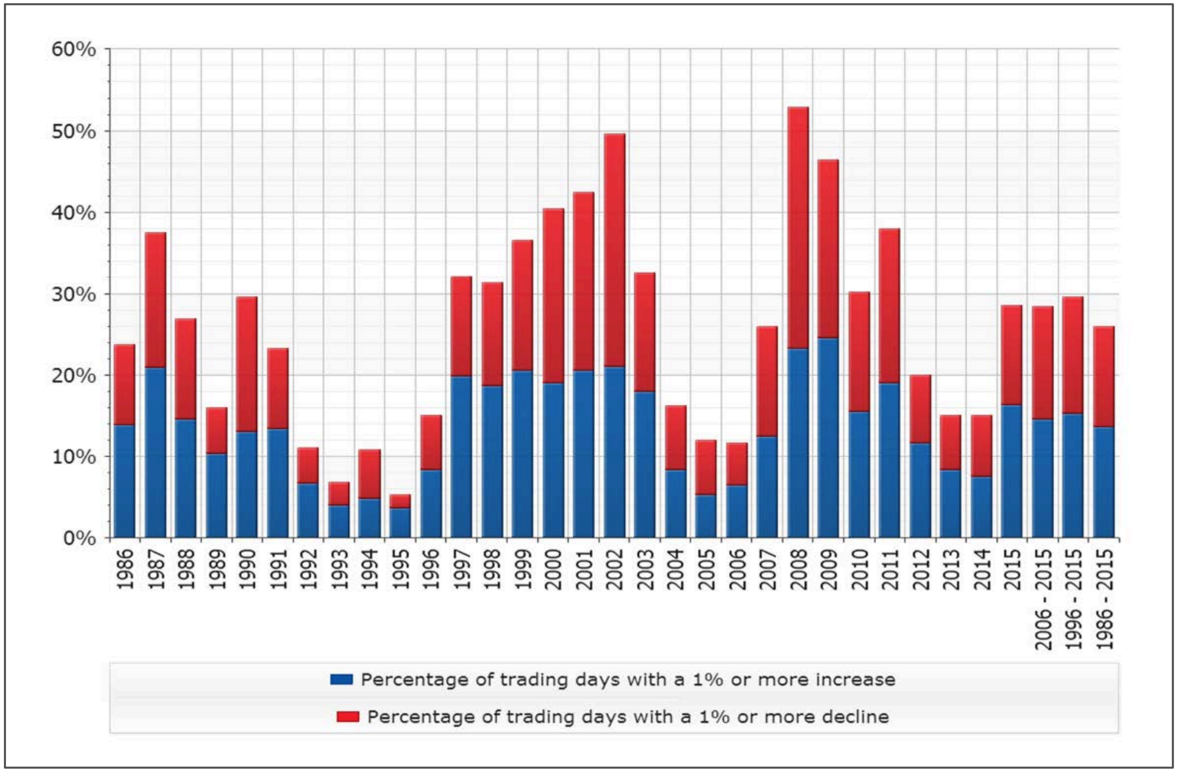
Bonds and other fixed-income securities involve both credit risk and market risk, which includes interest rate risk. Please be sure you understand any risk relative to bonds that may affect you. This is a hypothetical example shown for illustrative purposes only. It does not reflect any specific investment.

MetLife

Volatility risk

Trading days with changes of 1% or more in domestic stock prices

Shows the percentage of days over the past 30 years that the stock market gained (blue bar) or lost (red bar) 1% or more of its value, broken down by positive and negative returns.



Source: ChartSource®, Wealth Management Systems Inc. For the period from January 1, 1986, through December 31, 2015. Stocks are represented by the daily price change of Standard & Poor's Composite Index of 500 Stocks, an unmanaged index that is generally considered representative of the U.S. stock market. It is not possible to invest directly in an index. Past performance is not a guarantee of future results.

Manage risks → Understand the **risks inherent** in different types of **investments**

Get invested → Don’t pay the **cost of waiting**

Investment **guiding principles**

MetLife

The investment spectrum

Foundation	Conservative	Growth	Alternative
• Savings • Money Market Accounts	• Municipal Bonds • Corporate Bonds • Government Bonds	• Stocks	• Precious Metals • Art • Real Estate

MetLife

Foundation

Foundation	Conservative	Growth	Alternative
• **Savings** • **Money Market Accounts**	• Municipal Bonds • Corporate Bonds • Government Bonds	• Stocks	• Precious metals • Art • Real estate

Certificates of Deposit (CDs)*

Savings account

Checking account

Short-term government bonds

Money Market accounts

KEY TAKEAWAY

Cash equivalents are safe and accessible but don't protect against inflation

*CDs may have penalties for early withdrawals

MetLife

Conservative

Foundation	Conservative	Growth	Alternative
• Savings • Money Market Accounts	• **Municipal Bonds** • **Corporate Bonds** • **Government Bonds**	• Stocks	• Precious metals • Art • Real estate

Bonds

- **Tax-free bonds**
  - **Municipal: Federal tax-exempt; may be state or local, depending on your location**
  - **Government: Local tax-exempt**
- **Taxable bonds**
  - **Corporate**

KEY TAKEAWAY

Bonds involve more risk than cash equivalents but offer the possibility of higher returns

Bonds can be a key tool in your tax-diversification strategy

Bonds and other fixed-income securities involve both credit risk and market risk, which includes interest rate risk. Please be sure you understand any risk relative to bonds that may affect you.

MetLife

Growth

Foundation
- Savings
- Money Market Accounts

Conservative
- Municipal Bonds
- Corporate Bonds
- Government Bonds

Growth
- **Stocks**

Alternative
- Precious metals
- Art
- Real estate

Equities

- **Common Stocks**
- **Preferred Stocks**

KEY TAKEAWAY

While stocks offer the greatest potential for growth, they also offer the greatest risk of market volatility

MetLife

Alternative

Foundation	Conservative	Growth	Alternative
• Savings • Money Market Accounts	• Municipal Bonds • Corporate Bonds • Government Bonds	• Stocks	• Precious metals • Art • Real estate

Specialty Investments

- **Precious Metals**
- **Art**
- **Real estate**

KEY TAKEAWAY

Alternative investments usually have a low correlation to stocks, making them less impacted by market volatility. They may, however, be less liquid.

MetLife

The effect of taxes

Selling a stock *held for 12 months or less* **for a profit**

Short-term capital gain

Gain subject to income tax at ordinary rates

Selling a stock *held for more than 12 months* **for a profit**

Long-term capital gain

For 2016 gain subject to tax at maximum rate of 20%*

*For higher income brackets, a 3.8% Medicare surtax may result in a maximum 23.8% rate

Your stock pays **a cash dividend** or you have it **automatically invested back into the security**

For 2016 most dividends are subject to tax at **maximum rate of 20%,** although some may still be taxed at ordinary rates

KEY TAKEAWAY

Taxes can significantly impact your rate of return

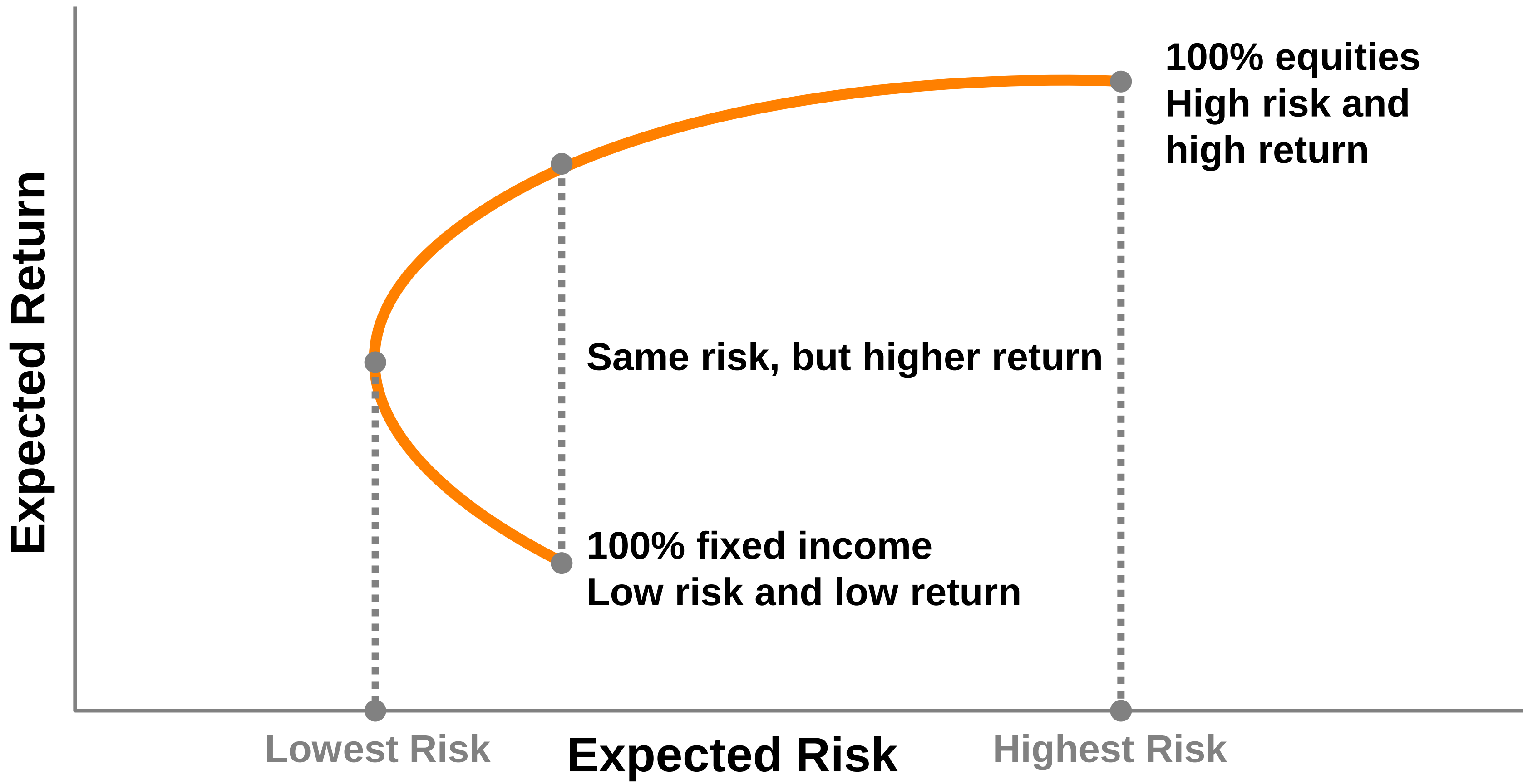
Investment **guiding principles**

Manage risks → Understand the **risks inherent** in different types of **investments**

Get invested → Don’t pay the **cost of waiting**

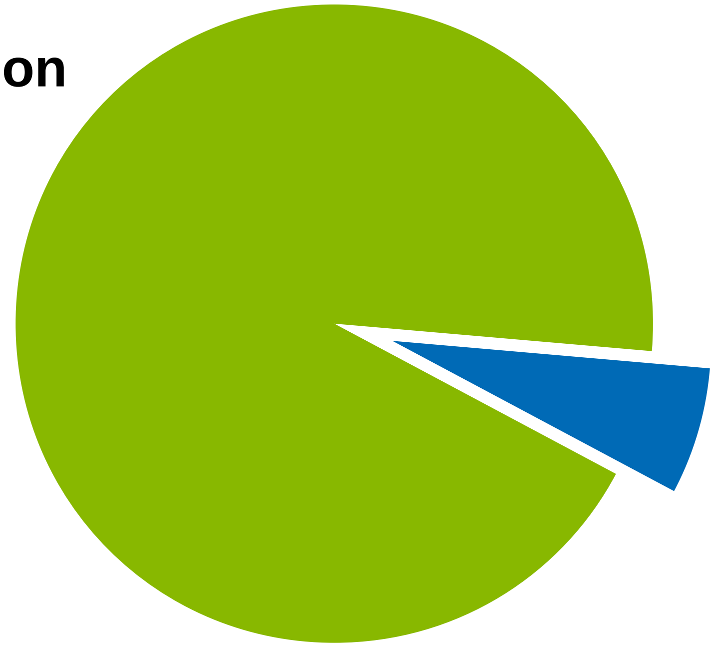
Diversify → A diversified portfolio of investments **may allow for more consistent returns**

Efficient frontier



MetLife

Determinants of portfolio performance

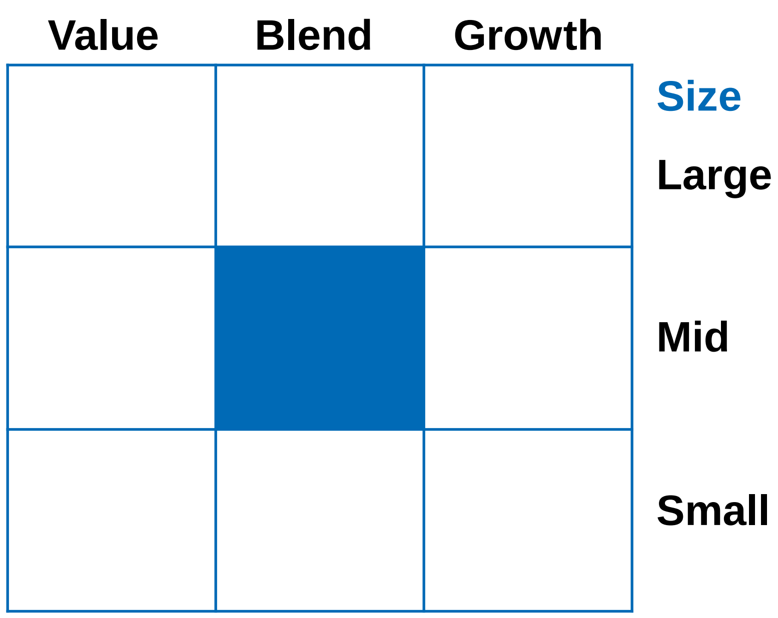


Source: 1986 Brinson, Hood, and Beebower's study (also known as "Determinants of Portfolio Performance")

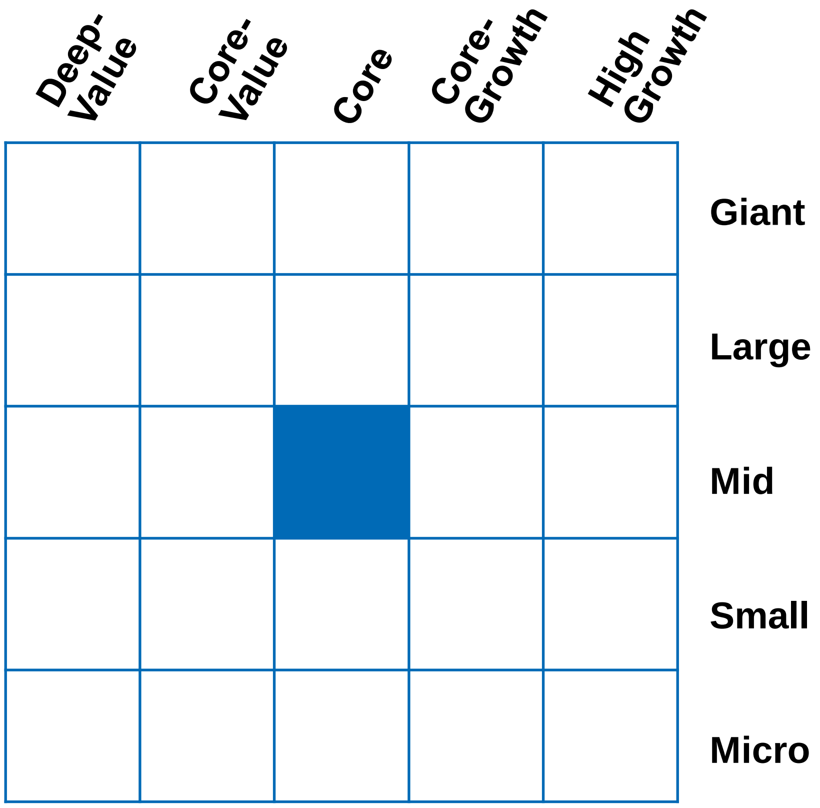
MetLife

Consider fund investment styles

Traditional



Next Generation



Source: Morningstar.com

MetLife

The value of a diversified approach

Annual Returns for Key Indices Ranked in Order of Performance (2004–2015)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MSCI Emerging Markets 25.95%	MSCI Emerging Markets 34.54%	MSCI Emerging Markets 32.59%	MSCI Emerging Markets 39.78%	Barclays Agg 5.24%	MSCI Emerging Markets 79.02%	Russell 2000 Growth 29.09%	Barclays Agg 7.84%	MSCI Emerging Markets 18.63%	Russell 2000 Growth 43.30%	S&P 500 Growth 14.89%	S&P 500 Growth 5.52%
Russell 2000 Value 22.25%	MSCI EAFE 13.54%	MSCI EAFE 26.34%	MSCI EAFE 11.17%	Barclays Corp High Yield -26.16%	Barclays Corp High Yield 58.21%	Russell 2000 26.85%	Barclays Corp High Yield 4.98%	Russell 2000 Value 18.05%	Russell 2000 38.82%	S&P 500 13.69%	S&P 500 1.38%
MSCI EAFE 20.25%	S&P 500 Value 5.82%	Russell 2000 Value 23.48%	S&P 500 Growth 9.13%	Russell 2000 Value -28.92%	Russell 2000 Growth 34.47%	Russell 2000 Value 24.50%	S&P 500 Growth 4.65%	S&P 500 Value 17.68%	Russell 2000 Value 34.52%	S&P 500 Value 12.36%	Barclays Agg 0.55%
Russell 2000 18.33%	S&P 500 4.91%	S&P 500 Value 20.81%	Russell 2000 Growth 7.05%	Russell 2000 -33.79%	MSCI EAFE 31.78%	MSCI Emerging Markets 19.20%	S&P 500 2.11%	MSCI EAFE 17.32%	S&P 500 Growth 32.75%	Barclays Agg 5.97%	MSCI EAFE -0.81%
S&P 500 Value 15.71%	Russell 2000 Value 4.71%	Russell 2000 18.37%	Barclays Agg 6.97%	S&P 500 Growth -34.92%	S&P 500 Growth 31.57%	Barclays Corp High Yield 15.12%	S&P 500 Value -0.48%	Russell 2000 16.35%	S&P 500 32.39%	Russell 2000 Growth 5.60%	Russell 2000 Growth -1.38%
Russell 2000 Growth 14.31%	Russell 2000 4.55%	S&P 500 15.79%	S&P 500 5.49%	S&P 500 -37.00%	Russell 2000 27.17%	S&P 500 Value 15.10%	Russell 2000 Growth -2.91%	S&P 500 16.00%	S&P 500 Value 31.99%	Russell 2000 4.89%	S&P 500 Value -3.13%
Barclays Corp High Yield 11.13%	Russell 2000 Growth 4.15%	Russell 2000 Growth 13.35%	S&P 500 Value 1.99%	Russell 2000 Growth -38.54%	S&P 500 26.47%	S&P 500 15.06%	Russell 2000 -4.18%	Barclays Corp High Yield 15.81%	MSCI EAFE 22.78%	Russell 2000 Value 4.22%	Russell 2000 -4.41%
S&P 500 10.88%	S&P 500 Growth 4.00%	Barclays Corp High Yield 11.85%	Barclays Corp High Yield 1.87%	S&P 500 Value -39.22%	S&P 500 Value 21.17%	S&P 500 Growth 15.05%	Russell 2000 Value -5.50%	S&P 500 Growth 14.61%	Barclays Corp High Yield 7.44%	Barclays Corp High Yield 2.45%	Barclays Corp High Yield -4.47%
S&P 500 Growth 6.13%	Barclays Corp High Yield 2.74%	S&P 500 Growth 11.01%	Russell 2000 -1.57%	MSCI EAFE -43.38%	Russell 2000 Value 20.58%	MSCI EAFE 7.75%	MSCI EAFE -12.14%	Russell 2000 Growth 14.59%	Barclays Agg -2.02%	MSCI Emerging Markets -1.82%	Russell 2000 Value -7.47%
Barclays Agg 4.34%	Barclays Agg 2.43%	Barclays Agg 4.33%	Russell 2000 Value -9.78%	MSCI Emerging Markets -53.18%	Barclays Agg 5.93%	Barclays Agg 6.54%	MSCI Emerging Markets -18.17%	Barclays Agg 4.21%	MSCI Emerging Markets -2.27%	MSCI EAFE -4.90%	MSCI Emerging Markets -14.60%

Source: Callan Associate Inc., 2016. The Table highlights the uncertainty inherent in all capital markets. Rankings change every year.

MetLife

The value of a diversified approach

Annual Returns for Key Indices Ranked in Order of Performance (2004–2015)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MSCI Emerging Markets 25.95%	MSCI Emerging Markets 34.54%	MSCI Emerging Markets 32.59%	MSCI Emerging Markets 39.78%	Barclays Agg 5.24%	MSCI Emerging Markets 79.02%	Russell 2000 Growth [illegible]	Barclays Agg 7.84%	MSCI Emerging Markets 18.63%	Russell 2000 Growth [illegible]	S&P 500 Growth 14.89%	S&P 500 Growth 5.52%
Russell 2000 Value 22.25%	MSCI EAFE 13.54%	MSCI EAFE 26.34%	MSCI EAFE 11.17%	Barclays Corp High Yield -26.16%	Barclays Corp High Yield 58.21%	Russell 2000 26.85%	Barclays Corp High Yield 4.98%	Russell 2000 Value 18.05%	Russell 2000 38.82%	S&P 500 13.69%	S&P 500 1.38%
MSCI EAFE [illegible]	S&P 500 Value 5.82%	Russell 2000 Value 23.48%	S&P 500 Growth 9.13%	Russell 2000 Value [illegible]	Russell 2000 Growth 34.47%	Russell 2000 Value [illegible]4.50%	S&P 500 Growth 4.65%	S&P 500 Value 17.68%	Russell 2000 Value 34.52%	S&P 500 Value 12.36%	Barclays Agg 0.55%
Russell 2000 18.33%	S&P 500 4.91%	S&P 500 Value [illegible]	Russell 2000 Growth 7.05%	Russell 2000 -33.79%	MSCI EAFE 31.78%	MSCI Emerging Markets 19.20%	S&P 500 2.11%	MSCI EAFE [illegible]	S&P 500 Growth 32.75%	Barclays Agg 5.97%	MSCI EAFE -0.81%
S&P 500 Value 15.71%	Russell 2000 Value [illegible]	Russell 2000 18.37%	Barclays Agg 6.97%	S&P 500 Growth -[illegible]4.92%	S&P 500 Growth [illegible]	Barclays Corp High Yield 15.12%	S&P 500 Value [illegible]0.48%	Russell 2000 16.35%	S&P 500 32.39%	Russell 2000 Growth [illegible]	Russell 2000 Growth -1.38%
Russell 2000 Growth 14.31%	Russell 2000 4.55%	S&P 500 15.79%	S&P 500 5.49%	S&P 500 -37.00%	Russell 2000 27.17%	S&P 500 Value 15.10%	Russell 2000 Growth [illegible]	S&P 500 16.00%	S&P 500 Value 31.99%	Russell 2000 4.89%	S&P 500 Value [illegible]
Barclays Corp High Yield 11.13%	Russell 2000 Growth 4.15%	Russell 2000 Growth 13.35%	S&P 500 Value 1.99%	Russell 2000 Growth -38.54%	S&P 500 26.47%	S&P 500 15.06%	Russell 2000 -4.18%	Barclays Corp High Yield 15.81%	MSCI EAFE 22.78%	Russell 2000 Value 4.22%	Russell 2000 -4.41%
S&P 500 10.88%	S&P 500 Growth 4.00%	Barclays Corp High Yield 11.85%	Barclays Corp High Yield [illegible]	S&P 500 Value -39.22%	S&P 500 Value 21.17%	S&P 500 Growth 15.05%	Russell 2000 Value -5.50%	S&P 500 Growth 14.61%	Barclays Corp High Yield 7.44%	Barclays Corp High Yield 2.45%	Barclays Corp High Yield -4.47%
S&P 500 Growth 6.13%	Barclays Corp High Yield 2.74%	S&P 500 Growth 11.01%	Russell 2000 -1.57%	MSCI EAFE -43.38%	Russell 2000 Value 20.58%	MSCI EAFE 7.75%	MSCI EAFE -12.14%	Russell 2000 Growth 14.59%	Barclays Agg -2.02%	MSCI Emerging Markets -1.82%	Russell 2000 Value -7.47%
Barclays Agg 4.34%	Barclays Agg 2.43%	Barclays Agg 4.33%	Russell 2000 Value -9.78%	MSCI Emerging Markets -53.18%	Barclays Agg 5.93%	Barclays Agg 6.54%	MSCI Emerging Markets -18.17%	Barclays Agg 4.21%	MSCI Emerging Markets -2.27%	MSCI EAFE -4.90%	MSCI Emerging Markets -14.60%

Source: Callan Associate Inc., 2016. The Table highlights the uncertainty inherent in all capital markets. Rankings change every year.

Market Index Descriptions for Annual Percentage Returns Chart (slide 23-24)

Barclays Aggregate Bond Index (formerly the Lehman Brothers Aggregate Bond Index) includes U.S. government, corporate, and mortgage-backed securities with maturities of at least one year.

Barclays Corporate High Yield Bond Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt.

MSCI EAFE is a Morgan Stanley Capital International Index that is designed to measure the performance of the developed stock markets of Europe, Australasia, and the Far East.

MSCI Emerging Markets is a Morgan Stanley Capital International Index that is designed to measure the performance of equity markets in 21 emerging countries around the world.

Russell 2000 measures the performance of small capitalization U.S. stocks. The Russell 2000 is a market-value-weighted index of the 2,000 smallest stocks in the broad-market Russell 3000 Index. These securities are traded on the NYSE, AMEX, and NASDAQ.

Russell 2000 Value and Russell 2000 Growth measure the performance of the growth and value styles of investing in small cap U.S. stocks. The indices are constructed by dividing the market capitalization of the Russell 2000 Index into Growth and Value indices, using style "factors" to make the assignment. The Value Index contains those Russell 2000 securities with a greater-than-average value orientation, while the Growth Index contains those securities with a greater-than-average growth orientation. Securities in the Value Index generally have lower price-to-book and price-earnings ratios than those in the Growth Index. The indices are market-capitalization- weighted. The constituent securities are not mutually exclusive.

S&P 500 measures the performance of large capitalization U.S. stocks. The S&P 500 is a market-value-weighted index of 500 stocks that are traded on the NYSE, AMEX, and NASDAQ. The weightings make each company's influence on the Index performance directly proportional to that company's market value.

S&P 500 Growth and S&P 500 Value measure the performance of the growth and value styles of investing in large cap U.S. stocks. The indices are constructed by dividing the market capitalization of the S&P 500 Index into Growth and Value indices, using style "factors" to make the assignment. The Value Index contains those S&P 500 securities with a greater-than-average value orientation, while the Growth Index contains those securities with a greater-than-average growth orientation. The indices are market-capitalization- weighted. The constituent securities are not mutually exclusive.

A mutual funds portfolio may differ significantly from the securities held in the indices. These indices are not available for direct investment, therefore, their performance does not reflect the expenses associated with the active management of an actual portfolio. Past performance is no guarantee of future results and investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Total return includes reinvestment of dividends and capital gains.

MetLife

Diversifying with mutual funds

- Investors pool their money to purchase shares in a professionally managed portfolio of stocks, bonds, or other investments
- This provides an affordable way to access professional money managers
- The money managers buy and sell securities based on the stated objective of the mutual fund which often includes diversification

Sample Investment Objectives

Growth	**Balanced**
Income	**Sector**
Socially Responsible	**Tax-Free**

While diversification is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified.

MetLife

Evaluating mutual funds

Sales Charges

Commissions and Loads

Expense Ratios

All annual fees charged by all funds, including the management fee, the administrative costs, 12b-1 distribution fees and other operating expenses

Turnover

Measures how long the holdings are held, which can impact capital gains taxes

Investment Policy

Cash reserves on hand

KEY TAKEAWAY

These four factors impact earnings

Mutual funds are sold by prospectus, which is available from your registered representative. Please carefully consider investment objectives, risks, charges, and expenses before investing. For this and other information about any mutual fund investment please obtain a prospectus and read it carefully before you invest. Investment return and principal value will fluctuate with changes in market conditions such that shares may be worth more or less than original cost when redeemed. Diversification cannot eliminate the risk of investment losses, and past mutual fund performance is not a guarantee of future results.

Determining **your asset allocation**

Asset Allocation Questionnaire

The following questions will enable you to determine your time horizon and risk tolerance levels so that you can select a model asset allocation strategy. Please answer all of the questions and then calculate your score as indicated and select the corresponding asset allocation strategy from the provided table. Please remember these are only suggested allocations; the final decision is up to you.

What is the primary financial goal for this investment?

A. Retirement	B. Education	C. Estate Planning	D. Other (e.g., down payment toward the purchase of a home)

TIME HORIZON QUESTIONS

1. What is your current age? For couples, please use the average age of your two ages.

a) Over 70
b) 60 – 70
c) 46 – 59
d) 45 and below

2. When would you anticipate taking regular cash distributions from your account ?

a) Less than 2 years
b) 2 – 5 years
c) 6 – 9 years
d) 10 – 15 years
e) More than 15 years, or I do not anticipate taking cash distributions

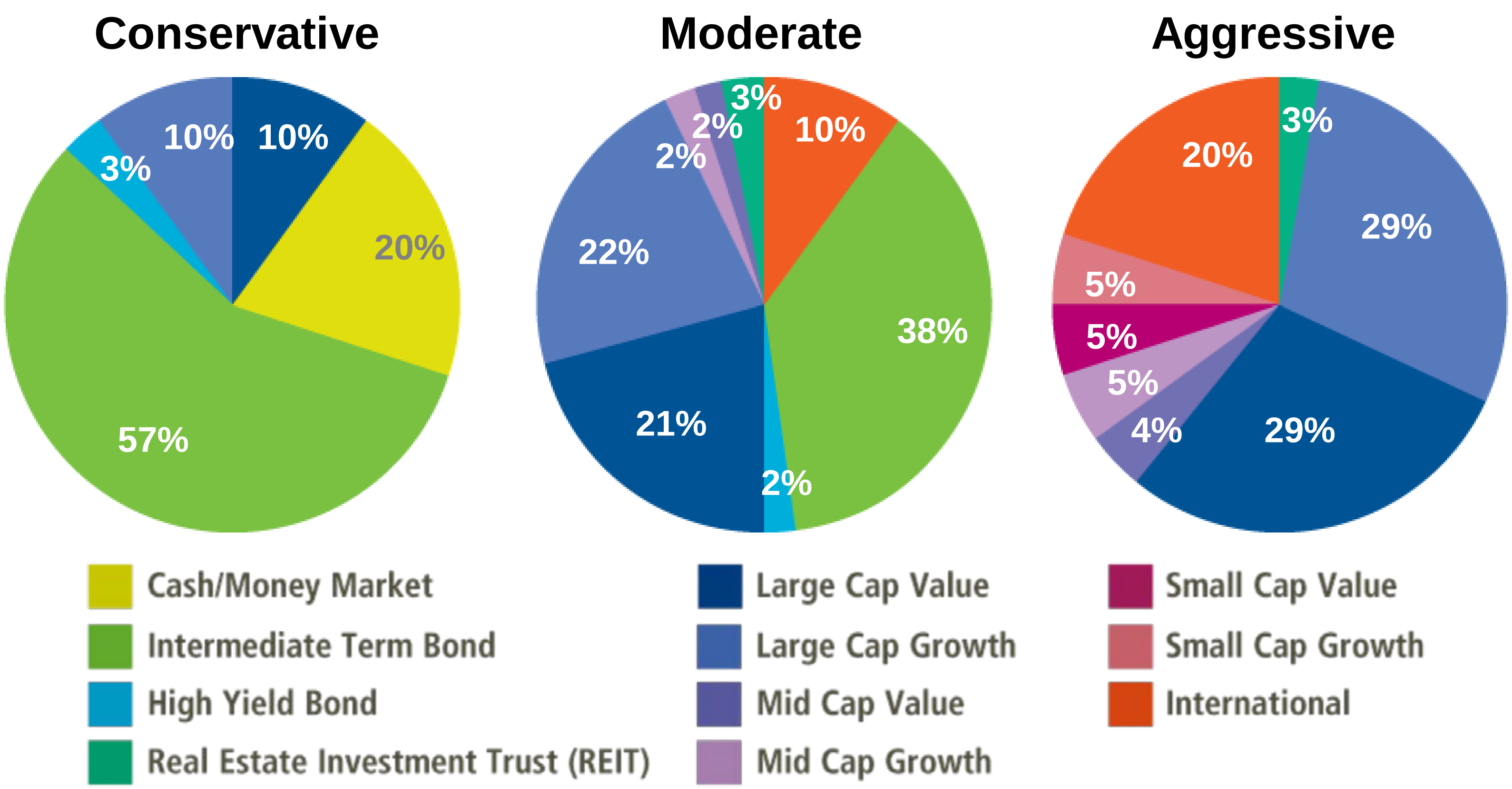
RISK TOLERANCE QUESTIONS

3. Your risk tolerance describes your willingness to accept fluctuations in your account value in order to achieve the long-term financial objective. Which statement best describes your tolerance for risk?

a) Avoiding loss in my account value is more important to me than experiencing long-term growth
b) I desire long-term growth of my account value, but I am more concerned with avoiding losses
c) I am concerned with avoiding losses, but this is outweighed by my desire to achieve long-term growth in my account value
d) To maximize the chance of experiencing high long-term growth of my account value, I am willing to accept losses

8 | retirewise®

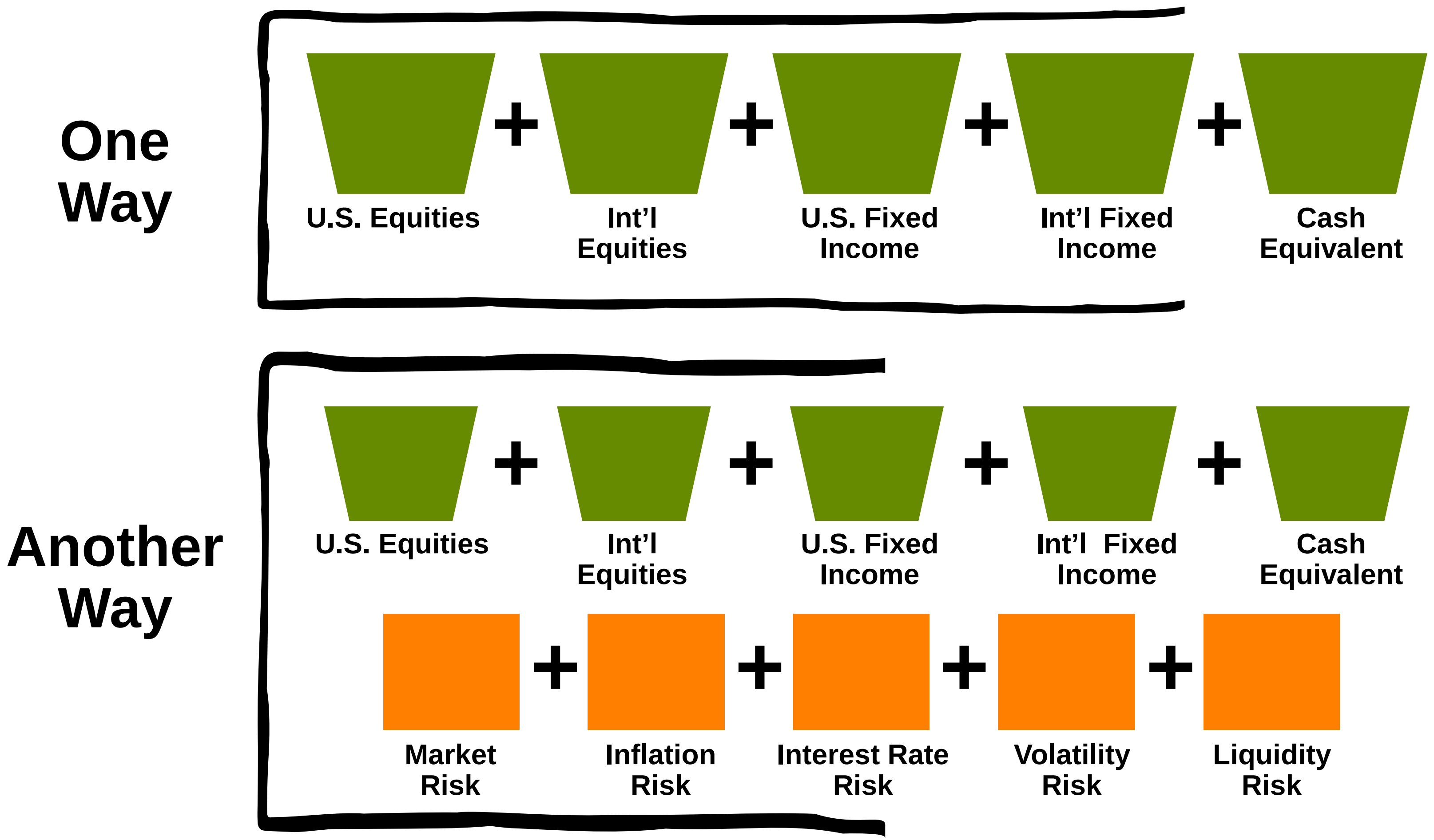
Asset allocation model portfolios



While diversification through an asset allocation strategy is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified.

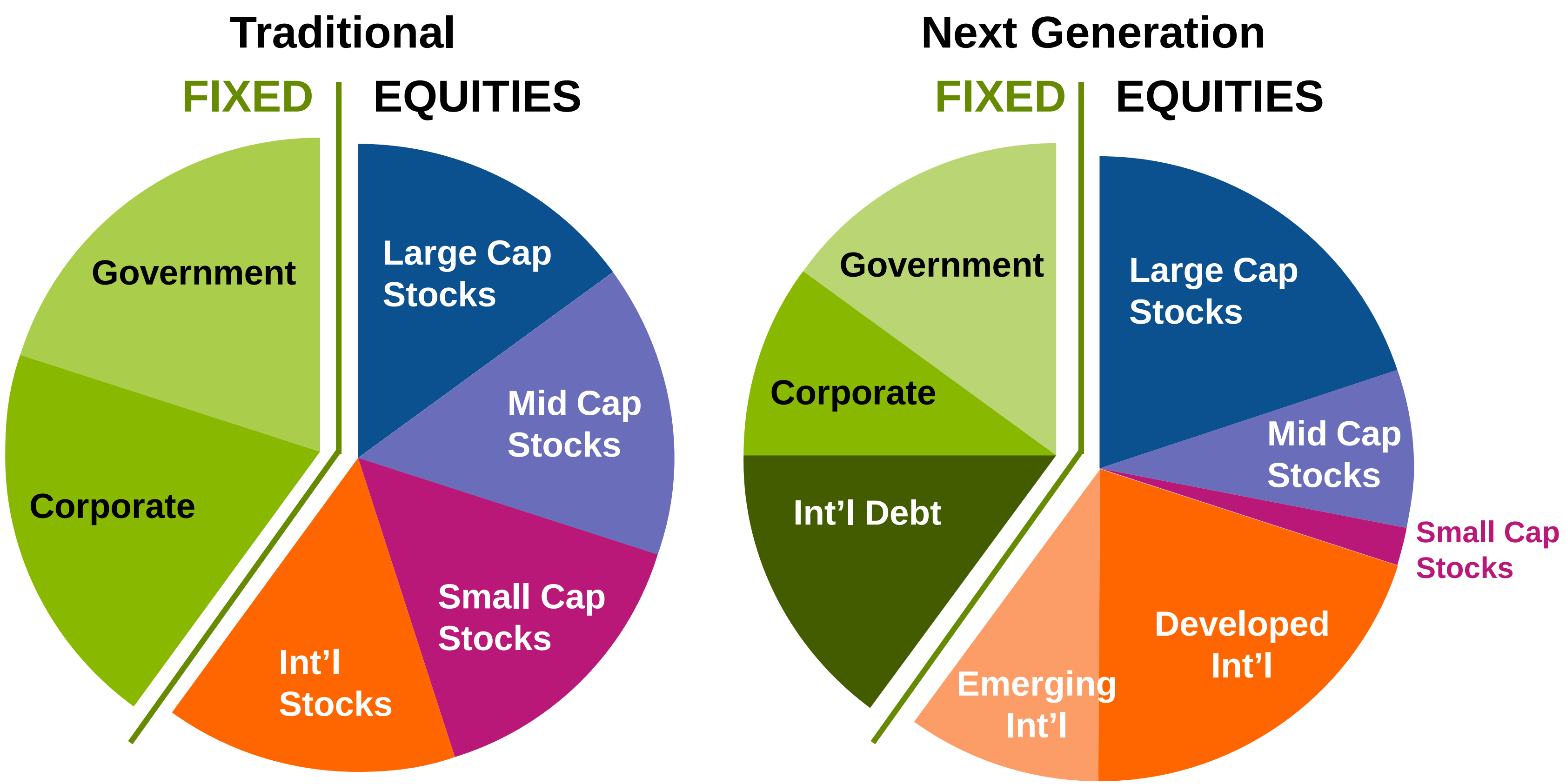
MetLife

Risk allocation: traditional asset allocation and risk allocation



MetLife

An example of risk allocation at work



This is a hypothetical example for illustrative purposes only

MetLife

Managing risk with the bucket approach

Allocating money based on when you need it

While diversification through an asset allocation strategy is a useful technique that can help to manage overall portfolio risk and volatility, there is no certainty or assurance that a diversified portfolio will enhance overall return or outperform one that is not diversified.

Now Money

Conservative Investment Mix to ensure **"now income"**

Later Money

Moderate Investment mix

Much Later Money

Aggressive Investment mix to allow for **growth over long haul**

KEY TAKEAWAY

Different allocations may make sense for different time frames

MetLife

How do they fit?

Tax-free Investments

Principal grows tax-free and is tax-free at withdrawal

3

important concepts in retirement planning

Taxable Investments

Principal is subject to taxes on dividends and capital gains as it grows

Tax-deferred Investments

Tax on earnings and gains is **paid at withdrawal, leaving the investment to grow unhindered**

Now Money

Later Money

Much Later Money

Investment **guiding principles**

Manage risks → Understand the **risks inherent** in different types of **investments**

Get invested → Don’t pay the **cost of waiting**

Diversify → A diversified portfolio of investments **may allow for more consistent returns**

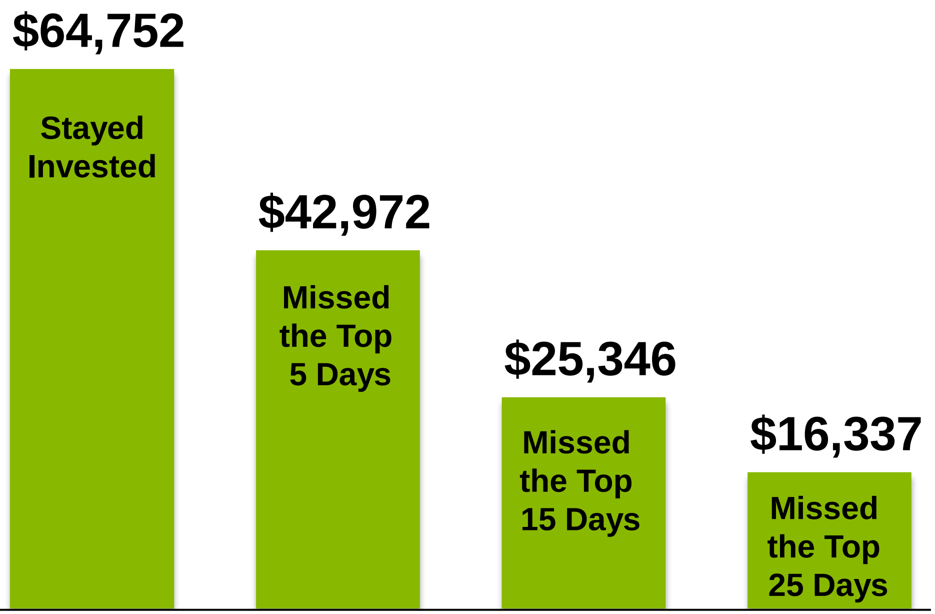
Stay invested → It’s **“time in”** the market, not “timing” the market

MetLife

Time IN — not timing

Value Hypothetical $10,000 Investment over 20-year period

S&P 500® Composite Index 7/1/95–6/30/15



This example is hypothetical and for illustrative purposes only. It does not represent the past, present or future performance of any actual investment nor is it a guarantee of any kind.

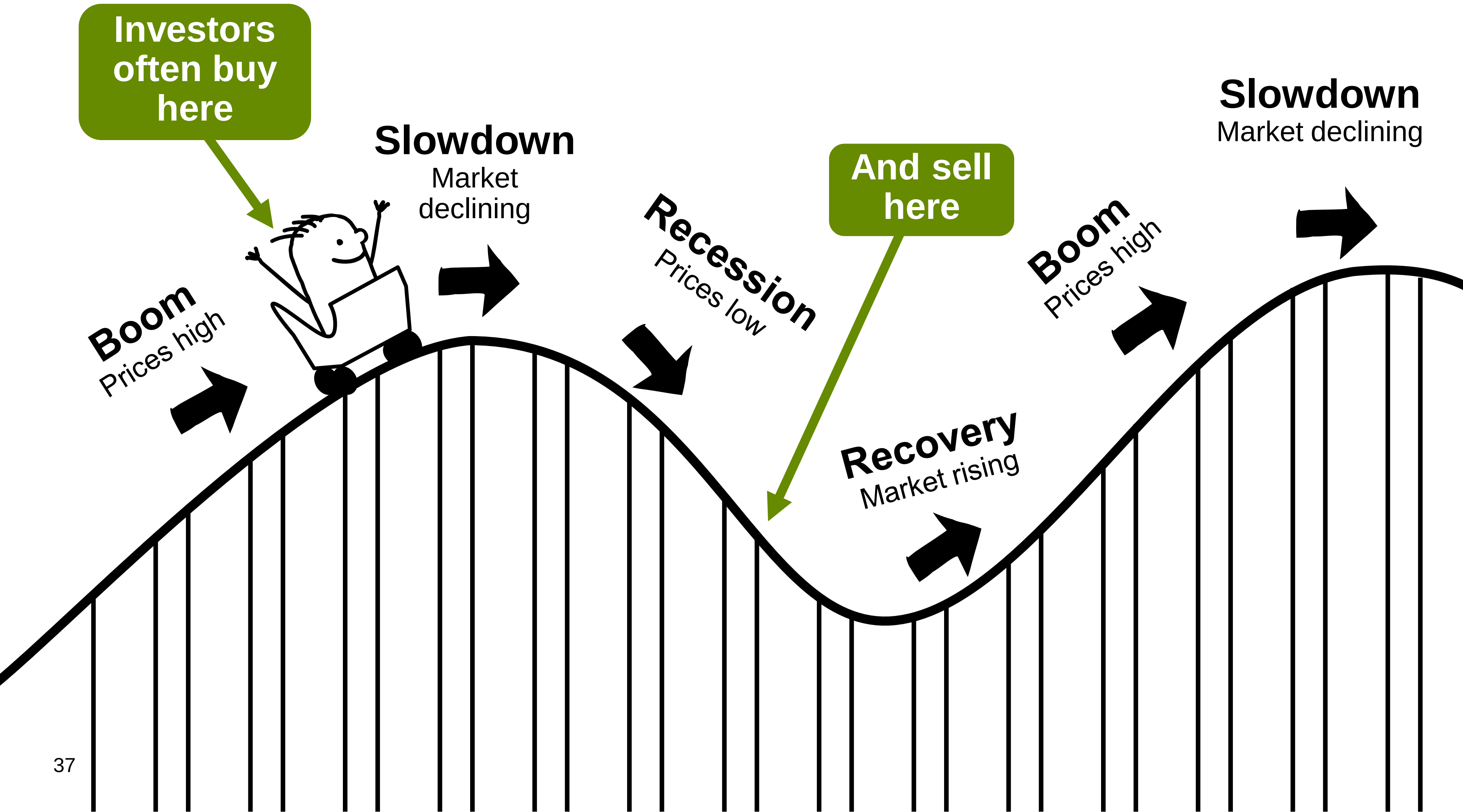
Source: ChartSource®, Wealth Management Systems Inc. For the period from July 1, 1995, through June 30, 2015. Based on total returns of Standard & Poor's Composite Index of 500 Stocks, an unmanaged index that is generally considered representative of the U.S. stock market. It is not possible to invest directly in an index. Past performance is not a guarantee of future results.

KEY TAKEAWAY

Worth repeating:

It's time IN, not timing

Don't let your emotions get the best of you



Let dollar cost averaging work for you

Month	Monthly Investment	Share Price	Shares Purchased
January	$500	$10.00	50.0
February	$500	$9.00	55.6
March	$500	$8.00	62.5
April	$500	$9.00	55.6
May	$500	$10.00	50.0

Average Cost/Share: $9.13 ($2,500/273.7)

KEY TAKEAWAY

When the share price declines, the same monthly investment buys more shares

Dollar Cost Averaging does not ensure a profit nor does it protect against a loss in declining markets. It involves continuous investment in securities regardless of fluctuating price levels. An investor should consider his or her ability to continue purchases in periods of low or fluctuating price levels.

Investment **guiding principles**

Manage risks → Understand the **risks inherent** in different types of **investments**

Get invested → Don’t pay the **cost of waiting**

Diversify → A diversified portfolio of investments **may allow for more consistent returns**

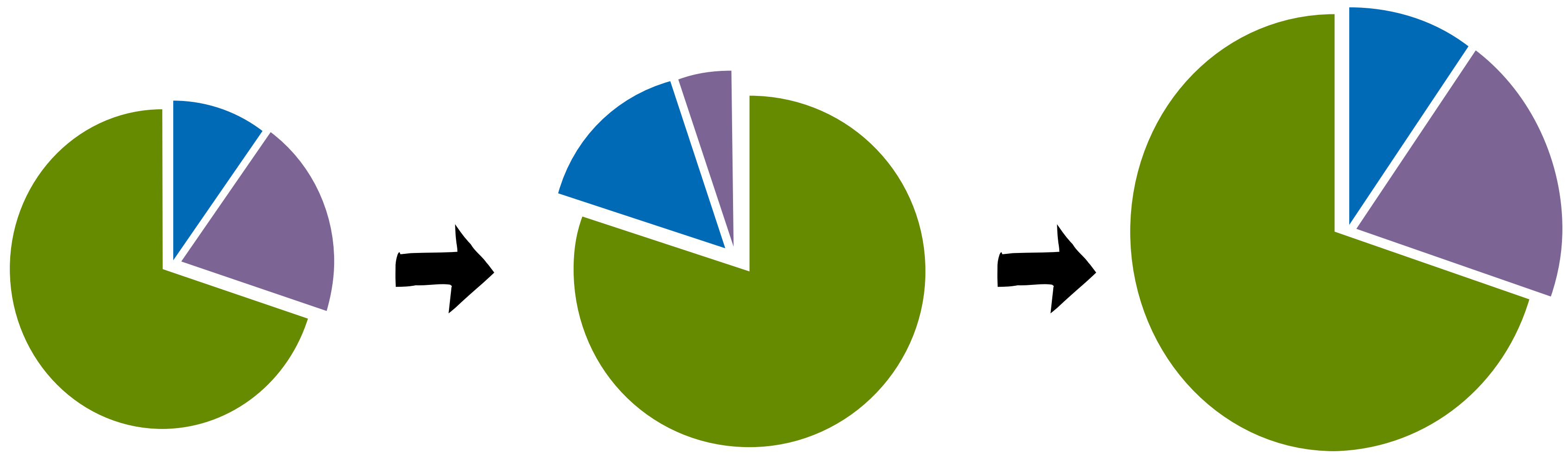
Stay invested → It’s **“time in”** the market, not “timing” the market

Balance → **Periodic adjustments** are needed due to varied economic conditions

MetLife

Portfolio rebalancing . . .

Don't become the investor that you're not



Original allocation

Portfolio grows and allocation shifts with time

Reallocation back to original

KEY TAKEAWAY

Rebalance your portfolio periodically to stay in line with your goals

*Rebalancing involves selling some investments in order to buy others. Investors should keep in mind that selling investments can result in a tax liability.

Homework:
Your retirement budget

MONTHLY EXPENSES

	Current		Retirement	
	Needs	Wants	Needs	Wants
Housing and Related Expenses				
Rent / mortgage				
Condo / association fees				
Heat / AC / electric				
Phone (home and cell)				
Water / sewer / garbage				
Property taxes				
Homeowners insurance				
Property care (lawn, etc.)				
Home maintenance (repairs, etc.)				
Cable TV / internet				
Other:				
Housing Totals:				
Transportation Expenses				
Car payments / lease				
License / registration / maint.				
Gasoline				
Auto insurance				
Parking / bus / train / air / taxi, etc.				
Other:				
Transportation Totals:				
Personal Expenses				
Groceries / dining out / takeout				
Personal care (e.g., hairdresser)				
Clothing / shoes				
Exercise / hobbies / clubs				
Vacation / leisure / entertainment				
Education (you / spouse / children)				
Debts (other than car / mortgage)				
Charitable donations				
Gifts to children / grandchildren				
Gifts to others				
Savings				
Federal income tax				
State income tax				
Other:				
Personal Totals:				
Medical Expenses / Insurance Premiums				
Out-of-pocket medical				
Out-of-pocket prescriptions				
Out-of-pocket eye care / glasses				
In-home care services				
Health Insurance Premiums (Medicaid / Medicare)				
Long-Term Care Insurance Premiums				
Life Insurance Premiums				
Disability Income Insurance Premiums				
Other:				
Medical / Insurance Totals:				
Total Monthly Expenses:				

retirewise® | 1

Today's **key learnings**

Risk and Reward
go hand-in-hand

Diversification
attempts to minimize the effect of **volatility** while being invested in the markets

Recognizing risks and **finding ways to manage them** can be *just as important* as choosing the right investments

The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This document supports the promotion and marketing of insurance or other financial products and services. Clients should seek advice based on their particular circumstances from an independent tax advisor since any discussion of taxes is for general informational purposes only and does not purport to be complete or cover every situation.

MetLife does not give legal or tax advice. Any discussion of taxes herein or related to this document is for general information purposes only and does not purport to be complete or cover every situation. Tax law is subject to interpretation and legislative change. Tax results and the appropriateness of any product for any specific taxpayer may vary depending on the facts and circumstances. You should consult with and rely on your own independent legal and tax advisers regarding your particular set of facts and circumstances.

MetLife

Past performance is no guarantee of future results. Diversification does not ensure a profit or guarantee against a loss.

Securities and investment advisory services are offered through qualified registered representatives of MSI Financial Services, Inc. Member SIPC. MSI Financial Services, Inc. is not affiliated with MetLife or its affiliated companies.

Next step

MetLife

retirewise®

Establishing Your Retirement Income Stream

PlanSmart®

a financial education series for employees retirewise®

1 Building the Foundation

2 Creating and Managing Wealth

3 Establishing Your Retirement Income Stream

4 Making the Most of What You Have