Welcome to our Social Security seminar. I'm very glad you could join us today. You should have been given some materials as you entered, and I also have pencils *(or pens)* available if you need them.

During this seminar, we'll discuss basic elements of the Social Security program and focus on filing strategies that might increase the lifetime benefits you could receive.

Keep in mind that there are many combinations for how a married couple can claim Social Security retirement benefits and spousal benefits, as well as other filing strategies. In fact, according to the Social Security Administration, the claiming-age combinations that married couples might choose range from nearly 10,000 to 40,000, depending on their respective birth years. We won't get that detailed today, but we will discuss benefit-enhancement strategies and some common pitfalls to avoid.

Before we start the main part of the presentation, let me take a minute or two to tell you what we hope to accomplish over the next hour or so.

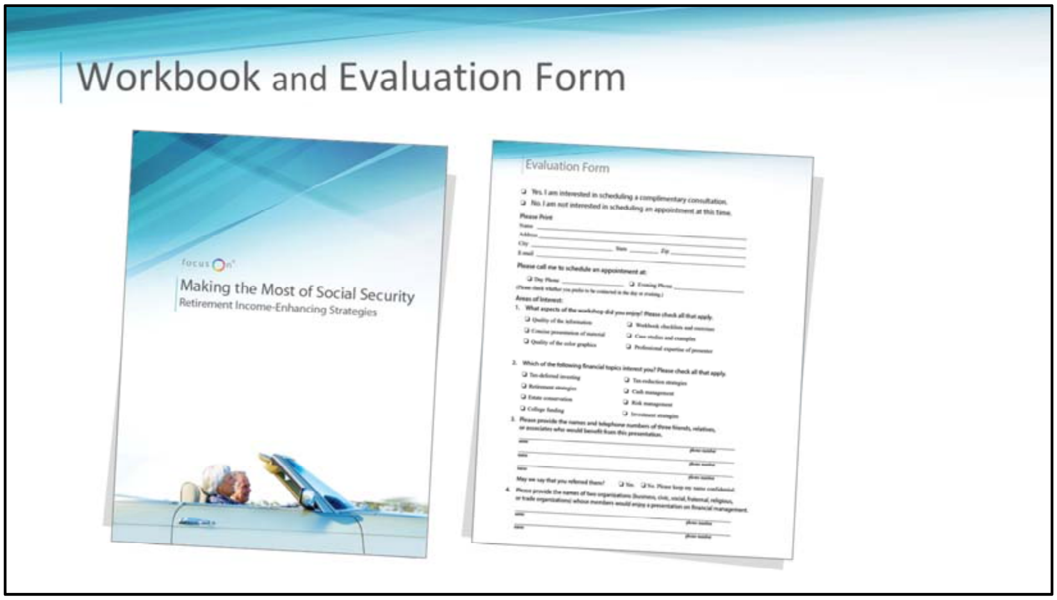
We use seminars like this one to introduce ourselves and to develop strong working relationships with members of the community like you.

Our commitment extends beyond simply offering financial services. We are committed to helping you evaluate your financial situation and giving you tools to help make informed decisions and pursue your financial goals.

We hope that after attending the seminar, you'll want to meet with us in our office. This is a complimentary, no-obligation consultation that we offer to everyone who attends our seminars. During that meeting, we can discuss any questions you have as a result of what we discuss here. If you prefer, we can use that time to examine your specific situation and begin the process of helping you formulate a financial strategy that will suit your needs.

We know that we'll establish a working relationship with you only when *you* are confident that we can be of service. We want you to understand your options and to know how you may benefit from working with us.

The information in this presentation is not written or intended as tax, legal, investment, or retirement advice or recommendations, and it may not be relied on for the purpose of avoiding any federal tax penalties. You are encouraged to seek advice from an independent professional advisor based on your individual circumstances.



Let's talk about the workbook you received as you entered.

We've found that people are more likely to remember something they act on rather than something they only hear about. That's why we designed this workbook so you can apply what you learn to your situation. In it you'll find helpful materials that reinforce the seminar's major points and will be a valuable resource for you.

Feel free to highlight, underline, or make notes in whatever way serves you best.

Inside your workbook, you'll find an evaluation form just like this one.

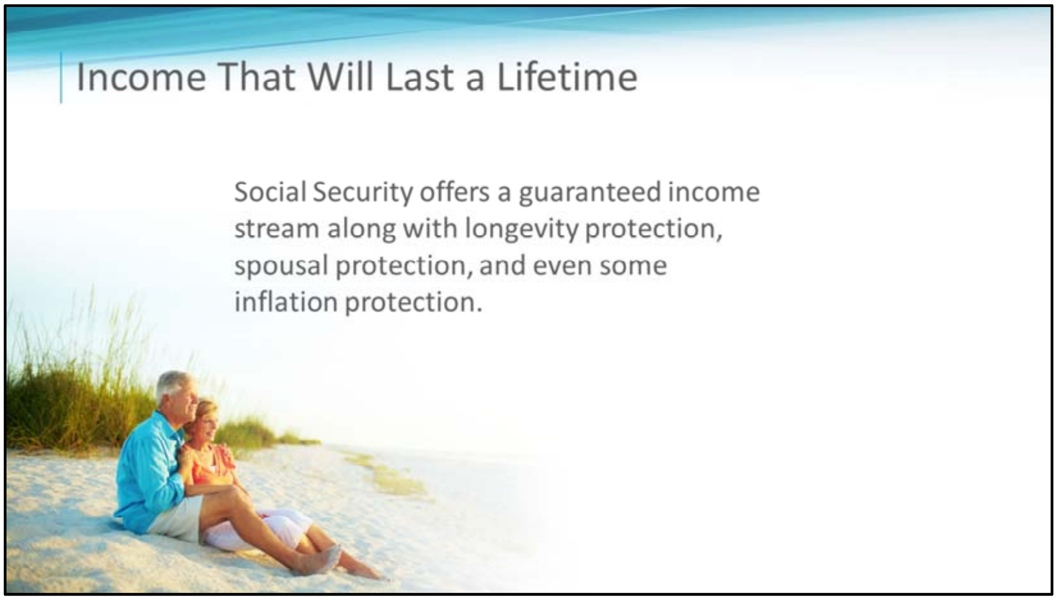
[Note to presenter: Pull out an evaluation form for your seminar participants to see.]

At the end of the presentation, please use this form to tell us whether you're interested in taking advantage of the complimentary consultation.

We'd like to make you two promises concerning this form. First, if you check "Yes, I am interested in scheduling a complimentary consultation," we'll call you in the next couple of days and set up an appointment. Second, if you check "No, I am not interested in scheduling an appointment at this time," we won't call you directly after the seminar.

In exchange for these two promises to you, please promise that you will fill out this form. Many seminar attendees do come in for a consultation, so we've set aside time just to meet with you.

When you do come to our office, feel free to leave your checkbook at home. We are very interested in developing working relationships with you, but that decision is yours.

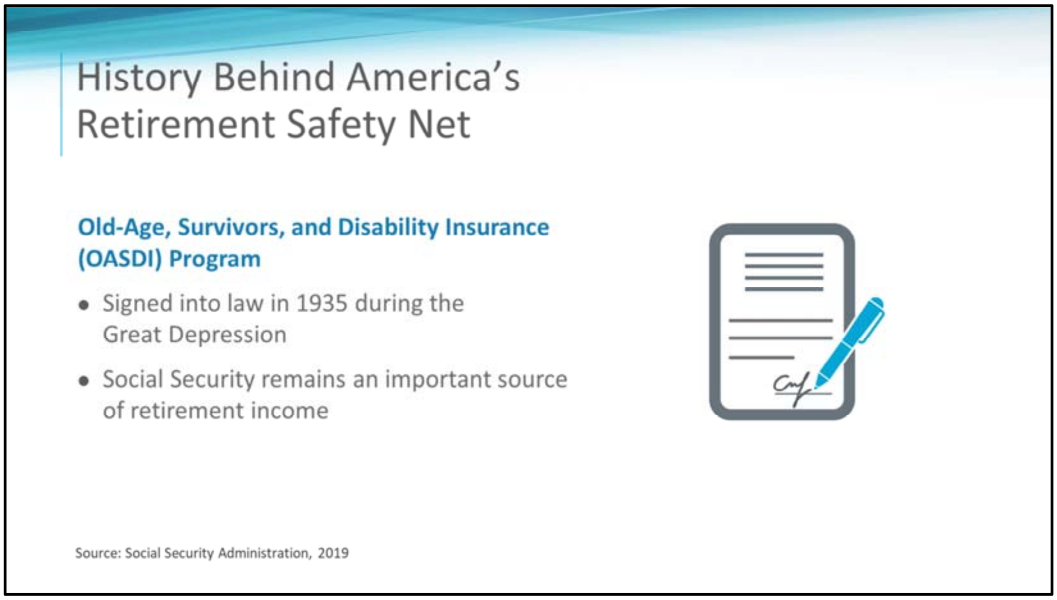


One of the greatest concerns of retirees and near-retirees is the fear of outliving their assets. Although traditional pensions once provided a steady income for many retirees, the number of companies offering such plans has declined dramatically.

Social Security offers benefits similar to a pension, plus a lot more. Not only does it provide a guaranteed income stream, but it also offers longevity protection, spousal protection, and even some inflation protection. Yet the ultimate value of Social Security benefits is often overlooked.

For example, did you know that if you delay claiming benefits past full retirement age, you could increase your payments by as much as 8 percent a year? It would be hard to find a risk-free investment that currently offers that kind of payout.

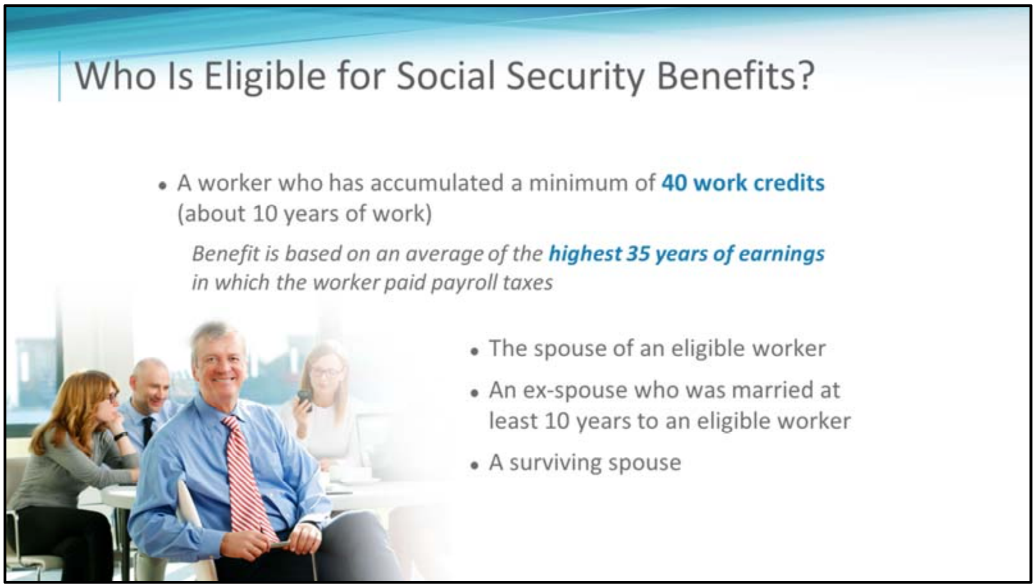
Whether you're single, married, divorced, or widowed, there are strategies that might increase the monthly and lifetime Social Security benefits you receive. We want you to understand your claiming options and avoid costly mistakes that could reduce the Social Security income that you, and possibly your spouse, receive.



Let's start with some history on the Old-Age, Survivors, and Disability Insurance (OASDI) program, which is the official name of Social Security. It was created as part of Franklin Delano Roosevelt's New Deal legislation during the Great Depression and signed into law in 1935. It is now the federal government's largest single program.

Social Security benefits were intended as a *supplement* for retirees, not as a sole means of support. But over time, many retirees — as well as some disabled individuals and families of deceased workers — have become very dependent on their monthly Social Security payments.

Source: Social Security Administration, 2019



If you have worked and accumulated a minimum of **40 work credits**, which is 40 fiscal quarters or about 10 years of work, you are entitled to receive Social Security retirement benefits.

Your benefit is based on an average of the **highest 35 years of earnings** in which you paid Social Security payroll taxes.

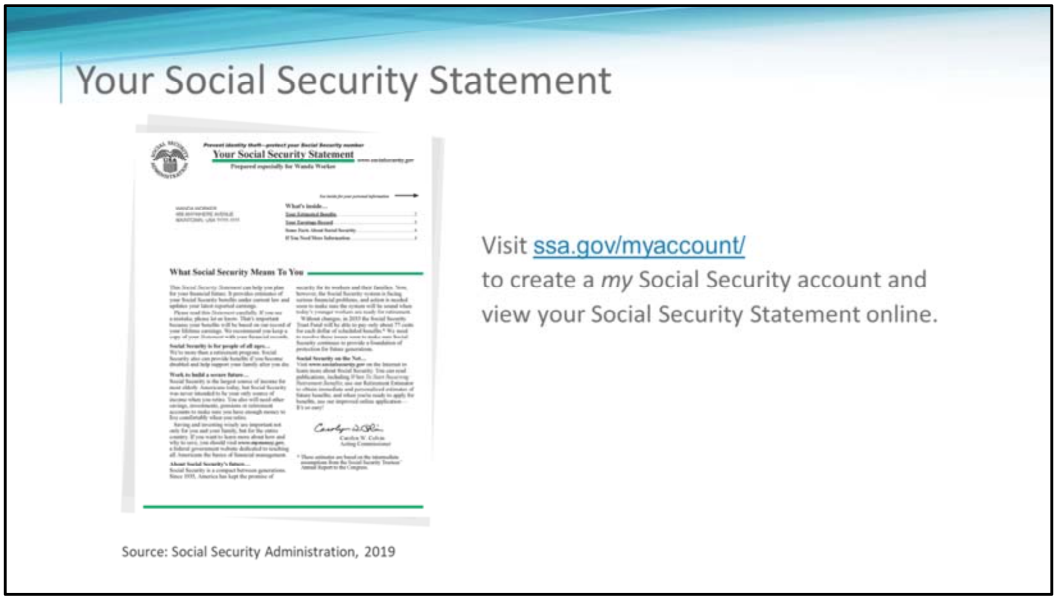
If you worked fewer years, worked part-time, or had long periods of unemployment, the years in which you had low or zero earnings will be averaged into the calculation and could affect your benefits.

If you are the spouse of an eligible worker, you can collect Social Security benefits regardless of whether you worked or not.

Even the former spouse of an eligible worker may be entitled to Social Security benefits based on the ex’s work record if they were married for at least 10 years and the individual has not remarried.

And surviving spouses of workers are eligible for survivor benefits.

We’ll explore this later in the seminar.



To determine the potential benefits you might receive, you should look at your Social Security Statement.

Your Statement summarizes your annual earnings that were subject to payroll taxes, shows how much you and your employer(s) paid in Social Security and Medicare taxes, and estimates your retirement benefits based on retiring at age 62, full retirement age, and age 70. It also includes some facts about Social Security and Medicare and what the programs might mean to you.

Social Security Statements are mailed annually to workers who are 60 and older, not receiving benefits, and don't have an online *my* Social Security account.

At any age, you can view your Statement online by creating your own personal account on the Social Security website at ssa.gov/myaccount/.

Even after you start receiving Social Security benefits, an online personal account can be helpful. You can access your account to print out Social Security and Medicare benefit information, update your address, and change your direct deposit data.

Source: Social Security Administration, 2019

Understanding COLAs

Years	COLA
Since 1975	**3.7% average**
2010	**0%**
2011	**0%**
2012	**3.6%**
2013	**1.7%**
2014	**1.5%**
2015	**1.7%**
2016	**0%**
2017	**0.3%**
2018	**2.0%**
2019	**2.8%**
2020	**1.6%**

After factoring in the 2020 COLA, the average retired worker's monthly benefit will be $1,503.

Source: Social Security Administration, 2019

Because Social Security benefits are indexed for inflation, your monthly benefit could increase as the cost of living rises from year to year. Thanks to these cost-of-living adjustments (COLAs), some people refer to Social Security as an inflation-protected asset that will help maintain the purchasing power of those benefits.

Under the current system, the automatic COLA is equal to the annual percentage increase — if any — in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

Since 1975, the average annual COLA has been nearly 3.7 percent. Social Security beneficiaries have received a COLA almost every year since 1975, but there was no COLA for 2010, 2011, or 2016 because inflation was too low to trigger an increase.

After factoring in the 2020 COLA, the average monthly benefit for a retired worker will be $1,503.

Source: Social Security Administration, 2019

Let's discuss when you can claim benefits and what you might receive from Social Security based on how the rules work today. Of course, considering the fiscal challenges that Social Security faces, it is possible that, in the future, the rules may change.

Social Security benefits are based on how much you earned during your working career and the age when you start claiming benefits.

Generally, the earliest age to claim benefits is 62. (*Surviving spouses, however, can claim survivor benefits as early as age 60.)*

"Full retirement age" ranges from 66 to 67, depending on year of birth.

You can receive your maximum monthly benefit by waiting until age 70 to claim Social Security.

How Does Filing Early or Later Affect the Monthly Benefit?

Year of birth	Full retirement age	Age 62 benefit	Age 70 benefit
1943–54	66	75.00%	132.00%
1955	66 and 2 months	74.17%	130.67%
1956	66 and 4 months	73.33%	129.33%
1957	66 and 6 months	72.50%	128.00%
1958	66 and 8 months	71.67%	126.67%
1959	66 and 10 months	70.83%	125.33%
1960 & later	67	70.00%	124.00%

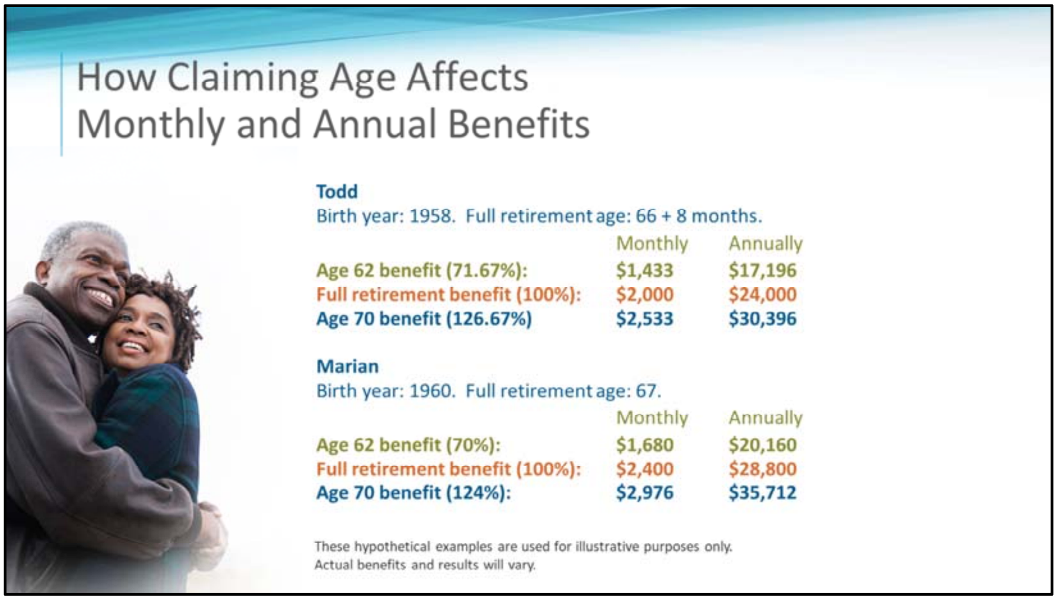
Many people automatically associate age 65 with retirement. But “full retirement age,” when you are entitled to receive 100 percent of your full retirement benefit — also called the primary insurance amount or PIA — now ranges from 66 to 67 for those born after 1942.

You can see here how full retirement age is changing based on year of birth, and how claiming Social Security early at age 62 or delaying benefits up to age 70 would affect your monthly payouts.

At age 62, the amount you receive each month would be permanently reduced by 25 to 30 percent of the “full retirement age” amount, depending on the year you were born. With each month you wait to claim benefits after age 62, your monthly benefit increases slightly.

By electing to start retirement benefits at your full retirement age, you would be entitled to 100 percent of your primary insurance amount.

For each month you wait to claim Social Security *after* reaching full retirement age, your monthly benefit would continue to increase until you reach age 70, when you would be entitled to receive up to 132 percent of your full benefit (depending on year of birth). By waiting past full retirement age, you earn delayed retirement credits. There is no advantage to waiting longer than age 70 to file for benefits.



Let's look at some hypothetical examples to put some dollar amounts behind these benefit percentages for two people born in different years.

Todd was born in 1958. His full retirement age is 66 and 8 months, when he is entitled to a $2,000 full monthly benefit.

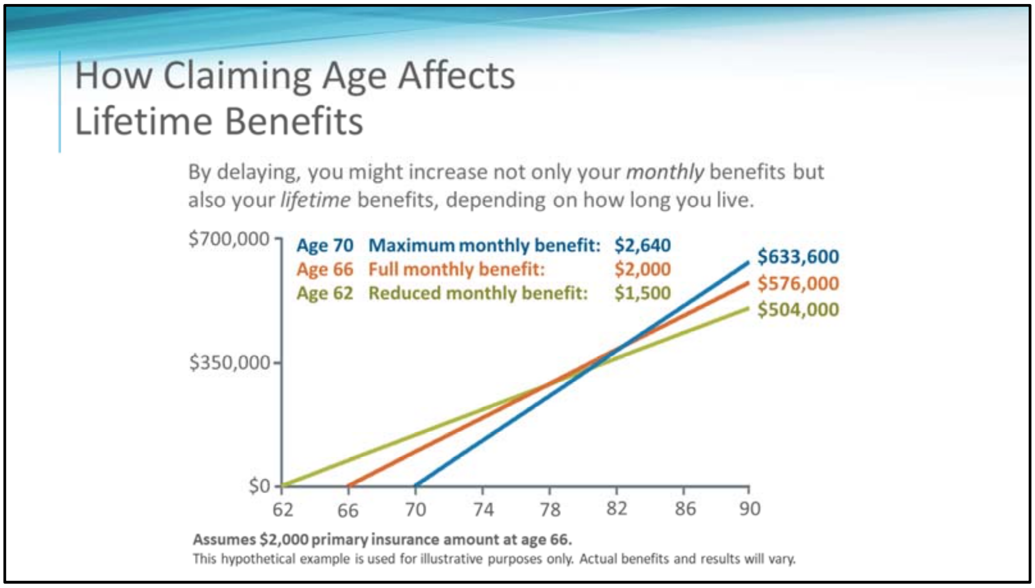
If Todd claims his worker benefit at age 62, it would be permanently reduced to 71.67 percent of the primary insurance amount. So a monthly benefit that would have been $2,000 at full retirement age would be reduced to about $1,433 if he claims it at age 62. On the other hand, if Todd delays claiming his worker benefit until age 70, it would be 126.67 percent of his primary insurance amount, or $2,533 per month.

Here's another example. Marian was born in 1960. Her full retirement age is 67, when she would be entitled to a $2,400 full monthly benefit.

If Marian claims her worker benefit at age 62, it would be permanently reduced to 70 percent of the primary insurance amount. So a monthly benefit that would have been $2,400 at full retirement age would be reduced to about $1,680 if she claims it at age 62. On the other hand, if Marian delays claiming her worker benefit until age 70, it would be 124 percent of her primary insurance amount, or $2,976 per month.

You can also see that on an annual basis, these percentage differences can add up and significantly affect retirement income.

These hypothetical examples are used for illustrative purposes only. Actual benefits and results will vary.



Your decision on when to file for Social Security should be based on a combination of factors, including your health, life expectancy, work situation, retirement goals, and other sources of income.

If you delay filing for Social Security, you might increase not only your *monthly* benefits but also your *lifetime* benefits, depending on how long you live.

This graph shows the potential impact on lifetime benefits for someone with a $2,000 PIA who lives to age 90, based on claiming Social Security at age 62, age 66, or age 70.

[Note to presenter: Discuss the outcome of the numbers on the slide.]

What claiming age do you think will provide the most Social Security income over a lifetime? The answer will be different for each person. For some individuals, working longer and claiming benefits later may provide the most Social Security income over their lifetimes. Others may not have a choice because they need the income at an earlier age. And people who don't live as long might receive more Social Security income over their lifetimes by collecting benefits at an earlier age.

If your health is good, you are working, and you have family members who have lived well into their 80s and 90s, delaying benefits could provide you with greater lifetime Social Security benefits.

This hypothetical example is used for illustrative purposes only. It assumes a $2,000 primary insurance amount at age 66. Actual benefits and results will vary.