

Figure 2.1 The Wealth Odyssey Road Map (WORM)

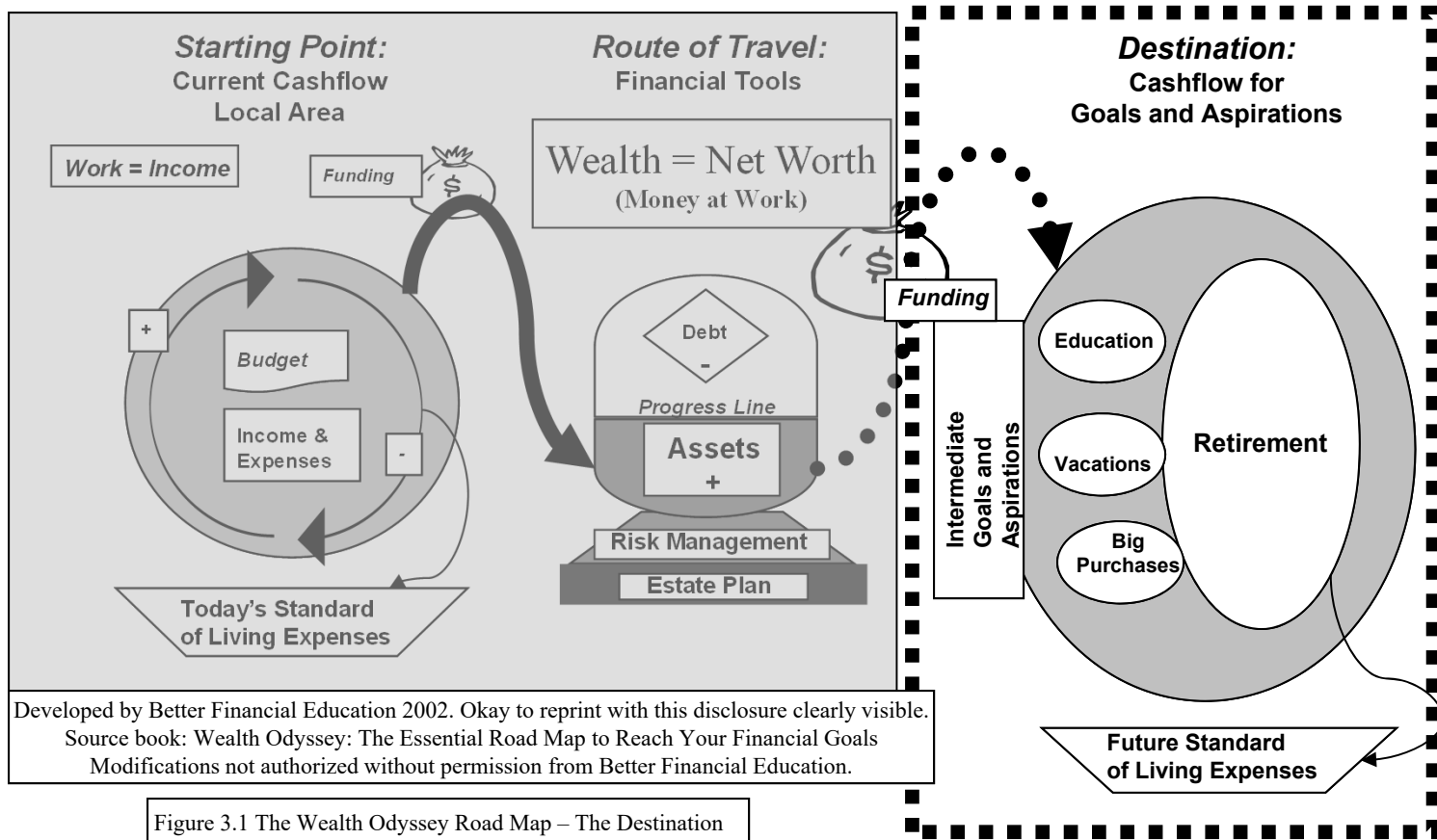
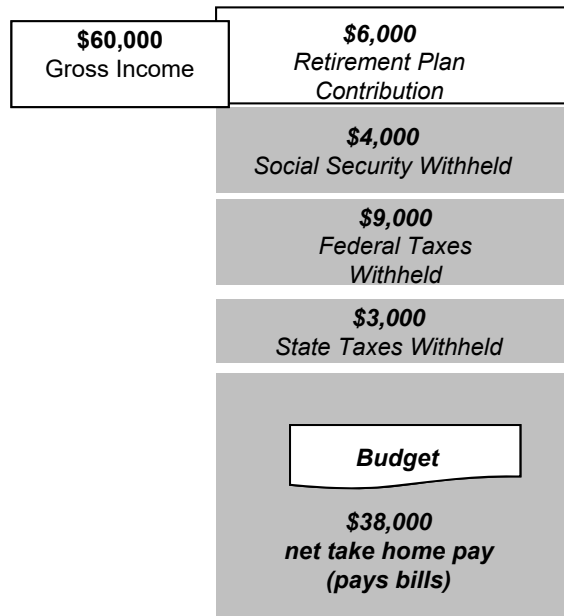


Figure 3.1 The Wealth Odyssey Road Map – The Destination

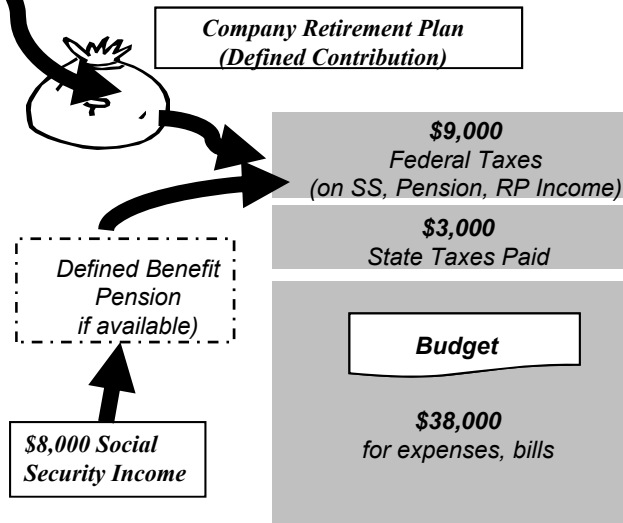
Today's SOIL



Today's SOIL:
 = $\$38 + 3 + 9 + 4 = \mathbf{\$54,000}$
 Earned and Spent
 to support your expenses

Figure 3.2 SOIL – Standard of Individual Living Today and In Retirement

Retirement SOIL



Retirement SOIL:
 = $\$38 + 3 + 9 = \mathbf{\$50,000}$
 Spent to support your expenses
 Note: taxes may be slightly less with
 Social Security adjustments

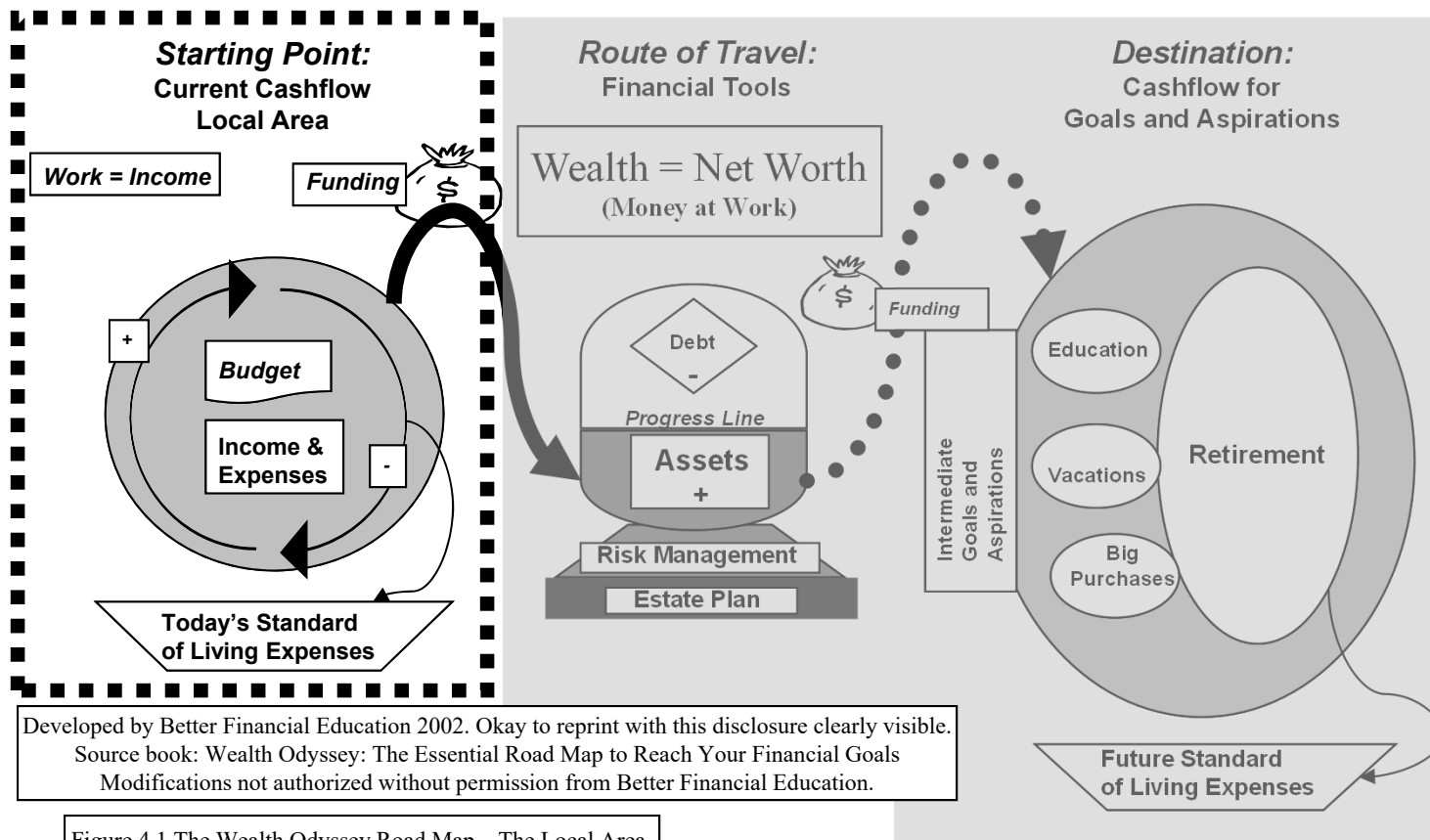


Figure 4.1 The Wealth Odyssey Road Map – The Local Area

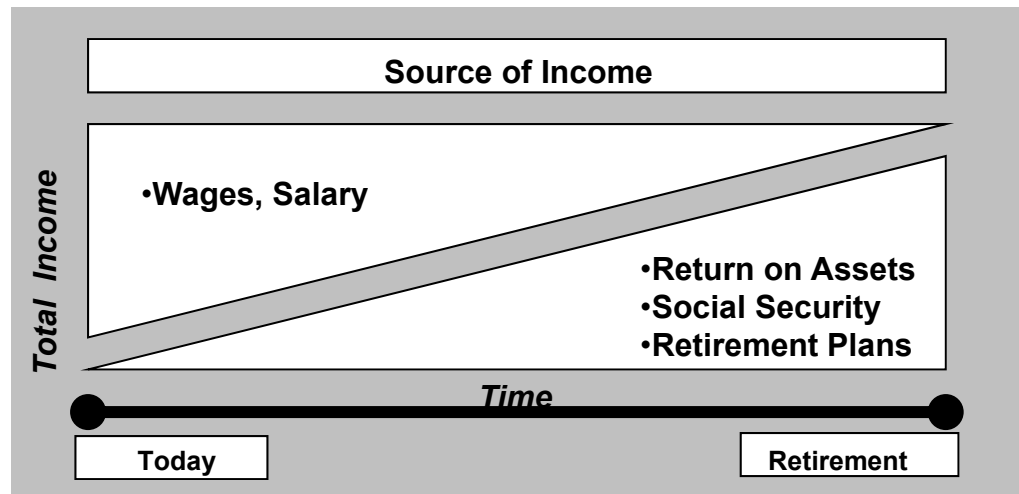


Figure 4.2 The Income Replacement Model

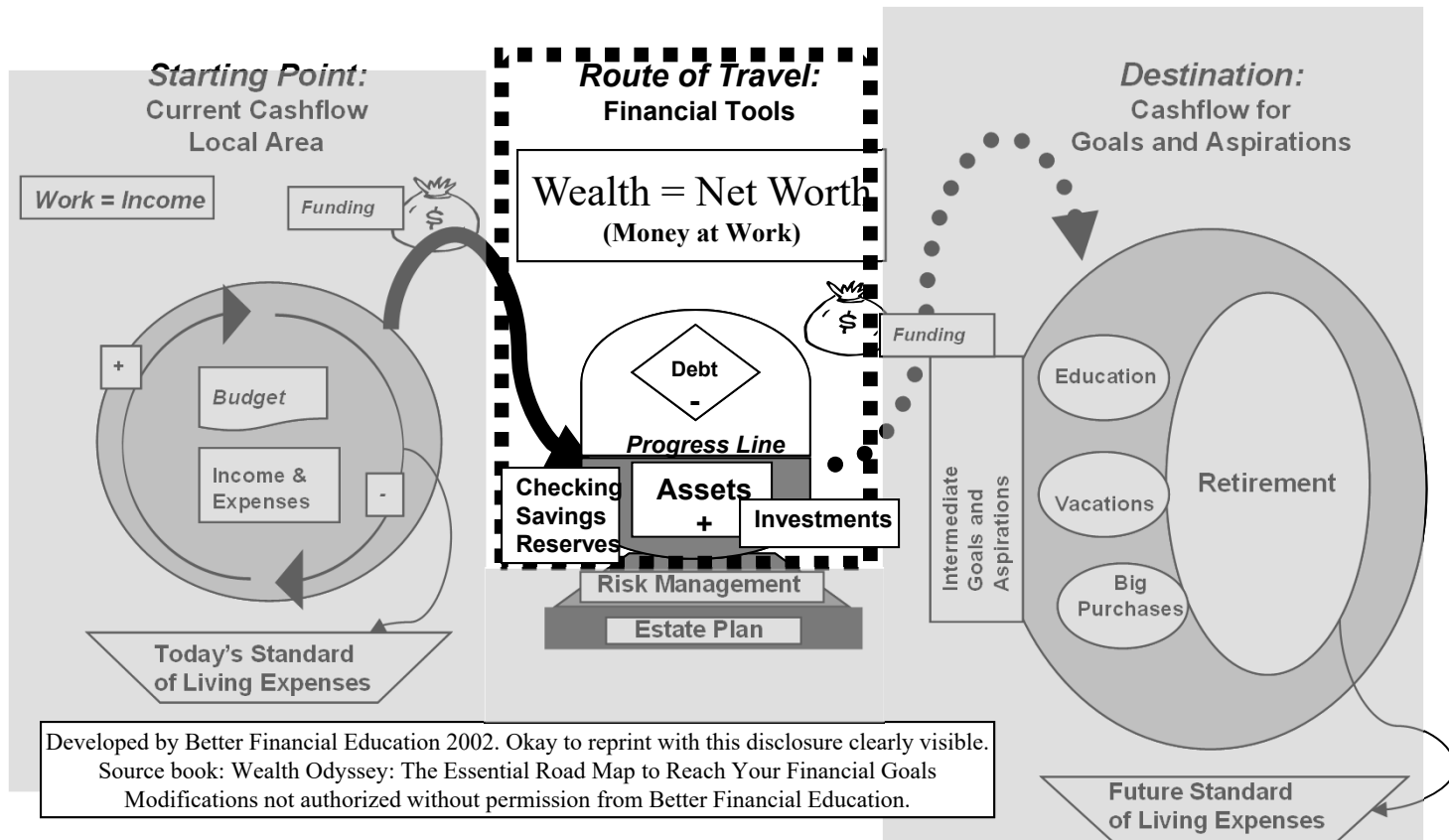


Figure 5.1 WORM Net Worth and the Progress Line

The Relationship Between the Individual and the Economy		
	<u>INDIVIDUAL</u>	<u>ECONOMY</u>
Source of Wealth	<ul style="list-style-type: none"> •Wages and salaries •Market returns on capital 	<ul style="list-style-type: none"> •Labor force growth •Technological Progress •Productivity enhancements •Economic activity <ul style="list-style-type: none"> •Consumer spending •Business spending •Government spending
Role of Markets	<ul style="list-style-type: none"> •Allocate capital •Place value on ownership •Measure combined individual perception of economy 	<ul style="list-style-type: none"> •Reflect success of companies •Place value on economic activity
Relevant Terms	<ul style="list-style-type: none"> •Bull and Bear Market •Bubble •Bust •Capitalization 	<ul style="list-style-type: none"> •Expansion •Contraction <ul style="list-style-type: none"> •Recession •Depression •Inflation •Deflation

Figure 5.2 The Relationship Between the Individual and the Economy

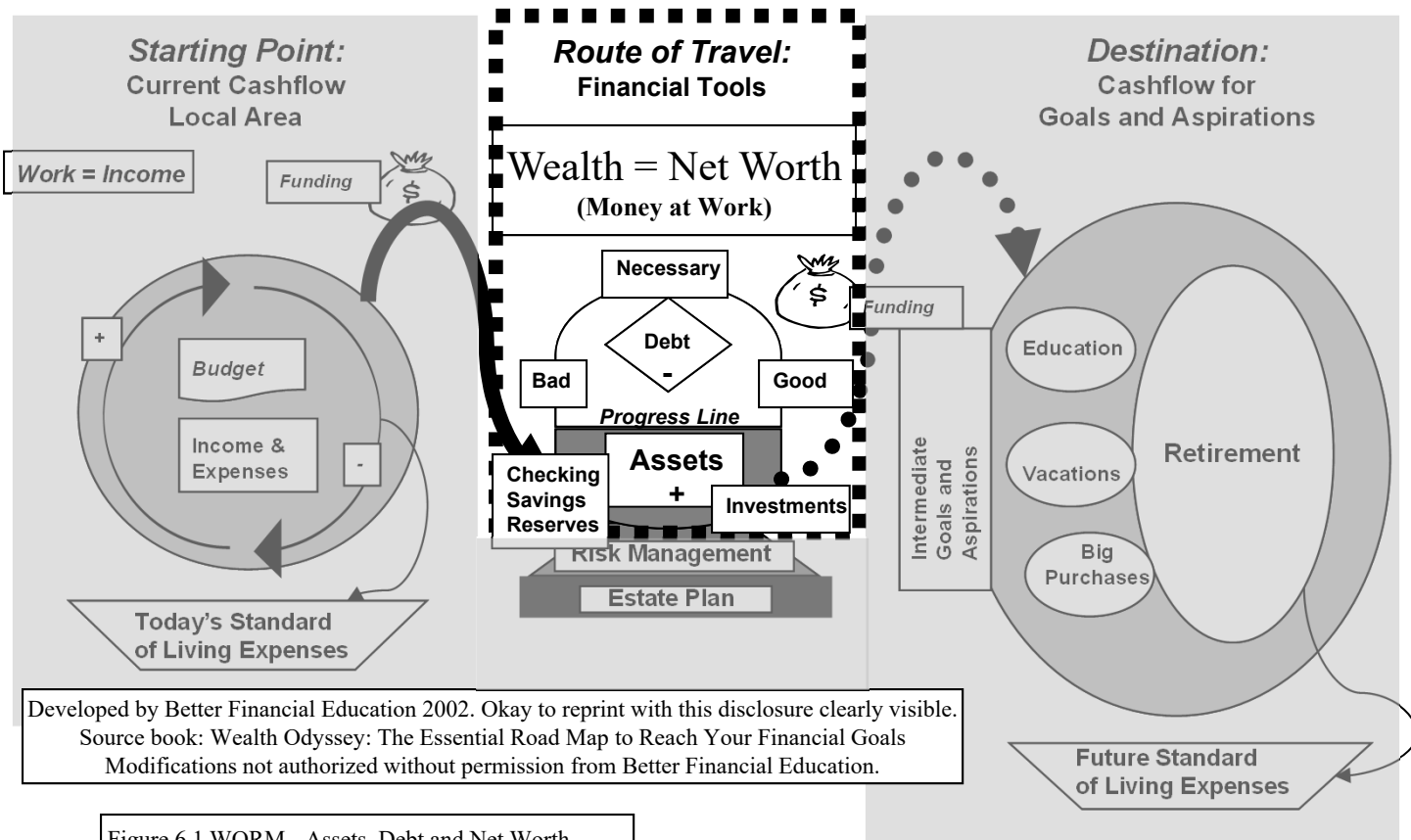
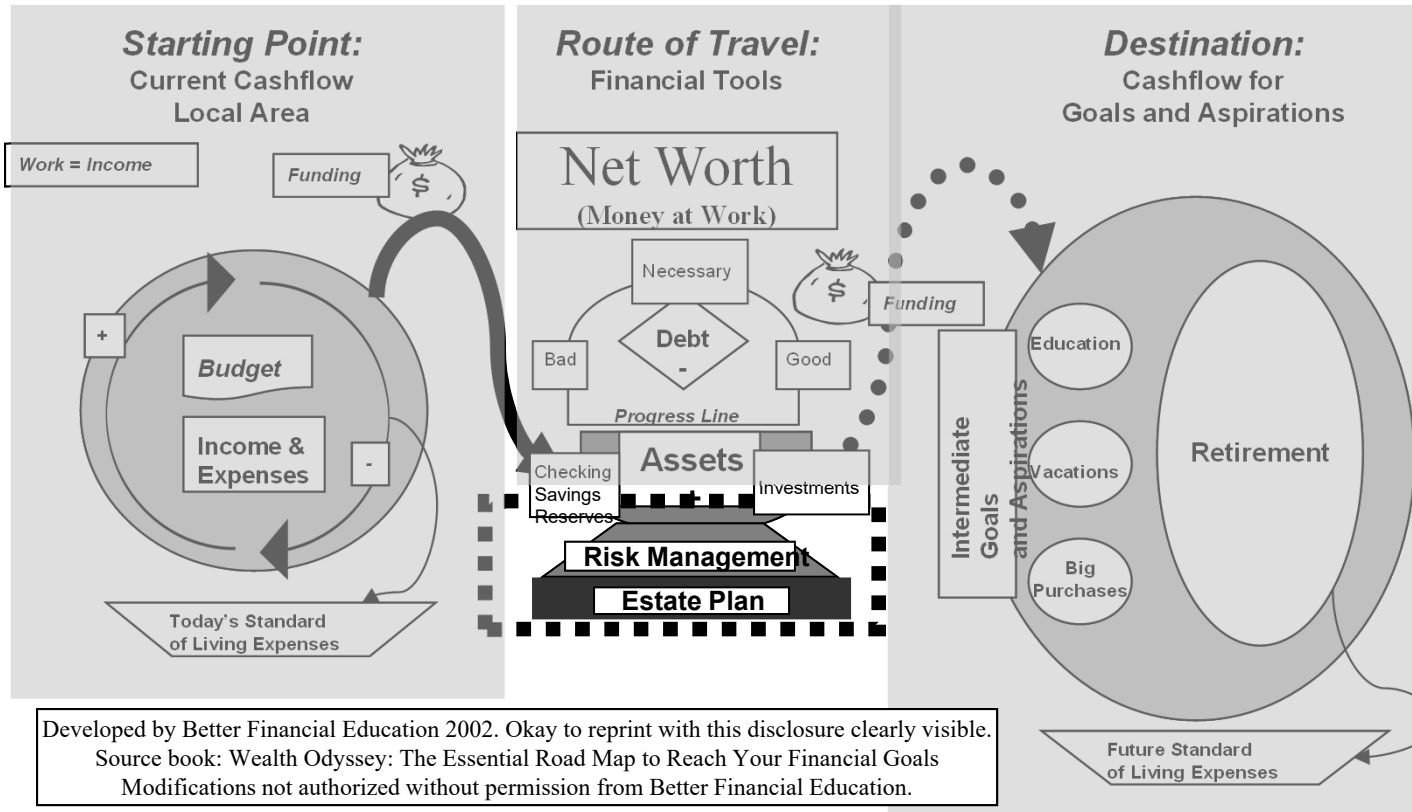


Figure 6.1 WORM - Assets, Debt and Net Worth



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 Source book: Wealth Odyssey: The Essential Road Map to Reach Your Financial Goals
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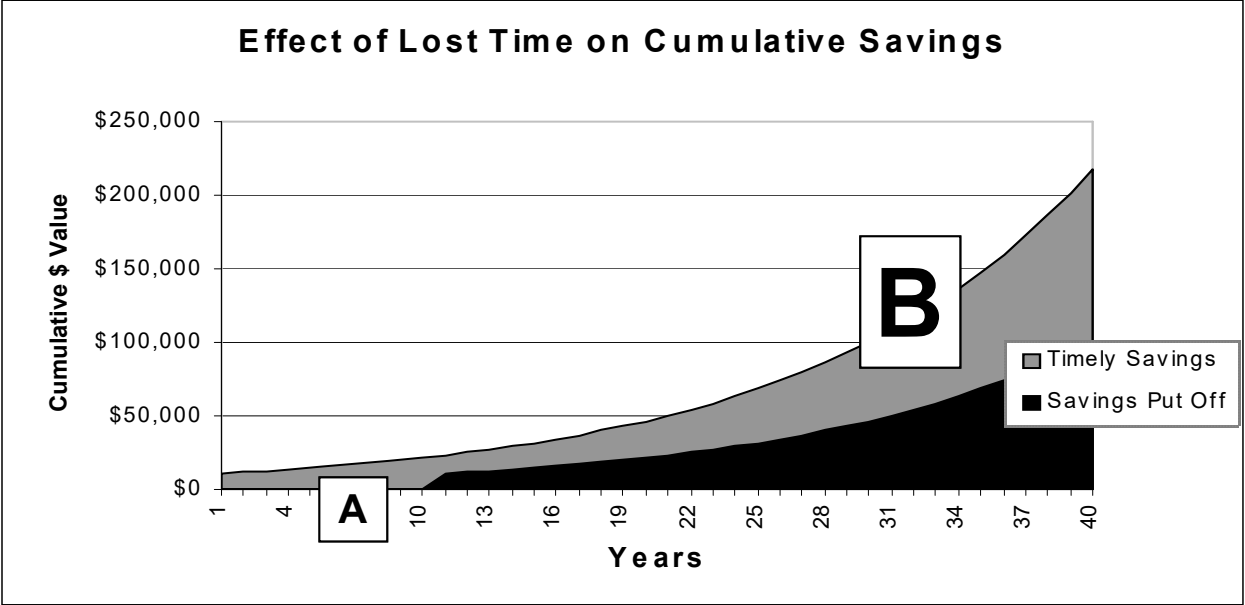


Figure 10.1 The Effect of Delayed Savings

Risk and Risk Management		
	<u>RISK</u>	<u>RISK MANAGEMENT SOLUTION</u>
<u>INCOME RISK</u>	<ul style="list-style-type: none"> •Loss of Job •Loss of Life •Disability (Loss of Income) 	<ul style="list-style-type: none"> •Asset Reserve •Life Insurance •Asset Reserves (for waiting periods) •Social Security (Disability/Retirement) •Disability Insurance
<u>ASSET RISK</u>	<ul style="list-style-type: none"> •Property Damage •Frailty •Living Too Long 	<ul style="list-style-type: none"> •Asset Reserves (for deductibles) •Property/Casualty Insurance (auto,homeowners etc) •Asset Reserves (for waiting periods) •Long Term Care Insurance •Social Security/Pension •Immediate Annuities

Figure 10.2 Types of Risk and Risk Management Tools

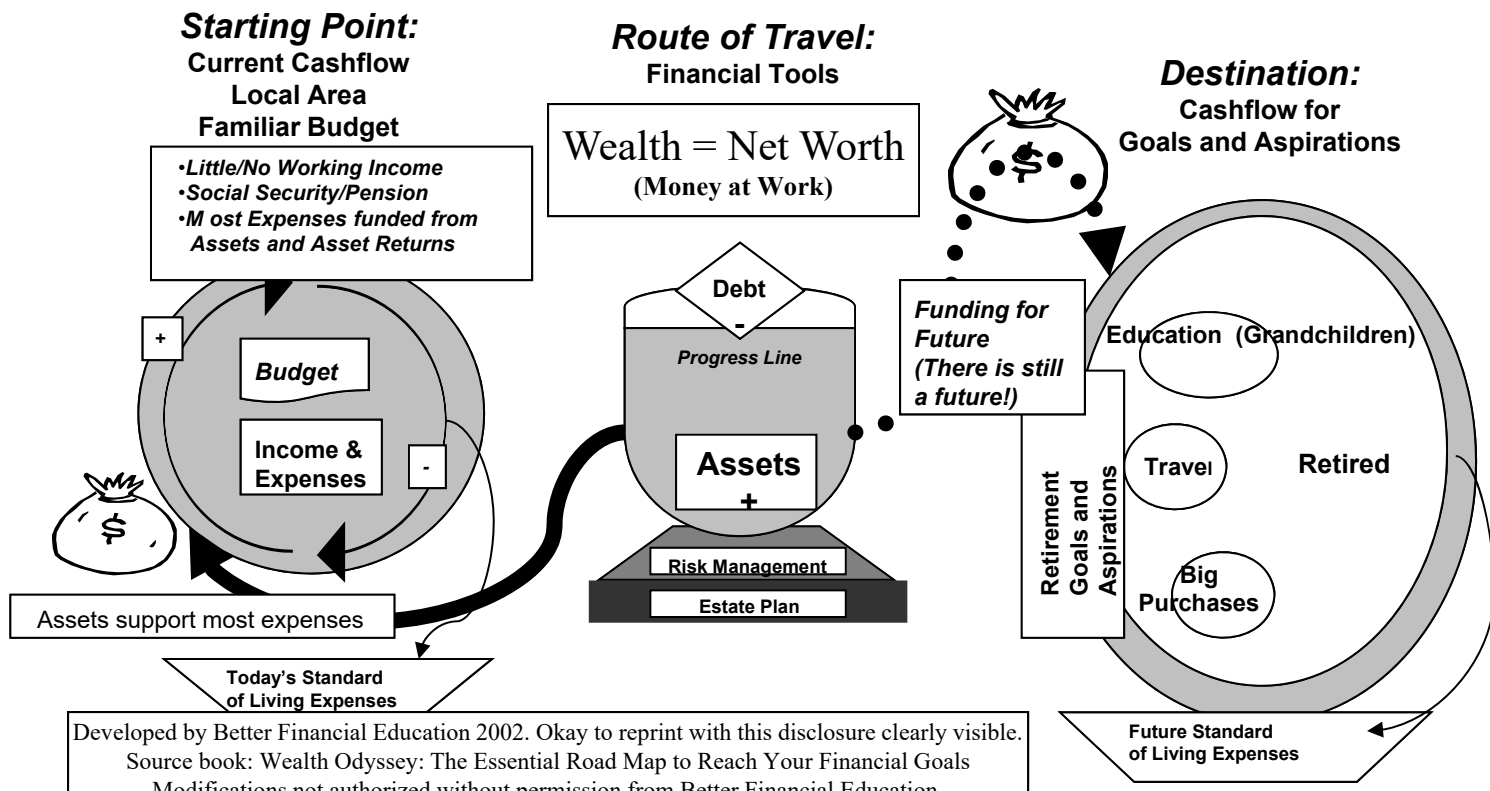


Figure 12.1 The Wealth Odyssey Road Map in Retirement

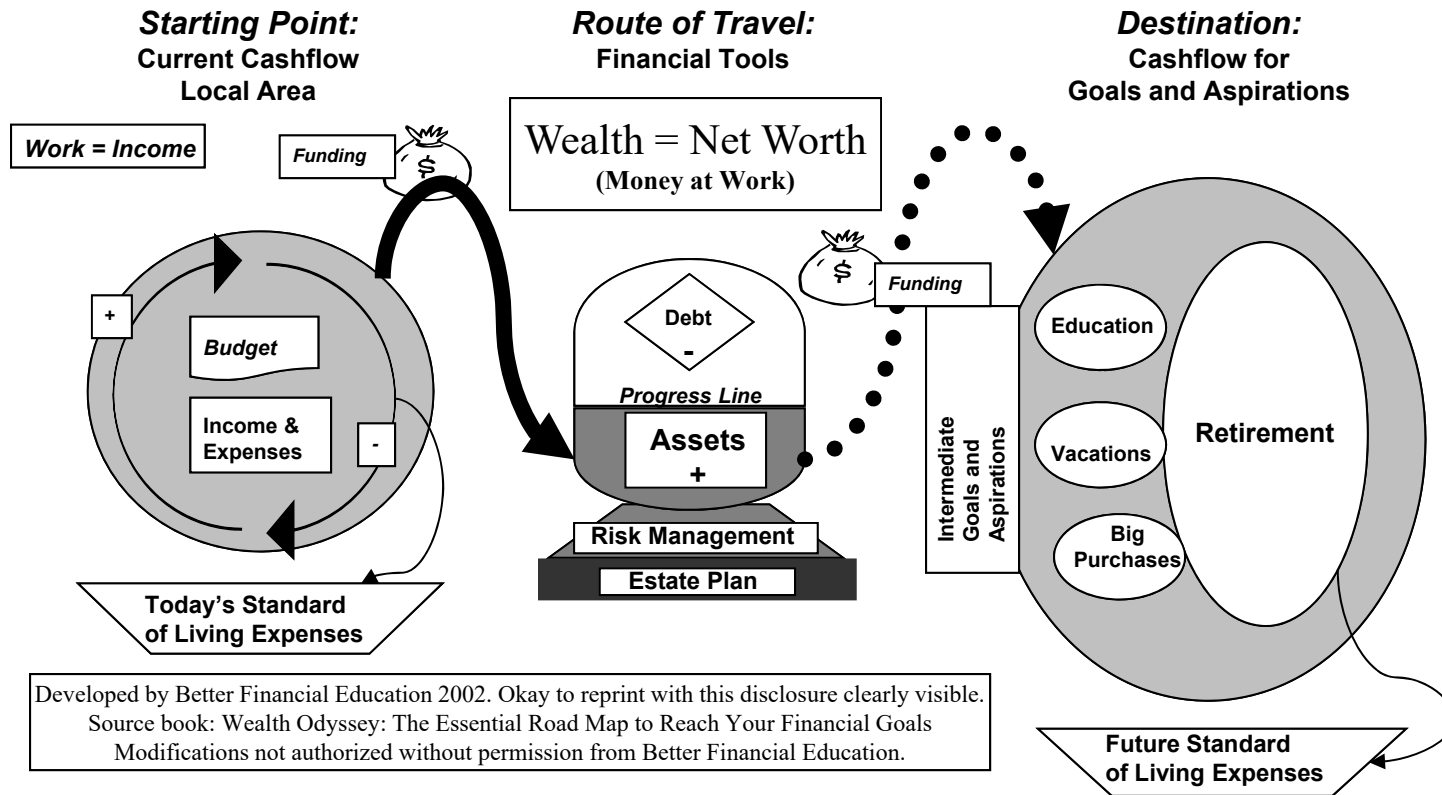


Figure A.1 The Wealth Odyssey Road Map (WORM)

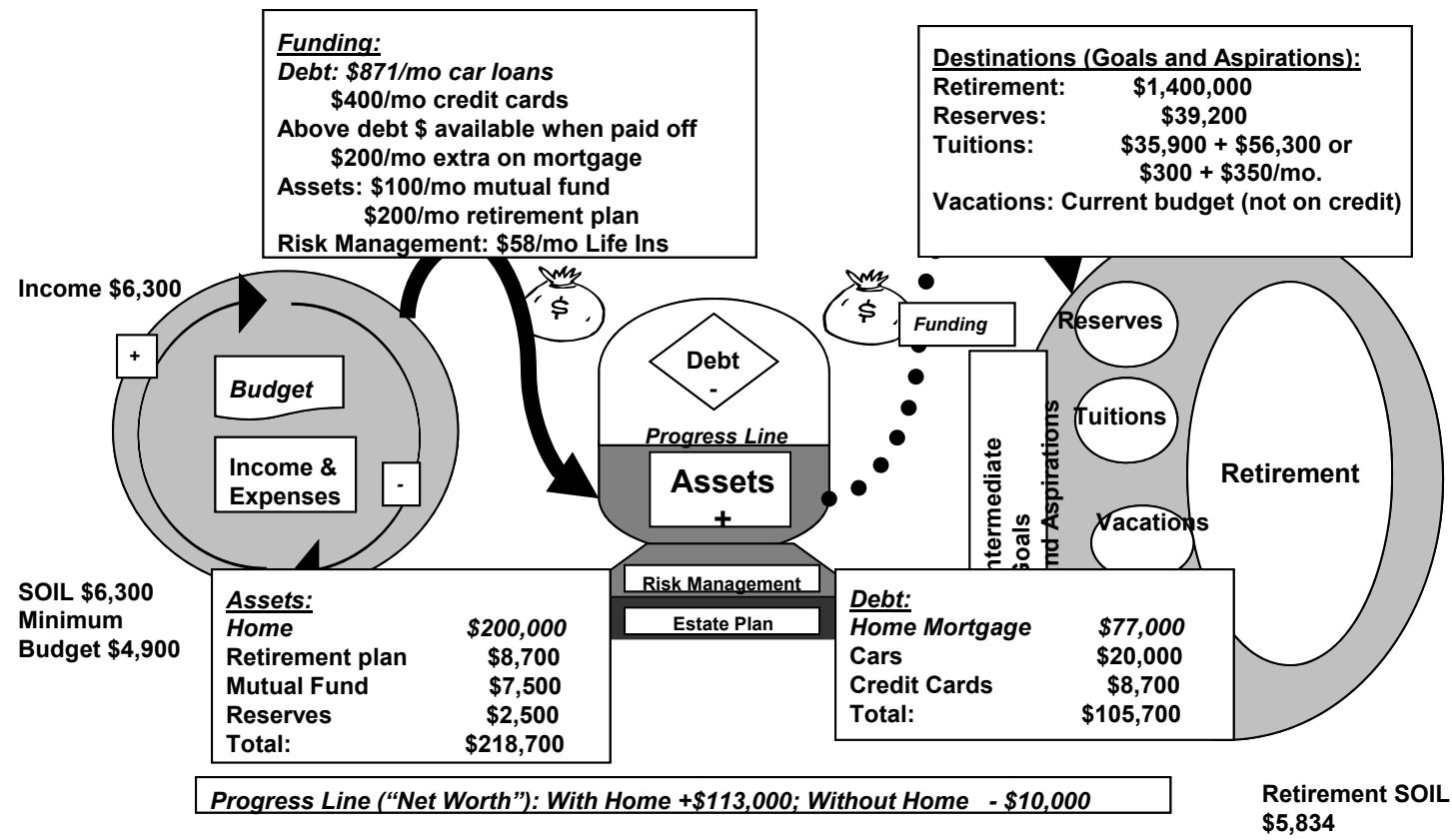


Figure Appendix C - The Doe Family Case Study