Securities offered through LPL Financial, member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. And the products mentioned throughout the presentation are not FDIC Insured, Not bank guaranteed and May Lose Value.
Protect And Grow Your Practice

Central Pacific Investment Services
Michael Hatchell
Assistant Vice President & Assistant Financial Planning Manager
What Is Your Most Valuable Asset?

Your home may be your *biggest* asset, but your ability to work and earn an income is your most *valuable* asset.

*Median home value in Hawaii July 2015 – Oahu Real Estate Market Report
**Projected cumulative income, 35-year-old earning $150,000/yr assuming 3% annual increase to age 65*
Income Focus

- Protect your income from*
  - Disability
  - Death

- Create Income for your future
  - While reducing taxes
  - Protection from creditors

*Guarantees are based on the claims paying ability of the issuing company.
Which job would you rather have?

**JOB A**

$150,000
Annual salary if working

$0
Income while too sick or hurt to work

**JOB B**

$146,000
Annual salary if working

$90,000
Income while too sick or hurt to work

Which Paycheck Option Do You Have Today?

Which One Would You Want?
The Building Blocks of Your Financial Life

The entire structure rests upon the one fundamental building block: your ability to earn income.
2 Ways To Get Disability Insurance

**Full Underwriting**
- Up to $25,000 a month benefit
- Full Medical Exam Required
- Doctors Records Required
- Financial Documents Required
- Process can take 6-8 weeks or longer

**Simplified Underwriting**
- Up to $7,500 a month benefit
- NO Medical Exam Required
- NO Doctors Records Required
- NO Financial Documents Required
- NO additional cost for simplified underwriting
- Process can be completed in 1-2 weeks
Disability Solutions for Businesses- Overhead Expense Insurance

- **Objective:** Reimburse a business owner for covered business expenses incurred during his/her disability.

- **Benefits:** Helps insure a business can remain open and the owner can either:
  - Return to financially sound business; or
  - Sell the practice in an orderly manner.
Covered Overhead Expenses

Business expenses that are deductible for federal income tax purposes

- Salary for your replacement
- Staff salaries and benefits
- Lease/loans for building, furniture and equipment
- Medical malpractice, property and liability insurance premiums
- Utilities, phone bills, office supplies, postage
- Accounting, billing, legal and collection fees
- Janitorial, security and maintenance services
- Professional and trade dues/subscriptions
- Real estate taxes
What Is The Risk?

- Approximately one out of seven people between the ages of 35 and 65 can expect to become disabled for five years or longer.

- Contrary to what people believe, the vast majority of serious disabilities (92%) are the result of illness rather than accidents.

- In a recent study, disability caused nearly 50% of all mortgage foreclosures, compared to 2% caused by death.
Life Insurance

- Proceeds pay for:
  - Your mortgage
  - Family living expenses
  - Pay for childcare and education, now and in the future
  - Pay off loans and other debts
  - Leave a legacy for future generations
  - Manage final expenses
Creating Income For The Future

Which Retirement Plan Is *Suitable* For My Business?

- SIMPLE IRA
- SEP IRA
- Payroll Deduction IRA
- Single K Plan
- Non-qualified Deferred Compensation

Retailment Plans **not** protected from creditors

- 401(k)
- Profit Sharing
- Non-traditional Profit Sharing
- Defined Benefit

Retailment Plans **protected** from creditors
Grow Your Practice

- Maximize Cash Flow To:
  - Acquire equipment and new technology
  - Expand or make office improvements
  - Acquire other practices
  - Obtain lines of credit

- Reduce Taxes
  - By maximizing contributions to your retirement plan
Central Pacific Investment Services Mission

- **Prosper**
  - Help you create a financially stable lifestyle

- **Create A Legacy**
  - Reduce your debts
  - Provide you with lifestyle options
  - Enjoy your retirement