



Introduction

Incorporating the newest legislative changes, RetirementWorks® provides extensive and precise calculations for retirement plan contributions and for early, normal and required plan distributions, as well as for various other calculations helpful in retirement planning.

Some companies purchase the entire set of calculation modules, while others select only a few. Therefore, your version might not include some of the modules and functions described in this Guide.

RetirementWorks® provides you with the tools to:

- compare future fund accumulations under a hypothetical cash flow and rate-of-return scenario for two different plan/product structures;
- approximate a Federal 1040 tax return for one or two years;
- allocate account assets among stock and bond categories, either using a simple and general method, or based on expected future contribution and withdrawal levels;
- re-calculate a client's paycheck after adjusting for changes in pre-tax retirement plan contributions, either separately or in conjunction with a 1040 analysis that will solve for a pre-tax amount that results in a zero federal tax refund (a batch processing version is also available – contact Still River for more information);
- optimize pre-tax vs. after-tax contributions for maximum retirement savings;
- perform a basic retirement needs analysis, estimating the new monthly savings required to provide adequate retirement income in the future;
- perform an analysis of education funding needs, either separate from or in combination with retirement needs;
- optimize contributions to IRAs vs. Roth IRAs, optimize rollovers from IRAs to Roth IRAs, and determine eligibility for both;
- calculate maximum contributions to a Section 457 plan;
- determine how much should be withdrawn from savings and investments every month during retirement;



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- determine how much of retirement savings and investments should be converted into annuity payments;
- determine which particular assets should be spent down first, at retirement;
- calculate 72(t) distributions, which are the maximum amounts that participants may withdraw if they begin before age 59½ ("72(q)" for non-qualified annuities);
- compare options available to qualified plan participants eligible for a lump sum distribution;
- calculate Required Minimum Distributions for plan participants who must begin (or who have already begun) withdrawing funds from a tax-qualified retirement plan because they have reached age 70½ or because they have retired;
- estimate Social Security retirement benefits, and compare the impact of beginning benefits at ages 62 to 70.
- perform basic financial calculations, such as present and future values, cost of delay, internal rate of return, amortization of mortgages and other loans, annuity payment calcs, and life expectancy.

Similar rules apply to many different kinds of tax-qualified retirement plans. The most popular such plans are 401(k) plans, tax-sheltered annuities (403(b) plans), traditional IRAs, SEP/IRAs, Section 457 plans, and employer-sponsored 401(a) plans. Note, however, that rules do vary somewhat, sometimes in important ways, for the different plans. These differences are reflected in RetirementWorks®.

We have done our best to make this system reflect the current status of the appropriate tax laws and regulations. ***However, we always recommend that participants review these matters with their personal tax advisors in order to confirm the results of the computer calculations and to verify that the calculations performed are appropriate to each person's circumstance.***

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Installation

Hardware and software requirements

RetirementWorks® will run on any machine that supports Windows 95, Windows NT, or newer versions of Microsoft® Windows. Installing the system requires approximately 4 megabytes of disk space, plus possibly a similar additional amount for files that may be shared with other software.

Installation procedure

To install the system:

- place the CD-ROM (or first diskette, as the case may be) into the appropriate drive
- if installation does not begin automatically, click the **Start** button, and select **Run**
- type **x:setup** (substituting the correct drive letter for "x") then **<enter>** and follow the instructions on the screen



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Input Forms

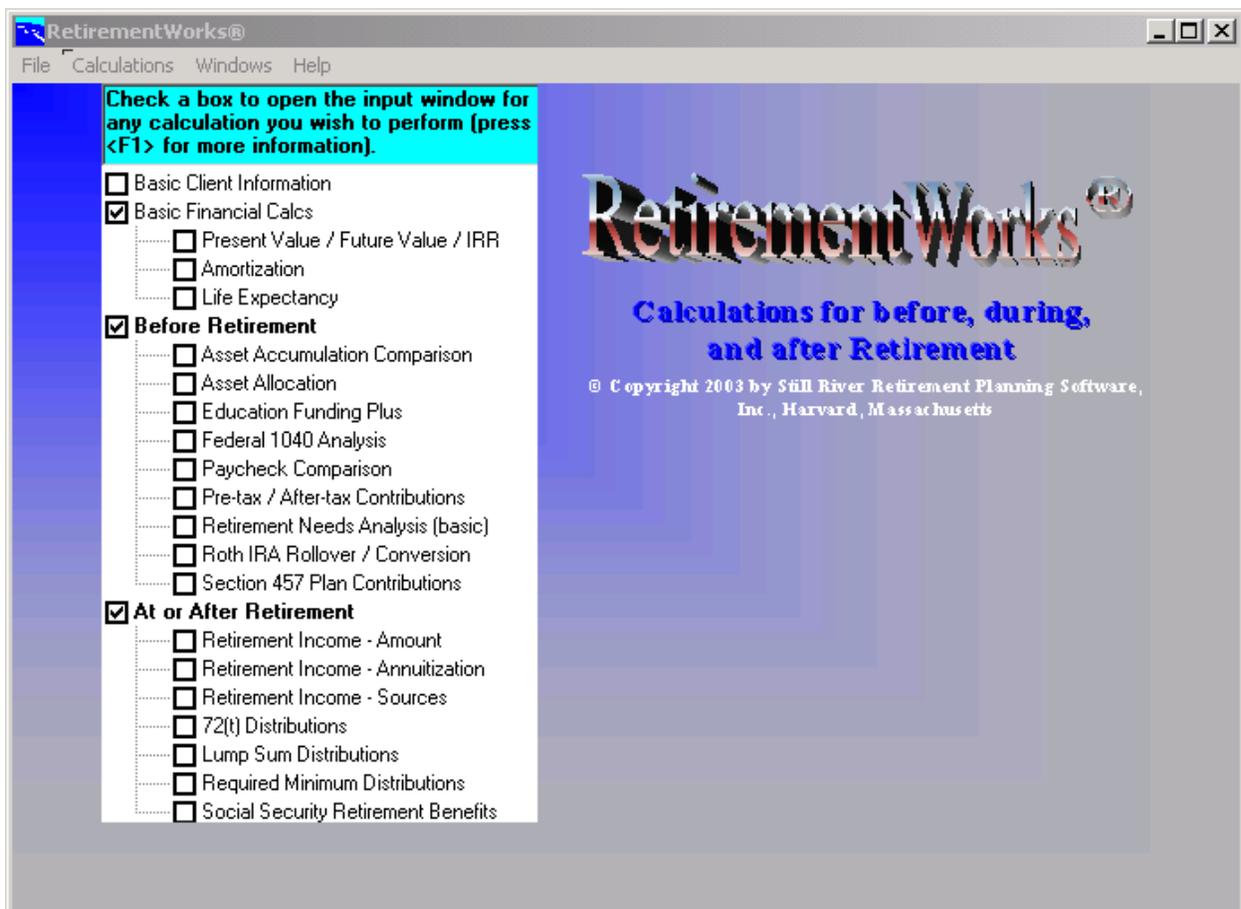
Input forms are not available for printing directly from RetirementWorks® itself. However, when you install the system, a file named "RWINPUT.RTF" is installed in your main program directory. You can load this document into just about any word processor and print the page(s) you need. Even better, you can customize the document to suit your own requirements: add your name and logo, delete items that you do not use, or add items or explanations that you think would be helpful to someone filling out the sheet.



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Selecting Calculations

If your version of RetirementWorks® contains more than one calculator, you can choose which one(s) to view. When the system starts, the calculations selection window will appear automatically.



Simply click on the check box next to whichever calculator you want to use, and that window will open. To open another window, just click on the check box for the next calculator you want to use. If the calculations selection window is not visible to you, that means it's hidden underneath another input window. You can either close or move aside the window(s) that are in the way, or you can click on "Calculations" on the menu bar to bring the calculations selection window to the foreground.



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Caution #1: You can have more than one calculator open at a time, but if you do, you might have problems if you change items that appear on more than one window (e.g. the person's name). A change made in one open window will not automatically change the value in a different open window. When you save the data, you might not save the data you expected!

Caution #2: Some versions of RetirementWorks® link to Still River's 403(b) Contribution Planner®. In these versions, if you select the 403(b) Contribution Planner® on the calculations selection window, the 403(b) system will be launched. The good news is that each system will read files created by the other (the default extensions are .403 for the 403(b) Contribution Planner® and .QPD for RetirementWorks®). However, the two systems cannot successfully share the same file at the same time. If you try to do this, you will probably end up saving changes in whichever system you last saved the file, and losing changes you thought you had already saved in the other system. To go back and forth successfully, first complete one task in one of the systems, save the file, then load the file in the other system, complete your task, and save the file again in the second system.



Menu Bar

The Menu Bar at the top of RetirementWorks® allows you to load and save files, preview and print reports, or access Help about the system. Loading and saving files is possible using the choices under the File menu option. File/New will clear the current inputs and give you a clean slate. Note that you can also read files created by Still River's 403(b) Contribution Planner®, if you also license that system; in the File/Open dialog box, select Files of Type "403(b) Contribution Planner files" or "All files" to view files with the .403 extension.

Under Print, you will find options to preview or print reports for whatever calculation windows are open. (On some calculation windows, if you just want a quick calculation you can click the Calculate button at the bottom of the screen and the result will appear as a message at the bottom right.)

The Windows menu option lists all open windows. This can be the quickest way to bring a hidden input screen to the forefront.

The Help menu option will take you to on-line Help, which includes an extensive Glossary of technical terms used in each calculator.



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Pop-up Calculator

To help input dollar amounts or other numbers (as opposed to names or dates, for instance), you can pop up an on-line calculator to add, subtract, multiply or divide. Just **right**-click your mouse on the field where you want to perform a calculation (or left-click if you have set your mouse for left-handed operation). A small pop-up menu will appear offering a choice of "Calculate" or "Help". Click on "Calculate" to summon the calculator.

There are two ways to use the calculator. First, you can use your mouse to click the buttons. If you click the "Submit" button, the calculator will shut down, and the last result will be entered into the field on which you were working. Second, you can type in your calculations. If you are typing, use "*" for multiplication, and "/" for division. When you hit the "Enter" key, the calculator will disappear and your result will be entered in the field on which you were working.



Multi-Print (Batch Printing) Utility

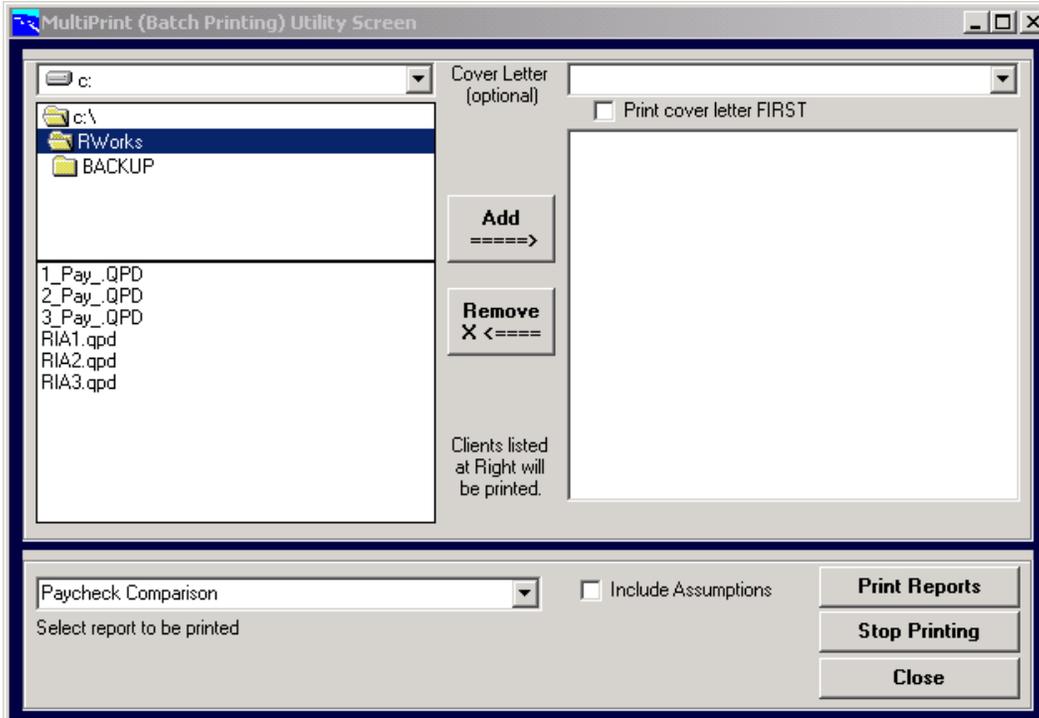
This screen lets you select multiple files for simultaneous printing. You can print any reports that are available from the system in this fashion. You get to it by clicking the Multi-print menu option at the bottom of the dropdown list that appears when you select the Print menu option from the Menu Bar/Menu Bar.

To use this screen, follow three (or four) simple steps:

1. Select the files you want. Use the drive, directory and file box fields in the upper left portion of the screen to select the files you want to print from. You can highlight multiple files at once, if you like, by using Control-Click and Shift-Click. Then click the Add button in the center of the screen to copy those filenames to the list at the right. You can select files from more than one drive or directory, if you want to. If you transfer any file names that you decide you do not want, highlight them in the right-hand list (again, you can highlight more than one at a time), then click "Remove".
2. [Limited Availability] Select a Cover Letter, if you want one. Some versions of the system permit you to select a cover letter or other document (any Microsoft Word .DOC file) to print with each report. If your version includes this option, and any .DOC files exist in your RetirementWorks directory (or any subdirectories), a drop-down list will appear listing them; you can select any item listed, or leave this field blank if you do not want to print a cover letter. There will also be a check box you can use to indicate whether you want the cover letter printed before the report or after; your choice should depend on how your printer stacks the printed pages.
3. Select the report you want. The list of reports available in your version of the system is contained in the drop-down list box near the bottom left corner of the screen. If you also want Assumptions reports to print with each file, click the check box to the right of the drop-down list.
4. Print the reports. Just click the Print Reports button near the bottom right corner of the screen. For some reports, you could get error messages along the way; if you do, just click OK, and continue. Any reports that could not be run will be listed at the bottom of the screen when the system has gone through the entire list. If you want to stop processing in the middle somewhere, click the Stop Printing button.



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Note: Cover Letter fields available only on certain versions of the system.



Basic Client Information screen

This screen enables you to enter general information about the client and the financial advisor, and to select a subdirectory where this client's data will be stored. It also allows you to change information about the financial advisor. To open it, click on "Basic Client Information" from the Calculations screen.

Use of this screen is entirely optional. Items that appear here and that are needed for specific calculations are requested again on the input screens for those calculations. Any information entered here will carry forward to other screens where the same items appear.

A screenshot of the RetirementWorks software interface. The window title is "RetirementWorks®" and the menu bar includes "File", "Print", "Calculations", "Windows", and "Help". The main window title is "Basic Client Information". A green message at the top states: "All entries on this screen are optional. Any items essential to specific calculations will be requested on the input screens for those calculations." The form is divided into two sections: "Participant Information" and "Financial Advisor Information".
Participant Information:
Name: [text box]
Date of birth (mm/dd/yyyy): [text box] Spouse date of birth (mm/dd/yyyy): [text box]
Social Security Number: [text box]
Date of hire (mm/dd/yyyy): [text box]
Employer name: [text box]
Employer directory: [dropdown menu with "none" selected]
Financial Advisor Information:
Advisor name: [text box]
Advisor address: [three stacked text boxes]
Advisor telephone: [text box]
Advisor email address: [text box]
A "Close" button is at the bottom left, and "Version 3.04D expires 04/15/03" is at the bottom right.

Participant information

The top half of the Basic Client Information screen represents participant information:



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Participant name and date of birth, spouse date of birth, participant Social Security number, employer name, and employer directory. Dates must be entered in **m/d/yyyy** or **mm/dd/yyyy** format.

The employer directory field allows you to specify in advance a subdirectory in which this client's data file will be stored. If you work with employees of several companies, you may want to sort your files by employer. Or you can sort them some other way, and still use this field. The directory name does not appear on any reports, so you may use any name that is convenient.

Financial Advisor information

The lower half of the Basic Client Information screen represents information about the financial consultant who is running the system or on whose behalf it is being run. You may enter name, address, phone number, and/or email address.

If you enter an Advisor name on this screen, it will appear in the footer of all report pages, along with the telephone number and email address. Address information is not printed on any reports other than the Assumptions Report.

All items on this screen are remembered and become the defaults for future client records when you click the "Close" button. This has two main implications:

- If you do not want your entries to become future defaults, close the screen using the [X] at the top left of the Basic Client Information screen. Your entries will then be used for the current client, but will not become future defaults.
- The defaults are used only for new clients. Therefore, if you change, say, your phone number or email address and enter the change for the current client, the new information will automatically be used for future new clients. But any old client files will still have the old information, and if you call them up, that information will need to be changed for each such individual.

This arrangement allows you to have a default set of information that you provide, but at the same time lets you have special information for certain clients without having it automatically changed when you don't want it changed. It also allows more than one advisor to use the system and to keep the information for his/her clients intact.