

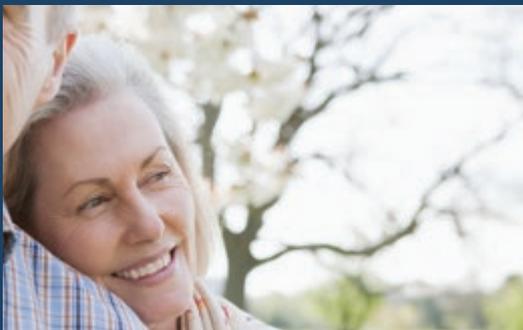
Wealth Management Solutions



Financial Planning



Investment Management



Trust Services



**AAFMAA
WEALTH MANAGEMENT
& TRUST LLC**



Serving Military Families Since 1879

AAFMAA has one, and only one, mission: to be the premier provider of insurance, financial and survivor services to the American Armed Forces Community. Since 1879, we have never once violated our members' trust nor shirked our responsibility.

AAFMAA — the longest-standing, not-for-profit association exclusively serving the military community — provides financial solutions to all branches of the American Armed Forces. No stockholders to answer to. No dividends to pay shareholders. No loyalty to anyone but you. Focusing exclusively on your needs as a military family, AAFMAA Wealth Management & Trust LLC (AWM&T) provides the most innovative, personalized and lifestyle-appropriate financial services available.

All AWM&T employees are salaried and do not receive any compensation based on their recommendations or any of the investment products used. As a chartered trust company, we have a fiduciary responsibility to you.

So whether you're currently serving on active duty, already retired, an honorably discharged veteran, or a surviving spouse, let's work together to make you financially fit.

You are unique. Only by getting to know you personally and developing a clear picture of your circumstances, objectives, and challenges can we work together to define, manage and protect your financial future.



AAFMAA Wealth Management & Trust LLC



FINANCIAL PLANNING

Define your goals for your family's financial future and create the road map that gets you there. Do you have sufficient life insurance? When do you want to retire? Have you set aside enough money for college costs? We help you anticipate these and many other issues and plan for bumps in the road you haven't even considered.



INVESTMENT MANAGEMENT

The ongoing process of understanding your financial goals, determining your optimum portfolio, then monitoring and adjusting as necessary over time. No matter what you deem important — a comfortable retirement, income generation, a legacy for your heirs, support for your favorite charity — we can create and manage the right investment portfolio for you.



TRUST SERVICES

Trusts provide asset management and distribution control. Whether looking for a current trustee, one to step up in the future, a co-trustee to serve alongside a family member, or a professional resource to work with an individual trustee, AWM&T will work with you to help ensure the plans you make are carried out.



Financial Planning

"Failing to plan is planning to fail."

ALAN LAKEIN

We help you DEFINE the goals you have for your family and design a customized plan to get you there. By considering and answering the following, we'll work together to meet your goals.

NET WORTH

What are your current assets and liabilities? What will change over your lifetime?

CASH FLOW

Are you earning more or spending more? What will your income be at retirement? Planning on Social Security? What are your current expenses? Will they go up or down at retirement?

INSURANCE ANALYSIS

Do you have enough life insurance coverage? What will happen to your employer-sponsored life insurance at retirement? How should you own insurance and designate beneficiaries? Have you considered long-term care insurance for you or your spouse? Do you know if you will need it? Do you need disability insurance?

EDUCATION FUNDING

Do you need or want to save for your children's or grandchildren's education expenses? How much money would, could or should you set aside? What savings strategies work best for you? What are the possible tax consequences? What asset allocation decisions do you need to make?

RETIREMENT PLANNING

What do you want to do in retirement? How much money will you need? Will your military pension and other retirement accounts provide enough income? What Survivor Benefit Plan (SBP) elections did you make? Do you need to save more now? How should you invest for your retirement? What TSP options should you be using? What if the stock market goes down?

ESTATE PLANNING

Do you have to worry about estate tax? How will you provide for your spouse if something happens to you? How can you protect what you leave to your family from creditors? How do you plan when the law constantly changes?

The answers to these questions are only the beginning. We customize your financial plan based on your unique needs, benefits or entitlements, and your risk tolerance level. We'll go through several scenarios until we find just the right one for your needs. Financial Planning engagements last approximately four months and usually include several meetings or conference calls with you.

Once we collect and analyze your initial information, we review the results and discuss any necessary modifications. We present the final plan and recommendations at our last meeting.



OUR FINANCIAL PLANNING PROFESSIONALS TAKE YOU THROUGH THE SIX STEPS DEFINED BY THE CERTIFIED FINANCIAL PLANNER (CFP) BOARD OF STANDARDS:

1. Establish a relationship — We explain our financial planning services and define our and your responsibilities. So there are no surprises, we'll discuss how long the professional relationship will last, the cost, and who makes decisions and how.

2. Gather your data and develop your financial goals — We discuss your current financial situation and gather necessary documents. Together, we define your personal and financial goals, including timeframes.

3. Analyze and evaluate your financial status — Your Financial Planner considers all aspects of your situation to determine what you need to meet your goals. We analyze your assets, liabilities and cash flow, current insurance coverage, investments and estate plans.

4. Review recommendations — After analyzing your current financial situation, we recommend changes to help meet your goals. We thoroughly explain our recommendations, including alternatives and risks.

5. Implementation of the financial plan — Our financial planning services are separate from our Investment Management and Trust Services. If you wish, we can carry out the plan recommendations. Otherwise, you can take the plan with you, to implement as you choose. The choice is always up to you.

6. Benchmark your progress against the financial goals you established — If you engage us to implement your plan, we monitor your progress to make sure you're staying on track and make adjustments as necessary.



Investment Management

“The single biggest difference between financial success and financial failure is how well you manage your money.”

T. HARV EKER

Once you DEFINE your goals, how should you MANAGE your assets to best achieve them? Investment Management — the ongoing process of understanding your financial goals, determining your optimum portfolio, then monitoring and adjusting as necessary over time. Success requires a strong grounding in financial principles and a deep understanding of market conditions. We need to know your goals and your risk tolerance. What is your time horizon? How sensitive are you to taxes? What personal investment preferences or restrictions would you like us to consider?



When you answer these questions, we can develop an investment profile and create an Investment Policy Statement (IPS) tailored for you.

This written understanding of your portfolio’s investment objective, goals, and guidelines provides the framework within which we make investment decisions and establishes a basis to evaluate portfolio returns. We’ll revisit your IPS with you at least annually to assess whether or not it’s still appropriate for you and your goals.

INVESTMENT PHILOSOPHY

We center our investment philosophy on doing the right thing for you. We base decisions on a patient, long-term perspective. The single most important determinant of investment success lies

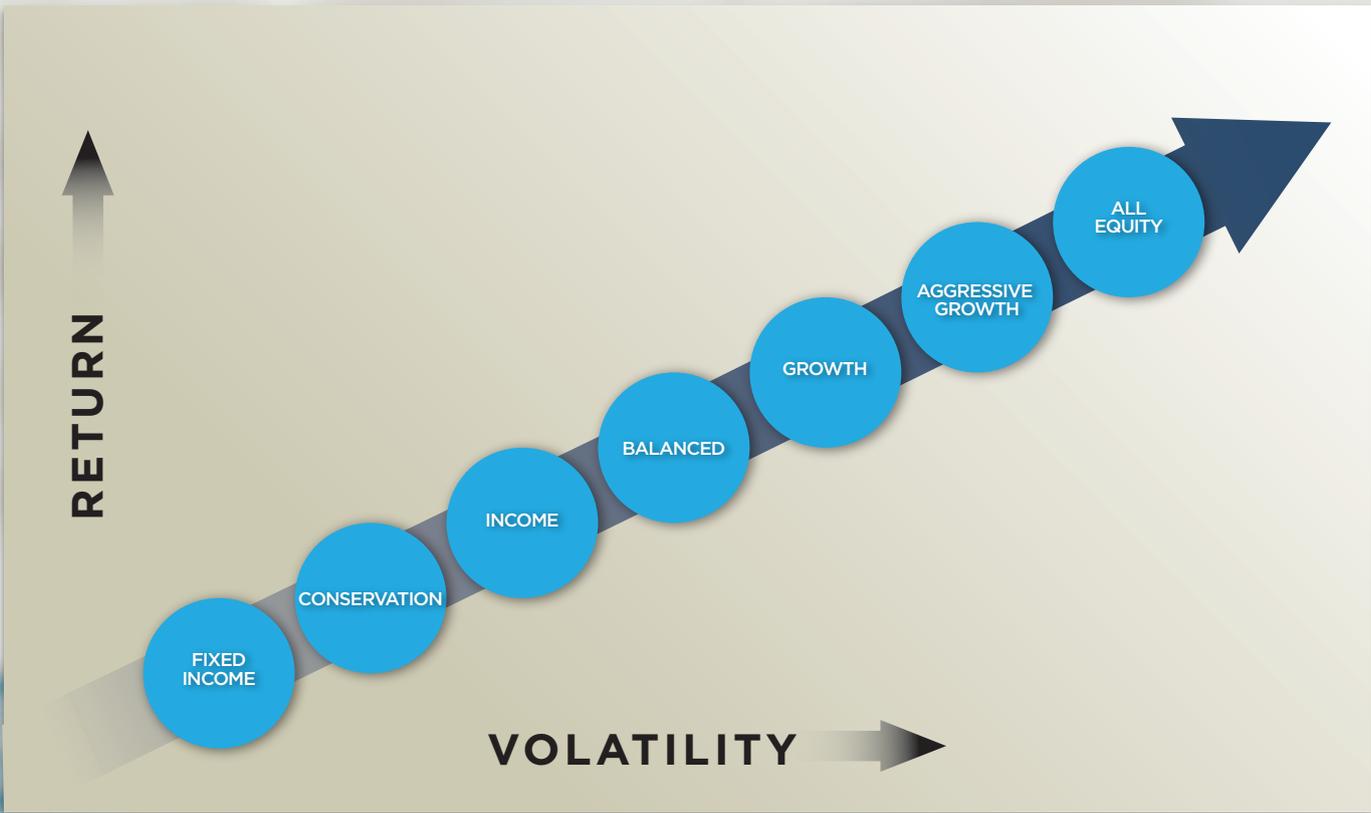
in properly matching your asset allocation to your tolerance for short-term market volatility. While we believe firmly in the power of a long-term, focused, and properly allocated portfolio, we’re also keenly aware of the need to mitigate risk whenever possible. Our investment process relies on the application of diversification strategies within your portfolio. By dividing a portfolio among carefully selected asset classes, you can maximize potential return at the level of risk you’re willing to accept.

INVESTMENT PROCESS

Effective investment management requires a disciplined process focused on the relationship between potential returns and risk. We employ multiple portfolio mixes composed of seven risk profiles across both taxable and tax-exempt accounts.

Our investment process uses a combination of active and passive mutual funds when constructing portfolios. We use actively managed mutual funds whenever we feel that the management of that fund can deliver better risk adjusted returns than an index approach could. Otherwise, we use passive index funds to obtain the desired asset class exposure.

Before we place any mutual fund in your portfolio, the fund goes through a rigorous review process. Systematic rebalancing maintains the consistency of an investment account’s returns and risk profile. We monitor portfolios and, when necessary, rebalance assets back to their target percentages.



We employ multiple portfolio mixes to address seven risk profiles across both taxable and tax-exempt accounts.



Trust Services

"It's not how much money you make, but how much money you keep, how hard it works for you, and how many generations you keep it for."

Robert Kiyosaki

Without a doubt, sound management of your assets provides a path to a more secure financial future. But how can you best PROTECT those assets for your ultimate beneficiaries?

The most common method of protecting assets for future generations is through a trust. Attorneys frequently recommend trusts to provide both asset management and distribution control.

AWM&T offers Trust Services as a full-service, chartered trust company.

WHEN DECIDING IF A TRUST WOULD BE RIGHT FOR YOU, CONSIDER THE FOLLOWING:

- What protection can you provide against potential creditors?
- Will a former spouse be able to reach your child's inheritance?
- What if your child is involved in a lawsuit?
- If your spouse remarries after your death, can you be sure that your assets will ultimately pass to your children?
- Are your children capable of managing assets in a thoughtful and intelligent manner?
- Does your spouse have the interest, desire or capability to handle your assets when you're gone?

AS TRUSTEE, WE PROVIDE THE FOLLOWING SERVICES:

- Administer and manage the trust's assets objectively, in accordance with your trust document(s).
- Make payments as directed by the trust.
- Exercise discretionary distribution powers.
- Protect your assets according to your intentions.
- Communicate regularly with beneficiaries.
- Maintain comprehensive record keeping.
- Prepare required records, statements, and tax returns.

AWM&T WORKS WITH ALL TYPES OF TRUSTS, INCLUDING:

- Revocable Living Trusts
- Irrevocable Trusts
- Charitable Remainder Trusts
- Charitable Lead Trusts
- Testamentary Trusts
- Special Needs Trusts
- Irrevocable Life Insurance Trusts
- Court-Appointed Trusts
- Foundations





AAFMAA's long and distinguished history began on 13 January 1879, when a Committee of Army Officers chaired by Lieutenant Colonel (later Brigadier General) Roger Jones, Assistant Inspector General of the Army established the association.

Our creation stems from the losses suffered at the Battle of Little Big Horn three years earlier. Traditionally, on the frontier, when a soldier died, the others left would "pass the hat" and take up a collection to send the deceased soldier's family back East.

After the Battle of Little Big Horn, there were no surviving soldiers to pass the hat. The Army did not want this to happen again, so at the creation of AAFMAA (then Army Mutual Aid Association), our expressed purpose was "to aid the families of deceased members in a prompt, simple and substantial manner." These 137 years later, that is still at the core of all that we do.

All ranks of Army, Marine Corps, Navy, Air Force and Coast Guard are eligible for membership — Active Duty, Guard, Reserve, Retired and Cadets and Midshipmen at the Service Academies. In addition, honorably discharged veterans in certain states are eligible for membership and services. AAFMAA's signature Survivor Assistance Services are included with each member's first life insurance policy. Also, our Member Benefits experts offer several valuable services such as Veterans Affairs Claims Coordination and digital vault storage for members' most important and critical documents.

AAFMAA's financial strength, the trust and loyalty of our members, and our dedicated professional staff are the driving force of our success and confidence that we'll be around for at least the next 137 years!



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Any information presented about tax considerations affecting client financial transactions or arrangements is not intended as tax advice and should not be relied upon for the purpose of avoiding any tax penalties. AAFMAA Wealth Management & Trust LLC does not provide tax, accounting or legal advice. Clients should review any planned financial transactions or arrangements that may have tax, accounting or legal implications with their personal professional advisors.