



List of Calculators and Tools in the Truth Concepts™ software

CALCULATORS

FINANCIAL: Future Value, Present Value, Payment, Interest Rate, & Time Period

INTERNAL RATE OF RETURN: IRR for varying stream of payments and withdrawals

LOAN ANALYSIS: Calculates amortization schedules, and the benefit of paying back loans under various scenarios (like comparing a 15- and a 30-year mortgage) also allows you to pay the loan back at different rates and compare 2 loan scenarios for deductible and non-deductible loans

BORROWING STRATEGY: Illustrates the principles of banking (borrowing and paying back) with varying interest rates strategies and money sources

MAXIMUM POTENTIAL: Shows a person's focus should be on saving money rather than seeking a higher rate of return as it identifies full capability, then reduces it by taxes, debt service, life style and inflation

AUTOMOBILE PURCHASES: Shows the "true" cost of paying cash for automobiles

EDUCATION COST: Demonstrates the major impact on parent's assets and cash flow that paying for high school and/or college has; can also calculate education "need"

FUNDING ILLUSTRATION: This calculator allows the user to compare life insurance illustrations (with or without loans) to an alternate investment with identical cash flows

REAL ESTATE ANALYSIS: In depth real estate calculations and analysis for any investment real estate allowing you to show the actual rate of return a property is earning

QUALIFIED PLAN: Graphic overview of the whole truth about qualified plans, picturing the costs to fund them, the management fees that erode them, and how ineffective the match and tax deferral really are. It shows clients why NOT maxing out their qualified plan may be the best strategy

CASH FLOW: Provides for up to 3 different and varying payment and withdrawal streams with varying annual earnings rates, shows an "average" versus "actual" ROR

ACCUMULATION: Shows effectiveness of money growing (taxable, tax deferred, tax deductible and/or tax free) and it has multiple variable payment and withdrawal columns, the ability to vary the earnings rate, and the ability to add term insurance and other costs

DISTRIBUTION: Shows money coming out of an account with varying interest rates. It allows for taxable, tax deferred, tax-deductible and/or tax free accounts. It compares 2 different strategies for distribution

DIVERSIFICATION: Shows the outcome of transferring assets from savings accounts and money markets into Permanent Life Insurance and how that reduces the taxes, term insurance costs and risks along the way. It helps clients understand how life insurance increases both their asset base while alive and the net to heirs upon death

FUTURE REQUIREMENTS: Retirement planning calculator used to show ROR necessary to have sufficient retirement income with or without consuming assets

TERM CONVERSION: Demonstrates term conversion strategy over the life of the client

TOOLS

INCOME TAX CHART: Shows differences between marginal and average tax brackets

US TAX HISTORY: Shows tax brackets from 1913 to the current year

MARKET HISTORY: S&P 500 with and without dividends from 1937 to current, updated annually and Dow Jones Industrial from 1901 to current, updated annually. On all three columns, you can get an average and an actual as well as the year by year historical return

LIFE EXPECTANCY TABLES: 2001 (the most recent year available) male and female (single and joint life), standard, preferred and super preferred, both smoker and non-smoker, tells the whole truth about longevity: the longer you live, the longer you'll live. You can compare two side-by-side or look at the percentage chance both will be alive or just see the life expectancy of a certain age

LIFE INSURANCE VALUES: Enables uploading of illustration values (via copy and paste) to this tool which then calculates IRR and ROR of cash value and death benefit and then gives you the ability to pull that information into other calculators

NOTES: This small box enables you to type notes relevant to any particular calculator and then attach that note to the calculator so when saved they come up together

PREFERENCES: Enables you to choose which file messages and bells you want to have:

Truth Concepts™ Software available at www.truthconcepts.com 903-822-4133

Powered by Numbers Analytic, Inc., Todd Langford tlangford@truthconcepts.com

Read the blog at www.truthconcepts.com/blog and watch the various tutorials at www.truthconcepts.com/tutorials.php for examples of how to use these calculators as well as a picture of each of them in the "learn more" section of the web site.

Each tutorial (the 10 minute videos) is transcribed on the blog. On the left hand side of www.truthconcepts.com/blog click on Tutorial Transcriptions for a word for word replay of Todd's language in the video.

Our recommended order for clients is Max Potential, Auto, Funding, and then whatever the client's "hot-button" is. We often use Diversification next.

Here's how we start. "So, what do you think builds more wealth, increasing the rate of return or decreasing the costs to build that wealth?"

The client usually answers "Increasing the rate of return ...that's what I've always been told by the media and my other financial advisors"

Response: "well let's take a look, I'll pull up a Maximum Potential Calculator and we'll figure it out. This is from a suite of calculators known as Truth Concepts. It enables us to be very transparent in our work with you by showing the gains as well as the costs. You can actually buy the software yourself if you so choose at www.truthconcepts.com .

We use it to analyze all sorts of things about your finances as you can see here on this list of calculators, but for now let's look at the issue of returns versus costs"

"We want to make sure we are telling the whole truth about the situation."