

Dear Clients, Family and Friends:

We hope that you have had a wonderful beginning to the fall season and we wish you and your loved ones great joy as the holiday season approaches.

The purpose of this note is to provide you with economic, firm and regulatory updates and to share with you the final part of our three-part series on Retirement Planning. We will explore what comes after you have completed your planning initiative, set your investment strategy, accumulated enough assets to retire and begun to assess the meaningful distribution of retirement income.

Our goal at Costanzo Financial Group (CFG) is not only to help you prepare for retirement, but also to empower you to thrive in your post-retirement years. Our team takes tremendous pride in seeing our clients excel in every stage of life and an important part of achieving that is managing retirement income for a lifetime.

Economic Update:

At the start of 2017, there was a mixed sense of optimism and concern as fluctuations occurred legislatively, politically and socially in the United States. Although that trend has continued throughout the year, the polarizing nature of the current political climate and other global events have not stopped the continued run-up in our equity markets. Just last week, the Dow Jones Industrial Index hit a high of 23,000 points. We continue to see signs of business growth through early earnings reports and higher than normal consumer confidence and spending.

To provide you with some perspective regarding economic growth, note that the Gross Domestic Product at the end of 2016 was 1.6% and as of the end of the second quarter in 2017, it had risen to 3.1%.

Currently, all eyes are on Congress to pass meaningful tax reform before the end of the calendar year and we believe that will drive how businesses will make many of their strategic growth investments for 2018 and beyond.

Firm Update:

Over the years, we have always taken great pride in celebrating milestones that occur in our clients' and team members' lives. **Recently, our Head of Operations, Sheila Eivazi, was selected as a finalist for the 2017 Business Women of the Year Awards through the San Diego Business Journal.** Sheila embodies our culture of excellence at CFG with her steadfast commitment to client service and innovation. Our team will be attending the award ceremony in November to recognize Sheila and her efforts as a rising star in our firm.

Internally, we are working on finalizing our new website, which is set to be released in pilot format by the end of November. The official launch date is set for the beginning of 2018. This new platform will allow our clients

to engage us on multiple levels, enhance our client education and extend our service capabilities. Once we are closer to our official website launch date, we will be releasing additional information regarding these exciting new features.

The pilot program for our new planning and review process is off to a successful start and we have been very encouraged by the client feedback that we have received. Our advisory team plans to begin rolling out this new process to our entire client base in January 2018.

Lastly, we would like to kindly remind you that there is a new link to access your Albridge online account at <https://www3.mainaccount.com/ca/> (if you do not currently use Albridge, please disregard this update). If you have any questions or need assistance accessing your online account, please contact our office.

Regulatory Update:

As we have mentioned in previous notes, as of June 9, 2017, the Department of Labor has implemented new legislation that will govern transparency, fee disclosures and the documentation of client interactions while also requiring advisors to act in a fiduciary capacity with clients.

Since our last note, a possible delay of 12-18 months for phase two of the implementation process has become much more likely. Additionally, the Securities and Exchange Commission has since become involved, meaning it will likely take part in the enforcement and final implementations of these new guidelines.

Please know that our firm is working diligently to implement these new procedures in a meaningful and effective way for our clients. We will continue to provide updates and educational resources once additional information becomes available to us.

Thrive in Retirement:

Parts one and two of our three-part series on Retirement Planning explored the creation of your retirement plan and the strategies necessary to realize that plan. We discussed strategies that will help you create a results-based plan that allows you to save for tomorrow and invest for growth. The enclosed guide is a great review of all three phases of retirement planning and what you need to keep at the forefront as you work through each step: [Transitioning into Retirement](#).

Part three of our series focuses on the next stage: Managing & Thriving Post-Retirement. In order to enjoy the retirement you have envisioned, it is important to keep these points in mind:

- **Review, Realign and Rebalance:** It's important that you learn to adapt to your new budget in retirement. Find a good balance in how you budget your retirement spending and always be ready to adjust and rebalance. It takes time to find a spending equilibrium in retirement, so be patient in doing

so and revisit your spending habits at least once a year. Please use the guides in this article to assist with organizing your post-retirement budget: [Retirement Savings Guide](#).

- **Stay Organized:** Organize your financial information by creating a centralized list of your accounts, insurance, advisor contact information and general finances. Be sure that your family members know where to access this list and have back-ups stored in a separate, secure place.
- **Embrace Change:** Retirement can often be much different than what you imagined. Perhaps you retired to a quiet part of the country, but you later find out you miss the city. Don't be afraid to make a change to find what is right for you. Some retirees find that with retirement comes too much free time. If that is the case, you may enjoy taking up a part-time job or volunteer work. This can present a new opportunity to engage your community in meaningful ways that may not have been possible during your working years. Use this outline to help prepare you for the major milestones that you will need to plan for as you navigate the post-retirement environment: [Managing Retirement Milestones](#).
- **Empower Others:** You diligently saved and invested to achieve the objectives set forth in your results-based plan, and now it is time to enjoy the next chapter. Maximize what you have achieved by taking that trip you have always wanted to take, signing up for a class that interests you or giving that special gift to your grandchildren. You have worked hard for your retirement, now go live it!

Summary:

We sincerely hope that you have enjoyed our three-part series on Retirement Planning. At CFG, we take our role as educators seriously, and we are constantly working on your behalf to provide you with the best information possible.

We are excited to introduce our new review process and website to you as we continue our commitment to innovation and service enhancement on behalf of our clients.

If you have any questions regarding your Investment and Retirement Planning efforts, please contact us or click on the following link to schedule a review using our new online booking system: [Schedule Review Today](#).

We look forward to the next opportunity to assist you in financially preparing for your future.

Thank you,

Andy and the CFG Team