A PRACTICAL GUIDE TO FINANCIAL PROTECTION

YOUR CHILDREN.
YOUR MONEY.
YOUR PEACE OF MIND.

Financial protection, insurance, and estate planning for the people who matter most

PREPARED BY

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Use this guide as a conversation map for your family and professional advisors.

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Glossary of Key Terms

These plain-language definitions reflect a general U.S. context. The applicable policy or plan documents and state law control.

1. Life Insurance
A policy designed to pay named beneficiaries after the insured's death; some policies also provide benefits available during the insured's lifetime.

2. Disability Insurance
Coverage that replaces part of earned income when a covered illness or injury prevents the insured from working.

3. Term and Permanent Life Insurance
Term coverage lasts for a stated period and usually builds no cash value; permanent coverage is designed to remain in force for life if its requirements are met.

4. Death Benefit and Cash Value
The death benefit is paid to beneficiaries; cash value is an accumulation component of certain policies that may be accessed during life under policy terms.

5. Living Benefits
Provisions allowing early access to part of the death benefit after a qualifying illness or condition; using them generally reduces the benefit remaining for beneficiaries.

6. Insurance Rider
A provision that adds or changes coverage, cost, or benefits, such as protection for a critical, chronic, or terminal illness.

7. Underwriting
The insurer's evaluation of health, occupation, lifestyle, and other risks to determine eligibility, premium, and policy terms.

8. Long-Term Care (LTC)
Medical and nonmedical support for someone who needs ongoing assistance because of illness, disability, or cognitive impairment.

9. Activities of Daily Living (ADLs)
Basic self-care tasks: bathing, dressing, eating, toileting, transferring between a bed and chair, and managing continence.

10. Medicare and Medicaid
Medicare is federal health insurance and generally does not pay for most long-term care; Medicaid may cover it for people who meet their state's eligibility rules.

11. Annuity
A contract with an insurance company designed to accumulate funds and/or provide future periodic payments according to its terms.

12. 401(k) and IRA
U.S. tax-advantaged retirement accounts whose transfer at death generally follows the current beneficiary designation and applicable plan rules.

13. Estate Planning
Coordinating documents and assets to address incapacity and to transfer property and protect loved ones after death.

14. Will
A legal document directing the disposition of probate assets and potentially nominating guardians; its validity and effect depend on state law and court action.

15. Trust
A legal arrangement in which a trustee manages property transferred to the trust for beneficiaries according to its terms.

16. Probate
The court-supervised process of validating a will, settling debts and taxes, and distributing probate-estate property.

17. Powers of Attorney and Advance Directive
A financial power authorizes an agent to handle property matters; a health care power names a medical decision-maker, while an advance directive records care wishes.

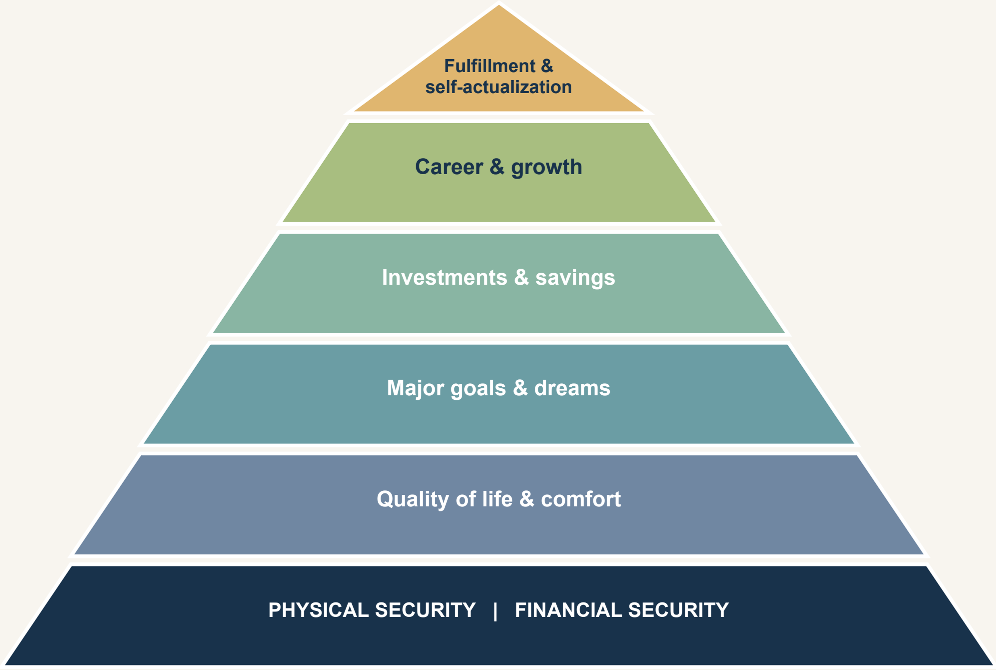
18. Guardianship
Court-established or recognized authority to care for a minor or incapacitated person and/or manage that person's property.

19. Beneficiary Designation
The formal record naming who receives a policy or account at death; it often operates independently of a will.

20. Special Needs Trust
A trust supporting a person with a disability that, if properly structured and administered, may help preserve eligibility for certain government benefits.

Financial Needs Pyramid

Security is the foundation of financial well-being



First, we protect what truly matters. Only then do we build and grow wealth.

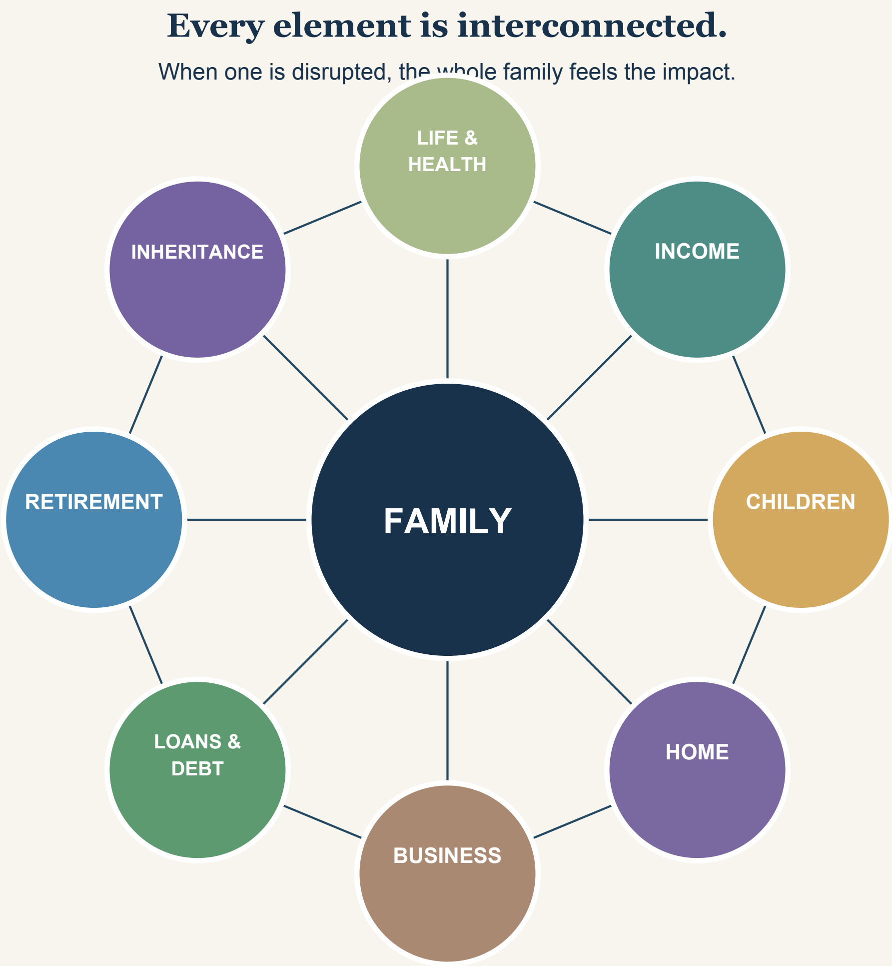
Before we build wealth, invest, travel, or pursue our dreams, we must first protect the foundation of our lives — our health, our ability to earn an income, and our family's financial security. Everything else depends on that foundation.

Financial success is not built from the top down — it is built from the bottom up.

Many people focus on investing, growing wealth, or planning for retirement before making sure the foundation of their financial life is secure. Yet a serious illness, disability, or unexpected death can quickly undo years of hard work and careful planning.

Protecting yourself and your family against life's biggest financial risks is the first step toward long-term financial stability and peace of mind.

Your Family Is an Ecosystem



A family is much more than a group of people living under one roof.

It is an ecosystem where every member is connected — not only emotionally, but also physically, financially, and legally.

Every person contributes to the stability of the family. The health, life, earning ability, and well-being of each member affect everyone else.

When one family member becomes seriously ill, disabled, or dies, the entire family may face serious financial consequences.

The impact rarely stops with that individual. The entire family must adjust. Time, money, emotional energy, and attention are redirected toward the crisis.

One spouse may need to stop working to become a caregiver. Retirement savings may be used to cover medical expenses. Children's education plans may be delayed. Financial goals that took years to build can change overnight.

The better protected every member of the family is, the stronger and more resilient the entire family becomes.

Financial protection and Estate Planning work together to safeguard your family.

Insurance helps provide the financial resources your family may need during difficult times.

Estate Planning helps ensure that your wishes are carried out, your children are protected, and unnecessary legal delays, expenses, and court involvement are minimized.

Together, they create a stronger, more resilient family.

Planning Happens — Whether You Plan or Not

Planning always happens.

Either you and your partner make thoughtful decisions together — in a calm, informed setting...

...or life, the courts, state law, and sometimes the kindness of strangers will make those decisions for you.

Unfortunately, those decisions may not reflect your wishes or your family's best interests.

The goal of planning is simple:

Stay in control of the decisions that matter most.

1. Protect Your Greatest Asset — Your Ability to Earn an Income

For most families, the greatest financial asset is not a house, retirement account, or investment portfolio.

It is your ability to earn an income.

Your income pays your mortgage, supports your children, funds retirement, creates opportunities, and helps your family achieve its goals.

Ask yourself:

- If I couldn't work tomorrow, how long could my family maintain its current lifestyle?
- How long would our savings last?
- Where would the money come from if one of us became seriously ill or injured — for months or even years?
- Do I have Disability Insurance?
- If so, is it provided through my employer, or do I own an individual policy?

Protecting your income means protecting your family's future.

2. Review Your Life Insurance

Life insurance is about much more than replacing income after death.

It is one of the most versatile financial planning tools available.

It may help:

- Replace lost income for your family.
- Pay off a mortgage and outstanding debts.
- Provide benefits during the insured's lifetime, including living benefits for qualifying illnesses and access to cash value, where applicable.
- Fund your children's education.
- Protect a business and business partners.
- Leave a financial legacy.
- Replace lost or reduced assets.
- Provide peace of mind during life's uncertainties.

Life insurance comes in different forms.

Term Life Insurance provides protection for a specific period of time and is often an affordable way to protect young families during the years when their financial responsibilities are greatest.

Permanent Life Insurance provides lifelong protection and may also accumulate cash value that can be accessed during your lifetime, depending on the type of policy.

Children's Life Insurance can provide lifelong insurability and living benefits, build cash value over time, and become a valuable financial asset later in life.

There is no “one-size-fits-all” solution.

The right policy depends on your age, health, family situation, financial goals, and budget.

Most importantly...

Life insurance is purchased with your health — not only with your money.

Once you receive a serious medical diagnosis or develop significant health problems, obtaining new coverage may become difficult, significantly more expensive, or even impossible.

The best time to secure coverage is while you are healthy.

You will never be younger — or, most likely, healthier — than you are today.

3. Understand Living Benefits

Many modern life insurance policies include Living Benefits, allowing you to access a portion of your death benefit while you are still living if you experience certain serious medical conditions.

When comparing policies, look for companies that offer:

- **Critical Illness Riders** — providing benefits in the event of conditions such as cancer, heart attack, stroke, and many other covered illnesses that can quickly wipe out years of savings.
- **Chronic Illness Riders** — providing benefits if you become unable to perform certain Activities of Daily Living or suffer severe cognitive impairment and require ongoing care.
- **Terminal Illness Riders** — allowing you to access a portion of your policy's death benefit if you are diagnosed with a qualifying terminal illness.
- Other Living Benefit riders available through different insurance companies.

These benefits may help replace lost income, pay for treatment, modify your home, hire caregivers, preserve your retirement savings, and provide financial flexibility during one of the most difficult periods of your life.

Not every insurance company offers the same Living Benefits, and the differences between products can be significant.

Work with an independent insurance advisor who can compare multiple insurance companies and recommend a solution based on your health, needs, goals, and budget — not simply offer one company's products.

4. Don't Depend Only on Employer Benefits

Employer-sponsored insurance is a valuable benefit — but it should rarely be your family's entire protection plan.

Many people assume that because they have life insurance and disability coverage through work, their family is fully protected. Unfortunately, that is often not the case.

Keep in mind:

- Most employer-sponsored life insurance provides only one or two times your annual salary, which is often far less than what a family would need to replace years of lost income.
- Employer benefits usually end when your employment ends, whether you retire, change jobs, or are laid off.
- If you leave your employer later in life or after developing health issues, you may no longer qualify for affordable individual coverage — or you may not qualify at all.

Employer insurance should be viewed as one layer of protection, not your complete financial plan.

Ask an independent advisor to compare your employer benefits with individual insurance options. You may be surprised to learn that additional protection is often more affordable than you think.

5. Plan for Long-Term Care

Long-Term Care is one of the most overlooked risks in financial planning.

According to national studies, approximately 70% of Americans over age 65 will require some form of long-term care during their lifetime.

> *Source: U.S. Administration for Community Living, LongTermCare.gov, "How Much Care Will You Need?"*

Long-Term Care may include:

- Home Health Care
- Adult Day Care
- Assisted Living
- Skilled Nursing Facilities
- Nursing Home Care

Many people assume Medicare or their health insurance will cover these expenses. In reality, coverage is often very limited. Medicaid is only available to people with very low incomes and assets.

A prolonged illness affects much more than the person receiving care.

One spouse may leave work to become a caregiver. Children may step in to help. Retirement savings can quickly disappear. Family relationships may become strained by emotional, physical, and financial stress.

The need for care can deplete a lifetime of retirement savings and investments, potentially leaving you and your spouse financially vulnerable. Planning early gives you more choices.

Today there are several planning options available, including traditional Long-Term Care insurance, hybrid life insurance policies with Long-Term Care benefits, and annuity-based solutions.

The best solution depends on your health, age, assets, and financial goals.

6. Create an Estate Plan

Estate Planning is not only for wealthy families.

It is for anyone who wants to protect the people they love and ensure that their wishes are carried out.

For young families, Estate Planning begins with two simple but incredibly important questions:

If both parents were gone tomorrow...

- Who would raise our children?
- Who would provide the financial resources for their upbringing?

Every family should understand the purpose of these essential planning tools.

Will

A Will is a legal document that specifies how you want assets governed by the Will to be distributed after your death. It also allows parents to nominate guardians for their minor children; however, the court makes the final appointment in accordance with applicable state law and the children's best interests.

Assets governed by a Will generally pass through Probate, a court-supervised process for administering an estate. Probate requirements and procedures vary by state and depend on the nature and value of the assets involved.

Trust

A Trust is a legal arrangement that allows assets held in the Trust to be managed and distributed according to its terms and your wishes.

Depending on your circumstances, a properly created and funded Trust may:

- Help avoid Probate for assets properly transferred to the Trust.
- Provide greater privacy.
- Simplify the transfer of assets.
- Protect beneficiaries.

- Give you greater control over when and how assets are distributed.

Many families mistakenly believe Trusts are only for the wealthy. In reality, they can be valuable planning tools for families with young children and homeowners as well.

Estate Planning Is Not One-Size-Fits-All

Every family has unique goals, assets, relationships, and concerns. The appropriate Estate Planning strategy depends on your individual circumstances and should be tailored to your needs.

Depending on those needs, an experienced Estate Planning attorney may recommend legal tools such as:

- Revocable Living Trust
- Irrevocable Trust
- Asset Protection Trust
- Special Needs Trust
- Medicaid Asset Protection Trust
- Irrevocable Life Insurance Trust (ILIT)
- Charitable Trust
- Spendthrift Trust
- Testamentary Trust
- Marital (QTIP) Trust
- Dynasty Trust
- Generation-Skipping Trust
- Qualified Personal Residence Trust (QPRT)
- Business Succession Trust
- Pet Trust

These are only a few examples of the legal vehicles available. The right combination depends on your family, financial circumstances, long-term goals, applicable state law, and tax considerations.

Proper Estate Planning requires experienced legal guidance. Choosing the wrong legal structure, creating a Trust that does not fit your objectives, failing to properly fund the Trust, or not following required legal procedures may lead to unintended consequences. These mistakes can result in Probate, unnecessary taxes, loss of asset protection, delays, family disputes, litigation, or the distribution of assets in ways you never intended.

An experienced Estate Planning attorney licensed in your state can help design a personalized plan, ensure that documents are properly prepared and executed, and explain how to maintain your plan as your life and the law change.

A carefully designed Estate Plan is an investment in protecting your family, preserving your legacy, and helping ensure that your wishes are carried out as intended.

Financial Power of Attorney

A Financial Power of Attorney authorizes someone you trust to make financial and legal decisions on your behalf if you become unable to do so.

This document becomes extremely important if illness, injury, or cognitive impairment leaves you unable to manage your own finances, sign legal documents, or communicate with financial institutions.

Without it, your loved ones may need to go to court to obtain authority to act on your behalf.

Health Care Power of Attorney & Advance Directive

These documents allow someone you trust to make medical decisions if you are unable to communicate your wishes.

They also provide guidance to your physicians and loved ones regarding your medical care.

Guardianship for Minor Children

Parents of young children should carefully consider both Temporary Guardians and Permanent Guardians.

Temporary guardians can immediately care for your children if something unexpected happens.

Permanent guardians are the individuals you wish to raise your children if you are no longer able to do so.

Without proper planning, decisions regarding your children's future may ultimately be made by the court — not by you.

Families with Special Needs Children

Families caring for children with special needs often require additional planning.

A properly drafted Special Needs Trust can help provide financial support without jeopardizing eligibility for certain government assistance programs.

Permanent life insurance is frequently used to create long-term financial security for a child who may require care throughout adulthood.

These families should work closely with both an experienced Estate Planning attorney and a knowledgeable financial professional to create a plan tailored to their unique circumstances.

7. Review Your Beneficiary Designations

Many people assume that their Will determines who receives all of their assets.

In reality, many financial assets can pass directly to a validly named beneficiary and outside the terms of a Will, subject to applicable law and the governing account, plan, or policy documents.

Review the beneficiary designations on:

- Life Insurance Policies
- Retirement Accounts (401(k), IRA, etc.)
- Annuities
- Investment Accounts
- Certain bank accounts

One of the most common mistakes parents make is naming minor children directly as beneficiaries.

Minors generally cannot take control of these assets directly. Applicable rules vary by state and by asset type. As a result, a court may need to appoint a guardian, custodian, or other fiduciary to manage those funds until the child reaches the age specified by applicable law or the governing arrangement.

A better solution may involve naming a Trust or using another planning strategy that aligns with your family's Estate Plan.

Finally, remember to review and update your beneficiaries whenever your life changes — such as after marriage, divorce, the birth of a child, or the death of a beneficiary.

A valid beneficiary designation on file generally controls the distribution of the applicable asset, even if a Will says something different, subject to applicable law and the terms of the account, plan, or policy.

8. If You Have Minor Children — Plan Ahead

If you have young children, one of the greatest gifts you can give them is a clear plan for their future.

Ask yourself:

- If something happened to me — or to both parents tomorrow — who would care for my children?
- Who could step in immediately to make important decisions?
- Have I legally documented my wishes?
- Have I provided sufficient financial resources for their upbringing?
- Have I discussed my wishes with the people I would trust to raise my children?

Raising children is both an emotional and a financial responsibility. Asking family members or friends to take on that responsibility without providing financial resources can place an enormous burden on them.

Life insurance, together with thoughtful Estate Planning, can help ensure that the people caring for your children have the financial means to provide them with stability, education, healthcare, and opportunities.

Planning ahead doesn't mean expecting the worst.

It means making sure your children will continue to receive the love, care, and financial support they deserve — no matter what life brings.

9. Review Your Plan Regularly

Life changes — and your protection plan should change with it.

Financial and legal planning is not a one-time event. It should evolve as your family, career, assets, and responsibilities evolve.

Review your insurance coverage and Estate Plan after major life events such as:

Marriage	**Divorce**
Birth or adoption of a child	**Purchasing a home**
Starting or selling a business	**Significant increase in income or assets**
Retirement	**Major health changes**
Death of a spouse, guardian, or beneficiary	

Even if nothing significant has changed, it's a good idea to review your plan every few years to ensure it still reflects your goals and your family's needs.

Many people discover that the policies they purchased years ago no longer provide the protection they thought they had.

Your plan should grow as your family grows.

10. Build Your Family Protection Team

Protecting your family is a team effort.

No single professional can provide every piece of the puzzle.

Your trusted advisors may include:

An Independent Insurance Advisor	**An Estate Planning Attorney**
A CPA or Tax Professional	**A Financial Advisor**
An Investment Professional	

Each brings specialized knowledge and plays a different role in protecting your family's future.

When these professionals work together, they create a comprehensive strategy that protects your income, assets, loved ones, and long-term goals.

Don't wait until a crisis forces important decisions.

Build your team before you need them.

A Special Message for Women

Women often become the heart of the family.

They coordinate schedules, care for children and aging parents, manage the household, and frequently put everyone else's needs before their own.

Unfortunately, many women postpone protecting themselves while making sure everyone else is taken care of.

Take a few moments to ask yourself:

- Do I have financial protection in my own name?
- If something happened to me, would my family suffer financially?
- If something happened to my spouse, would I know exactly where our financial and legal documents are?
- Do I know what insurance we have — and what we don't?
- Do I know who is listed as beneficiary on our insurance policies, retirement accounts, and investment accounts?
- Do I know who our attorney, accountant, and insurance advisor are?
- If I stay home with the children, have we considered the financial value of everything I contribute to our family?

A stay-at-home parent provides services that would be extremely expensive to replace — childcare, transportation, household management, meal preparation, scheduling, and emotional support.

Your contribution has tremendous financial value.

Protect yourself with the same care that you protect everyone else.

One of the strongest decisions a woman can make for her family is deciding not to leave her loved ones financially vulnerable.

Final Thoughts

One of the most valuable gifts you can leave your loved ones — and one of the most responsible decisions you can make — is to protect them through thoughtful financial and legal planning. **Take action today.**

Life is unpredictable, and circumstances can change at any time. A serious illness, disability, need for long-term care, premature death, or a change in your family or business can profoundly affect the lives of those who depend on you. Protecting yourself and your family from financial and legal risks means preparing for life's storms in advance rather than hoping they will never come.

The decisions you make today may determine whether your spouse, children, business partners, and other loved ones can maintain their standard of living or face serious financial hardship. Those decisions may also determine whether your wishes are carried out — or whether state law and the courts decide how your property is distributed, who cares for your minor children, how your business is managed, and who makes important legal and financial decisions on your behalf.

Planning is not only about what happens after your death. It is equally important to prepare for unexpected events that may occur during your lifetime. A serious illness, disability, cognitive impairment, or need for long-term care can place an enormous emotional, physical, and financial burden on an entire family. Without advance planning, loved ones may suddenly become full-time caregivers or guardians without the legal authority, financial resources, or support needed to provide appropriate care. By protecting yourself, you also help protect those you love from having to sacrifice their careers, finances, health, and future to care for you.

There is no universal solution that works for everyone. Every family, individual, and business is unique. The right strategy should reflect your particular circumstances, including your age, health, stage of life, family structure, financial resources, business interests, values, and long-term goals.

Estate Planning, Life Insurance, Disability Income Protection, Long-Term Care Planning, Business Succession Planning, Trusts, and other legal and financial tools should work together as one coordinated system — not as separate, disconnected solutions.

When making decisions about insurance protection and financial planning, think strategically. Do not limit your view to the next 10, 20, or 30 years; consider your entire lifetime and the legacy you want to leave. Each stage of life brings new opportunities, responsibilities, risks, and protection needs. A plan that fits you today should evolve as your family, health, business, and financial circumstances change.

Do not rely on generic legal documents or insurance solutions selected online without professional consultation based on the assumption that what worked for someone else will work for you. Instead, surround yourself with experienced professionals you trust. Work together to develop a personalized strategy for your circumstances, and review it regularly as your life changes.

The best financial and legal protection plans are not necessarily the most complicated. They are carefully considered, professionally prepared, properly implemented, regularly reviewed, and thoughtfully tailored to protect the people, property, business, and legacy that matter most to you.

Putting your family's legal and financial affairs in order in advance is an expression of love, maturity, responsibility, and true leadership. It can bring peace of mind not only to you, but also to those you care about. Life is unpredictable. By preparing today, you give yourself and your family greater confidence in tomorrow — whatever the future may bring.

Thank you for taking the time to read this brochure. We wish you and your family good health, financial stability, peace of mind, and the confidence that comes from knowing you have done everything possible to protect what matters most. Take care of yourself, your loved ones, and all that you hold dear.

About the Authors

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Julia Barinova is an independent insurance advisor and founder of Julia Barinova Inc., helping individuals, families, and business owners build thoughtful protection strategies around their goals, responsibilities, and stage of life.

She brings more than 20 years of experience in financial services and insurance. Julia earned her MBA from Western Illinois University and previously worked at Salomon Smith Barney and MassMutual, as well as serving as Marketing Director at Systematic Alpha Management. This background gives her a broad perspective on risk, long-term planning, and the financial decisions families and entrepreneurs face.

Her approach is independent, educational, and personal: she explains available options clearly so clients can make informed decisions with confidence. Licensed in multiple states, Julia works with clients nationwide and coordinates with other trusted professionals when a comprehensive family protection plan requires legal, tax, or investment expertise.

Complimentary Family Protection Review

Services include:

- Life Insurance
- Living Benefits
- Disability Insurance
- Long-Term Care Planning
- Children's Life Insurance
- Employer Benefits Review
- Dental Insurance Without Waiting Periods

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Natalia Kabbe is the founding partner of Kabbe Law Group and has been licensed to practice law in Illinois since 2006. With nearly 20 years of experience, she focuses on Estate Planning, Elder Law, Medicaid Planning, Probate, Trust Administration, and Guardianship, helping families prepare for life transitions and protect the people and assets that matter most.

Her practice is built on long-term relationships, personalized planning, and ongoing guidance as her clients' lives, families, and needs evolve. A native Russian speaker, Natalia is especially committed to serving and educating Russian-speaking families so they can understand their options and make informed legal decisions.

Natalia is a co-author of *Estate Planning Strategies: Collective Wisdom, Proven Techniques* and has been recognized by Super Lawyers as a Rising Star.

Services include:

- Wills
- Trusts
- Guardianship Planning
- Powers of Attorney
- Probate Planning
- Estate Planning for Young Families
- Special Needs Planning

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If you live outside Illinois, we will be happy to help connect you with a qualified Estate Planning Attorney in your state or recommend a reputable online Will preparation service.

Your Children. Your Money. Your Peace of Mind.

Protect your family today — so they can face tomorrow with confidence.

VISIT JULIA'S WEBSITE
juliabarinova.com