Royal American Financial Advisors, LLC
A Registered Investment Advisor

27192 Newport Rd., Suite 4 – Menifee, CA 92584 (951) 679-2065 Office (951) 679-2660 Fax

Client Instruction Guide: Budget Sheet Instructions

On the budget sheet (on page 3), are the standard eMoney budget categories. Follow the instructions below and enter your budget data prior to entering on your own personal website. Gathering the data first will save you a lot of time. If your budget item fits the description, then use the standard categories below. If your budget item does not fit the standard categories below, you can add/create a custom category under any of the main standard categories which are colored in **GREEN**.

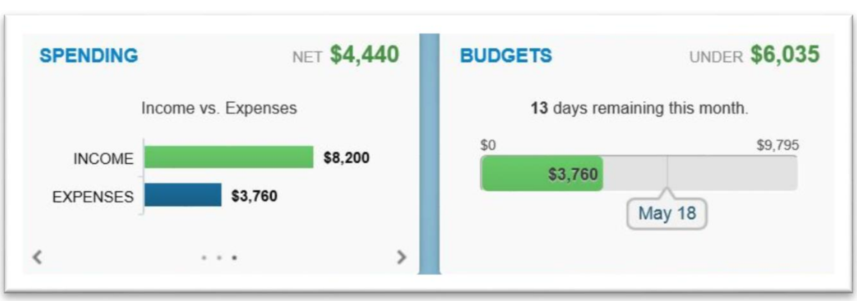
On this document, you may create custom categories and you can add the custom categories to eMoney when you enter your budget. **DO NOT CHANGE THE MAIN STANDARD CATEGORIES IN GREEN**. You may change any other sub-category below each of the main standard categories. Make sure your custom categories fit under the main standard categories colored in **GREEN** below. When you start revising checking and credit card transactions, you will revise them to match your budget categories.

The budget and/or transactions feature on your personal website, by default, is hidden from view from us, your advisor, for your privacy. We are still available for help, or to answer general questions. Or, you may choose to temporarily turn off the privacy, so we can help you with specific questions. We even have the ability to do a safe and secure screen sharing session with you, if necessary (by appointment).

If you desire, you may change your privacy settings temporarily, to allow us to see limited information (such as budget categories only), or full access (showing all budget categories and all transactions). This will allow us, as your advisors (and only us), to assist you with any specific questions you may have. Once your questions are answered, you can then turn your privacy back on.

This is what we, as your advisors, will see when you have your privacy turned on (by default):

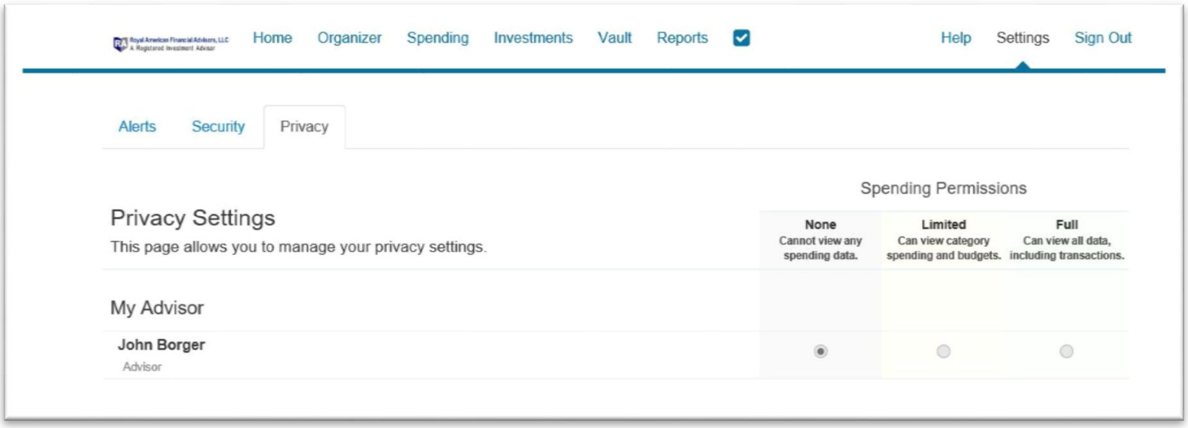
This is what we will see when you have your privacy turned off so we can help you with specifics: You can choose limited, or full access, depending upon the question you may have.



To turn privacy settings on/off:

Click on Settings in top right corner of your screen.

The default is **None** for your privacy. Change to **Limited or Full** if desired.



Below is a budget sheet to help you prepare to enter the data into your own personal Royal American eMoney website.

This is a fantastic tool once set up properly. It will take some time and effort to set up properly, but once set up, minor future adjustments are a snap!

Entering data on the budget sheet below:
Spending/budget items that are the same amount every month are easy. For the recurring expenses that are different amounts every month, such as your electric bill, add up the last 12 months and divide by 12 to get a monthly average. For semi-annual expenses, such as property taxes, take one of the payments and divide by 6 to get a monthly average. The goal is to come up with an average monthly expense for everything.

You can get the information from your check register, or Quicken/Money if you use these software programs to write checks. Don't forget credit card statements for other expenses you may not have counted. Be sure to be realistic and include all of your spending. If you are not realistic, you will not give yourself an accurate picture, and you will only be deceiving yourself.

The budget sheet is in Word format so you can revise the sub-categories (not in green) to your liking, and add/remove categories as needed.

Whether you are saving for retirement, entering into retirement, or currently in retirement, if you have never created a budget before, this exercise can be a real eye opener, and a MAJOR step to a more secure financial future.

If you have created a budget before, and track your spending, you will find once this is set up, it will be a real time saver, and probably more accurate than what you are currently doing.

Please call us if you have any questions.

DO NOT CHANGE THE MAIN STANDARD CATEGORIES IN GREEN. You may change/add/delete any other sub-category below (not colored in green) under each of the main standard categories. Make sure the custom categories fit under the main standard categories colored in **GREEN** below. Once complete, the custom categories can easily be created in your personal eMoney website.

Current Estimated Monthly Expenses - Last 12 months average (fixed)

- Auto & Transport
  - Auto Payment $
  - Auto Registration $
  - Auto Service $
  - Gas & Fuel $
  - Public Transport/Tolls $
- Bills & Utilities
  - Cellular Phone $
  - Home Phone $
  - Electricity $
  - Garbage & Recycling $
  - Gas $
  - Internet & Cable/Satellite TV $
  - Phone, Internet & Cable/Satellite $
  - Sewer $
  - Water/Sewer $
- Business

  Note: Do not list rental expenses here if you list net rental income under income. List rental expenses here if you list gross rental income under income.
  - Business expenses $
  - Rental Expenses $
- Cash/ATM
  - Misc Items - Monthly Cash $
  - Misc Spending $
- Charity
  - Charities – Other $
  - Church $
- Education
  - 529 Plan $
  - College savings account $
  - Tuition $
  - Books $
- Entertainment
  - Concerts & Events $
  - Movies, DVDs & Music $
- Fees & Charges
  - Bank Fee $
  - Finance Charge $
  - Service Fee $
- Food
  - Alcohol & Bars $
  - Fast Food & Convenience $
  - Groceries $
  - Restaurants/Dining $
- Gifts
  - Christmas $
  - Birthdays $
- Health & Fitness
  - Gym $
  - Hair & Nails $
  - Spa & Massage $
- Home
  - Furniture & Home Décor $
  - Gardener $
  - Home Improvement/Maintenance $
  - Home Supplies $
  - House Cleaning $
  - Household Services $
  - Association $

- Newspaper $
- Pool Maintenance $
- Subscriptions $

- Insurance
  Note: If insurance and property taxes are impounded with your house payment, do not list here. List under Mortgage & Rent / Mortgage Escrow. Otherwise, list here.
  - Auto Insurance $
  - Disability Insurance $
  - Earthquake Insurance $
  - Health Insurance $
  - Homeowner Insurance $
  - Life Insurance $
  - LTC Insurance $
  - Umbrella Insurance $
  - Whole Life Insurance $
- Kids
  - Baby Supplies $
  - Childcare & Daycare $
  - Kids Clothing $
  - Toys $
- Legal
  - CPA/Tax preparer $
  - Attorney Fees – Estate Planning $
  - Attorney Fees – Other $
- Loan
  Note: Do not list car payments or house payments here. Only for revolving debt with a carried balance, typically for a one time large purchase, such as electronics, furniture, or something else that needed to be financed (Not American Express that is paid in full each month).
  - Loan #1 $
  - Equity Line (unsecured) $
  - Credit Card – MasterCard $
  - Credit Card – Visa $
- Medical
  - Dentist $
  - Orthodontist $
  - Doctor $
  - Doctor co-pay $
  - Prescription co-pay $
  - Surgery co-pay $
  - Pharmacy $
- Mortgage & Rent
  - House Payment P&I $
  - House Payment Equity Line $
  - Mortgage Escrow $
  - Mortgage Interest $
  - Mortgage Principal $
- Pets
  - Pet Food $
  - Pet Grooming $
  - Veterinary $
- Savings
  - Emergency Savings $
  - Investment Savings $
  - Retirement Savings $
  - IRA Contribution $
  - Roth IRA Contribution $
  - SEP IRA Contribution $
- Shipping & Handling
  - Postage
- Shopping
  - Books $
  - Clothing $
  - Electronics & Software $
  - Merchandise/Misc $
  - Sports & Hobbies $
  -

- Taxes
    - Federal Tax $
    - Medicare Tax $
    - Other Tax $
    - Property Tax $
    - Property Tax – Primary Residence $
    - SDI Tax $
    - Social Security Tax $
    - State Tax $
- Travel & Vacation
    - Air Travel $
    - Hotel $
    - Rental Car $
    - Vacation Package $
    - Time Share $
- Unclassified

Total $

Total (if you wish to). Royal American eMoney will total for you, as you enter the data into the system, and then it will compare to your actual spending each and every month from your checking account, and credit card account(s). After 12 months, you will have a great picture of your budget and spending, and where you should make adjustments, if necessary.

For additional client videos and instruction guides, visit our website:
Royal American eMoney for Clients: http://www.myinvestmentcoach.com/eMoney.html