A VETERAN'S FINANCIAL COORDINATION BRIEF

The Hidden Cost of Poor Planning

How the three decisions of your military-to-civilian transition fit together, and what it quietly costs when they don't.

Exponential Advisors LLC

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What's inside this brief

Commander’s Intent

Here is the situation. When you leave the service, a cluster of large financial decisions arrives at roughly the same time. The survivor benefit election. What to do with the TSP. How a civilian salary stacks on top of a military pension and VA compensation. Each decision has its own deadline, its own form, and its own set of strangers telling you what to do. So most people handle them one at a time, in isolation, under time pressure.

That is the problem. A decision that looks right on its own can quietly work against the others. The cost rarely shows up as one dramatic mistake. It shows up as drag: a little more tax than necessary, a survivor plan that does not match the insurance, a rollover that traded a low-cost account for a more expensive one without a clear reason.

This brief is your map. It will not give you a recommendation, because a recommendation without your full picture is just a guess. Instead it will show you how the pieces connect, name the blind spots that catch disciplined people, and give you the questions to ask before you decide.

What you will get from this brief

- A clear name for the real risk in a military-to-civilian transition: Post-Service Financial Drift.
- The three decisions that anchor everything else, and how they interact.
- Section-by-section briefings on VA benefits, TSP and rollovers, taxes, survivor protection and legacy, and digital assets.
- A self-assessment you can complete in ten minutes to find your own gaps.
- A four-step process for turning a pile of decisions into one coordinated plan.

This brief is for you if you are within a few years of separation or retirement, or recently out, and you are responsible for a household’s financial decisions while holding meaningful assets across a pension, the TSP, an IRA, VA benefits, equity compensation, or a business.

> **MISSION NOTE**
>
> This is general education, not individualized advice. Nothing here is a recommendation to take or avoid any specific action. Your situation has details this brief cannot see. Verify current-year rules with the appropriate authority and professional before you act.

01

The Hidden Cost Is Not One Mistake. It Is Drift.

Ask a room of veterans what financial mistake they fear most and you will hear about a single bad call. The wrong rollover. A missed benefit. A bad investment. Real risks, all of them. But in practice, the largest costs in a transition are almost never one dramatic error. They are the slow, compounding drag of decisions that were each reasonable in isolation and never coordinated with one another.

We call it **Post-Service Financial Drift**. It is what happens when good decisions are made one at a time, by different people, on different timelines, with no one holding the whole picture.

Drift is hard to see because nothing looks wrong. Every individual choice has a defensible story. The drag only appears when you step back and look at the system.

Where drift hides

- **Benefits that are never coordinated.** The pension, VA compensation, Social Security timing, and a civilian salary each get handled separately, so their interaction with taxes and cash flow is never modeled as a whole.
- **A TSP decision made without tax context.** Keep, roll, or partially roll is treated as an investment question when it is really a tax, cost, and estate question.
- **An SBP decision made without the insurance and estate picture.** The survivor election is locked in around retirement, often without checking how it fits with life insurance, the estate plan, and the family's actual cash-flow need.
- **A civilian paycheck layered onto a pension with no plan.** New W-2 income stacks on retired pay and can change withholding, tax brackets, and the value of certain deductions, usually discovered the following April.
- **VA benefits misunderstood or left out of the household plan.** Compensation that is generally tax-free at the federal level changes the math on everything around it, but only if it is actually built into the plan.
- **Digital assets approached emotionally.** A position is sized by conviction or fear instead of by its role, risk, and place in the overall plan.

Why disciplined people are not immune

Drift is not a discipline problem. The people most exposed to it are often the most capable: senior leaders used to delegating, trusting the chain, and trusting that each specialist has their lane covered. That works in an organization built for coordination. A transition is not built for coordination. No one is assigned to own the whole picture, so unless you assign someone, often yourself, the picture goes unowned.

How drift shows up over time

Drift is rarely visible in month one. It accumulates in stages. Early on, a few decisions get made in isolation because they have the nearest deadline. Next, those decisions quietly set constraints on the ones that follow: a rushed SBP election narrows the insurance conversation, a default rollover complicates a later Roth strategy.

Finally, the constraints harden into the household's actual financial structure, and unwinding them costs time, money, or both. The earlier you coordinate, the more options you keep.

Signs you may be drifting

- You have made, or are about to make, a major decision (SBP, a rollover, accepting an offer) without seeing how it affects the others.
- No single document or person holds your whole financial picture.
- You are choosing based on the nearest deadline rather than the clearest priority.
- You have answered "I'll deal with that later" to more than one of the topics in this brief.

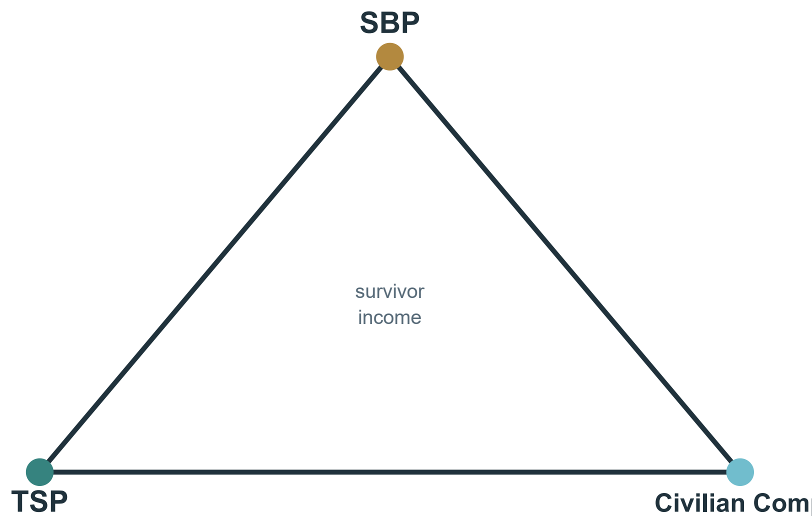
COMMON BLIND SPOTS

The most expensive drift is invisible at the moment of decision. You will not feel the cost of an uncoordinated SBP or rollover choice on the day you make it. You feel it years later, in tax bills, in a survivor plan that does not hold up, or in an account that cost more than it needed to. The fix is not more willpower. It is coordination.

The rest of this brief is organized to defeat drift. It starts with the three decisions that anchor the transition, then works outward to the choices that orbit them.

The Veteran Financial Decision Triangle℠

Three decisions sit at the center of most military-to-civilian transitions. They are large, mostly time-bound, and deeply interconnected. Get them coordinated and the smaller decisions tend to fall into place. Make them in isolation and they become the main source of drift.



Move any one corner and the other two move with it.

Think of it as a triangle because moving any one corner moves the other two. The SBP decision depends on what survivor income your assets and insurance can already provide. What you do with the TSP depends on your future tax picture, which depends on your civilian compensation. And your civilian compensation decision (salary, equity, benefits, retirement plan) changes the tax context for everything else.

Corner 1 / The SBP election

What the decision is. At retirement you choose whether to enroll in the Survivor Benefit Plan, which converts a portion of your retired pay into a lifetime, inflation-adjusted income for an eligible survivor, in exchange for a monthly premium.

Why it matters. It is one of the few decisions in this brief that is difficult or impossible to reverse, and it is one of the few sources of stable, government-backed, inflation-adjusted survivor income most families will ever have access to. The default is enrollment, and declining or reducing it requires spousal consent.

Common mistakes. Treating it as an insurance-versus-SBP coin flip without modeling the actual survivor income gap. Deciding under deadline pressure at the retirement appointment. Forgetting that SBP is indexed for inflation while a fixed insurance policy is not. Failing to revisit the picture as other assets grow.

Coordinate it with: life insurance coverage and duration, the estate plan, the surviving spouse's own income and benefits, and the household's real monthly need if you were no longer there.

Corner 2 / The TSP decision

What the decision is. At or after separation, you choose whether to leave assets in the TSP, roll some or all to an IRA, move them into a new employer plan, or use some combination.

Why it matters. The TSP is one of the lowest-cost retirement vehicles available, and the choice is usually framed as “more investment options” versus “low cost.” But the decision that actually matters is about taxes, costs, and estate flexibility, not just fund menus.

Common mistakes. Rolling over by default because someone suggested it, without comparing costs. Assuming more choices automatically means better outcomes. Overlooking the Roth and traditional balances inside the TSP and how each should be handled. Ignoring how the rollover interacts with future Roth conversion plans.

Coordinate it with: your projected tax brackets in the next several years, your civilian retirement plan, any Roth conversion strategy, and your estate and beneficiary plan.

Corner 3 / The civilian compensation decision

What the decision is. Evaluating a civilian role’s full compensation: base salary, bonus, equity (RSUs or options), retirement plan, health coverage, and how all of it stacks on top of retired pay and any VA compensation.

Why it matters. This is where total household income, and therefore the tax picture, is actually set. It is also where concentration risk (too much net worth tied to one employer’s stock) and benefit-coordination questions first appear.

Common mistakes. Comparing offers on base salary alone. Treating equity as a certain number rather than a variable, taxable, often-concentrated asset. Missing how the new income changes withholding and the value of pre-tax versus Roth contributions. Leaving an old employer plan or HSA stranded.

Coordinate it with: your pension and VA compensation, your TSP decision, your tax plan, and your insurance and survivor plan.

How the corners interact

The triangle is not a metaphor for its own sake. The interactions are concrete:

- **SBP and insurance.** Decide the survivor income need first, and the SBP and life-insurance amounts become a coordinated answer rather than two separate guesses.
- **Civilian income and the TSP.** A higher civilian salary can raise your current bracket, which changes whether Roth or traditional contributions, and a Roth conversion, make sense this year.
- **VA compensation and taxes.** Tax-free compensation can open room in lower brackets, which is exactly the room a Roth conversion strategy wants to use.

Make these decisions together and each one informs the next. Make them apart and each one constrains the next.

The sequence over time

The three decisions do not arrive all at once. They cluster around separation or retirement on a rough timeline. Knowing the sequence helps you give the irreversible, time-bound choices the attention they deserve, before the deadline makes the choice for you.

24+ months out	Build the baseline. Model income and taxes.
12 months out	Lay SBP groundwork. Weigh offers on total comp.
Separation / Retirement	Lock the SBP election. Set up the TSP decision.
First 12 months	Execute rollovers. Refresh beneficiaries.

Indicative sequence. Your timeline and deadlines will differ; verify dates that apply to you.

QUESTIONS TO ASK BEFORE YOU DECIDE

- If I were gone next year, what monthly income would my family actually need, and what would already be in place from assets, insurance, and survivor benefits?
- What do I expect my taxable income to look like in each of the next five years, and how does that change the TSP and Roth question?
- Am I comparing civilian offers on total compensation and its tax treatment, or just on salary?
- Which of these three decisions has the nearest deadline, and which is the hardest to reverse?

The sections that follow take each surrounding topic, VA benefits, TSP mechanics, taxes, survivor and legacy, and digital assets, and connect it back to this triangle.

03

VA Benefits and Disability Compensation

Coordination, not claims.

Exponential Advisors does not file VA disability claims, does not represent veterans before the VA, and cannot influence a rating. What we do is help you build the benefits you have earned into a coordinated household plan. For the claim itself, the right help is a VA-accredited representative.

A note on the claims process, kept brief. Veterans generally have three routes to file or appeal a disability claim: on their own, through a Veterans Service Organization at no cost, or through a paid consultant. Only VA-accredited representatives and attorneys are authorized to represent you before the VA. Accredited help through a recognized VSO is free. If you are weighing the claim itself, start there.

> **MISSION NOTE**
>
> Accredited, no-cost help with VA claims is available through recognized Veterans Service Organizations such as the DAV, VFW, American Legion, and Paralyzed Veterans of America. Verify a representative's accreditation through the VA's Office of General Counsel accreditation search. Be cautious with any service that charges a fee for help filing an initial claim.

Where compensation fits in the plan

Once benefits are in place, the planning questions begin. VA disability compensation is generally not subject to federal income tax, which changes the math on nearly everything around it.

- **Cash flow.** Tax-free compensation is worth more, dollar for dollar, than the same amount of taxable income. Building it into the household budget accurately can change how much taxable income you actually need to draw elsewhere.
- **Tax planning.** Because the compensation itself is generally federally tax-free, it can leave more room in lower tax brackets for deliberate moves such as Roth conversions. This interaction is easy to miss and valuable to plan around.
- **Survivor planning.** Some VA benefits may continue to a surviving spouse in certain circumstances, and others do not. Knowing which is which is essential before you decide how much other survivor income (SBP, insurance) you need.
- **Retirement income.** Compensation that is stable and inflation-adjusted can function as a foundation layer in a retirement income plan, which may change how the rest of the portfolio is positioned.

Common blind spots. Assuming VA compensation will automatically pass to a spouse. Forgetting state-level benefits that ride along with a disability rating, such as certain property-tax relief. Leaving the tax-free nature of the income out of the bracket math. Treating the rating as a one-time event rather than something that can change.

Verify before acting. Federal and state benefit rules change. Confirm current eligibility and tax treatment with VA.gov, your state's veterans affairs office, and a qualified tax professional before relying on any specific figure.

04

TSP, BRS, and Rollover Decisions

Keep, roll, or partially roll, and the variables that drive it.

The TSP is one of the lowest-cost, most efficiently structured retirement vehicles available, and the decisions around it are more about taxes, cost, and coordination than about fund menus. Here is how to think it through.

Capture the match first

If you are under the Blended Retirement System, the government provides automatic and matching contributions up to a set percentage of basic pay when you contribute enough to receive the full match. Contributing at least to the match is one of the clearest moves available, because it is an immediate return on those dollars. Confirm the current match formula and vesting schedule at TSP.gov, because the details matter.

Roth versus traditional is a tax decision, not a preference

The choice between Roth TSP (after-tax now, qualified withdrawals later can be tax-free) and traditional TSP (pre-tax now, taxed at withdrawal) is fundamentally a question of which tax rate is higher: yours today, or yours when you withdraw.

- **Roth may fit** when you expect higher taxable income later, or while you are in a lower bracket now, including periods when tax-free combat pay lowers your taxable income.
- **Traditional may fit** when you are in a high bracket now and expect a lower one later.
- **Most people end up with reasons to hold both,** which creates useful flexibility in retirement. The point is to choose deliberately, in light of the tax picture from your civilian-compensation decision, not by default.

The low-cost structure is a real, durable advantage

The TSP's expense ratios are among the lowest available. Lower ongoing cost means more of your money stays invested and compounds over time. When you evaluate any alternative, the cost comparison is not a detail. It is often the whole decision.

The core funds, in plain terms

- **G Fund:** government securities, designed to avoid loss of principal, with correspondingly modest returns.
- **F, C, S, and I Funds:** track bonds, large-cap US equities, small and mid-cap US equities, and international equities, respectively.
- **Lifecycle (L) Funds:** diversified blends that shift more conservative as a target date approaches.

Use an allocation that matches your timeline, your tolerance for volatility, and your overall plan. All investing involves risk, including the possible loss of principal.

Keep, roll, or partially roll: the real decision

Rolling over is not automatically better, and staying is not automatically better. The honest answer depends on your situation.

Staying in the TSP may make sense when you value the ultra-low cost, you want simplicity, you are still receiving the match, or the TSP's structure already fits your plan.

A partial or full rollover may be worth considering when you have a specific, articulable reason: a Roth conversion strategy that the TSP cannot accommodate as flexibly, consolidation of scattered accounts, an estate or beneficiary structure that needs more flexibility, or access to a specific strategy you cannot run inside the TSP.

WEIGH THESE TRADEOFFS HONESTLY

- **Cost.** Many IRAs carry higher fund and advisory costs than the TSP. If you move money, you should be able to say what you are getting for any added cost.
- **The match.** Money moved out no longer receives future BRS matching on new contributions to that account.
- **Complexity.** More options can mean better fit, or it can mean analysis paralysis and higher-risk exposure if it is not managed with a plan.
- **Taxes.** Rollovers between like accounts are generally not taxable when done correctly, but mistakes (such as an indirect rollover that misses the deadline, or mixing Roth and traditional dollars) can create taxes and penalties. The mechanics matter.

A quick way to frame the decision

When the rollover question feels overwhelming, reduce it to three questions in order:

1. **Cost.** Would moving raise my ongoing costs, and if so, what specifically do I get for that?
2. **Capability.** Is there a specific thing I need to do, a Roth conversion approach, a consolidation, an estate structure, that the TSP cannot do?
3. **Coordination.** Does this move fit the rest of the plan, the tax picture, the beneficiaries, the timeline, or does it just add options?

If the answers do not produce a clear reason to move, that is itself an answer.

COMMON BLIND SPOTS

"More choices" is not a financial plan. The most common rollover mistake is moving low-cost TSP assets into a higher-cost account without a specific reason that justifies the change. Before you move anything, write down the one thing the new account does that the TSP cannot. If you cannot finish that sentence, you are not ready to decide.

Any rollover should follow individualized analysis. This brief does not recommend keeping, rolling, or transferring any specific account. Confirm rules and current limits at TSP.gov and IRS.gov, and review your situation with a qualified professional.

Tax Planning for Veterans

Federal and state levers worth coordinating.

Veterans have access to several tax advantages at the federal and state levels. The value comes not from any single item but from coordinating them, and from confirming each against current-year rules before you rely on it.

Federal treatment of VA disability compensation

VA disability compensation is generally not included in federal taxable income. That single fact ripples through the whole plan: it raises the real value of that income, and it can leave more room in lower brackets for deliberate moves elsewhere. Build it into the plan as tax-free, and verify your specific situation with a tax professional.

Military retirement pay

Military retired pay is generally taxable at the federal level, but state treatment varies widely. Some states fully exempt military retirement pay from state income tax, some partially exempt it, and some states (including Texas) have no individual state income tax at all. Where you establish residency can meaningfully change take-home retirement income. Confirm current state rules before relying on them.

State-specific items

- **Property-tax relief.** Many states offer partial or full property-tax exemptions for veterans, often tied to a service-connected disability rating. The savings can be significant and recurring. Rules and amounts vary by state and county.
- **Vehicle, licensing, and other exemptions.** Some states waive certain registration or licensing fees for qualifying veterans. Individually small, these add up.

Planning levers worth coordinating

- **Roth conversion windows.** Lower-income years, sometimes early in retirement before pensions, Social Security, and required distributions all stack up, can be deliberate windows to convert traditional dollars to Roth at a lower rate. Tax-free VA compensation can make these windows more usable. This is timing-sensitive and worth modeling.
- **Health Savings Accounts.** If you are enrolled in an eligible high-deductible health plan, an HSA offers a rare combination: contributions may be deductible, growth is tax-deferred, and qualified medical withdrawals are tax-free. Funds roll over year to year and can help with healthcare costs later in life. Eligibility rules are specific, so confirm them.
- **Roth IRAs.** After-tax contributions can grow tax-free, with qualified withdrawals tax-free in retirement. Lower-bracket years early in a career or transition can make Roth contributions especially worth considering.
- **Charitable giving and stewardship.** For families who give, coordinating the timing and method of giving (for example, appreciated assets or donor-advised funds) can align generosity with tax efficiency. The goal is to

give well and on purpose, in line with your values.

Service-connected items that are often missed

- **Combat-zone pay.** Certain pay earned in a designated combat zone may be excluded from taxable income, and tax-free combat pay may still be eligible to contribute to a Roth IRA. Confirm current rules in the IRS Armed Forces' Tax Guide.
- **Filing-deadline extensions.** Service members who are deployed or hospitalized may qualify for automatic filing and payment extensions.
- **Transition-related deductions.** Some job-search, moving, or related costs may be deductible in certain circumstances, and the rules change periodically. Verify current eligibility before relying on them.

A note on the order of operations

Tax moves work best in sequence: first know your projected bracket for the year, then decide Roth versus traditional and whether to convert, then place assets in the right account types, then handle giving. Doing them out of order, for example converting before you know your bracket, is how good intentions create surprise tax bills.

> **MISSION NOTE**
>
> Tax law changes every year, and the figures that matter (brackets, contribution limits, exemption amounts, residency rules) change with it. Treat every number in this section as something to verify against current federal and state rules, and confirm your specific situation with a qualified tax professional. This brief is tax-planning education, not tax advice.

> **QUESTIONS TO ASK BEFORE YOU DECIDE**
>
> - Does my state tax military retired pay, and would residency change that?
> - Am I leaving Roth conversion room on the table in my lower-income years?
> - Am I eligible for an HSA, and am I using it as a long-term account rather than a spending account?
> - Have I checked the property-tax relief available where I live?

Insurance, Survivor Protection, and Legacy

The section most guides skip.

This is the section most transition guides skip, and it is the one a family feels most sharply if it is wrong. The questions here are not about returns. They are about what happens to the people you are responsible for if something happens to you. For a household with a pension, benefits, and meaningful assets, coordination here is everything.

The Survivor Benefit Plan, revisited as a system

SBP is the anchor of survivor planning for most military retirees, because it provides lifetime, inflation-adjusted income to an eligible survivor, backed by the government. The mistake is deciding it in isolation. SBP should be sized against everything else that would be available to your survivor.

The honest way to make the decision is to start with the gap. Estimate the monthly income your family would actually need if you were gone, then subtract what is already in place: the surviving spouse's own income, Social Security survivor benefits, income from existing assets, and any VA benefits that continue. What remains is the gap SBP and life insurance together need to fill. Only then can you judge how much SBP, and how much insurance, is the right amount.

The survivor income gap: a simple way to estimate it

You do not need software to get directionally close. Work the gap in a few lines, then verify the estimates with the sources noted below.

A. Monthly income your household would need	$ ____________
B. Surviving spouse's own expected income	− $ ____________
C. Social Security survivor benefit (estimate)	− $ ____________
D. Monthly income from existing assets	− $ ____________
E. VA benefits that would continue, if any	− $ ____________
Gap to fill (A minus B, C, D, and E)	**= $** ____________

The remaining gap is what SBP and life insurance together are there to cover. Sizing them to the gap, rather than to a rule of thumb, is the heart of coordinated survivor planning. Verify benefit estimates with SSA.gov, DFAS, and VA.gov.

Life insurance, in coordination

Life insurance and SBP are not competitors. They are different tools with different shapes. SBP is lifetime and inflation-adjusted but fixed in structure. Term life insurance is flexible and often lower-cost during working years but expires. Permanent insurance is lasting but more expensive and more complex. The right answer usually layers them: enough coverage to fill the gap for the years it is largest, coordinated with SBP rather than chosen instead of it. Service members should also understand how transition-era coverage such as SGLI converts at separation, and whether it fits the long-term plan.

Disability insurance

While you are earning a civilian income, your ability to earn it is often your largest asset. Disability insurance is designed to help replace that income stream if illness or injury keeps you from working. Veterans sometimes assume VA disability compensation covers this role; it does not necessarily replace civilian earning power. Check what your civilian employer provides and whether it is enough.

Long-term care risk

The cost of extended care later in life is one of the larger risks to a family's assets and to a surviving spouse's security. There is no single right answer, and the tools (self-funding, insurance, hybrid policies) each have tradeoffs. The point is to face the risk deliberately rather than discover it in a crisis.

Beneficiary designations and estate documents

- **Beneficiary designations override your will.** The named beneficiary on a TSP, IRA, or insurance policy controls that asset, regardless of what your will says. Stale designations (an ex-spouse, a deceased relative, no contingent beneficiary) are one of the most common and most avoidable planning failures. Review them after every major life event.
- **Core estate documents.** Most families need, at minimum, a current will, durable powers of attorney for finances and healthcare, and healthcare directives. These are not just for the wealthy; they determine who decides for you if you cannot.
- **Guardianship for families with children.** If you are responsible for minor children or a family member with special needs, naming a guardian and structuring how assets would support them is among the most important decisions in this brief.

Legacy, faith, and family

For many of the families we serve, legacy is not only financial. It includes the values, the faith, and the example you want to pass on. Coordinating the financial structure with those priorities, how you give, how you provide, and what you want remembered, is part of good stewardship. A plan that ignores this is incomplete, even if the numbers are right.

> **COMMON BLIND SPOTS**
>
> The three quietest failures in this section: an SBP decision made without modeling the actual income gap, a beneficiary designation that no longer reflects your family, and the absence of basic estate documents. None of them announce themselves. All of them are fixable in an afternoon with the right checklist.

This section is educational and does not constitute insurance, legal, or estate advice. Insurance products and estate documents should be reviewed with appropriately licensed professionals.

07

Digital Assets and Bitcoin: A Disciplined View

Education and risk, never advocacy.

Digital assets deserve a clear-eyed, disciplined treatment, neither hype nor dismissal. Here is how we frame them for the families we serve.

The bridge analogy

Think of Bitcoin and digital assets the way you would think of special operations forces relative to the larger force. They can play a specialized, complementary role for some investors. They are not the whole army, and no disciplined commander builds the entire mission around a single specialized element. In a financial plan, that means digital assets, if they have a place at all, sit alongside a coordinated traditional plan, not in place of it.

Education first, claims never

You will hear digital assets described in absolute terms: an inflation hedge, a guarantee against currency debasement, a path to financial sovereignty. We do not use that language, and you should be cautious of anyone who does. What is fair to say is more measured: some investors view Bitcoin as a potential portfolio diversifier or as a long-duration store of value, while others view it as speculative. Both views exist among serious people. The asset is young, and reasonable observers disagree.

What is not in dispute

- **Volatility is real and large.** Digital assets can lose a substantial share of their value quickly. Anyone holding them should be able to tolerate that, financially and emotionally, without it derailing the rest of the plan.
- **They are speculative.** Digital assets are highly volatile and speculative and may not be suitable for every investor. Position sizing matters more here than almost anywhere else in a portfolio.
- **Custody is its own discipline.** Self-custody with hardware wallets and, for larger holdings, multi-signature arrangements reduces certain risks and introduces others, such as the permanent loss of access. Custody through an exchange carries counterparty risk. Neither is free of risk.
- **Scams target this space.** Fraud, fake exchanges, social-engineering attacks, and high-leverage products cause real losses. Skepticism is a feature, not a flaw.

A disciplined approach, if you participate

- **Size it as a small, deliberate position,** sized so that a total loss would not compromise your plan.
- **Decide its role before you buy,** not after the price moves.
- **Separate conviction from allocation.** Strong belief is not a position-sizing method.
- **Plan for custody and estate access.** Make sure a trusted person could locate and access the assets if you could not. Digital assets are frequently lost at death because no one knew they existed or could reach them.

- **Expect volatility and pre-commit to your behavior** during it, so a drawdown does not force an emotional decision.

A pre-purchase checklist

If you decide digital assets have a place, run this list first:

- [ ] I can state, in one sentence, the role this position plays in my plan.
- [ ] The amount is small enough that a total loss would not change my retirement.
- [ ] I have a custody plan, and a trusted person could access it if I could not.
- [ ] I have a written rule for what I will do if the price falls by half.
- [ ] I can identify the most common scams in this space.

MISSION NOTE

Exponential Advisors treats digital assets through the lens of education, risk management, diversification, and stewardship. We do not make price predictions, and we do not present any digital asset as a guaranteed hedge or a primary retirement strategy. Digital assets are highly volatile and speculative and may not be suitable for all investors.

The Veteran Financial Blind Spot Checklist

A ten-minute self-assessment.

Use this as a ten-minute self-assessment. For each item, mark yes only if you could explain your answer to a skeptical friend. Every “no” or “not sure” is not a failure; it is simply a coordination gap worth a closer look.

INCOME AND TAX

- [ ] I have modeled my retirement income after taxes, not just before.
- [ ] I know whether my state taxes my military retired pay, and whether residency would change it.
- [ ] I have considered Roth conversion windows in my lower-income years.
- [ ] I have built my tax-free VA compensation into the household plan and the bracket math.

RETIREMENT ASSETS

- [ ] I know whether my TSP should stay, partially roll, or fully roll, and I can say why.
- [ ] I am capturing the full match while I am eligible for it.
- [ ] I understand how my Roth and traditional balances are each handled.

SURVIVOR AND LEGACY

- [ ] I have coordinated my SBP decision with life insurance and the actual income gap.
- [ ] I have reviewed every beneficiary designation within the last year.
- [ ] I have a current will, durable powers of attorney, and healthcare directives.
- [ ] If I have dependents, guardianship is named and funded.

RISK AND RESILIENCE

- [ ] I have life insurance sized to the actual survivor income gap, coordinated with SBP rather than chosen instead of it.
- [ ] I have considered whether I need disability insurance to protect my civilian earning power.
- [ ] I have faced the long-term care risk deliberately instead of leaving it to chance.
- [ ] I hold an emergency reserve that could carry my household through a transition or an unexpected shock.
- [ ] If I own digital assets, I can state their role, their size relative to my plan, and my custody arrangement in one breath.

How to read your answers. This is not a test you pass or fail. Count your “no” and “not sure” responses. Each one simply marks a coordination gap, and the section that follows shows you how those gaps get closed.

The 4-Step Operational Wealth Stewardship℠ Framework

How a coordinated plan gets built.

This is how a coordinated plan actually gets built. It is a process, not a promise. It does not produce a guaranteed outcome; it produces clarity, coordination, and a plan you can actually run.

Step 1: Establish the baseline

Get the whole picture in one place: income (pension, VA, civilian, future Social Security), assets (TSP, IRAs, brokerage, equity comp, real estate, any digital assets), liabilities, insurance, benefits, and your estate documents. You cannot coordinate what you have not first laid out. Most people have never seen it all on one page.

Step 2: Identify the coordination gaps

With the baseline in front of you, find where decisions are working against each other or where pieces are missing. Where is the survivor income gap? Is the TSP decision aligned with the tax plan? Are beneficiaries current? Is anything sized by emotion rather than role? This is where the Blind Spot Checklist becomes a working document.

Step 3: Build the mission plan

Turn the gaps into a sequenced plan. Order the decisions by deadline and by how hard they are to reverse, so the irreversible, time-bound choices (often SBP) get the attention they deserve first. Assign each decision the context it needs: the tax picture, the survivor math, the cost comparison. A good plan reads like an operation order, not a wish list.

Step 4: Execute, monitor, and adjust

Implement deliberately, then review on a regular cadence and after every major life event: a move, a promotion, a new child, a change in health, a change in the law. Coordination is not a one-time event, because your life and the rules around it keep changing. The plan is a living document.

> **MISSION NOTE**
>
> Notice what this framework does not do. It does not promise a return, a tax outcome, or a guaranteed result. It promises a process: see the whole picture, find the gaps, sequence the decisions, and keep the plan current. That is what stewardship looks like in practice.

In practice: a hypothetical

The following is a hypothetical illustration for education only. “Officer Bravo” is fictional. It describes process, not results, and does not reflect any specific person or any promised outcome.

Officer Bravo is retiring in roughly eighteen months and weighing a civilian role. Working the framework: in **Step 1**, Bravo lists every income source, account, policy, and document on one page, and sees the full picture for the first time. In **Step 2**, the gaps surface: the SBP election is approaching with no survivor-income estimate behind it, the TSP decision is being treated as a fund-menu question, and two beneficiary designations still name a relative who has passed. In **Step 3**, Bravo sequences the work, estimating the survivor gap and deciding SBP first because it is the hardest to reverse, then framing the TSP decision around next year's tax picture, then refreshing the documents. In **Step 4**, Bravo implements in that order and sets a review for after the civilian start date, when the income picture changes again.

Notice that the framework did not produce a product or a prediction. It produced an order of operations and a reason behind each decision. That is the deliverable.

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Your Next Step

A clear, no-pressure way forward.

If this brief did its job, you can now see your decisions as one connected system rather than a stack of separate forms. That shift, from isolated choices to a coordinated plan, is the whole point.

The clearest next step is a Tactical Financial Assessment℠. It is a focused, no-pressure 30-minute diagnostic that pressure-tests how your pension, TSP, and civilian income will interact during your transition window. It is not a sales call and not a full plan, just a structured second look to surface the coordination gaps that matter most.

SCHEDULE A TACTICAL FINANCIAL ASSESSMENT℠

A 30-minute coordination diagnostic

calendly.com/josh-exponentialadvisors/tactical-financial-assessment

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Exponential Advisors LLC is a Texas-registered, fee-only, fiduciary financial planning firm built to serve those who served.

ABOUT

How We Work

Exponential Advisors is a Texas-registered, fee-only, fiduciary financial planning firm built to serve military veterans, transitioning service members, retirees, and their families.

We practice what we call Operational Wealth Stewardship℠: the disciplined, ongoing coordination of every part of your financial life, so the pieces work together instead of quietly working against each other. We do not sell products, and we earn no commissions. We are paid only by the families we serve, which keeps our counsel aligned with your interests and no one else's.

Our process is the framework you just read

We do not start with a product. We start with your baseline, find the coordination gaps, sequence the decisions, and help you execute and review. The four steps in the previous section are not marketing; they are how the work actually runs.

What to expect

- A structured conversation, not a sales pitch.
- A coordinated view of your benefits, assets, and family priorities.
- Education first, so you understand the why behind every recommendation.
- Clarity on your next decision, whether or not we work together.

MISSION NOTE

A note on language: this brief avoids promises of returns or outcomes on purpose. No advisor can guarantee market results. What a coordinated process can offer is clarity, a defensible reason behind each decision, and a plan that stays current as your life changes.

REFERENCE

Key Terms, Decoded

A quick reference for the terms used in this brief. Definitions are general and educational; specific rules change and should be verified with the relevant authority.

BRS / Blended Retirement System
The military retirement system combining a reduced pension with government contributions to the TSP, including matching for those who contribute.

TSP / Thrift Savings Plan
The federal government's defined-contribution retirement plan, known for very low costs and a small menu of index-style funds.

SBP / Survivor Benefit Plan
An election at retirement that converts part of retired pay into lifetime, inflation-adjusted income for an eligible survivor, in exchange for a premium.

COLA / Cost-of-Living Adjustment
A periodic increase tied to inflation. SBP and some other benefits are adjusted for inflation; many fixed insurance policies are not.

RMD / Required Minimum Distribution
The amount the IRS requires you to begin withdrawing from certain tax-deferred accounts at a set age. Timing affects tax planning and Roth conversion windows.

Roth vs. Traditional
Roth contributions are made after tax, with qualified withdrawals potentially tax-free; traditional contributions are pre-tax, with withdrawals taxed later. The choice is a tax-timing decision.

Rollover
Moving retirement assets from one account to another (for example, TSP to an IRA). When done correctly it is generally not a taxable event; mistakes can trigger taxes and penalties.

VSO / Veterans Service Organization
An organization (such as the DAV, VFW, American Legion, or PVA) that offers free, accredited help with VA claims.

VA-accredited representative
A representative or attorney authorized to assist with and represent veterans in claims before the VA. Accreditation can be verified through the VA's Office of General Counsel.

HSA / Health Savings Account
A tax-advantaged account available with an eligible high-deductible health plan. Contributions may be deductible, growth is tax-deferred, and qualified medical withdrawals are tax-free.

Concentration risk
The risk of having too much net worth tied to a single asset, often an employer's stock through equity compensation.

Custody / digital assets

How a digital asset is held and secured, whether self-custodied (for example, a hardware wallet) or held through an exchange. Each approach carries different risks.

Fiduciary

A standard requiring an adviser to act in the client's best interest and to place that interest ahead of the adviser's own.

Fee-only

A compensation model in which an adviser is paid by clients rather than through commissions on products, a structure designed to reduce certain conflicts of interest.

DISCLOSURES

Important Disclosures

Exponential Advisors LLC is an investment adviser registered with the Texas State Securities Board. Registration with any securities authority does not imply a certain level of skill or training. Advisory services are offered only to clients or prospective clients where Exponential Advisors LLC and its representatives are properly registered or exempt from registration.

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