

## Not Yo' Mamas Retirement Plan Brief

To really grasp this brief, you're going to have to turn off your Dave Ramsey Radio and put down Suzy Orman for just a minute. I'll spare you the headache of rants against "buy term and invest the difference" and "death to the 401(k)". You can google those in your spare time. There are plenty of solid blog posts in that arena. What I want to do is quickly have a to the point conversation with you... a "birds and the bees" type discussion on retirement.

When we talk about retirement we don't want to gamble, but most people do. As is the old adage, the house always wins. That's why we're seeing only 5% of Americans retiring financially independent. So we need something different. You can't do the same thing mom did and expect a different result. That's called insanity! I believe the solution is to create your own pension, through an IUL policy. IUL stands for Indexed Universal Life. If you want to know all of the little intricacies, buy our book "Not Yo' Mama's Retirement Plan". For today, I'm going to cut to the chase and just show you what it can do for you. These are actual numbers from a top rated insurance carrier and a real client. Here is the scenario:

- 33 year old male

- Non- smoker, Preferred rating

- For ease of numbers, premiums were \$1,000 per month

- Premiums will be paid to age 65, then income taken for life

Like all plans, things change, so the resulting numbers I'm going to share with you won't be exact. It'll be just couple years from retirement before you know exactly where you're at, just like the old pension plans. However, we have chosen to illustrate a very conservative interest rate to credit, so we have a very good safe shot at meeting our goal. We've also removed taxes on the income at retirement, since we don't know what they'll be 32 years from now we've chosen to set this up to be tax-free at retirement. Oh, and there is no risk of loss due to the market fluctuations.

So what does that \$1,000 per month get this guy at retirement? This arrangement will provide a tax-free income at retirement of \$137,000 per year. That is every year until he dies. He'll also leave a nice death benefit for his family but the amount will vary depending on when he passes on. If he dies before he reaches retirement age, he'll leave \$1,127,363 in death benefit for his wife to retire with. There's no income tax on any of this money(estate taxes are a different beast, so we'll touch on them in a different article).

So now you know what you can expect. Are you going to continue to follow the masses who won't retire financially independent, or are you going to get smart, get in control, and have a tax-free retirement you can count on?