



What is the Safe Money Strategy?

If you are like the many Americans that are approaching retirement today and your retirement account was decimated in the Crash of 08' the question is: How would another market down turn affect your retirement? Would you have to delay your retirement or scale back on lifestyle? The markets decline on a fairly regular basis and the affects are often life changing. Since 1900 the markets have dipped 358 times a "Dip" is defined as a decline of 5% or more. There have been 117 corrections since 1900 a "Correction" being defined as a decline of 10% or more. There have been 31 Bear Markets a "Bear Market" is defined as a decline of 20% or more. So it is a matter of when & not if you will lose money in the markets. The serious question is how much will you lose.

With the Safe Money Strategy your principal is guaranteed to never lose even a single dime regardless of market fluctuations or interest rate volatility provided the contract is not surrendered early. There is an Income for Life option that ensures that you will never out live your retirement funds.

Our Safe Money Strategy is all about protecting your retirement savings while maximizing your options for income in the future. The Safe Money Strategy utilizes a new and patented hybrid annuity. It offers the best of both worlds in terms of security vs. returns. The old adage was, with risk comes reward, meaning that if you wanted a decent return on your money you had to be willing to accept the risk of losing your principal. The lower the risk the lower the return, think CD's or Government Bonds your money is safe but you barely out pace inflation. High risks... think growth funds and small cap funds or even high yield bonds; the return is nice but you may lose everything you invested.

Now you can have both no risk of the loss of your principal and market like returns! We use an annuity that is linked or indexed to the markets and as the markets perform our annuitants participate in the market's unlimited upside. When the markets do not perform their principal is safe because it was never at risk! The annuity company pools everyone's premium and purchases US Government Bonds. Because of the economies of scale they are able to receive a return of 6% from these bonds. They then use the proceeds (profits from the bonds) to purchase market options. If the market performs the annuitants participate in the profits. If the markets do not perform they simply let the options expire. In fact even when the markets lose for an extended period our clients enjoy a guaranteed 8% return that is compounded annually and that is the worst that you can do, you will double your money in approximately 8.5 years and that is if the markets do absolutely nothing for the entire time.

The Safe money Strategy is the only annuity that was designed as a retirement vehicle! When you take a **Required Minimum Distribution** (RMD) from this annuity you will not lose interest credit for that RMD for the year in other annuities you will forfeit interest credits each year when you are forced to take your RMD's.

The Safe Money Strategy is a single premium indexed annuity that enables your money to grow on a tax-deferred basis. The interest credited to your account will compound year after year free of current Federal income taxes. This can be a benefit because you do not have to pay taxes on the interest from an annuity until it is actually withdrawn or distributed to you. That means your money may grow faster in an annuity than it would in many other retirement savings products.

If you would like to know more about our Safe Money Strategy please call (602) 499-8188 for a no cost, no obligation evaluation of your unique situation.



What is a Multi Generational IRA?

With the Safe Money Strategy your IRA may be able to provide for your family long after you are gone. If your IRA is not your primary source of income during retirement you can turn an IRA into a powerful estate-planning tool by withdrawing only the required minimum distributions (RMD) each year. After you die your beneficiary can continue to stretch the income by taking only the RMD's each year as well. Provided the documenting of appropriate beneficiary designations this will Stretch your IRA and provide the foundation for a family legacy.

As an example: John is 70 1/2 years old with a \$250,000 IRA, begins taking his RMDs. He takes them for 10 years then dies. His total RMDs before taxes were \$118,896.00.

Rose his 76-year-old wife inherits the IRA & rolls it into her own IRA. Rose takes an additional 10 years of RMDs then dies. Rose's total RMDs before taxes was \$170,766.00.

Jessica inherits her mothers IRA when she was 53. Instead of cashing out Jessica begins taking RMDs based upon her life expectancy of 31.4 years. Jessica designates Brad her son as beneficiary. Jessica takes 25 years of RMDs then dies. Jessica's total RMDs before taxes is \$554,089.00.

Brad inherits the IRA and continues stretching the income over the balance of his mothers life expectancy, 9 years. Brad's total RMDs before taxes is \$450,112.00.

Over three generations John's \$ 250,000 IRA paid his family over 41,293,863 before taxes!

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