Whole Life:
The Key to Unlocking your Retirement

Over the years, you have been taught that your retirement assets have a large 'DO NOT TOUCH' sign attached to them until retirement. Even at retirement, people hesitate to spend their assets for fear of running out of money.

So what happens if you remove that sign and withdraw from those assets?

Plenty of retirees have done just that and may be enjoying the benefits of their hard-earned money. After spending years saving and accumulating assets, many people find themselves budgeting more in retirement than in their working years, often spending only the gain on their savings to avoid spending principal.

So how are the people who are enjoying their assets in retirement doing it?

When thinking about retirement, there may be pre-conceived notions that the best way to prepare is to heavily invest, depend upon a 401(k) and rely on social security — and, if you're lucky, a pension. However, there can be an additional strategy to help achieve an enjoyable and confident retirement. Whole Life insurance can be used in a way you may not have thought of before.

Many people have the common perception that now that my kids are grown, I can drop my life insurance policy so I can save, and even invest that money I was spending on the policy. The loss of the life insurance death benefit from your balance sheet can have an impact on your ability to access other assets in retirement.

What is not realized is that you may be losing more than just the death benefit associated with the life insurance policy; you may be losing freedom to use other retirement assets to the fullest.

Rather than looking at whole life as a cost, it is important to see it as an asset with a guarantee.[1]

The examples below show what cumulative retirement assets might look like after a 30 year period. If you do not have a life insurance policy as part of your retirement strategy, you may look to spend little or no principal to avoid running out of money. However, when you do have life insurance, you may be able to spend both the principal AND interest, while having a guaranteed legacy for your family in place provided by the guaranteed death benefit of whole life.

	Retirement *Without* Life Insurance Based on a 30 year period and a 6% Annual Interest Rate*	**Retirement *With* Life Insurance** Based on a 30 year period and a 6% Annual Interest Rate*
Savings	**$1,000,000**	**$1,000,000**
Whole Life Death Benefit	**$0**	**$1,000,000**
Total income living off interest and preserving principal	**$1,103,774**	**N/A**
Total income spending both principal and interest	**N/A**	**$1,686,466**
Principal goes to your family as your legacy	**$1,000,000**	**N/A**
Whole Life goes to your family as your legacy	**$0**	**$1,000,000**

*Hypothetical is based on a male, age 35, who retires at age 65 and lives until age 95 with a rate of return of 6% in a 35% tax bracket. The hypothetical example does not represent the performance of any particular financial product or security.

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A New Perception

With Whole Life in place during your retirement, you may not have to keep your money locked away and may be able to enjoy more of your wealth. It sits behind all of your other assets, always there with the guarantee that it will pay a benefit at your death. Without having the concerns of a legacy strategy, you may be able to access your other assets more confidently — both the principal and its earnings.

The bottom line: A retirement that includes Whole Life insurance may offer more options than one that does not.

By integrating Whole Life into your overall retirement strategy, you may have the unique combination of the confidence to spend your retirement assets how and when you want while putting in place a legacy strategy for your loved ones. Being able to maintain your accustomed lifestyle into your retirement years and even potentially increase your post-retirement income is the ultimate goal.

[1] All whole life insurance policy guarantees are subject to the timely payment of all required premiums and the claims paying ability of the issuing insurance company. Policy loans and withdrawals affect the guarantees by reducing the policy's death benefit and cash values.