

LIVE LONG AND PROSPER

Bloomberg Businessweek states that *one of the big traps retirees are falling into is underestimating how long they will live and how that 'bedevils' fiscal planning and retirement planning.* They quote **Boston College** economist Anthony Webb: *"even individual's well-informed guesses can be off by a decade or more"*. To counter this risk Webb **states Americans should be buying annuities that pay life time incomes.** In "Rational Decumulation", a scholarly work by Marriott School of Management, professors Babbel and Craig found that Fixed Index Annuities offer options not available with stocks, bonds and funds: **"Lifetime income annuities are the most cost effective and least risky asset class for generating guaranteed retirement income for life."***

Married clients should choose the "Joint Life" option with 10 year certain (or 15 year) for life-time payouts. If both spouses die before the money is spent out of their annuities (within the 10 or 15 year pay-out) then the remaining cash value is sent to the listed beneficiaries. **If ALL of the cash value is spent out of their annuities then THE INSURANCE COMPANY KEEPS PAYING OUT THE SAME CHECK TO BOTH SPOUSES until the last spouse passes away** (this is why joint life pay-out is the best option). Stocks and bonds cannot and do not offer this "longevity insurance". In short, Annuities insure you against living too long.

There is no guaranteed retirement without guaranteed income...

Only annuities offer that guarantee. And remember, guessing is not planning.

Is guessing about a stock portfolio's return year to year and then trying to take income off of an up and down moving target right for you? Then stay in stocks and cross your fingers. Or, **move to guaranteed annuities and sleep well at night knowing your life-time income check is in the mail every month!**

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