



Key Questions to Understanding Asset Optimization

Q: As a homeowner, would you agree we've experienced enormous equity appreciation over the past 4-5 years?

A: Yes, and in some areas of the country by as much as 25-30% per year.

Q: Is that equity appreciation safe and accessible to you during a market correction, natural disaster or layoff?

A: No, and when you may need it the most you are unable to access it.

Q: Would you agree then that it's better to access that equity and not need it, than need it and not have access to it?

A: Yes

Q: As a homeowner, what is the greatest Tax-Deduction we have?

A: The interest that we pay on our mortgages.

*Q: Why do the wealthy choose **NOT** to pay off their homes?*

A: So they can maximize their Tax-Deductions.

Q: What is the difference in tax benefit between paying \$15,000 in mortgage interest and \$15,000 to your 401(k)?

A: Nothing. They show up on different places on your Tax Return

Q: If you had a mortgage balance of \$500,000, with \$500,000 in your bank account, are you "debt-free"?

A: Yes, because you can pay off that mortgage any time you choose.

If Home Equity is not liquid or safe while in the home, reposition it safely into accounts with principle protection.

Q: In the future, do you think taxes are going to be lower, the same or higher?

A: Based on our National Debt, Social Security and Medicare crisis, and the War on Terror – Higher.

Q: Therefore, does it make sense to pay taxes now or later on funds earmarked for Retirement?

A: If taxes are believed to be higher in the future, then it would make sense to pay taxes now.

Q: What primary elements would you look for in an investment earmarked for Retirement?

A: It is Liquid (can access funds when needed), Safe (it's guaranteed or insured), and has a modest Rate of Return.

Retirement Planning consists of 4 phases: Contribution, Accumulation, Withdrawal and Transfer

Q: What accounts offer Liquidity, Safety, a modest Rate of Return, AND Tax Favored Treatment in all 4 phases of Retirement Planning?

A: Maximum Funded Tax Advantaged Life Insurance (MFTA) contracts are considered by many affluent Americans as one of the greatest tax-advantaged accounts available today. You get Tax-Favored:

- Contribution: Pre-Tax Dollars when used in the form of Home Equity
- Accumulation: Principle Protection with a 30-year average Tax-Free Rate of Return of 9.21%
- Withdrawal: FIFO taxation and Zero Wash Loans are not considered taxable forms of income
- Transfer: Upon Death, this policy blossoms through a Death Benefit that is Income Tax-Free.

A properly structured Equity Indexed Universal Life Insurance Contract gives you accessibility to your funds, guarantees against loss of principle, and a Tax-Free rate of return that has averaged 9.21% over the past 30 years.