



## 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.**