



Hank Progar, MBA

Safe Money News and Facts You Should Know!

14547 Whitemoss Terrace Lakewood Ranch, FL 34202

Phone 888-820-SAVE

Hank@AIMSafeMoneyAdvisors.com

Hank's Thoughts – Are You In Control of Your Life...Or Is Someone Else?



forbes.com/cartoons

There are a lot of changes happening and many more possibilities for the future. Just turn on your TV or get on the Internet. All these events are beyond our control...at least we think.

Obviously, things like stock market crashes, 9/11 airplane crashes, job market crashes, inflation and taxes are, but the ability to save, invest and plan for uncertainty based on our future essential expenses, discretionary expenses and risk tolerance are within our control.

In 2017 the stock market had the best year since 1926 in terms of high returns and low volatility. These two factors reversed at the end of January. Many forget the stock market runs on a 7 year crash cycle. This emotional market is in the ninth year of a bull market.

Warren Buffett recently told his Berkshire shareholders: *"Be prepared to lose half your money."* Check out <https://finance.yahoo.com/news/buffett-berkshire-shareholders-prepared-lose-133100821.html>

If you woke up tomorrow and the stock market dropped 50% as Buffett suggests...how much of your money would you want in the market today?

(Continued on page 2)

What Are Mortality Credits?

Bottom line: Mortality Credits solve longevity risk. They are basically a financial reward that increases the longer you live. Bank products, stocks, and bonds all pay a 71-year-old the exact same amount as a 34-year-old. But a lifetime income annuity rewards you through mortality credits.

There's a story I like to tell that helps explain. It's about five 90-year-old ladies who vacation together each year. One year they decide to put \$100 into a box. On the next vacation, they will bring the box, and all of the ladies who are still alive will split the money.

"But Hank, what if I'm the first old lady to go?"

Your money doesn't have to disappear when you die. Consider a joint life option with your spouse, kids, or even grand-kids! You could even include a guaranteed cash refund of any money that has not been paid out. See, mortality credits are really about living benefits.

Insurance companies know, on average, at what age 1,000 people will die. Now, they don't know when YOU will die, but they do calculate when a group of people like you will die. That's why they can provide you with a guaranteed source of income through a lifetime income annuity, and the longer you live, the more of these mortality credits you will reap!

Only an insurance company can do this ... not a bank or the stock market.

The reason is they work with mortality tables

(Continued on page 3)

More Interesting Facts *you* Should Know!

Hank's Thoughts (Continued from page 1)

The second biggest threat to your wealth is taxes. This is a silent killer that most people don't think about, nor told about. Most just assume that tax rates will be pretty much the same as they are today or decreasing.

Even though the current administration is promising lower taxes for 2018, what will they be 5, 10 or 20 years from now after you have worked out a carefully designed retirement for stress-free living and fulfilling your dreams.

The top tax bracket in 2017, about 40%, is projected to decrease to 37% this year. Do you know what highest tax bracket in the USA has been over the last 100 years?

Coming off the Great Depression and fighting WWII with high national debt (about \$250 billion), would you believe a 94% tax bracket? This rate was still 91% in 1960.

Today, we are recovering from the Great Recession, fighting wars with a nation debt of \$21 trillion (<http://www.usdebtclock.org>) and increasing obligations with Social Security and Medicare, which were not designed for the third biggest risk to your nest egg...longevity.

Do you think future politicians won't remember these facts when they're scratching for money in Washington?

This would be a good time to bite the bullet and convert our IRAs to ROTH accounts, and pay the taxes while they are low.

Many people are moving their "Essential Funds" into personal pension plans and winning the money game by defeating the three risks of inflation/market loss, taxes and longevity.

They are putting the money they can afford to lose 'at risk' in hopes for higher returns for

their "Discretionary Expenses."

At some point in my life I realized I couldn't do it all, yet I can't delegate the important stuff 100%. I need to understand enough to direct the expertise of others to accomplish my objectives. As times change, I need to know enough to make changes.

Sometimes it can be as simple as observing the company you hired to cut your lawn ... maintain the health of your lawn...do general landscaping, including your flower beds ... NOT provide what they promised initially.

My personal experience was lawn companies couldn't maintain the same quality over the long haul and ending up doing what they do best.

Even though they are nice people, and it seemed easier to deal with one company, I had to diversify the task to multiple companies to get the results I wanted over the long haul.

Perhaps the person I delegated responsibility has not kept up with the times or the company they work for will not let them make the appropriate changes for a number of reasons.

If it's important, I need to redelegate some of the task to someone who is aligned with my goals and best interest.

But that will take some of my time to think... take responsibility...understand something new ... and work through it.

I help people fix the money thing by thinking about and making wise changes to save and accumulate money for future income. After all it might be too late to redo your financial landscape 20 or 30 years from now.

I farm everything else out to experts in their field.

Many people tell me "they are all set!" That's great if you are. My question is "which area of planning are you all set?"

(Continued on page 4)

This news is all about you...

Monthly Quiz

- 1 - Which actress has won the most Oscars?
- 2 - Which book was famously rejected by 12 publishers before finally being accepted by Bloomsbury?
- 3 - Which basketball team did Michael Jordan play for in college?

(Answers found on page 4)

Thoughts of the Month

"Nothing in this world is impossible to a willing heart."

-Abraham Lincoln

"The secret of happiness is to count your blessings while others are adding up their troubles."

-Author Unknown

Did You Know?

- ▶ Ants stretch when they wake up in the morning
- ▶ The electric toothbrush was invented in 1939
- ▶ Your foot and forearm are the same length
- ▶ The Olympic flag was designed in 1913
- ▶ Isaac Newton invented the cat door
- ▶ There are 31,536,000 seconds in a year

What Are Mortality Credits? (Continued from p1)

on both sides of your life cycle.

These mortality tables estimate the life expectancy of people at every age. Mortality tables are changing as people are living longer.

Since some people die sooner than the mortality tables predict and some die later, insurance companies are able to hedge their risk with mortality credits.

Mortality credits are created when people die sooner than expected and don't receive as many income payments as they would have if they had lived their full life expectancy. That money goes into a pool that will then pay lifetime income to those people who live longer than their life expectancy.

When you buy permanent life insurance you receive an immediate mortality credit called a death benefit for your loved ones, if you should die early. This mortality credit comes from those who have paid their premium and have lived longer than their life expectancy.

A popular strategy to defeat longevity risk, market loss risk and receive tax advantaged growth is a deferred annuity. This creates a personal pension plan which grows your principle based on a stock market index with a guarantee that you will not lose money.

At the same time, by delaying when you start receiving a lifetime income, you are in a sense increasing mortality credits.

Just as if you had a company pension, your lifetime payout is based on the amount of money in your account and your age at the time you elect to receive income. Similarly, you can set this up to jointly with your spouse. In other words this income comes for as long as you and your spouse live.

This is true even if your account value goes to zero. Contrary to a company pension plan...whatever money remains in your account after both you and your spouse die goes to your heirs ... NOT the insurance company as many people are lead to believe.

These are many varieties of these types of plans, but they work for both non-qualified as well as qualified money, like IRAs.

Hank Progar, MBA
AIM Safe Money Advisors

(941) 355-4362

Toll Free: (888) 820-SAVE

FAX: (813) 354-3520



Main Web Site:

SafeMoneyMBA.com

Financial Concepts and Strategies:

HankProgar.com

Safe Money Library:

SafeMoneyMBA.info

Insurance & Financial Resources:

AIMSafely.com

LinkedIn Profile

LinkedInMBA.com

Helping You Think About Your Money ... And Make Smart Choices To Protect Your Hard Earned Assets.



Hank's Thoughts (Continued from page 2)

There are four critical areas of financial planning:

1. **Contribution** - Are you saving and investing the right amount of money for your goals?
2. **Accumulation** – Are you maximizing your return?
3. **Distribution** – Generating sufficient lifetime income for your goals and the unexpected?
4. **Transfer** – Is your money going where you want it to go when you pass away?

Our Government and the main street media doesn't want to talk about the retirement crisis that's unfolding right before our eyes.

My passion is to help as many people as possible to avoid the tax torpedo and retirement train-wreck and have the kind of stress-free retirement they desire and deserve.

Call or email me and let's discuss some options.

Answers to Quiz

- 1- Katherine Hepburn (4 Oscars & 12 nominations)
- 2- Harry Potter and the Philosopher's Stone
- 3- University of North Carolina at Chapel Hill

Thank You for Your Referrals

There's no question I have the BEST customers on the entire planet.

I want to thank those who have enough confidence in me to recommend my services to help their family and friends. If you can just introduce one client per year to become part of our inner circle, it would help everybody immensely.

Although we focus on protecting and optimizing your retirement cash flow, I want to give a special THANK YOU to those who have recommended me to help your family and friends with their Medicare options.

There are 10,000 Baby Boomers turning 65 every day who are more confused about Medicare than their retirement plan. Because of its importance in your overall retirement picture, we want to help them cut through the smoke and make the right choices to protect the nest egg they have already earned!

I'm happy to assist you or anyone in your circle of family and friends with education and getting enrolled in the financial or Medicare plan that's optimum for them. Just have them call me.

Thank you soooo much!

Disclosure - Information provided in this article does not constitute legal, taxation, or investment advice. Please check with a qualified tax advisor when making financial decisions.

Copyrighted PMR System 2018