Retirement Income/Liquidity/Legacy Waterfall™ Strategy Comparison

For people within 10 years of retirement or already in retirement.

"Investments Only Strategy"

vs.

"Fixed Indexed Annuity With GLWB* + Investments Strategy"

**GLWB = Guaranteed Lifetime Withdrawal Benefit*

WHITE PAPER

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Wealth Building Cornerstones™
Retirement Income/Liquidity/Legacy Waterfall™
Two Economic Powers®

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Retirement Income/Liquidity/Legacy Waterfall™
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Retirement Income/Liquidity/Legacy Waterfall™ Strategy Comparison

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Executive Summary

By Jason Sanger, RICP®, President – Wealth Building Cornerstones

Purpose of This Research

This research compares the efficiency of two different retirement planning strategies:

- One Economic Power™ Strategy of "Investments Only"
- Two Economic Powers® Strategy of "Fixed Indexed Annuity With Guaranteed Lifetime Withdrawal Benefit (FIA w/GLWB) + Investments"
  - Later in the Technical Research Report of this white paper, the Two Economic Powers® Strategy is referred to as the Partial Annuity Strategy.

Intended Audience

People within 10 years of retirement or already in retirement.

Objective

Evaluate which strategy better supports the three primary functions of a retirement plan:

- Income – creating a reliable retirement income
- Liquidity – access to money NOT tied to income generation
- Legacy – preserving assets for heirs or charitable goals

Each strategy starts with $1,000,000 (one unit of assets), in an IRA (pre-tax), and uses 100,000 Monte Carlo simulations to evaluate outcomes across a wide range of potential market conditions throughout retirement.

The Two Economic Powers® of Retirement

Retirement planning can leverage two fundamental powers embodied in the attributes of the products/methods we could use to accomplish our objective for each function.

1. **Market Returns**
   - Provided through investments such as stocks, bonds, mutual funds, etc. This power offers growth potential on a risk/reward basis due to market volatility and uncertainty.
2. **Risk Pooling**
   - Provided by insurance products such as annuities. The law of large numbers provides certainty that individuals cannot achieve on their own. This power is particularly efficient for the income function of retirement, as these products offer higher income rates that are lifetime guaranteed.

An efficient retirement strategy combines both powers so that products/methods are used to perform the retirement function they do best.

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Executive Summary

Key Findings

1. Guaranteed Lifetime Income Reduces Retirement Risk

- The income for each strategy was set to be the same for every age of retirement.
- The Investments Only strategy relies entirely on investment portfolio withdrawals, which depends on market performance and lifespan assumptions. Therefore, this strategy does not have any income that is guaranteed for a lifetime. **The income for this strategy has a 10% chance of running out of income and money at age 97 based on the Monte Carlo simulations.**
- By contrast, the FIA w/GLWB + Investments strategy uses a guaranteed lifetime withdrawal benefit to cover core retirement spending. **This provides a floor of guaranteed lifetime income and reduces the probability of income shortfalls later in retirement.**

2. The Two Economic Powers® Strategy Created More Truly Liquid Assets

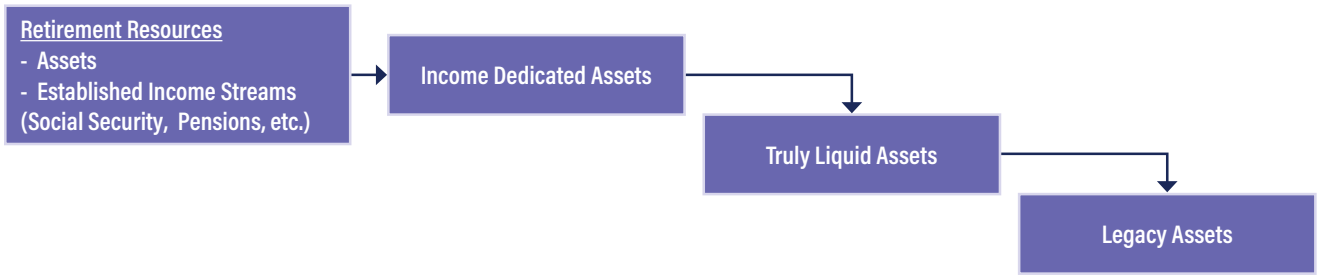
- Truly Liquid Assets are those not dedicated to generating retirement income and can therefore be used freely for anything else in retirement.
- Because the FIA w/GLWB + Investments strategy uses the annuity to fund a portion of retirement income more efficiently, fewer assets must be income dedicated using this strategy. This leaves a larger portion of the portfolio available for unexpected expenses, opportunities, or additional lifestyle needs/wants.
- **The simulation results show that the Two Economic Powers® Strategy produced significantly higher Truly Liquid Assets—at least 46% more—throughout retirement across all Monte Carlo simulation investment outcomes.**

3. Legacy Outcomes Were Comparable Or Higher

- By reducing the amount of income dedicated assets needed to fund the spending goal, the FIA w/GLWB + Investments strategy allowed the remaining investment portfolio to grow more freely, **resulting in equal or greater legacy values in many of the outcomes throughout retirement.**

The Retirement Income/Liquidity/Legacy Waterfall™

Retirement planning can be visualized in a waterfall format. We first dedicate the assets needed to create the income we want to live on in retirement. Assets that aren't dedicated to create our lifetime income waterfall through to our Truly Liquid Assets that we can use for whatever we want in retirement, and then the Legacy Assets are the remaining assets we have when we pass away that go to our heirs or charities. Using The Retirement Income/Liquidity/Legacy Waterfall™ structure brings clarity and efficiency to retirement planning.



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Executive Summary

Bottom Line

The results of this research show that a **Two Economic Powers® Strategy combining a Fixed Indexed Annuity With Guaranteed Lifetime Withdrawal Benefit + Investments can create a more efficient retirement plan than relying on investments alone.**

By integrating risk pooling with investment growth, retirees may be able to:

- Create a guaranteed lifetime income floor
- Reduce the risk of income shortfalls
- Maintain greater Truly Liquid Assets throughout retirement
- Preserve or potentially increase Legacy Assets

If You Remember One Thing From This Report

Retirement planning becomes more efficient when both economic powers – market returns and risk pooling – are used together.

Rather than relying solely on investments, combining investments with a Fixed Indexed Annuity With Guaranteed Lifetime Withdrawal Benefit can help balance income stability, liquidity flexibility, and legacy goals.

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Practical Summary

By Jason Sanger, RICP®, President – Wealth Building Cornerstones

Purpose of This Research

This research compares the efficiency of two different retirement planning strategies:

- One Economic Power™ Strategy of "Investments Only"
- Two Economic Powers® Strategy of "Fixed Indexed Annuity With Guaranteed Lifetime Withdrawal Benefit (FIA w/GLWB) + Investments"
  - Later in the Technical Research Report of this white paper, the Two Economic Powers® Strategy is referred to as the Partial Annuity Strategy.

Intended Audience:

People within 10 years of retirement or already in retirement who would like to feel confident in their ability to retire and be efficient with the allocation of their resources.

Background/Context:

As we approach retirement it's important to have an understanding of:

- The main retirement functions our assets perform for us.
- The different rules of retirement we are now playing by.
- How to combine financial tools/products together to optimize the efficiency of our money. *(Not one financial tool or product is necessarily efficient at doing all the functions of retirement.)*

Let's define the Economic Rules of Retirement:

1. Income, Liquidity, and Legacy are the three main functions of money in retirement.
2. Income is the first function of retirement to satisfy. *(This is the systematic monthly paycheck we create from our assets/resources so we can physically stop working. This income needs to last through our life potential, not just life expectancy.)*
3. The more efficient we are at satisfying our desired income stream, the more money we generally have left over for our liquidity and legacy functions.
4. Truly Liquid money in retirement is money that isn't dedicated to create our lifetime income. *(This money can be used for anything we want in retirement such as extra travel, long-term care protection, growth, unexpected spending shocks, etc. because it isn't tied to our income. Truly Liquid money gives us the ability to adapt to unforeseen events we may encounter in retirement.)*
5. Legacy Assets are made up of the remaining Income Dedicated Money, Truly Liquid Money, and Hard Assets (real estate, business values, etc.) that are left when we pass away at a given age in retirement. *(This is the money that goes to our children, heirs, named beneficiaries, charities, etc.)*

First, we allocate enough of our retirement assets to create the monthly income we want to live on based on our chosen income method; these are called "Income Dedicated Assets." Assets that aren't Income Dedicated waterfall through to our "Truly Liquid Assets." Any remaining Income Dedicated Assets, Truly Liquid Assets, and Hard Assets we have when we pass away become our Legacy Assets. *See the Retirement Income/Liquidity/Legacy Waterfall™ visualization on page 5.*

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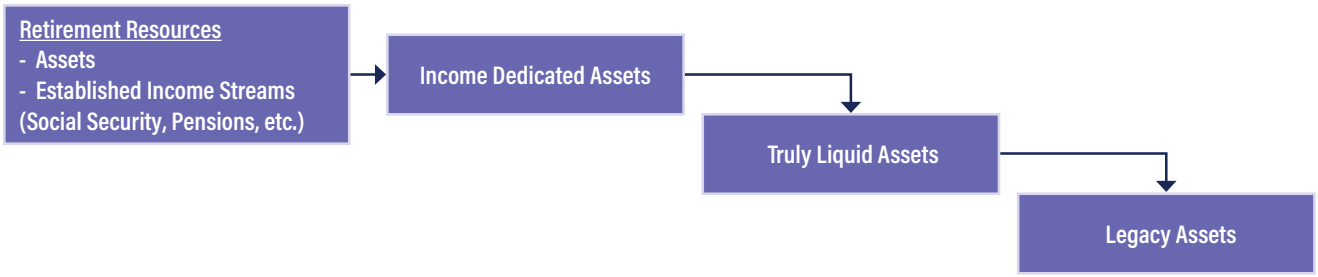
Practical Summary

The Retirement Income/Liquidity/Legacy Waterfall™



When selecting products or methods for each retirement function, note that some perform certain roles better than others; combining them strategically creates an efficient Retirement Income/Liquidity/Legacy Waterfall™.

There are two powers of the financial industry represented in the different products we could use to fulfill the different functions of money in retirement:

1. The Rate of Return Power
   - Provided through investments such as stocks, bonds, mutual funds, etc. This power offers growth potential on a risk/reward basis due to market volatility and uncertainty.

2. The Law of Large Numbers/Risk Pooling/Actuarial Science Power
   - Provided by insurance products such as annuities. The law of large numbers provides certainty that individuals cannot achieve on their own. This power is particularly efficient for the income function of retirement, as these products offer higher income rates that are lifetime guaranteed.

This research report compares the efficiency of two Retirement Income/Liquidity/Legacy Waterfall™ strategies: the One Economic Power™ strategy (Investments Only) versus the Two Economic Powers® strategy (FIA w/ GLWB + Investments). The Two Economic Powers® strategy uses a Fixed Indexed Annuity With a Guaranteed Lifetime Withdrawal Benefit for base annual income, while investments provide annual inflation adjustments to that base income and grow the remaining Truly Liquid Assets.

Strategy Comparison Methodology:

There are two main ways to compare the efficiency of different Retirement Income/Liquidity/Legacy Waterfall™ Strategies:

- Option #1: Equalize annual income across strategies for every retirement year, then compare remaining Truly Liquid Assets and Legacy Assets throughout retirement.
- Option #2: Equalize Truly Liquid Assets and Legacy Assets for every retirement year, then compare the annual income each strategy produces throughout retirement.

Both approaches generally yield similar conclusions about overall strategy efficiency. You can emphasize the functions most important to you in your own Retirement Income/Liquidity/Legacy Waterfall™. This research report uses Option #1.

The report analyzes two scenarios. Scenario #1, "Retire Now," models a couple aged 67 retiring today. Scenario #2, "Retire Later," models a couple aged 60 who retire in seven years at 67. In both scenarios the couple starts

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with $1,000,000 (one unit of money) in an IRA (pre-tax). Established income streams (Social Security income, pension income, rental income, etc.) are excluded, since they would be the same across strategies. All values are pre-tax or pre-tax equivalent.

To compare the Income/Liquidity/Legacy Waterfall™ strategy results, the report runs 100,000 Monte Carlo simulations. Based on the report's capital market assumptions, each simulation generates a different sequence of hypothetical investment returns over the scenario timeframes (30 years for Scenario #1; 37 years for Scenario #2). The simulations span a range of outcomes from poor to strong market conditions.

Scenario #1: "Retire Now" Income/Liquidity/Legacy Waterfall™ Comparison Results

Income Comparison Analysis:

The report keeps each strategy's total annual income the same each year through age 97.

The Investments Only strategy **does not have any guaranteed elements** because investment returns can vary, and past performance is not indicative of future results. Using Monte Carlo simulations, the report sets an initial withdrawal rate that results in a 10% chance of running out of money by age 97. That initial annual income is $29,480 (2.948% of the $1,000,000 starting balance) and is increased each year by 2.50% for inflation. Under this strategy, the entire $1,000,000 starting balance is used as "Income Dedicated Assets," so there is no Truly Liquid Assets remaining at the start of retirement for this strategy.

The FIA w/GLWB + Investments strategy uses $434,808 of the $1,000,000 starting balance to buy a Fixed Indexed Annuity with Guaranteed Lifetime Withdrawal Benefit. That annuity alone provides the $29,480 first-year income (the same as the Investments Only strategy) and **guarantees that $29,480 each year for as long as either spouse is alive**. The annuity income is flat with no inflation adjustment for all years of retirement.

An additional $293,355 of the $1,000,000 is allocated to an income-dedicated investment account to fund the annual inflation increases (2.50% adjustments) modeled with Monte Carlo simulations. Those inflation increases are not guaranteed. As a result, the percent of total income that is guaranteed for this strategy starts at 100% at age 67 (the annuity covers the full baseline income) and reduces over time as the investment inflation adjustment income adds to the baseline income. The remaining $271,837 of the $1,000,000 not dedicated to income will be Truly Liquid Assets for this strategy at the beginning of retirement.

See income comparison table below:

Retire Now — Income Comparison

	One Economic Power™ Strategy Investments Only				Two Economic Power® Strategy FIA w/GLWB + Investments			
BOY Age	Annuity Income	Investments Income	Total Income	Income Guaranteed	Annuity Income	Investments Income	Total Income	Income Guaranteed
67	$0	$29,480	$29,480	0%	$29,480	$0	$29,480	**100%**
77	$0	$37,737	$37,737	0%	$29,480	$8,257	$37,737	**78%**
87	$0	$48,306	$48,306	0%	$29,480	$18,826	$48,306	**61%**
97	$0	$61,836	$61,836	0%	$29,480	$32,356	$61,836	**48%**

Bottom Line: The Investments Only strategy does not have any guaranteed lifetime income, and the FIA w/GLWB + Investments strategy does.

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Practical Summary

Truly Liquid Asset Comparison Analysis:

Truly Liquid Assets are those not dedicated to producing lifetime income. These assets can be used for anything you want in retirement because they aren't tied to monthly income.

- Investments Only: At the start of retirement (BOY Age 67) this strategy has no Truly Liquid Assets because the entire $1,000,000 is designated as Income Dedicated Assets. Depending on market returns, these assets may later grow beyond what's needed to meet lifetime income goals; any excess would then be treated as Truly Liquid Assets, as shown in the table below.
- FIA w/GLWB + Investments: At the start of retirement this strategy has $271,837 of Truly Liquid Assets (the portion of the $1,000,000 not designated as Income Dedicated Assets).

For each strategy the Truly Liquid Asset amount can go up or down during retirement depending on market performance. The table below shows Truly Liquid Asset amounts at different retirement ages under three market outcomes calculated using the Monte Carlo simulations: "poor" markets (10th percentile), "average" markets (50th percentile), and "good" markets (90th percentile).

Retire Now – Truly Liquid Asset Comparison at Specified Ages

Percentile	Age	One Economic Power™ Strategy Investments Only	Two Economic Powers® Strategy FIA w/GLWB + Investments	Difference	% Increase
(Start) Beginning of Year Value	67	$0	$271,837	$271,837	**+++Infinite**
90th ("good" markets) End of Year Values	67	$178,390	$445,901	$267,511	**149.96%**
	77	$1,051,335	$1,535,804	$484,469	**46.10%**
	87	$2,322,360	$3,636,152	$1,313,792	**56.60%**
	97	$4,196,042	$7,561,787	$3,365,745	**80.30%**
50th ("average" markets) End of Year Values	67	$25,728	$298,921	$273,193	**1061.85%**
	77	$317,142	$597,109	$279,967	**88.30%**
	87	$749,567	$1,123,146	$373,579	**49.90%**
	97	$1,270,432	$1,911,997	$641,565	**50.50%**
10th ("poor" markets) End of Year Values	67	-$98,547	$180,608	$279,155	**+++Infinite**
	77	-$138,435	$133,162	$271,597	**+++Infinite**
	87	-$56,315	$197,058	$253,373	**+++Infinite**
	97	-$479	$295,477	$295,956	**+++Infinite**

Bottom Line: The simulation comparison results show that the FIA w/GLWB + Investments Strategy has between 46% to 1061% more Truly Liquid Assets throughout retirement, with the % Increase sometimes being infinite when the Truly Liquid Assets of the Investments Only strategy is zero or negative.

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Practical Summary

Legacy Asset Comparison Analysis:

Legacy Assets are made up of the remaining Income Dedicated Assets, Truly Liquid Assets, and Hard Assets (real estate, business values, etc.) that are left when we pass away at a given age in retirement. *(This is the money that goes to our children, heirs, named beneficiaries, charities, etc.)* This report does not include any Hard Assets in the analysis as they would be a constant between both strategies.

For each strategy the Legacy Asset amounts can go up or down over time during retirement depending on market performance. The table below shows Legacy Asset amounts at different retirement ages for the following outcomes based on the Monte Carlo simulations: "poor" markets (10th percentile), "average" markets (50th percentile), and "good" markets (90th percentile).

Retire Now – Legacy Asset Comparison at Specified Ages

Percentile	Age	One Economic Power™ Strategy Investments Only	Two Economic Powers® Strategy FIA w/GLWB + Investments	Difference	% Increase
(Start) Beginning of Year Value	67	$1,000,000	$1,043,481	$43,481	**4.35%**
90th ("good" markets) End of Year Values	67	$1,165,715	$1,210,245	$44,530	**3.82%**
	77	$1,883,074	$2,130,814	$247,740	**13.16%**
	87	$2,834,685	$3,890,611	$1,055,926	**37.27%**
	97	$4,196,043	$7,561,787	$3,365,744	**80.23%**
50th ("average" markets) End of Year Values	67	$1,013,053	$1,062,547	$49,494	**4.89%**
	77	$1,148,880	$1,155,702	$6,822	**0.59%**
	87	$1,261,893	$1,355,552	$93,659	**7.42%**
	97	$1,270,433	$1,911,997	$641,564	**50.49%**
10th ("poor" markets) End of Year Values	67	$888,778	$920,554	$31,776	**3.58%**
	77	$693,304	$655,546	-$37,758	**-5.44%**
	87	$456,011	$423,797	-$32,214	**-7.06%**
	97	$0	$295,477	$295,477	**+++Infinite**

Bottom Line: The simulation comparisons show that the FIA w/GLWB + Investments Strategy has between 0%-80% more Legacy Assets for most of the retirement outcomes, and has slightly less Legacy Assets than the Investments Only strategy in a couple of the poor market scenario outcomes.

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Scenario #2: "Retire Later (in 7 Years)" Income/Liquidity/Legacy Waterfall™ Comparison Results

Income Comparison Analysis:

Both strategies in this scenario start at age 60 with $1,000,000 (one unit of money) in an IRA (pre-tax). Established income streams (Social Security income, pension income, rental income, etc.) are excluded, since they would be the same across strategies. All values are pre-tax or pre-tax equivalent.

This report keeps each strategy's total income the same each year of retirement with income starting at age 67.

To maintain a 10% chance of running out of money by age 97, the Monte Carlo simulations set the initial annual income for the Investments Only strategy at age 67 to be $35,188, increasing by 2.5% annually for inflation. The simulations show this requires the full $1,000,000 be designated as "Income Dedicated Assets" at age 60 to start the $35,188/year income at 67 while keeping the same 10% failure risk.

The FIA w/GLWB + Investments strategy allocates $308,385 of the $1,000,000 starting balance at age 60 to a Fixed Indexed Annuity With a Guaranteed Lifetime Withdrawal Benefit. That Guaranteed Lifetime Withdrawal Benefit grows on a guaranteed basis until the income is turned on and provides $35,188 of annual lifetime income (the same as the Investments Only strategy) at age 67 and guarantees that income for as long as either spouse is alive. The annuity income is flat with no inflation adjustment for all years of retirement.

For this strategy, an additional $297,702 at age 60 is placed into an income-dedicated investment account to cover the 2.5% annual inflation increases on the $35,188 income that begins at age 67, per the Monte Carlo simulations. As a result, the percentage of total income that is guaranteed starts at 100% at age 67 (the annuity covers the full baseline income) and reduces over time as the investment inflation adjustment income adds to the baseline income. The remaining $393,913 of the $1,000,000 that is not dedicated to income will be the Truly Liquid Assets for this strategy at the calculation start age of 60.

See income comparison table below:

Retire Later (in 7 Years) — Income Comparison

	One Economic Power™ Strategy Investments Only				Two Economic Power® Strategy FIA w/GLWB + Investments			
BOY Age	Annuity Income	Investments Income	Total Income	Income Guaranteed	Annuity Income	Investments Income	Total Income	Income Guaranteed
67	$0	$35,188	$35,188	0%	$35,188	$0	$35,188	**100%**
77	$0	$45,043	$45,043	0%	$35,188	$9,855	$45,043	**78%**
87	$0	$57,659	$57,659	0%	$35,188	$22,471	$57,659	**61%**
97	$0	$73,808	$73,808	0%	$35,188	$38,621	$73,808	**48%**

Bottom Line: The Investments Only strategy does not have any guaranteed lifetime income, and the FIA w/GLWB + Investments strategy does.

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Practical Summary

Truly Liquid Asset Comparison Analysis:

Truly Liquid Assets are those not dedicated to producing lifetime income. These assets can be used for anything you want in retirement because they aren't tied to monthly income.

- Investments Only: **At the start of age 60 this strategy has no Truly Liquid Assets** because the entire $1,000,000 is designated as Income Dedicated Assets. Depending on market returns, these assets may later grow beyond what's needed to meet lifetime income goals; any excess would then be treated as Truly Liquid Assets, as shown in the table below.
- FIA w/GLWB + Investments: **At the start of age 60 this strategy has $393,913 of Truly Liquid Assets** (the portion of the $1,000,000 not designated as Income Dedicated Assets).

For each strategy the Truly Liquid Asset amount can go up or down during retirement depending on market performance. The table below shows Truly Liquid Asset amounts at different retirement ages under three market outcomes calculated using the Monte Carlo simulations: "poor" markets (10th percentile), "average" markets (50th percentile), and "good" markets (90th percentile).

Retire Later (in 7 Years) – Truly Liquid Asset Comparison at Specified Ages

Percentile	Age	One Economic Power™ Strategy Investments Only	Two Economic Powers® Strategy FIA w/GLWB + Investments	Difference	% Increase
(Start) Beginning of Year Value	60	$0	$393,913	$393,913	**+++Infinite**
90th ("good" markets) End of Year Values	67	$951,842	$1,612,954	$661,112	**69.46%**
	77	$2,242,580	$3,711,478	$1,468,898	**65.50%**
	87	$4,390,324	$8,129,682	$3,739,358	**85.20%**
	97	$7,750,140	$16,579,861	$8,829,721	**113.90%**
50th ("average" markets) End of Year Values	67	$273,150	$710,146	$436,996	**159.98%**
	77	$709,522	$1,258,231	$548,709	**77.30%**
	87	$1,350,068	$2,222,936	$872,868	**64.70%**
	97	$2,183,299	$3,757,689	$1,574,390	**72.10%**
10th ("poor" markets) End of Year Values	67	-$180,285	$222,109	$402,394	**+++Infinite**
	77	-$137,859	$271,848	$409,707	**+++Infinite**
	87	-$45,144	$403,156	$448,300	**+++Infinite**
	97	$0	$589,126	$589,126	**+++Infinite**

Bottom Line: The simulation comparison results show that the FIA w/GLWB + Investments strategy has between 64% to 159% more Truly Liquid Assets throughout the retirement outcomes, with the % increase sometimes being infinite when the Truly Liquid Assets of the Investments Only strategy is zero or negative.

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Practical Summary

Legacy Asset Comparison Analysis:

Legacy Assets are the remaining Income Dedicated Assets, Truly Liquid Assets, and Hard Assets (real estate, business values, etc.) that are left when we pass away at a given age in retirement. (*This is the money that goes to our children, heirs, named beneficiaries, charities, etc.*) This report does not include any Hard Assets in the analysis as they would be a constant between both strategies.

For each strategy the Legacy Asset amounts can go up or down over time during retirement depending on market performance. The table below shows Legacy Asset amounts at different retirement ages for the following outcomes based on the Monte Carlo simulations: "poor" markets (10th percentile), "average" markets (50th percentile), and "good" markets (90th percentile).

Retire Later (in 7 Years) – Legacy Asset Comparison at Specified Ages

Percentile	Age	One Economic Power™ Strategy Investments Only	Two Economic Powers® Strategy FIA w/GLWB + Investments	Difference	% Increase
(Start) Beginning of Year Value	60	$1,000,000	$1,000,000	$0	**0.00%**
90th ("good" markets) End of Year Values	67	$2,082,212	$2,262,837	$180,625	**8.67%**
	77	$3,191,959	$4,071,177	$879,218	**27.50%**
	87	$4,981,353	$8,397,503	$3,416,150	**68.60%**
	97	$7,750,140	$16,579,861	$8,829,721	**113.90%**
50th ("average" markets) End of Year Values	67	$1,403,519	$1,323,929	-$79,590	**-5.67%**
	77	$1,658,901	$1,617,717	-$41,184	**-2.50%**
	87	$1,941,097	$2,490,756	$549,659	**28.30%**
	97	$2,183,299	$3,757,689	$1,574,390	**72.10%**
10th ("poor" markets) End of Year Values	67	$950,085	$812,256	-$137,829	**-14.51%**
	77	$811,520	$631,334	-$180,186	**-22.20%**
	87	$545,885	$670,977	$125,092	**22.90%**
	97	$0	$589,126	$589,126	**+++Infinite**

Bottom Line: The simulation comparisons show that the FIA w/GLWB + Investments strategy has between 0%-113% more Legacy Assets for most of the retirement outcomes and only has less Legacy Assets than the Investments Only strategy in a few of the scenario outcomes at younger retirement ages.

Report Conclusion:

Whether you are within 10 years of retirement or already in retirement it is prudent to compare/measure different Retirement Income/Liquidity/Legacy Waterfall™ strategies you could use against one another for your own personalized plan. The results of this research report indicate that a Two Economic Powers® Strategy of FIA w/GLWB + Investments can produce greater efficiencies than a One Economic Power™ Strategy of Investments Only.

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Technical Research Report

By Wade D. Pfau, PhD, CFA, RICP®, Chief Research Fellow - Wealth Building Cornerstones

Introduction

Distinct groups within the financial services profession continue to debate about the best approach to building a retirement income plan. A key issue of disagreement is whether retirees should place their focus and trust solely in the risk/reward tradeoffs and upside potential of an aggressive diversified investment portfolio (probability-based orientation), or also in contractual guarantees provided through annuities and actuarial science (safety-first orientation). We evaluate these competing approaches to provide greater clarity about the role of risk pooling (annuities with lifetime income protection) and risk premium (stocks) in a retirement income plan.

The length of one's retirement could be much shorter or longer than their statistical life expectancy. Retirees do not know how long their retirement will last, and so they face a delicate tradeoff between wanting to spend as much as possible without overdoing it and risking old age poverty.

The analysis is based on meeting a prioritized list of spending goals. A retiree first aims to meet a lifestyle spending goal in retirement and then seeks to preserve liquid assets to support contingency expenses. This liquidity waterfalls into legacy for any remaining assets.

Major retirement risks confronting these goals relate to the unknown longevity and planning horizon of a retiree, the impacts of market volatility, and the risk of spending shocks that require additional unanticipated expenditures.

An Investments Only strategy will use an investment portfolio to meet these goals. A diversified investment portfolio allocates assets between risky growth assets (such as stocks) and less risky fixed income assets (such as bonds). Stocks aim for growth while bonds diversify and reduce overall portfolio volatility.

But investments alone do not necessarily create an efficient retirement plan. By efficiency, we mean that there may be an alternative way to structure retirement assets to support a higher level of retirement spending and an equal or greater amount of liquidity and legacy.

Investments provide access to only one of two economic powers available to households – the potential for market returns. Those relying on their own devices to manage market and longevity risks must behave conservatively regarding market return assumptions and the planning horizon, lest they run out of assets. And even with conservative spending assumptions, investment portfolios lack guarantees and remain vulnerable to depletion.

Longevity risk, or the risk of running out of assets before running out of time, is the fundamental risk for retirement. We know about the distribution of longevity for the overall population, but an individual cannot know in advance precisely where he or she will fall in the distribution. The length of one's retirement could be much shorter or longer than their statistical life expectancy. Retirees do not know how long their retirement will last, and so they face a delicate tradeoff between wanting to spend as much as possible without overdoing it and risking old age poverty.

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The second economic power is actuarial science, or risk pooling, which allows individuals to plan based on population averages rather than worry about being an outlier facing an extremely expensive retirement through a combination of long life and poor market returns. An insurance company can pool longevity risk across all its customers, paying each member of the pool as though they survive to their life expectancy. Those who die earlier subsidize those who live longer, which allows all members to enjoy a higher standard of living because they know this protection is in place.

The "risk pooling" strategy is an integrated strategy using both economic powers: an annuity (risk pooling) meets spending goals, and an investment portfolio supports liquidity and legacy. This creates a waterfall effect, with a portion of assets specifically earmarked for spending, freeing up other assets to serve as a true source of liquidity for contingencies. Non-annuity assets face less spending burden, which maximizes their long-term growth potential to allow for more liquidity. These assets can then flow into legacy if not used for contingencies. Especially for risk averse retirees, risk pooling funds retirement spending goals more cheaply and with contractual guarantees, allowing for greater liquidity and growth for non-annuity investment assets.

It is difficult for an Investments Only retirement income strategy to outperform a Partial Annuity strategy when seeking to meet various client retirement goals and to manage retirement risk. We explore this conclusion with two case studies: An income now case for a couple retiring at 67, and an income later case for a couple at age 60 planning to retire at age 67. We conclude that an integrated approach is more efficient for retirement.

Capital Market Expectations

It is important to first highlight the market assumptions that will drive the returns for the investments and annuities. This analysis uses 100,000 Monte Carlo simulations for stock and bond returns differentiated between income and price returns. Simulations are based on two asset classes: an aggregate U.S. stock index and an aggregate U.S. bond index. Returns and standard deviations for these asset classes are from BlackRock's long-term (20-year) capital market expectations last updated in November 2025. We assume the asset classes are not correlated, which is consistent with historical U.S. data. Exhibit 1 provides these expectations.

Exhibit 1 – Capital Market Expectations

	Arithmetic Means	Compounded Returns	Standard Deviations
U.S. Equities	8.2%	6.5%	18.7%
U.S. Aggregate Bonds	4.1%	4.0%	4.8%

Source: BlackRock Investment Institute, November 2025. Data as of September 30, 2025. Return expectations over 20 years for gross total nominal returns.

To differentiate price returns, which is necessary to calculate credited interest for a fixed index annuity linked to the stock index, we assume a fixed dividend yield of 1.2% for stocks. This is consistent with the dividend yield on the S&P 500 in late 2025. The simulations use annual return data, with investments held in a tax-deferred account to avoid tax drag. Annuities also provide tax-deferral when held in non-qualified accounts, which would give them a performance edge when compared to taxable assets. But in this case the tax treatment is the same. The exhibit reflects gross returns for the investment assets, but the retirees must also pay investment expenses of 0.2% as well as advisory fees of 1% on their investment assets. This will reduce the net returns on their investment holdings.

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Income Now Scenario

Our first case study is for a couple both age 67 who are ready to retire. From $1 million in an IRA, they are looking to spend $29,480 annually (pre-tax) with a 2.5% cost-of-living adjustment to help protect spending from inflation. Their risk tolerance supports an asset allocation of 60% stocks and 40% bonds, rebalanced annually. This spending goal corresponds to supporting a 90% success rate that their investments will last for 30 years through their age 97 birth date. They are willing to accept a 10% failure probability through their planning age for an Investments Only strategy. As their wealth depletes after 30 years in the 10th percentile of outcomes (which corresponds to a 90% success rate), this implies a net internal rate of return from their investments of 1.73%. If the money-weighted net return on their investments exceeds 1.73%, their plan will successfully support their spending goal. They can expect a net return of 1.73% or higher in 90% of the simulations.

A GLWB rider supports an income for life at a fixed withdrawal percentage of the guaranteed benefit base. The guaranteed benefit base is an amount used to calculate the guaranteed annual income amounts.

Their alternative to an Investments Only approach is to incorporate the power of actuarial science by including an annuity with lifetime income protection in their plan. They consider a fixed index annuity (FIA) with a guaranteed lifetime withdrawal benefit (GLWB) to fully cover the initial spending goal while investing remaining funds in 100% stocks. The non-annuity assets cover inflation adjustments for the spending goal and provide a source of liquidity and legacy for the retirement plan.

A GLWB offers lifetime income protection that does not require annuitizing the contract. It preserves technical liquidity for the underlying annuity assets (these assets do not count toward true liquidity). A GLWB rider supports an income for life at a fixed withdrawal percentage of the guaranteed benefit base. The guaranteed benefit base is an amount used to calculate the guaranteed annual income amounts.

The FIA with GLWB in this income now scenario includes the following characteristics. The insurer credits interest to the contract value of the annuity using an annual reset one-year term point-to-point crediting method with a 5.5% cap. At the end of each yearly term on the anniversary date of the contract, the interest-crediting formula uses the index gain for that year (the price return, not including dividends) to credit interest. The FIA protects the principal when the price return is negative, and it credits positive index gains up to a 5.5% cap. This annuity also includes a 10% accumulation bonus which credits an immediate 10% interest to the contract value.

For the living benefit, the payout rate for the joint contract at age 67 is 5.65%. The payout rate is a percentage of the benefit base. The contract also includes an immediate 20% bonus for the benefit base. For those taking income now, a rollup rate is not relevant, but the immediate income available on $1 million is:

5.65% x 1.2 x $1 million = $67,800

This fixed annual distribution amount is ensured for the joint lifetime of the contract holders. The implication is that the effective payout rate at age 67 for immediate income is 6.78%. This benefit rider includes a 1% annual rider fee on the declining benefit base which starts at 120% of the premium and declines each year for distributions allowed through the rider. The insurer applies the fee to the value of the benefit base at the start of the year and charges it at the end of each year for years when the annuity contract value is positive.

The annuity contract value evolves separately from benefit base. Over time, the contract value of the underlying assets can rise with credited interest and fall when paying fees or taking distributions. When maximizing allowed distributions through the GLWB, the contract value of the annuity will deplete when the couple is in their early 80s. But the insurer continues to pay this promised amount annually for the couple's joint lifetime.

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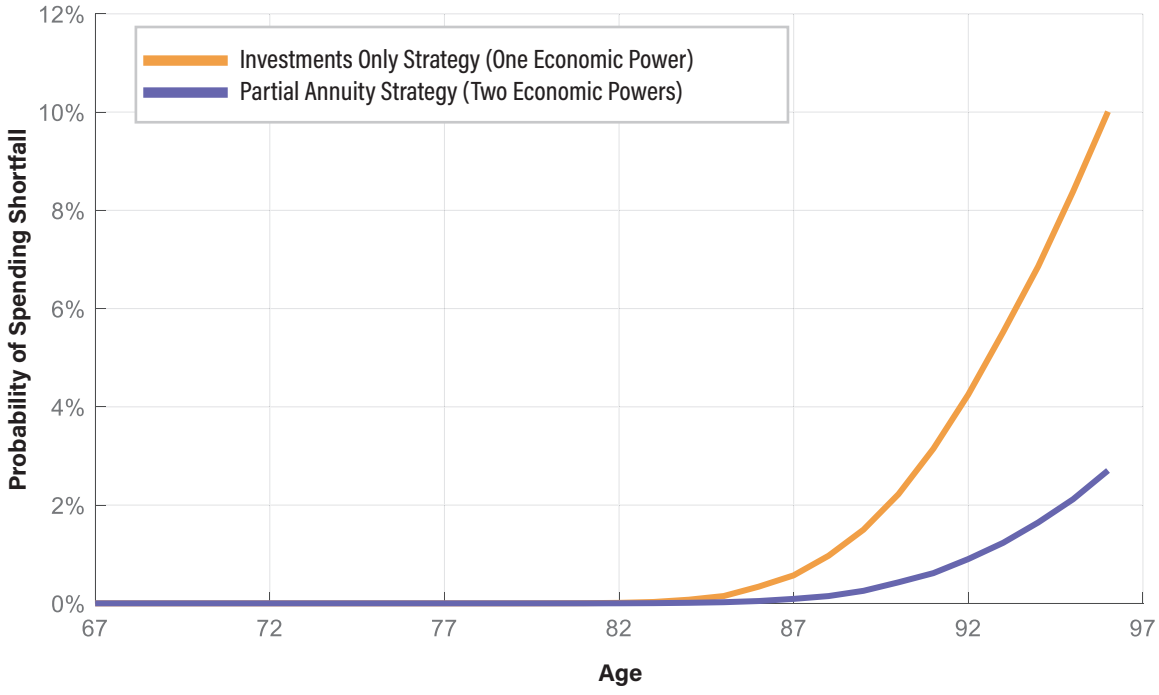
It bears underscoring that the degree of upside potential offered by an FIA can vary over time as interest rates and call option prices change. The parameters offered by an FIA will depend in large part on the level of interest rates and the cost of financial derivatives for the associated index. With an annual reset design, the insurance company must set the cap rate each year and it is possible that the cap rate could decline (or increase). However, we do not model this because it would have negligible impact on the analysis. The annuity contract value does not affect the level of annuity income or the true liquidity of the plan. It does add to the legacy value of assets while contract value remains. Even if the cap were 0%, the contract value will not deplete before age 80. But contract value depletion will happen no matter what the cap rate is, and the result of changing cap rates would only be slight adjustments to the legacy value of assets before the couple reaches their early 80s.

For their spending, the retiree first receives all funds from the FIA as supported by the GLWB. The couple distributes any remainder for the spending goal not covered by the income guarantee from the remaining investment portfolio for as long as portfolio assets remain. If the unprotected portion of assets depletes, the retiree continues to receive the guaranteed income from the annuity to at least cover a portion of their expenses.

Their main goal is to fund their spending for 30 years until reaching age 97. We measure risk as the shortfall for the spending goal if investment assets deplete. Exhibit 2 shows the probability of spending shortfall for each strategy. We defined the spending goal as the amount allowing the Investments Only strategy to experience a 10% probability for shortfall at plan end (i.e., plan failure). In the exhibit we observe how shortfall risk is low for much of the retirement horizon and it is only in the final years of the plan that the risk accelerates to be 10% at the end. Meanwhile, the Partial Annuity strategy supports a lower risk of shortfall throughout the retirement horizon. Longevity credits through the GLWB help to make it the workhorse for income. The annuity covers a disproportionate amount of the spending goal, making it less likely for non-annuity assets to deplete when they only provide for the goal's inflation adjustments.

Exhibit 2 – Probability of Spending Shortfall
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity (FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder) For 67-Year-Old Couple



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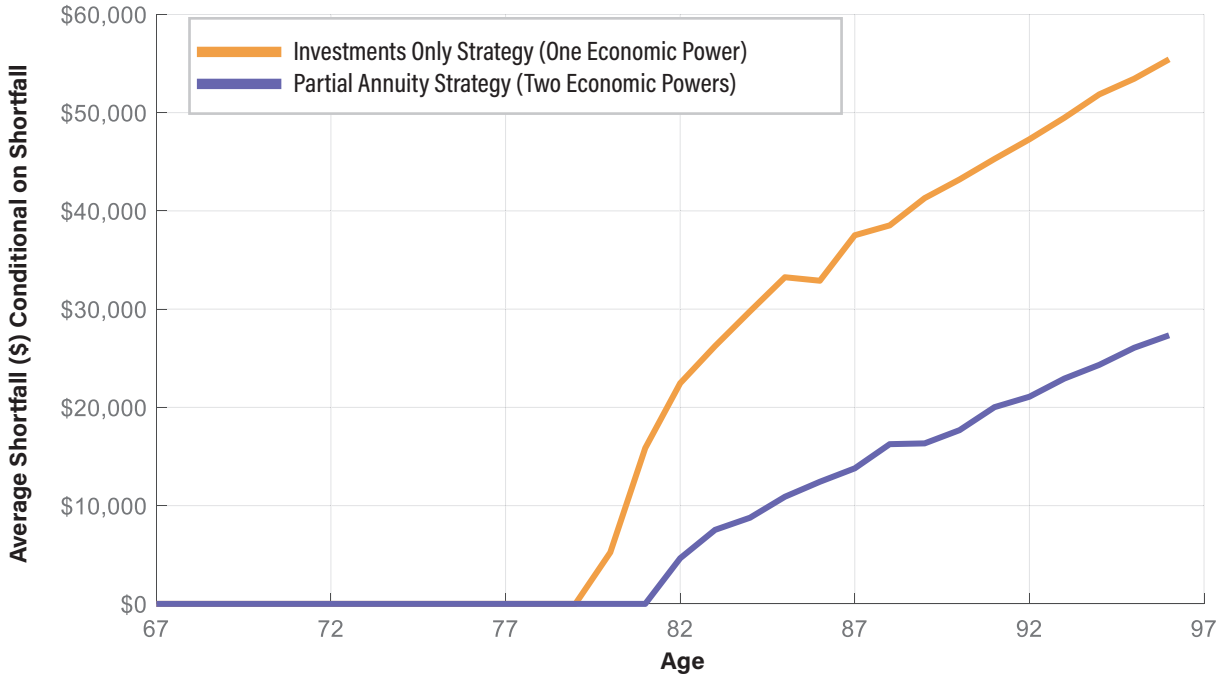
Further, Exhibit 3 shows how even when depletion happens, the magnitude of shortfall is less with the Partial Annuity strategy. With the Investments Only strategy, spending stops entirely after portfolio depletion. But with the Partial Annuity strategy, the annuity continues to support a portion of the spending goal after the investment assets deplete. With the Partial Annuity strategy, the probability of spending shortfall declines across the retirement horizon, and even when depletion happens, the subsequent magnitude of shortfall is less. The Partial Annuity strategy is more effectively meeting the couple's spending goal over their retirement horizon.

Exhibit 3 – Average Spending Shortfall in Cases When a Shortfall Exists Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity (FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder) For 67-Year-Old Couple



Though the primary goal is satisfying lifetime spending goals with a high probability of success, the couple also seeks to preserve financial assets for liquidity and legacy.

We consider true liquidity first. Maintaining liquidity is a valuable tool for managing unanticipated spending shocks in retirement. In a sense, an investment portfolio is a liquid asset, but that liquidity may be an illusion. Assets must match liabilities such that the investment portfolio may be earmarked to meet future lifestyle spending goals. A retiree is free to reallocate their investments in any way they wish (technical liquidity), but the assets are not truly liquid if the retiree must preserve them to meet the spending goal.

"True liquidity" means the asset is spendable without jeopardizing other goals. This is possible when earmarking assets to cover goals in a manner that allows a portion of assets to remain unfettered. True liquidity emerges when there are excess assets remaining after specifically accounting for spending goals. Because risk pooling can allow for less to be set aside to cover the spending goal, it can create greater true liquidity for other assets to cover other unexpected contingencies without jeopardizing core-spending needs.

To calculate true liquidity for an investment portfolio that is also supporting a spending goal, we must make assumptions about the set aside necessary for the spending goal. Sustainable spending is based on a time horizon (planning age), acceptable probability of failure, and asset allocation (linked to underlying capital market expectations). Our method for calculating true liquidity first involves finding a sustainable spending rate that corresponds to supporting a 90% chance that investment assets remain after 30 years of retirement with the

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assumed capital market assumptions and investment and advisory fees. This is 2.97% as an initial distribution rate with a 2.5% annual cost-of-living adjustment. When wealth depletes at the 10th percentile of outcomes, the implied internal rate of return on the retirement portfolio to support this spending is 1.73%. Using this as a net portfolio return, we then calculate a glidepath for the investment wealth needed in each year of retirement to support the remaining spending goal.

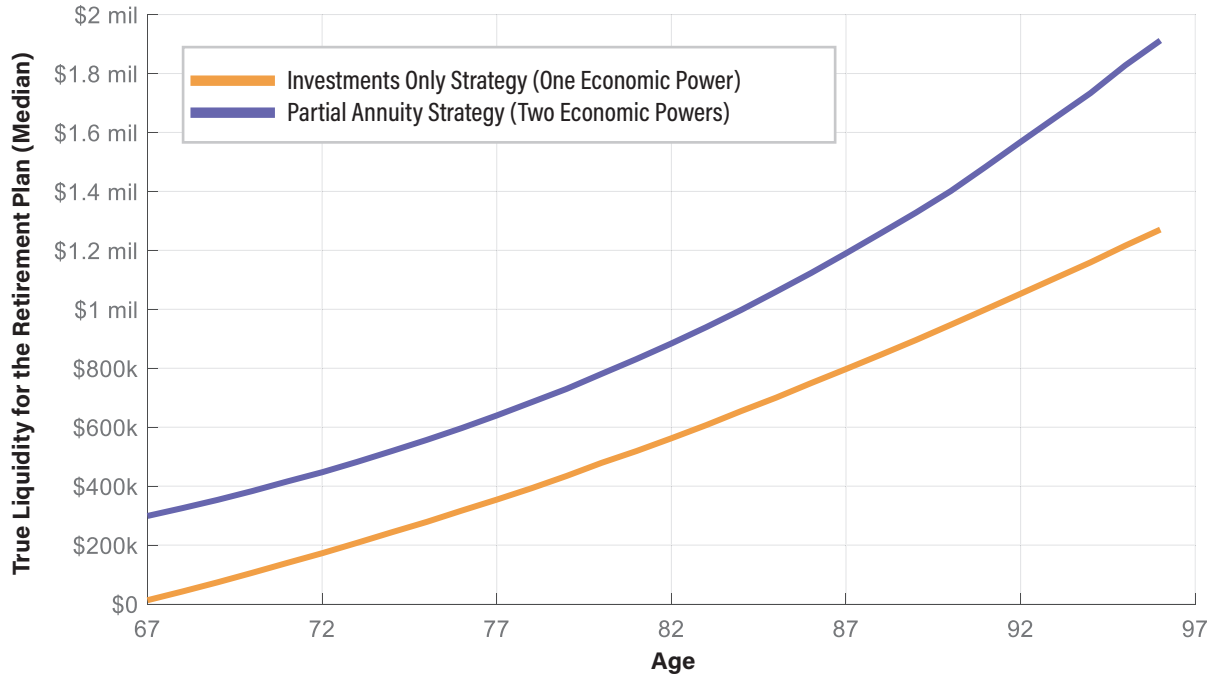
True liquidity is the portfolio balance less this glidepath value for required wealth. If the current portfolio value is larger than this threshold, then the excess reflects true liquidity. True liquidity can be negative (the spending goal has a shortfall at the accepted level of failure) if current assets are less than the glidepath value. The retiree experiences underfunding with respect to what they determine to need for comfortably meeting their spending goal.

If a retiree chooses to fully cover a spending goal through an annuity, then remaining assets in the portfolio have true liquidity. Since the retiree owns a contractual guarantee to cover her spending for life, she also has more risk capacity than with a pure investment strategy and may decide to use a more aggressive asset allocation with her portfolio assets.

Because the couple earmarks all investment assets to meet the spending goal in the Investments Only case, true liquidity begins at $0. For the Partial Annuity strategy, the premium for the annuity with GLWB is the amount that meets the full spending goal initially. With the payout rate and benefit base bonus higher than the spending goal, this requires 43.5% of the portfolio. From the remaining investments, the couple earmarks enough to cover the future cost-of-living adjustments with the 1.73% net return to achieve 90% success. This is $293,355. The remaining $271,837 of investments supports true liquidity.

Exhibit 4 tracks the median true liquidity for the retirement plan across the retirement horizon for both retirement strategies. With the conservative spending goal supporting 90% success, median wealth grows in retirement such that true liquidity increases in both cases. True liquidity remains consistently higher with the partial annuity strategy as risk pooling and actuarial science allows the couple to earmark less assets to meet their retirement spending goal.

Exhibit 4 – Median True Liquidity for the Retirement Plan
Investments Only (60/40 Portfolio Of Stocks and Bonds) vs. Partial Annuity (FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder) For 67-Year-Old Couple



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Finally, legacy is as the value of remaining investments and the death benefit derived from any remaining contract value in the annuity. Exhibit 5 illustrates the median legacy value for both strategies over time. For the Investments Only strategy, we observe slight increases in the median legacy value of assets. For the Partial Annuity strategy, we can observe the total legacy value as well as its subcomponents of annuity death benefit and remaining investments. With the premium bonus for the annuity, it initially supports a greater legacy value than the Investments Only approach. Over time, the contract value of the annuity declines rapidly, but the overall legacy increases slightly and stays ahead of Investments Only in the median. In the early retirement years, the decline of the annuity contract value tends to offset the growth for the non-annuity portfolio, but we can observe a stark change in direction after about age 84. Once the annuity contract value depletes, it continues to support spending without any offsetting impact to legacy. Though non-annuity investments must support the cost-of-living adjustments, the spending pressure is less, and the non-annuity assets continue to grow for the remainder of retirement. The difference in legacy between strategies widens further as the retirement lengthens. This again illustrates the idea that the annuity is the workhorse to support spending, which lowers distribution pressures on the non-annuity assets.

Exhibit 5 – Median Legacy Value of Assets
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity (FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder) For 67-Year-Old Couple

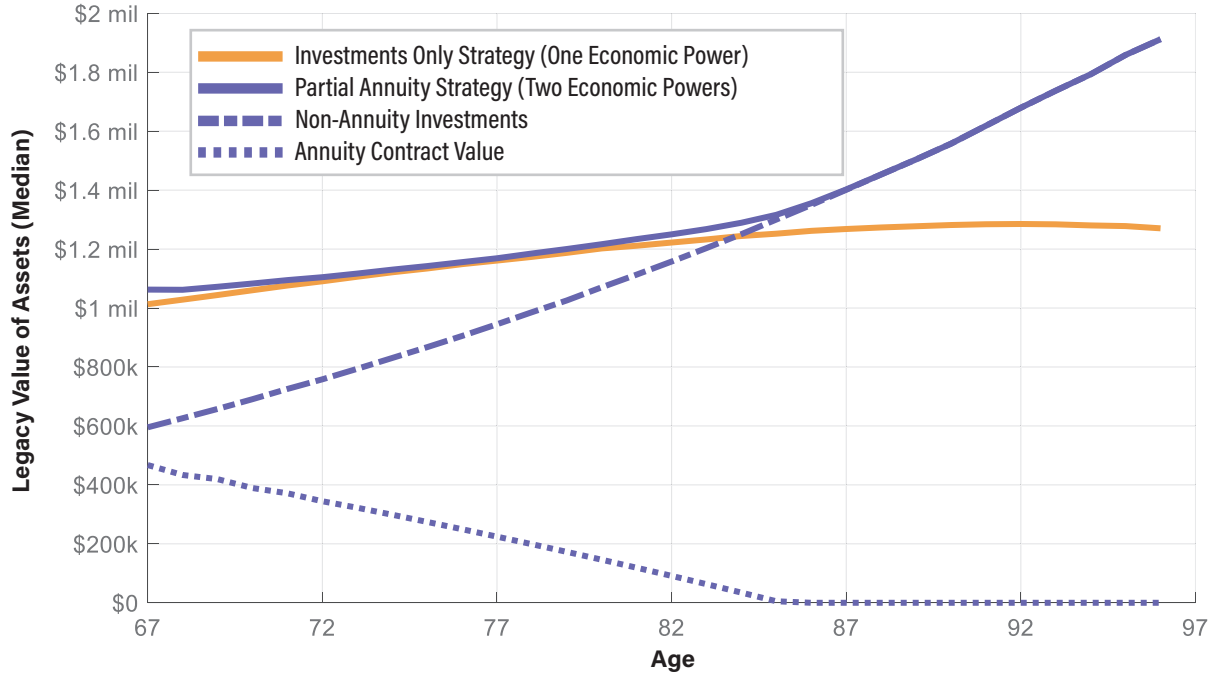

Exhibit 6 allows us to compare results between the two strategies for liquidity and legacy across the distribution of outcomes to check whether the previous findings are only relevant for the median. It includes the 90th percentile (when markets perform well) and the 10th percentile (when markets perform poorly). The only cases when a Partial Annuity strategy does not support a better outcome are in the lower percentiles of the distribution in the early years of retirement for legacy. Otherwise, not only did the Partial Annuity strategy better protect against spending shortfalls, but retirees can also reasonably expect to support both greater true liquidity and legacy for the retirement income plan.

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Exhibit 6 – Distribution of Outcomes Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity (FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder) For 67-Year-Old Couple

	True Liquidity (Investments Only) Age			True Liquidity (Partial Annuity) Age		
Percentile	77	87	97	77	87	97
90th percentile ("good" markets)	$1,051,335	$2,322,360	$4,196,042	$1,535,804	$3,636,152	$7,561,787
50th percentile ("average" markets)	$317,142	$749,567	$1,270,432	$597,109	$1,123,146	$1,911,997
10th percentile ("poor" markets)	-$138,435	-$56,315	-$479	$133,162	$197,058	$295,477
	Legacy (Investments Only) Age			**Legacy (Partial Annuity) Age**		
	77	87	97	77	87	97
90th percentile ("good" markets)	$1,883,074	$2,834,685	$4,196,043	$2,130,814	$3,890,611	$7,561,787
50th percentile ("average" markets)	$1,148,880	$1,261,893	$1,270,433	$1,155,702	$1,355,552	$1,911,997
10th percentile ("poor" markets)	$693,304	$456,011	$0	$655,546	$423,797	$295,477

Income Later

In our second case, a 60-year-old couple intends to retire at age 67. They currently hold $1 million in an IRA; they are looking to spend $29,602 annually (today's dollars) with a 2.5% cost-of-living adjustment to help protect spending from inflation. They also use a 60% stock allocation with the Investments Only strategy. This spending goal again corresponds to supporting a 90% success rate that their investments will last through their age 97 birth date with a 10% failure probability.

For the Partial Annuity strategy, they consider an FIA with GLWB that includes features more aligned with generating greater income after a deferral period. The contract value of this FIA with GLWB credits interest using an annual reset one-year term point-to-point crediting method with a 20% participation rate on the index price return without cap and with principal protection. This annuity does not have an accumulation bonus.

Again, they use an FIA with GLWB to fully cover the initial spending goal while investing remaining funds in 100% stocks. For the living benefit, the payout rate for the joint contract at age 67 is 4.65% of the benefit base. The contract also includes an immediate 30% bonus for the benefit base and a rollup rate that compounds at 9.5% annually. With such a high roll-up rate, step-ups are quite unlikely as the first-year price return would need to exceed 47.5%. Without step-ups, the joint income supported by the GLWB at 67 from a $1 million premium at age 60 is:

$4.65\% \times 1.3 \times (1.095)_7 \times \$1 \text{ million} = \$114{,}102$

This ensures a fixed annual distribution amount for the joint lifetime of the contract holders. This benefit rider includes a 1.1% annual rider fee on the benefit base when the contract value is positive.

The primary goal is to fund their spending through the start of age 97 and Exhibit 7 shows the probability of spending shortfalls for each strategy. These results are quite similar to the income now case. The spending goal calibrates so the Investments Only strategy experiences a 10% probability for shortfall at age 97 (i.e., plan failure). The Partial Annuity strategy supports a lower risk of shortfall throughout the retirement horizon.

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Exhibit 7 – Probability of Spending Shortfall
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity
(FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder)
For 60-Year-Old Couple With a 7-Year Deferral Period

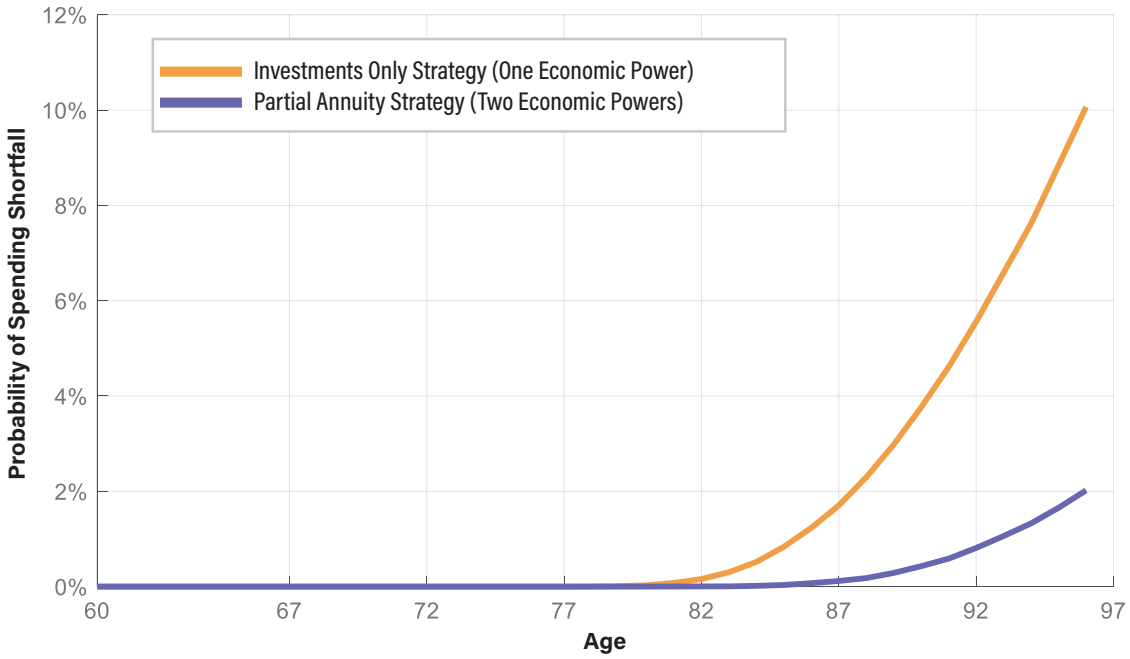

Exhibit 8 again further shows that not only does the probability of shortfall decline with the Partial Annuity strategy, but the magnitude of shortfall is also less as the annuity continues to provide for a portion of the spending goal even after investment assets deplete.

Exhibit 8 – Average Spending Shortfall in Cases When a Shortfall Exists
Investments Only (60/40 Portfolio of Stocks and Bonds) vs Partial Annuity
(FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder)
For 60-Year-Old Couple With a 7-Year Deferral Period

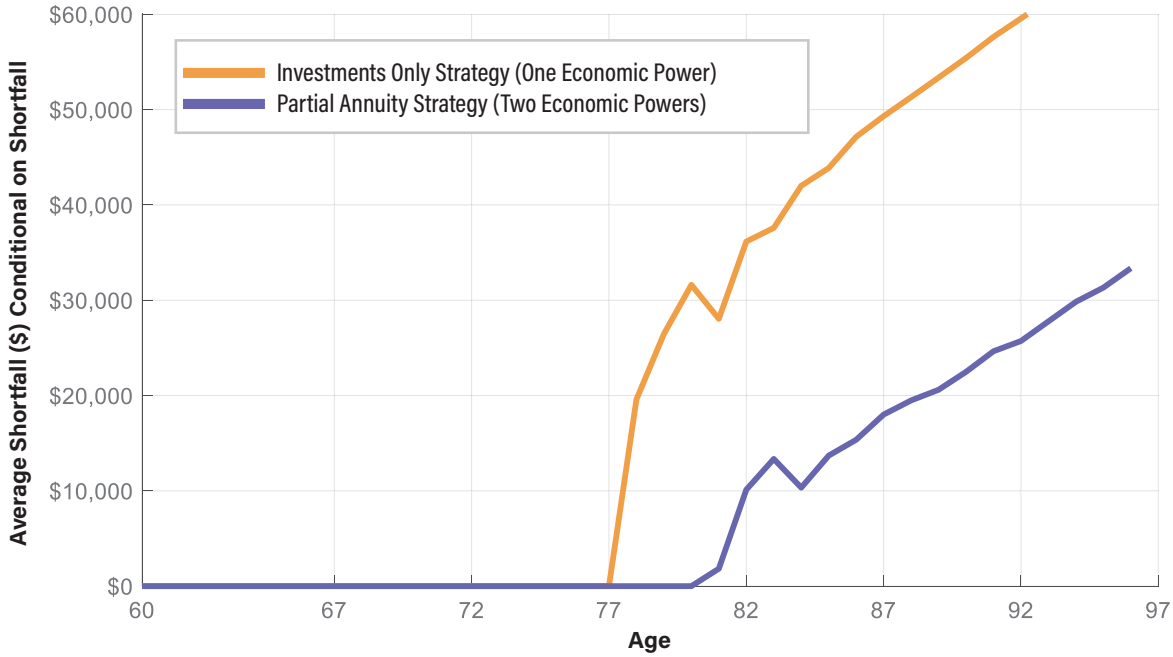

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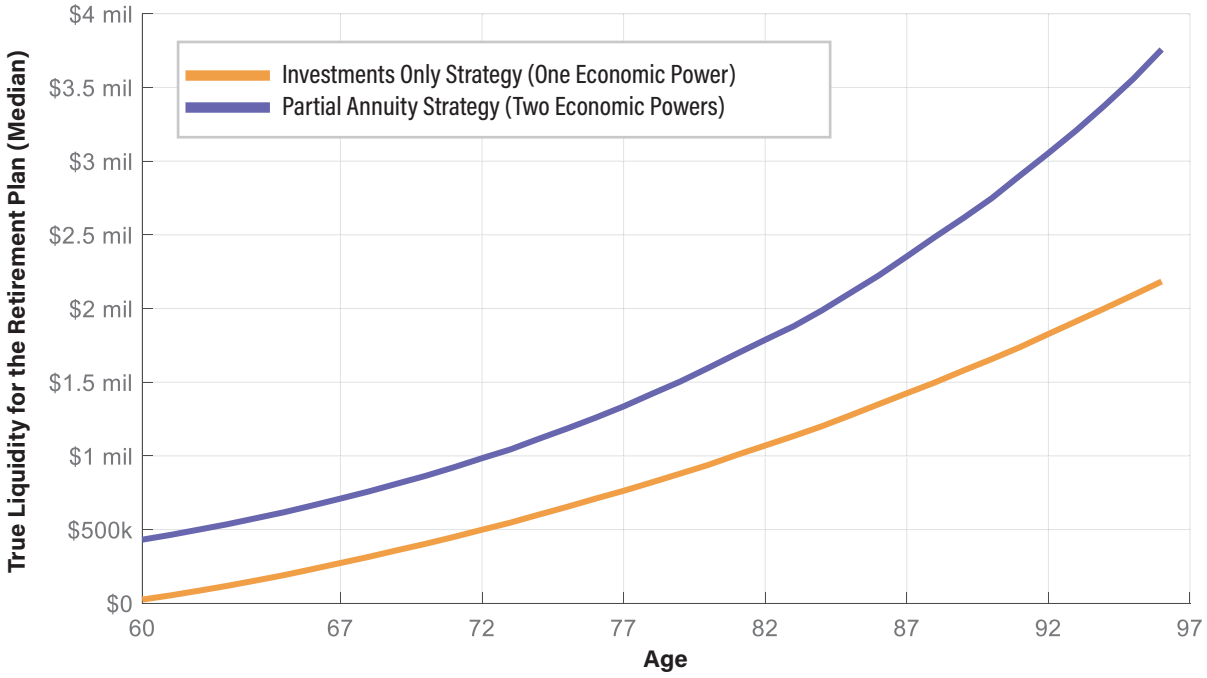
Exhibit 9 tracks the median true liquidity for the retirement plan across the retirement horizon for both retirement strategies. Because all investment assets are earmarked to meet the spending goal in the Investments Only case, true liquidity again begins at $0. For the Partial Annuity strategy, the premium for the annuity with GLWB is sufficient to meet the full spending goal initially. With the payout rate, benefit base bonus, and rollups, 30.8% of the portfolio goes to the annuity. From the remaining investments, the set-aside earmarked to cover the future cost-of-living adjustments is $297,702. The remaining $393,913 supports true liquidity. With the conservative spending goal supporting 90% success, median wealth grows in retirement such that true liquidity increases in both cases. True liquidity remains consistently higher with the Partial Annuity strategy as risk pooling and actuarial science again allows the couple to earmark less assets for retirement spending.

Exhibit 9 – Median True Liquidity for the Retirement Plan
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity
(FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder)
For 60-Year-Old Couple With a 7-Year Deferral Period



Finally, legacy is the value of remaining investments and the death benefit derived from any remaining contract value in the annuity. With this annuity, during the deferral period, the death benefit equals the premium paid should it fall below the contract value because of the optional rider fee. Exhibit 10 shows the median legacy value for both strategies over time. For the Investments Only strategy, we observe slight increases in the median legacy value of assets. For the Partial Annuity strategy, we can observe the total legacy value as well as its subcomponents of annuity death benefit and remaining investments. In the early retirement years, the lack of growth and decline of the annuity contract value makes it more difficult for the Partial Annuity strategy to support greater legacy. But a stark change in direction takes place after about age 73. Once the annuity contract value depletes, it continues to support spending without any offsetting impact to legacy. Though the non-annuity investments must support the cost-of-living adjustments, the spending pressure is less, and the non-annuity assets continue to grow for the remainder of retirement. By age 77, the Partial Annuity strategy supports greater legacy at the median, and the difference continues to grow in subsequent years.

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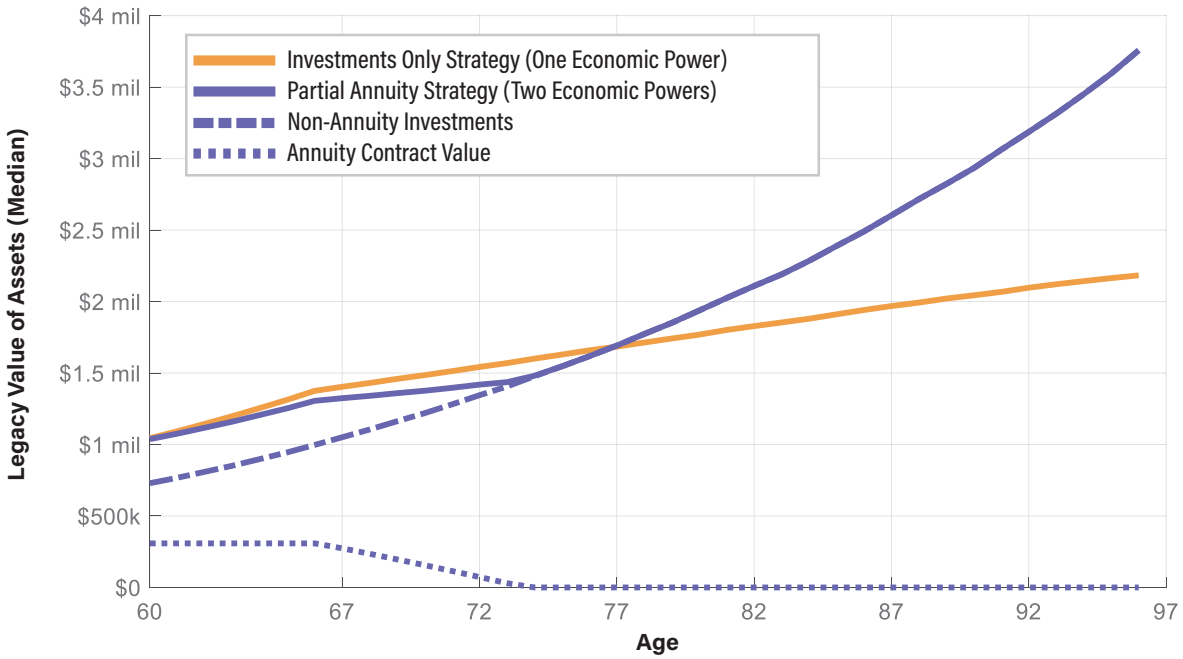
Exhibit 10 – Median Legacy Value of Assets
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity
(FIA with GLWB Covers Initial Spending Goal, 100% Stocks for Remainder)
For 60-Year-Old Couple With a 7-Year Deferral Period



Finally, Exhibit 11 allows us to compare results between the two strategies for liquidity and legacy across the distribution of outcomes to check whether the previous findings are only relevant for the median. We can observe greater true liquidity with the Partial Annuity strategy across the distribution of outcomes, and the Partial Annuity strategy supports greater legacy across the distribution later in retirement as well as at higher percentiles earlier in retirement. It only does not support a better outcome for legacy in the lower percentiles of the distribution in the early years of retirement.

Exhibit 11 – Distribution of Outcomes
Investments Only (60/40 Portfolio of Stocks and Bonds) vs. Partial Annuity
(FIA With GLWB Covers Initial Spending Goal, 100% Stocks for Remainder)
For 60-Year-Old Couple With a 7-Year Deferral Period

	True Liquidity (Investments Only) Age			True Liquidity (Partial Annuity) Age		
Percentile	77	87	97	77	87	97
90th percentile ("good" markets)	$2,242,580	$4,390,324	$7,750,140	$3,711,478	$8,129,682	$16,579,861
50th percentile ("average" markets)	$709,522	$1,350,068	$2,183,299	$1,258,231	$2,222,936	$3,757,689
10th percentile ("poor" markets)	-$137,859	-$45,144	$0	$271,848	$403,156	$589,126
	Legacy (Investments Only) Age			**Legacy (Partial Annuity) Age**		
	77	87	97	77	87	97
90th percentile ("good" markets)	$3,191,959	$4,981,353	$7,750,140	$4,071,177	$8,397,503	$16,579,861
50th percentile ("average" markets)	$1,658,901	$1,941,097	$2,183,299	$1,617,717	$2,490,756	$3,757,689
10th percentile ("poor" markets)	$811,520	$545,885	$0	$631,334	$670,977	$589,126

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Conclusion

For those worried about outliving their assets, risk pooling provides a less expensive way to meet a spending goal, leaving more assets to cover contingencies and support legacy. A Partial Annuity strategy uses risk pooling to meet spending goals and investments to meet liquidity and legacy goals. Greater liquidity can allow for greater peace of mind in retirement as well as potential lifestyle improvements because of a reduced fear about outliving assets. Otherwise, risk-averse retirees may feel obligated to earmark a larger portion of their investment portfolio to spending goals, which leaves less true liquidity, while also exposing the spending goal to the risk of portfolio depletion. The advantages of risk pooling include a contractual guarantee to support lifetime spending, the ability to meet spending goals with a smaller portion of assets that creates greater true liquidity for the retirement income plan, and the potential to support a larger legacy over time.

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Jason Sanger, RICP®, is the creator and President of Wealth Building Cornerstones. Wealth Building Cornerstones was developed through working with individuals and families. The objective of the system is to provide individuals and families with a simple, easy to understand, powerful process that maximizes the use of their money for wealth building and protection.

Jason earned his degree in Civil Engineering and began his career in that field. As he made the transition to becoming a Financial Advisor, he brought the engineering mindset with him which led him to create the Wealth Building Cornerstones system for retirement planning. The system provides a "begin with the purpose in mind approach" that brings objectiveness and clarity to financial decisions.

The system and financial professionals using the system bring real, measurable value to people's financial lives based on the economic realities of how financial tools are supposed to work together to create bigger results.

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