A MORE SECURE RETIREMENT

Why investments and insurance work better together

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Today’s conversation

A practical framework for building retirement confidence.

1. What changes at retirement
2. The risks a portfolio alone must absorb
3. How insurance can strengthen the plan
4. What independent research found
5. A simple action framework

The goal

More dependable income
+
more flexibility
+
a meaningful legacy

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Retirement changes the job of your money

Before retirement, the priority is accumulation. After retirement, the priority is dependable distribution.

TO RETIREMENT

Grow the pool

Known time horizon
Contributions help offset volatility
Return is the primary driver

THROUGH RETIREMENT

Create a paycheck

Unknown time horizon
Withdrawals magnify bad markets
Income and resilience share the lead

Shifting the Focus

51%

More than half of Americans believe there is some chance they will outlive their savings.

The retirement risk stack

A secure plan must manage several risks at the same time, not one at a time.

Market volatility

Poor timing can force sales at a loss

Longevity

Retirement may last 30 years or more

Inflation & taxes

Spending power can erode

Health & care

Large costs can arrive unexpectedly

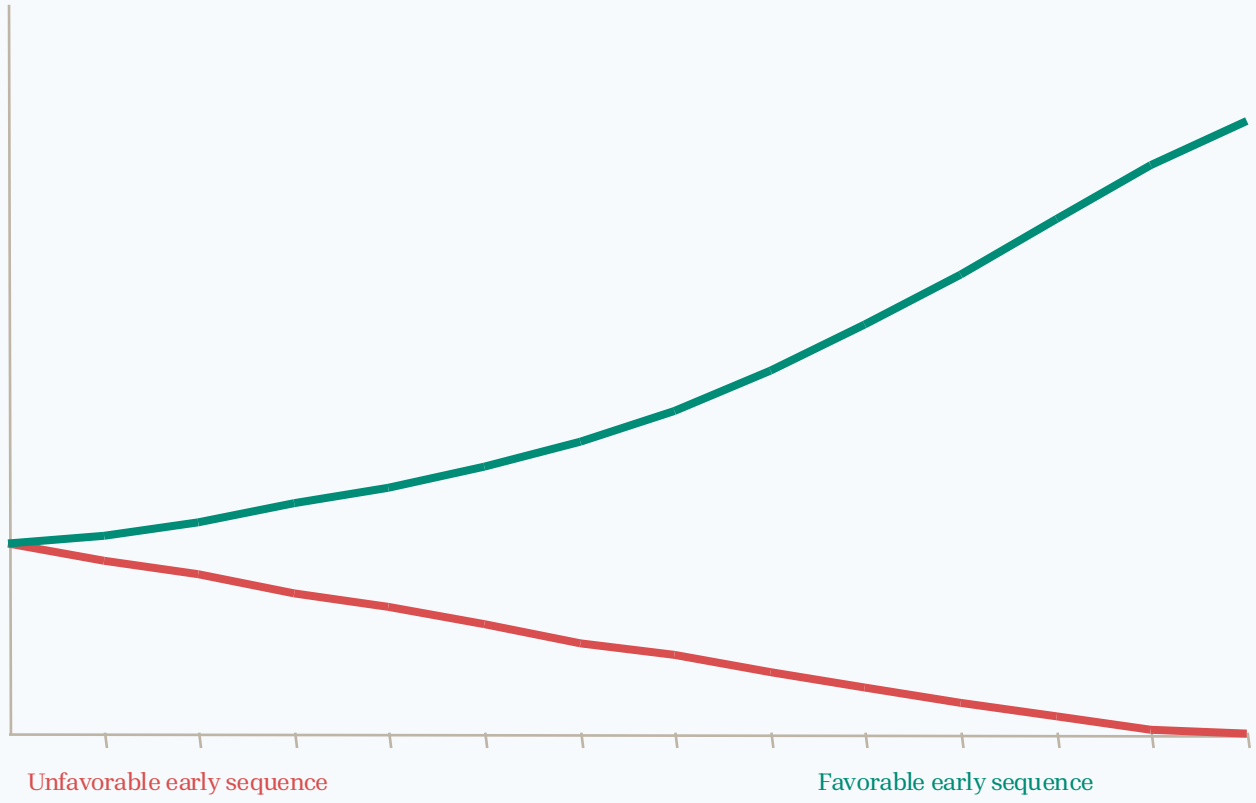
Legacy

Spending and giving compete for the same assets

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Sequence risk: the same returns can produce very different results

Losses early in retirement can be especially damaging when withdrawals are underway.



Conceptual illustration, not a forecast

Why a buffer matters

A source of cash or income that is not tied directly to the market can reduce the need to sell investments after a decline.

PROTECT THE RECOVERY

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One plan, three financial jobs

Investments and insurance are designed to solve different problems. Integration assigns each tool a clear role.

G

GROWTH

Investments

- Long-term appreciation
- Inflation-fighting potential
- Liquidity and flexibility

I

INCOME

Annuities

- Lifetime income option
- Helps cover essential spending
- Transfers longevity risk

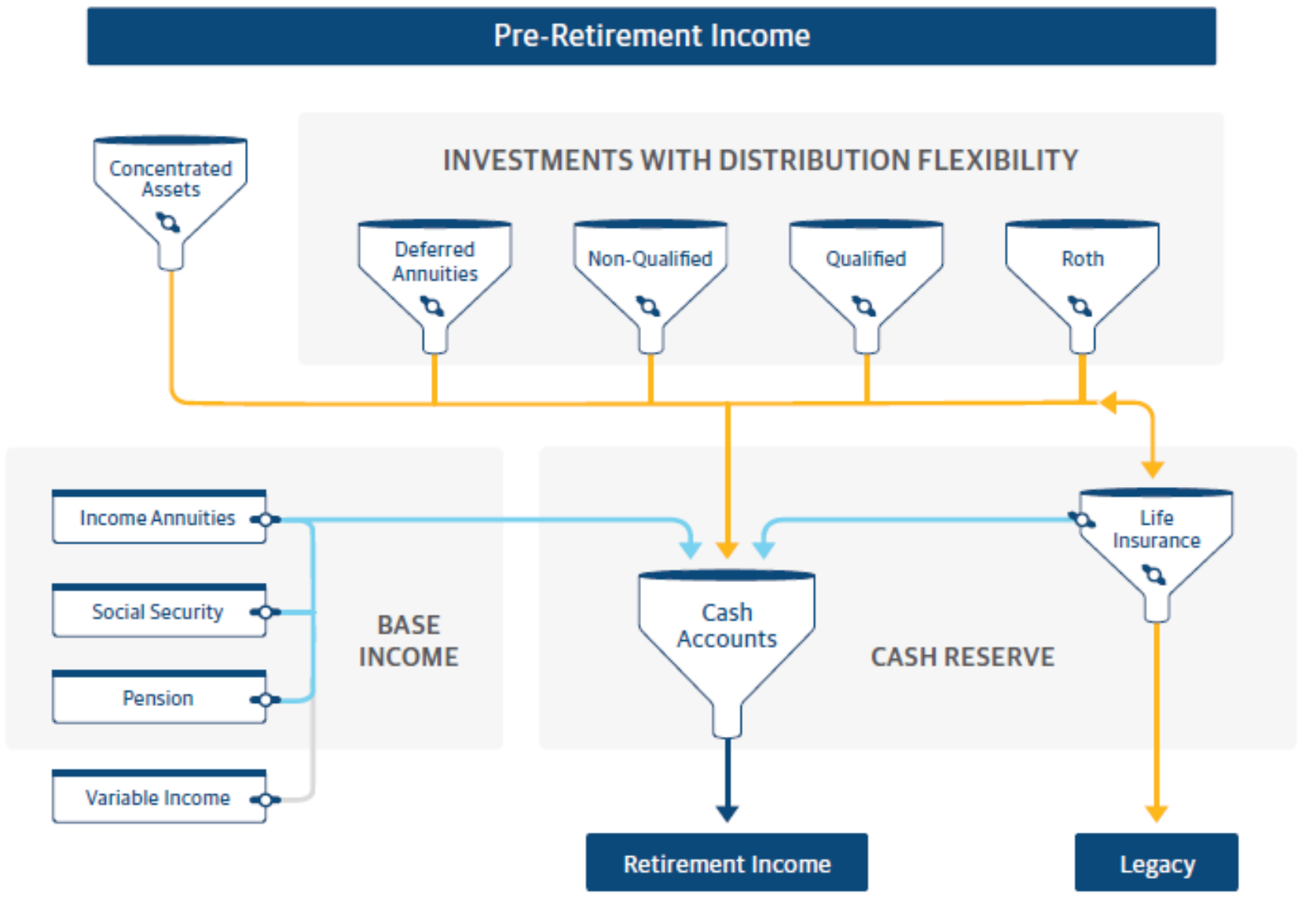
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PROTECTION

Permanent life insurance

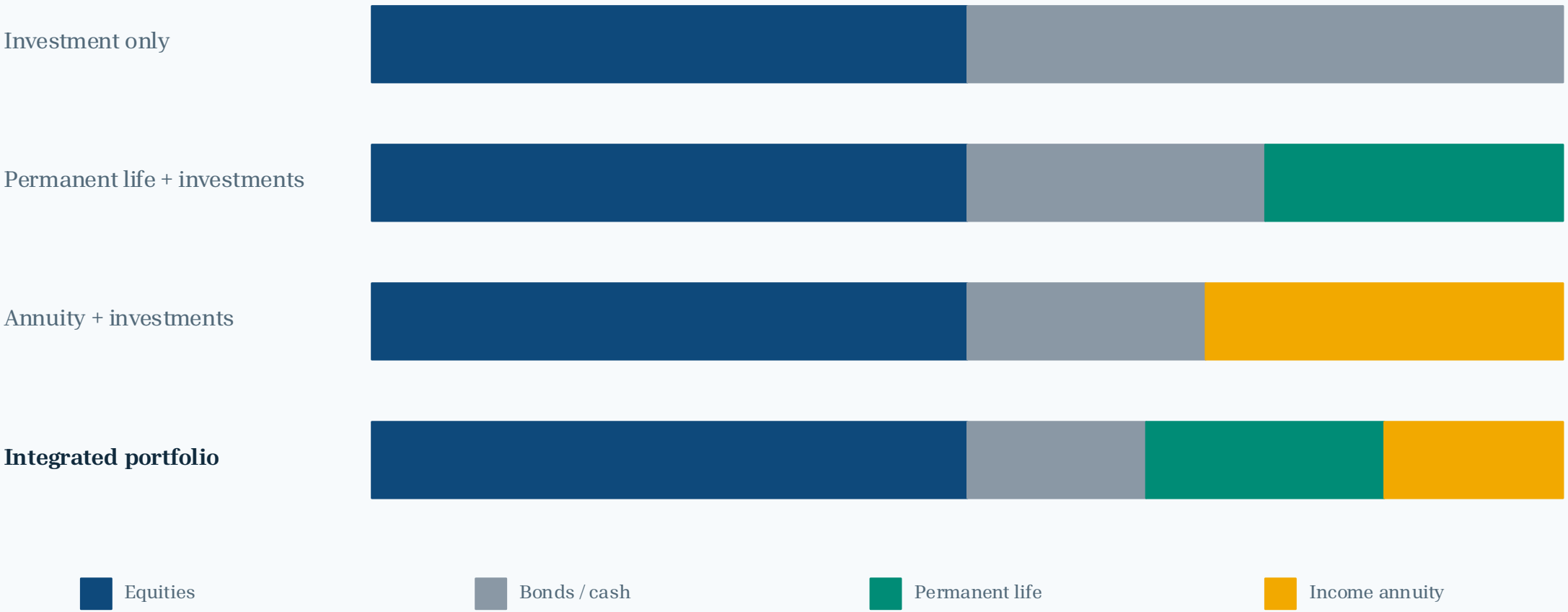
- Death benefit protection
- Cash value as a potential buffer
- Legacy funding efficiency

Having choices in retirement really matters



How integration changes the portfolio

Insurance products can replace part of the capital-preservation allocation, rather than simply being added on top.



Illustrative allocation only. Actual allocations depend on goals, age, liquidity, risk tolerance, health and product terms.

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Independent research: integrated plans improved both income and legacy

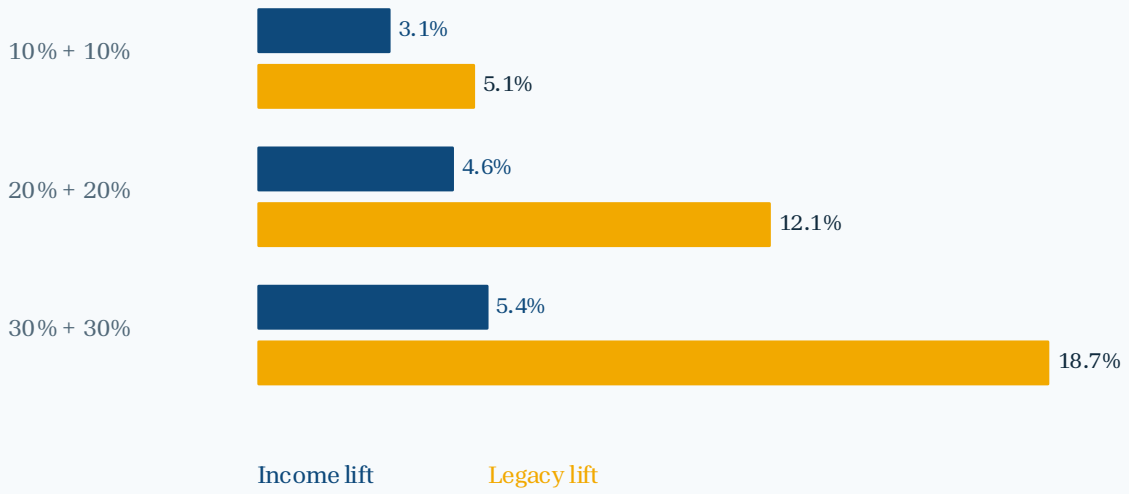
EY modeled 1,000 market and economic scenarios and measured sustainable after-tax income at a 90% probability of success.

+5.4%
Retirement income for a 30% + 30% integrated strategy

+18.7%
Median legacy for the same integrated strategy

1,000
Monte Carlo scenarios in the analysis

90%
Probability-of-success income target



Consumer translation

The combination created a better balance between spending power today and money left for tomorrow.

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The trade-off is visible and manageable

Different tools emphasize different outcomes. Integration creates a middle path.



LEGACY FOCUS

More permanent life

INCOME FOCUS

More lifetime income

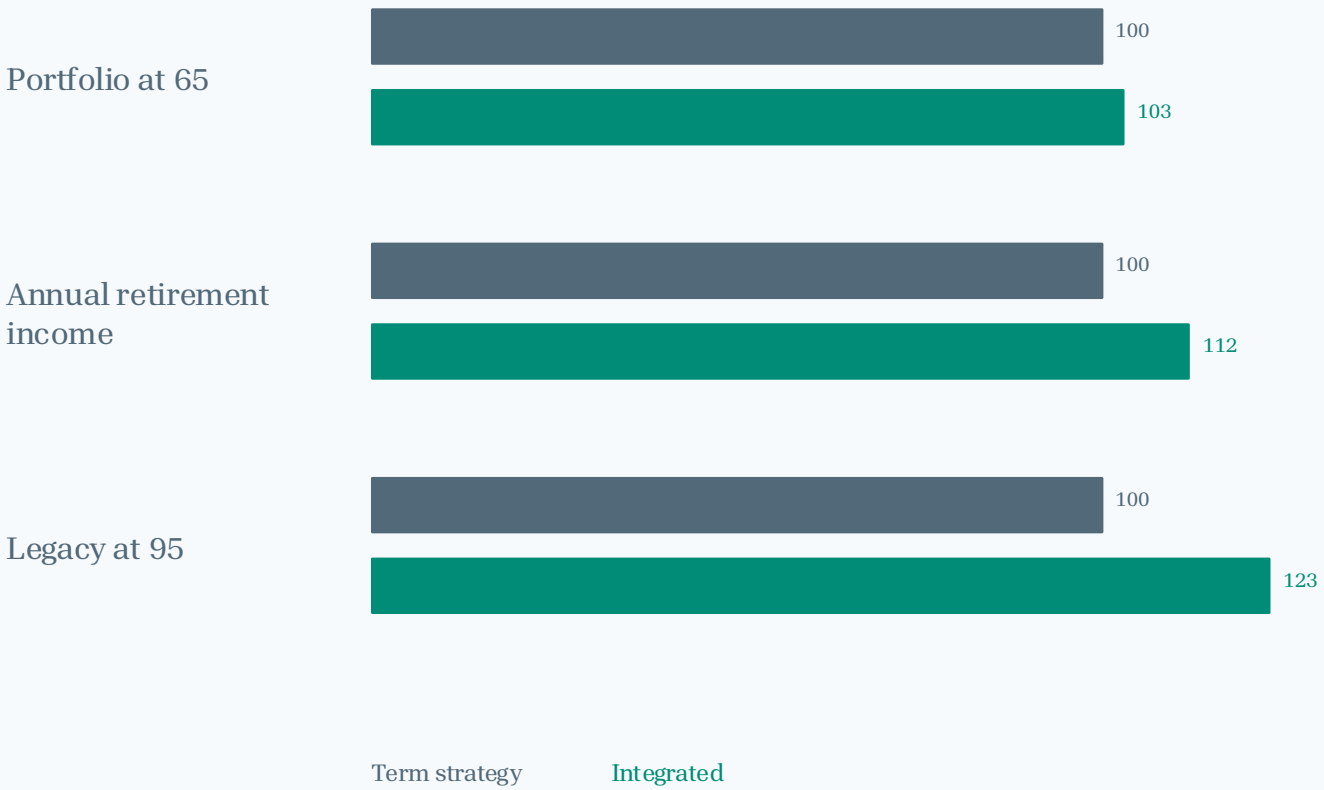
BALANCED FOCUS

Integrated approach

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A second study: stronger results across three outcomes

A Northwestern Mutual hypothetical 45-year-old couple scenario compared term insurance, whole life, and an integrated portfolio.



Indexed to term-insurance strategy = 100

+3%

Higher portfolio value at age 65

+12%

Higher annual retirement income

+23%

Higher legacy value at age 95

Why the combination can work

The value comes from coordinating cash flows across market environments and life events.

1

Reliable income

Use Social Security, pensions and annuity income to cover more essential spending.

2

Volatility buffer

Use cash reserves or accessible cash value during major market declines.

3

Growth engine

Allow diversified investments more time to recover and compound.

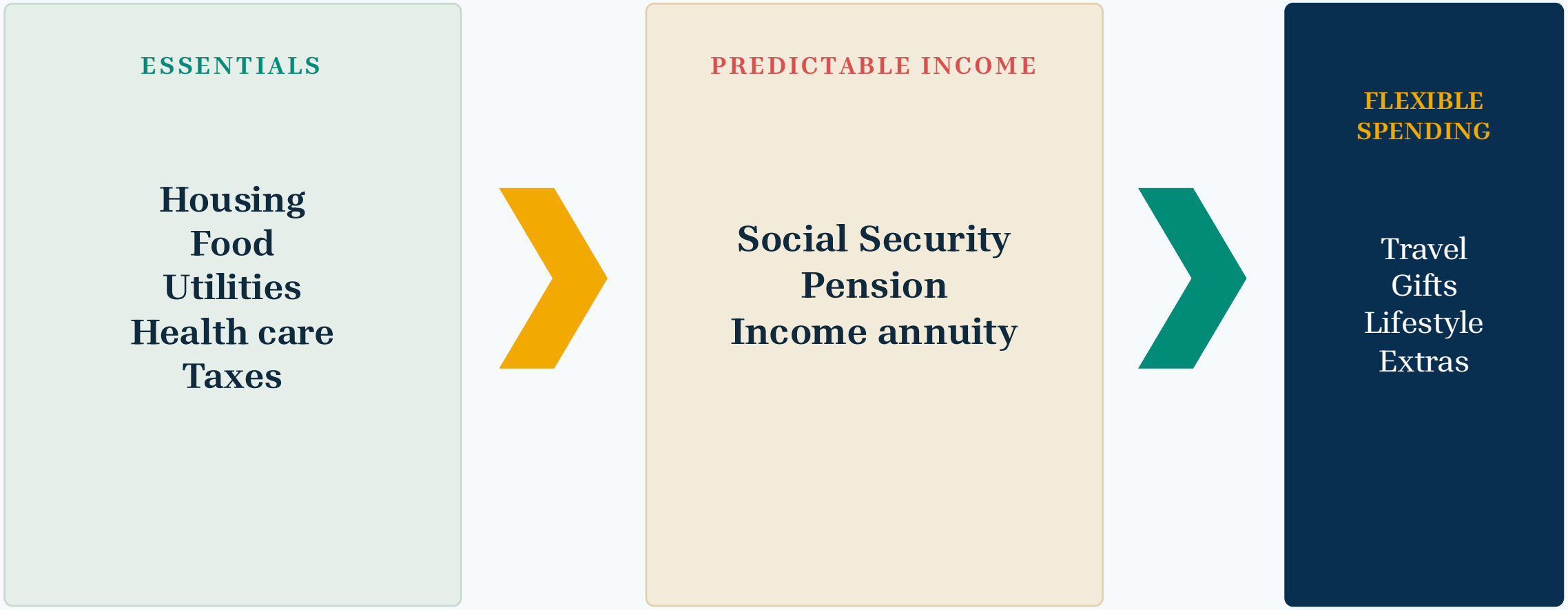
4

Dedicated legacy

Use life insurance to separate inheritance goals from retirement spending.

A retirement paycheck framework

Match the reliability of the income source to the importance of the expense.



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The guardrails matter

Insurance can add value, but only when the product and funding strategy fit the household.

Liquidity

Premiums and annuity purchases can reduce immediately accessible assets.

Costs and trade-offs

Review fees, surrender periods, commissions, and opportunity costs.

Product strength

Guarantees depend on the insurer's claims-paying ability.

Tax coordination

Work with qualified tax and legal professionals before acting.

Policy management

Loans and withdrawals reduce cash value and death benefit and can create tax risk if mishandled.

Personalization

Age, health, risk tolerance, legacy goals and cash flow drive the allocation.

The best integrated plan is one you can keep through changing markets and changing life.

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Five questions to shape your strategy

Use these questions to move from products to planning.

1. How much monthly spending is truly essential?
2. What predictable income will already be available?
3. How much market volatility can the plan absorb near retirement?
4. Is leaving a legacy a priority or simply a preference?
5. How much liquidity must remain readily available?

The output

A coordinated mix of

growth assets

predictable income

protection

liquidity

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A practical planning process

Build the strategy in layers, then revisit it as life changes.

01	02	03	04	05
DISCOVER	**MODEL**	**DESIGN**	**IMPLEMENT**	**REVIEW**
Goals, spending, family, health	Income gaps, taxes, market stress	Investments, income, protection, reserves	Prioritize actions and funding	Update annually and after major changes

Integration is a process, not a product.

What to remember

Three ideas summarize the case for integration.

1

Growth alone is not security

Retirement adds withdrawals, longevity and sequence risk.

2

Different tools solve different risks

Investments, annuities and life insurance have distinct jobs.

3

Coordination can improve outcomes

Research showed stronger income, legacy and flexibility in modeled cases.

RETIRE WITH MORE CONFIDENCE

A resilient retirement plan combines growth, income, protection and flexibility.

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