

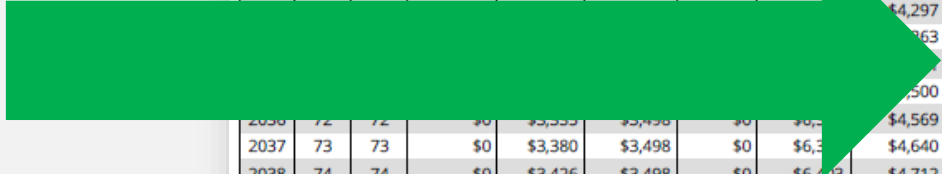
The Retirement Income Gap

OK, back to John and Jane, our hypothetical couple...

Here's OPTION 2:

John and Jane reallocate a portion of their retirement savings by rolling from a 401(k) to an IRA, which will allow them to create a **guaranteed lifetime income** starting at age 67.

Here's what that monthly cash flow looks like now...there's a surplus!



Year	John Age	Jane Age	Pension Income	Social Security Income	Monthly Cash Flows	Annual Cash Flows	Net Monthly Income	Net Monthly Expenses	Net Monthly Cash Flow	Annuity Account Value	Retirement Funds
2031	67	67	\$0	\$3,117	\$3,498	\$0	\$5,9	\$4,231	\$1,697	\$751,661	* \$196,669
								\$4,297	\$1,856	\$735,615	\$228,458
								\$4,297	\$1,830	\$718,999	\$260,151
								\$4,297	\$1,804	\$701,791	\$292,914
								\$4,297	\$1,776	\$683,971	\$326,780
2036	72	72	\$0	\$3,333	\$3,498	\$0	\$6,833	\$4,569	\$1,749	\$665,517	\$362,016
2037	73	73	\$0	\$3,380	\$3,498	\$0	\$6,868	\$4,640	\$1,720	\$646,407	\$398,701
2038	74	74	\$0	\$3,426	\$3,498	\$0	\$6,903	\$4,712	\$1,691	\$626,618	\$436,907
2039	75	75	\$0	\$3,473	\$3,498	\$0	\$6,947	\$4,785	\$1,662	\$606,124	\$476,711
2040	76	76	\$0	\$3,520	\$3,498	\$0	\$6,990	\$4,859	\$1,631	\$584,902	\$518,180
2041	77	77	\$0	\$3,568	\$3,498	\$0	\$7,035	\$4,935	\$1,600	\$562,925	\$561,399
2042	78	78	\$0	\$3,616	\$3,498	\$0	\$7,080	\$5,011	\$1,569	\$540,166	\$606,193
2043	79	79	\$0	\$3,666	\$3,498	\$0	\$7,127	\$5,089	\$1,538	\$516,598	\$652,574
2044	80	80	\$0	\$3,715	\$3,498	\$0	\$7,175	\$5,168	\$1,505	\$492,191	\$700,586
2045	81	81	\$0	\$3,766	\$3,498	\$0	\$7,220	\$5,248	\$1,472	\$466,917	\$750,312
2046	82	82	\$0	\$3,817	\$3,498	\$0	\$7,268	\$5,329	\$1,439	\$440,743	\$801,815
2047	83	83	\$0	\$3,869	\$3,498	\$0	\$7,316	\$5,412	\$1,404	\$413,639	\$855,168
2048	84	84	\$0	\$3,922	\$3,498	\$0	\$7,366	\$5,496	\$1,370	\$385,570	\$910,453
2049	85	85	\$0	\$3,975	\$3,498	\$0	\$7,416	\$5,581	\$1,335	\$356,503	\$967,741
2050	86	86	\$0	\$4,029	\$3,498	\$0	\$7,466	\$5,667	\$1,299	\$326,403	\$1,027,118
2051	87	87	\$0	\$4,084	\$3,498	\$0	\$7,517	\$5,755	\$1,262	\$295,232	\$1,088,673
2052	88	88	\$0	\$4,139	\$3,498	\$0	\$7,569	\$5,844	\$1,225	\$262,952	\$1,152,489
2053	89	89	\$0	\$4,196	\$3,498	\$0	\$7,622	\$5,935	\$1,187	\$229,524	\$1,218,674
2054	90	90	\$0	\$4,253	\$3,498	\$0	\$7,675	\$6,027	\$1,148	\$194,907	\$1,287,318
2055	91	91	\$0	\$4,311	\$3,498	\$0	\$7,729	\$6,120	\$1,109	\$159,059	\$1,358,526
2056	92	92	\$0	\$4,369	\$3,498	\$0	\$7,784	\$6,215	\$1,069	\$121,936	\$1,432,399
2057	93	93	\$0	\$4,429	\$3,498	\$0	\$7,840	\$6,311	\$1,029	\$83,492	\$1,509,062
2058	94	94	\$0	\$4,489	\$3,498	\$0	\$7,896	\$6,409	\$987	\$43,681	\$1,588,619
2059	95	95	\$0	\$4,550	\$3,498	\$0	\$7,953	\$6,509	\$944	\$12,260	\$1,671,197
2060	96	96	\$0	\$4,612	\$3,498	\$0	\$8,011	\$6,610	\$901	\$0	\$1,756,928

Guarantees in insurance products are backed solely by the financial strength and claims-paying ability of the issuing insurer.



Your Retirement Educators today are:

Wayne Wilson

Will McWhorter

Heather Schreiber

401(k) vs. IRA: Should you roll over?

Rolling your 401(k) into an IRA is often a sound move, but there are several factors.

Reasons to stick with the 401(k):

- You plan to retire early...or late
- You want to invest in a Roth IRA but earn too much to contribute
- You're worried about lawsuits

Just like any aspect of your finances, it **always** depends on your unique situation, needs, and goals.

Reasons to roll over to an IRA:

- Your plan has high-cost investments
- You have multiple dormant 401(k) accounts from previous jobs
- You would like more flexibility in your investment choices than your 401(k) plan allows
- You want a broader range of choices to create lifetime income
- You want flexibility for withdrawals
- You want potentially greater flexibility in transferring assets to heirs

SOURCE: Kiplinger's Personal Finance, May 2017. <https://www.kiplinger.com/article/retirement/T032-C000-S002-pros-and-cons-of-rolling-your-401-k-into-an-ira.html>

