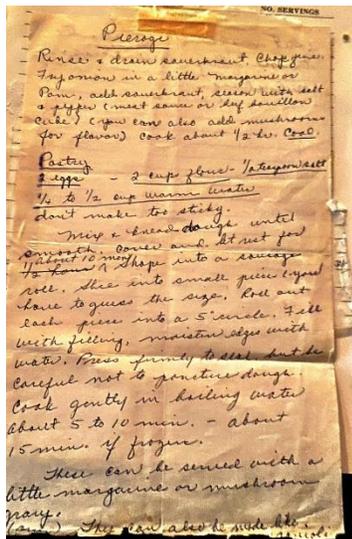


You CAN have your cake and eat it, too!



One of my favorite childhood Christmas memories is of the special dishes my mom made. Among the best were her *pierogi*, little halfmoon-shaped dumplings filled with onions and sauerkraut. Mary makes them for Christmas to this day, using the recipe my mom handed down to her. Here's a picture of it, in my mom's handwriting. What memories!

One of the advantages of our family's recipe is that it makes dozens of pierogi. The disadvantage is that it makes dozens of pierogi. And, as someone who hates to waste food, I do my share of eating them. I risk getting fatter around the middle than I already am, but every bite reminds me of my mom, and it's a risk I'll continue taking.

Investments have risks, too. Stocks, bonds, mutual funds, and other asset classes can go up, but they can also lose value. Prudent investors are aware of the risk-reward relationship and

must give it consideration when making investment decisions. Nevertheless, the risk still remains. Frankly, no investment or financial tool is ideal. As they say, you can't have your cake (or pierogi), and eat it, too.

Or, can you?

A common strategy among conservative investors is to use permanent life insurance as a hedge against other investments, because the cash value of the policy is guaranteed to grow tax-deferred every year (assuming you pay the premiums and don't take any loans against your policy). This strategy allows an investor to leave some money at risk, with the hope of a higher return, while knowing that low-risk life insurance cash values will continue to grow, year in and year out.¹ An added bonus is the liquidity of the cash in the policy, which may be used for any number of reasons. This can make a whole life policy another source of income for retirement. And, the death benefit to those you leave behind could actually replace the money you spent during your retirement years. What a deal!

Just about everyone I know wants to grow and preserve wealth, and whole life insurance is a great way to do it for some folks. If you'd like to learn more about this strategy for conservative investors, call me to make an appointment.

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¹Guarantees are based on the claims paying ability of the issuing company.

No strategy assures success or protects against loss.

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