

Tough Questions No Advisor or Company Wants You To Ask!

The following are questions that must be answered now. These questions go beyond important. They should be put in a life or death class. The answers effectively can be the difference between having a good life or the death of your retirement money. Simply put, you have to know for sure and it has to be in writing.

This cannot be stressed enough; way too often it comes down to a *he said she said* problem. With nothing in writing, it will become your word against his and that is not where you want to be. Worse yet it will be the beneficiaries and the lawyers trying to sort out the mess.

Most people think they will at least have their day in court. What many do not realize is that they signed away their right to a court trial when they opened their account. Instead of having a day in court they are forced into arbitration most often it's binding. I cannot stress this ENOUGH get these questions answered. . ***If there are any questions, that cannot or will not be answered please check the No answer box.***

Pertains to retirement accounts 401(k), 403(b), IRA and the likes. Additionally for the safety of all your money that is invested whether in a retirement account or not. Finally and most importantly how do you get your have your investments converted to an income stream or retirement paychecks.

1. Will you assume responsibility to my beneficiaries as to the choices available and deadlines required of them when they inherit my IRA? **Yes No**

2. If your advice is incorrect, untimely, or otherwise faulty will you make my beneficiary whole? Will you make good for any losses incurred including penalties, loss of tax deferral and lost interest? **Yes No**

Advisor's Name _____

Custodian's Company Name _____

Authorized Representative _____

Signature _____

Date _____

1. How are my assets hedged against longevity risk? In other words, how am I protected from outliving my money? _____

No Answer _____ **Advisor's Initials** _____

2. What is the plan if I actually do end up depleting my resources during retirement? (Basically Plan B)

No Answer _____ **Advisor's Initials** _____

3. How are my assets hedged against sequence of returns risk? In other words, how am I protected from having my retirement plans crushed by exactly what has taken place in the markets over the past couple of years? _____

No Answer _____ **Advisor's Initials** _____

4. How are my assets hedged against inflation risk *especially senior inflation (CPI-E)*?

No Answer _____ **Advisor's Initials** _____

5. What is the plan to create income in retirement, and is this level of income both adequate and sustainable if the market or interest rates drop? _____

No Answer _____ **Advisor's Initials** _____

6. What analytic tools and methods are used to determine and demonstrate that my retirement income projections are both adequate and sustainable? _____

No Answer _____ **Advisor's Initials** _____

7. What happens if my mutual fund, hedge fund, managed account, ETF or target date fund implodes and delivers results that are wildly different than what was described at the onset? Are there any guarantees, or am I simply told to hang in there and reshuffle my asset allocation?

No Answer _____ **Advisor's Initials** _____

8. What actual, tangible or legal recourse do I have if my financial plan fails miserably and I am left in a precarious position near or in retirement?

No Answer _____ **Advisor's Initials** _____

I have reviewed these with my advisor and he/she initialed each answered.

Advisor's Name _____

Advisor's Company _____

Authorized Representative _____

Signature _____

Date _____

I am concerned that stocks/ investments may not be able to provide adequate income when I expect to retire and begin selling them. I bought my investments primarily to provide gains, but I will have to sell them to convert the gain to income. Because the price I will receive, will be determined by the market supply and demand conditions when they are sold. I have eight questions about those conditions that you need to answer for me

1. I expect to begin selling my stocks for retirement income or to convert them to securities that pay interest in about [give the year]. Who do you anticipate will be the primary buyers of my stocks when waves of baby boomers sell at the time when I expect to retire?

No Answer _____ Advisor's Initials _____

2. If you expect the primary buyers will be people who are still working, what is the projected ratio of worker-buyer to retiree-seller during that period?

No Answer _____ Advisor's Initials _____

3. Can you provide studies of the supply and demand conditions that are expected to prevail when baby boomers sell their stocks for retirement income and the anticipated effects of these conditions on market prices?

No Answer _____ **Advisor's Initials** _____

4. Because workers buy most of their stocks during their peak earning years, how many workers are expected to be in their peak earning years in relation to the number of boomers who will probably be selling during my retirement years?

No Answer _____ **Advisor's Initials** _____

5. Do you know of any studies or due-diligence analysis of the market conditions that are likely to prevail for stocks/ funds, including the buying potential of other countries, at the time when I expect to be selling them?

No Answer _____ **Advisor's Initials** _____

6. If you have no information that can be used to anticipate what will happen when the baby boomers try to sell their stocks/ funds for retirement income, do you still recommend the purchase of stocks/funds investments for my retirement accounts?

No Answer _____ **Advisor's Initials** _____

7. If you do recommend purchasing stocks/funds, why? What risks are inherent in the recommendation? (Note that a discussion of the history of stock prices will not answer this question unless it refers to a specific period when market conditions approximated those that can be expected at the time when I sell my stocks/funds).

No Answer _____ **Advisor's Initials** _____

8. Can you recommend other investments that would be safer for my retirement portfolio that would: **Preserve my capital, Pay an income from then-current earnings, increase the payments if the company does well?**

No Answer _____ **Advisor's Initials** _____

When you ask these questions and get weak or unresponsive answers, it would be wise to base your actions on cold logic. Get out before you will have a retirement system-failure.

I have reviewed the questions with my advisor and they have initialed each one.

Advisor's Name _____

Advisor's Company _____

Authorized Representative _____

Signature _____

Date _____