

## LIFE INSURANCE AUDIT

Why an audit? In recent years, there have been numerous changes in the life insurance industry, such as new mortality tables that have lowered premiums and new living benefit riders that provide long-term care coverage and more.

We have recently reviewed and audited some older existing policies. One example was a married couple ages 64 and 67. They had a current 2nd-to-Die policy for \$1,000,000. The policy had \$298,000 in cash value and the client was paying \$12,500 per year in premium to age 100. After reviewing the policy, we were able to obtain a new \$1,000,000 insurance policy. The new \$1,000,000 face value would be paid-up and no new premiums would be required, meaning the client would have the same death benefit and save \$12,500 per year.

Another example was a 55-year-old male who recently switched his \$250,000 cash value policy to a no-lapse guaranteed policy and reduced his premium outlay by almost 30% while retaining the same insurance coverage.

Let us provide you with a complete life insurance audit at no cost to you. You might be surprised to find you can get more and pay less! An audit is one way to follow those Two Rules.

## MOST POPULAR GIVEAWAYS

Over the years, we have been asked for additional information on certain popular topics. We offer this information each week on our radio show "Protecting Your Wealth Radio." Our most popular giveaways are:

To Trust or Not to Trust  
No Blood, No Money  
Just Don't Lose the Money  
Asset Protection Strategies for the Pensioner

If you want one of these giveaways, call the office at 1-877-630-8787 or send back the enclosed reply card requesting the giveaway of your choice.

Rubino & Liang is a referral-based company.  
Refer a prospect to us and put yourself in our drawing for a restaurant gift certificate!

Best Wishes!  
Richard Rubino and Sam Liang

## PROTECTING A PENSION

Is this you? You are married and your spouse is receiving a lifetime pension. You feel secure because the check comes every month, and when your spouse passes away, you will still receive a check every month. So, what's the problem?

The problem is *health* - the "wild card" in planning.

If the pensioner goes into a nursing home, their pension goes with them. A nursing home is like a very expensive hotel that you don't want to go to. Once in a nursing home, they give you a bill for your stay. If you have the income to cover that bill, you pay it.

Solution? Set-up a bullet-proof box (trust) for the non-pensioner spouse. The funds in the trust can be protected immediately and the income from the funds cannot be used to pay for the pensioner's nursing home bill. Once the pensioner passes away, you can turn off the income from the trust and collect the survivor pension. Whatever is left in the trust is still protected for children and grandchildren.

This is Combo Planning - the right legal documents combined with the right financial products.

If you are getting a pension and care about the financial safety of your spouse, this is an important plan to consider. Call Rich at 1-877-630-8787 for a detailed explanation.

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[www.justdontlosethemoney.com](http://www.justdontlosethemoney.com)  
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## WHAT'S HAPPENING WITH...

### RICH

Summer is here at last! Our daughter, Jamie, and her entourage (our grandson, Wes, Fenway the dog, Jack the cat and Jesse, her husband) are camped out at our New Hampshire home with me and Winnie. Of course, Jesse and I work during the week and they are all waiting for us on the weekends. Wes is walking and talking (making noise) and getting faster by the day.

We celebrated Winnie's sister Rachel's birthday with family and significant others on July 4th weekend. Summer is a fun time, especially for the most important things in life: family and friends.

### SAM

I have been so blessed with my family and my business that I wanted to do something to give back. My best friend, Tom, is a cancer survivor and recently, a family friend was also diagnosed with cancer. I have decided to ride in this year's Pan Mass Challenge (PMC), a two day, 200 mile bike ride from Sturbridge, MA to Provincetown, MA. 100% of the proceeds go to cancer research. Last year the PMC raised \$35,000,000. I am hoping to raise \$10,000 this year. Please see my page on the Pan Mass Challenge website at:

<http://www.pmc.org/profile/sl0137>. Thank you for your support and encouragement!

Recently, my son Harrison made his First Communion. Below is a family photo of the day.



4th of July Parade

## INSIDE THIS ISSUE

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## SEMINAR DATES - SEPTEMBER 2009

Tuesday, September 22nd at 10am  
Cafe Escadrille, Burlington, MA

Wednesday, September 23rd at 10am  
Lombardo's, Randolph, MA

Please call 1-877-630-8787 to reserve your spot today!



## WHERE TO GET INCOME

Is this you? You are about to retire and don't know how to get income you cannot outlive. We recently saw a couple who were both 61 years old and wanted to retire at age 66. They still saved toward that goal but were uneasy with their investment choices because of steep market declines. They were reluctant to keep putting money in the "black hole." They needed an income distribution plan that was full-proof. The Solution? First, we determined how much they needed to live on and how much they will get from social security and any pensions. The difference between what they get and what they need must come from savings (this was once popularly known as the "Three-Legged Stool").

One piece of their savings should be in a guaranteed income account. This account will grow at 7% per year until income is taken. Once you begin an income stream, you are able to continue that payout for life, or turn the income stream off and retain the principal of the account. This helps diversify your accounts while at the same time following those Two Rules: Rule #1 - Just don't lose the money and Rule #2 - Don't forget Rule #1. How much you put in, and when you turn on the income stream, depends on your particular circumstances.

### SPECIAL NEEDS TRUST

Is this you? Do you have a special needs child or grandchild you want to make sure is taken care of when you are gone? A recently widowed individual came to see us and wanted to make sure that her grandchildren were taken care of when she passed away. One of her grandchildren was a special needs child. She told us that although her son and daughter-in-law were loving parents, they were also spenders. She wanted to make sure that they would not spend the assets she wanted to leave to her grandchildren. The Solution? We set-up a specially-designed generation skipping trust for her children and grandchildren. Upon her death, a portion of her estate would go to her son outright. A larger portion would go into a trust providing him income for life only. When he passes away, the principal goes to the grandchildren. If you want to make sure your assets go where you wish, you have to do something about it. We used No Blood, No Money provisions along with generation skipping provisions to ensure the desired results. Is this you? Come in and talk it over.

## PROTECTING ASSETS

Is this you? You want to protect your assets if a nursing home is needed, but do not want, or cannot get, long-term care insurance. All risk is usually treated the same way. You can a) accept the risk, b) avoid the risk or c) insure for the risk. For instance, if you are afraid of getting into an auto accident, either don't drive, get insurance, or drive and accept the risk. Poor health is a different risk. You cannot avoid it. You either accept it or insure for it. With nursing home risk, we usually try to reduce your risk and either accept or insure for the balance. For example, consider someone with a home worth \$500,000 and \$500,000 in the bank. They want to protect some of their assets if a nursing home is needed without making changes to their lifestyle. We would place the real estate in a Medicaid Protective Trust that gives them the right to use the property for the rest of their lives. After a 5 year look back period, the home cannot be attached if a nursing home is needed. We have effectively reduced their risk by 50% because the home is now protected. We now only have to protect the \$500,000 in the bank. Depending on their age, we can use the same trust, or a combination product, that gives them a long-term care benefit at a very low cost and without having to medically qualify. Problem solved! We reduced the risk and insured for the balance. Make an appointment with Rich to see if this strategy suits you.

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Wednesday, September 23rd - Lombardo's, Randolph, MA  
Call 1-877-630-8787 to make your reservation today!

### NO BRAINER - TAXES

Question: Of the following taxes, which can you avoid?  
A) income tax B) sales tax C) capital gains tax and D) estate tax. Well, if you don't work, have no money in the bank, have losses on all of your investments and have an estate under \$1,000,000, you can avoid all of them.

If you are a resident of Massachusetts, there is an estate tax on all assets over \$1,000,000. This includes real estate, IRAs, regular accounts and personal property. The tax is approximately 15%. By using simple estate planning techniques, you can avoid this tax.

There are different strategies for married and single individuals. Please call us for more information to see if this is right for you.

## LEAVING A LEGACY

Is this you? You were planning to leave a legacy to your children and don't know how to make sure this happens. You have distributions from your IRAs that you are putting in the bank and not using. This money is earmarked for your legacy. Solution? You can do more with less.

For example, a married couple, age 65 and 64, deposits \$10,000 per year for 10 years into a no-lapse guaranteed survivor life insurance policy. They pay no further premiums after 10 years. Their total outlay is \$100,000. This will purchase a no-lapse guaranteed life insurance policy with a death benefit of \$500,000, tax-free. If used in conjunction with a No Blood, No Money trust, the proceeds will be 100% tax-free. There is no estate tax, income tax, or capital gains tax.

We have used this strategy for people who are as young as 50 and as old as 90. It is worth looking into. Give Rich a call at 1-877-630-8787.

## Trivia, Anyone?

### Which star was born on the 4th of July?

- A. John Wayne
- B. Babe Ruth
- C. George M. Cohan
- D. Jimmy Stewart

Those who call with the correct answer are placed in a drawing for a prize of two movie passes to AMC Theatres. Take your best guess and give us a call at **1-877-630-8787**

## FAMILY TRUSTS

Is this you? You have children, sons-in-law, daughters-in-law and grandchildren. You want to make sure your assets stay in the bloodline.

When we review estate plans, we always examine current documents to determine if there is any risk. One risk we often identify is the possibility of assets winding up in the wrong hands.

Recently, a client expressed concern that their daughter-in-law was a great mom, but also a great spender. They were concerned that if their son passed away, and she became in control of her children's assets, the money would be spent on unnecessary "stuff."

Solution? We set up a No Blood, No Money trust where we made sure someone in the family, other than their mother, was in charge of the grandchildren's inheritance. We have been using No Blood, No Money trusts for years.

Do you have a trust? Is it a No Blood, No Money trust? To find out, call and make an appointment for a trust review, at no cost to you. If you would like to know more about trusts, please call for our handout "To Trust or Not to Trust," a description of various types of trusts.

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**DON'T FORGET TO LISTEN TO  
PROTECTING YOUR WEALTH  
WRKO 680AM Sundays 9am-10am  
WBZ 1030AM Sundays 8pm - 9pm**