



Five Stages of Your Financial Life

Stage 4: Financial Independence

EXPERIENCE THE FOUR FREEDOMS!

A good working definition of financial independence, by Jim Rohn is *"the ability to live from the income of your own personal resources."* I say it a little differently; working if you want to, not because you have to, and living as you desire for the rest of your life.

When this happens you experience four freedoms: freedom of time, freedom of money, freedom of relationship, freedom of purpose, and at levels you may have never sensed before. You can go, do and be all the things you may have put off for decades because of work and other commitments.

Here are the five things you should do as you enter and experience this stage of wealth:

1. Know when you will arrive

The joy of financial independence can be accelerated by the knowledge of when it is going to happen. By monitoring and updating your *WealthPlan™* you will know with increasing accuracy when you can quit working if you desire. This knowledge changes your entire attitude and outlook about work.

2. Convert your term life insurance

Depending on many factors, now may be a good time to convert your level premium term life insurance to a permanent life insurance policy, or to apply for new coverage, for estate tax purposes.

3. Drop your disability insurance

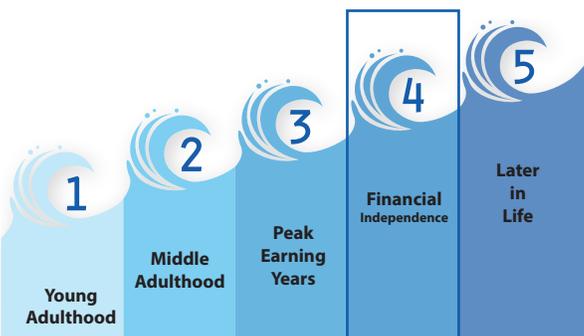
Since wages are no longer necessary for you to be financially independent, neither is the insurance you took out to protect them.

4. Plan your future cash flow

If you choose to stop working, you will no longer have wages as income. You must identify the most appropriate bucket from which to extract the cash flow you need, considering income and estate tax ramifications. Then invest your various portfolios so that you can live without worrying about where the cash flow you need will be coming from.

5. Revisit your estate plan

Review your earlier estate distribution decisions in light of your current wealth and family dynamics. Make any changes you decide are necessary.



This stage could be a twenty or thirty year run. You have worked hard to get where you are now.

Enjoy every minute!



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