



How Insurance Can Help with Retirement Planning

Dec 17, 2024 | Daniel Hunt, *Senior Investment Strategist*

Insurance isn't just for supporting dependents if something happens to you. It can also be part of a long-term retirement strategy.

Key Takeaways

- Life and long-term care insurance can enhance your financial plan, ensuring sufficient funds for retirement and other financial goals.
- Long-term care insurance and cash-value life insurance can help you keep more assets in your retirement portfolio, while also covering the cost of care or unexpected events.
- Integrating insurance into your long-term financial plan can affect the approach you take to structure and invest other assets.

Buying insurance can feel a little like paying your taxes. It's not optional, but it's painful to actually cut the checks for it. Still, you know that without insurance, your dependents would face potentially deep financial hardship if you were unable to work (or worse) due to some unfortunate event.

One cost effective way to help protect them against in a worst-case scenario is usually "pure insurance." For example, term insurance is a kind of life insurance that provides coverage for a defined time period. In the event of your untimely death during the specified period when the policy is active, the insurer will pay a specific amount to your beneficiaries. However, this type of insurance leaves no residual value to you or your dependents if you do not die within the period in which the insurance is active. Buy enough of this type

of coverage to help replace your income, and you can feel like you checked a box and fulfilled your responsibility as a provider.

It turns out; however, insurance can help you do a lot more than check off boxes. Indeed, if you are comfortable using more sophisticated strategies, insurance could help you reach your long-term financial goals.

Insurance and Retirement

Other kinds of insurance, such as long-term care and cash value life, can be part of bolstering your retirement plan. Our team at Morgan Stanley has done a lot of research on this topic.

Our basic finding is that, due to their tax treatment and risk mitigation features, many investors can help improve their odds of having enough money to maintain their lifestyle throughout retirement and meet other financial goals by integrating these kinds of policies into their long-term plan.

The Retirement Connection

Below are the two types of insurance with features that can make them a useful part of a retirement plan.

- **Long-term care insurance:** These policies help provide for the cost of long-term care services, including home care and assisted living. You can buy this to protect your retirement savings from the possibility that you might one day need to hire professional caregivers, which could rapidly deplete your retirement savings.

(continued inside)

A 2025 FORBES BEST-IN-STATE WEALTH MANAGEMENT TEAM

Source: Forbes.com (Awarded Jan 2025) Data compiled by SHOOK Research LLC based for the period 3/31/23–3/31/24.
For Ranking Criteria and Methodology, please see disclaimer page.

purplemountaingroup@morganstanley.com
Purple Mountain Group Service Line: 719.577.6360
advisor.morganstanley.com/purple-mountain-group

Team News



Jonathan D. Grant, MBA, CFP®, *Insurance Planning Director*

First Vice President, Financial Advisor, Insurance Planning Director

We are proud to share that Jonathan Grant has recently earned the prestigious Insurance Planning Director designation. Recipients of the Insurance Planning Director designation have demonstrated a commitment to, and understanding of, holistic goals-based wealth management planning through the incorporation of insurance solutions into their practice as a foundational component of risk management.

As an Insurance Planning Director, Jonathan will be able to provide personalized guidance on Life Insurance Planning, Long-Term Care Strategies, Wealth Transfer and Estate Preservation, Annuities and Retirement Income Planning, and Risk Management Solutions for Individuals, Families, and Businesses.



Graciela Guzman, *Senior Registered Client Service Associate*

Purple Mountain Group welcomes Graciela Guzman as an experienced, registered Client Service Associate, supporting the operational needs of the team. Graciela began her career in the financial services industry in 2011. Over the years, she has worked at Wells Fargo and UBS in various roles to include personal banker, premier banker, client associate, financial advisor, and relationship manager.

Graciela earned a Bachelor of Science degree in finance from California State University – Dominguez Hills. She holds the FINRA Series 7 and 66 registrations and is licensed in life & health insurance products. We look forward to introducing Graciela to you!

Cheryl Cowan, former Senior Registered Client Service Associate, has transitioned away from our team. We are grateful for the role she assumed on the team and, especially, her contributions to our clients. Cheryl was providing primary support to Scott Perry and his clients. Moving forward, **Adriene Dinoffria**, Senior Client Service Associate, a long-time member of the team, and **Graciela Guzman**, Senior Registered Client Service Associate, will be providing primary coverage for Scott and his clients. Graciela will also join Adriene in providing primary support for Henry Bradley and his clients.

Firm Resource News



Camille Williams, *Planning Associate & Financial Planning Specialist*

Purple Mountain Group at Morgan Stanley is enthusiastic to introduce you to Camille Williams, Planning Associate. As a Firm Resource, Camille will work closely with the advisors on our team to further help enhance the planning process. She will reach out to you in advance of your review meetings to make sure your financial plan is as up-to-date as possible prior to sitting down with us.

Camille earned her undergraduate degree from the University of Virginia and received the Financial Planning Specialist® designation from the College for Financial Planning. Camille is originally from Summit, New Jersey, and she currently resides in New York City.

Our Commitment to Modern Portfolio Management

Jeff Mohrmann¹ has received the **Portfolio Management Director** designation. **Scott Perry**² and **Henry Bradley**³ have received the **Senior Portfolio Manager** designation.

These designations are awarded within Morgan Stanley based on demonstrated experience and a strong commitment to discretionary portfolio management. They reflect each advisor's leadership in managing investment strategies on behalf of clients and their dedication to building robust, goals-based advisory practices.

¹ Jeff Mohrmann, CFP®, CPWA®, *Senior Vice President, Financial Advisor, Portfolio Management Director.*

² Scott M. Perry, MBA, QPFC®, CRPS®, *Senior Vice President, Financial Advisor, Corporate Retirement Director, Senior Portfolio Manager.*

³ Henry J. Bradley, CFP®, CIMA®, *Senior Vice President, Financial Advisor, Senior Portfolio Manager.*

Financial Advisors

Henry J. Bradley, CFP®, CIMA®

CA Ins Lic #4407397 | NMLS ID 1798916

Jonathan D. Grant, MBA, CFP®

CA Ins Lic #0190399 | NMLS ID 2544603

Emily M. Hershberger

CA Ins Lic #4400215 | NMLS ID 2707035

Jeff W. Mohrmann, CFP®, CPWA®

CA Ins Lic #0L56444 | NMLS ID 1566223

Scott M. Perry, MBA, QPFC, CRPS®

CA Ins Lic #0H32363 | NMLS ID 1265220

Herman Tiemens II, MBA, CFP®

CA Ins Lic #0G19414 | NMLS ID 2545675

How Insurance Can Help with Retirement Planning

(continued from cover)



- **Cash-value life insurance:** This type of life insurance (which includes universal life and whole life policies) typically costs more than term, because it incorporates a savings or investing component that you can tap in certain situations while you're still living, very often without triggering any tax liability. This cash value component grows tax deferred. That makes these types of policies very handy for those individuals (a small segment of people), who have put the maximum amount in their retirement plans and still have more money they would like to invest tax deferred. They can usually borrow against the cash value and can withdraw a certain amount annually without penalty, allowing the policy to function as a kind of backstop against emergency retirement expenses. And, of course, if they never tap that cash value during their lifetime, it passes income-tax-free to their named beneficiaries. That makes it a handy tool for estate planning in some cases (especially in conjunction with other estate planning vehicles, like trust accounts).

Insured Solutions: Protection for the Unexpected

Some kinds of life insurance as well as long-term care insurance can be part of a long-term financial plan that can improve the odds that you will have enough money to maintain your lifestyle throughout your retirement as well as meet other financial goals.

It Can Get Complex

Our finances and goals are interrelated, so the use of insurance as savings and investment strategy will often affect how best to structure and invest your assets alongside such policies. Due to the associated complexity, we think it's usually best to work with a Financial Advisor to employ these kinds of strategies within a comprehensive retirement plan.

If you aren't ready for that step, you may be able to purchase these kinds of insurance policies through your employer or online. Just make sure you are buying policies from high-quality issuers that offer premiums you can afford and that align with your needs. Checking those boxes can help you to both fulfill your obligations to your dependents and achieve your long-term goals.

Risk Considerations

Insurance products are offered in conjunction with Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates.

Life insurance policy cash values are accessed through withdrawals and policy loans. Loans are charged interest; they are usually not taxable. Withdrawals are generally taxable to the extent they exceed basis in the policy. Loans that are still unpaid when the policy lapses or is surrendered while the insured is alive will be taxed immediately to the extent of gain in the policy. Unpaid loans and withdrawals reduce cash values and death benefits. They may also shorten the

guarantee against lapse, which can lapse the policy and have tax consequences. For policies that are Modified Endowment Contracts (MECs), distributions (including loans) are taxable to the extent they exceed basis in the policy; an additional 10% federal income-tax penalty may apply. Consult your tax advisor for advice about your own situation.

Since life insurance is medically underwritten, you should not cancel your current policy until your new policy is in force. A change to your current policy may incur charges, fees and costs. A new policy will require a medical exam. Surrender charges may be imposed and the period of time for which the surrender charges apply may increase with a new policy. You should consult with your own tax advisors regarding your potential tax liability on surrenders.

Since long-term care insurance is medically underwritten, you should not cancel your current policy until your new policy is in force. A change to your current policy may incur charges, fees and costs. A new policy may require a medical exam. Actual premiums may vary from any initial quotation.

Disclosures

Morgan Stanley Wealth Management is the trade name of Morgan Stanley Smith Barney LLC, a registered broker-dealer in the United States. This material has been prepared for informational purposes only and is not an offer to buy or sell or a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Past performance is not necessarily a guide to future performance.

The securities/instruments discussed in this material may not be appropriate for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Morgan Stanley Wealth Management recommends that investors independently evaluate specific investments and strategies and encourages investors to seek the advice of a financial advisor. The value of and income from investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies and other issuers or other factors. Estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Morgan Stanley Wealth Management does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein.

Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors do not provide legal or tax advice. Each client should always consult his/her personal tax and/or legal advisor for information concerning his/her individual situation and to learn about any potential tax or other implications that may result from acting on a particular recommendation.

This material is disseminated in the United States of America by Morgan Stanley Smith Barney LLC.

This material, or any portion thereof, may not be reprinted, sold or redistributed without the written consent of Morgan Stanley Smith Barney LLC.

© 2024 Morgan Stanley Smith Barney LLC. Member SIPC. CRC 3960713 12/24

Your Insurance and Annuities Planning with Purple Mountain Group

While all financial advisors and registered associates on our team are insurance licensed, Jonathan D. Grant, MBA, CFP®, *Insurance Planning Director*, serves as a resource available to all Purple Mountain Group clients. Jonathan can provide you with targeted guidance to help you evaluate the role of insurance and annuities in your broader financial strategy.

Additionally, both Jonathan and your lead financial advisor can be listed as Financial Advisors of Record on existing insurance and annuity policies. Our team offers **complimentary reviews of existing policies** to help ensure your coverage continues to align with your evolving goals.

Maintain Good Cybersecurity Habits

Sep 23, 2024



Whether it's strengthening your passwords or treating emails from unknown senders with more caution, you can take steps to help reduce the threat of identity theft, online scams, malware, fraud and more.

Key Takeaways

- Keeping your devices updated with the latest software can help protect against malware.
- Secure your accounts by using strong and unique passwords. Consider enabling Multi-Factor Authentication for added protection.
- Avoid clicking links or opening attachments from unsolicited emails or texts. Report suspicious activity right away.
- When you're on the go, avoid using public Wi-Fi and charging ports, as they may be compromised by cybercriminals.

Whether it's strengthening your passwords or treating emails from unknown senders with more caution, you can take a number of steps to help reduce the threat of identity theft, online scams, malware, fraud and more.

Millions of people each year are the victims of identity theft, losing billions of dollars collectively. It's more important than ever to protect your personal information and assets.

Here's a cybersecurity checklist to help you get started.

Protect Your Devices

- **Keep your software, operating system and browser up to date.** Software companies continuously include security fixes with every upgrade they release. Installing updates as soon as they are available can help you better safeguard your devices against malicious software, known as malware.
- **Run a reputable antivirus product** on your home PC or laptop. This will help prevent your device from becoming infected with malware and may clean up an existing infection.
- **Only download applications from Google Play™ or the App Store®** and never from a third-party app store. Third-party app stores, or apps that pop up and encourage you to download them, are more likely to contain malware.

Secure Your Account Logins

- **Don't reuse the same or similar passwords** across multiple websites and applications. When you do, if a hacker compromises one of your accounts, all of your other accounts using that same password could be vulnerable.

- **Consider using a password manager**, which will create unique, lengthy and complex passwords for you and then store them in an encrypted state.
- **Enable Multi-Factor Authentication (MFA)** to log in to any website or application you use for financial transactions or that has access to your personal data. MFA is essentially another factor—beyond your username and password—used to verify your identity and protect access to your account. Learn more about Morgan Stanley's MFA options.
- **Review your third-party data sharing settings** periodically. Third-party data sharing happens when you grant permission for an external system to access your account data for purposes such as financial data aggregation or tax preparation. Consider reviewing your preferences and only allow access to your data when necessary.

Think Before You Click or Share

- **Don't click on links or open attachments in unsolicited emails or text messages.** Doing so may install malware on your device.
- **Report unsolicited emails as spam or junk and delete them rather than clicking the unsubscribe button.** Clicking unsubscribe informs scammers that your email is actively used, which puts you at further risk of being targeted. These buttons additionally may lead to malicious content.
- **Be cautious about sharing Personally Identifiable Information (PII)** over the phone, in email or via text message, especially if you did not initiate the contact.
- **Limit how much information you share on social media** and lock down the privacy settings on your accounts. The information you share online could be exploited by fraudsters.
- **Only give applications the permissions they really need.** Granting an application access to your photos, location, camera, contacts, etc., makes your data and information available to the application owner and can undermine your internet privacy.

Cybersecurity on the Go

- **Avoid using public Wi-Fi hotspots** like the ones at coffee shops, airports, hotels, etc. Instead, stick to the mobile network and create a personal Wi-Fi hotspot with your phone. If you do use public Wi-Fi, be sure to use a Virtual Private Network (VPN) so that others can't intercept your communications.
- **Don't use publicly available charging cords or USB ports** with your devices. These can be used to deliver malware onto your device or steal your data. Always be sure to plug your cord directly into the power source.

Tips to Combat Cyber Threats

- **Create and save bookmarks** for the important banking and brokerage websites you visit often to avoid inadvertently entering your credentials on a fraudulent site.
- **Ensure you're using a reliable email provider** that has built-in security features such as MFA and strong spam blocking. Using an older email account that has not incorporated modern security protections may increase your likelihood of getting malware.
- **Monitor your existing lines of credit** for fraudulent activity by leveraging a reputable credit and identity theft monitoring service. Additionally, consider freezing your credit to prevent fraudsters from using your identity to establish new lines of credit. Ask your Financial Advisor about Morgan Stanley's identity and credit

protection offering with Experian® through our CashPlus program for brokerage accounts.

- **Secure your home Wi-Fi** by changing the router's default password and username. Create a separate Wi-Fi network for your guests and make sure it's not connected to your home's "smart" devices.
- **Consider using a standalone** device just for banking or investment activities. Physically separating your devices can help you better protect your high-consequence activities from cyber-enabled fraud.

At Morgan Stanley, safeguarding your assets and personal information is a top priority, but you have a vital role to play. Following the above rules of thumb to help improve your personal cybersecurity can help you avoid becoming a victim of cybercrime.

The third-party trademarks and service marks contained herein are the property of their respective owners. Investments and services offered through Morgan Stanley Smith Barney LLC, Member SIPC.

The Morgan Stanley Mobile App is currently available for iPhone® and iPad® from the App Store and Android™ on Google Play™. Standard messaging and data rates from your provider may apply. Subject to device connectivity. App Store is a service mark of Apple Inc. Android™ and Google Play™ are trademarks of Google Inc.

This material has been prepared for informational/educational purposes only. The CashPlus Account is a brokerage account offered through Morgan

Stanley Smith Barney LLC. Conditions and restrictions apply. Please refer to the CashPlus Account Disclosure Statement for further details at <https://www.morganstanley.com/wealth-disclosures/cashplusaccountdisclosure-statement.pdf>

This material may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the material refers to website material of Morgan Stanley Wealth Management, the firm has not reviewed the linked site. Equally, except to the extent to which the material refers to website material of Morgan Stanley Wealth Management, the firm takes no responsibility for, and makes no representations or warranties whatsoever as to, the data and information contained therein. Such address or hyperlink (including addresses or hyperlinks to website material of Morgan Stanley Wealth Management) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through the material or the website of the firm shall be at your own risk and we shall have no liability arising out of, or in connection with, any such referenced website. Morgan Stanley Wealth Management is a business of Morgan Stanley Smith Barney LLC.

Morgan Stanley Smith Barney LLC is not implying an affiliation, sponsorship, endorsement with/of the third party or that any monitoring is being done by Morgan Stanley Smith Barney LLC ("Morgan Stanley") of any information contained within the website. Morgan Stanley is not responsible for the information contained on the third party website or the use of or inability to use such site. Nor do we guarantee their accuracy or completeness.

©2024 Morgan Stanley Smith Barney LLC. Member SIPC. CRC 3870839 08/24



Report an Online Security Concern

If you suspect you may be the victim of fraud or identity theft, or if you notice suspicious account activity or receive a questionable email or text that appears to be from Morgan Stanley, PLEASE CONTACT US IMMEDIATELY AT 888-454-3965 (24 HOURS A DAY, 7 DAYS A WEEK).

Learn the Lingo: What is an Annuity?

An annuity is a contract that's issued and distributed by an insurance company and bought by individuals. The insurance company provides various types of guaranties within annuity contracts which could include income stream, death benefit, annual credits, and/or principle protection.

Types of Annuities:

- **Immediate Annuity** – Provides the annuitant with guaranteed income payments that begin as soon as a lump sum payment is made¹
- **Variable Annuity** – Rises or falls in value periodically based on the market performance of investments¹
- **Fixed Annuity** – Provides a guaranteed rate of interest based on the amount of the account owner's deposit¹
- **Indexed Annuity** – Fixed annuities that provide a return based on the performance of an equity index such as the S&P 500 index¹
- **Registered Index-Linked Annuity (RILA)** – A long-term financial product that allows you the opportunity for growth combined with a level of protection against market downturns.² (aka. buffered, index-linked, or structured annuities)

Source: ¹ Investopedia; ² Brighthouse Financial

2025 Forbes Best-In-State Wealth Management Teams

Source: Forbes (Awarded January 2025). This ranking was determined based on an evaluation process conducted by SHOOK Research LLC (the research company) in partnership with Forbes (the publisher) for the period 3/31/23–3/31/24. Neither Morgan Stanley Smith Barney LLC nor its Financial Advisors or Private Wealth Advisors paid a fee to SHOOK Research LLC, for placement on its rankings. This ranking is based on in-person and telephone due diligence meetings to evaluate each Financial Advisor qualitatively, a major component of a ranking algorithm that includes client retention, industry experience, review of compliance records, firm nominations, and quantitative criteria, including assets under management and revenue generated for their firms. Investment performance is not a criterion. Rankings are based on the opinions of SHOOK Research LLC and may not be representative of any one client's experience; investors must carefully choose the right Financial Advisor or team for their own situation and perform their own due diligence. This ranking is not indicative of the Financial Advisor's future performance. Morgan Stanley Smith Barney LLC is not affiliated with SHOOK Research LLC or Forbes. For more information, see www.SHOOKresearch.com

This material has been prepared for informational purposes only. It does not provide individually tailored investment advice. It has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. Morgan Stanley Smith Barney LLC ("Morgan Stanley") recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a Morgan Stanley Financial Advisor. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Past performance is no guarantee of future results. Information contained herein has been obtained from sources considered to be reliable, but we do not guarantee their accuracy or completeness.

Morgan Stanley Smith Barney LLC. Member SIPC.
CRC4759578 09/25

**PURPLE MOUNTAIN GROUP
AT MORGAN STANLEY**

121 S. Tejon Street, Suite 700
Colorado Springs, CO 80903

Peak Perspectives Quarterly

Fourth Quarter 2025



Purple Mountain Group Financial Advisors L to R: Emily Hershberger, Jeff Mohrmann, Herman Tiemens, Scott Perry, Jonathan Grant, Henry Bradley

advisor.morganstanley.com/purple-mountain-group
719.577.6360



Calendar

Purple Mountain Group Educational Opportunities – 1-2pm (MT)

Oct. 16	Peak Perspectives Webinar Q4 Economic & Market Outlook	Nov. 20	Peak Perspectives Webinar Long Term Care Insurance	Dec. 18	Peak Perspectives Webinar Cybersecurity
----------------	--	----------------	--	----------------	---

Wealth Education for the Next Generation | Morgan Stanley Virtual Client Events – 2-3pm (MT)

Oct. 6	Cybersecurity & Social Media Habits	Nov. 3	Giving Back: The Joy of Philanthropy and Social Impact	Dec. 1	Thinking about Family Legacy: Understanding Family Governance
---------------	--	---------------	---	---------------	--

Arts and Cultural Highlights | Pikes Peak Region, Colorado

October is Arts Month

- 1-5 Ms. Holmes & Ms. Watson – Apt. 2B**
Fine Arts Center Theatre
- 1-12 Cabaret** | Theatreworks
- 2 Ronald McDonald House Charities Golf Tournament** | Ronald McDonald House Charities
- 3 Folk Songs, Hymns & Spirituals** | ChoralSong
- 4-5 Firebird** | Colorado Springs Philharmonic
- 8 Opera Delights** | Pikes Peak Opera League
- 10-11 Catch Me If You Can: The Music of John Williams** | Colorado Springs Philharmonic
- 11 Manitou 5K** | Manitou Springs School District 14
- 17-19 Rocky Mountain Women’s Film Festival** | Rocky Mountain Women’s Film
- 18 Gateways: Opening Doors to the Choral Art** | Colorado Vocal Arts Ensemble
- 25 Sweeney Todd: a Concertized Performance** | Colorado Springs Chorale
- 25-26 Van Cliburn Champions: Mozart / Bizet** | Colorado Springs Philharmonic
- 31-Nov 2 Things That Go Bump** | Chamber Orchestra of the Springs



November

- 5 Fall Career Advancement Award Concert** | Pikes Peak Opera League
- 7-8 Top Gun: Maverick** | Colorado Springs Philharmonic
- 14 Ariel Horowitz, violinist** | Educational Partnerships Immersive Concerts
- 15-16 Beethoven 5** | Colorado Springs Philharmonic
- 20-Dec 28 Mary Poppins** | Fine Arts Center Theatre
- 23 The Knock** | Chamber Orchestra of the Springs Opera 2030
- 28-30 The Nutcracker** | Colorado Springs Philharmonic
- 28-Dec 21 The Importance of Being Earnest** | Theatreworks
- 29 Handel’s Messiah** | Colorado Vocal Arts Ensemble

December

- 3 Holiday Luncheon** | Pikes Peak Opera League
- 5-6 35th Anniversary “Best of Ormao” Celebration** | Ormao Dance Company
- 6 Holiday Pops Concert** | Colorado Springs Youth Symphony Association
- 7 Tis the Season** | Colorado Springs Children’s Chorale
- 13 Wintersong** | Colorado Vocal Arts Ensemble
- 16 Festival of Carols** | ChoralSong
- 30-31 New Year’s Eve: Rhapsody In Blue** | Colorado Springs Philharmonic