MANAGING YOUR MONEY $

It's Not Too Late To Become Wealthy

by Douglas R. Andrew

(NAPSA)—If you or someone you care about is among the millions closing in on retirement—with less than $50,000 in savings—there is still hope.

In his book, "The Last Chance Millionaire" (Warner Business Books), Douglas R. Andrew systematically—and entertainingly—considers the complete list of investment instruments recommended by almost every other financial adviser and demolishes the case for them one by one, including 401(k) plans, prepaying your mortgage, blue-chip stocks and certificates of deposit.

The Laser Test

First, you should apply the LSRR or "laser test" (Liquidity, Safety and Rate of Return). In its light, three investments are the brightest:

- Mutual funds,
- Annuities
- Maximum-funded life insurance contracts, which are the only instruments that accumulate money tax free, allow you to access that money tax free (including the gains) and transfer the money tax free. In addition, they blossom in value for heirs.

Second Homes Are A First-Rate Investment

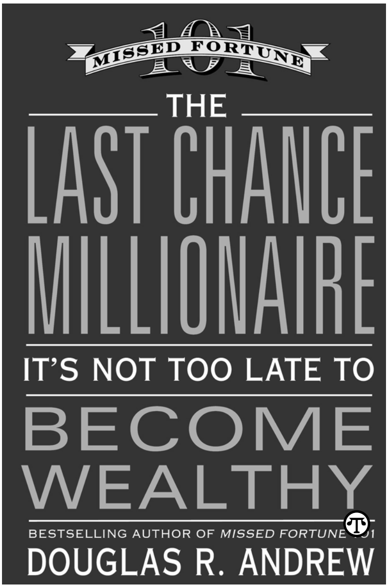
Next, consider a second home. Not only a superior investment, it encourages quality family time away from the stress of everyday life. By putting off buying your vacation dream home, you miss creating family memories and could miss out on homes that could later appreciate beyond your reach. Dollars that would otherwise go to an IRA or 401(k) can alternatively be used to obtain a tax-deductible mortgage for an "Individual Retirement Abode" or "401 Cabin" that qualifies as a second home.

Shun Blunders

Finally, there are 10 ways you can avoid financial mistakes:

1. Don't use short-term investments for long-range goals; or long-term investments for short-range goals.
2. Realize you'll probably live more than 20 years after your retirement.
3. Don't pay off your mortgage.
4. Recognize that to retire you'll probably need a nest egg in excess of $300,000.
5. Don't count on being in a lower tax bracket when you retire.
6. Don't defer paying taxes on retirement funds.
7. Find out better ways to save for retirement than just IRAs and 401(k) plans.
8. Cash in your IRA or 401(k) at retirement, even if you don't need the money.
9. Retirement is more than just time to do what you've always wanted to do.
10. Retirement is not a time to coast financially.

• *Mr. Andrew is the owner of Paramount Financial Services, Inc., a personal and business financial planning firm. He also runs numerous investing seminars for financial planners.*



There's still hope for people who haven't saved enough for their retirement.