

The background features a white central area with abstract, flowing, wavy bands of color. The colors transition from bright yellow to deep red, creating a sense of movement and energy. The waves are layered, with some appearing more prominent than others, giving a three-dimensional effect.

ACHIEVE THE RETIREMENT  
OF YOUR DREAMS



# HOW DO YOU PREPARE?

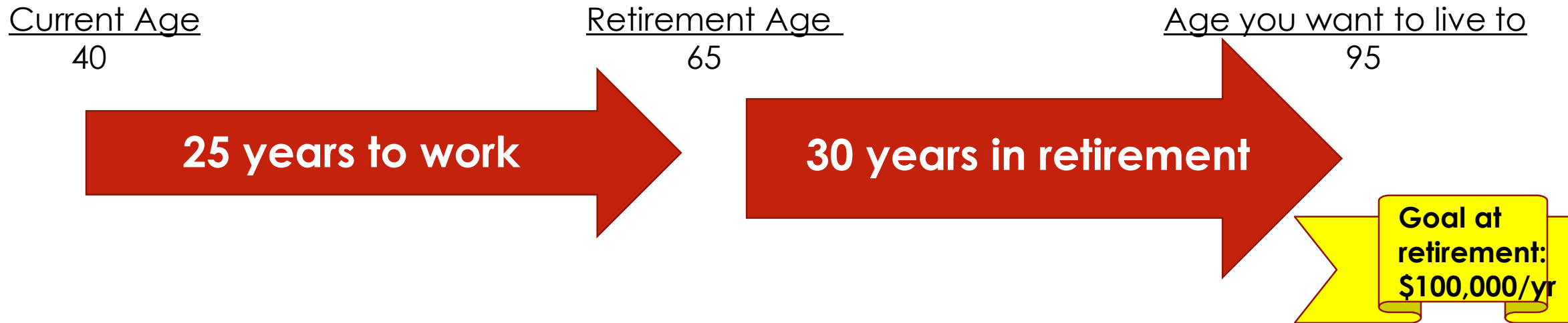
- What age do you want to retire?
- How much money do you want per year in retirement?
- Do you know your Financial Independence Number?

# HOW DO YOU PREPARE?

- What age are you now?
  - **40**
- What age do you want to retire?
  - **65**
- What age do you want to live to?
  - **95**
- How much money do you want per year in retirement?
  - **\$100,000**
- Do you know your Financial Independence Number?

# HOW DO YOU PREPARE?

Do you know your Financial Independence Number?



$\$100,000 \times 30 \text{ years} = \mathbf{\$3,000,000}$  is your Financial Independence Number

# HOW DO YOU PREPARE?

- How much do you have to save NOW to have \$3,000,000 at age 65?
- $\$3,000,000 \div 25 \text{ years to work} = \$120,000 \text{ year}$
- $\$120,000 \div 12 \text{ months} = \mathbf{\$10,000 \text{ month to save now}}$   
**AFTER TAXES**

**What if I could show you how to do it  
for less than 20% of that?**

# 401 (K) BALANCES

- According to Fidelity, the average 401 (k) balance as of March 2019 was \$103,700.
- However, averages are skewed by outliers.
- The median (middle between the highs & lows) is only \$24,500.



# YOUR PERFECT RETIREMENT PLAN

If you could develop your **PERFECT** retirement plan, what are the top four characteristics you'd want it to have?





# YOUR PERFECT RETIREMENT PLAN

If you could develop your PERFECT retirement plan, what are the top four characteristics you'd want it to have?

1. Safety
2. Tax-free access
3. Good growth
4. Liquid



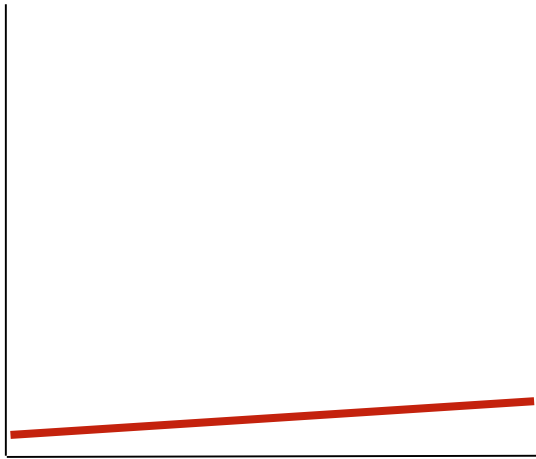
# HOW DO YOU PREPARE?

How much safety, liquidity, growth & tax-free access do you want?

	Safe	Liquid	Good Growth	Tax-Free
Banks	✓	✓	NO	NO
Retirement accounts in stocks/bonds/mutual funds (401k, 403b, Traditional IRA, etc)	NO	NO	Sometimes	NO
Roth IRA (in stocks, mutual funds, etc)	NO	NO	Sometimes	✓
Tax-free Retirement	✓	✓	✓	✓

# HOW YOUR MONEY GROWS

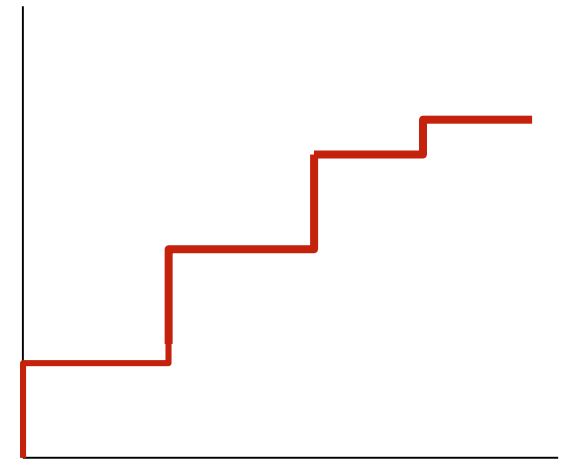
Fixed



Variable

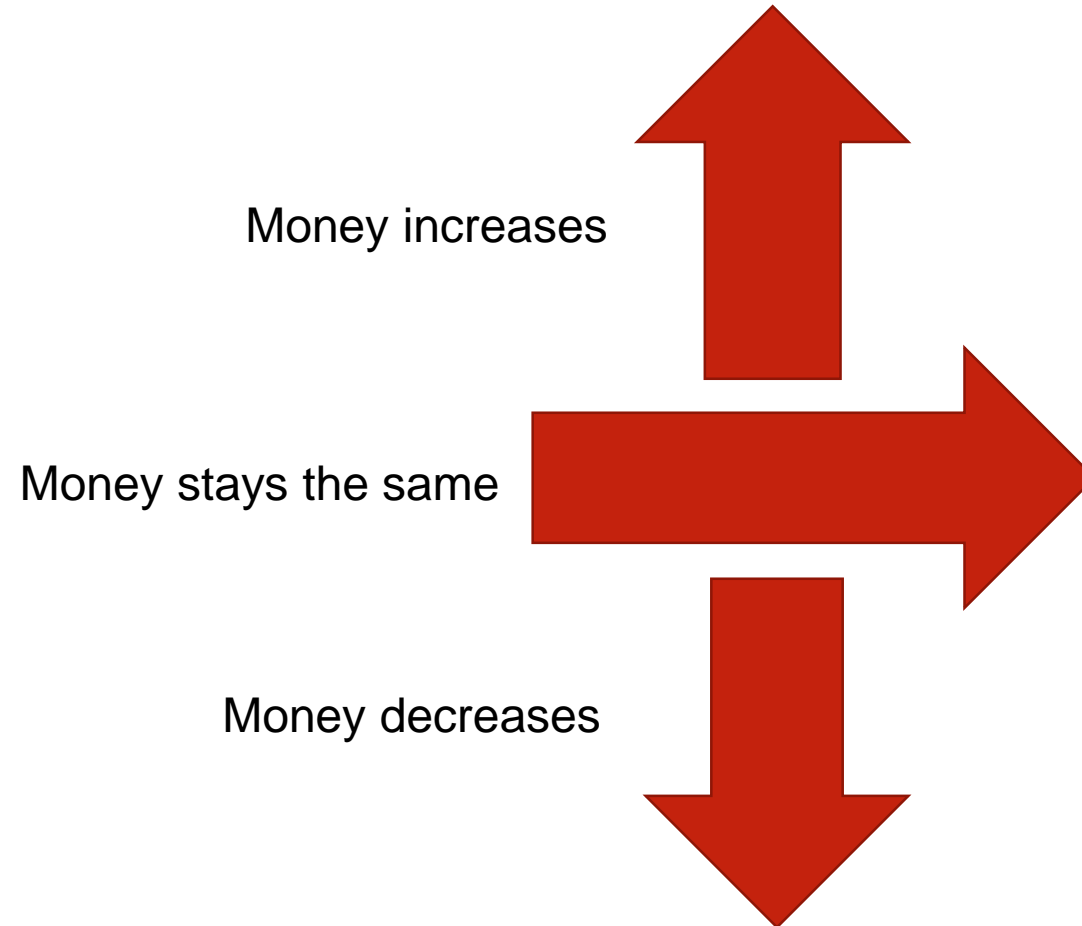


Indexed



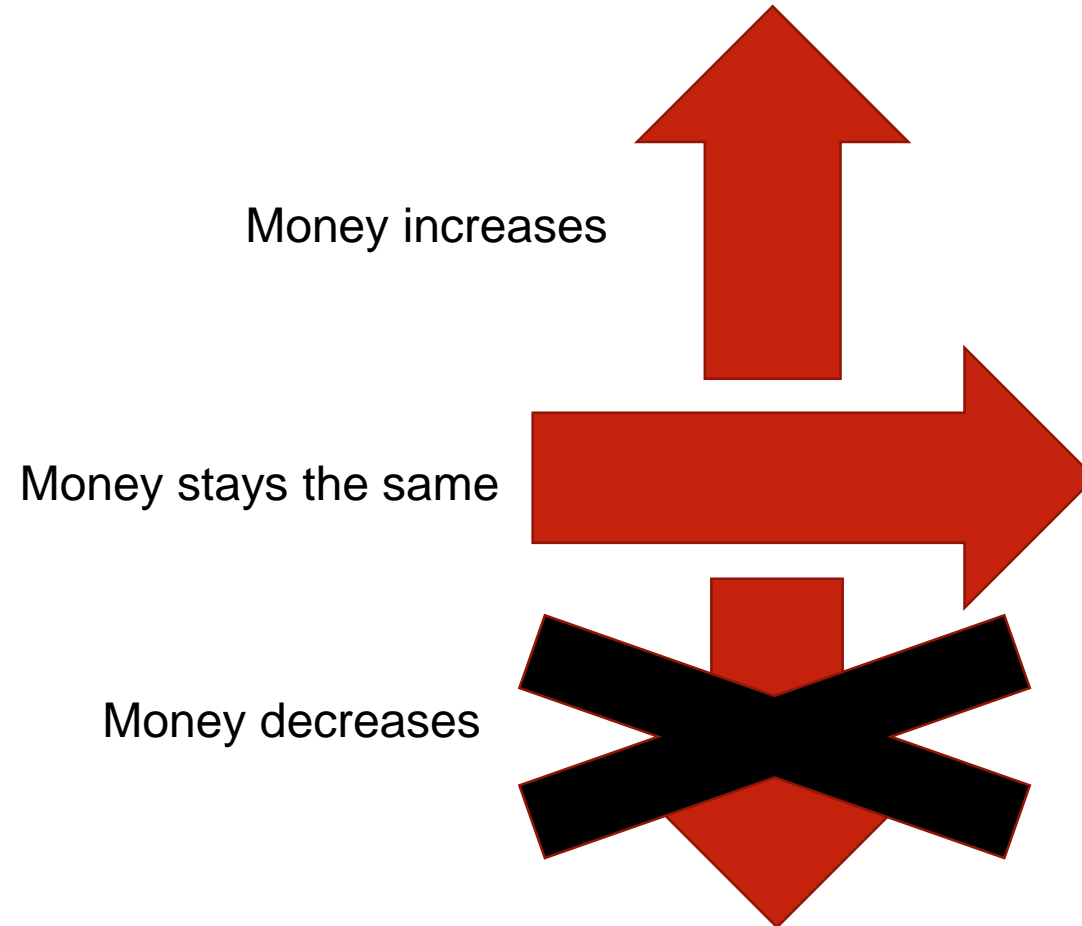
# HOW INDEXING WORKS

3 Things your money can do:



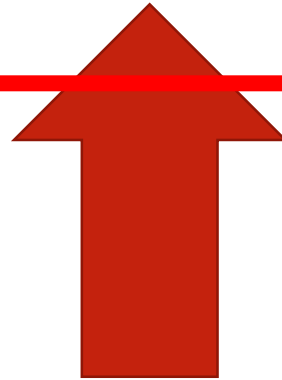
# HOW INDEXING WORKS

Which would you like to eliminate?

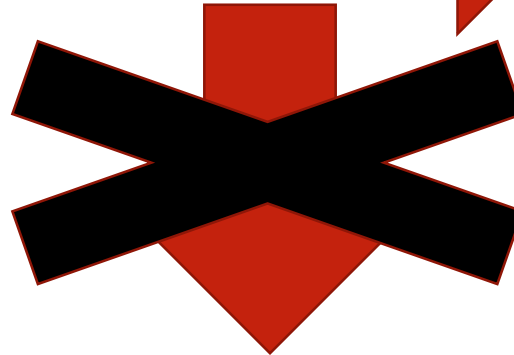


# HOW INDEXING WORKS

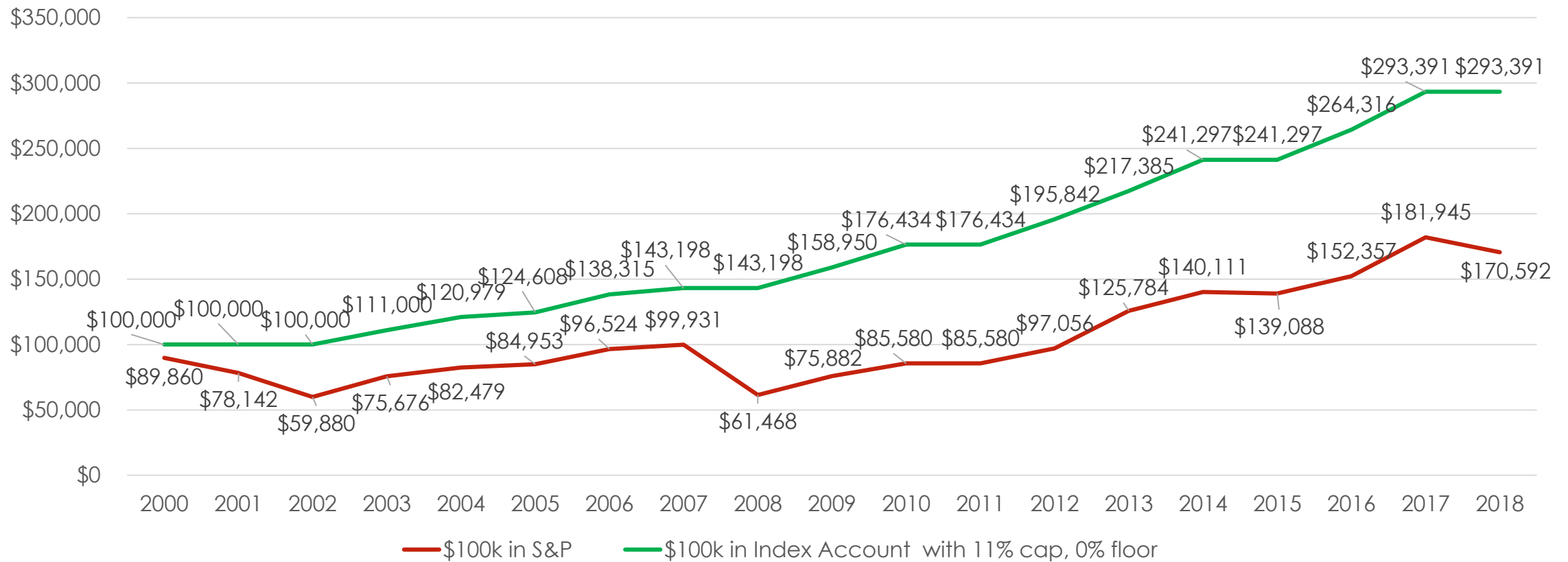
Maximum interest rate  
(varies)



Minimum interest rate  
is 0%  
ZERO IS YOUR  
HERO



# \$100,000 CASH VALUE IN AN INDEX ACCOUNT VS THE S&P 500



# RECOVERING FROM MARKET LOSSES

- Most people don't understand how much they need to gain to make up for a loss.

Amount of loss	Percentage Gain to Recover Loss
20%	25%
30%	43%
40%	66%
50%	100%

- Today, most people do not want to go backwards and want the safety of downside protection.



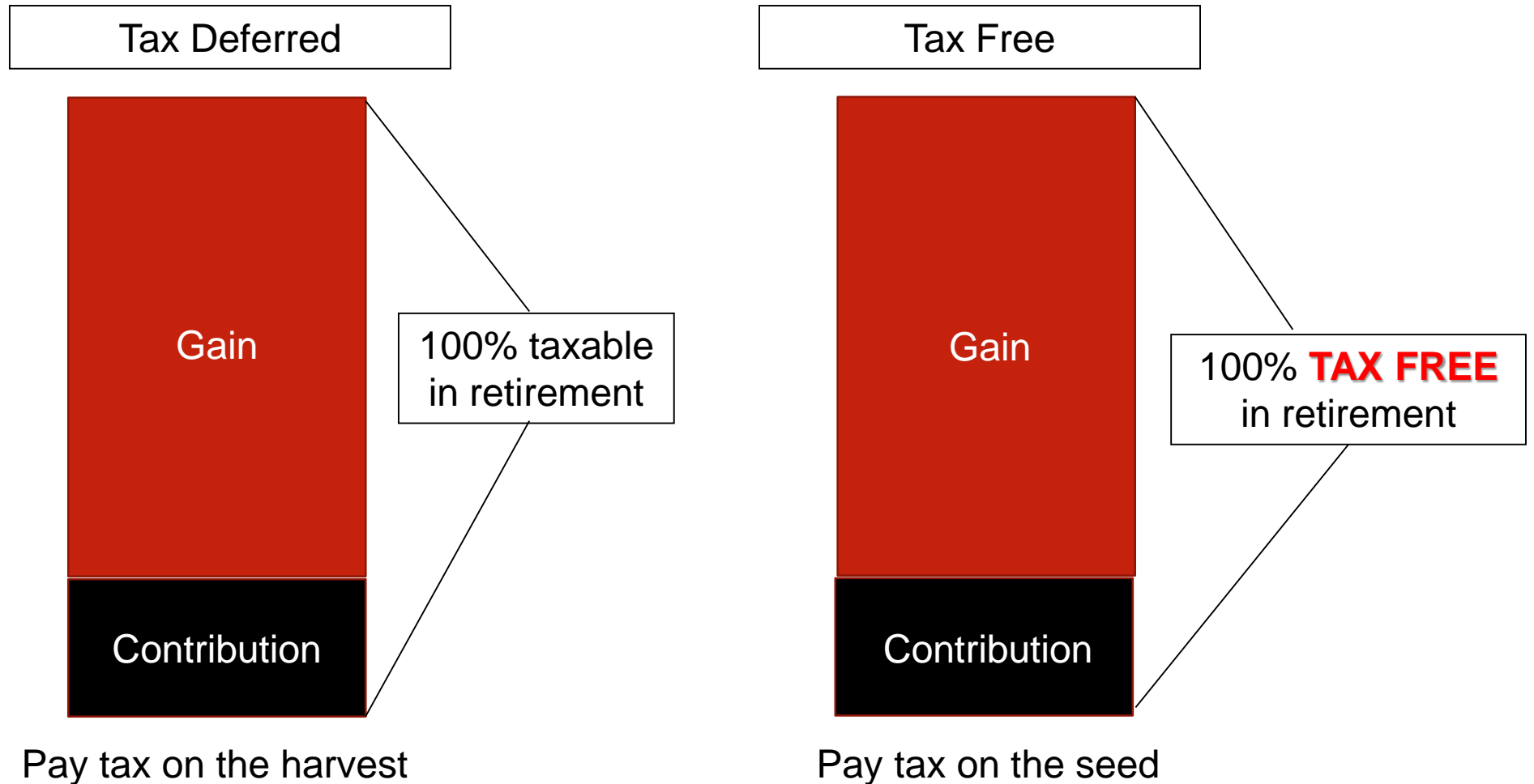
# THE RULE OF 72

- The **Rule of 72** is a simple way to determine how long an account will take to double given a fixed annual rate of interest.
- By dividing **72** by the annual rate of return, clients obtain a rough estimate of how many years it will take for the initial money deposited to double.

## Example: \$10,000 at different rates of return

1%	72 years	4%	18 years	6%	12 years	12%	6 years
29	\$10,000	29	\$10,000	29	\$10,000	29	\$10,000
101	\$20,000	47	\$20,000	41	\$20,000	35	\$20,000
		65	\$40,000	53	\$40,000	41	\$40,000
				65	\$80,000	47	\$80,000
						53	\$160,000
						59	\$320,000
						65	\$640,000

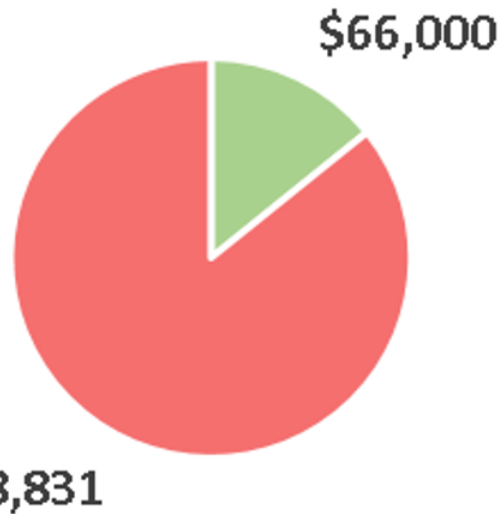
# HOW MONEY IS TAXED



# COST OF DEFERRING TAXES

## Using a Tax Deferred Account

Annual Saving	\$10,000
Duration	30 years
Tax bracket	22%
Annual taxes deferred	\$2,200
Total saved @ 8%	\$1,132,832
Total Taxes deferred	\$66,000



- Money Saved by deferring Taxes
- Money Paid on Taxes during retirement

## Retirement Income

Annual Withdrawal	\$72,514
Tax Bracket	22%
Annual taxes paid	\$15,953
Net income	\$56,560
Total Taxes paid over 25 years	\$398,831

**Deferring \$66,000 in taxes to pay \$398,831 during retirement...**

Assuming an 8% interest rate for 30 years. During retirement, assuming a 4% interest rate

## Historical Highest Marginal Income Tax Rates

Year	Top Marginal Rate	Year	Top Marginal Rate	Year	Top Marginal Rate
1913	7.00%	1948	82.13%	1983	50.00%
1914	7.00%	1949	82.13%	1984	50.00%
1915	7.00%	1950	84.36%	1985	50.00%
1916	15.00%	1951	91.00%	1986	50.00%
1917	67.00%	1952	92.00%	1987	38.50%
1918	77.00%	1953	92.00%	1988	28.00%
1919	73.00%	1954	91.00%	1989	28.00%
1920	73.00%	1955	91.00%	1990	28.00%
1921	73.00%	1956	91.00%	1991	31.00%
1922	58.00%	1957	91.00%	1992	31.00%
1923	43.50%	1958	91.00%	1993	39.60%
1924	46.00%	1959	91.00%	1994	39.60%
1925	25.00%	1960	91.00%	1995	39.60%
1926	25.00%	1961	91.00%	1996	39.60%
1927	25.00%	1962	91.00%	1997	39.60%
1928	25.00%	1963	91.00%	1998	39.60%
1929	24.00%	1964	77.00%	1999	39.60%
1930	25.00%	1965	70.00%	2000	39.60%
1931	25.00%	1966	70.00%	2001	39.10%
1932	63.00%	1967	70.00%	2002	38.60%
1933	63.00%	1968	75.25%	2003	35.00%
1934	63.00%	1969	77.00%	2004	35.00%
1935	63.00%	1970	71.75%	2005	35.00%
1936	79.00%	1971	70.00%	2006	35.00%
1937	79.00%	1972	70.00%	2007	35.00%
1938	79.00%	1973	70.00%	2008	35.00%
1939	79.00%	1974	70.00%	2009	35.00%
1940	81.10%	1975	70.00%	2010	35.00%
1941	81.00%	1976	70.00%	2011	35.00%
1942	88.00%	1977	70.00%	2012	35.00%
1943	88.00%	1978	70.00%	2013	39.60%
1944	94.00%	1979	70.00%	2014	39.60%
1945	94.00%	1980	70.00%	2015	39.60%
1946	86.45%	1981	69.13%	2016	39.60%
1947	86.45%	1982	50.00%	2017	39.60%
				2018	37.00%

# WHY ARE TAXES IMPORTANT

**Note:** This table contains a number of simplifications and ignores a number of factors, such as a maximum tax on earned income of 50 percent when the top rate was 70 percent and the current increase in rates due to income-related reductions in value of itemized deductions. Perhaps most importantly, it ignores the large increase in percentage of returns that were subject to this top rate.

**Sources:** Eugene Steuerle, The Urban Institute; Joseph Pechman, Federal Tax Policy; Joint Committee on Taxation, Summary of Conference Agreement on the Jobs and Growth Tax Relief Reconciliation Act of 2003, JCX-54-03, May 22, 2003; IRS Revenue Procedures, various years.

# YOUR PERFECT RETIREMENT PLAN

How does your current retirement plan compare?

<b>What you WANT</b>	<b>A 401(k), 403(b), IRA, TSP, etc.</b>
Safety	<b>NO</b>
Tax-free	<b>NO</b>
Good growth	<b>Sometimes</b>
Liquid	<b>NO</b>



# WHAT YOUR FINANCIAL ADVISOR DOESN'T WANT YOU TO KNOW

- The fees you're paying
  - Typically 2-4%
  - On a \$100,000 account, that's **\$2,000 to \$4,000 every year!!**
  - They make money whether you gain or **lose** money!
- Volatility of the market – how much you have to gain to recover from losses
- How much you're going to end up paying in taxes in retirement + capital gains tax

# YOUR PERFECT RETIREMENT PLAN

How do you get what you WANT?

## **INDEXED UNIVERSAL LIFE INSURANCE (IUL)**

<b>What you WANT</b>	<b>IUL</b>
Safety	<b>YES!!</b>
Tax-free	<b>YES!!</b>
Good growth	<b>YES!!</b>
Liquid	<b>YES!!</b>



# YOUR PERFECT RETIREMENT PLAN

How does IUL work?

<b>What you WANT</b>	<b>Indexed Universal Life</b>
Safety	Guaranteed minimum interest rate of at least 0%
Tax-free	Through using policy loans & making sure the policy doesn't lapse (Section 7702 of Internal Revenue Code)
Good growth	Past average annual returns of 6-8%
Liquid	As long as there is cash value, you have access (no 10% penalty for taking money out prior to age 59 ½)



# WHAT'S THE CATCH?

- You have to qualify medically
- Time commitment – need 10-20 years to let the cash value grow without taking loans
- Maximum on annual interest rate growth
- Insurance charges (are much less than the cost of taxes)

## BACK TO OUR EARLIER EXAMPLE

- How much do you have to save NOW to have \$3,000,000 at age 65?
- $\$3,000,000 \div 25 \text{ years to work} = \$120,000 \text{ year}$
- $\$120,000 \div 12 \text{ months} = \mathbf{\$10,000 \text{ month to save now}}$   
**AFTER TAXES**

**What if I could show you how to do it  
for less than 20% of that?**

# EXAMPLE

- Current age 40, male, non smoker
- Wants to retire at 65
- Wants tax-free income to age 95
- Wants \$100,000 annual income
- Pays \$1,900/mo to age 64
- Can take an estimated **\$103,171 TAX-FREE** annually from age 65 to age 95
- If he lives to age 95,
  - He has paid \$547,200 into the policy
  - He gets an estimated **\$3,198,301 in TAX-FREE income and**
  - At death his family will receive an estimated **\$44,984 TAX-FREE death benefit!**

## Summary of Coverages

Prepared for:  
New Client

Product: **FG Life-Elite**  
State: **FL**  
Male, Age 40, Nontobacco

Face Amount: **\$611,650**  
Death Benefit Option: **B switching to A in year 26**  
Initial Premium: **\$1,900.00 Monthly Automated Draft**  
Riders: **OPR CIR TIR**

## Tabular Detail

Age	Year	Planned Premium Outlay	Withdrawals/Loans	Guaranteed <sup>1</sup> Assumptions 0.25% EOY			Non-Guaranteed <sup>2</sup> Assumptions - Fixed Interest 4.75% EOY			Non-Guaranteed <sup>2</sup> Assumptions - Current Interest 7.98% EOY		
				Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit
41	1	22,800	0	19,065	10,624	630,715	19,075	10,634	630,725	19,075	10,634	630,725
42	2	22,800	0	38,063	30,045	649,713	38,979	30,960	650,629	39,597	31,578	651,247
43	3	22,800	0	57,012	49,415	668,662	59,748	52,151	671,398	61,676	54,079	673,326
44	4	22,800	0	75,891	68,716	687,541	81,432	74,257	693,082	85,449	78,275	697,099
45	5	22,800	0	94,688	87,935	706,338	104,068	97,316	715,718	111,044	104,291	722,694
46	6	22,800	0	113,392	107,061	725,042	127,703	121,372	739,353	138,606	132,275	750,256
47	7	22,800	0	132,001	126,093	743,651	152,382	146,473	764,032	168,292	162,384	779,942
48	8	22,800	0	150,542	145,055	762,192	178,155	172,669	789,805	200,273	194,787	811,923
49	9	22,800	0	169,036	163,972	780,686	205,076	200,012	816,726	234,732	229,668	846,382
50	10	22,800	0	187,460	182,818	799,110	233,199	228,557	844,849	271,868	267,225	883,518
		<b>228,000</b>	<b>0</b>									
51	11	22,800	0	205,777	201,556	817,427	264,851	260,631	876,501	314,287	310,067	925,937
52	12	22,800	0	223,943	220,567	835,593	298,013	294,637	909,663	360,134	356,758	971,784
53	13	22,800	0	241,917	239,385	853,567	332,768	330,235	944,418	409,699	407,167	1,021,349
54	14	22,800	0	259,659	257,971	871,309	369,187	367,499	980,837	463,282	461,594	1,074,932
55	15	22,800	0	277,097	276,253	888,747	407,057	406,213	1,018,707	520,917	520,073	1,132,567
56	16	22,800	0	294,187	294,187	905,837	446,573	446,573	1,058,223	583,062	583,062	1,194,712
57	17	22,800	0	310,916	310,916	922,566	487,797	487,797	1,099,447	650,068	650,068	1,261,718
58	18	22,800	0	327,295	327,295	938,945	530,801	530,801	1,142,451	722,324	722,324	1,333,974
59	19	22,800	0	343,322	343,322	954,972	575,665	575,665	1,187,315	800,255	800,255	1,411,905
60	20	22,800	0	358,931	358,931	970,581	622,754	622,754	1,234,404	884,602	884,602	1,496,252
		<b>456,000</b>	<b>0</b>									
61	21	22,800	0	374,021	374,021	985,671	671,902	671,902	1,283,552	975,617	975,617	1,587,267
62	22	22,800	0	388,470	388,470	1,000,120	723,095	723,095	1,334,745	1,073,735	1,073,735	1,685,385
63	23	22,800	0	402,165	402,165	1,013,815	776,321	776,321	1,387,971	1,179,427	1,179,427	1,791,077
64	24	22,800	0	415,031	415,031	1,026,681	831,644	831,644	1,443,294	1,293,283	1,293,283	1,904,933
65	25	0*	103,171	407,356	302,122	913,772	864,249	759,014	1,370,664	1,387,708	1,282,473	1,894,123
66	26	0*	103,171	400,568	187,753	799,403	894,343	681,769	1,293,419	1,482,353	1,269,779	1,881,429
67	27	0*	103,171	394,645	70,025	687,598	922,362	600,302	1,183,934	1,578,158	1,256,099	1,771,943
68	28	0*	103,171	0	0	0	948,328	514,593	1,072,258	1,675,867	1,242,132	1,660,268
69	29	0*	103,171	0	0	0	972,093	424,449	958,349	1,775,696	1,228,052	1,546,359

Stop premiums at age 65 & start taking loans

		Guaranteed <sup>1</sup> Assumptions 0.25% EOY					Non-Guaranteed <sup>2</sup> Assumptions - Fixed Interest 4.75% EOY			Non-Guaranteed <sup>2</sup> Assumptions - Current Interest 7.98% EOY		
Age	Year	Planned Premium Outlay	Withdrawals/ Loans	Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit
69	29	0 *	103,171	0	0	0	972,093	424,449	958,349	1,775,696	1,228,052	1,546,359
70	30	0 *	103,171	0	0	0	993,520	329,688	842,162	1,877,327	1,213,495	1,513,867
		<b>547,200</b>	<b>619,026</b>									
71	31	0 *	103,171	0	0	0	1,012,333	229,457	723,116	1,979,931	1,197,588	1,494,578
72	32	0 *	103,171	0	0	0	1,028,360	121,972	599,606	2,083,750	1,180,526	1,451,413
73	33	0 *	103,171	0	0	0	1,041,200	6,663	471,456	2,188,801	1,162,278	1,403,046
74	34	0 *	103,171	0	0	0	0	0	0	2,295,231	1,142,943	1,349,514
75	35	0 *	103,171	0	0	0	0	0	0	2,403,222	1,122,654	1,290,880
76	36	0 *	103,171	0	0	0	0	0	0	2,513,012	1,101,598	1,227,249
77	37	0 *	103,171	0	0	0	0	0	0	2,623,347	1,078,471	1,209,638
78	38	0 *	103,171	0	0	0	0	0	0	2,734,045	1,053,037	1,189,739
79	39	0 *	103,171	0	0	0	0	0	0	2,844,919	1,025,056	1,167,302
80	40	0 *	103,171	0	0	0	0	0	0	2,955,767	994,273	1,142,061
		<b>547,200</b>	<b>1,650,736</b>									
81	41	0 *	103,171	0	0	0	0	0	0	3,066,407	960,448	1,113,769
82	42	0 *	103,171	0	0	0	0	0	0	3,176,654	923,342	1,082,175
83	43	0 *	103,171	0	0	0	0	0	0	3,286,308	882,695	1,047,011
84	44	0 *	103,171	0	0	0	0	0	0	3,395,125	838,206	1,007,962
85	45	0 *	103,171	0	0	0	0	0	0	3,502,865	789,573	964,716
86	46	0 *	103,171	0	0	0	0	0	0	3,609,202	736,409	916,869
87	47	0 *	103,171	0	0	0	0	0	0	3,713,780	678,297	863,986
88	48	0 *	103,171	0	0	0	0	0	0	3,816,237	614,810	805,622
89	49	0 *	103,171	0	0	0	0	0	0	3,916,208	545,517	741,328
90	50	0 *	103,171	0	0	0	0	0	0	4,013,352	470,013	670,681
		<b>547,200</b>	<b>2,682,446</b>									
91	51	0 *	103,171	0	0	0	0	0	0	4,106,625	386,081	591,412
92	52	0 *	103,171	0	0	0	0	0	0	4,200,071	296,670	464,673
93	53	0 *	103,171	0	0	0	0	0	0	4,294,333	202,227	331,057
94	54	0 *	103,171	0	0	0	0	0	0	4,390,078	103,212	191,014
95	55	0 *	103,171	0	0	0	0	0	0	4,487,995	104	44,984
96	56	0 *	0	0	0	0	0	0	0	4,595,133	7,028	7,028

Taking  
loans  
to age  
95

Death  
benefit  
at age  
95



		Guaranteed <sup>1</sup> Assumptions 0.25% EOY					Non-Guaranteed <sup>2</sup> Assumptions - Fixed Interest 4.75% EOY			Non-Guaranteed <sup>2</sup> Assumptions - Current Interest 7.98% EOY		
Age	Year	Planned Premium Outlay	Withdrawals/ Loans	Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit
97	57	0*	0	0	0	0	0	0	0	4,705,617	14,877	14,877
98	58	0*	0	0	0	0	0	0	0	4,819,606	23,741	23,741
99	59	0*	0	0	0	0	0	0	0	4,937,264	33,720	33,720
100	60	0*	0	0	0	0	0	0	0	5,058,768	44,922	44,922
		<b>547,200</b>	<b>3,198,301</b>									
101	61	0*	0	0	0	0	0	0	0	5,184,306	70,183	70,183
102	62	0*	0	0	0	0	0	0	0	5,314,054	97,649	97,649
103	63	0*	0	0	0	0	0	0	0	5,448,235	127,501	127,501
104	64	0*	0	0	0	0	0	0	0	5,587,086	159,938	159,938
105	65	0*	0	0	0	0	0	0	0	5,730,865	195,174	195,174
106	66	0*	0	0	0	0	0	0	0	5,879,845	233,440	233,440
107	67	0*	0	0	0	0	0	0	0	6,034,322	274,989	274,989
108	68	0*	0	0	0	0	0	0	0	6,194,611	320,091	320,091
109	69	0*	0	0	0	0	0	0	0	6,361,053	369,043	369,043
110	70	0*	0	0	0	0	0	0	0	6,534,012	422,162	422,162
		<b>547,200</b>	<b>3,198,301</b>									
111	71	0*	0	0	0	0	0	0	0	6,713,880	479,793	479,793
112	72	0*	0	0	0	0	0	0	0	6,901,080	542,310	542,310
113	73	0*	0	0	0	0	0	0	0	7,096,063	610,119	610,119
114	74	0*	0	0	0	0	0	0	0	7,299,320	683,656	683,656
115	75	0*	0	0	0	0	0	0	0	7,511,374	763,397	763,397
116	76	0*	0	0	0	0	0	0	0	7,732,791	849,855	849,855
117	77	0*	0	0	0	0	0	0	0	7,964,180	943,585	943,585
118	78	0*	0	0	0	0	0	0	0	8,206,197	1,045,190	1,045,190
119	79	0*	0	0	0	0	0	0	0	8,459,550	1,155,323	1,155,323
120	80	0*	0	0	0	0	0	0	0	8,724,998	1,274,687	1,274,687
		<b>547,200</b>	<b>3,198,301</b>									

Total paid

Total income received  
**TAX-FREE!**

Policy doesn't lapse

Not a complete illustration. See agent for complete illustration.



# COST OF INSURANCE & TAX COMPARISON

- Pay \$547,200 into the IUL policy
- Receive an estimated **\$3,198,301 in TAX-FREE income**

OR

- Pay \$547,200 into a tax-deferred retirement account (IRA, 401k, 403b, etc)
- If the account grows to \$3,198,301 in 25 years, assuming a tax rate of 30%, you **pay \$959,490 in taxes**

# YOUR PERFECT RETIREMENT PLAN

How do you get what you WANT?

## **INDEXED UNIVERSAL LIFE INSURANCE (IUL)**

<b>What you WANT</b>	<b>IUL</b>
Safety	<b>YES!!</b>
Tax-free	<b>YES!!</b>
Good growth	<b>YES!!</b>
Liquid	<b>YES!!</b>

The background features several flowing, wavy bands of color. At the top, a thick band of red and orange flows from left to right. At the bottom, there are multiple overlapping layers of red and yellow waves, creating a sense of depth and movement. The central area is a plain white background.

THANK YOU