5 REASONS FOR FIUL

DISCOVER HOW FIXED INDEX UNIVERSAL LIFE INSURANCE MAY HELP YOU MEET RETIREMENT GOALS.

Finding the right allocation mix of asset classes for your long-term plans is key to saving for the retirement you envision. Why not also consider life insurance?

More than just leaving a legacy, today's IUL also offers "Living Benefits"— like access to income during your lifetime, growth potential, optional long-term care and nursing home riders, an accelerated death benefit feature, and more.

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A LOOK AT TODAY'S RETIREMENT: A DO-IT-YOURSELF APPROACH

Times have changed from the days of traditional retirement. The "three-legged stool" comprised of personal savings, Social Security and a pension is anything but sturdy. Now most of us are tasked with taking a DIY approach to preparing for the future.

Unfortunately, statistics indicate that our attempts at going it alone aren't always successful. Studies show most families – even those nearing retirement – have little or even no retirement savings. Today the median household retirement savings for people ages 55 to 64 is just $134,000.

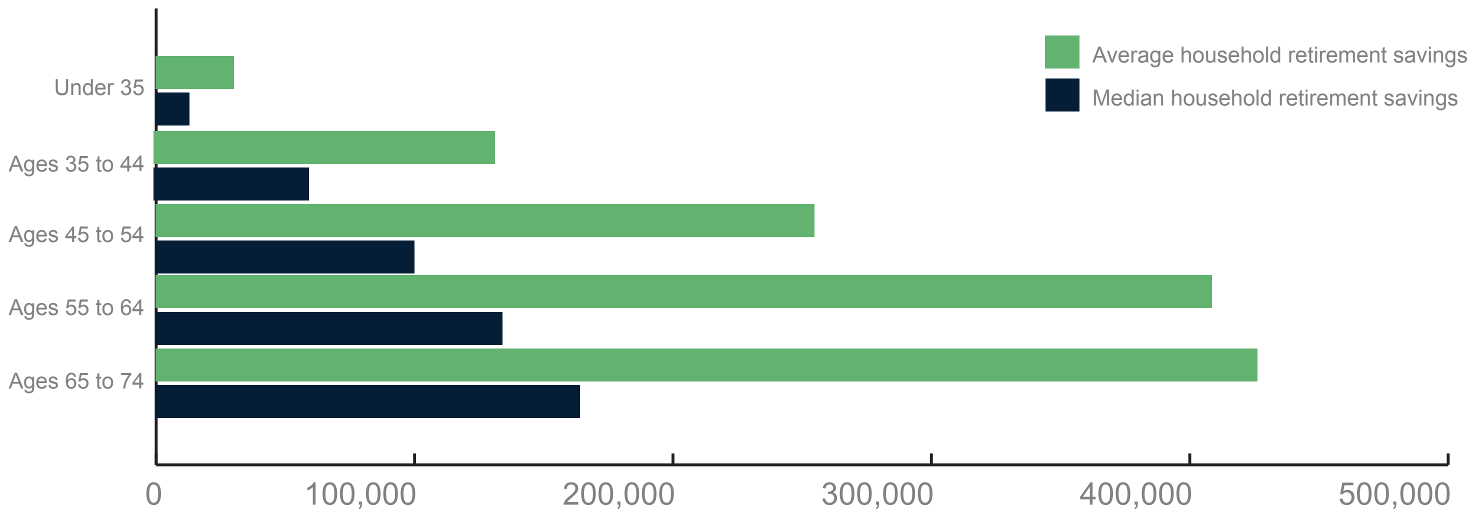
Let's look at 5 important aspects of saving for retirement you'll want to consider when selecting financial products to help meet your goals and objectives:

Legacy **Growth** **Principal Protection** **Tax Advantages** **Flexibility**

Then we'll share insight into 1 possible solution called Fixed Index Universal Life (FIUL)* insurance and how it just might be a good option for your protection and income needs.

** While FIUL offers potential solutions for a variety of financial needs, utilizing one benefit may reduce or negate other features of the policy.*

MANY PEOPLE ARE ENTERING RETIREMENT WITH VERY LITTLE STASHED AWAY.



Source: https://www.nerdwallet.com/article/investing/the-average-retirement-savings-by-age-and-why-you-need-more#:~:text=The%20average%20retirement%20savings%20by%20age%20 is%3A,45%2D54%3A%20%24254%2C720

1. LEGACY FOR LOVED ONES

When thinking about the importance of accumulation in preparing for retirement, it's easy to just focus on how the growth of your assets can help you enjoy retirement goals like travel or mastering hobbies. But you may want to consider how your asset accumulation could translate into caring for a spouse or other loved ones after you pass away. Or for some, the legacy of a charitable gift may be just as important.

Life insurance offers a crucial death benefit feature that provides beneficiaries with a tax-free sum of money after your death. This money can be used for any purpose, such as replacing your income, paying off a mortgage, college funding for children or grandchildren, or anything else your beneficiary wants or needs.

And life insurance with a properly named beneficiary typically bypasses probate, so your money can be distributed to those who need it most quickly, without the time and hassle of going through the probate process.

Many of today's permanent life insurance policies, such as the IUL, also offer "Living Benefits"— additional benefits such as access to your policy's cash values[1] for income during your lifetime, optional long-term care and nursing home riders, an accelerated death benefit feature, and more.

IUL OFFERS A DEATH BENEFIT FEATURE THAT PROVIDES YOUR BENEFICIARIES WITH A TAX-FREE SUM OF MONEY UPON YOUR DEATH.

1 Policy loans and withdrawals will reduce available cash values and death benefits and may cause the policy to lapse or affect any guarantees against lapse. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. Tax laws are subject to change. You should consult a tax professional.

2. MERITS OF MEANINGFUL GROWTH

Interested in finding smart ways to grow your money?

Of course! But when it comes to accumulation, there is a big difference between the growth opportunities associated with different types of assets.

For example, you may have money put away in a bank certificate of deposit as part of your savings strategy. But given the low interest rates we've been experiencing for the last several years, CDs are not typically a viable place for the majority of your assets. Especially those you need to grow for future retirement income.

Even in today's changing interest rate environment, rate changes impact only new CDs available at banks and credit unions, not existing ones you may have.

And because the interest earned from CDs held outside of a qualified retirement plan is taxable as ordinary income, the net return of a CD may not keep up with inflation.

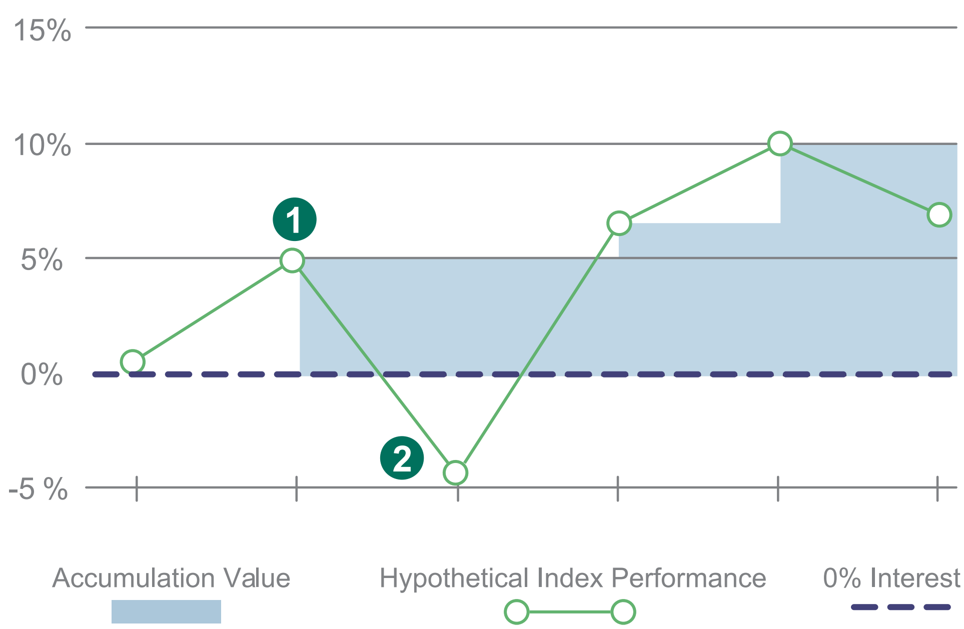
Finding the right allocation of asset classes for your long-term plans is key to saving for the retirement you envision. Why not also consider life insurance?

Permanent life insurance products like IUL include the opportunity to earn interest annually based on a portion of the potential growth of an external index. What this means is you aren't actually invested in the market, and you can never lose money due to drops in the market.

ACCUMULATION POTENTIAL WITH A LEVEL OF PROTECTION

1 If the index performance of your selected allocation option is positive on your policy anniversary, the issuing company calculates potential interest to be credited to your policy's accumulation value, subject to limits set by the company such as caps, spreads or participation rates.

2 If the index performance is negative, your accumulation value will be unaffected. However, fees and charges will reduce the policy values.



This hypothetical example is for illustrative purposes, is not guaranteed and does not represent any specific product. Your actual results will vary.

3. PROTECTION FROM MARKET LOSSES

The only thing certain in life is death and taxes… and market volatility.

While there may be times when the market trends up or down over the long term, we can expect there to be periods of growth and periods of loss along the way. It can be extremely difficult to predict exactly what factors will drive performance outcomes and timing them is impossible. For many investors, that turned into a major blow to their retirement savings during the Great Recession of 2008, for some to the tune of losses nearing 40%!

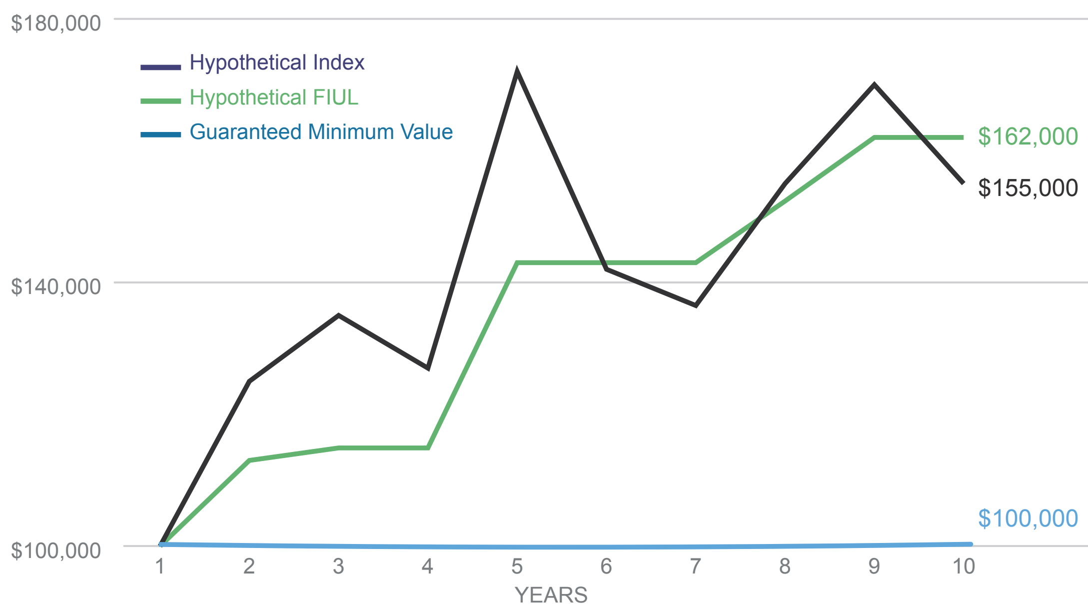
FIUL AND THE POWER OF ANNUAL RESET

The chart* below shows how a hypothetical FIUL might work over a hypothetical 10-year period. The chart shows significant drops in the market in years 4 and 7. Investors had to make up those losses before they could start gaining new ground again – and since there is no guarantee that the market will allow you to recover your losses, or do so in time, you could be subjecting your retirement income to unpredictable returns and high levels of market fluctuation.

Rather than exposing all your assets to the market and potentially putting your retirement income at risk, you could consider life insurance for a portion of your assets.

Though life insurance does not invest directly or indirectly in the market, and you don't capture all the market's highs, the FIUL offers the potential to earn interest tied to the performance of an external market index, such as the S&P 500. With the IUL annual reset feature, your funds are always 100% protected from market loss.

As with all financial products, FIUL involves fees and charges, including surrender penalties for early withdrawals, which could reduce your principal, and/or any interest earned. The interest you earn will be limited by factors such as caps, spreads or participation rates. Life insurance typically involves medical and often financial underwriting to qualify. While you won't receive all of the market's upside in interest, you enjoy protection from market downturns because your principal value is guaranteed not to decrease due to market loss.



*This chart reflects a hypothetical FIUL product and market index to demonstrate how the product works in various marketing conditions. It does not represent the actual performance of any one product or index, and is not intended to predict or project future performance. The Guaranteed Value represents a hypothetical 0% annual interest credit.

4. TAPPING INTO TAX ADVANTAGES

IUL can be a versatile financial tool for retirement strategies that may help lessen the impact of taxation. From tax-advantaged accumulation during working years to potentially tax-free income during retirement, IUL is also a legacy and succession planning vehicle too.

First, it's good to consider how your assets are taxed now and in the future.

TAXABLE
Investments are generally taxed at income, capital gains or dividend tax rates.

EXAMPLES: CDs, Stocks, most bonds, and the taxable portion of Social Security benefits.

TAX-DEFERRED
Assets grow tax deferred and are paid when money is withdrawn.

EXAMPLES:
401(k), 403(b), pension, traditional IRA, and annuities.

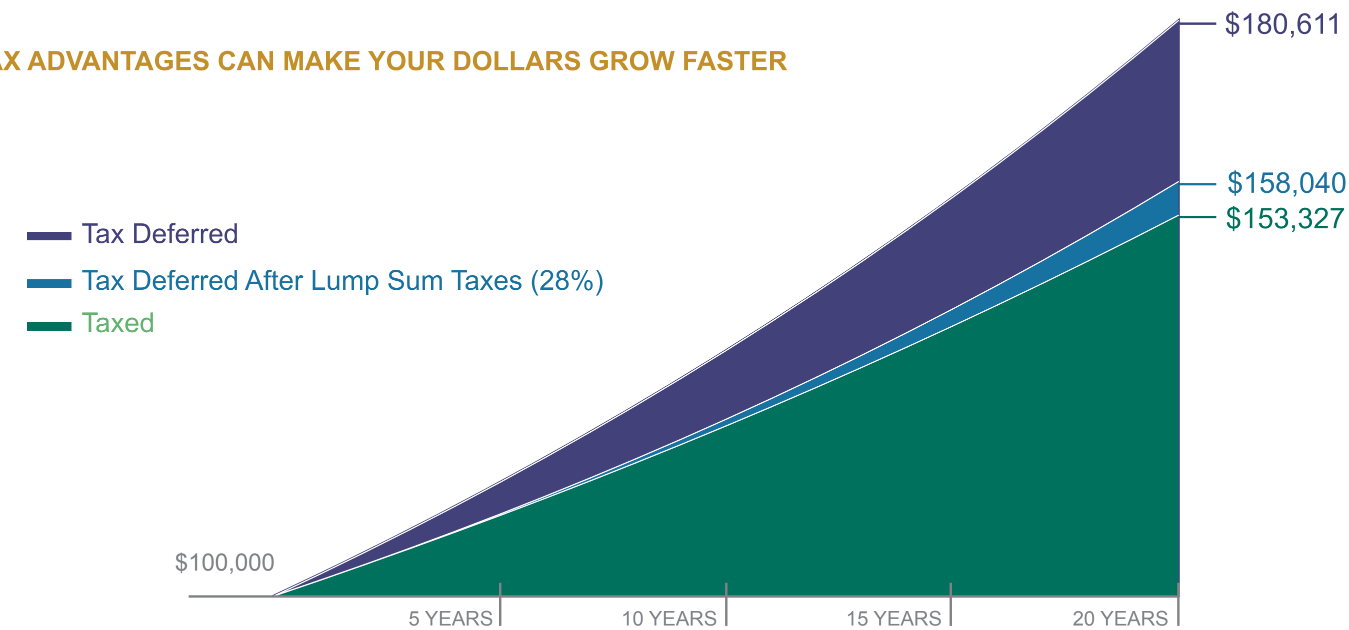
TAX-FREE
Assets grow tax deferred and money can be withdrawn on a tax-fee or tax-preferred bassis.

EXAMPLES: IULs, Roth, 401(k), certain municipal bonds[3.]

In addition to offering a tax-free death benefit that can be used by beneficiaries to pay for potential taxes on assets transferred to them, a properly designed IUL policy offers other benefits that include tax deferral in the accumulation phase and tax-free income in retirement.

Withdrawals from tax deferred vehicles are subject to ordinary income taxes, including a 10% penalty for withdrawals before age 59 1/2. Some may offer exceptions to the 10% federal tax penalty for withdrawals and the age 59 requirement, such as higher education expenses, first-time home purchase, death, disability, certain qualifying medical expenses or health insurance premiums. Roth distributions are tax free after age 59 1/2 and the account has been open for at least 5 years. Life insurance policy loans and withdrawals will reduce available cash values and death benefits and may cause the policy to lapse or affect any guarantees against lapse. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. While not all municipal bonds are exempt from federal and state income tax, generally the interest paid on municipal bonds is tax free. Tax laws are subject to change. You should consult a tax professional.

TAX ADVANTAGES CAN MAKE YOUR DOLLARS GROW FASTER



This hypothetical example assumes 3% annual interest rate and 28% tax bracket. It is for illustrative purposes only. Tax deferred vehicles are typically taxed at the time funds are withdrawn. Withdrawals from qualified tax deferred retirement funds before age 591/2 may also be subject to an additional 10% federal penalty. These figures do not reflect the deduction of investment fees, which will reduce the figures shown here.

5. FLEXIBILITY IS FUNDAMENTAL

What good is amassing wealth if you can't tap into it when needed?

Some financial vehicles offer growth potential, but in exchange for locking away your hard-earned savings. If you don't have disposable income on hand, issues ranging from purchasing a home to covering expenses related to an unexpected illness could put you in a tough financial position.

If accessing those funds earlier than planned becomes your only option, it could result in significant penalties that offset some or all of the accumulation benefit you've received.

However, certain IUL policies provide you with flexibility not only in how you accumulate money but also how you access it. Through cash value accumulation, you can often withdraw any available cash values from your policy through a policy loan or withdrawal and use it in the future for any purpose you wish. Just think of the possibilities!

Policy loans will reduce available cash values and death benefits and may cause the policy to lapse or affect any guarantees against lapse. Additional premium payments may be required to keep the policy in force, so it's important to carefully manage your policy's performance and cash values.

In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject ordinary income tax. This assumes the policy is not a modified endowment contract (MEC).

All of this, and no RMDs at age 73.

CONSIDER ALL OF YOUR OPTIONS

Now that we've covered five important aspects of preparing for retirement, it's important to work with a financial professional to prioritize your income needs and ways to help you achieve them. If you're interested in a life insurance strategy that helps address these five features, fixed index universal life insurance might play an important role in your retirement portfolio.

LEGACY

Beneficiaries receive the policy's available death benefit if the policy owner dies while the policy is in force.

MEANINGFUL GROWTH

Potential to earn interest tied to the performance of an external market index.

PRINCIPAL PROTECTION

Protection from market downturns because the principal value is guaranteed not to decrease as a result of market loss.

TAX ADVANTAGES

A policy's cash value can grow on a tax-deferred, compounded basis. Beneficiaries receive a tax-free sum of money upon policy holder's death.

FLEXIBILITY

Through cash value accumulation, available cash values can often be taken through a policy loan or withdrawal and used for any purpose.

LET'S CHAT AND SEE IF FIUL IS THE SOLUTION YOU'RE LOOKING FOR TO HELP TO ADDRESS YOUR LEGACY AND INCOME NEEDS.

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