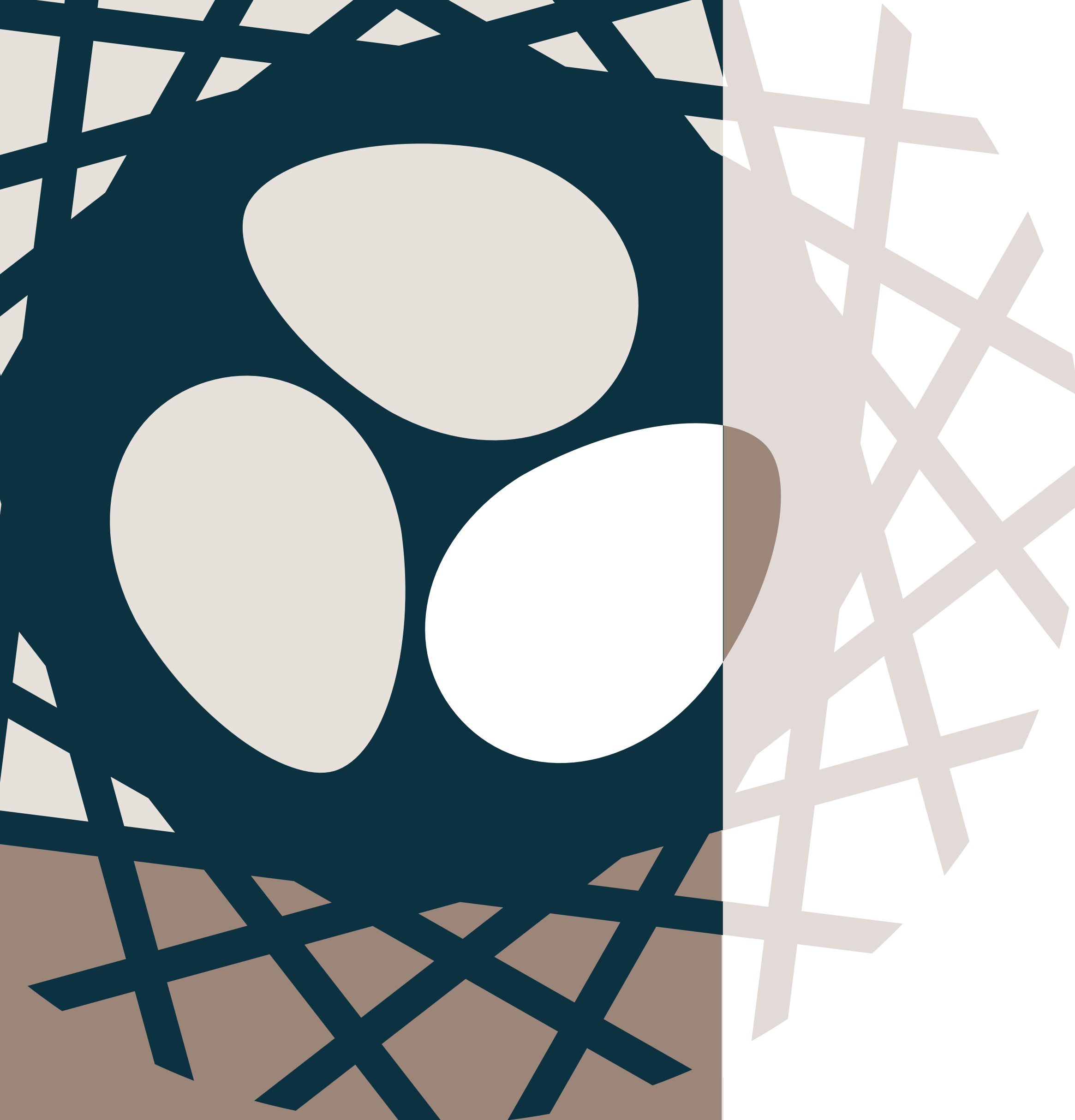


KEEP YOUR NEST EGG PROTECTED AND GUARANTEE THE INCOME YOU NEED FOR A COMFORTABLE RETIREMENT.

Learn how you can develop and easily implement simple, solid insurance and income strategies to help protect your retirement savings.

Strategies designed to protect your savings for you and your family from the whims of the market, the serious consequences of a long-term medical care requirement, like a nursing home stay, unnecessary taxes, and probate.

Strategies that can also help secure the income you need from your savings to maintain your lifestyle with greater certainty throughout your retirement.

LEON
FINANCIAL SERVICES

ABOUT LEON FINANCIAL SERVICES

At Leon Financial Services LLC our focus is you. We are here to help you work toward achieving your goals, your best interest is the only thing that matters to us, after all we are fiduciaries.

We invite you to discover and experience the power of our services. We believe it has far-reaching benefits for our clients to get opinions from several sources with diverse backgrounds, education, and experience.

No one strategy fits everyone, which is why every client gets our undivided attention—from planning to execution to follow-up. We take a proactive approach to helping you develop a strategy to address your financial goals and objectives, using the most efficient methods available.

Recognizing that everyone encounters challenges along the way, we strive to anticipate and address those situations as they occur. We want to keep you on track toward a meaningful and purpose-driven financial future.

Contact us for a free of charge review of your finances, whether you are just starting to think of retirement or have already built a large nest egg. We would love the opportunity to serve you and your family.

THE INCOME DILEMMA

Many retirees need to supplement their Social Security and/or pension income with earnings from their savings. A huge concern for many retirees is depleting their savings. Without a proper plan, they often face the painful and stressful dilemma of having to choose between catering to their needs today or preserving their savings to provide for their needs tomorrow. This can easily be prevented if you have access to the right kind of information to develop a sound strategy for protecting and managing your savings.

Financially, the last 15 to 20 years have been painful for many retirees, and those seriously planning for their retirement, and the next 15 to 20 years could be just as painful for those relying on savings that are either at risk or subject to the uncertainty of fluctuating interest rates.

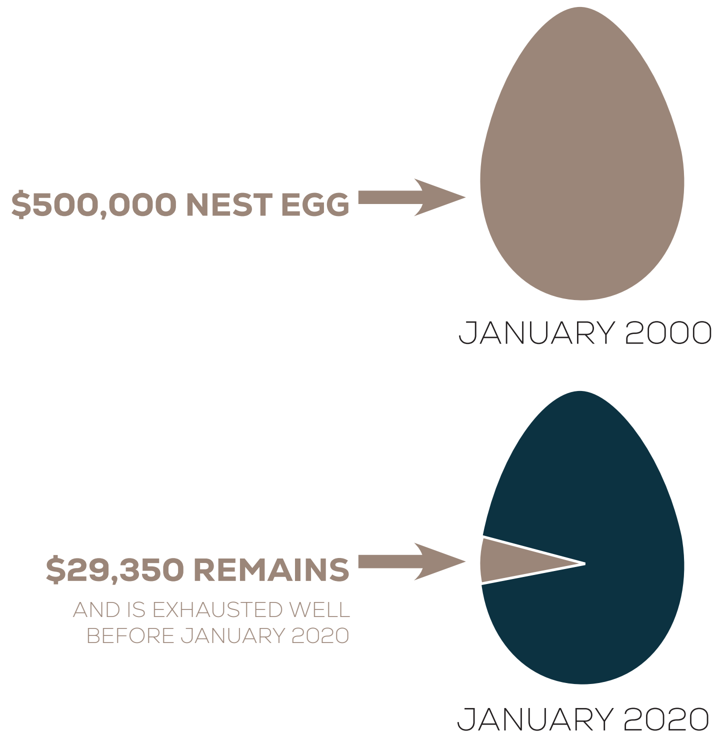
When you have no idea what your savings will earn, or lose, how do you know what you can safely withdraw from your savings, without risking running out of money? Without a solid income strategy, and without income guarantees, the uncertainty can cause your savings to become hostage to your income needs.

Sometimes retirees will keep savings they will need to provide retirement income in mutual funds or stock and bond investments, hoping for a higher rate of return. Unfortunately, while these funds have the potential for competitive returns, a market decline can have significant consequences.

FIGURE 1: POTENTIAL EFFECT OF REAL-LIFE MARKET PERFORMANCE ON

MARKET VOLATILITY AND/OR THE UNCERTAINTY OF INTEREST RATES COULD DERAIL YOUR RETIREMENT PLANS:

WITHDRAWALS OF $20,000/YR (4% OF $500,000) FOR 17 YRS, ADJUSTED FOR INFLATION OF 3% ANNUALLY



If you're planning for income for just 20 years, market volatility could make it difficult, if not impossible. For example, here we assume that a retiree started with $500,000 in January of 2000 and the performance of their portfolio mirrored the S&P 50 index. (Note that the S&P 500 is an index and one can't invest in the index itself). In this example, we don't reflect the deduction of investment product or management fees or taxes, which would further reduce the figures shown here.

By 2017, after just 17 years of withdrawals of $20,000/ year (4% of the original principal), with a 3% inflation adjustment each year, the retiree's portfolio has just $29,350 after year 17, and is fully exhausted by the next year. They didn't even make it to year 20. **And, if the retiree's portfolio performance did not at least match the performance of the S&P 500 index, they could easily now be in financial trouble.**

Stocks and mutual funds can work well during your working years, when savings can grow for many years without being drawn upon. As you can see from the example above, however, they can bear unacceptable risk when you are in your preservation and distribution years of retirement and you need income from those savings. Keeping the portion of your savings needed to provide your retirement income in investments subject to market volatility and/or the uncertainty of interest rates can have severe consequences from which you may not recover.

Another dilemma we see is when retirees don't realize they can afford to live the lifestyle they want because they don't have a definitive strategy. Instead, they worry if they have enough savings to last. They also sometimes tell us about wanting to help a child or grandchild but don't know whether they can without risking their ability to care for themselves.

MARKET VOLATILITY AND/OR THE UNCERTAINTY OF INTEREST RATES CAN KEEP YOUR SAVINGS HOSTAGE TO YOUR INCOME NEEDS.

1 The S&P 500® is a market-cap weighted index composed of the common stocks of 500 leading industries of the U.S. economy. The S&P 500® Index is a product of S&P® Dow Jones Indices LLC ("SPDJI"). Standard & Poor's®, S&P®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"). It is not possible to invest directly in an index.

A BALANCED APPROACH

Another approach is segregating a portion of your savings to provide the retirement income you need with a greater level of certainty.[3]

There are now competitive yielding, principal-protected financial instruments, such as fixed and fixed index annuities, available where you can add a **guaranteed lifetime income benefit.**[4]

With an annuity and a properly structured guaranteed lifetime income benefit, you can have:

- Assurance that you can comfortably withdraw guaranteed lifetime income, that may even increase for inflation.
- Guaranteed income withdrawals for the rest of your life or as long as either you or your spouse live.
- Control of, and access to, your account's cash balance, even after you begin income withdrawals.
- A guaranteed lifetime income amount that has the potential to increase each year until you begin withdrawals (if you don't need to start drawing income right away).

This example is shown for illustrative purposes only and should not be considered an investment recommendation. Your nest egg will be comprised of financial products that reflect your unique financial situation and in most cases, a portion of your portfolio will still have market exposure.

An annuity with a guaranteed lifetime income benefit helps reduce the risk to your retirement income from both market declines and the uncertainty of interest rates.

Once your income needs are established, the rest of your Nest Egg no longer has to be hostage to your income needs. You can now use the rest of your savings for any unforeseen emergency, major purchases and special events, investing in higher risk vehicles, or any discretionary spending you wish, without compromising your lifetime income needs.

AN ANNUITY WITH A GUARANTEED LIFETIME INCOME BENEFIT CAN REDUCE RETIREMENT INCOME RISK FROM MARKET VOLATILITY & INTEREST RATES.

3 Insurance and annuity guarantees are backed by the financial strength and claims-paying ability of the issuing company and are not FDIC-insured.

4 Guaranteed Lifetime Income Benefits are optional riders added to annuities, for an additional annual cost. For terms, details and costs, be sure to review the annuity and rider information carefully before making a purchasing decision.

A SOLUTION

With proper planning, you can:

- Determine if your savings are properly allocated and identify any possible income gaps in retirement.
- Identify how much of your savings you may want to allocate to an annuity, if appropriate, to guarantee the inflation-adjusted income you need for the rest of your life.
- Obtain lifetime income guarantees, if you wish, while always retaining control of, and access to, your money through these optional annuity riders.
- Determine how much of your savings to set aside as adequate reserves for emergencies, major purchases, and special events.
- Identify how much, if any, of your nest egg will most likely pass to heirs, or that you can use to help others if you choose, without jeopardizing your self-sufficiency.
- Re-position some of your savings, if you wish, in appropriate guaranteed, principal-protected vehicles that have the potential for competitive interest earnings.
- Avoid paying unnecessary taxes.
- Avoid the probate process and unnecessary taxes when passing any of your assets to loved ones (with a properly named beneficiary).

Annuities and other guaranteed income products are principal-protected financial instruments available that can be used to build a solid strategy for managing retirement savings, particularly that portion of your savings that needs to provide the income you need in retirement. If you determine that an annuity is right for you, you'll want to select one based on the features that match what is important to you. This document is not intended to provide details on all of the possible financial instruments that can be used in building a sound asset protection and retirement income strategy. That is more effectively and efficiently done after identifying what might fit your needs and wants.

Annuities are long-term retirement income products, which involve fees and charges, including surrender charges. All withdrawals are subject to income taxes and, if taken prior to age 59½, are subject to an additional 10% federal tax penalty. Optional riders may be available, often for an additional annual cost. Be sure to review all information about annuities carefully before making a purchasing decision.

FREQUENTLY ASKED QUESTIONS

Q: HOW MUCH OF MY SAVINGS NEEDS TO BE DEDICATED TO PROVIDING MY RETIREMENT INCOME?

A: It's a formula that is unique to you. First we help you properly determine the income you will need to support your lifestyle. Then we'll provide you with information to help you decide the right ways to take your Social Security and/or any other pensions you may have. The difference between lifestyle income needs and your Social Security/pension income is typically considered your **retirement income gap.** Once your retirement income gap is determined, we can show you the different options that can provide the income you need to maintain your lifestyle with a greater level of certainty. Each family situation is different.

Q: WHAT IF I'M NOT READY TO RETIRE YET?

A: The sooner you have a retirement income strategy in place the better off you could be, as opposed to scrambling at the last minute. In addition, the sooner you position those savings that need to provide you with retirement income, the smaller the amount you may need to dedicate for this purpose. The longer you wait to begin taking income from these savings, the longer that money has the potential to grow. This can significantly increase that portion of your savings that can be used for discretionary spending or passing to your loved ones.

Q: HOW DO YOU GET PAID?

A: We do not charge you any fees directly for our services. We are compensated via commissions by the providers of any accounts or services that you choose to use. Your accounts are opened directly with the providing institutions. Every dollar you pay in premium goes directly to the financial institution without any deductions from us. In return, we only ask that if we keep all of our promises to you, you're completely satisfied with the choices we help you to make, and you're comfortable with the process through which you made your choices, you refer family and friends to us.

Q: WHAT IF I ALREADY HAVE A FINANCIAL PROFESSIONAL THAT I LIKE?

A: Ask yourself this: if you develop a heart condition and need heart surgery, would you expect your Primary Care Physician to perform the surgery? Or would you demand the services of a specialist? Unfortunately many retirees, without realizing it, make this kind of mistake when it comes to getting the help they need in designing their retirement income strategy.

Traditional financial professionals usually specialize in growth and accumulation, whereas we focus on preservation and retirement income distribution. Many traditional financial professionals are quite good at growth and accumulation and may have served you well during your growth and accumulation years when you had many years ahead of you before you would need to use any of your savings. There can be unfortunate consequences, however, when the growth and accumulation model is applied to retirement income strategies.

WHEN IT COMES TO YOUR RETIREMENT INCOME STRATEGY, WORK WITH SOMEONE WHO SPECIALIZES IN PRESERVATION AND DISTRIBUTION.

Financial Professionals can lack experience in assisting clients with the preservation and distribution phases of their lives. If you ask a traditional financial professional to help you with a retirement income strategy, the most common approach will typically combine an asset allocation model with the 4% rule. Both of these involve considerable risk, which we believe is unacceptable in a sound retirement income strategy.

The asset allocation model is simply a balance between equity investments and bond investments. As you approach retirement, the traditional financial professional will typically increase the percentage of your portfolio that is in bond investments and decrease the percentage in equity investments. They typically consider this a "conservative" portfolio.

Unfortunately, the economic times we live in today are radically different from anything we've experienced in our lifetime, and what used to work most of the time in the past probably won't work in today's world. With lower interest rates, even a modest rise back to higher interest rates could trigger a loss in the value of bond investments. And, we all know the risks inherent on the equity investments side.

So, **if you currently hold even what the traditional financial advisor community calls a "conservative" portfolio of only stocks and bonds, you may be poised for unacceptable losses.** To say the least, we believe that this is not a good foundation for your retirement income strategy.

In addition to asset allocation, your traditional financial professional commonly uses the 4% rule.[5]

Q: WHAT IS THE 4% RULE & WHAT MAY BE THE PROBLEM WITH IT?

The 4% rule simply says that if you only draw 4% of your entire portfolio value, with periodic inflation adjustments assuming a 3% per annum inflation rate, you have a chance of not running out of money before you run out of time.

In our view, these are the problems with the 4% rule:

- It holds all of your savings hostage to your income needs.
- It doesn't always work because market volatility increases the possibility of failure. If the economy goes through a prolonged recession, even a normally conservative 3% withdrawal rate might have a high probability of failure.
- It relies on hope and chance versus certainty.

Not all Financial Professionals approach retirement income planning strategies the same. A solid income approach requires the assistance of an experienced, knowledgeable retirement income professional.

When it comes to your retirement income strategy, work with a professional who focuses on asset preservation and distribution (the alternative can be more than just disappointing). Relying on a traditional financial professional to help you design your retirement income strategy might be as risky as allowing your Primary Care Physician to perform heart surgery. Your retirement income strategy should be built on a level of certainty, not hope and chance.

Your traditional financial professional can still be an important resource for you in helping you manage those savings that are not needed to secure your retirement income and that you decide may be used only for discretionary spending, for continued investment in the market, or to be passed to heirs.

5 https://www.thebalance.com/what-is-the-4percent-rule-in-retirement-2388273

IN SUMMARY

We help our clients develop strategies they are comfortable with to address any of the following issues that are important to them:

- Researching principal-protected accounts, such as insurance and annuity products, that offer competitive interest potential, with guarantees to their principal.
- Allocating savings properly to help ensure the inflation adjusted income they need to support their desired lifestyle throughout their retirement years, without the fear of living too long.
- Organizing retirement savings adequately to allow for unexpected emergencies, major expenditures, special events, and other things that are important to them.
- Using strategies designed to help them reduce or eliminate unnecessary taxes on their assets.
- Avoiding the costs and delays of probate when savings are transferred to heirs.
- Protecting what will be passed on to heirs from unnecessary taxes and other risks.

Our focus is the wants and needs of retirees and those seriously preparing for retirement. Our mission is to provide you the information, simple strategies, and help that enables you to:

- Have the assurance that you have a retirement strategy in place that offers guarantees to help you manage your savings throughout your lifetime.
- Protect your assets.
- Make sure you will have the income you will need for the rest of your life.
- Preserve as much of your estate as possible for your loved ones, if important to you.

CONTACT US TODAY FOR MORE

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