



PHP

A G E N C Y



Life Insurance & Annuities

WHAT WE DO FOR FAMILIES

TODAY'S REALITIES

FAILING SOCIAL SECURITY

"The combined trust fund reserves are projected to become depleted by 2034."

– ssa.gov/oact/TRUSUM
(US Social Security Administration)

ALARMING DEBT

Student Loan Debt Statistics in 2018: A \$1.5 Trillion Crisis

\$900 Billion in Credit Card Debt

Forbes.com

INSUFFICIENT INSURANCE PROTECTION

41% of adults have no life insurance, roughly 95 million Americans."

– "Facts About Life 2018" LIMRA, Sept 2018

DISTURBING LACK OF FINANCIAL EDUCATION

"60-70% Of affluent U.S. consumers do not have a financial plan in place. Current planning approaches lack the steps to achieve long term goals."

– "Rethinking U.S. Life Insurance Distribution"
(McKinsey & Company 2016)



DEPLETING PENSION FUNDS

There were roughly 149,600 defined benefit plans in 1982. Today that number has dropped to 37,906.

– Department of Labor

MANY

DEBT

RETIREMENT

INSURANCE

\$0 – \$99,999

90%

BANK SAVINGS
CD

0 – 3%

USUALLY RENTING
AT AGE 65
STILL WORKING

FEW

DEBT

RETIREMENT

INSURANCE

\$100,000

10%

MUTUAL FUNDS
REAL ESTATE
INSURANCE

4 – 12%

HOME OWNERS
AT AGE 65
RETIRED

INCOME

SAVINGS | INVESTMENT

INTEREST

TRENDS

COMPOUND INTEREST

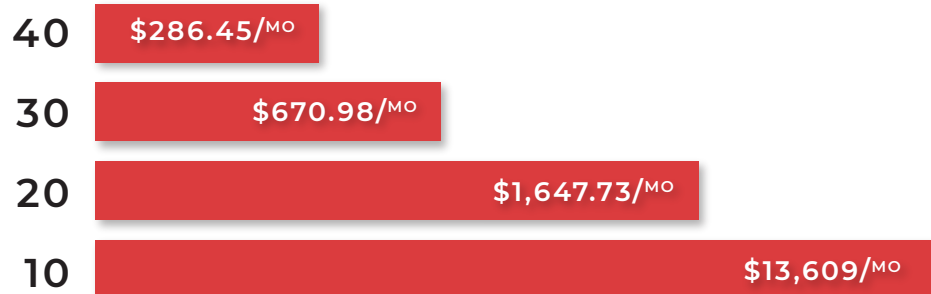
	0%	4%	8%
YEARS 10	\$30,000	\$37,459	\$46,936
20	\$60,000	\$92,908	\$148,269
30	\$90,000	\$174,985	\$367,038
40	\$120,000	\$296,480	\$839,343

*Saving \$250 per month, compounding interest annually. Additions made at start of each compounding period.

THE HIGH COST OF WAITING

Example shows the monthly savings amount needed to reach a \$1 million retirement goal, assuming an 8% rate of return and tax deferral.

YEARS UNTIL RETIREMENT



RULES OF 72 EXAMPLES:

$$72 \div 2\% = 36 \text{ YEARS}$$

$$72 \div 4\% = 18 \text{ YEARS}$$

$$72 \div 8\% = 9 \text{ YEARS}$$

NOTE: ASSUMING ANNUAL INFLATION RATE IS 3.2%

PRODUCTS & SERVICES

LIFE INSURANCE

- TERM / RETURN OF PREMIUM
- UNIVERSAL LIFE
- IUL – INDEXED
- GUL – GUARANTEED UNIVERSAL LIFE
- FINAL EXPENSE

LIVING BENEFIT RIDERS

- ACCELERATED BENEFIT
- CRITICAL ILLNESS
 - CHRONIC ILLNESS
 - LONG TERM CARE
 - TERMINAL ILLNESS

FIXED / INDEXED ANNUITIES

- 401(K) ROLLOVER
- IRA, ROTH IRA ROLLOVER

OTHER SERVICES

- DEBT SOLUTION
- LEGAL COVERAGE

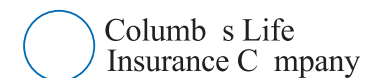
TERM

- LOW INITIAL COST
- SIMPLE
- COVERAGE BETWEEN 10 - 30 YRS

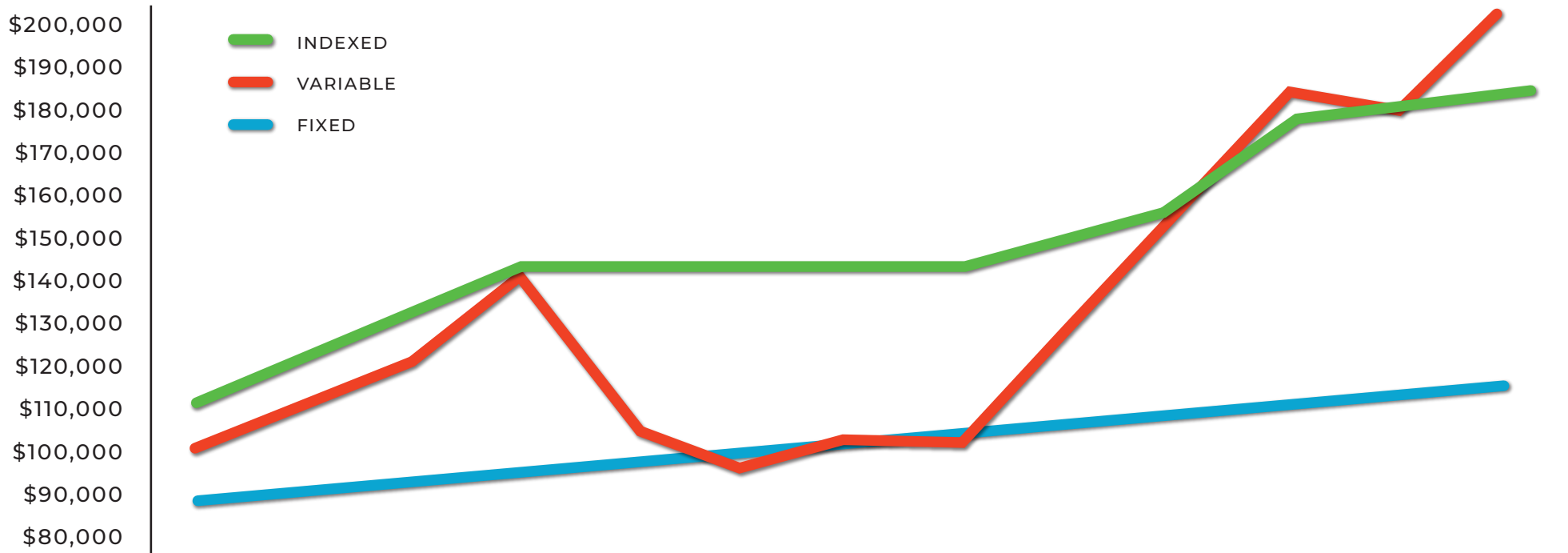
PERM

- TAX ADVANTAGES
- FLEXIBLE PREMIUMS
- EQUITY

OUR PARTNERS



WHAT THE WEALTHY DO

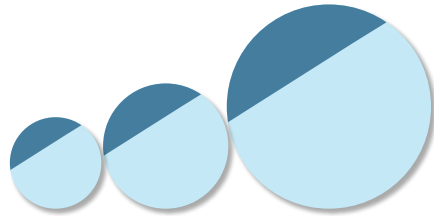


*Example of an equity indexed product against the performance of fixed and variable products.

THREE LIFE CHANGING EVENTS

01. IF YOU DIE TOO SOON, YOU NEED A DEATH BENEFIT.
02. IF YOU BECOME DISABLED, YOU NEED A LIVING BENEFIT.
03. IF YOU LIVE A LONG LIFE, YOU NEED INCOME.

TAX NOW



SAVINGS ACCOUNT
CERTIFICATE OF DEPOSIT

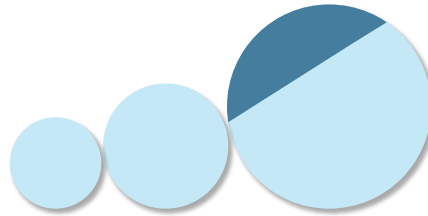
PRO:
LIQUIDITY

CON:
TAX

TAXABLE STRATEGY

SET ASIDE A PORTION OF YOUR AFTER-TAX INCOME INTO A SAVINGS ACCOUNT/ CD. TAXES ARE PAID ANNUALLY ON ANY EARNINGS. AN EXAMPLE OF THIS TYPE OF SAVINGS IS A CERTIFICATE OF DEPOSIT.

TAX LATER



401 (K) · IRA
403 (B) · ANNUITY

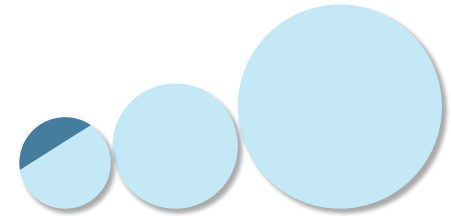
PRO:
TAX DEFERRED

CON:
TAX LATER

TAX-DEFERRED STRATEGY

SET ASIDE A PORTION OF YOUR PRE-TAX/POST-TAX INCOME INTO AN ANNUITY OR PRE-TAX INCOME FOR:
401(k)
403(B)
TRADITIONAL IRA
EARNINGS GROW TAX-DEFERRED. TAXES ARE PAID LATER WHEN RETIREMENT INCOME IS DISTRIBUTED.

TAX ADVANTAGED



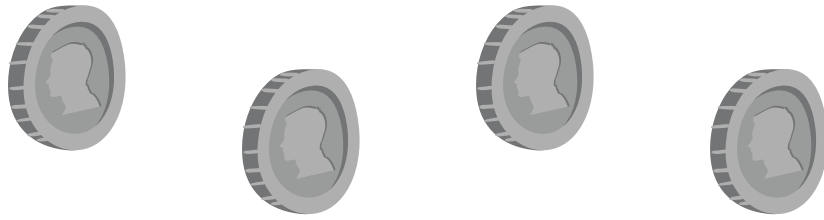
ROTH IRA
LIFE INSURANCE
MUNICIPAL BONDS

PRO:
TAX ADVANTAGED

CON:
NO WRITE OFF

TAX-ADVANTAGED STRATEGY

SIMILAR TO THE TAX DEFERRED STRATEGY, SET ASIDE A PORTION OF YOUR AFTER-TAX INCOME INTO A ROTH IRA OR PERMANENT LIFE INSURANCE POLICY. RETIREMENT INCOME IS INCOME TAX-FREE THROUGH POLICY LOANS.



INCOME

CHILDREN

MORTGAGE

CLIENT:
\$50,000

2

\$250,000

SPOUSE:
\$40,000

D

DEBT

CLIENT

SPOUSE

CONSUMER DEBT \$25,000

\$20,000

I

INCOME

10X INCOME \$500,000

\$400,000

M

MORTGAGE

HOME LOAN \$250,000*

\$250,000*

E

EDUCATION

\$150,000 PER CHILD \$300,000*

\$300,000*

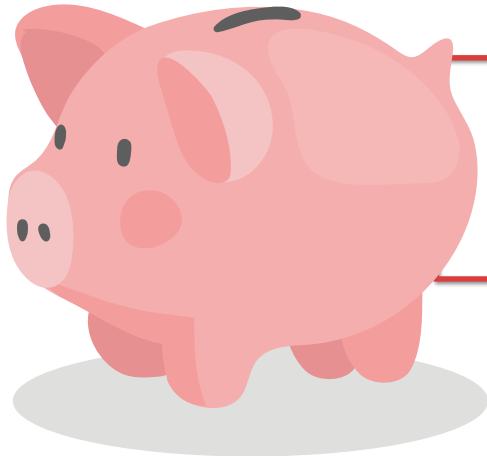
RECOMMENDED COVERAGE = \$1,075,000 \$970,000

CURRENT COVERAGE = \$200,000 \$100,000

REMAINING COVERAGE = \$875,000 \$870,000

D.I.M.E IS A METHOD OF DETERMINING THE AMOUNT OF LIFE INSURANCE NEEDED

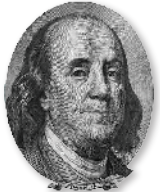
*IN THE EVENT ONE SPOUSE PASSES AWAY, THE FINANCIAL EDUCATION AND MORTGAGE PAYMENT BURDEN WILL SHIFT TO THE SURVIVING SPOUSE.



ANNUITIES

An annuity is a tax deferred insurance product with which a person may be provided income for life.

HISTORY



BENJAMIN FRANKLIN
 AN EARLY SUPPORTER OF ANNUITIES AND IN HIS WILL HE LEFT TWO ANNUITIES FOR THE CITIES OF PHILADELPHIA AND BOSTON WHICH LASTED UNTIL 1993.



ROMAN EMPIRE
 ANNUITIES DATE BACK TO 2,000 B.C.

STATE LOTTERY SYSTEM
 JACKPOT WINNERS HAVE 2 OPTIONS AFTER WINNING.

1. LUMP SUM OR
2. ANNUITY

"Introduction to Annuities" Feb 13, 2018 – Investopedia.com

HOW DOES AN ANNUITY WORK?



PAY INTO THE ANNUITY

- SINGLE PREMIUM
- FLEXIBLE PREMIUM



RECEIVE INCOME

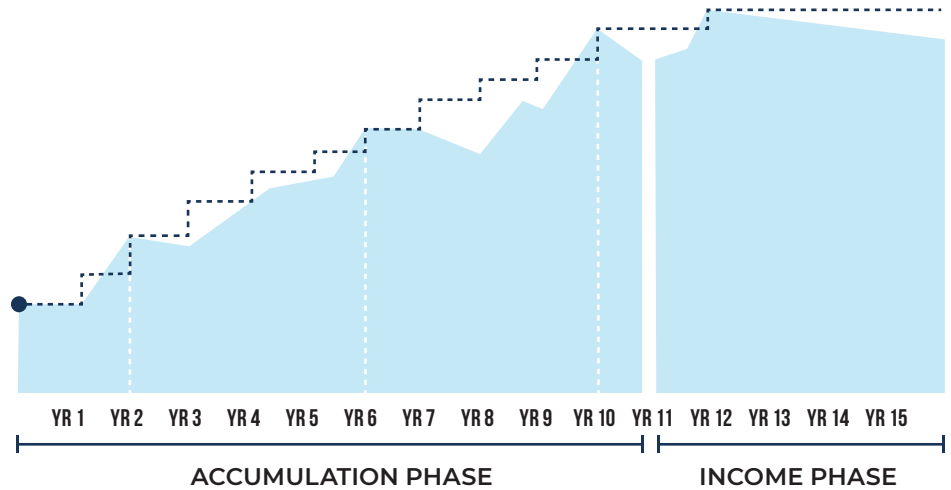
- LIFE
- PERIOD CERTAIN
- LUMP SUM WITHDRAWAL

DEATH BENEFIT & RIDER OPTIONS

3 WAYS MONEY GROWS

1. FIXED (CD)	+ (SAFE)	- (MINIMAL GROWTH)
2. VARIABLE (STOCK / MUTUAL FUND)	- (RISK)	+ (POTENTIAL GROWTH)
3. INDEX	+ (PRINCIPAL SAFE)	+ (GROWTH)

- 1. DEATH BENEFIT
- 2. PRINCIPAL PROTECTION
- 3. INCOME FOR LIFE



SOURCE: LINCOLN FINANCIAL GROUP; LFG.COM/PUBLIC/INDIVIDUAL/EXPLOREINSURANCEANNUITIES/