



A Financial Scenarios LLC Factoid

Changing Times Creates Changing Perspectives:



For the past 30 to 40 years, since the concept of buy term and invest the difference was originally coined, the world had been looking at permanent life insurance as a safe, but expensive savings vehicle that provided lower, less competitive rates of return. Also, early on in that time frame, the more expensive permanent life insurance product was pushed to the back burner because other supposedly safe money investments were paying very well. In the eighties CD's, Annuities, Bonds Funds (junk) had rates of the return in the teens. Term insurance was and still is very inexpensive and suits its purpose but usually only when you are young enough to hardly ever need it.

For many insurance agents and companies this was a well-publicized and well as a well marketed way to do business. At the end of the day, the kool-aid everyone was drinking apparently had a little too much sugar in it and empty calories aren't a realistic long term solution.

Well the times they are a changing. CD's, Annuities, as well as Bonds have seen better days in regard to return rates. In fact the junk bonds that help seed those high rates of return have all but disappeared as a product of investment choice.

Due to the ups and downs of the Stock Market, the widely owned qualified retirement plan solution, Mutual Funds, which are made up of fragments or segments of the Stock Market have had a number of very bad years since 2001. Mutual Funds managers are famous for taking their profits right off of the top, whether the fund does well or not and while the markets that feed the mutual funds are now hovering around all-time highs, their grasp of these peaks of late, have been precarious at best.

In recent times many agents have been selling New Generation Life insurance policies as retirement plans. Structured properly (**The New Secret Sauce**), they can be **"The Best Life Insurance & Supplemental Retirement Plan of the 21st Century!"** Many Advisors have been selling these programs while going to great lengths to avoid saying the "Life Insurance" word because, the mention of the use of Life Insurance as a savings vehicle is still being thought of in the same vein as the original safe, but expensive whole life savings vehicle that provided lower, less competitive rates of return, that were sold to their parents and grandparents 30, 40, or more years ago. Today's New Generation Life Insurance policies are a New Breed of product!

The New Perspective:



The time has come to change the perspective. Along with the **New Secret Sauce!** The new breed of Indexed Universal Life products are no longer the expensive permanent life insurance products of old. Although they are still, the safe savings vehicle that permanent life insurance has always been, the major difference is that Indexed Universal Life has added premium flexibility, reduced insurance costs, added insurance benefits (you don't have to die to use the policy) and they have the capability to safely provide tax deferred and ultimately tax free double digit returns on the cash values. They have been doing this quite well recently, just as advertised! This product is producing returns much like the Safe CD's and Annuities of the 80's along with all of the safety from losses through Market Risk.

Due to the premium flexibility, the competitive low cost term life insurance rates built into the policies, and the unique tax advantages of these policies, they can easily be sold as both a lower cost permanent life insurance policy, with a tax free retirement plan option built into them. There are many places one can put their money to save for retirement today but none can compete with these Life Insurance products that provide Life Insurance protection first along with the added benefit of market like returns on the cash value, provide penalty free and tax free access to the cash when needed. The safety from market losses using a key feature called annual reset, and overall the tax advantages of properly structured Indexed Universal life Policy are based on codified tax law.

How to Change the Perspective?

One must take the time to educate everyone about the new generation of Life Insurance and how these new generation policies aren't anything like their grandfathers whole life policies when it comes to expenses and returns on investment. These new generation policies have unique tax advantages and leverage building capabilities that when properly structured (**The New Secret Sauce**) can be:

“The Best Life Insurance & Supplemental Retirement Plan of the 21st Century!”

Note: These products are available only through licensed Life Insurance Agents.

Summary:

Why consider using an IUL for Life Insurance & Retirement Income?

- Income Tax Free Life Insurance Benefit (it can be coordinated with all life insurance needs to provide a complete permanent life insurance solution)
- Safety (Annual Reset along with a 3% underlying guarantee in best products)
- Market like returns (Current Caps are 13+%)
- Tax Free Income (includes 25% to 40% more income than taxable qualified plans, for most)
- Loans can be no cost, low cost, or even low cost that allows the loan balance to continue to participate in positive market growth.
- No credit checks to borrow the money when needed
- No limits on contributions (you can put aside as much as you need to fulfill your needs, if set up correctly)
- No income restraints on participation
- Does not affect the taxability of other government programs (Social Security)
- Will not increase your income for “means testing” of current or future Medicare premiums
- Unlike qualified plans, where the residual capital is still taxed even after death, the residual in the policy is an Income Tax Free Death Benefit.
- Some of the newer competitive policies also have no charge Cash Chronic Care Riders that allow the insured to receive up to 24% of the face amount in cash on an annual basis if you qualify for Long Term Care based on not being able to perform 2 out of 6 Activities of Daily Living or are Cognitively Impaired
- Some these same policies have cash benefits payable to the insured if they were to have a catastrophic illness like a Heart Attack, Stroke, Cancer, Kidney Failure or ALS as well as other catastrophic diseases.

The policy is designed to provide a Death Benefit when you die and Living Cash Benefits while you are alive, some would call this “Living Insurance!”



If you still have Questions:

You can easily find out if this would be something you should implement for Your Own Personal Wellbeing, by contacting the Advisor that provided this document to you. Be sure to request, that the Advisor provides a completely Free Analysis of your Current Life Insurance & Retirement Savings Plan Options using The Life Insurance & Retirement Plan Analysis Software:

“The Last Great Tax Saver!”



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