

WHO IS iGROUP?

iGROUP is a National Marketing Organization built to market life insurance, annuities, and Med Supps.

Home Office—Fairfax, Virginia



Founded in 1996

We help agents grow their sales through marketing and sales support.

iGROUP REPRESENTS SEVERAL COMPANIES

North American



EquiTrust



American Equity



Athene



Great American



American General



American National



Lincoln Financial Group



And Several Others



4 MAJOR MISTAKES PEOPLE MAKE WITH MONEY IN RETIREMENT

PAYING TOO MUCH TAX

Tax on Social Security income



Tax on interest income



Tax on IRA withdrawals

NO PLAN FOR ESTATE SETTLEMENT

What is probate?



Problems with probate

NOT OWNING LTC INSURANCE

Reasons why millions of Americans own



Long Term Care Insurance.



Why you need to consider Long Term Care insurance

NOT DIVERSIFYING FINANCIALLY

Too many eggs in the wrong basket



TAX ON INTEREST INCOME EXAMPLE

BANK CD

(Certificate of Deposit)

\$200,000

X .04 Interest

\$8,000 Interest Income

X .27 Tax Bracket

\$2,140 Tax

You will receive an IRS form 1099 from the bank and be required by the IRS to report the earnings. To make matters worse, the bank will not allow you to withdraw the interest to pay the tax without paying an early withdrawal penalty.

TAX Interpretations

Neither iGROUP nor any of its agents or representatives give tax advice. The information here is a summary of our understanding of current tax laws as they relate to insurance products. Always consult your personal tax advisor.



TAX ON IRA WITHDRAWALS

At age 70 1/2 you are required by the IRS to take mandatory minimum distribution on your IRA, and 401K



Even if you don't need or want the income



IRA distributions can cause the retired individual to pay tax on their Social Security income



IRA distributions can cause an increase in your overall tax rate



If you rely on your IRA income to live, according to the IRS formula, you could easily outlive your income



The worse thing is IRA's are taxed when passed to heirs



It does not have to be this way. You have many options

GOOD NEWS!
NEW RULES JANUARY 2001



OLD IRA RULES

(PRIOR TO JANUARY 2001)

Married Couple

Husband has a \$100,000 in an IRA at the bank

The IRS requires the husband to start taking withdrawals from the his IRA by age 70 1/2 even if he doesn't need the income

Total amount in the IRA must be paid out over 18 1/2 years

Husband is age 70 and the wife is age 65

The Average Age of both is 67 1/2

IRS Projected Life Expectancy is age 86

Age 86 minus average age of both = 67 1/2

In 18 1/2 Years - the IRA must be fully distributed

If the wife is still living when the husband dies, the husband's IRA's continue on with their scheduled distribution until the husband's IRA's run out or wife dies

The IRA stops and liquidates at the wife's death

Any balance is fully taxed before distribution to heirs

NEW IRA RULES

(AFTER JANUARY 2001)

Allows the husband to pass his IRA's to his wife, his children, or his grandchildren

The IRA does not have to terminate at the death of the owner

New rules make it possible to **S t r e t c h O u t** the distribution of your IRA ... it could create a huge tax advantage

MISTAKE #2

NO PLAN FOR ESTATE SETTLEMENT

WHAT IS PROBATE?

The legal process for transferring assets at death

◆
Required by state law

◆
Required with or without a will

PROBLEMS WITH PROBATE

Expense – Attorney fees, court costs, etc...

◆
Time – Can take several months or even longer to settle

◆
Loss of Privacy – Probate is a public court process

◆
Contestable – Wills can be contested

◆
Control – The court is in control of the entire process

◆
Stress – Can be stressful on the family

◆
**STRATEGIES ARE AVAILABLE TO
MINIMIZE THE PROBATE PROCESS**

MISTAKE #3

NOT OWNING LONG TERM CARE INSURANCE

Reasons Why SOME PEOPLE HAVE NOT YET APPLIED FOR LONG TERM CARE INSURANCE

Some People Believe
Medicare will pay for a long term illness...



Some People Believe
Medi-Gap will pay for a long term illness...



Some People Believe
Medicaid will pay for a long term illness...



Some People Believe
Their children will help pay for a long term illness...



Some People Believe
They can pay themselves for a long term illness...



Some People Believe
Insurance costs too much



MILLIONS OF RETIRED AMERICANS
ARE PROTECTING THEIR INDEPENDENCE
AND FINANCIAL SECURITY WITH

LONG TERM CARE INSURANCE

5 MAIN REASON'S WHY

Medicare Changed Hospital Benefits



Medicare Will Continue to Change



Desire to be in Control of Decisions



Limited Payment Options



Personal Circumstances



IT'S A FACT!

MILLIONS OF AMERICANS

applied and have been approved for

LONG TERM CARE INSURANCE

Getting Coverage Is Not as Easy As It Sounds

CHOICES CREATE CHALLENGES

How do you choose the right company?



How do you choose the best benefits?



How do you know if the price is right?



Is your health good enough to qualify?

THAT'S WHERE WE COME IN!



SAMPLE BENEFITS AND FEATURES

HOME CARE BENEFITS

This example is not actual coverage, it is intended to help illustrate common features for this type of insurance. Always refer to **OUTLINE OF COVERAGE**

PROFESSIONAL NURSING SERVICES AT HOME

- Registered Nurses
- ◆
- Physical Therapists
- ◆
- Speech Therapists
- ◆
- Occupational Therapists
- ◆
- Home Health Aides
- ◆
- Home Health Care Agencies

ASSISTANCE WITH ACTIVITIES OF DAILY LIVING

- Dressing
- ◆
- Bathing
- ◆
- Eating
- ◆
- Toileting
- ◆
- Transferring
- ◆
- Continence

ASSISTANCE WITH HOMEMAKING CHORES

- Cooking
- ◆
- Laundry and Housekeeping
- ◆
- Shopping
- ◆
- Transportation



SAMPLE BENEFITS AND FEATURES

FACILITY CARE BENEFITS

This example is not actual coverage, it is intended to help illustrate common features for this type of insurance. Always refer to OUTLINE OF COVERAGE

FOR PROFESSIONAL NURSING SERVICES

Assisted Living Facilities

◆
Room

◆
Meals

◆
Bed Reservation Features

◆
Alternate Plan of Care Features

◆
Choice of Maximum Daily Benefits

◆
Choice of Maximum Benefit Periods

Residential Care Facilities

Alzheimer's Centers

Nursing Homes

NOPHYSICALEXAMINATION REQUIRED

APPROVAL IS NOT GUARANTEED



MISTAKE #4

NOT DIVERSIFYING FINANCIALLY

HAVING TOO MANY EGGS IN ONE BASKET

Banks



Individual Stocks



Mutual Funds



Bonds



Real Estate



BANKS

CERTIFICATES OF DEPOSIT

ADVANTAGES

FDIC Insured (up to \$100,000)



No Stock Market Risk



No Commissions



Interest Rate is Guaranteed



Value is Known at All Times

DISADVANTAGES

Low Interest Rates



Interest is Taxable



Interest Affects Tax on Social Security Income



Penalties for Early Withdrawal



Penalties for Partial Surrender



Penalties for Withdrawals Due to Death



Doesn't Avoid Probate



STOCK MARKET

INDIVIDUAL STOCKS

ADVANTAGES

Potential for Greater Return than Bank Accounts

DISADVANTAGES

Capital Gains are Taxable



Dividends are Taxable



Dividends Affect Tax on Social Security Income



Market Risk – Return is Not Guaranteed



Principal is Not Guaranteed



Market Affects Liquidity



Commissions Affect Return



Stocks Do Not Avoid Probate



STOCK MARKET MUTUAL FUNDS

ADVANTAGES

Potential for Greater Return than Bank Accounts

DISADVANTAGES

Capital Gains are Taxable



Dividends are Taxable



Dividends affect Tax on Social Security Income



Market Risk – Return is Not Guaranteed



Principal is Not Guaranteed



Market Affects Liquidity



Commissions Affect Return



Do Not Avoid Probate



STOCK MARKET BONDS

ADVANTAGES

Potential for Greater Return than Bank Accounts



Interest Rate is Guaranteed until Maturity



Value is Known at All Times

DISADVANTAGES

Capital Gains are Taxable



Interest Income is Taxable – (Exception Tax Free Bonds)



Tax Exempt Bonds Affect Tax on Social Security



Dividends Affect Tax on Social Security Income



Market Risk Affects Bond Value if Sold Before Maturity



Principal is Not Guaranteed (certain exceptions)



Market Affects Liquidity



Commissions Affect Total Return



Bonds Do Not Avoid Probate



RETIREMENT PLANNING SUPER STRATEGY

This **One Super Strategy** Allows You The Opportunity to:

Reduce or Eliminate
The Tax on Your Social Security Income

This **One Super Strategy** Allows You The Opportunity to:

Reduce or Eliminate
The Cost and Hassle of Probate

This **One Super Strategy** Allows You The Opportunity to:

Reduce or Eliminate
The Cost of Your Medicare Supplement Premium

This **One Super Strategy** Allows You The Opportunity to:

Reduce or Eliminate
The Cost of Your Long Term Care Premium

This **One Super Strategy** Allows You The Opportunity to:

Reduce or Eliminate
The Risk involved with Other Popular Investments



MILLIONS OF AMERICANS HAVE CHOSEN TO ACCUMULATE BILLIONS OF DOLLARS IN TAX DEFERRED ANNUITIES

HERE'S WHY

An annuity can and will help your heirs simplify the settlement and transfer of your savings at the time of your death.

An annuity will avoid probate, with named beneficiary...



An annuity will reduce overall settlement costs...



An annuity guarantees a faster distribution to heirs...



An annuity assures privacy...



An annuity will cost your heirs nothing to settle...



An annuity ensures your wishes are fulfilled...

An annuity does pay a fixed Interest rate

An annuity does provide interest rate guarantees...interest rates are guaranteed for specific periods of time and there is a guarantee as to how low the rate can go...

An annuity can pay a higher interest rate than traditional bank savings plans. You can use additional income for whatever purpose you choose. You can use this extra money to pay for Long Term Care Insurance.

An annuity can protect your life savings from lawsuits.

An annuity does provide professional money management.

An annuity can provide a guaranteed income for the rest of your life.



An annuity does provide liquidity. You have access to your money

Partial withdrawals. Penalty free.

◆
Systematic interest withdrawals. Penalty free.

◆
Special payout option. Penalty free.

◆
Full withdrawal any time. Penalties may apply in early years.

◆
Exchange privileges. Penalties may apply in early years.

◆
Early withdrawal penalties disappear.

◆
Early withdrawal penalties are not charged to your heirs at death.

An annuity is guaranteed safe.

An annuity has no market risk... No price fluctuation.

An annuity can reduce or eliminate income tax on your social security.

An annuity does provide major tax advantages. The government currently allows your money to grow on a tax deferred basis in this type of savings vehicle, which is a great benefit for you and your family.

The first tax advantage you have is simplification at tax time. You will not receive a 1099 on the interest income you've earned (and left to accumulate), as a result you will not be required to report this on your tax return, making filing your tax return easier and less costly.

◆
Because you don't have to pay taxes on the interest your account earns until withdrawn, you will earn interest on the interest, and this will help your account balance grow much faster than if you were paying taxes. This tax advantage helps both you and your family.

◆
Because you don't have to pay tax on the interest earned until withdrawn, you will earn interest on the tax money left in your account.

An annuity can be the centerpiece for your overall asset preservation and estate distribution plan.

An annuity has no hidden sales charges or fees.
100% of your money goes to work immediately.

An annuity is convenient.

Easy to open ◆ Easy to monitor ◆ Easy to close or transfer



WE CAN REVIEW AND VISE:

INSURANCE POLICIES

Health-Medicare Supplement



Long Term Care



Life

ASSETS

Bank Accounts



Stocks



Bonds



Mutual Funds

LEGAL DOCUMENTS

Will



Trust



Power of Attorney

TAX RETURNS

Uncover potential savings

DO IT FOR YOUR FAMILY



REQUEST FOR INFORMATION SCHEDULING

Name _____ Age _____

Spouse _____ Age _____

Address _____

City _____ State _____ Zip _____

Phone #1 _____ Phone #2 _____

___ How to reduce or stop paying taxes on my social security.

___ How to reduce or stop paying taxes on my interest earnings.

___ How to reduce taxes on my IRA distribution.

___ How to make sure that at my death, my money goes to the family members.
I choose... not those the probate court chooses.

___ How to lower the premiums on my Medicare supplement.

___ How to protect my life savings from a loss due to a catastrophic illness or an
extended stay in a nursing home.

___ Information on the super strategy-tax deferred annuities,

___ Monday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00

___ Tuesday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00

___ Wednesday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00

___ Thursday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00

___ Friday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00

___ Saturday ___ 10:00 ___ 1:00 ___ 3:00 ___ 5:00



SURVEY

How would you rate the presentation? Excellent ____ Good ____ Fair ____ Poor ____

Was the information helpful? Yes ____ No ____

Customized workshops for organizations (Church, Employer, Civic, Social)

Name of Group _____ Contact _____

Name of Group _____ Contact _____

Would you like to invite a friend to a future workshop like this?

Friends Name _____

Friends Name _____

Friends Name _____

Friends Name _____

Your Name _____

Your Phone _____

Comments or Notes:

