



The Selario Agency, Inc.

Helping financial professionals provide world-class solutions to their client's needs

Variable Annuity Rescue Program

Do you have angry clients sitting in VA's that are dying on the vine due to poor market performance. Often there are few viable options available to these clients other than riding out the market downturn hoping their accounts return to positive territory.

We have developed a creative alternative that not only will rescue the client from their predicament, but may also enhance their position to levels not achievable with a buy and hold strategy.

Many VA's sold within the last 10-15 years have Guaranteed Income and Death Benefit riders. These riders were and are not cheap and could raise the aggregate mortality and expense charges on VA's to well over 3-4%. That means policyholders would have to earn 12% to net 8%. Why not trigger those expensive riders and take advantage of the benefits they offer.

Case Study

Female Age 65-Bought Qualified VA 8 years ago for 100K
Account Value is currently 90K
Current Death Benefit is \$159,385
Purchased her VA with the 6.00% Income and Death Benefit Riders
She could trigger an annual income equaling \$9,563.00*
Net of taxes that leaves an income of \$6,885/yr**

Solution

Take the \$6,885 income and purchase a no-lapse UL for \$358K at Preferred Rates
The client would have to net a 7.15% IRR for 20 years to equal the death benefit

Don't forget the death benefit is tax free and the annuity is taxable.

Every case counts and every broker matters.

*This is arrived by compounding the 100K premium by 6% for 8 years and taking 6% of that figure for income

**Assumes a 28% Federal Tax bracket. Does not include state taxes.

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