



# Annuity Strategy: Needs, Wants, Legacy



## OPPORTUNITY CONCEPT

- » Retirees consistently echo their preference for a retirement paycheck to replace their work paycheck, guaranteed to come in a predictable amount and on a schedule. Recommending an annuity to cover basic essential needs may be an acceptable starting point for meeting this common desire, while helping to overcome the objection of turning over control of a lifetime of savings.
- » Worst case scenario: the client spends or loses the rest in the market, they will always have their Basic Needs met by lifetime guaranteed income.



## IDEAL CUSTOMER

- » Clients who are nearing retirement or within the first few years of retirement.
- » Clients who are attracted to the idea of replacing their work check, but reluctant or cannot afford to cede a large portion of their savings to an insurance company for full replacement.
- » Especially ideal for clients who are not yet age 70.



## DESCRIPTION

- » Pre-requisite is identifying a reliable client budget, either now or desired in retirement. First tally required client income per month to meet basic needs; food, clothing, shelter, insurance, healthcare, transportation, taxes, and anything else the client categorizes as essential.
- » Subtract from this basic needs goal any regular income the client can depend on such as pensions and Social Security that has already been started. The remaining gap in existing guaranteed lifetime income under the basic needs goal is the starting point for supplementing income with a payout annuity.
- » If the client is under age 70 and has not yet begun Social Security, this strategy can serve an additional purpose in meeting a guaranteed fixed period Basic Needs income until age 70 to maximize Social Security benefits. At or after age 70, this strategy can be revisited to determine if Basic Needs each month remains higher than guaranteed pension and Social Security income.



**DESCRIPTION**  
(continued)

- » Once a client is covering their Basic Needs, they are usually more receptive to identifying which Desired Wants they would also like to have guaranteed with income for life.



**IMPLEMENTATION PLAN**

- » It starts with a reliable budget from the client. Clients cannot always reliably ballpark a certain percentage of pre-retirement income. Advisors can use the CUNA Mutual Group's The Essentials: Retirement Spending Planner worksheet to categorize Needs versus Wants (versus Legacy).



### HOW CUNA MUTUAL GROUP CAN ASSIST

Our Income Annuities can be utilized for current income and can be structured to payout over lifetime or a fixed period certain such as for those clients who are able to retire early but can defer claiming Social Security up to age 70 for a larger benefit.

Deferred annuities such as variable index-linked annuities, registered-linked annuities and fixed annuities can be used if planning ahead for starting this strategy in future years.

Our Registered Index-Linked Annuities are ideal for preserving savings against loss past a predetermined limit, or for providing the guaranteed income with growth potential.

All CUNA Mutual Group annuities can be structured with specific direction from the contract owner for defining their legacy. See Job Aids for Restricted Beneficiary Forms.

Call our annuity sales team for assistance with structuring an appropriate strategy suitable for your client.

#### CUNA Mutual Group Annuity Sales Team:



877.345.GROW (4769)



[smartriskcontrol.com](http://smartriskcontrol.com)

## CUNA MUTUAL GROUP

### IMPORTANT DISCLOSURES

Annuities are long-term insurance products designed for retirement purposes. Clients should consider an annuity's investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information. Encourage clients to read it carefully.

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Annuities are issued by CMFG Life Insurance Company (CMFG Life) and MEMBERS Life Insurance Company (MEMBERS Life) and distributed by their affiliate, CUNA Brokerage Services, Inc., member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, IA, 50677. CMFG Life and MEMBERS Life are stock insurance companies.

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