

2

Retirement Income Roadmap

Roadmap To Retirement Income

Investors Are Looking for a Few Good Retirement Income Specialists (Are You One of Them?)

What would you give to have access to a market where too many customers are chasing too few investment professionals?

According to GDC Research's Advisors and Retirement Income Support – 2016, that is precisely where retirement-minded baby boomers are finding themselves. As they turn 65 at the rate of 10,000 a day¹, this gigantic cohort is struggling to find ways to transition their strategy from accumulation to the spending phase of retirement.

As they search for income solutions, though, baby boomers are encountering this ironic fact: There is a shortage of investment professionals who have made retirement income a primary focus.

¹ Pew Research <http://www.pewresearch.org/fact-tank/2010/12/29/baby-boomers-retire/>

GDC Research discovered that there are too few professionals focusing on retirement income strategies

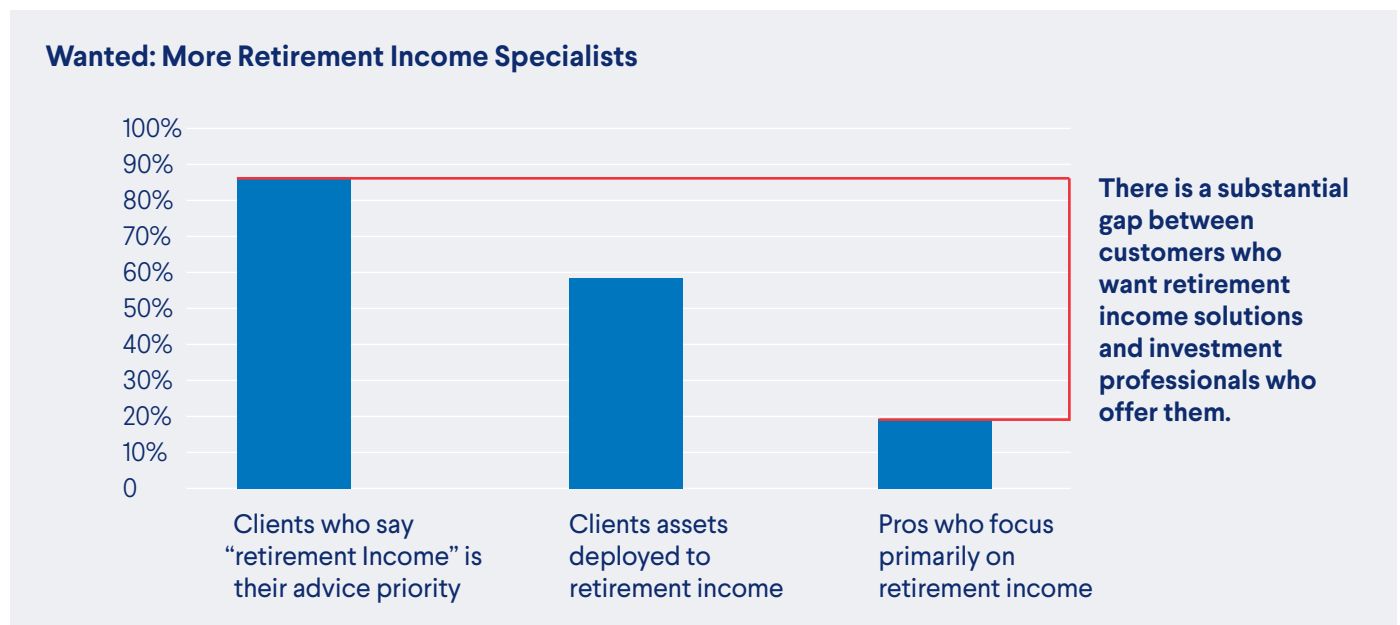
The findings paint a picture of an industry still focused on the accumulation phase of the retirement equation.²

Accumulating total return, of course, is at the core of any successful retirement plan. However, retirement income has surged passed growth as the principal focus of customers.

The competitive door has swung wide open to those investment professionals who make retirement income solutions an educational and strategic focus for their business:

- According to EBRI.org, 86% of working individuals expect “converting assets into retirement income” to be an investment professional’s most important offering³
- Yet, only 19% of the advisors surveyed by GDC said they have made retirement income solutions a primary focus
- Meanwhile, 59% of client retirement assets are now already deployed to the retirement income side of the equation

By specializing in retirement income products and services, you are likely to discover an accessible and growing base of prospects which is underserved, anxious about the future – and ready to engage.



Sources: GDC Research, EBRI.org

²GDC Research http://www.gdcresearch.com/uploads/1/7/9/8/17988269/press_release_-_advisors_and_retirement_income_support_-_2016.pdf

³Ebri.org https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2941583

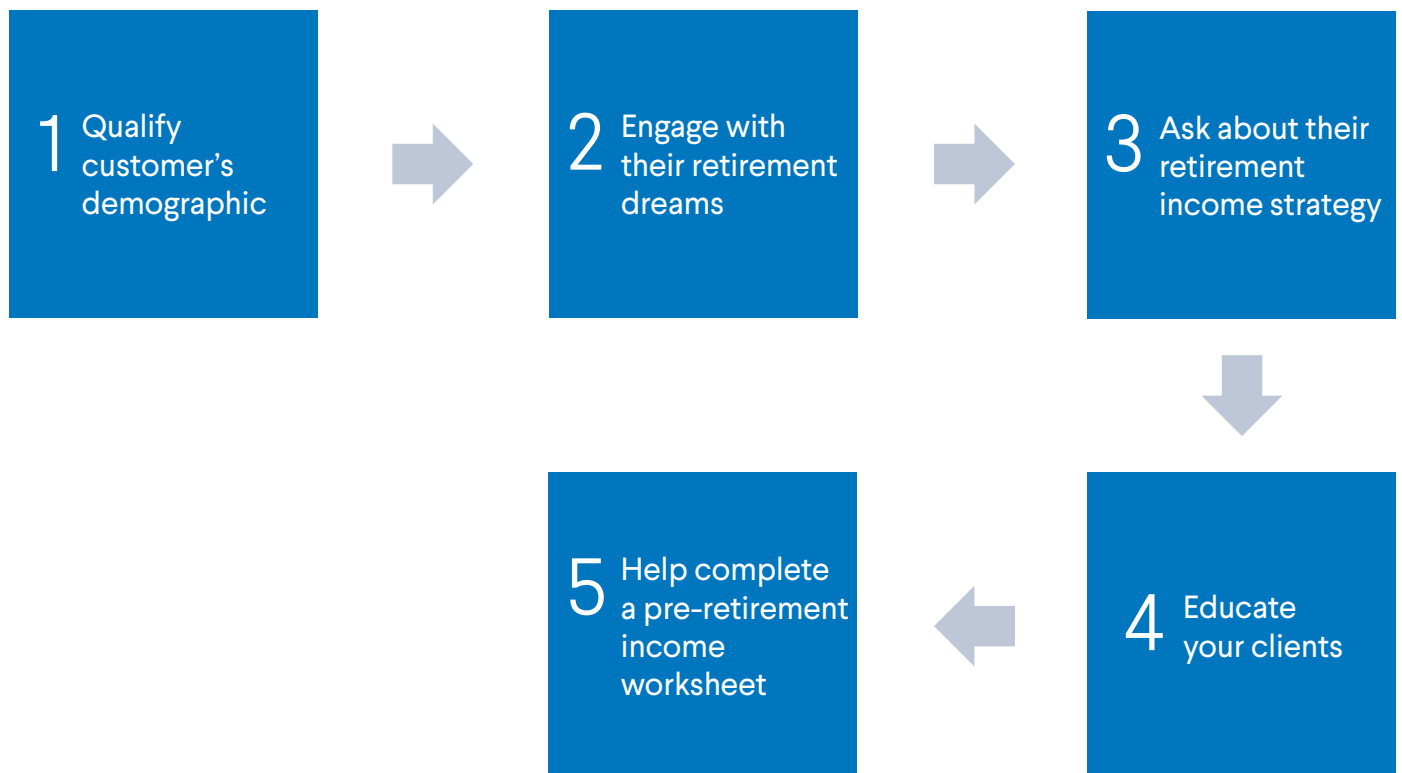
Counting On Income

Many of the prospects and customers you encounter throughout your day are finding themselves faced with the task of transitioning from a career's worth of accumulated retirement assets to the spending phase of their life in retirement.

In your role as a licensed insurance professional who understands the features and benefits of Fixed Index Annuities (FIAs), you can offer specialized insights into crafting retirement strategies that offer an income solution your customer cannot outlive.

During your business discussions, consider asking a few questions more to open up a dialogue about your customer's retirement dreams, plans and understanding about the challenges of retirement income through this step-by-step approach.

Retirement Income Roadmap: From Customer Demographic to Investor Education



Turn Your Customer Meetings into Retirement Income Seminars

1. Qualify Customer's Demographic		2. Engage with Their Retirement Dreams
<i>From new experiences to assisted living, customers will need income loosely based on their demographic profile</i>		<i>Customers can swiftly pivot from business to more personal discussions about their future – and invite questions like these</i>
Individuals and couples in their 50s	Thinking about retiring; beginning to get serious about the transition from accumulation to spending	<ul style="list-style-type: none"> • “What kind of lifestyle are you envisioning in retirement?” • “Could you use some ideas about tuning up your retirement income strategy?”
Early retirees, after age 59 1/2	Relatively young and retirement ready. Fit, healthy and ready to experience life after work. They will consider penalty-free withdrawals and look for ways to access income now – and later	<ul style="list-style-type: none"> • “Have you been focusing on growth and income in your retirement plan – or just growth?” • “In retirement, is it more important to maintain your lifestyle or support yourself for the rest of your life?”
Individuals and couples in their 60s	Just beginning to qualify for Social Security and Medicare benefits, they may want to deploy a portion of retirement assets toward a guaranteed option to meet future expenses	<ul style="list-style-type: none"> • “How comfortable are you with your standard of living?” • “Has market volatility affected your decisions about your retirement very much?”
Individuals and couples in 70s	Receiving maximum federal benefits, including their Required Minimum Distributions, they may want to set aside a sum of money that could generate a steady flow of income for medical, assisted living or other purposes	<ul style="list-style-type: none"> • “Do you have any plan for setting aside monies for emergency spending?” • “How concerned are you about not over-spending during retirement – and potentially outliving your assets?”

3. Ask about Their Income Strategy

“Do you have a plan for transitioning the assets you have accumulated from a lifetime of working to a strategy that will provide you with the income you need for the retirement you want?”

“When it comes to retirement income, what’s most important to you?”

- | | |
|--|--|
| <input type="checkbox"/> Dependable, monthly income | <input type="checkbox"/> Income growth to keep up with inflation |
| <input type="checkbox"/> Flexibility to change amount | <input type="checkbox"/> All of the above |
| <input type="checkbox"/> Protection from downside risk | |

4. Educate Your Clients

Many of your customers have never been more anxious about their retirement future.

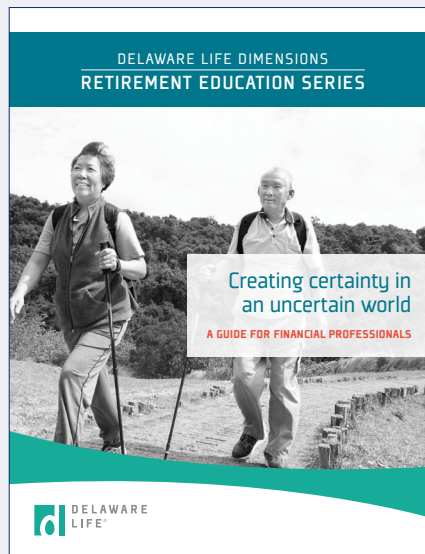
According to the 2017 Retirement Confidence Survey, three out of 10 pre-retirees say they feel mentally or emotionally stressed about preparing for retirement. Yet about half say that help with retirement planning would be useful.⁴

⁴<https://www.ebri.org/pdf/PR.1185.RCS17.21Mar171.pdf>

Help Customers Put Retirement Income into Perspective

Consider introducing them to the client-facing materials we have prepared in our Delaware Life Dimensions Retirement Education Series. Comprised of three educational modules and 12 retirement lifestyle challenges, you can build your own retirement income awareness campaign.

Our Guide for Investment Professionals Will Help You Get Started



Four Challenges, Four Brochures Make the Case for Retirement Income Solutions for You

Generating Retirement Income

Overcoming Low Yields

Recent history shows that conventional bank-insured products aren't generating enough income for most retirement-minded investors.

Keeping Up with Rising Costs

Even at today's historically lower inflation rates, price increases today can still undercut buying power tomorrow.

Guaranteeing Income for Life

How solutions like FIAs offer a variety of payout options including choices that allow for guaranteed lifetime income.

Creating a Predictable Strategy for an Unpredictable World

How to address retirement uncertainty through solutions which offer an exclusive, dependable blend of tax deferral, indexed interest potential and optional benefits for the protection of assets and income.

5. Help Complete a Pre-Retirement Income Worksheet

Once a customer knows how much their retirement will cost, they can begin to determine how to pay for it. At this early stage, use this simple one-page income and expense worksheet to get a sense of your customer's current expenses and savings.

Any gap in cash flow can then open the door to an exploration of their current strategy and further discussions about retirement income solutions.



Your Pre-Retirement Income Worksheet

Once you know how much your retirement might cost, you can see better how to pay for it. First, let's take a look at your current expenses and savings based just on your current income.

Income		% of Total
Non-Investment Income		
Salary	\$	%
Pension	\$	%
Social Security	\$	%
Business and Real Estate	\$	%
Other	\$	%
TOTAL INCOME	\$	
Expenses		% of Total
Non-Discretionary Spending		
Basic Living	\$	%
Mortgage	\$	%
Credit Card Debt	\$	%
Taxes	\$	%
Insurance	\$	%
Health Care	\$	%
Non-Discretionary Subtotal	\$	%
Discretionary Spending		
Travel	\$	%
Hobbies	\$	%
Luxuries	\$	%
Gift to Family/Charities	\$	%
Other	\$	%
Discretionary Subtotal	\$	%
TOTAL EXPENSES (add both Subtotals)	\$	
NET SAVINGS (Subtract Total Expenses from Total Income)	\$	%

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Conclusion

In *Rethinking Retirement*,⁵ a survey of the attitudes of 1200 pre-retirees and retirees, Wade Dokken and Wade D. Phau have pointed out that “Retirement income planning itself has recently emerged as a distinct field in the financial services profession, though it is still in its early stages and is undergoing growing pains.”

The competitive door has swung wide open to those investment professionals who make retirement income solutions an educational and strategic focus for their business

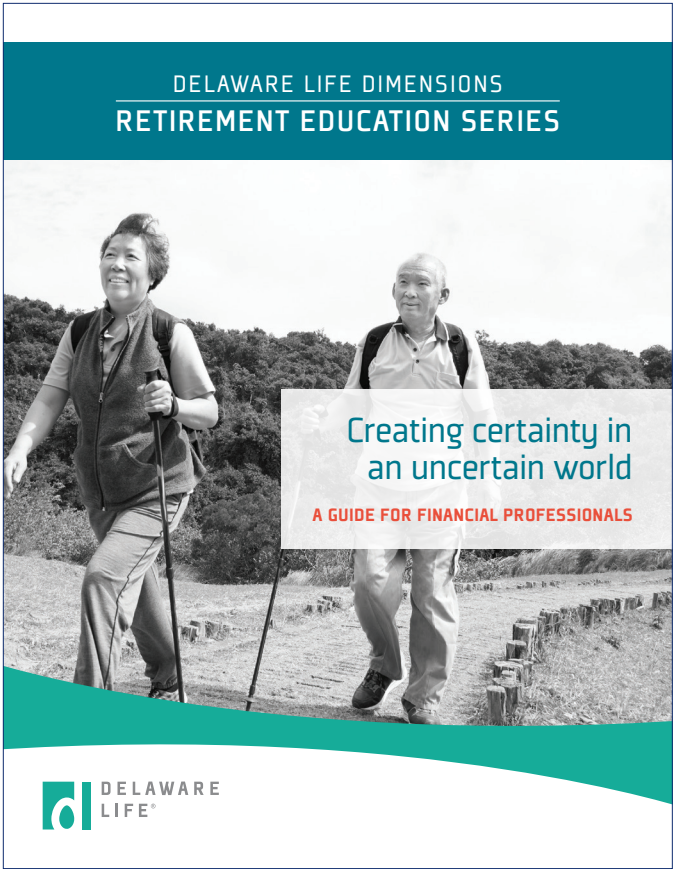
By specializing in retirement income products and services, you are likely to discover an accessible and growing base of prospects which is underserved, anxious about the future – and ready to engage.

Delaware Life Dimensions module on Generating Retirement Income can help you set the stage for deeper, probing discussions about their retirement goals and their own retirement income needs.


⁵*Rethinking Retirement* <https://wealthvest.com/white-papers/>

Next Steps: Help Clients Overcome Their Retirement Income Challenges

Download the advisor guide and client facing educational pieces described earlier, including “Your Pre-Retirement Income Worksheet.”



Advisor Guide



Your Pre-Retirement Income Worksheet

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Non-Investment Income		
Salary	\$	%
Pension	\$	%
Social Security	\$	%
Business and Real Estate	\$	%
Other	\$	%
TOTAL INCOME	\$	

Expenses		% of Total
Non-Discretionary Spending		
Basic Living	\$	%
Mortgage	\$	%
Credit Card Debt	\$	%
Taxes	\$	%
Insurance	\$	%
Health Care	\$	%
Non-Discretionary Subtotal	\$	%
Discretionary Spending		
Travel	\$	%
Hobbies	\$	%
Luxuries	\$	%
Gift to Family/Charities	\$	%
Other	\$	%
Discretionary Subtotal	\$	%
TOTAL EXPENSES (add both Subtotals)	\$	

NET SAVINGS (Subtract Total Expenses from Total Income)	\$	%
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Pre-Retirement Income Worksheet

Isn't It Time To Add "Retirement Income Specialist" To Your Practice?

After reviewing your base of prospects, set a goal for emailing out 10 pieces a week for one month – then watch your retirement income discussions increase.

Check the Boxes

	Week 1	Week 2	Week 3	Week 4
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

About Delaware Life Insurance Company

We pride ourselves on creating a seamless experience that gives people exactly what they need — no distractions, no frustration. Just honesty, accuracy and efficiency. Our customers want to see results. So we create products that perform every time: client-focused, no fuss, with smart indexes and low fees. We believe that annuities are a core part of smart financial planning. Less risky than stocks and with competitive returns. So we offer streamlined annuities that perform as promised — so you can plan for new possibilities.

Our product lines include variable annuities, fixed annuities, fixed index annuities, and variable life insurance. Delaware Life manages approximately 320,000 in-force annuity and life insurance policies representing \$36.4 billion in assets under management and \$14.2 billion of invested assets as of December 31, 2017.

We work with a national network of financial professionals to help people make smart decisions as they build for their future. Founded in 2013, Delaware Life is a proud member of Group One Thousand One: an ecosystem of businesses making insurance more useful, intuitive, and accessible for everyone.

Consider These Exceptional Fixed Index Annuities from Delaware Life

Delaware Life Target Income 10SM*

A flexible premium deferred fixed index annuity built for clients focused on retirement income planning and guaranteed lifetime income. Target Income 10SM also delivers competitive accumulation potential and principal protection. With an optional rider, available for an additional cost, your clients are guaranteed an 8% simple interest roll-up on each contract anniversary for up to 10 years. And for all premiums paid during the first year of the contract, Delaware Life will add a 10% bonus to their benefit base.

Assured Income 7[®]*

A flexible premium deferred fixed index annuity that provides predictable lifetime income and a guaranteed 9% annual simple interest roll-up during the first 10 contract years. It offers a bailout endorsement and a fee refund feature at no additional cost.

Retirement Stages 7[®]*

A flexible premium deferred fixed index annuity that guarantees principal against losses and the opportunity to earn interest based on the performance of a stock market index. Optional benefits, available for an additional cost, can guarantee growth in a client's Benefit Base for income purposes and guarantee return of their premium payments without surrender charges. To provide diversification and options for a variety of market conditions, Retirement Stages 7[®] has a range of choices for earning interest, including a Deutsche Bank-sponsored index, a Morgan Stanley-sponsored index, an S&P 500[®] Index and a Fixed Account.

Retirement Chapters 10[®]*

A flexible premium fixed index annuity that guarantees principal against losses while offering the opportunity to earn interest based on the performance of a stock market index. It adds a 5% bonus on a client's first-year premium payments and has an option to guarantee growth in a client's Benefit Base for income purposes (available for an additional cost). Retirement Chapters 10[®] has a broad menu of options for earning interest—a package of choices that includes two Deutsche Bank-sponsored indexes, an S&P 500[®] Index and a Fixed Account.

*Products, riders and features may vary by state, and may not be available in all states. Marketing material may not be approved in all states.

Do You Want to Know More?

For additional information, please contact us today.

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