



# 403(b) Solutions for You

HOW DO YOU SEE YOURSELF IN RETIREMENT?

Products issued by  
**Life Insurance Company of the Southwest®**

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# Your Decisions Today Affect How You Live Tomorrow

Your pension may not be enough. For those who take the time to plan for their financial future, retirement will give them an opportunity to do what they have always wanted to do. For others, it may mean working during their golden years, cutting back on their lifestyles and spending, or even relying on family members to help take care of them.

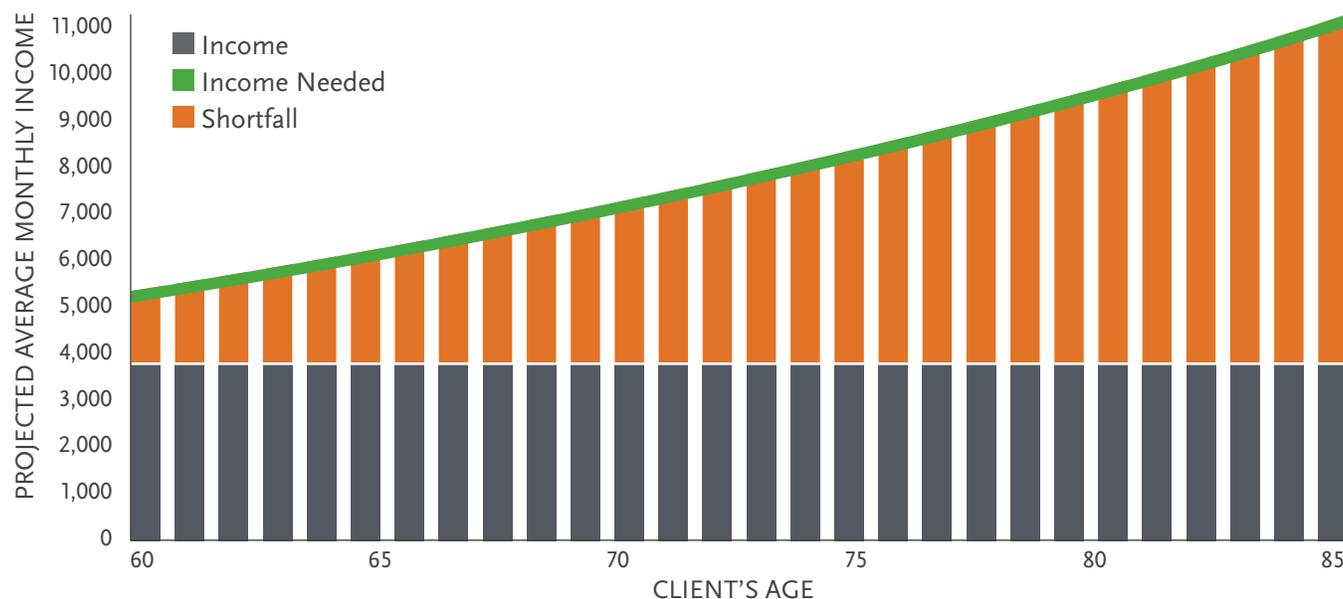
## Will your retirement income cover your ever-increasing retirement expenses?

The average state and local government pension as of 2024 provided approximately \$24,500.<sup>1</sup> In addition, about 27% of state and local employees are not covered by Social Security.<sup>2</sup> Would that amount of pension income result in a significant drop in your income when you retire?

## Beware of the Retirement Income Gap

### Sample Gap Analysis Report

Retirement Years



Note: This is a hypothetical example for illustrative purposes only

<sup>1</sup> United States Census Bureau, Annual Survey of Public Pensions, 10/23/24, <https://www.census.gov/programs-surveys/aspp.html>

<sup>2</sup> Congressional Research Service, Social Security Coverage of State and Local Government Employees, 3/19/24, <https://sgp.fas.org/crs/misc/R46961.pdf>



Now is the time to plan and save.

You can take control of your retirement security by contributing directly to a 403(b) savings plan through payroll deductions.

A 403(b) plan permits you to accumulate money on a highly tax-favored basis, to supplement teacher retirement or another retirement plan.

Additionally, your 403(b) monies can follow you wherever you go. They can be transferred to other employer plans or into a traditional IRA.



Save with someone you trust.

**Choose a carrier with a long history of keeping its promises.**

Fixed and fixed indexed annuities are a smart way to save for retirement, given that they provide a guarantee of income, tax-deferral advantages and flexibility and control of retirement savings. We offer both traditional fixed and indexed annuities in the 403(b) market. Products may vary by withdrawal charge periods, crediting methods and features.

**The guarantees provided by our fixed and fixed indexed annuities mean that our policyowners haven't lost a penny of their policy value due to downturns in the stock market.<sup>3</sup>**

Our Guaranteed<sup>4</sup> Lifetime Income Rider offers additional value to the base policy. By purchasing and attaching it to your Annuity Policy, you can receive guaranteed lifetime income, have access to your money if your needs change and leave any remaining accumulated value to your heirs.



Keep collecting a check when you retire.

**The Longer You Defer Taxes, The Faster Your Money Grows**

One of the greatest single advantages of participating in a tax-deferred plan is that any interest accumulates on a tax-deferred basis while the money remains in the account.

	Post-tax	Pre-tax
Gross Income per Paycheck	\$4,500	\$4,500
Pre-tax contributions	\$0	\$133*
Standard tax deductions	\$672	\$639
Post-tax retirement contributions	\$100	\$0
Take-home pay	\$3,728	\$3,728

\* This hypothetical example is for illustrative purposes only. This example is based on a teacher in the state of Texas claiming single and zero allowances and in the 25% tax bracket.

<sup>3</sup> Assuming no early withdrawals. Rider charges continue to be deducted regardless of whether interest is credited. Taxes are due at time of distribution, early distributions may incur IRS penalty tax and/or applicable withdrawal charges.

<sup>4</sup> The Guaranteed Lifetime Income Rider (GLIR), as represented in form series 20712(0320) or form series 20835(0123), or state variations thereof, is a rider that may be available on select fixed indexed annuity policies issued by Life Insurance Company of the Southwest. Electing this rider is optional, incurs an additional cost, and rider charges continue to be deducted regardless of whether interest is credited. The GLIR may not be available on all products or in all states. Guaranteed Withdrawal Payments reduce the policy's accumulated value, but you will continue to receive these payments during your lifetime even if your accumulation value declines to zero. Guarantees are dependent on the claims paying ability of the issuing Company. This is not the solicitation for any specific annuity.

# We Are the **Right Choice** for Retirement Income

Your representative can tailor a retirement savings program that will take into consideration your current savings and your future retirement needs.

Have the peace of mind that you are contributing to a financial product that is protected and backed by a company with decades of experience.

National Life Group offers excellent annuities available to 403(b) retirement plans through our member company, Life Insurance Company of the Southwest. We have helped thousands of people working in the education field save money for their futures and for their retirement.

## Frequently Asked Questions

### How do I make contributions?

Contributions must be made through payroll. A salary reduction agreement is required and will inform your employer of your decision to participate. You can change the amount of your contributions by completing a new salary reduction agreement.

### May I contribute from a checking or savings account?

No. All 403(b) contributions must be made through payroll.

### How much can I contribute?

The IRS sets annual deferral limits on how much may be contributed. Special catch-up provisions may apply for participants over age 50 and for longevity of service with the same employer. A retirement specialist can assist you in calculating the Maximum Allowed Contribution.

### Are loans available to me?

If the 403(b) plan allows, loans are permitted to individuals. The plan sponsor must approve loans in advance. Loan limits apply and are aggregated with any other loans in 403(b) accounts within the plan and any loans from any other qualified retirement plan of the employer.

### When can I take money out?

You can take distributions from the 403(b) plan at age 59½, if you are fully disabled, or at separation of service (10% IRS penalty may apply if withdrawn before age 59½. Regular income tax will be due on distributions.). Distributions due to financial hardship may be available. Please check with the Plan Administrator for eligible hardship distributions and be able to provide any supporting documentation of the hardship. All distributions must be approved by the plan administrator.

### What is a Plan Administrator?

Most school districts engage a third-party administrator (TPA) to establish and manage their 403(b) plan document to ensure compliance with IRS rules and guidelines.

A school district's benefit office can provide you with information regarding their TPA.

Be sure to talk with your financial professional to find out how you can get started today!