



Save for a Better Tomorrow

UNDERSTANDING HOW YOUR STATE PENSION PLAN WORKS

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ESTABLISH A CLEAR PICTURE

One of the most important, but often overlooked steps in preparing for retirement is to visualize what you want it to look like and to prioritize your life goals.

- What is my retirement date?
- Calculate how much income you need to live during retirement.
- Create a retirement income strategy that incorporates all of your anticipated sources of retirement income.

Experts say you'll need 70% to 80% of your pre-retirement income to cover expenses each year in retirement.

Are you one of the...

44% of Americans who worry they'll never be able to retire – an all-time high.²

23% of Americans who don't have any kind of retirement plan.³

25% of Americans in their 60s who could not last more than 3 months off of their savings – an all-time high.³

Picture Your Retirement

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Build Towards Your Goals

Estimate your total retirement income

It's fine to use a percentage of your current income as a benchmark, but it's worth going through all of your current expenses in detail. Your next step is to assess how prepared you are to meet your needs over time as your transition to retirement.

What sources of retirement income will be available to you?

- Lifetime income: annuities, social security and pensions
- Savings: IRAs, CDs
- Earnings: full or part-time job
- Other assets: real estate and equity in your home

The biggest concern retirees have is running out of money.

There's no way to predict how long you'll actually live, but with life expectancies on the rise, it's probably best to assume you'll live longer than you expect. And, you may even run the risk of outliving your savings and other income sources.

Plan To Live Longer Than You Think

When you reach age 65...your lifespan could look like this:



65 Year-old Male



65 Year-old Female

Age	Probability	Age	Probability
70	91%	70	94.2%
75	79%	75	85.52%
85	43%	85	55.13%
95	7.29%	95	13.93%

Source: Finder.com, "Your Odds of Dying by Age and Gender" May 2019.

49%
of workers fear outliving their savings/investments.¹

38%
of Americans fail to save because they have too many other expenses.

58%
of Americans rated their retirement savings' adequacy C or lower.

For your state's Retirement System calculation and more details please visit:

Alabama	www.rsa-al.gov/index.php/members/trs/	Nevada	www.nvpers.org
Alaska	doa.alaska.gov/drb/trs	New Hampshire	www.nhrs.org
Arizona	www.azasrs.gov	New Jersey	www.state.nj.us/treasury/pensions/tpaf1.htm
Arkansas	www.artrs.gov/	New Mexico	www.nmerb.org
California	www.calstrs.com/	New York	www.nystrs.org
Colorado	www.copera.org	North Carolina	www.nctreasurer.com
Connecticut	www.ct.gov/trb	North Dakota	www.nd.gov/rio/tffr
Delaware	www.delawarepensions.com/	Ohio	www.strsoh.org
Florida	www.myfrs.com	Oklahoma	www.ok.gov/TRS
Georgia	www.trsga.com	Oregon	www.oregon.gov/PERS
Hawaii	ers.hawaii.gov	Pennsylvania	www.psers.state.pa.us
Idaho	persi.idaho.gov/	Rhode Island	www.ersri.org
Illinois	trs.illinois.gov	South Carolina	www.peba.sc.gov/retirement.html
Indiana	www.in.gov/inprs	South Dakota	sdrs.sd.gov
Iowa	www.ipers.org	Tennessee	treasury.tn.gov/tcrs
Kansas	www.kpers.org	Texas	www.trs.texas.gov
Kentucky	trs.ky.gov	Utah	www.urs.org
Louisiana	www.trsl.org	Vermont	www.vermonttreasurer.gov/retirement/teachers-vstrs
Maine	www.maineopers.org	Virginia	www.varetire.org
Maryland	www.sra.state.md.us	Washington	www.drs.wa.gov/member/systems/trs
Massachusetts	www.mass.gov/mtrs	Washington, D.C.	dcrb.dc.gov
Michigan	www.michigan.gov/orsschools	West Virginia	www.wvretirement.com/TRS.html
Minnesota	www.minnesotatra.org	Wisconsin	etf.wi.gov/members/benefits_wrs.htm
Mississippi	www.pers.ms.gov	Wyoming	retirement.state.wy.us
Missouri	www.psr-peers.org		
Nebraska	npers.ne.gov		



You Have Questions, We Have Answers

Your representative is available to assist you in reaching your retirement dreams and to answer any questions you may have, like:

What retirement benefits will I get?

You can obtain a personalized retirement benefit estimate by going to your online account. Your representative will use this information to help you see your overall retirement income picture and to identify any gap between your estimated retirement funds and your savings needs.

How much can I contribute to a supplemental retirement account?

The amount you can contribute to a retirement account depends on your earnings, your age, and other factors. Your representative will determine your appropriate contribution limit and can set up a customized savings program that works for you.

What happens if I change jobs?

You have control of your supplemental retirement account. The portability feature allows you to roll over the funds in this account into another retirement plan you may have. Or, you can leave your account in place and any balance has the potential to continue to grow tax-deferred.

What if I need money before I retire?

Your plan may contain provisions for loans and hardship distributions, and you may access your funds if you meet certain conditions. Taking an early distribution from your account should be considered carefully since taxes and fees may be imposed.

What product is right for me?

Your financial professional will determine which of the many savings vehicles are appropriate for meeting your current situation and future needs.

Make Savings Your Top Priority

- 1 Are you saving enough for your tomorrow?
- 2 Will your retirement money outlive you?
- 3 What percentage of your final salary will you be living on?
- 4 Do You Have a Retirement Gap? Is there a gap between the amount you've saved for retirement and the amount that you want and need?

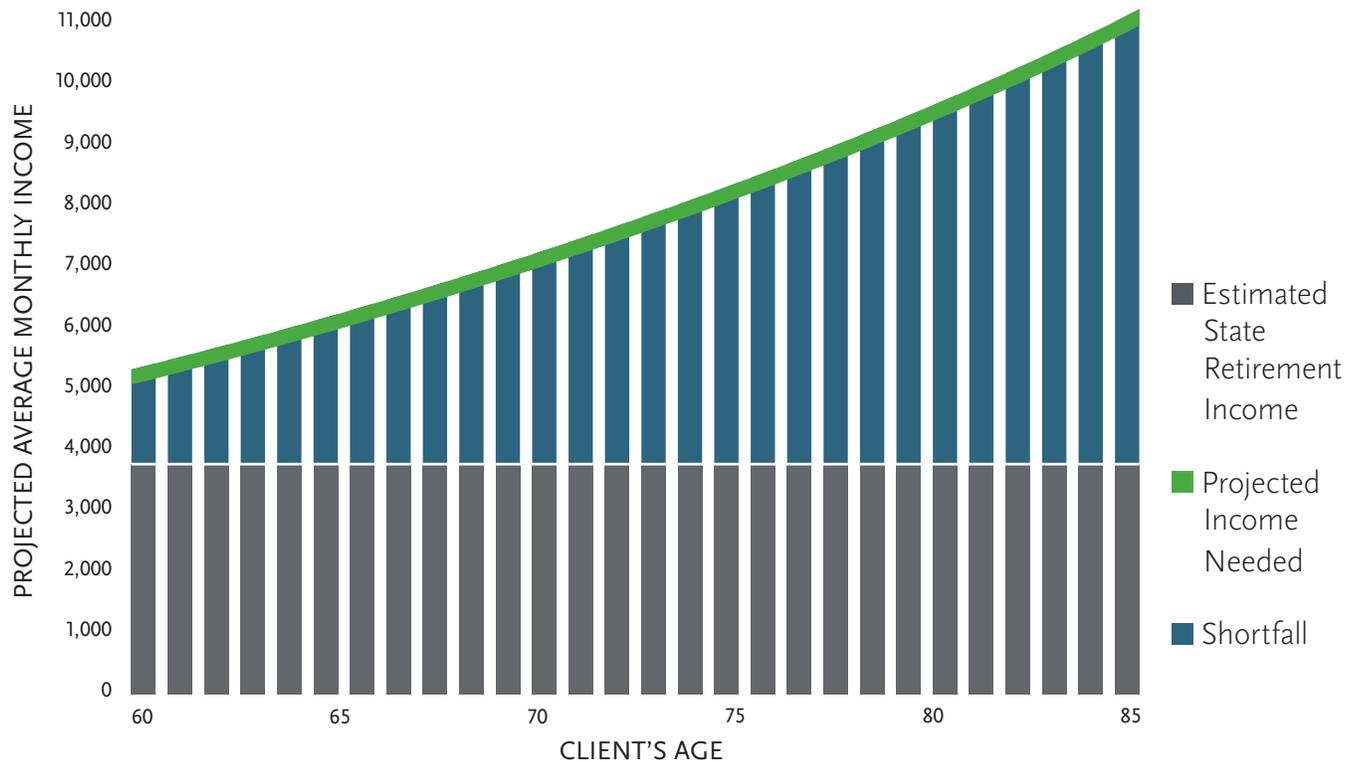
Step One: Evaluate how much money you would need in order to retire at the age you desire and live the lifestyle you want.

Step Two: If there is a gap between your predicted needs and your predicted savings (and most people do have a gap), determine what you can do to get more money into your retirement savings. That's generally going to happen in two ways: save more or create a savings strategy geared toward your earnings goal.

Identifying the amount you're short is the first step in fixing the problem.

Sample Gap Analysis Report – Prepared for Valued Policy Owner

Retirement Years



Source: The Retirement Analysis Kit (TRAK) Software by TrustBuilders, Inc. 2012 Version. www.tbinc.com. For illustrative purposes only.

ACT...

You have gathered information about retirement. You have taken the time to evaluate your needs. You are now ready for an action plan! With the efforts you have made over the years, you will deserve to fully enjoy what life has to offer.

Accumulating funds for retirement can sometimes seem impossible.

First, find simple ways to save. Small contributions to your retirement plan can add up to big savings over time.

		In 20 years you'd have	In 30 years you'd have	In 40 years you'd have
\$5 (7/month)  Lottery Ticket	\$35 per month	\$13,506	\$25,437	\$43,099
\$3.45 (30/month)  Specialty Coffee	\$105 per month	\$38,328	\$72,189	\$122,311
\$4.95 (30/month)  Take-Out Lunch	\$150 per month	\$54,754	\$103,127	\$174,729

This is a hypothetical example for illustrative purposes only – not representative of any particular investment. All figures assume a 4% annual rate of return compounded monthly and do not include any matching contributions made by an employer which are available in some qualified retirement plans.

Make Savings Your Top Priority

Save Regularly.

Make sure to set up systematic payroll contributions to help you get you closer to your goals. You not only defer taxes on the money you contribute, any earnings on your savings also have the potential to compound tax deferred until withdrawal.

Here is a pre-tax savings example for you:

	Post-tax	Pre-tax
Gross Income per Paycheck	\$4,500	\$4,500
Pre-tax contributions	\$0	\$266.66 ⁶
Standard tax deductions	\$686.33	\$619.67
Post-tax retirement contributions	\$200	\$0
Take-home pay	\$3,613.67	\$3,613.67

This hypothetical example is for illustrative purposes only. This example is based on a teacher claiming single and zero allowances and in the 25% tax bracket not considering state or local taxes. Taxes are due at time withdrawals are made from your plan.

Ensuring you have enough income to support the retirement you envision requires an ongoing plan that you put in place well before you retire.

Make Savings Your Top Priority

What's your tomorrow?

Do you dream about being able to pursue hobbies?

Is there a dream vacation you have always envisioned?

- 1 Follow your dreams...
- 2 Now is the time to put your retirement income strategy in place
- 3 Experience the financial security and retirement lifestyle you have always dreamed of.

We can help you get there...We are the right choice for retirement income.

National Life Group offers excellent 403(b) annuities through Life Insurance Company of the Southwest. We have helped thousands of people working in the education field save money for their futures.

DID YOU KNOW...

indexed annuities offer protection, safety, guarantees and income?

Our flexible fixed indexed annuities provide safety, guarantees and income for life and allow you to:

- Contribute to your employer sponsored savings plan with the peace of mind that the money will be there when you need it.
- Receive a guaranteed⁵ stream of income for life without giving up control of your money.
- Leave any balance in your annuity to your loved ones.

Your retirement dreams are just that; yours. Follow them. Make them happen. Talk to your financial professional today.



1 Saving for Retirement: The Quest for Success, Investopedia (February 2023)

2 Retirement Confidence Index, January 2021, SimplyWise (January 2021)

3 This is the No. 1 Fear of Americans Facing Retirement, 401KSpecialist (January 2021)

4 31+ Retirement Statistics You Need to Know in 2022, LegalJobs (March 2023)

5 Guarantees are dependent on the claims paying ability of the issuing company.

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