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Making the Pension Protection Act (PPA) work for you

For years annuities have been positioned as a great way to accumulate wealth and manage retirement income, due to their guarantees and tax-deferred growth. However, with the 2006 tax law changes, annuities can provide greater flexibility and tax advantages for long-term care (LTC) planning under the Pension Protection Act.*

Tax-deferred to tax-free

Repurposing an existing nonqualified annuity for one that provides the same basic features, plus long-term care benefits can help you later in life. When exchanging an old annuity for a PPA-compliant annuity, if care is ever needed, distributions would be received income tax-free, regardless of cost basis and gain. Any gains accumulated in the contract would not be subject to taxes when used to help pay for qualifying long-term care expenses.

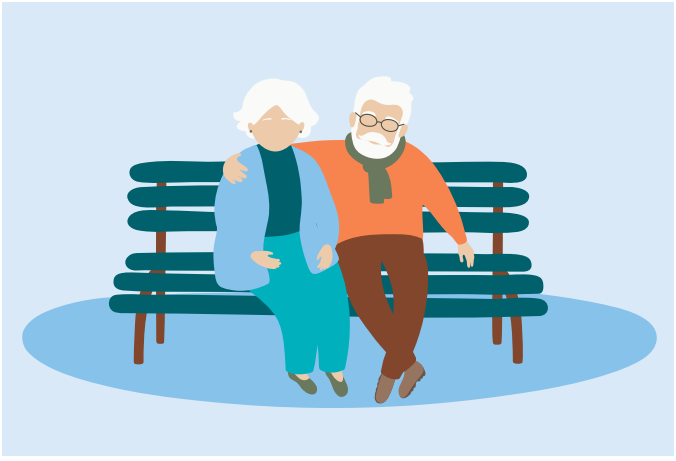
Greater leverage for long-term care benefits

PPA-compliant annuities offer substantial leverage for long-term care benefits, with options in the marketplace providing up to four times the value as compared to other annuities. In some cases, these annuities can even include:

- Unlimited lifetime benefits
- Joint spousal benefits
- Access to services to support the claims process

Evaluating your existing annuity for PPA qualification

If you have an existing nonqualified annuity not needed for income, it's worthwhile to evaluate whether you qualify. In considering the potential tax advantages, increased leverage and the LTC tax-free advantages of a PPA-compliant annuity, you can assess whether transitioning your existing annuity aligns with your long-term care planning goals.



*The Pension Protection Act of 2006, §844 26 U.S. Code §7702B

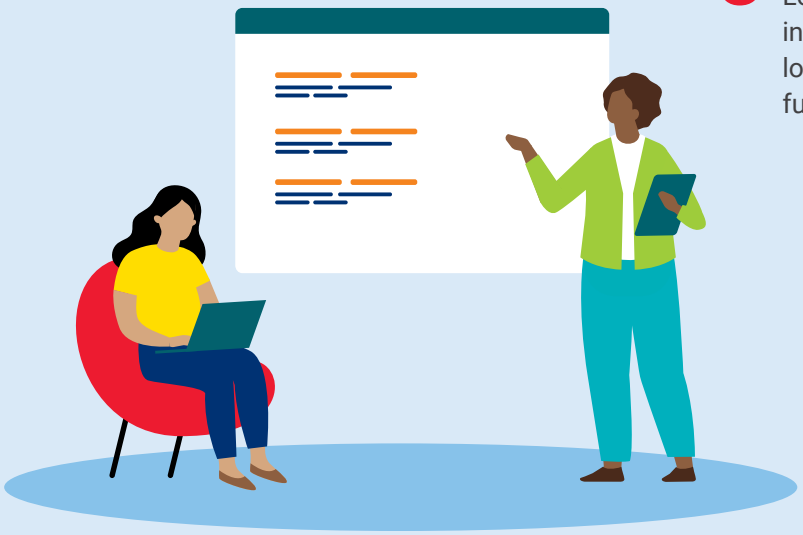
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Steps to take now

Making the PPA work for you means securing your future care needs without facing additional tax burdens. Consult your financial professional today to help you make an informed decision about your long-term care plan. More important than just protecting your assets, long-term care protection can help your loved ones too. Here are a few easy steps you can take now to get started:



1. **Review your current LTC plan:** Assess your life insurance and annuity products to see if they qualify for the tax advantages under the PPA.
2. **Consult with your financial professional:** Work with your financial professional to explore your options and create a tailored plan for your long-term care needs.
3. **Consider your options:** Look into combination solutions, using life insurance or annuity-based products with long-term care benefits to protect your future care needs.

Ready to learn more?

Talk to your financial professional today about the options available to fit your needs.

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