



Split-Funded DB Plans: Check-List for Positioning and Implementing

You have a special offer for your high income business owners.

Fully understand the value of the tax savings you offer your clients, and practice articulating this in a fun and memorable way.

Who is the right client?

- Earned income of at least \$400,000 +
- A client willing to contribute at least \$100,000 to a plan for next 3 to 5 years.
- Good net-saver, long-term thinker (plan is a 5+ year investment), and has consistent annual earnings.
- Business Owners ages 40 to 70
- 10 – 15 employees per business owner works best, but don't disregard clients with more employees, and
- Places high value on income tax-deduction, tax-free accumulation, and asset protection

Life Insurance within the plan – how to address it: (get a PensionQuote executive to help)

- Focus on the economics/benefits to the Owner(s), increased tax deductible contributions each year.
- Review client's existing life insurance for an integrated and comprehensive, tax-deductible needs-based solution.

When Life Insurance is not applicable:

- The client can reach his/her desired contribution without the inclusion of life insurance.
- Client is older and will only fund plan for a few years
 - In either case, client may still desire insurance on a needs basis.

Presenting The PensionQuote Owner's Report to your client:

- Start with accurate census data; accept nothing less.
- Keep it simple.
- Understand the presentation.
- Schedule a member of the PensionQuote team to be on the call to explain the benefits/features of the plan to the client and CPA.

Life Insurance product choices:

- Pacific Life Flex 15 and Flex Protector Whole Life products
- MetLife Promise Whole Life
- Other products/companies may be considered

Completing Implementation, Insurance Paperwork, and Account Opening:

- Collect Implementation Fee to set up the plan
- PensionQuote provides Plan Tax ID #s
- Actuaries draft plan document(s)
- Open retirement account(s) for the pension plan and profit sharing
- Life Application(s) are taken (on the application, both the "owner" and "beneficiary" of the policy is the defined benefit plan).

The Sales and Marketing Cycle:

- Tax season (February-April) and the again after Labor Day are the times when your high-income clients are most receptive to conversation regarding income tax savings. Start early in the year to allow:
 - Clients to reduce their quarterly tax payments (if applicable)
 - The funds to grow tax deferred and be protected from creditors (asset protection)
 - The client to budget for a potentially large contribution
- Present a Webinar and add your testimonial.
- In-office presentation with one of the PensionQuote Inc. executives.