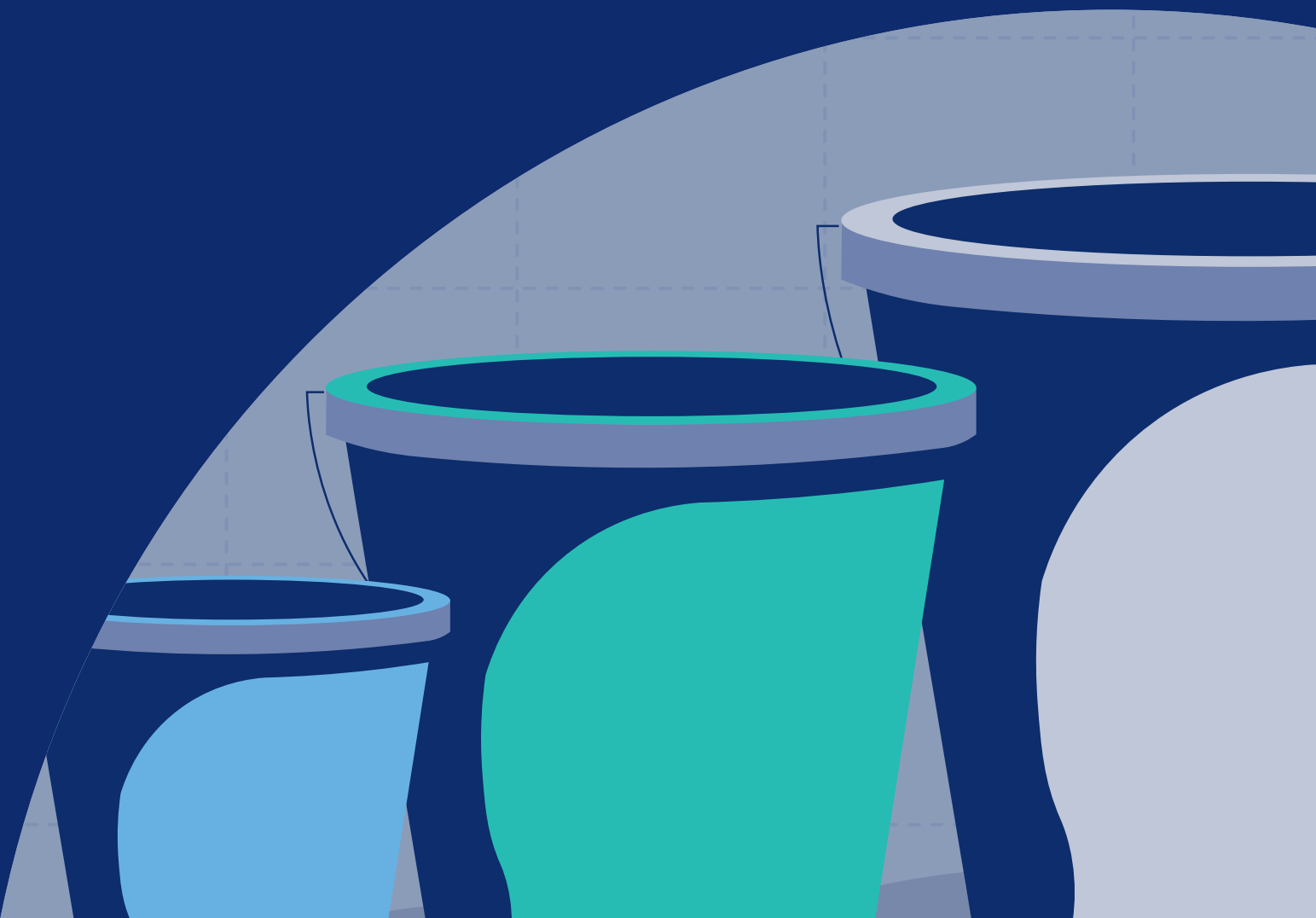




# Enhancing your client's bucket strategy

Utilize a Delaware Life fixed index annuity with the performance trigger rate strategy



# Using buckets to create a risk-based retirement plan

The main goal of most investors is to save enough money during their working years to fund their retirement years. Yet, many investors are unsure of how to properly pull money out of their accounts once they're in retirement. That's why many investors utilize a retirement bucket strategy.

The retirement bucket strategy is an investment approach that separates your sources of income into three buckets: short-term, intermediate and long-term. This strategy is designed to provide investors with access to cash in the short term, so they won't have to worry about sudden market swings or prolonged market downturns.

As you can see, each bucket has a defined timetable and a distinct strategy. And there are a variety of products that can be used to meet the goals of each bucket. It's planning your clients' Bucket 2 strategy where things can become challenging.

## Bucketing strategy for retirement income

### Bucket 1 Short-term



- Timetable: 1-5 years
- Low or no risk
- Immediate need
- Cash flow/liquidity
- Cash, immediate annuities

### Bucket 2 Intermediate



- Timetable: 5-10 years
- Some risk
- Balancing needs – growth, protection, liquidity
- Bonds, REITs, ???

### Bucket 3 Long-term



- Timetable: 10+ years
- More risk
- Growth potential
- Stocks, mutual funds, variable annuities

**Bucket 2 is where you are trying to juggle the intermediate timetable, the client's need for growth without taking on too much risk, and their need for some liquidity.**

# Downside protection. Growth potential. Simple strategy.

Fortunately, there is a product that can address all of those needs and enhance your Bucket 2 strategy—a Delaware Life fixed index annuity (FIA). With a FIA, clients can protect their retirement savings from market loss while maintaining the potential to grow their assets.

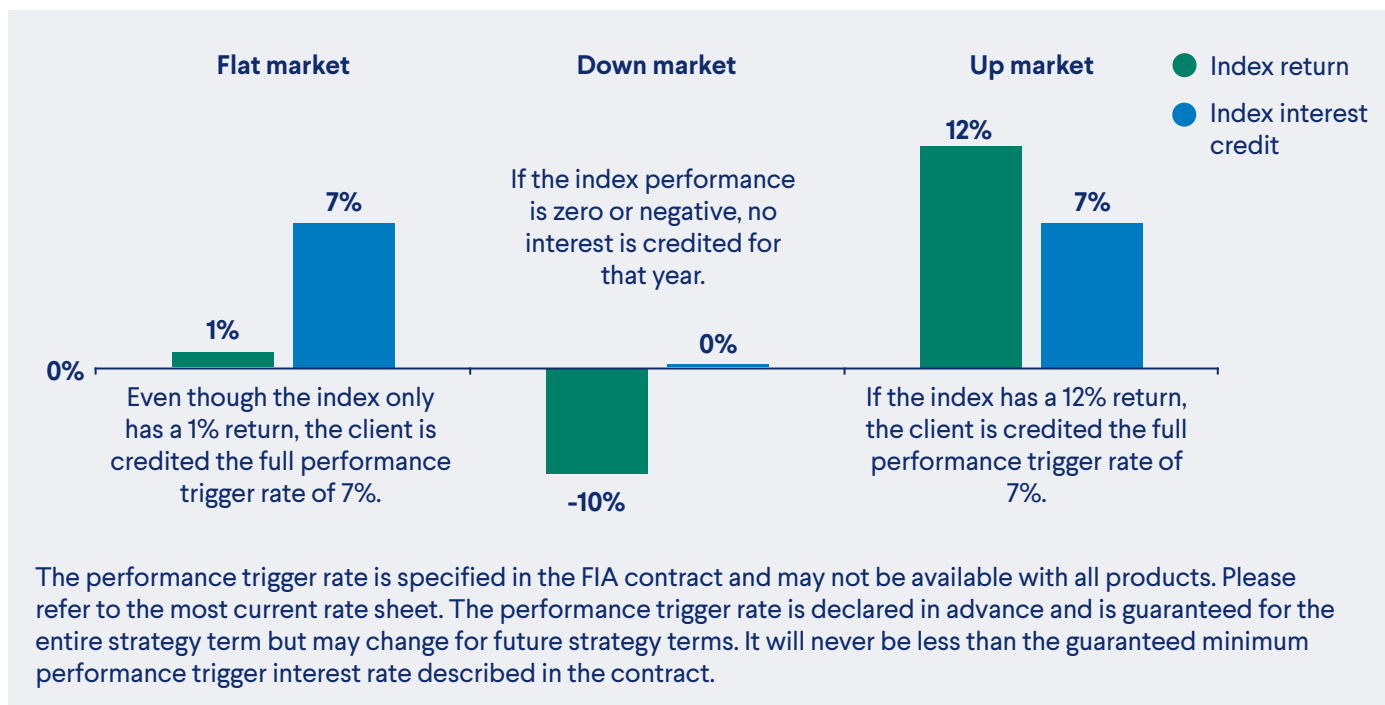
- **When markets perform poorly**, clients won't lose any of their account value payments or credited interest.
- **When markets perform well**, clients have the opportunity each year to lock in annuity gains.
- **Guaranteed growth** – your client's account value will be at least 115% of the initial premium, less any withdrawals, at the end of the surrender period.<sup>1</sup>

The performance trigger crediting strategy is one of many strategies available with a Delaware Life FIA. Based on S&P 500® Index returns, the performance trigger crediting strategy bases interest credits on a "trigger rate" if the index value at the end of the term is greater than the index value at the beginning of the term. The contract value stays the same if the index value is flat or lower.

## 91%

Since 1954, the percentage of time a fixed index annuity with a 7% performance trigger rate would have produced a 5-year cumulative annual growth rate of 4.14% or greater<sup>2</sup>

## How interest is determined using a 7% performance trigger rate



**Contact your wholesaler to learn more about how the downside protection and growth potential of a FIA with a performance trigger strategy can help enhance your client's Bucket 2 strategy.**

<sup>1</sup> Please refer to the disclosure statement for more details.

<sup>2</sup> Source: Delaware Life Research, 2023. Rolling 5-year time periods are created using data taken from December 1954 to December 2022. They represent a fixed index annuity with 7% performance trigger rate strategy.

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A fixed index annuity is not a registered security or stock market investment and does not directly participate in any stock or equity investments or index.

All withdrawals of taxable amounts, including earnings, are taxable as ordinary income and, if taken prior to age 59½, may be subject to a 10% federal tax penalty. Withdrawals, which may be subject to surrender charges and/or a market value adjustment, have the effect of reducing benefits and values. Neither Delaware Life nor its representatives provide legal or tax advice to contract holders.

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