

Sample Annuity Maximization Strategy Consumer Preapproach Letter

[Date]

[Client Name]
[Address]
[City, State, ZIP]

Dear [Client]:

Over the years, you may have purchased deferred annuities to take advantage of their tax-deferred growth.* The good news is that your annuity contract has probably grown substantially in value. But did you know that at your death, your beneficiaries may still lose a sizeable portion of your annuity's contract value to taxes?

Under current tax law, the gains in your annuity contract are completely taxable as income to your beneficiaries at your death, and the contract's value will be included in your gross estate and may be subject to estate taxes. As a matter of fact, your annuity could lose as much as 60% of its value as a result of this "double taxation."

With proper planning—and through the use of life insurance—you may be able to maximize the value of your annuity for your loved ones.

A life insurance policy generally provides your beneficiaries with an income tax-free death benefit. Additionally, if the life insurance policy is owned by a third party such as your adult children or an irrevocable trust, the policy and its proceeds may be kept out of your estate. With life insurance, you will be able to preserve and grow the wealth you worked so hard to build and pass it on to future generations.

Enclosed is an informative brochure that explains the details of the Annuity Maximization Strategy and how a life insurance policy from Transamerica Life Insurance Company or Transamerica Financial Life Insurance Company can benefit you.

To find out more about the Annuity Maximization Strategy, please call me at (XXX) XXX-XXXX.

Sincerely,

[Producer Name]

*Tax deferral is only available to individuals. It is not available for annuities owned by entities such as corporations and certain types of trusts.

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