

SERFF Tracking Number: STFR-126076214 State: Arkansas
Filing Company: Southern Farm Bureau Life Insurance Company State Tracking Number: 41839
Company Tracking Number: ML PP0209
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.001 Qualified
Product Name: Retirement Basics Seminar
Project Name/Number: Retirement Basics Seminar/ML PP0209

Filing at a Glance

Company: Southern Farm Bureau Life Insurance Company

Product Name: Retirement Basics Seminar SERFF Tr Num: STFR-126076214 State: ArkansasLH
TOI: LTC03I Individual Long Term Care SERFF Status: Closed State Tr Num: 41839
Sub-TOI: LTC03I.001 Qualified Co Tr Num: ML PP0209 State Status: Filed-Closed
Filing Type: Advertisement Co Status: Reviewer(s): Marie Bennett
Author: Amy Wheeler Disposition Date: 03/20/2009
Date Submitted: 03/17/2009 Disposition Status: Filed
Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: Retirement Basics Seminar
Project Number: ML PP0209
Requested Filing Mode:
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:
Filing Status Changed: 03/20/2009

Status of Filing in Domicile: Pending
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Group Market Size:
Group Market Type:
Explanation for Other Group Market Type:
State Status Changed: 03/20/2009
Corresponding Filing Tracking Number:

Deemer Date:

Filing Description:

This is a Retirement Basics Seminar that will be used with the general public. The presentation briefly discusses the importance of LTC considerations on page 25 of the seminar. It does not discuss any specific policy or benefits of LTC coverage.

Company and Contact

Filing Contact Information

Amy Wheeler, Compliance Advertising awheeler@sfbli.com

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Specialist

1401 Livingston Lane (601) 981-5332 [Phone]
Jackson, MS 39213 (601) 321-2629[FAX]

Filing Company Information

Southern Farm Bureau Life Insurance CoCode: 68896 State of Domicile: Mississippi
Company
1401 Livingston Lane Group Code: 893 Company Type: Life Insurance
Jackson, MS 39213 Group Name: Southern Farm State ID Number:
Group
(601) 981-5332 ext. 1942[Phone] FEIN Number: 64-0283583

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Filing Fees

Fee Required? Yes
Fee Amount: \$25.00
Retaliatory? No
Fee Explanation:
Per Company: No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
728136	\$25.00	03/16/2009

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Marie Bennett	03/20/2009	03/20/2009

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Disposition

Disposition Date: 03/20/2009

Implementation Date:

Status: Filed

Comment:

Rate data does NOT apply to filing.

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Form Schedule

Lead Form Number: ML PP0209

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	ML Pp0209	Advertising	Seminar on Retirement Basics	Initial			Retirement Basics.pdf





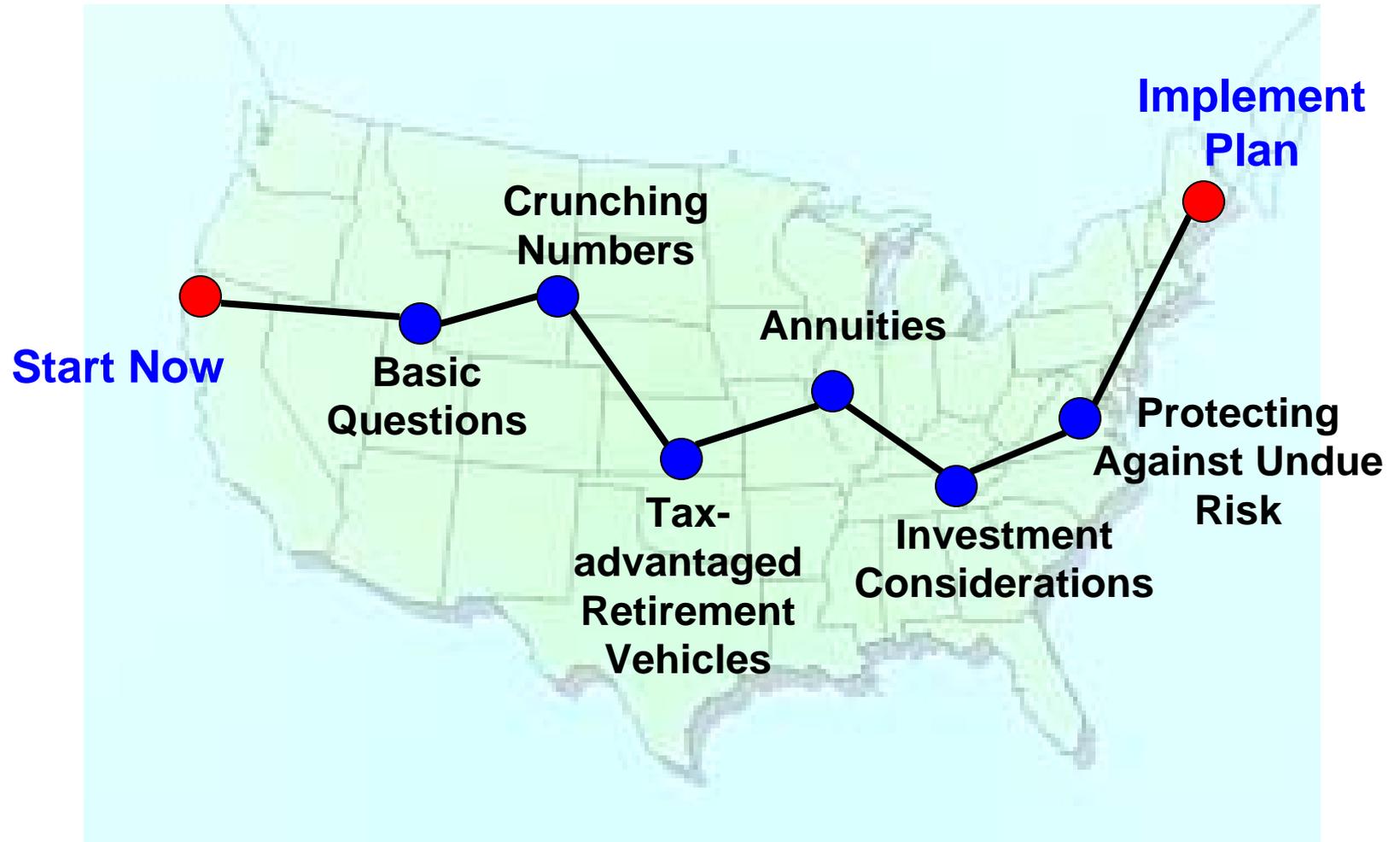
Retirement Basics

An Overview of the Retirement
Planning Process

When You Imagine Your Retirement, What Do You See?

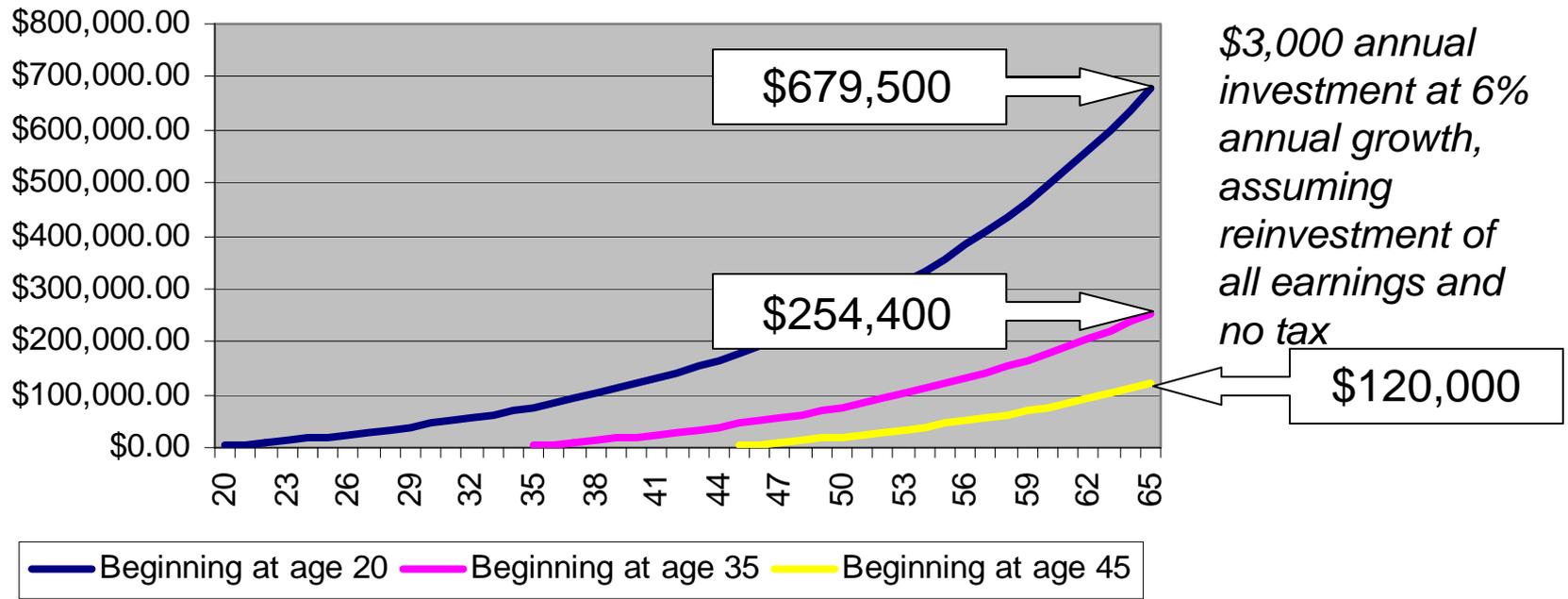


The Retirement Planning Roadmap



Start Now

- Don't put off planning and investing for retirement
- The sooner you start, the longer your investments have to grow
- Playing "catch-up" later can be difficult and expensive



This is a hypothetical example and is not intended to reflect the actual performance of any investment.

Basic Considerations



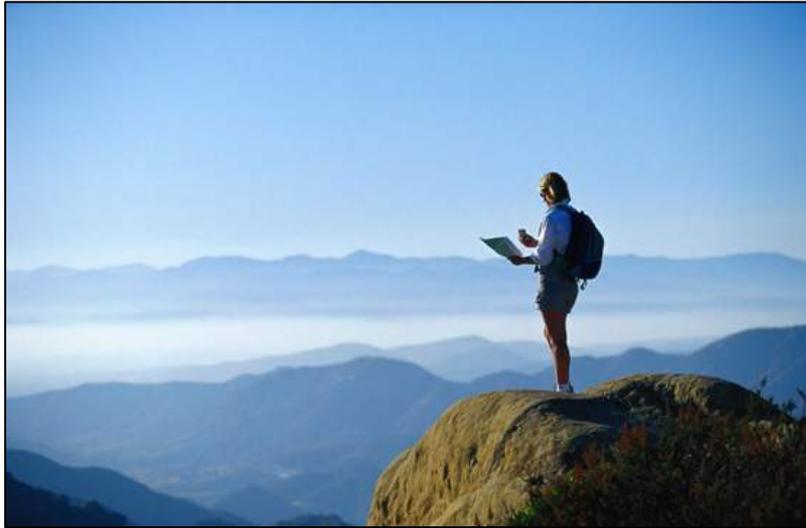
- What kind of retirement do you want?
- When do you want to retire?
- How long will retirement last?

Basic Considerations--*What Kind of Retirement Do You Want?*



- Financial independence
- Freedom to travel, pursue hobbies
- Ability to live where you want (e.g., in current home, vacation home)
- Opportunity to provide financially for children or grandchildren

Basic Considerations--*When Do You Want to Retire?*



- The earlier you retire, the shorter the period of time you have to accumulate funds and the longer those dollars will need to last
- Social Security isn't available until age 62
- Medicare eligibility begins at age 65

Basic Considerations--*How Long Will Retirement Last?*



- Average 65-year-old American can expect to live another 18 years*
- Average life expectancy is likely to continue to increase
- Retirement may last 25 years or more

* National Vital Statistics Report, Vol. 54, No. 19, June 28, 2006

Crunching the Numbers--*Estimating Retirement Expenses*



- “Rules of thumb” (e.g., you’ll need 60 to 90% of pre-retirement income) are easy but too general
- Think about how your actual expenses will change (e.g., mortgage may decrease, healthcare costs may increase)
- Include estimates for special retirement pursuits (e.g., travel, hobbies)

Crunching the Numbers--*Estimating Retirement Income*



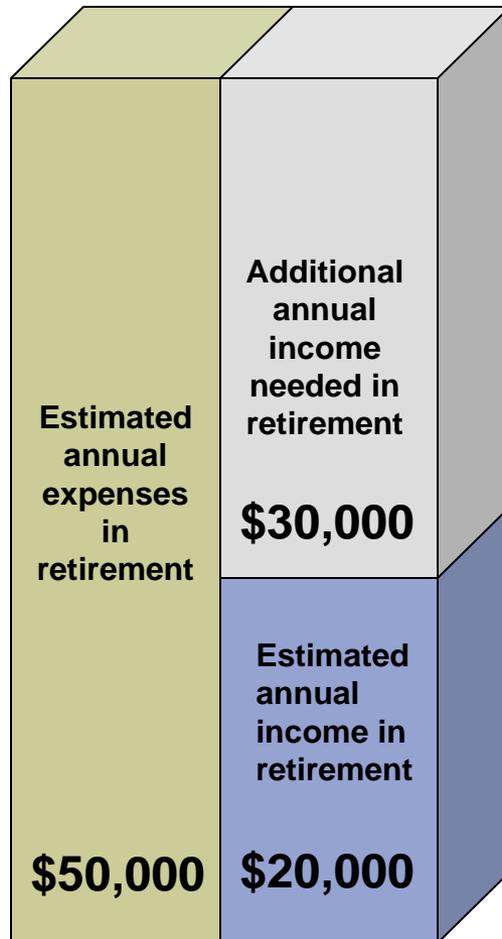
The three-legged retirement income stool:

- Social Security
- Traditional employer pension
- Individual savings & investments

*An individual born in 1957 who currently earns \$70,000 can expect to receive roughly \$22,000 each year (today's dollars) in Social Security retirement benefits at full retirement age.**

*www.ssa.gov Quick Calculator

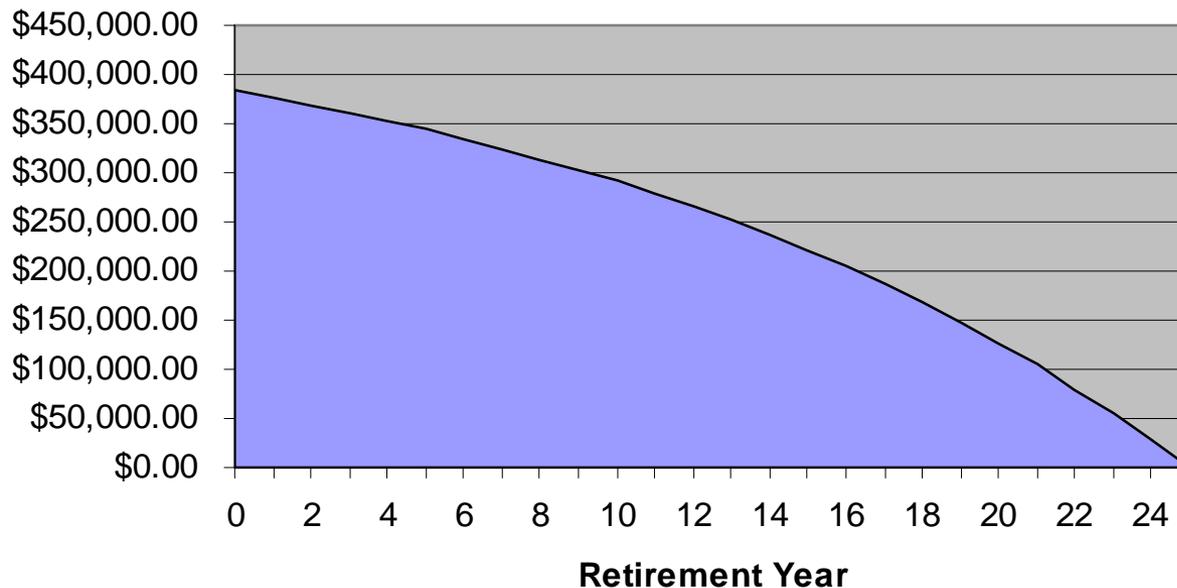
Crunching the Numbers--*Identifying the “Gap”*



- Compare projected annual retirement income and expenses
- “Gap” represents additional annual retirement income needed

Crunching the Numbers--*Calculating Your Retirement Investment Goal*

- **Primary investment goal:** accumulate enough money by the time you retire to satisfy your projected shortfall for entire retirement period
- Factor in reasonable rate of return for untapped funds

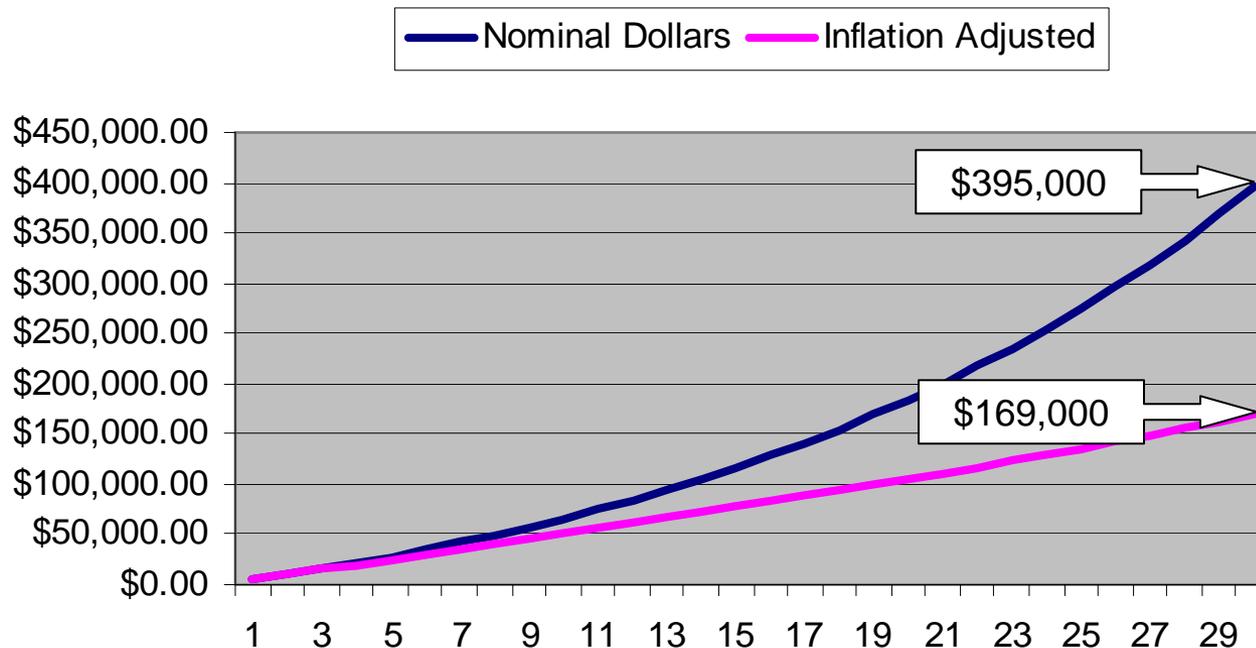


A \$384,000 lump sum at retirement would allow you to draw \$30,000 each year for 25 years, if you assume that your untapped funds will grow at 6% per year

This is a hypothetical example and is not intended to reflect the actual performance of any investment.

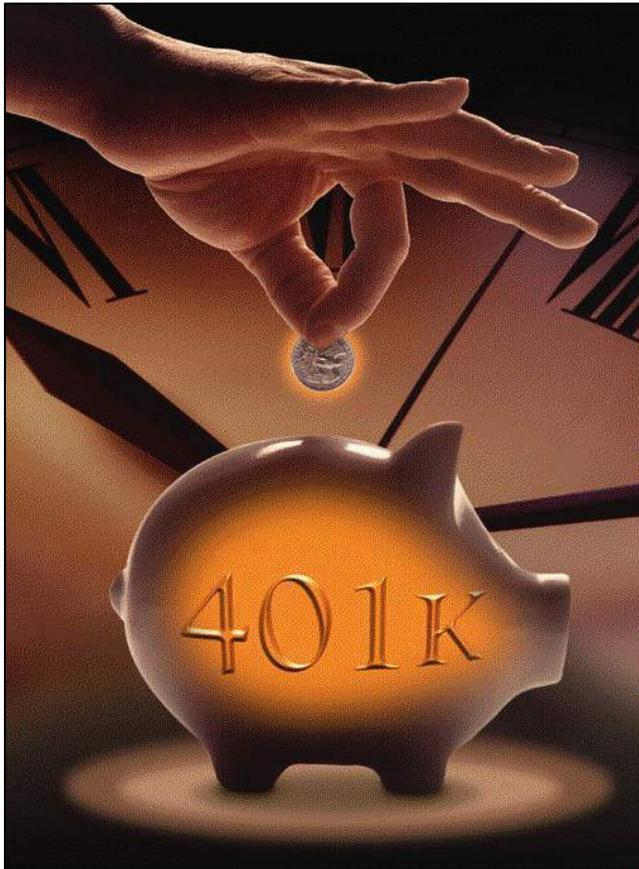
Crunching the Numbers--*Account for Inflation*

- Inflation reduces the purchasing power of today's dollars
- Average annual rate of inflation is 3% over last 20 years
(Source: U.S. Department of Labor consumer price index data)



- *\$5,000 invested annually*
- *6% rate of return*
- *3% annual inflation*

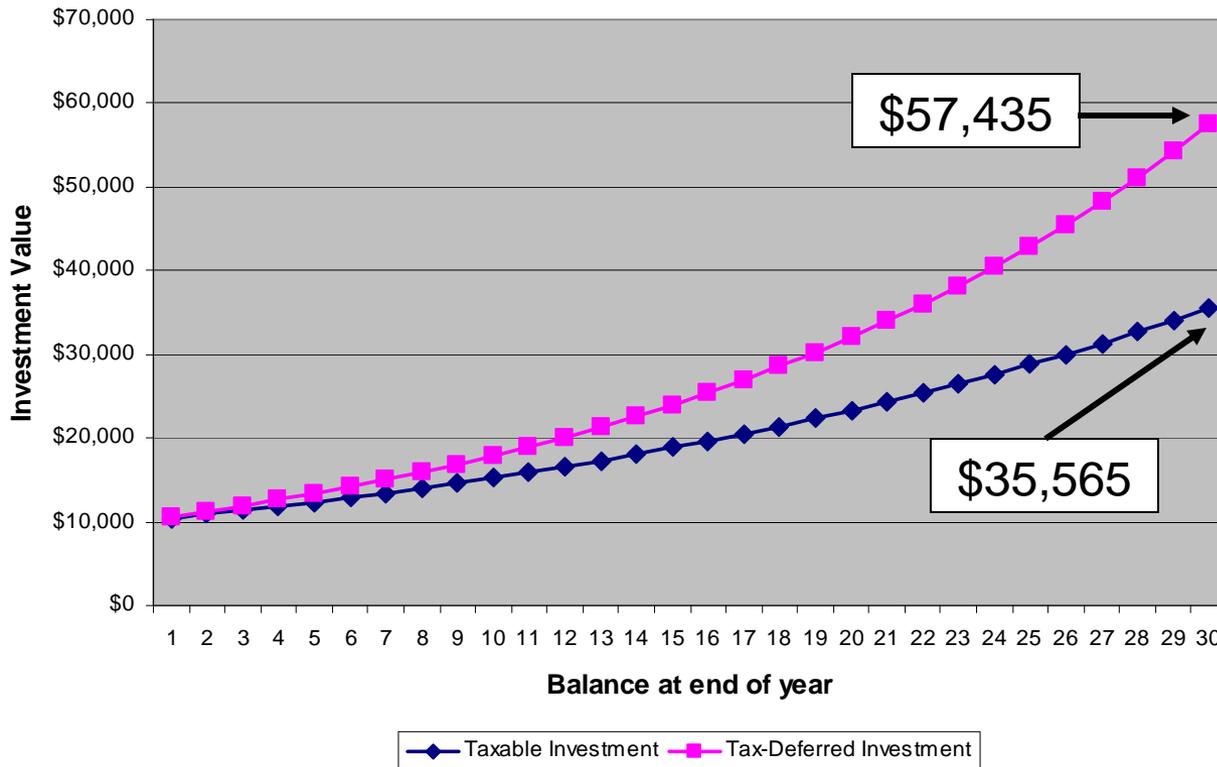
Tax-Advantaged Savings Vehicles



- Tax deferral can help your money grow
- Take full advantage of 401(k)s and other employer-sponsored retirement plans
- Contribute to a traditional or Roth IRA if you qualify

Tax-Advantaged Savings Vehicles-- *The Value of Tax Deferral*

Taxable vs. Tax-Deferred Growth

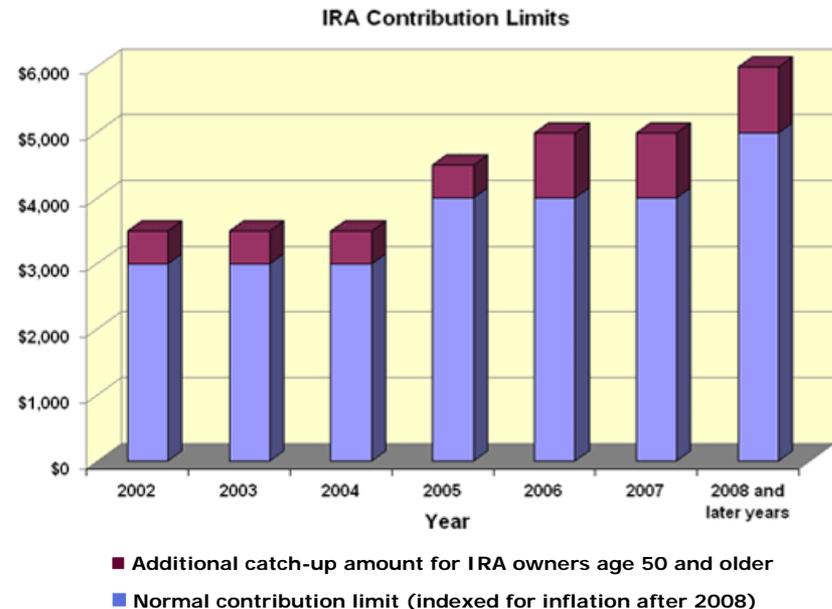


- \$10,000 invested in Year 1
- 6% annual growth rate
- 28% tax bracket
- Taxes paid with account assets

This is a hypothetical example and is not intended to reflect the actual performance of any specific investment. Investment fees and expenses, which are generally different for taxable and tax-deferred investments, have not been deducted. If they had been, the results would have been lower. The lower maximum tax rates on capital gains and qualifying dividends would generally make the taxable investment more favorable than shown in this chart.

Tax Advantaged Savings Vehicles-- *IRAs*

- Traditional IRAs and Roth IRAs
- You can contribute up to \$5,000 (2008)
- Individuals age 50 or older can make additional “catch up” contribution of \$1,000
- Tax-advantaged features
- Wide range of investment options
- Different qualifications and characteristics





Tax Advantaged Savings Vehicles-- *IRAs*

Traditional IRA

- Must have taxable compensation and be under age 70½
- Contributions deductible?
Depends on:
 - Whether you're covered by an employer-sponsored retirement plan
 - Income and filing status
- Funds grow tax deferred

Roth IRA

- Ability to contribute depends on income and filing status
- All contributions are after tax (no deduction)
- Funds grow tax deferred



Tax Advantaged Savings Vehicles-- *IRAs*

Traditional IRAs

- Distributions subject to federal income tax
- Generally, distributions made prior to age 59½ are subject to additional 10% premature distribution tax

Roth IRAs

- Qualified distributions are federal income tax free
- 5 year holding requirement, and
 - Age 59½
 - Disability
 - First-time homebuyer expenses
- Nonqualified distributions-- federal income tax and 10% premature distribution tax may apply to earnings portion

Tax Advantaged Savings Vehicles-- *IRAs*

If you can do both, should you make deductible contributions to a traditional IRA or contribute to a Roth IRA?

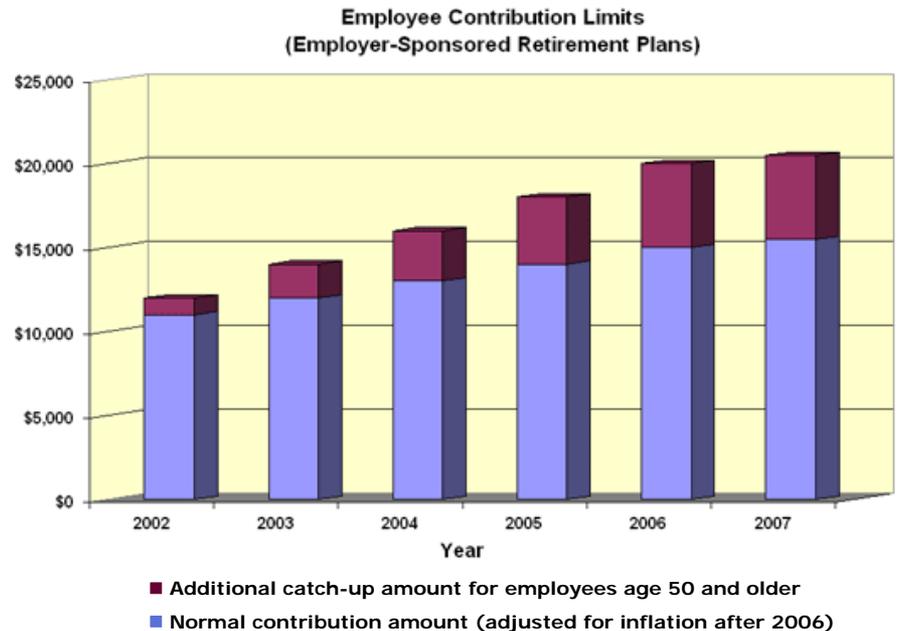
Roth IRA may make more sense if you want to minimize taxes during retirement and preserve assets for your beneficiaries

Traditional IRA may make more sense if you want to lower your tax bill while you're still working and you expect to be in a lower tax bracket when you retire



Tax-Advantaged Savings Vehicles-- *401(k) Plans--Pretax contributions*

- Defer up to \$15,500 of compensation (2008)
- Individuals age 50 or older can make additional “catch-up” contributions of \$5,000 (2008)
- Funds grow tax deferred until withdrawn
- Employer “match” is free money
- Limited to investment options offered by plan
- Distributions made prior to age 59½ (age 55 in some circumstances) are subject to additional 10% premature distribution tax





Tax-Advantaged Savings Vehicles-- *401(k) Plan--Roth Contributions*

- Contributions are after tax
- Funds grow tax deferred until withdrawn
- Total contributions (Roth and pretax) up to \$15,500 of compensation, \$20,500 if age 50 or older (2008)
- Qualified distributions are federal income tax free
 - 5 year holding requirement AND
 - Either age 59½ or disabled
- Nonqualified distribution--federal income tax and 10% premature distribution tax may apply to earnings portion
- Treated same as pretax contributions for all plan purposes (withdrawal rules, etc.)



Annuities

- An annuity is an investment contract
 - You invest money in return for insurer's promise to make payments in future (e.g., retirement)
 - Funds grow tax deferred
 - May provide death benefit (insurance features such as a death benefit are generally accompanied by higher costs)
 - No limit on amount you can contribute
- Distributions subject to federal income tax on earnings portion
 - Additional 10% premature distribution tax may apply if withdrawals made prior to age 59½ (exceptions apply)
 - No required minimum distributions after age 70½
 - Can elect to convert annuity into guaranteed* lifetime income stream
 - Typically impose a surrender fee in addition to other fees and charges

*Guarantees subject to claims-paying ability of insurance company

General Investment Considerations



- Timeline
- Risk / return considerations
 - Inflation
 - Return needed to achieve accumulation goal
 - Risk tolerance
 - Diversification
- Periodically reevaluate

Protecting Against Risk--*The Role of Insurance*



- Shifts financial risk to insurer
- Working Years:
 - Disability income insurance
 - Life Insurance
- Retirement Years:
 - Health insurance
 - Long-term care insurance

Implementing Your Plan



- Develop your own roadmap
- Start now
- Invest regularly
- Purchase appropriate insurance coverage
- Review plan on regular basis and adjust accordingly

Conclusion



I would welcome the opportunity to meet individually with each of you to address any specific concerns or questions that you may have.

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Rate Information

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Supporting Document Schedules

Review Status:

Satisfied -Name: Filing Cover Letter

03/16/2009

Comments:

Attachment:

AR Filing cover letter.pdf



SOUTHERN FARM BUREAU LIFE INSURANCE COMPANY

Post Office Box 78 • Jackson, Mississippi 39205 • 601-981-7422

March 17, 2009

Arkansas Insurance Department
1200 West Third St.
Little Rock, AR 72201-1904
Attn: Life & Health Division

Re: Retirement Basics Seminar
Our form # ML PP0209
NAIC# 68896

Attached you will find a copy of a Retirement Basics Seminar to be used with the general public. This piece has already been reviewed by FINRA – tracking # FR2008-0159-0151/E and is being submitted for your review.

Please review the material for consistency with applicable standards and do not hesitate to contact me with any questions you may have. I may be reached at (601) 981-5332, ext. 1946

Sincerely,

A handwritten signature in black ink that reads "Amy Wheeler". The signature is written in a cursive, flowing style.

Amy Wheeler
Compliance Advertising Specialist