

Prospecting Guide to  
**Small Business Retirement Plans**



# Every Business Owner Needs a Plan for Retirement.

## Why?

They work hard to build both a solid and profitable business, now they want to focus on keeping more of the money they make.

They want to leave a legacy for future generations.

They want to create an environment of empowered employees that will help drive business even higher.

A good retirement plan can accomplish the wealth accumulation needed for tomorrow as well as provide for tax advantages and other benefits today.

**IT'S TIME** to identify the business owners you know and share this with them.

**IT'S TIME** to address these reasons with them.

**IT'S TIME** to allow American National to help create custom solutions based on these future goals and needs.

# Identifying Potential Clients:

You have something they need. How do you approach them?

## Talk to them!

- Telephone Approach
- Pre-approach letter (with follow-up)
- Walk in and visit
- Lunch/Dinner/Drinks
- Lunch & Learn
- Recreation Events (golf, rotary, celebrations)

Radio Ads



Local Paper



Existing Clients



Personal Observation



Lists or Directories



Places Where You Do Business



Local Memberships



What are the keys to being successful and opening doors for the business owners you know?



# Telephone Approach

The next few pages illustrate a few different ways to approach current clients and unknown prospects on the telephone.

Confidence is key in this approach. It is important to practice these sample scripts and adjust them to create a natural flow for yourself.

## Telephone Script 1 for Current Clients



- Hello, this is \_\_\_\_\_.
- I'm calling to let you know about something I think you'll find really interesting. There are a couple of IRS approved strategies that might let you cut your taxes by significant numbers this year.
- If you're self-employed or you own a company with few to no employees, there are retirement plan strategies that might let you take a tax deduction for as much as \$100,000 or more that you simply set aside for retirement.
- This is much more than we have traditionally understood as possible with SEP or SIMPLE plans, even 401(k) plans. Would you have a few minutes to talk today if I stopped by? I want to get a little information from you and run some calculations on just what might be possible. It shouldn't take long to get the results then we can sit down to review them.

## Telephone Script 2 for Current Clients



- Hello, this is \_\_\_\_\_.
- You were on my mind this week and I wanted to give you a quick call. I've started working with small business retirement plans and some of the newer strategies available.
- I know you had talked about starting a retirement plan and I remember you thought it would be expensive or at least not cost effective. I've seen some calculations and plan examples that I think might work for you.



## Telephone Script 3 for Current Clients



- Hello, this is \_\_\_\_\_.
- I'm calling to let you know about something I think you'll find interesting. I have started doing retirement plan reviews for clients.
- I've discovered that many of my clients haven't had their plans reviewed in the last few years (if at all) and that they aren't completely aware of the total fees they pay, or the tax advantages they might be missing out on.
- Tax laws have been liberalized over the last several years, paving the way for more creative plan designs. Fee Disclosure rules have tightened up but some plan sponsors don't know how to ask for the information they are entitled to.

## Telephone Script 1 for Unknown Prospects

Be sure to comply with Do Not Call laws.



- Hello, this is \_\_\_\_\_.
- I live here in \_\_\_\_\_ and I work with business owners and their accountants to help develop tax strategies using a retirement plan. Do you have a current retirement plan at your business/firm/company?
- Have you considered starting a plan in the past?
- Did you know that it is still possible to generate large tax deductions this year?
- There are IRS approved strategies that could help a business owner see a tax deductible contribution of \$100,000 or more and still see some flexibility if they need it.
- Business owners also have the discretion to choose different options for plan funding.
- Since plan assets are protected from creditors, it can be a safe way to accumulate retirement

# Telephone Approach

## Telephone Script 2 for Unknown Prospects

Be sure to comply with Do Not Call laws.



- Hello, this is \_\_\_\_\_.
- I live here in \_\_\_\_\_ and I work with business owners and their accountants to help develop tax strategies using a retirement plan. Do you have a current retirement plan at your business/firm/company?



**Yes**



**No**



- That's great. What kind of plan is it?
- Who handles it for you?
- If you could name one thing about your plan that you love, what would it be?
- Ok, what is one thing you would change if you could?
- Have you had your plan reviewed in the last few years? Even though there are new Fee Disclosure rules in place, some business owners don't know how to ask for the information they are entitled to.
- It could be costing you money if you don't have a plan that benefits you as much as possible.
- My firm wants to help the business owners in our area by offering a free review of their plan to see if there are ways to improve or enhance it.
- Would you have a few minutes for me to stop by and visit?



- Have you thought about starting one?
- (if cost is objection) There are newer cost-effective ways to start a plan. There are even incentives and tax breaks available.
- I've seen some designs that can work to structure more of the plan's benefits in favor of the owner.
- I've also seen some designs that can empower employees and help an owner drive business even higher.
- Would you have a few minutes for me to stop by?

Preparing your response to common objections is an important sales strategy. Your prospect may not be aware of all the options available to them. Make sure you are ready!

## ▶ **These plans are always too expensive.**

I work with a group that offers low cost administration and handles all our plan needs in one place. Most plans are only \$700 to set up and as little as \$525 for annual administration. They offer a variety of investment options depending on the plan and your objectives.

## ▶ **My income fluctuates from year to year.**

There are many plan designs that allow for flexible funding from year to year. They can let you fund more in years when you need it or less in years when you don't. What does it hurt to look at the options and make sure you are taking advantage of any options available?

## ▶ **I don't want to make large contributions for my employees.**

There are some plan design options that can limit what must be given to employees. There are also designs that can skew contributions specifically to a particular group if you want to favor yourself or a group of KEY employees. We can look at the options for your situation and see what might work for you.

## ▶ **These plans are too complicated and too much work.**

I work with a group that handles all of the plan set up and administration. They will explain everything to us about your plan so that you understand the benefits, the features and your responsibilities. They are great at walking a client through the steps, answering any questions and handling the complex details.

## ▶ **I need to talk to my tax advisor/attorney about this.**

That is a good idea. American National actually advises that and they would be happy to get on the phone with us and answer any questions your advisor/accountant/attorney might have.

As you know, how you break the ice to a potential prospect can make all the difference during a sales call. Your goal is to catch the interest of your prospect quickly. The following pages include conversations starters to help get the conversation flowing.

As with the telephone approach, the most important thing you can do to prepare for a conversation on retirement or pension plans is to act natural, bringing your own voice and personality to the conversation. You are your best asset.

## For Prospects with a Current Plan



Good morning/afternoon, I'm \_\_\_\_\_, a pension consultant/financial planner here in (city). How are you today? I work with local business owners that have existing retirement plans. Do you have a couple of minutes?

Did you know that the laws for small business retirement plans have been liberalized over the last few years?

Has your plan been reviewed lately?

I can give you a free review of your plan to insure you still have the best plan for your situation.

It is costing you money if you don't have the plan design that benefits you as much as possible.

All I need from you is a census and some information on your current plan.





## For Prospects without a Current Plan



Good morning/afternoon, I'm \_\_\_\_\_, a pension consultant here in (city). How are you today? I work with local business owners to help make them aware of the possibilities available to them through retirement plans. Do you have a minute?

Did you know that the rules for small business retirement plans have been liberalized over the last few years? When was the last time you explored the options you might have?

I'd like to give you a free look at what a tax deductible retirement plan could look like for your situation. With all the tax increases, it could be costing you money not having a plan.

## Other Conversation Starters



Does your business have all the tax deductions it needs?

Do you have all the retirement income you are going to need?

You know, I've recently added small business retirement planning to my services and I thought about you. I remember that you had mentioned once that you often thought about starting a 401k plan, but you thought it was too expensive...I think I can help you with that!

I was thinking about your situation, I think I've found a solution to help you avoid writing that large check to the IRS each year. Have you considered putting a retirement plan in place?

# Pre-Approved Letter Templates

If you are looking to use direct mail or email as your door opener, we have several letter templates to get you started. If you need more information on the available pre-approved letter templates, contact us at 888-909-6504.

## Sample Letter #1

### Cut your taxes by thousands of dollars this year

Dear Business Owner:

There are retirement plans for businesses, defined by the Internal Revenue Code, that can help you cut your current tax bill by \$30,000, \$40,000, \$50,000 or more. These retirement plans are specifically designed for situations like yours.

With these plans, you:

- Might be able to make a tax-deductible contribution of \$100,000 or more each year.
- Decide how much you want to contribute each year, as long as it is within deductible parameters.
- Can grow your retirement account on a tax-deferred basis.
- Have a range of options when you retire that let you decide how you want and need to receive the money.

You don't have to change your standard of living to start or maintain this plan. I can show you how you might pay for it with money you are now paying in income taxes. This may be just the opportunity you were looking for in order to cut your taxes for 2021. Did you know that you do not have to make the full plan contribution until your taxes are due next year?

These plans are not for everyone but it may be right for your business. Give me a call at 000-000-0000 and let's talk about it.

Sincerely,

(Your name)

## Sample Letter #2

### Reduce Your Taxes With A Qualified Plan

Dear Business Owner:

Are you aware of the tax savings available with a qualified plan?

I would like to review the various IRS-Approved plans with you. Many business owners today are not aware of the tax advantages of starting a retirement plan.

The laws that govern retirement plans have been liberalized over the last several years, especially since passage of the SECURE Act of 2022. They have paved the way for business owners to achieve larger tax deferred retirement accounts based on their goals and objectives.

I am enclosing a brochure that highlights some of the many options available. I would love to visit with you on specific strategies that might just benefit your situation. I'll be happy to stop by or you are welcome to call me at 000-000-0000.

Sincerely,

(Your name)

### To Be Used With The Plan Comparison Chart!

Plan Type	401(k)	Safe Harbor 401(k)	Simple 401(k)	Simple IRA	Profit-Sharing	SEP-IRA	Private Pensions	Defined Benefit	ROBS (Roth 401(k))
Eligible Employer	1- Employees	1- Employees	More than 100 employees who are not more than \$1,000 in prior year	No more than 100 employees who are not more than \$1,000 in prior year	Business with non-discrimination self-employed	Small business and self-employed	Business with single or multiple plans to compare and self-employed	Business with single or multiple plans to compare and self-employed	Business with single or multiple plans to compare and self-employed
Key Features	Top defined benefit flexibility in plan design, investment flexibility	The defined benefit flexibility in plan design, investment flexibility	The defined benefit flexibility in plan design, investment flexibility	The defined benefit flexibility in plan design, investment flexibility	Flexible loan features, investment flexibility	Investment flexibility	Consider loan features, investment flexibility	Consider loan features, investment flexibility	Flexible loan features, investment flexibility
Contributors	Employer and optional employee	Employer and optional employee	Employer and optional employee	Employer and optional employee	Employee only	Employee only	Employee only	Employee only	Employee only
Loan Feature Available	Yes	Yes, possible additional employee contributions above safe harbor	Yes	Yes, limited	Yes	Yes	Yes, percentage established at plan setup	Limited loan feature available	Yes, based on loan type
Minimum Age for Enrollment	Age 21 with 1 year of service	Age 21 with 1 year of service	Age 21 with 1 year of service	Employees earning \$1,000 or more per year (1 year of service)	Age 21 with 1 year of service (1 year of service)	Age 21 with 1 year of service (1 year of service)	Age 21 with 1 year of service (1 year of service)	Age 21 with 1 year of service (1 year of service)	Age 21 with 1 year of service (1 year of service)
Maximum Annual Contribution	\$19,500 (2021) with \$6,500 catch-up contribution	\$19,500 (2021) with \$6,500 catch-up contribution	\$13,000 (2021) with \$3,000 catch-up contribution	\$13,000 (2021) with \$3,000 catch-up contribution	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Maximum Annual Investment Contribution	25% of eligible compensation	25% of eligible compensation (with optional additional contributions for matching or non-matching) (25% of eligible compensation)	100% up to 6% based on participant's 25% of eligible compensation	100% up to 6% based on participant's 25% of eligible compensation	Up to 25% of eligible compensation (compensation limited to \$50,000 per eligible employee (2021))	25% of eligible compensation (compensation)	Up to 25% of eligible compensation (compensation limited to \$50,000 per eligible employee (2021))	Amount specified in loan plan	Amount specified in loan plan
Required Annual Contribution	May be granted up to 5 years or 10% after 1 year	100% immediately or 10% after 1 year	100% immediately	100% immediately	May be granted up to 5 years or 10% after 1 year	100% immediately	May be granted up to 5 years or 10% after 1 year	May be granted up to 5 years or 10% after 1 year	May be granted up to 5 years or 10% after 1 year
Costs	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
How Established	Articles	Articles with 30-day notification for participants prior to October 1st	Articles/Contractor 1st	Articles/Contractor 1st	Articles prior to the filing deadline including amendments	Articles prior to the filing deadline including amendments	Articles prior to the filing deadline including amendments	Articles prior to the filing deadline including amendments	Articles prior to the filing deadline including amendments
IRS-Approved	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## Sample Letter #3 Million Dollar Sales Idea For Business Owners

Dear Business Owner:

### Are you saving enough for retirement?

Most business owners and professionals will need at least \$1 million in retirement to maintain their lifestyle – and will your family be able to maintain their lifestyle and meet ongoing and future expenses if something should happen to you?

Would you be interested in a retirement plan that, if properly designed and funded, provides at least \$1 MILLION to you and your family whether or not you live to retirement – and provide a current tax deduction for your business?

Are you aware of 412(e)(3) Defined Benefit plans? These plans can be designed to favor the owner and provide large business deductions. These plans are particularly suited for business owners and professionals who have few or no employees – or only family members. They are designed to maximize the plan contribution for the owner to enable him to accumulate funds for his retirement over a short period of time. Continue reading to learn how life insurance and annuities are used to implement the \$1 million goal:

<b>\$1,000,000 Plan</b>			
<b>Age</b>	<b>Life Insurance Premium</b>	<b>Annuity Premium</b>	<b>Total Annual Deductible Contribution</b>
45	\$25,257	\$28,235	\$53,492
50	\$32,778	\$45,190	\$77,968
55	\$46,443	\$91,862	\$138,305

The contributions above are based upon the guaranteed annuity purchase rates, the guaranteed insurance cash values, and the guaranteed annuity accumulation rates of American National Insurance Company 412(e)(3) qualified life and annuity products. Rates are those in effect for February, 2023. These examples assume a life insurance policy with an insurance amount of \$1,000,000. Normal retirement is age 62 in these examples.

These plans are not a “gray area” and have been in existence for more than 40 years. The IRS created special code section 412(e)(3) for these plans to exempt them from many of the requirements of traditional defined benefit plans since an insurance company must guarantee the plan benefits.

I plan to call you soon to arrange an appointment to see if you would like to know more about how you can meet your retirement goals with the \$1 MILLION plan. These plans are ideally suited to certain unique situations in many small businesses and yet are not well known.

I'm looking forward to speaking to you in the near future.

Sincerely,

(Your name)

## Sample Letter #4

Dear Business Owner:

Are you aware that Profit Sharing plans have evolved over the years? The GOOD NEWS is allocations are no longer required to be the same percentage of salary for all employees.

If you have or wish to have a Profit Sharing Plan for your firm, you owe it to yourself to become familiar with the concept called a NEW COMPARABILITY. Consider the example below for 2023. Which plan best suits your particular needs?

	Age	Salary	Traditional Profit Sharing Allocation	Percent of Total Allocation	New Comparability Profit Sharing Allocation	Percent of Total Allocation
Owner	60	\$165,000	\$41,250	<b>57%</b>	\$66,000	<b>91%</b>
Employee	51	\$38,000	\$9,500	13%	\$1,900	3%
Employee	42	\$32,000	\$8,000	11%	\$1,600	2%
Employee	29	\$28,000	\$7,000	10%	\$1,400	2%
Employee	26	\$26,000	\$6,500	9%	\$1,300	2%
		<b>\$289,000</b>	<b>\$72,250</b>		<b>\$72,200</b>	
<b>Owner's Share</b>			<b>(57%)</b>		<b>(91%)</b>	

The owner above, for the same contribution from the business, can almost double his own allocation of the Profit Sharing contribution! Also his contribution, as a percentage of salary, is significantly more than the percentage of other employees.

Would you like to hear more, or discover you, as a business owner, could receive a larger slice of your firm's Profit Sharing contribution?

I work exclusively in Qualified Plans for the small business owner and will call you soon to see if I can be of service to you.

Sincerely,

(Your name)

## Sample Letter #5

### No Cost Retirement Plan Review

Dear Business Owner:

During our business relationship, I have come to appreciate the unique needs of your business. As a seasoned business owner, I know you recognize the value employees place on benefits available through their employer. That is why I am excited to tell you about the Retirement Plan Review program and why it's an essential component of both your future as well as the future of your business.

The Retirement Plan Review is a no cost analysis of your current retirement plan (pension or 401(k)) to determine if your current plan still meets your goals and objectives. The Retirement Plan Review may accomplish one or more of the following:

- Increase the amount of annual contribution for you, the owner
- Reduce the annual administration fees
- Increase the number of investment choices for employees
- Allow access to professional investment management for all employees

The enactment of the Pension Protect Act dramatically increased benefits and solutions available to owners and top executives like you. If your plan has not been reviewed recently, you owe it to yourself to have this done. If I find that your current plan is the best available, at least you have the peace of mind knowing this fact.

I will contact you soon to set a meeting to discuss the information needed to perform this no cost review.

Sincerely,

(Your name)

## Sample Letter #6

Dear Business Owner:

During our business relationship, I have come to appreciate the unique needs of your business. As a seasoned business owner, I know you recognize the value of fulfilling current needs as well as future planning. That is why I'm excited to tell you about the Retirement Plan Review program and why it's an essential component of both your future as well as the future of your business.

Ask yourself these questions ...

- Am I receiving the maximum benefit from my current retirement plan?
- Is there a way to increase the plan contributions for my benefit while decreasing plan costs for my employees?
- Do I have the ability to reward staff differently based on their importance to my organization?
- Is my plan's design right for me and my company?

If your answer to any of these questions is "I don't know", you owe it to yourself to obtain a no cost Retirement Plan Review. The enactment of the Pension Protection Act dramatically increased the benefits and solutions available to owners and top executives like you. If I find that your current plan is the best available, at least you have the peace of mind knowing this fact.

I will contact you to set a meeting to discuss the information I need to perform this no cost review.

Sincerely,

(Your name)

# Your American National Pension Sales Team

Don't forget! The American National Pension Sales Team is available to assist with any questions you may have.

Our plan designers average over 20-years experience each in the industry and want to use that experience to help you, whether it's your first experience with retirement plans or you have been selling them for years.

It's our job to make your retirement plan sales easier. We want to work with you to provide your prospects with a retirement plan to meet their needs.

## Pension Sales and Marketing Contact Information

Contact Pension Sales for information and questions about Pension and Retirement Sales for Small Businesses including marketing materials, proposals, and general sales support.

<b>Phone</b>	888-909-6504, Option 1
<b>Email</b>	PensionProposals@AmericanNational.com
<b>Mailing Address</b>	American National – Pension Sales 9th Floor One Moody Plaza Galveston, TX 77550
<b>Fax</b>	409-766-6995

---

Form Series: LPWL17, DAGA99, GUVAU03 (Forms May Vary by State)

In defined contribution plans, the amount of funds accumulated and the investment gains or losses solely determine the benefit at retirement. Distributions made to a Participant before age 59½ may be subject to a 10% premature distribution penalty. Qualified Plans have minimum distribution rules that govern the timing and amount of distributions. You should refer to your retirement plan, adoption agreement, or consult a tax advisor for more information about these distribution rules. Neither American National Insurance Company nor its agents give tax advice. Clients should contact their attorney or tax advisor on their specific situation.

American National Insurance Company, Galveston, Texas.

**For Agent Use Only; Not for Distribution or Use with Consumers.**



**AMERICAN NATIONAL INSURANCE COMPANY**  
888-909-6504 | [pension.anicoweb.com](http://pension.anicoweb.com)