



Is Your Retirement Savings Keeping Pace with Your Lifestyle?

For many high-income earners, financial success today doesn't automatically guarantee a secure tomorrow. Research shows that 90% of US households earning more than \$200,000 per year are under-saving for retirement in an effort to preserve their current quality of life.¹

The Real Cost of Retirement

While the top 10% of income earners save an average of 9–12%, most require a savings rate of 30–35% to maintain their standard of living. This creates a significant income gap that traditional retirement accounts often cannot bridge.²

The Kai-Zen® Solution: Frontloading Your Retirement Contributions

Kai-Zen® is an intelligently designed strategy that uses bank-backed leverage to help you frontload your savings and maximize the amount of capital working for you from day one.

Kai-Zen® uses an Indexed Universal Life (IUL) insurance policy as its foundation. This structure provides:

- **Principal Protection:** Your account includes a 0% floor, meaning your investment is positioned to be protected from market losses.
- **Market-Tracking Growth:** Interest is credited based on the performance of market indexes like the S&P 500.
- **Tax-Advantaged Benefits:** You gain the potential for tax-deferred growth and tax-free supplemental income in retirement.

Why Kai-Zen® is Different

Frictionless Financing

- ✓ No credit checks
- ✓ No personal guarantees
- ✓ No loan documents to sign
- ✓ No out-of-pocket interest expenses

Comprehensive Security

- ✓ High death benefits
- ✓ Living benefit riders*
- ✓ Chronic illness riders*
- ✓ Terminal illness riders*

Accelerated and Tax-Free Growth

- ✓ More capital
- ✓ Tax-efficient growth
- ✓ Tax-free distributions
- ✓ Zero market loss



A staggering 74% of your financial success is due to the amount of capital you have at work.³

Kai-Zen®

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How It Works

Fund Policy

You make five payments. The lender funds the policy for a full decade, assuming all payments after year five.

Grow Value

Policy values can grow over time on a tax-advantaged basis, shielded from annual taxation.

Repay Loan

This bank loan and interest is eventually repaid using the policy's compounding cash value in year 15.

Take Income

The remaining continues to grow tax-deferred and can be used to provide a flexible, tax-efficient income stream.

Case Study

Consider two individuals, both 45 years old, contributing \$50,000 per year for five years (\$250,000 total).



	Traditional IUL	Leveraged Kai-Zen®
Total Contributions	\$250,000	\$250,000
Strategy	Traditional IUL	Leveraged Kai-Zen®
Potential Retirement Income	\$70,000/year	\$113,000/year
Total Potential Distributions	\$1,680,000	\$2,712,000
Death Benefit (at age 90)	\$480,723	\$1,258,635

This comparison is a hypothetical case study based on a 45-year-old male with a "Preferred Plus Nontobacco" classification. The "Kai-Zen®" strategy assumes the client makes five annual payments of \$50,000 (\$250,000 total), with a lender funding the policy for the remaining five years of the first decade. All illustrated values, including the potential retirement income of \$113,000 per year and the \$1,258,635 death benefit at age 90, are non-guaranteed and based on a hypothetical 6.65% annual growth rate. Actual policy performance may be lower, and in a "Guaranteed Scenario" (0.10% interest), the policy would not support these distributions and could lapse. The strategy utilizes an Indexed Universal Life (IUL) policy where cash value is accessed via indexed loans, which incur a 5.00% annual charge. If loan charges exceed the interest credited to the policy, the cash value and death benefit will decrease, potentially requiring additional out-of-pocket premiums to prevent a lapse. For a full illustration highlighting this concept, please ask your financial professional for a full illustration.

Are you ready to accelerate your retirement saving strategy? Let's talk.

Sources:

[1] United States Census Bureau, Smart Asset, and Financial Samurai <https://www.statista.com/statistics/203183/percentage-distribution-of-household-income-in-the-us/>

[2] Bureau of Economic Analysis, U.S. Department of Commerce, and T. Rowe Price Insights; <https://www.bea.gov/data/income-saving/personal-saving-rate>

[3] Retirement Success: A surprising look into the factors that drive positive outcomes; David Blanchett & Jason Grantz



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