SmartLock™

HYBRID STRATEGIES

Y-UFinancial® Strategies
For Professional Partners

Retirement risks shouldn't erase what a lifetime of planning built.

SmartLock™ repositions cash or retirement assets into a coordinated system that repositions taxes, covers care costs, and protects the estate, while preventing retirement risks from derailing everything else.

STRATEGY 1 · RETIREMENT ACCOUNT FUNDED

Tax-Optimized Care

Designed for clients with pre-tax retirement accounts. Converts your pre-tax account into post-tax growth by spreading the tax bill over time while creating immediate, unlimited care coverage with a small transfer amount.

1. Complete a tax-free rollover from a retirement account into an IRA annuity that funds a SmartLock strategy.
2. The annuity distributes and funds the strategy over time, spreading taxable distributions while satisfying RMDs.
3. Inside the strategy, cash value grows tax-free and becomes post-tax basis; unlimited care or tax-free legacy.
4. An optional inflation rider increases the LTC benefit annually, ensuring coverage keeps pace with rising care costs over time.
5. Protects from tax risk, market risk, care risk, and legacy risk in a single-transfer structure with no ongoing premium obligations.

STRATEGY 2 · CASH FUNDED

Retirement Shield

Designed for clients funding with cash, non-retirement assets, or a Solo 401(k). Repositions a portion of savings into a SmartLock strategy that protects retirement income from all four distribution risks.

1. Complete a tax-free rollover from a retirement account into a qualified annuity that funds a 10-pay hybrid life/LTC policy.
2. The 10 annual, taxable distributions fund the policy, satisfy RMDs, and may qualify as non-countable in retirement account payout exemption states.
3. The hybrid policy is owned by a revocable or irrevocable trust. If held in a MAPT, cash value may be non-countable after the lookback period.
4. An optional inflation rider increases the LTC benefit annually, ensuring coverage keeps pace with rising care costs over time.
5. If care is needed, benefits reimburse the provider directly as a third party. Unused value transfers to beneficiaries outside of estate recovery and probate.

LTC BENEFIT	PREMIUM STRUCTURE	CARRIER RATING	LEGACY PROTECTION	USE IT OR KEEP IT
Unlimited, no cap or clock	**Single premium, no ongoing payments**	**A-rated, mutually owned**	**Assets protected from care depletion**	**Value preserved if care is never needed**

IDEAL CLIENT PROFILE

Who this is built for

- ✓ Ages 35 to 80 with existing retirement assets or cash reserves
- ✓ Clients who want LTC protection without ongoing premium risk
- ✓ Families with an active estate or financial plan who need coordinated care protection
- ✓ Clients with retirement accounts subject to voluntary withdrawal taxes or RMDs seeking to reposition efficiently
- ✓ Business owners with self-employment income eligible for a Solo 401(k)

PROFESSIONAL PARTNERS

How advisors use this

- → CPAs managing RMD strategy and retirement income tax exposure
- → Estate planning and elder law attorneys coordinating asset protection and care planning
- → RIAs and financial advisors protecting AUM from LTC event drawdown
- → Writing agents and brokers placing hybrid life/LTC for high-asset clients
- → Referral partners seeking a single-premium solution with no ongoing placement risk

Y-UFinancial®
LET YOUR WHY EMPOWER YOU