



Dillard

Financial Solutions Inc.

"GUIDING YOUR MONEY TO SAFETY"

Safe Retirement Planning



FIRST QUARTER 2012 NEWSLETTER

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WITH THE ARRIVAL OF 2012, many people will be facing changes in their jobs and benefits. Dillard Financial Solutions, Inc. is here to help! We have the solutions to the many changes your benefits will face.

Unlike past generations, we can't rely on social security benefits and corporate pension plans to carry us through our retirement years. Fear has pushed personal finance to the top of most people's priorities when it comes to New Year's resolutions. We have to stop living in the past when it comes to retirement planning.

We pride ourselves in safe retirement planning. Be sure and pass the word! We would love the opportunity to share our knowledge with your friends, family and co-workers and help guide them through these questionable financial times.

This year is going to be a great year for all of our clients because we know their money will be moving forward and never going backwards.



God Bless You!

Teresa & Steve Dillard



PSALM 100: 1-3

(King James Version)

1 Make a joyful noise unto the LORD, all ye lands. 2 Serve the LORD with gladness: come before His presence with singing. 3 Know ye that the LORD He is God: it is He that hath made us, and not we ourselves; we are His people, and the sheep of His pasture.

HOW SAFE IS YOUR PENSION?

Making decisions for retirement should be completed years in advance. A self-funded pension plan is the answer to a lot of retirement issues. When part of your plan is tax-free, this will be a huge help in retirement. As we all know, taxes will continue to increase. Not paying fees with retirement products is also a huge savings. There are many parts to having a successful plan. It starts with safety and it ends with safety.

In a report by USA Today on September 19, 2011, Dennis Cauchon reports that the federal government does not have any funds set aside to protect future pensions. The report also says that the federal government requires that city and state have money invested and set aside for their pensions. To read the report, visit www.usatoday.com.

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WHY CHOOSE

A National Ethics Association Certified Member?

In Today's Financial World...*TRUST IS A MUST.*

Now, more than ever, there is an increased need to know who you can trust in the financial services industry. By choosing an approved member of the National Ethics Association™, you will gain the added assurance of knowing that you are working with an advisor who has successfully passed our Ethics Check System™ and has agreed to maintain our membership standards.

Dillard Financial Solutions, Inc. is a Certified Member of the NEA (National Ethics Association). The NEA is a membership organization of financial professionals who have successfully passed a series of background checks and have agreed to uphold the principals and standards of the NEA.

All members are admitted into NEA's online national registry, where consumers can view a member's approval status and professional profile. NEA is not a financial designation, nor does it sell or endorse any financial products. The background check includes: Criminal background check, Professional license check and Civil background check.



To learn more about the NEA, visit www.ethics.net

How Safe is Your Pension? (Continued)

Most pensions have little protection. To be 100% safe and have a guaranteed income for life payout, there is only one choice: Insurance Companies. Insurance companies provide many choices for individuals to have a guaranteed income for life and also provide protection on principal, safety and growth opportunity 100% of the time. Insurance companies provide protection on life, auto, health and homes, and now you can get it on your money as well. Insurance companies are required by states to have resources on hand to protect your money and states regulate these companies.

Annuityspecs.com reported in 2010 that over \$93 billion was moved from risk investments to safe insurance products.

To learn more about this article, contact our office
at (803) 499-6623 for a free consultation.

IT'S JANUARY AND I FORGOT TO CONTRIBUTE TO MY IRA. IS IT TOO LATE?

No. Generally speaking, the IRS allows you to make your IRA contribution for a particular tax year up until April 15 of the following year. This rule applies to both traditional IRAs and Roth IRAs, giving you some flexibility in terms of the timing of your annual IRA contribution. In 2011, you can contribute a total of \$5,000 per year (under age 50) or \$6,000 per year (over age 50) to all the IRAs you own. In addition, if you're age 50 or older, you can make an extra "catch-up" contribution of \$1,000 a year.

Note that you can make your annual IRA contribution in a series of payments rather than in one lump sum. For example, let's say you want to invest the maximum amount in your IRA for 2011. You can either make a lump-sum contribution of \$5,000 or \$6,000 (dependent on age), or you can set up a plan whereby you invest a fixed amount each month. Because you're allowed to spread your 2011 IRA contribution over a 15 1/2-month period (Jan. 1, 2011 — Apr. 15, 2012), you can invest as little as \$416 per month and still end up contributing the full amount.

Our Team:



Don Beard
Agent



Brent Dillard
Agent



John Foran
Agent



Pat Ginefra
Agent



Lorraine "Toby" Horton
Agent/Account
Specialist



Wray Mathews
Agent



Jerry McCoy
Agent



Matt Morse
Marketing



Doug Priester
Agent



Geoffrey A Roberts
Marketing Director

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TheHiddenTruthAboutAnnuities.com
Steve Dillard





A WOMAN'S PERSPECTIVE:

LIFE INSURANCE FOR MY FAMILY

Women have accomplished much, with their position in the workforce and earning power at an all time high. According to The U.S. Department of Commerce 38 percent of all females aged 16 and older worked in management and professional and related occupations over the last two years, compared with just 32 percent of males.¹ And, 18 percent of all married couples noted that the wife earned at least \$5,000 more than the husband.²

Additionally, women are more likely to be the primary caregivers³ for children, spouses and parents, and often do the majority of the housework.⁴ Needless to say, women are busy. So busy in fact that they may not stop to plan for their future – for what would happen to their families if they were not there to care for them.

Industry studies show, both working moms and stay-at-home moms are uninsured or underinsured. Almost one in three women have no life insurance coverage at all, and women who do carry life insurance carry less than men.⁵

Whether a woman is the primary breadwinner or caregiver, she provides an important financial contribution to her family, one that should be protected with life insurance in the event of untimely death. Without proper protection, an unexpected death could cause a family's finances to collapse. If your family lost your income or ability perform care giving or other

household duties, what would happen? If there were no insurance proceeds to cover everyday expenses and other costs, how would your children fund their college education? How would your spouse live in retirement?

Life insurance can be an important addition to any financial strategy. Life insurance can help cover immediate expenses and can provide long-term protection of the assets you've earmarked for your family's future. For example, insurance will help pay for final expenses, such as unpaid medical bills, funeral expenses and estate settlement costs. Also, life insurance can help provide the money to meet the ongoing costs of running a household – without dipping into savings and depleting assets needed for the future.

The death benefit proceeds from a properly structured life insurance policy received by your beneficiary are generally free from federal income tax and can help put children through college and continue building a retirement nest egg for your spouse or partner.



1 US Department of Commerce, "US Census Bureau News Facts for Features: Women's History Month: March 2009," Jan.5, 2009

2 Ibid

3 LIMRA Facts About Life 2008

4 LIFE Foundation for Education

5 LIMRA Facts About Life 2008 AXA Equitable Life Insurance Company (AXA Equitable) (NY, NY)



2011 Client Christmas Social



Bethesda Church of God



Karlan Tucker, Guest Speaker



Denny Southern, Regional VP
American Equity Investment Life Ins. Co.



Emily Rae Osteen
Golf Game Winner



Glynn Ward, MC



Kathy Nigro with The Dillards



Margie Dennis, Dessert Contest Winner



Joe Winters with
Teresa Dillard



Bethesda Church of God

"Very nice party. We enjoyed it very much!"

"I loved being a part of your social. Good fellowship, food and gifts. I'm so glad you involved God in your business."

– Emily Rae

"Thank you for an enjoyable evening. May God continue to bless you."

– George & Minnie

"Beautiful event. Wouldn't change a thing!"

– Donna

"Wonderful fellowship!"

"Thank you so much for having us. We thoroughly enjoyed your party. Everything was so nice. We love y'all!"

– Julia

Dillard Financial Solutions, Inc.



Grier Blackwelder, Pres.
Sumter Chamber of Commerce & Friends



Donna Dewitt, President of SC AFL-CIO
and Assistant Cindy



Lavone and Jessie Christmas



Richland County Sheriff's Department
Honor Guard



Mike and Margie Dennis
Clients of the Quarter



Darrell and Marion Dobbs
Clients of the Quarter



William and Sherry Taylor
Clients of the Quarter



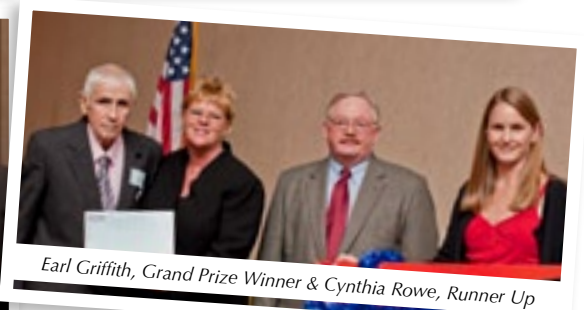
Deborah & Doug Fox
Clients of the Quarter



Travis Young



George & Minnie Thomas
with Teresa Dillard



Earl Griffith, Grand Prize Winner & Cynthia Rowe, Runner Up



THE POWER AND PROTECTION OF AN INDEXED ANNUITY

BY: KARLAN TUCKER

For years, if Americans wanted opportunity, they would put their savings in the stock market. If they wanted safety, they used bank CDs or government bonds. The problem was you could have money positioned for opportunity or safety, but not both on the same dollar at the same time.

Today, billions of dollars annually are finding how to have safety and opportunity on the same dollar at the same time. The vehicle that has filled the gap between the stock market and banks is the Fixed Indexed Annuity.

Two Potential Negatives

This well-designed vehicle has many positives and two potential negatives. The first negative is that it doesn't capture all the up of the market and the second is it isn't 100% liquid.

Capturing the Up of the Market

When the market rises, the Fixed Index Annuity (FIA) delivers interest. When the market declines, instead of losing money, the FIA just delivers 0% interest. Since owners of FIAs would have suffered a loss if they had been in the market in mutual funds or stocks, they call zero their hero!

Depending on an FIA's design and current interest rates, as well as market volatility, the FIA may credit from only a small percentage of the up, to in some cases, *all* of the up.

According to a study by the Wharton Financial Institutions Center, the FIAs have credited an average of 8% since their inception over 14 years ago. Because not all FIAs credit as much of the up as others, it is important to talk to a well-qualified individual who thoroughly understands FIAs.

Although FIAs typically do not allow for 100% of the up, often the average stock market investor didn't get all the up either.

Liquidity

The second concern some have about FIAs is that the FIA is not 100% liquid until the liquidity charge period has elapsed, ranging from 5 to 16 years. While an FIA is not an appropriate place to park emergency funds or monies needed for short-term liquidity, FIAs are highly appropriate for nest egg dollars. These are the funds that you need to always be there no matter how long you live.

There are, however, a number of ways to access your money inside an FIA. First, these vehicles allow for 10% liquidity of the account balance (this includes all growth), or in some designs 10% of the original deposit (excluding growth) after 12 months.

Think of it this way. If you deposited \$100,000 and then withdrew 10% — \$10,000 — annually for the next ten years, you would have spent all your original investment in just ten years. ask yourself, do you have a plan in place to spend your life savings over the next ten years? For

[Continued on Page 7]



most, this is far too fast to spend your nest egg, yet the FIA would allow for this without penalty. Keep in mind that Wall Street recommends we not spend more than 4% annually so as to not run out of money before we run out of life.

Another way to increase liquidity is that in some designs you receive a bonus that is fully credited to your account on day one. These bonuses may be as much as 10%. You can use the company's bonus to offset the company's liquidity fee to create, in some cases, as much as 50% liquidity of your principal on day one. Additionally, I know of an FIA that is 100% liquid with a return of your principal guaranteed at any time you request.

Perhaps one of the most powerful methods for taking funds from your FIA is to take income from the account. Unlike past designs, FIAs do not require you to lose ownership or control of your principal while taking income. Today's income features have the potential to increase to fight inflation by linking your income to stock market increases or, in some cases, offer guaranteed increases of 3% annually to help offset inflation. The income will pay out for as long as you and your spouse live if you elect the spousal payout provision. The income will even continue to pay should you outlive the balance in your account. Only annuities can pay an increasing income on a decreasing asset.

A Bargain

One last thought: Today's FIAs are a bargain. These newer designs of a well-established concept (fixed annuities were created in 1913) have no fees.

You may, however choose to add an optional guaranteed income rider that typically credits 6-8% annually for a fee of .45-.75 basis points (.75 basis points is equal to 3/4 of 1%). On a \$100,000 account you would pay \$750 annually

in exchange for the guarantee your income account will grow by 6-8% or \$6,000 - \$8,000. Not a bad exchange. Now you can insure a competitive rate of return in the event the market doesn't perform by buying this guarantee.

For the right kind of money (typically nest egg dollars), despite the fact that you won't get all the up of the market and less than 100% liquidity, an FIA is hard to beat. The closest competitor, a diversified portfolio, also does not get all the up and also is not always fully liquid due to market losses that can take a decade or longer to recover from.

In an imperfect world, where most people get some of the up and some of the down, you might want to consider instead getting some of the up and *none* of the down.

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Karlan Tucker is President and CEO of Tucker Advisory Group and has been a great mentor to Steve and Teresa. To learn more about Karlan and his company, give us a call toll-free at (800) 692-7643 or visit our website at www.dillardfinancialsolutionsinc.com.



CLIENTS OF THE QUARTER

WILLIAM AND LESLIE BARCH



Congratulations to William (or "Buzz" to his friends) and Leslie for being selected as our Clients of the Quarter for Q1 of 2012.

Buzz and Leslie have been happily married for 12 years with four children between them and two grandchildren, Logan and Madison. Buzz is a contractor for the 9TH US Air Force USAFCENT/SM and Leslie recently celebrated a major milestone on December 23, 2011. She is officially retired and very excited about her new lifestyle change. Congratulations Leslie!

Steve and Teresa Dillard are proud that Buzz and Leslie have represented Dillard Financial Solutions, Inc. on the golf courses over the years at sponsored events. Buzz has been a client for over 15 years!

The Barch's are very active and enjoy golfing on the weekends, long walks and bike rides together. They have also been involved as volunteers Relay for Life movement for the past several years.

SUDOKU

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Teresa Dillard with Wendy Waugaman, CEO of American Equity Investment Life Holding Company, and Ron Grensteiner, President of American Equity Investment Life Insurance Company at an American Equity convention in Orlando, Florida.

We provide "Sleep Insurance."

-DJ. Noble, CEO
American Equity Life Ins. Co.

2011 SC CRIMINAL JUSTICE TRAINING CONFERENCE

MYRTLE BEACH, SC



Happy Birthday to Our Clients!

01-Jan	Robert Hopkins, Jr.	25-Jan	Wayne Eppinger	09-Feb	LaRuth Anderson	03-Mar	Bernadette Hartley
01-Jan	Sonya Bookard	26-Jan	Krista C. Haynes	02-Feb	Diane L. Smith	06-Mar	Donald Smalley
02-Jan	Glynn Ward	27-Jan	Richard Guevara	12-Feb	Danny Franks	07-Mar	Robin Fujimoto
06-Jan	LaVerne Crawford	27-Jan	Thomas Gardner	14-Feb	Toni Turner	08-Mar	Rachel Smalley
07-Jan	Delaney Scott	28-Jan	Cathy Cook	14-Feb	Edward Pearson	10-Mar	Christa Boss
08-Jan	Carol Rogers	29-Jan	John Marshall Bunch	15-Feb	Wendy Odom	11-Mar	Steve Kennedy
10-Jan	Raul Aguilar, Jr.	29-Jan	Jameson Frost	17-Feb	Chrisandra Carter	13-Mar	George Harris
06-Jan	Nicholas Frost	01-Feb	Edwin Boyd	19-Feb	Anthony Moore	16-Mar	Patricia Reese
16-Jan	Mary Jane Welch	02-Feb	Anthony Zammarelli	21-Feb	Gene Murphy	17-Mar	Herman McGrew, Jr.
18-Jan	William Lindler	02-Feb	William Wallace, Jr.	22-Feb	Keith Ervin	18-Mar	Jamie Rogers
18-Jan	Nicholas Bosiak	04-Feb	Erica Wooten	24-Feb	Wanda Faye Elkins	19-Mar	Donald Simmons
19-Jan	Michael Dugas	05-Feb	Jennifer Brunson	01-Mar	Nancy Cheskey	20-Mar	Dan McPoyle
19-Jan	Gregory Toppi	05-Feb	Shirley Bergeron	02-Mar	William Miles II	20-Mar	Martha Jackson
19-Jan	Carrie Zier	06-Feb	Luella Goff	02-Mar	Charles Deitrick	25-Mar	Kevin Hairston
20-Jan	Robert Feather	07-Feb	Gladys Timmons	02-Mar	James Enochs	26-Mar	Barbara Jolley
20-Jan	Shelby Cole	08-Feb	Ann Gardner	03-Mar	Gwendolyn Allen	27-Mar	Timothy Smith
21-Jan	Patty Patterson	08-Feb	John Brimmer	03-Mar	John Corley, Sr	27-Mar	Perry Pettiford
22-Jan	Janet Rogers	08-Feb	Victor L. Gibson	03-Mar	Eva Williams	28-Mar	Dawson Baker
24-Jan	Henry Byra	08-Feb	Debbie Adkins	06-Mar	James Harrell	30-Mar	Michele D. Cooper
23-Jan	Brianna Scott	09-Feb	Tony Bailey	06-Mar	Corey Alston	31-Mar	James Ricca
		09-Feb	Daniel McClintock	09-Mar	Ann Marie Demarte		

BRIEFING OUR NAPUS AND NAPS FRIENDS



WHY VARIABLE ANNUITIES MAY BE BAD FOR RETIREES

Provided by OnlineLawyerSource.com

Investors and employees with small retirement plans have been injured by variable annuities, which combine mutual funds that offer tax-deferred compounding with insurance features. In the past, variable annuities were not viewed as a suitable product for many investors, but annual annuity sales more than doubled in the past decade, hitting a record \$1.65 trillion.

In recent years, insurers have added an array of guaranteed benefits in hopes of attracting new investors. The industry's efforts, however, have been criticized as overly aggressive and preying on senior citizens, thanks in part to high commissions. The National Association of Securities Dealers ordered a major brokerage firm to repay more than \$11 million to customers persuaded to exchange one annuity contract for another, generating \$37 million in commissions.

Variable annuities are infamous for their hefty fees: the average annual expense on variable annuity subaccounts stands at 2.08% of assets, as opposed to the average mutual fund, which charges just 1.38%. New Jersey became the third state – joining Utah and Washington – to limit to no more than 10 years the length of time insurers can impose surrender charges. Surrender charges are fees charged for the early withdrawal of funds, and states have placed special emphasis on implementing laws including provisions limiting the amount of time annuity sellers can impose penalties for canceling an annuities contract early.

New Jersey began enforcing its Senior Citizen Investment Protection Act, which limits how long annuity sellers can impose surrender charges and other states – including California and Missouri – are pushing legislation that would impose additional regulation or oversight on annuity sales as well. Complaints regarding variable annuities involve the way variable annuities are being marketed to the elderly, and there is growing pressure at both the federal and state level to curb the abusive sales practice of this lucrative industry.

The senior population controls a large portion of retirement dollars, making them the obvious target for people selling unsuitable investments. The Securities and Exchange Commission and the National Association of Securities Dealers found widespread “weak” practices regarding sales suitability, disclosure, supervision and training in an examination of broker-dealers selling variable annuities. As a result, the NASD proposed regulation that would require disclosure documents to explain annuities in laymen's terms and require a supervisor to double-check whether an annuity sale is appropriate before a contract is issued.

Long criticized by regulators and consumer advocates for misrepresenting its products and preying on senior citizens, some seniors may have their life savings jeopardized by unsuitable annuities. Like any investment, variable annuities are not appropriate for all retirees, and it is important to be able to identify if the policy is beneficial. Because investigations have turned up violations in the way variable annuities are marketed and risks disclosed, investors are not being given sufficient information to make educated decisions about their investments.

Experts believe retirees or seniors over the age of 65 should avoid variable annuities altogether because they do not make much sense for people already in retirement due to the high fees that will eat up a large portion of any potential gain from subaccounts. If the subaccounts do not perform well, the retiree is likely to suffer losses with high fees and market loss. Trying to get out early in an attempt to salvage investment money will bring hefty surrender fees, draining even more out of their retirement fund.

*If you are currently invested in a variable annuity, give us the opportunity to review it. You may need to move it to safety. Please contact us toll-free at (800) 692-7643 to set up an appointment with one of our representatives. **

**Requires proper suitability*

The Hidden Truth About Annuities

To learn more about annuities and what they have to offer you, visit www.TheHiddenTruthAboutAnnuities.com



If you have not seen the news, everyone is on Facebook... are you? We want you to join us on Facebook, just go to link below and click the "like" button. **Go to dillardfinancialsolutionsinc.com/signup.**

When you do, you will get updates on how to save for retirement. Learn what is in the news today that might affect your future income. Meet other clients and ask questions about your retirement plans.

This Month We Talked About:

***Benefit Changes in the New Year • The Power & Protection of an Indexed Annuity
How Safe is Your Pension? • Why Variable Annuities May be Bad for Retirees***

Don't miss the next article, sign up by using link above!



Don't Miss An Issue! Subscribe To Our Newsletter

Stay informed. We publish the latest news about your retirement benefits. Also learn about local events and happenings that you can attend. See what's going on in the lives of our clients. Get our newsletter sent to your inbox & follow us on Facebook for up to the minute news.

Go to dillardfinancialsolutionsinc.com/signup

SUDOKU SOLUTION:

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8	2	4	9	3	5	6	1	7
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Seven Locations To Serve You!

Southeast Region

2381 Highway 441, Suite C
Sumter, SC 29154

1643B Savannah Hwy. 183
Charleston, SC 29407

2031 Bottlebrush Dr.
Melbourne, FL 32935

7588 Woodrow St.
Harrington Bldg.
Irmo, SC 29063

6601 Cedar Mountain Rd.
Douglasville, GA 30134

P. O. Box 940
Lake Junaluska, NC 28745

Northeast Region

200 Lyndhurst Avenue
Wilmington, DE 19803

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