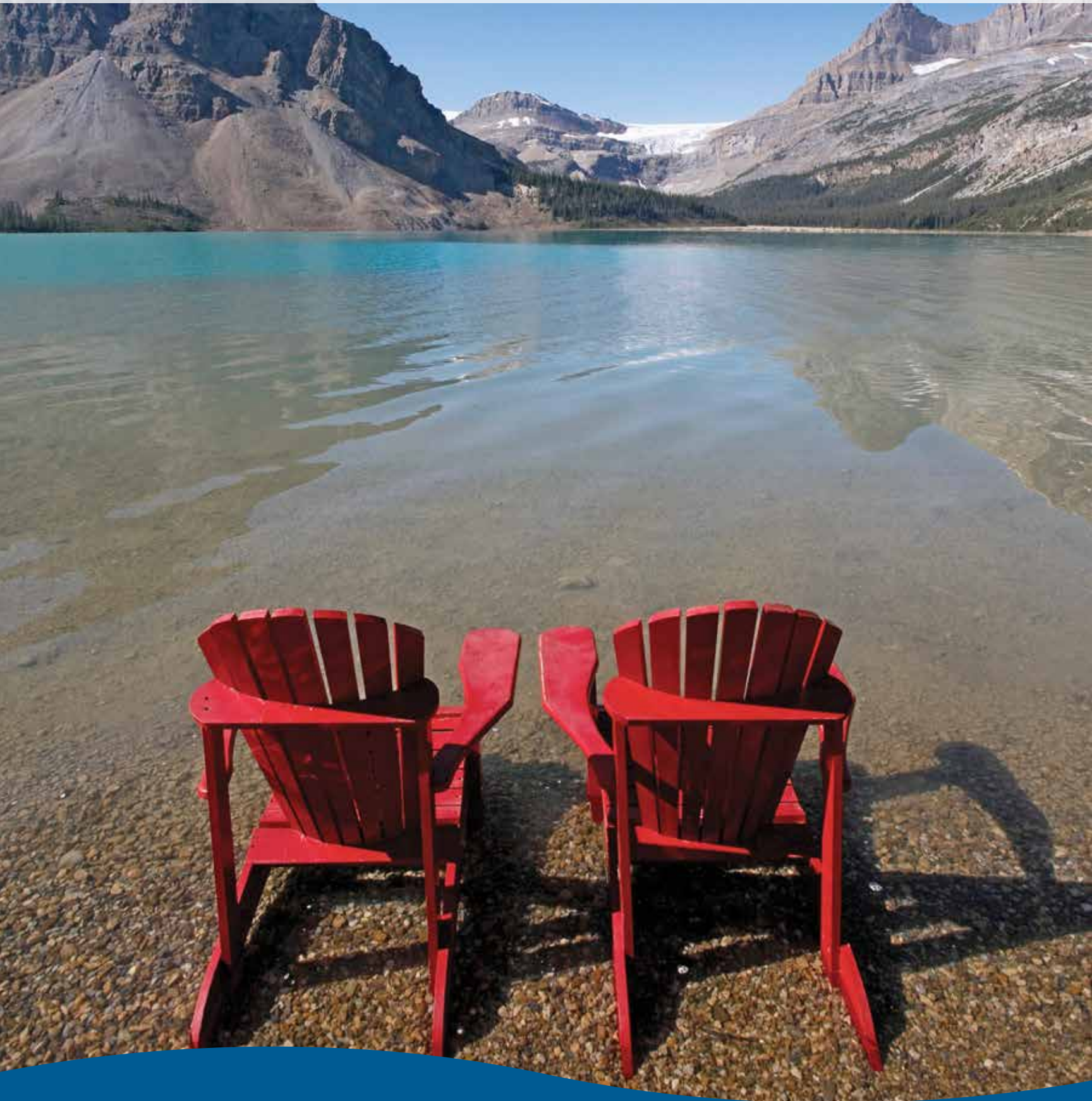


American National Insurance Company



Business Owner Retirement Plans



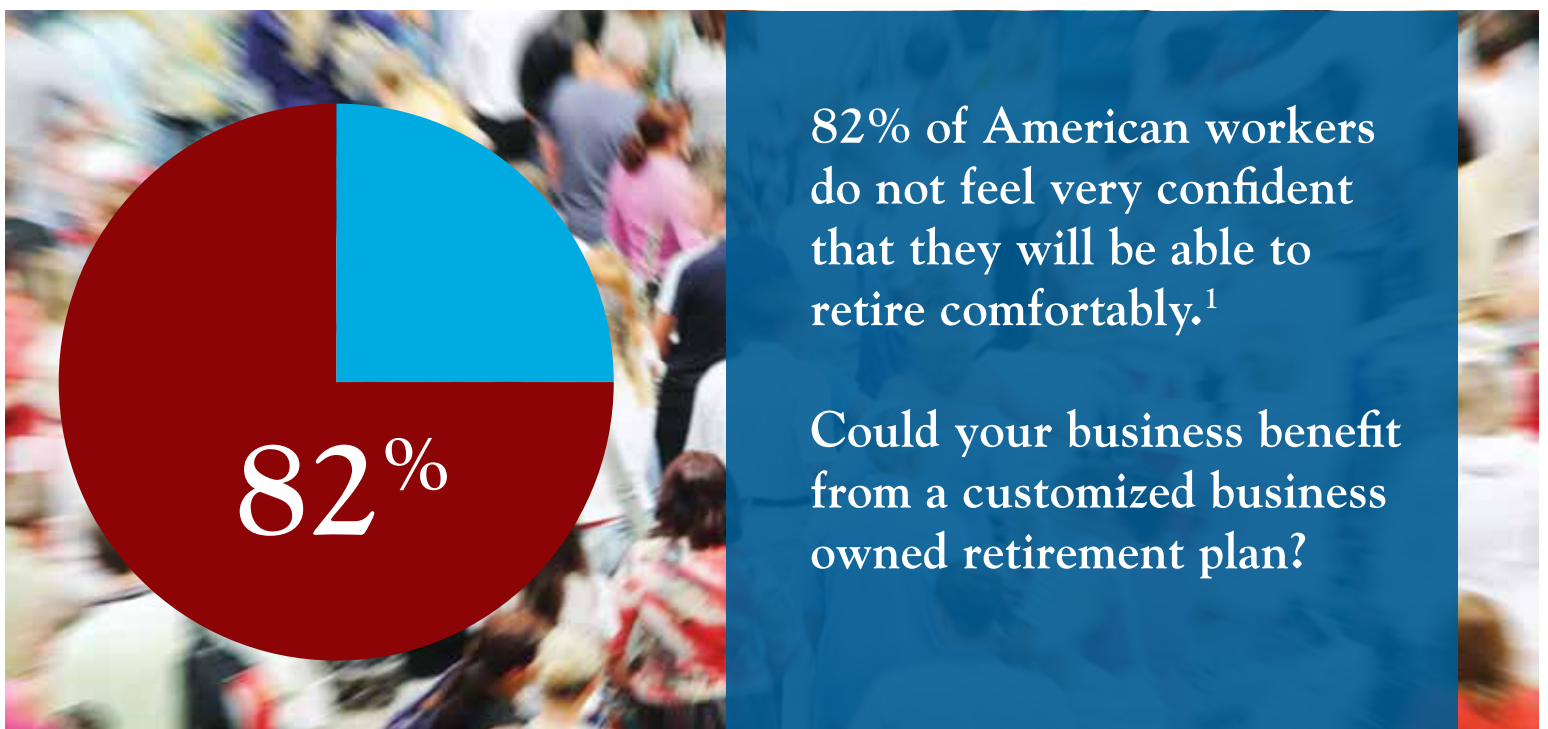
What is Your Ultimate Financial Goal?

If you are a business owner seeking a retirement funding opportunity, or evaluating your existing retirement plan, you are probably seeking your ultimate financial goal...

Accumulate, Preserve, and Transfer Wealth

You've worked hard to achieve your successful financial standing. Now you are ready to reap the rewards of that financial success with a prudent, carefully planned strategy to help you achieve your financial goal.

But just how do you do that, and is there a way to combine achieving your financial goals with reducing your current taxes?



1. 2017 Retirement Confidence Survey, Employee Benefit Research Institute and Greenwald & Associates.

The Challenge

The challenge for you, as a small business owner, is to determine what is the most beneficial way to build your assets, both from an accumulation and a tax-savings viewpoint, so that they will be available to help you achieve your retirement goals.

A pension plan designed specifically for your business may be the solution.



The Choices

American National offers a variety of plans to structure a retirement program to fit your needs, including:

- **412 (e)(3) Defined Benefit Plans**
- **Traditional Defined Benefit Plans**
- **New Comparability Profit Sharing Plans**
- **401(k) Plans (including Safe Harbor plans)**
- **and More!**

And More

Once you have chosen the type of plan, you can choose the plan features that meet your specific requirements. These features include, but are not limited to:

- **Eligibility Requirements**
- **Vesting Schedules**
- **Loan Provisions**

Innovative designs can be structured for either a new retirement program or a takeover of an existing plan. To complement this plan design package, American National offers a full administrative package as well as customer focused service, technology support, and a wide range of funding options.

Does Your Business Need Additional Tax Deductions?

1. Is it costing you money NOT having a retirement plan?
2. Does your business have all the tax deductions it needs?
3. Do you have all the retirement income you need?
4. Are you looking for a way to attract and keep employees?

Already Have a Retirement Plan?

1. Is it the right plan for your needs?
2. Are you satisfied with the fees and administration?
3. Do you have a large selection of investment options?
4. Are you satisfied with the return?
5. Has your plan been reviewed after the recent tax law changes liberalizing the rules for business owners and senior executives?



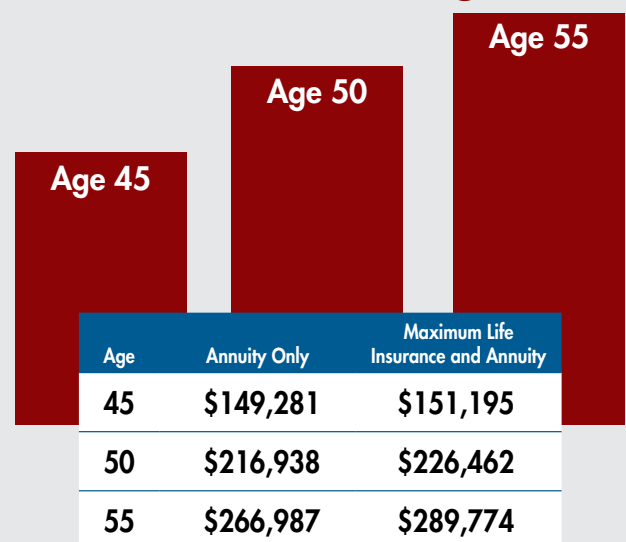
412(e)(3) Defined Benefit Plan¹

A good candidate for this plan design is a business owner with few employees (or none) who is earning a very high income.

This plan design allows the largest possible deductions for the business owner, and it liberates owners from the contribution limitations of 401(k) and profit sharing plans.

There is little flexibility in the contribution level each year. All benefits must be guaranteed by an insurance company so all assets must be in insurance company life insurance and annuity contracts. The benefits provided are dependent upon minimum premium requirements and the claims paying ability of the issuer.

Maximum First Year Deductions Available At Selected Ages:



¹The life and/or annuity insurance product(s) used to fund a 412(e)(3) plan must meet regulations set forth in Internal Revenue Service Reg. Sec. 1.412(i).

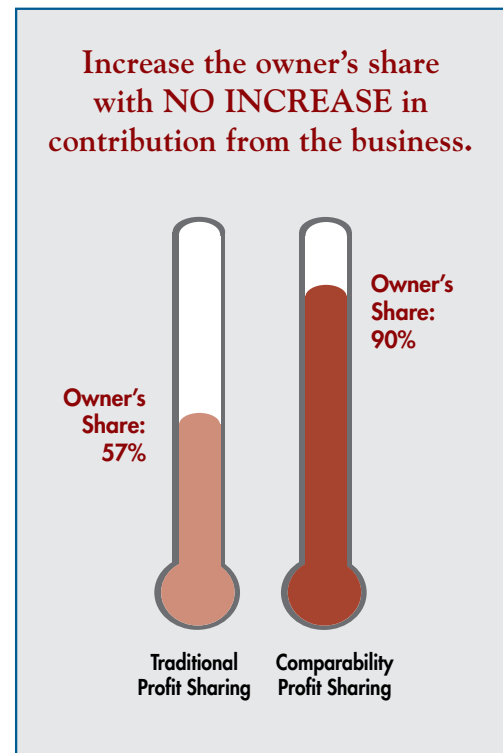
Note: The contributions above are based upon maximums for 2018, based on the guaranteed annuity purchase rates, the guaranteed insurance cash values, and the guaranteed annuity accumulation rates of American National Insurance Company 412(e)(3) qualified life insurance and annuity products. The numbers also assume the business owner at the selected ages has earnings of at least \$270,000 and the assumed retirement age is 62.

New Comparability Profit Sharing Plans

The plan works best when the business owner is older than most of the other employees.

These plans allow for the largest possible share of the company's contribution to be allocated to the owner and/or key employees. There is flexibility in the contribution level since it is a profit sharing plan and the contribution each year is discretionary.

Below is a hypothetical comparison illustrating the power of a New Comparability Plan. Note how the owner's allocation has increased from \$34,941 to \$55,000. **That is a 57% increase to the owner with no increase in the contribution from the business!**



	Age	Salary	Traditional Profit Sharing Allocation	Percent of Salary	New Comparability Profit Sharing Allocation	Percent of Salary
Owner	59	\$ 165,000	\$ 34,941	21%	\$ 55,000	33%
Employee	50	38,000	8,047	21%	1,900	5%
Employee	41	32,000	6,776	21%	1,600	5%
Employee	28	28,000	5,930	21%	1,400	5%
Employee	25	26,000	5,506	21%	1,300	5%
		\$289,000	\$61,200		\$61,200	
Owner's Share			(57%)		(90%)	

Safe Harbor 401(k) Plans

If you are a small business owner interested in a 401(k) plan, you need to consider the advantages of a safe harbor 401(k) plan.

These plans allow the key employees to contribute up to the maximum dollar limit of \$18,500 for 2018 as their 401(k) elective deferral without regard to what the other employees contribute. The maximum deferral for 2018 is \$24,500 if a participant is age 50 or over.

In a traditional plan, the highly compensated employee's contribution may be limited and is dependent upon what all other employees contribute as elective deferrals to the plan. One method of meeting the safe harbor rules is to make a 3% fully vested contribution for all employees. The end result can be a very appealing plan.

Hypothetical Example

	Age	Salary	3% Vested Employer Contribution	401(k) Employee Elective Deferral	Total Allocation
Owner	60	\$ 120,000	\$ 3,600	\$ 24,500	\$28,100
Employee	33	33,000	990	0	990
Employee	34	31,000	930	0	930
Employee	54	29,000	870	0	870
Employee	42	23,000	690	0	690
		\$ 236,000	\$ 7,080	\$ 25,000	\$31,580

401(k) plans can be a powerful tool in promoting financial security in retirement.¹

1. Department of Labor, 401(k)s for Small Businesses, October 2015.

Owner Only 401(k) Plans

If you are a small business owner with no employees and are looking for complete flexibility, an owner only 401(k) Plan could be the solution for you. This is not a new type of 401(k) plan. This is a traditional 401(k) plan with all the normal features of a 401(k) plan except that it covers a business where the only eligible employee is the owner, or the owner and a spouse.

In this type of plan, the business owner essentially wears two hats. You are the employee and employer. You can make contributions to the plan in both capacities!



Owner Only

	Age	Salary	Employer Contribution	Max. Elective Deferral	Total Contribution
Owner	51	\$146,000	\$36,500	\$24,500	\$61,000

Owner and Spouse

	Age	Salary	Employer Contribution	Max. Elective Deferral	Total Contribution
Owner	51	\$146,000	\$36,500	\$24,500	\$61,000
Spouse	49	\$25,000	\$6,250	\$18,500	\$24,750
Total Contribution:					\$85,750

You have the flexibility to maximize or minimize the contribution from year to year!

A Customized Opportunity

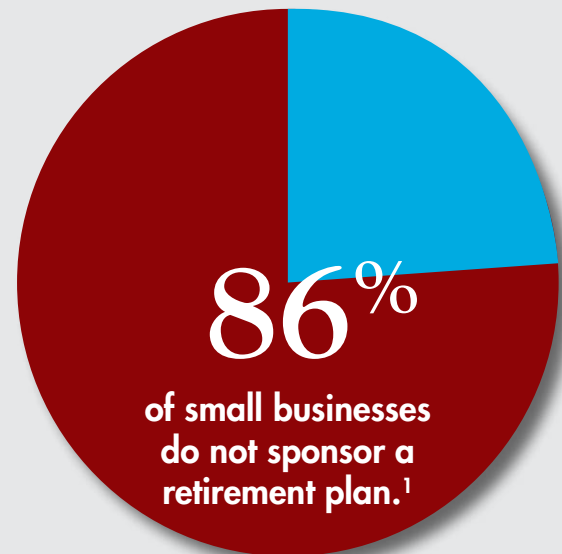
Let us help you find a variation of these plan designs that could help you convert current taxes to assets, defer tax payments, and generate the retirement income you desire.

If you do not have a retirement plan, or even if you do have an existing plan, you need to review the new plans created by recent tax law changes available for small business owners. Retirement plans are more flexible and appealing than ever before, and there are numerous plan designs to choose from.

Retirement plans today may allow you, as the small business owner, to receive 60%, 70%, or even more of the deductible business contribution. In such cases, it could be costing you money not having a plan!

But how do you know which type of plan to choose? Allow us to give you a free look at the innovative retirement plans available today. You have retirement goals—let us help you achieve them.

Is it costing you money not having a plan? Find out with a free analysis!



1) Source: United States Government Accountability Office
"Retirement Security - Challenges and Prospects for Employees of Small Businesses, 2013.

There is no cost for your retirement design proposal. Why wait?

Working with your CPA and financial advisors, you can fill out a simple census form which can help to determine your individual needs, long term goals, and objectives.

Each individual has a unique set of needs and considerations. We take into account such issues as:

- Estate planning
- Current income
- Tax objectives
- Family business succession
- Transfer of wealth to the next generation

This initial discovery phase can help us determine which type of retirement plans may best meet your objectives. Once the plan type is chosen, we can also recommend the best way to implement and administer the plan to meet your retirement needs.

From the case design to product fulfillment to annual administration, we can handle the complete package to give you peace of mind, leaving you to do what you do best - running your business.

Our package includes:

- Plan Design
- Plan Documents
- Investment Advice available through Morningstar® for 401(k) plans
- Administration
- Daily valuations and internet access for 401(k) plans
- Plan Funding

There is no fee for this discovery and design process, but there could be a cost—the cost of continuing to pay taxes that could work for you and your small business in achieving your financial goals.

The next step is yours. All you need to do is complete a confidential census and return it to American National with your plan goals.

The important thing is to take that next step.

The American National Story

Chartered on March 17, 1905 by the company's founder, W. L. Moody Jr., American National began operations with \$100,000 of capital and \$20,000 surplus. Following a conservative investment philosophy, Mr. Moody believed that the company's profits should finance future growth, so American National did not pay dividends to investors in those early years. Mr. Moody envisioned a company that would flourish for centuries. His conservative business approach created a unique corporate culture that remains the heart of the Company today. This culture has helped American National persevere through wars, hurricanes, economic volatility, extraordinary technological advancements, evolving products, and the changing needs of policyholders and agents. American National remains financially strong and will continue to manage its business respecting the conservative principles of its founder, driven by its corporate vision to be a leading provider of financial services for current and future generations.

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.

