

Fixed Annuities and Fixed Indexed Annuities

There are only 2 safe places for your money: Bank and an Insurance company
(Banks: CD's, savings accounts and checking accounts)

100% Safe Annuities: Must be "Fixed"
May be immediate or deferred
(Variables are tools, but money can go up or down)

- No one has ever lost money in a fixed annuity (assuming held to end of contract).
- Even during the depression, no one lost money in any annuity.

***** I ONLY sell safe, fixed annuities. My license does not allow me to lose your money. *****

BENEFITS OF A FIXED ANNUITY:

1. **100% safe** – you ALWAYS have more money at end of contract.
2. **Stated percentage rate** for period of time. (usually much higher than bank offerings)
 - a. Most contracts range from 5 – 10 years.
3. **Tax deferred.**
 - a. May move any tax deferred vehicle into a fixed annuity (401 K's, IRA's, etc...)
 - b. Tax deferral means if CD has same rate – the APY for an annuity is higher
 - c. Can LOWER your annual taxes
4. Treated like life insurance
 - a. **Avoids probate** as money is sent directly to beneficiaries
 - b. **Avoids estate taxes** -
5. **Lifetime income** that never goes down if wanted. (annuitization)
6. **10% penalty free withdrawals** anytime during year. (access to money if needed- most contracts)

BENEFITS OF A FIXED "INDEXED" ANNUITY:

1. All the above applies because it is a **Fixed Annuity**.
2. You take a lower GUARANTEED percentage rate for **POTENTIAL** of a much **HIGHER** rate.
 - a. The interest is credited EACH year, and once it is credited – can't lose it!!!
3. **Partial annuitization** available
 - a. This allows you to have a guaranteed income for life – BUT you still keep control of money.

Nuts and bolts of a FIXED INDEXED ANNUITY:

1. Your money STAYS at the company – it is NOT in the markets or indexes.
2. Each product will have multiple options (buckets or seats within the annuity).
 - a. You choose each year (and can split %), and you can move each year.
 - b. There is always a "fixed" rate
 - c. Each company has different "strategies" and uses different indexes
3. Your interest is CREDITED each year based on how your buckets (strategies) do.
4. In general, if stocks do well – you do well. If stocks drop – you lose nothing! (but don't gain either)

* It is important to tell me what you are looking for and I can shop the companies – no one product does it all!
i.e. – Highest potential / best minimums / best income payouts / simplest to understand