

# GUARANTEED ANNUITY STYLES & SUITABILITY

## Who Should Purchase A Traditional Style Annuity?

Since Traditional Style Annuities can change their interest rate each year, you must find one with a proven history of paying competitive rates annually. When you find one that does, this style is most suitable for the annuity buyer who needs their principal guaranteed, a competitive interest rate, and more liquidity features than your typical annuity provides. For example, the best Traditional Style Annuities will allow free withdrawals of up to 50% of the annuity value. In addition, once the initial surrender charge period expires, the annuity becomes liquid forever while still earning interest.

## Who Should Purchase A Certificate Style Annuity?

The Certificate Style Annuity is most suitable for the annuity buyer who needs their principal guaranteed and an interest rate guaranteed for the entire term of the annuity. Many CD, Treasury, and other Fixed Income investors find this style attractive because it is secure, predictable, and certain.

## Who Should Purchase A Combination Style Annuity?

The Combination Style Annuity combines features from both Traditional and Certificate Style Annuities. Like the Certificate Style, the interest rate is guaranteed for the initial term. Like the Traditional Style, the interest rate can change after the initial term, and is liquid after the initial surrender charge period expires. This style is suitable for the annuity buyer who needs a guarantee of principal, guaranteed interest rates, and future liquidity.

## Who Should Purchase An Index Style Annuity?

The Index Style Annuity guarantees principal and a minimum interest rate. The actual interest earned is linked to the performance of a stock market index like the S & P 500. This style is most suitable for the annuity buyer who needs a principal guarantee and the growth potential of the stock market. Annuity buyers like the fact their principal is secure, and they have an opportunity to earn higher returns when compared to the typical fixed investment. CD, Treasury, Mutual Fund, and Stock buyers use this style because they have growth potential and guaranteed principal.

## Who Should Purchase A Total Return Style Annuity?

The Total Return Style Annuity guarantees principal and a minimum interest rate. The actual interest rate earned is linked to the insurance company's bond performance. This style is most suitable for the annuity buyer who needs guaranteed principal and higher return potential. Bond Mutual Fund Buyers prefer this style because they gain a guarantee of principal, a guaranteed minimum return, and the potential for higher returns.

*Call Richard K. Kelly with any questions and for guidance. Call 480-948-1048 or 1-800-315-7233.*