

GLOSSARY OF TERMS

Assets

The size of the insurance company's investment portfolio.

Year Established

The date the insurance company began doing business.

Financial Ratings

The life insurance industry is monitored and rated by five major independent services. A. M. Best is the most recognized rating service. They assign ratings based on the financial and operating performance of companies and compare them to the industry averages. Moody's, S & P, and Fitch assign ratings based on a company's ability to pay claims. Weiss uses an objective approach. He rates companies based on their ability to cover their claims in the face of economic adversity. He also evaluates their investment risk.

Plan Type

There are three types of annuities that exist in our country today: Guaranteed (*Fixed*), Variable, and Immediate.

Plan Style

There are five styles of Guaranteed Annuities in our country today: Traditional, Certificate, Combination, Index, and Total Return Strategy.

Plan Name

The name of the specific annuity plan offered by the insurance company.

Initial Interest Rate

The interest rate the insurance company will pay at the annuity issue. (Rates are subject to change, call for details)

Additional Premium

The amount of premium that can be added to an existing annuity plan.

Guarantee Period

The length of time the initial interest rate will be paid by the insurance company.

Guaranteed Minimum Rate

This is the absolute minimum interest rate that the insurance company will pay for the life of your annuity plan.

Surrender Period (Term)

The period of time that the insurance company can assess surrender charges on excessive premature withdrawals.

Surrender Charges

The amount of penalty, shown as a percentage, that the insurance company will apply to excessive withdrawals.

Free Withdrawals

The amount of money that can be withdrawn without a surrender charge.

Issue Ages

The minimum and maximum ages to purchase an annuity.

Minimum Premium

The smallest amount of premium used to open an annuity plan.

Market Value Adjustment (MVA)

The increase or decrease in surrender value when premature excess withdrawals are taken.

Hospital, Nursing Home, Terminal Illness Waivers

Surrender charges are waived if confinement or illness meets criteria offered by the policy.

Free Look Period

After you purchase and receive your annuity policy, you have a period of time in which you can refund your policy if you are not fully satisfied.