

A detailed stone statue of the Greek goddess Athena, shown in profile facing right. She wears a helmet with a prominent crest and has a snake coiled around her neck. The background behind the statue consists of several overlapping, curved, blue-tinted shapes that resemble the stripes of an American flag.

Annuity Basics

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This material is provided by Athene Annuity and Life Company (61689) headquartered in West Des Moines, Iowa, which issues annuities in 49 states (including MA) and D.C., and Athene Annuity & Life Assurance Company of New York (68039) headquartered in Pearl River, New York, which issues annuities only in New York. Products not available in all states.

21536 (05/18)

Today's Agenda

What's a **fixed annuity** and how can it **benefit your clients?**

- Core benefits
- Growth, income and legacy
- A look at liquidity

What is a Fixed Annuity?

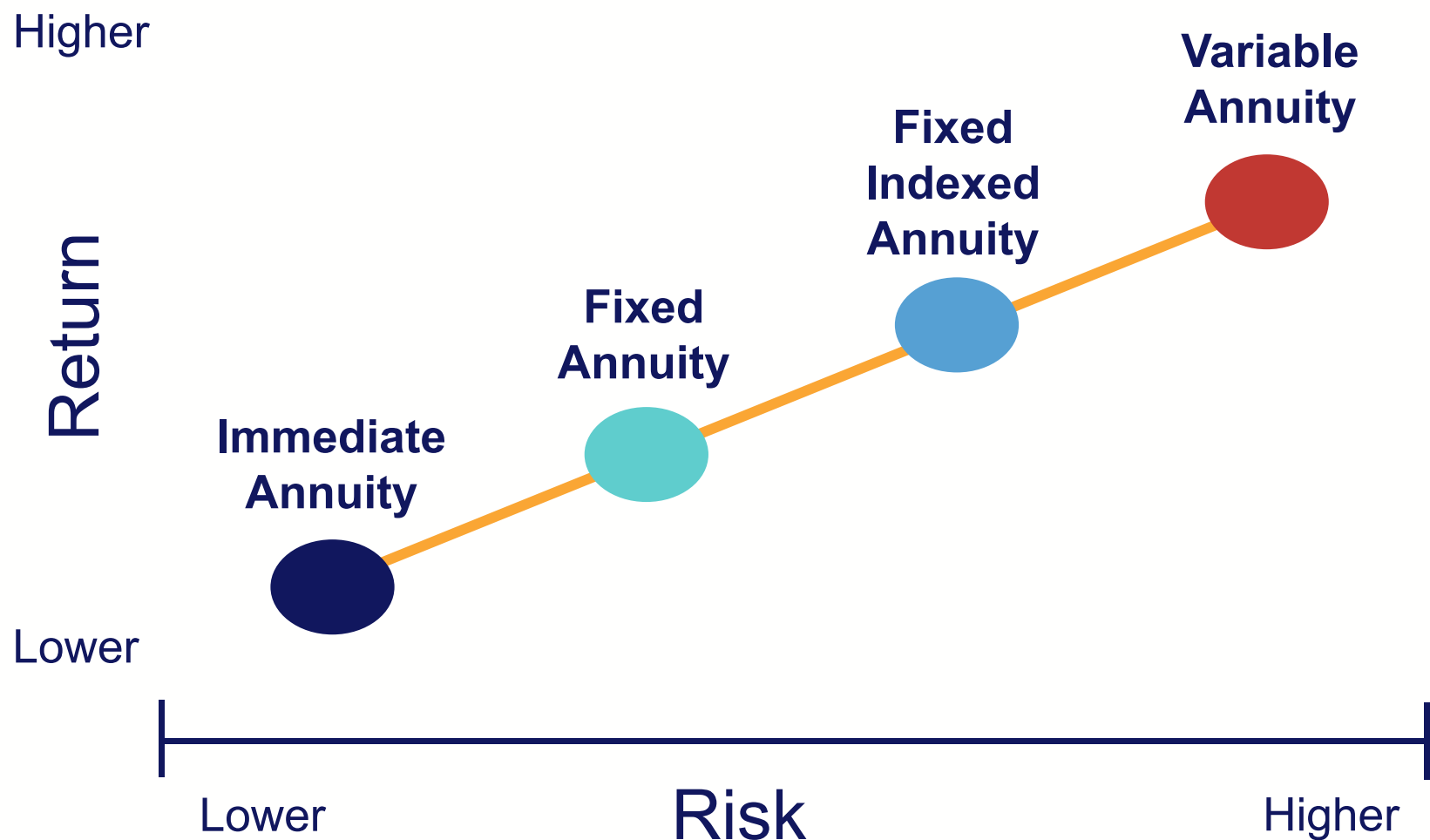
It's insurance

Designed for long term savings and income

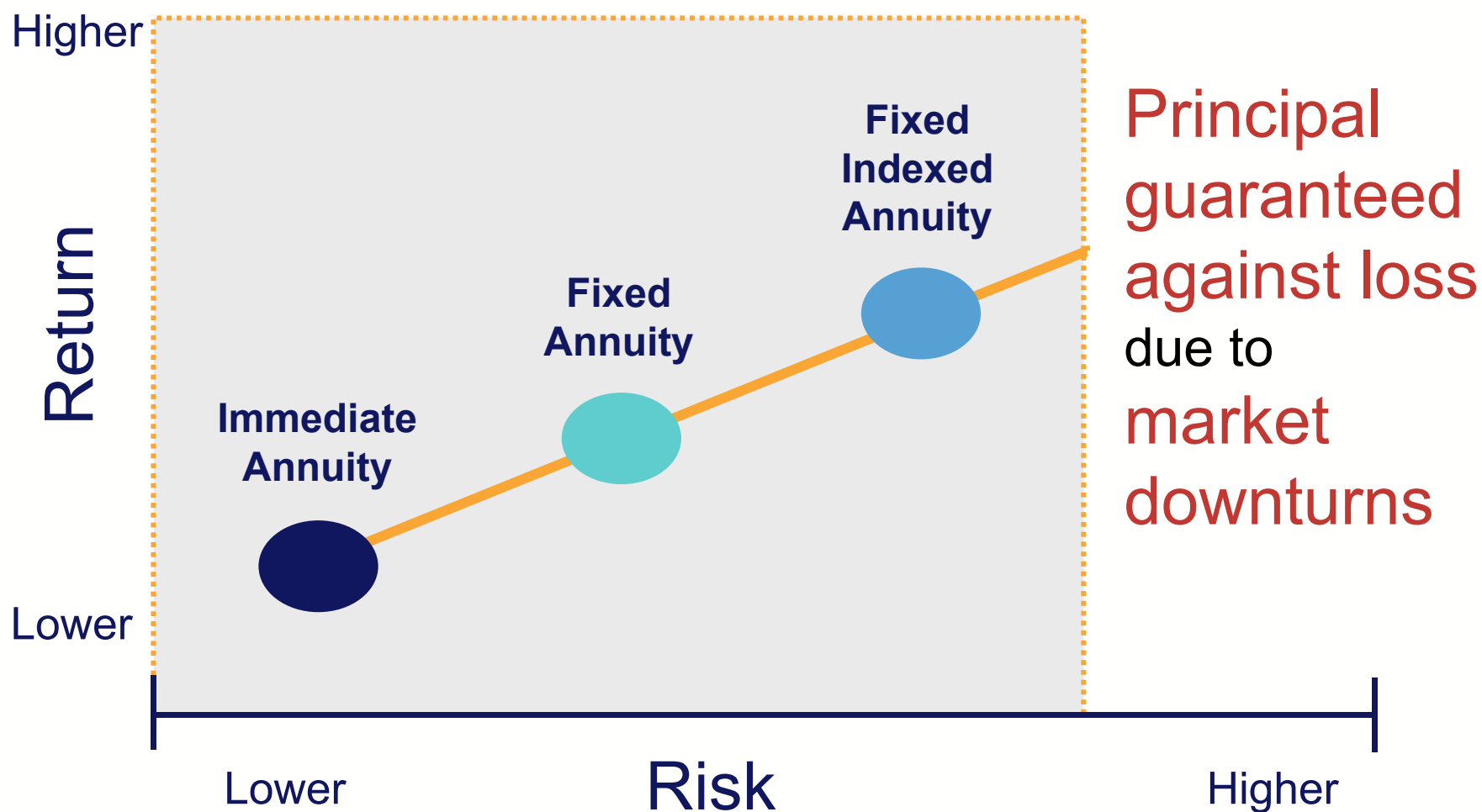
Used to manage financial risk



The Annuity Spectrum



The Annuity Spectrum



Benefits of a Fixed Annuity

Protection

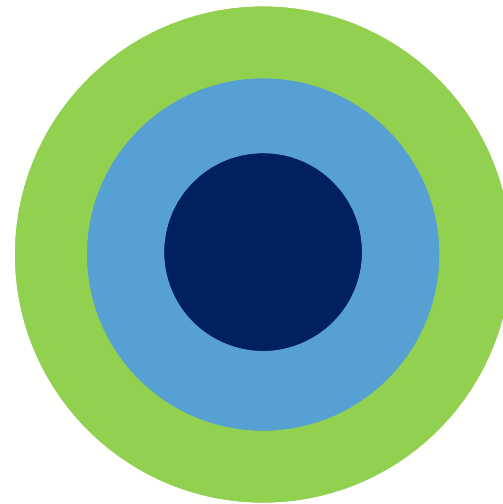
From loss due to market downturns

Growth

A fixed rate of interest for a set period of time

Income

Guaranteed income you can't outlive



Benefits of a Fixed Indexed Annuity

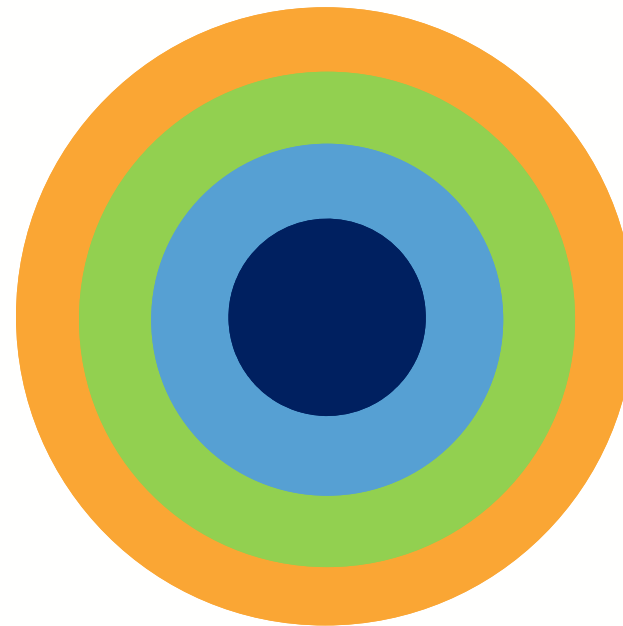
Protection

Growth

Income

Growth Potential

Interest credits based in part on the performance of a market index



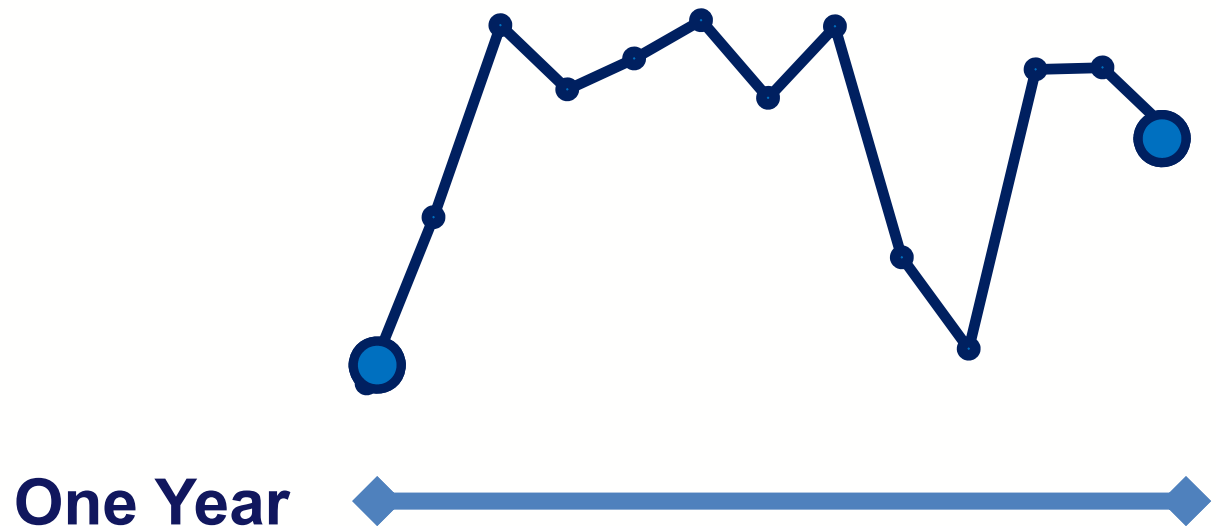
A look at index interest crediting

- 1** Index term period
- 2** Index change
- 3** Crediting method
- 4** Crediting rate

A look at index interest crediting

Index Term Period

The timeframe used to determine interest credits

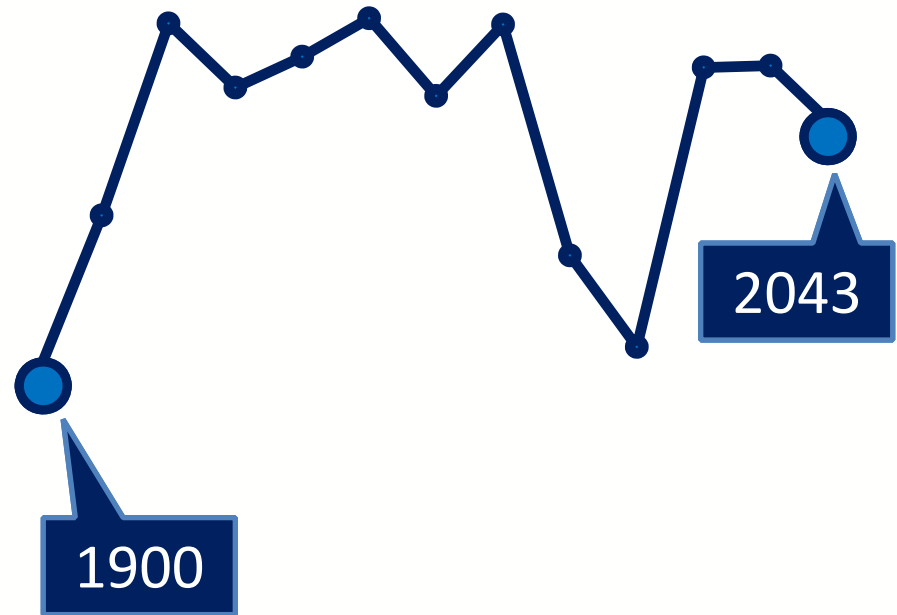


A look at index interest crediting

Index change

Annual point-to-point, from the beginning to the end of the term period

$$\frac{(2043 - 1900)}{1900} = 7.53\%$$



A look at index interest crediting

Crediting Method

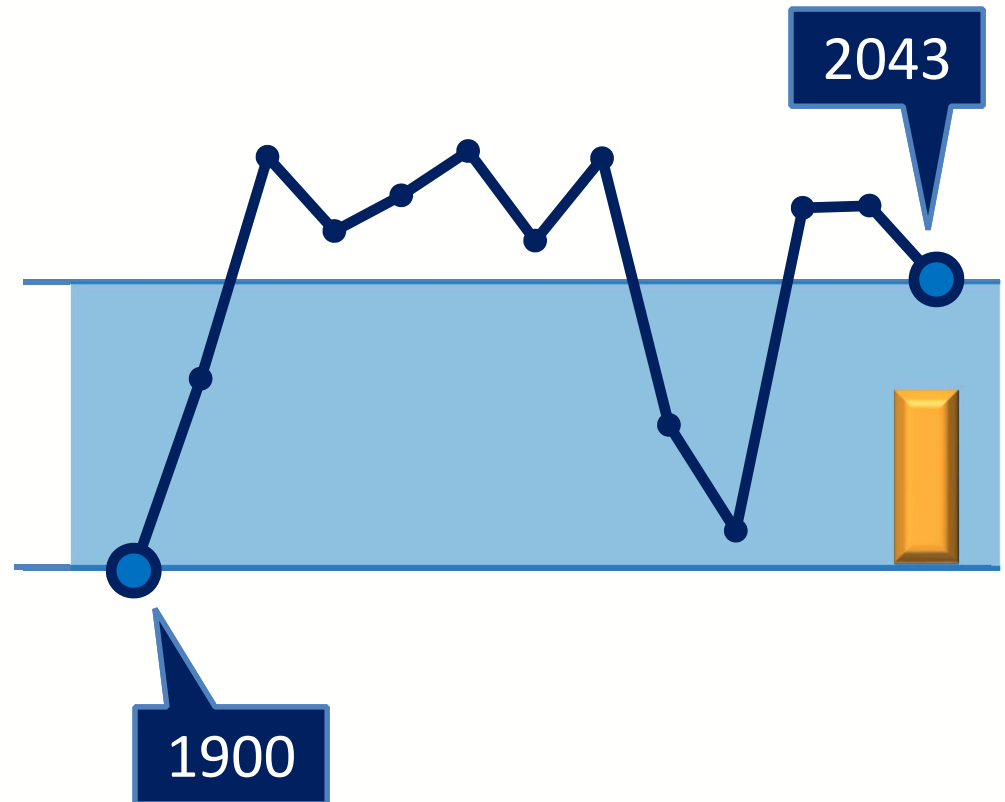
Cap Rate

The maximum rate of interest that can be applied for a particular crediting period.

Cap Rate = 4.25%

Index Change = 7.53%

Interest Credited = 4.25%



Locked-in gains — a key client benefit



This hypothetical example is for informational purposes only and is not indicative of past, nor intended to predict future performance of any specific product, including an annuity.

A Word on Tax Deferral

Interest earned is not subject to income tax until withdrawn

There is no additional tax benefit to funding an annuity with tax-qualified money

Guaranteed Income

“Annuitize” the contract

Lifetime income withdrawals
using an income rider

**A stream of income...
you can't outlive!**

Income Riders

Rider phases

1. Accumulation
2. Income
3. Extended Income

A **Rider Charge** may apply during the **accumulation** and **income** phases.

Income Riders

Building the income base

Initial Premium

- + Income Base Bonus (if any)
- + Annual Interest Credits (if any)
- Withdrawals from the annuity



Income Riders

Calculating lifetime income withdrawals

Income Base Amount	\$250,000
X Payout Percentage	5.00%
= Annual Lifetime Withdrawal Amount	\$12,500

Annuity Death Benefit

Base Contract

Full Accumulated Value or
Minimum Guaranteed
Contract Value

Annuity Death Benefit

Rider

Spousal Beneficiary may
elect to continue the contract

Let's Talk Liquidity

Basic Liquidity Features

Free Withdrawals
Waivers
Surrender

Let's Talk Liquidity

Important Considerations

Withdrawal Charges

Market Value Adjustment

Excess Lifetime Withdrawal

Disclosures

Fixed and indexed annuities are not stock market investments and do not directly participate in any stock or equity investments. Market indices may not include dividends paid on the underlying stocks, and therefore may not reflect the total return of the underlying stocks. Clients who purchase indexed annuities are not directly investing in a stock market index.

Guarantees provided by annuities are subject to the financial strength of the issuing insurance company.

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Questions? Call us at...
888-ANNUITY (266-8489)

