Form Manifest

Source	Form Number	Form Name	Description	Population Status
EQUITABLE	RC_IE Buckslip- 20210201	RC_IE Buckslip		formatted form rendered
EQUITABLE	E15260_FL_20201204	Florida RQ_Rebrand_CTLG153720		formatted form rendered
EQUITABLE	x03711_Suppl Form For Contract Apps - Appless2	Supplemental Beneficiary Form - Appless2 Rebrand		formatted form rendered
EQUITABLE	Buyer's Guide_02222016	Buyer's Guide		formatted form rendered
Count	4			

Equitable Financial Life Insurance Company ("Equitable Financial")

Important Notice regarding Investment Options in the attached Variable Annuity application:

Please be advised of the Investment Option Name Changes noted below:

Former Investment Option Name (appears on application)	New Investment Option Name
EQ/BlackRock Basic Value Equity	EQ/Value Equity
In addition, please be advised that effective on or about February 1, 2021, Aristotle Capital Management, LLC ("Aristotle Capital") will replace BlackRock Investment Management, LLC ("BlackRock") as sub-adviser to the EQ/BlackRock Basic Value Equity Portfolio and an allocated portion of the EQ/Large Cap Value Managed Volatility Portfolio	

EQUITABLE

Equitable Advisors, LLC (Equitable Financial Advisors in MI & TN)
Equitable Distributors, LLC
For Assistance Call 888-517-9900

Equitable

REQUIREMENTS QUESTIONNAIRE

FOR A VARIABLE ANNUITY

Must submit with all Structured Capital Strategies®, Retirement Cornerstone® and Investment Edge® applications

HQUCNSSDBB001

Mail forms to:
Equitable Financial Life Insurance Company
Attn: New Business Processing
500 Plaza Drive, 7th Floor
Secaucus, NJ 07096-1547
Fax: (816) 701-8044

FLORIDA

1. Applicant Information

Applicant's Name NQ Test Applicant's Social Security Number 123456789

2. Statement of Existing Coverage (You Must Answer Both Questions)

1. Do you have any existing life insurance policies or annuity contracts? ☐ YES ☒ NO

2. Will any existing life insurance or annuity be (or has it been) surrendered, withdrawn from, loaned against, changed or otherwise reduced in value or replaced in connection with this transaction assuming the Certificate/Contract applied for will be issued on the life of the Owner? ☐ YES ☒ NO

- If "YES" to questions 1 and 2 above, complete this form in its entirety, starting with Section 3 below.

- If "YES" to question 1 and "NO" to question 2 above, print name and sign in Section 4.

- If "NO" to question 1 and "NO" to question 2 above, print name and sign in Section 4.

3. Notice to Applicant Regarding Replacement of a Variable Annuity

A decision to buy a new policy and discontinue or change an existing policy may be a wise choice or a mistake.

Get all the facts. Make sure you fully understand both the proposed policy and your existing policy or policies. New policies may contain clauses which limit or exclude coverage of certain events in the initial period of the contract, such as the suicide and incontestable clauses which may have already been satisfied in your existing policy or policies.

Your best source for facts on the proposed policy is the proposed company and its Agent. The best source on your existing policy is the existing company and its Agent.

Hear from both before you make your decision. This way you can be sure your decision is in your best interest.

If you indicate that you intend to replace or change an existing policy, Florida regulations require notification of the company that issued the policy.

DO NOT TAKE ACTION TO TERMINATE YOUR EXISTING POLICY UNTIL YOUR NEW POLICY HAS BEEN ISSUED AND YOU HAVE EXAMINED IT AND FOUND IT ACCEPTABLE.

I have read this notice and received a copy of it.

1) Company being replaced	2) Policy Number(s)	3) Insured Name

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Fax: (816) 701-8044

FLORIDA

4. Applicant's Signature Section

I certify that the responses herein are, to the best of my knowledge, accurate and that I have received a copy of the Buyer's Guide for Deferred Annuities.

I acknowledge that I have received the prospectus in either paper format or on computer readable compact disc ("CD"). If I elected to receive the prospectus on CD, I also:

- acknowledge that I can access the prospectus in the format it was delivered;
- understand that I must print or download the prospectus to retain it indefinitely; and
- understand that I may request a prospectus in paper format at any time by calling Customer Service at 877-899-3743, and that all subsequent prospectus updates and supplements will be provided to me in paper format, unless I enroll in Equitable's Electronic Delivery Service.

I understand that no Agent has the authority to make or modify any Contract on behalf of Equitable, or to waive or alter any of Equitable's rights and regulations. Equitable must agree to any change made to the Contract, or to the age at issue, in writing signed by an officer of the company.

NQ Test
Applicant's Signature and Printed Name ______ Date ______

Joint Applicant's Signature and Printed Name ______ Date ______

5. Agent's Signature Section

Moore, Susan
Agent's Signature and Printed Name ______ Date ______

EQUITABLE

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Equitable Distributors, LLC
For Assistance Call 888-517-9900

Equitable
REQUIREMENTS QUESTIONNAIRE
FOR A VARIABLE ANNUITY

Mail forms to:
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Secaucus, NJ 07096-1547
Fax: (816) 701-8044

APPENDIX - Required for Internal Replacements Only

Must complete one form for each policy that is being replaced

FLORIDA

DISCLOSURE FORM D14-1180

PLEASE READ CAREFULLY. This information has been prepared for you so that you may make an informed desicion on the use of any of your policy values to fund the purchase of a new policy. Please see the reverse side of this form for explanatory notes and instructions as to how this form has been completed.

PART A - CURRENT POLICY INFORMATION ❒ LIFE ❒ ANNUITY

Policyowner's Name ______________________ Policy Number ______________

Current death benefit $ __________ Current premium amount $ __________ Mode of payment: __________

Cash surrender value $ __________ Paid-up addition $ __________ Dividend value $ __________

(The BENEFIT and VALUES stated above will be reduced as funds are used to purchase the policy proposed in Part B, below.)

PART B - PROPOSED POLICY INFORMATION ❒ LIFE ❒ ANNUITY

Initial death benefit $ __________ Proposed premium amount $ __________ Mode of payment __________

Proposed effective date __________ Premium payable to age ______, or for ______ years

NOTE: If you are replacing your current policy, or using 25% or more of your policy values, you may request a WRITTEN comparison between your current policy and the proposed policy. The comparison is to illustrate the policy values for both policies.

PART C - SOURCE OF FUNDING FOR THE PROPOSED POLICY

A loan in the amount of $ __________ will be taken from the value of your CURRENT POLICY each __________ (mode), bearing a current loan interest rate of __________ %.

A partial surrender in the amount of $ __________ will be taken from the value of your CURRENT POLICY each __________ (mode).

A dividend withdrawal in the amount of $ __________ will be taken from the value of your CURRENT POLICY each __________ (mode).

PART D - YOUR CURRENT POLICY COULD TERMINATE

If the policy values of your CURRENT POLICY are used as a source of funding for the purchase of an additional policy, it is estimated that your CURRENT POLICY will terminate on ________________ (date).

It is estimated that you will begin making premium payments for the PROPOSED POLICY from your own funds on __________ (date) in the amount of $ __________ to be paid each __________ (mode).

NOTE: Since the values and premiums stated on this form may change over time, the estimated date upon which you will need to begin making premium payments from your own funds for the PROPOSED POLICY may also change. Estimates as to dates when policies will terminate or payments must begin assume the continuation of current (or guaranteed) factors, and such calculations are based upon the assumption that any premiums or interest due on loans are paid when due.

Policyowner signature: ______________________ Date: __________

Joint Owner's signature: ______________________ Date: __________

Agent or company officer signature: ______________________ Date: __________

Florida licensed Agent ID no. or corporate title: ______________________

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Secaucus, NJ 07096-1547
Fax: (816) 701-8044

APPENDIX - Required for Internal Replacements Only

Must complete one form for each policy that is being replaced

FLORIDA

Disclosure Form D14-1180
POLICY DISCLOSURE FORM AND INSTRUCTIONS

COMPLETE ONE FORM FOR EACH PREVIOUSLY ISSUED POLICY. ANY REQUIRED REPLACEMENT AND SALES FORMS MUST ALSO BE COMPLETED. ONE COPY IS DELIVERED TO THE POLICYOWNER AND ONE COPY MAINTAINED BY THE INSURER.

Any and all information applicable to the transaction shall be fully and completely disclosed on Form D14-1180. If the information requested does not apply to the transaction, the words “not applicable” or “N/A” shall be entered.

PART A

The information to be disclosed in Part A of Form D14-1180 shall apply to the current, in-force policy for which policy values are being utilized as a source of funding for the purchase of additional insurance contract(s). For purposes of this form, “current death benefit” is defined as the sum of the death benefit payable under the base policy, all life insurance riders covering the principal insured (other than special contingency death riders), paid-up additional insurance and dividends, minus outstanding indebtedness. The term “cash surrender value” is defined as the cash value of the policy or contract net of any outstanding indebtedness and surrender charges, and less any dividend value. The term “paid-up additional value” is defined as the cash value of additional insurance purchased with policy dividends. The term “dividend value” is defined as the total cash value of all policy dividends left on deposit with the company to accumulate at interest.

PART B

The information to be disclosed in Part B of Form D14-1180 shall apply to the proposed additional insurance contract(s) being funded by policy values in a current, in-force policy. For purposes of this form, “proposed premium amount” is defined as any recurring payment which is planned to be paid or which is required to be paid under the proposed policy.

PART C

The information to be disclosed in Part C of Form D14-1180 shall apply to the current, in-force policy, and shall indicate the manner in which the policy values are being used to fund the purchase of the proposed policy. Part C is not to be completed if the current policy is totally surrendered. However, in the event of a total surrender of the current policy, Parts A, B, D, and the signature block of this form must still be completed.

When completing Part C of this form, each and every source of funding for the proposed policy must be identified, *i.e.*, whether a policy loan, partial surrender, or dividend withdrawal or any combination thereof is being utilized. If more than one source of funding will be utilized to fund the initial and/or future premiums for the proposed policy, all applicable sections of Part C shall be completed.

For purposes of this form, a “partial surrender” is defined as any amount taken from the value of the current policy which is less than the total cash value available under such policy. The term “mode” is defined as the frequency upon which a policy loan, partial surrender or dividend withdrawal will be taken from the value of the current policy. In the event of a single loan, surrender or withdrawal, the words “one time only” shall be entered in the space provided. The term “loan interest rate” is defined as the rate of interest in effect on the date that this form is completed, as specified in the current policy contract.

PART D

The information to be disclosed in Part D of Form D14-1180 shall apply to the current, in-force policy and the proposed additional policy, respectively.

SIGNATURES

In order to evidence that the required disclosure has been made, Form D14-1180 shall be signed and dated by the soliciting Agent or by a Corporate Officer, as well as by the policyowner. For identification purposes, the Agent or Corporate Office shall enter his or her Florida License Number or Corporate title, respectively, in the space provided.

EQUITABLE

Equitable's

Variable Annuity Series

Supplemental Beneficiary Form For Equitable New Business Applications

For Assistance With EQUI-VEST Contracts:
Call (800) 628-6673
For Assistance With All Other Contracts:
Call (800) 789-7771

Structured Capital Strategies®/ Structured Capital Strategies® PLUS/ Structured Capital Strategies® PLUS Guard
Regular Mail:
Equitable Financial Life Insurance Company
Retirement Service Solutions
P.O. Box 1577
Secaucus, NJ 07096-1577
Express Mail:
Equitable Financial Life Insurance Company
Retirement Service Solutions
500 Plaza Drive, 6th Floor
Secaucus, NJ 07094-3619

EQUI-VEST®
Regular Mail:
Equitable Financial Life Insurance Company
EQUI-VEST Processing Office
P.O Box 4956
Syracuse, N.Y. 13221
Express Mail:
Equitable Financial Life Insurance Company
EQUI-VEST Processing Office
100 Madison St., Suite 1000
Syracuse, N.Y. 13202

This form must be filled out completely for all new business applications submitted to the Processing Center. Please make sure to provide all the information for the applicable beneficiaries listed below.

1. Owner's Information *Please Print*

NQ Test
Name *(First, Middle, Last)*

20 Drury Cres Miami Florida 35001-
Address *(Street, City, State, Zip Code) (No PO Box Numbers)*

10/10/1956
Date of Birth (Month/Day/Year)

123456789
Social Security Number

☒ Male ☐ Female

()-
Home Phone Number

Office Phone Number

2. Joint Owner's Information *(if applicable)* *Please Print*

Name *(First, Middle, Last)*

-
Address *(Street, City, State, Zip Code) (No PO Box Numbers)*

Date of Birth (Month/Day/Year)

Social Security Number

☐ Male ☐ Female

()-
Home Phone Number

Office Phone Number

3. Annuitant's Information *Please Print*

Name *(First, Middle, Last)*

Address *(Street, City, State, Zip Code) (No PO Box Numbers)*

Date of Birth (Month/Day/Year)

Social Security Number

☐ Male ☐ Female

Home Phone Number

Office Phone Number

4. Joint Annuitant's Information *(if applicable)* *Please Print*

Name *(First, Middle, Last)*

-
Address *(Street, City, State, Zip Code) (No PO Box Numbers)*

Date of Birth (Month/Day/Year)

Social Security Number

☐ Male ☐ Female

()-
Home Phone Number

Office Phone Number

5. Beneficiary Designation

If a trust is designated as a beneficiary, please include the full name of the trust and the date and name(s) of the present acting trustee(s). *(Please use additional sheets if you have more than three beneficiaries) Subject to the rights of the present assignee of record, if any, and in accordance with the terms of the Certificate/Contract above numbered, I hereby revoke all prior beneficiary(ies) designation(s) and make the following new designation(s):*

(a) Primary Beneficiary(ies)* *(If more than one, indicate %)***

Name	%	ID	Relationship / Phone
Bene Lname	100	098765432	Spouse
Primary Beneficiary #1	%	☒ SSN ☐ TIN ☐ EIN	Relationship to Owner
20 Drury Cres Miami FL 35001		01/01/1960	()-
Address		Date of Birth	Phone Number
Primary Beneficiary #2	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number
Primary Beneficiary #3	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number
Primary Beneficiary #4	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	
Address		Date of Birth	Phone Number
Primary Beneficiary #5	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	
Address		Date of Birth	Phone Number
Primary Beneficiary #6	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	
Address		Date of Birth	Phone Number

(b) Contingent Beneficiary(ies) (If more than one, indicate %)**

Name	%	ID	Relationship / Phone
Contingent Beneficiary #1	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number
Contingent Beneficiary #2	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number
Contingent Beneficiary #3	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number
Contingent Beneficiary #4	%	☐ SSN ☐ TIN ☐ EIN	Relationship to Owner
		//	()-
Address		Date of Birth	Phone Number

* Your spouse must be named the sole primary beneficiary in order for him/her to become the successor owner/annuitant at your death.

** If no percentage is indicated, we will consider the shares of the beneficiaries to be equally divided.

5. Beneficiary Designation (continued)

Contingent Beneficiary #5 %

☐ SSN ☐ TIN ☐ EIN

Relationship to Owner

Address

//

Date of Birth

()-

Phone Number

Contingent Beneficiary #6 %

☐ SSN ☐ TIN ☐ EIN

Relationship to Owner

Address

//

Date of Birth

()-

Phone Number

6. Signature Section

This form should only be used to gather information on the beneficiary designations for your contract. This form cannot be used to change your beneficiaries after your Contract has been issued.

X ______________________________

Owner's Signature Signed at: City, State Date

X ______________________________

Joint Owner's Signature (if other than Annuitant) Signed at: City, State Date

X ______________________________

Annuitant's Signature (if other than Owner) Signed at: City, State Date

X ______________________________

Joint Annuitant's Signature (if other than Owner) Signed at: City, State Date

Buyer's Guide for Deferred Annuities

GET SMART ABOUT INSURANCE
INSURE U
NAIC
National Association of Insurance Commissioners

Prepared by the

NAIC

National Association of Insurance Commissioners

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments to coordinate insurance laws for the benefit of all consumers.

This guide does not endorse any company or policy.

Reprinted by ...

Cat. No. 155433 (November 2015)

NAIC Buyer's Guide for Deferred Annuities

It's important that you understand how annuities can be different from each other so you can choose the type of annuity that's best for you. The purpose of this Buyer's Guide is to help you do that. This Buyer's Guide isn't meant to offer legal, financial, or tax advice. You may want to consult independent advisors that specialize in these areas.

This Buyer's Guide is about deferred annuities in general and some of their most common features. It's not about any particular annuity product. The annuity you select may have unique features this Guide doesn't describe. It's important for you to carefully read the material you're given or ask your annuity salesperson, especially if you're interested in a particular annuity or specific annuity features.

This Buyer's Guide includes questions you should ask the insurance company or the annuity salesperson (the agent, producer, broker, or advisor). Be sure you're satisfied with the answers before you buy an annuity.

Revised 2013

Printed in the United States of America

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NAIC Capital Markets &
Investment Analysis Office
48 Wall Street, 6th Floor
New York, NY 10005-2906
212.398.9000

Table of Contents

What Is an Annuity?

An annuity is a contract with an insurance company. All annuities have one feature in common, and it makes annuities different from other financial products. ***With an annuity, the insurance company promises to pay you income on a regular basis for a period of time you choose***—including the rest of your life.

When Annuities Start to Make Income Payments

Some annuities begin paying income to you soon after you buy it (an **immediate** annuity). Others begin at some later date you choose (a **deferred** annuity).

How Deferred Annuities Are Alike

There are ways that ***most*** deferred annuities are alike.

- They have an **accumulation** period and a **payout** period. During the accumulation period, the value of your annuity changes based on the type of annuity. During the payout period, the annuity makes income payments to you.
- They offer a basic death benefit. If you die during the accumulation period, a deferred annuity with a basic death benefit pays some or all of the annuity's value to your survivors (called beneficiaries) either in one payment or multiple payments over time. The amount is usually the greater of the annuity account value or the minimum guaranteed surrender value. If you die after you begin to receive income payments (**annuitize**), your chosen survivors may not receive anything ***unless***: 1) your annuity guarantees to pay out at least as much as you paid into the annuity, or 2) you chose a payout option that continues to make payments after your death. For an extra cost, you may be able to choose enhanced death benefits that increase the value of the basic death benefit.
- You usually have to pay a charge (called a **surrender** or **withdrawal charge**) if you take some or all of your money out too early (usually before a set time period ends). Some annuities may not charge if you withdraw small amounts (for example, 10% or less of the account value) each year.
- Any money your annuity earns is **tax deferred.** That means you won't pay income tax on earnings until you take them out of the annuity.
- You can add features (called **riders**) to many annuities, usually at an extra cost.
- An annuity salesperson must be licensed by your state insurance department. A person selling a variable annuity also must be registered with FINRA[1] as a representative of a broker/dealer that's a FINRA member. In some states, the state securities department also must license a person selling a variable annuity.

Sources of Information

Contract: *The legal document between you and the insurance company that binds both of you to the terms of the agreement.*

Disclosure: *A document that describes the key features of your annuity, including what is guaranteed and what isn't, and your annuity's fees and charges. If you buy a variable annuity, you'll receive a prospectus that includes detailed information about investment objectives, risks, charges, and expenses.*

Illustration: *A personalized document that shows how your annuity features might work. Ask what is guaranteed and what isn't and what assumptions were made to create the illustration.*

1. FINRA (Financial Industry Regulatory Authority) regulates the companies and salespeople who sell variable annuities.

- Insurance companies sell annuities. You want to buy from an insurance company that's financially sound. There are various ways you can research an insurance company's financial strength. You can visit the insurance company's website or ask your annuity salesperson for more information. You also can review an insurance company's rating from an independent rating agency. Four main firms currently rate insurance companies. They are A.M. Best Company, Standard and Poor's Corporation, Moody's Investors Service, and Fitch Ratings. Your insurance department may have more information about insurance companies. An easy way to find contact information for your insurance department is to visit *www.naic.org* and click on "**States and Jurisdictions Map**."

- Insurance companies usually pay the annuity salesperson after the sale, but the payment doesn't reduce the amount you pay into the annuity. You can ask your salesperson how they earn money from the sale.

How Deferred Annuities Are Different

There are differences among deferred annuities. Some of the differences are:

- Whether you pay for the annuity with one or more than one payment (called a **premium**).

- The types and amounts of the **fees**, **charges**, and **adjustments**. While almost all annuities have *some* fees and charges that could reduce your account value, the types and amounts can be different among annuities. ***Read the Fees, Charges, and Adjustments section in this Buyer's Guide for more information.***

- Whether the annuity is a **fixed** annuity or a **variable** annuity. How the value of an annuity changes is different depending on whether the annuity is fixed or variable.

  Fixed annuities guarantee your money will earn at least a minimum interest rate. Fixed annuities may earn interest at a rate higher than the minimum but only the minimum rate is guaranteed. The insurance company sets the rates.

  Fixed indexed annuities are a type of fixed annuity that earns interest based on changes in a market index, which measures how the market or part of the market performs. The interest rate is guaranteed to never be less than zero, even if the market goes down.

  Variable annuities earn investment returns based on the performance of the investment portfolios, known as "subaccounts," where you choose to put your money. The return earned in a variable annuity isn't guaranteed. The value of the subaccounts you choose could go up or down. If they go up, you could make money. But, if the value of these subaccounts goes down, you could lose money. Also, income payments to you could be less than you expected.

- Some annuities offer a **premium bonus**, which usually is a lump sum amount the insurance company adds to your annuity when you buy it or when you add money. It's usually a set percentage of the amount you put into the annuity. Other annuities offer an **interest bonus**, which is an amount the insurance company adds to your annuity when you earn interest. It's usually a set percentage of the interest earned. You may not be able to withdraw some or all of your premium bonus for a set period of time. ***Also, you could lose the bonus if you take some or all of the money out of your annuity within a set period of time.***

How Does the Value of a Deferred Annuity Change?

Fixed Annuities

Money in a fixed deferred annuity earns interest at a rate the insurer sets. The rate is **fixed** (won't change) for some period, usually a year. After that rate period ends, the insurance company will set another fixed interest rate for the next rate period. ***That rate could be higher or lower than the earlier rate.***

Fixed deferred annuities *do* have a guaranteed minimum interest rate—the lowest rate the annuity can earn. It's stated in your contract and disclosure and can't change as long as you own the annuity. Ask about:

- The ***initial interest*** rate – What is the rate? How long until it will change?
- The ***renewal interest*** rate – When will it be announced? How will the insurance company tell you what the new rate will be?

Fixed Indexed Annuities

Money in a fixed indexed annuity earns interest based on changes in an index. Some indexes are measures of how the overall financial markets perform (such as the S&P 500 Index or Dow Jones Industrial Average) during a set period of time (called the **index term**). Others measure how a specific financial market performs (such as the Nasdaq) during the term. The insurance company uses a formula to determine how a change in the index affects the amount of interest to add to your annuity at the ***end of each index term***. Once interest is added to your annuity for an index term, those earnings usually are locked in and changes in the index in the next index term don't affect them. If you take money from an indexed annuity before an index term ends, ***the annuity may not add all of the index-linked interest for that term to your account.***

Insurance companies use different formulas to calculate the interest to add to your annuity. They look at changes in the index over a period of time. See the box "***Fixed Deferred Indexed Formulas***" that describes how changes in an index are used to calculate interest.

The formulas insurance companies use often mean that interest added to your annuity is based on only ***part*** of a change in an index over a set period of time. **Participation rates, cap rates,** and **spread rates** (sometimes called margin or asset fees) all are terms that describe ways the amount of interest added to your annuity may not reflect the full change in the index. But ***if the index goes down over that period, zero interest is added to your annuity.*** Then your annuity value won't go down as long as you don't withdraw the money.

When you buy an indexed annuity, you aren't investing directly in the market or the index. Some indexed annuities offer you more than one index choice. Many indexed annuities also offer the choice to put part of your money in a fixed interest rate account, with a rate that won't change for a set period.

Fixed Deferred Indexed Formulas

Annual Point-to-Point – *Change in index calculated using two dates one year apart.*

Multi-Year Point-to-Point – *Change in index calculated using two dates more than one year apart.*

Monthly or Daily Averaging – *Change in index calculated using multiple dates (one day of every month for monthly averaging, every day the market is open for daily averaging). The average of these values is compared with the index value at the start of the index term.*

Monthly Point-to-Point – *Change in index calculated for each month during the index term. Each monthly change is limited to the "cap rate" for positive changes, but not when the change is negative. At the end of the index term, all monthly changes (positive and negative) are added. If the result is positive, interest is added to the annuity. If the result is negative or zero, no interest (0%) is added.*

Variable Annuities

Money in a variable annuity earns a return based on the performance of the investment portfolios, known as "**subaccounts**," where you choose to put your money. Your investment choices likely will include subaccounts with different types and levels of risk. Your choices will affect the return you earn on your annuity. Subaccounts usually have no guaranteed return, but you may have a choice to put some money in a fixed interest rate account, with a rate that won't change for a set period.

The value of your annuity can change every day as the subaccounts' values change. If the subaccounts' values increase, your annuity earns money. But ***there's no guarantee that the values of the subaccounts will increase. If the subaccounts' values go down, you may end up with less money in your annuity than you paid into it.***

An insurer may offer several versions of a variable deferred annuity product. The different versions usually are identified as **share classes**. The key differences between the versions are the fees you'll pay every year you own the annuity. The rules that apply if you take money out of the annuity also may be different. Read the prospectus carefully. Ask the annuity salesperson to explain the differences among the versions.

How Insurers Determine Indexed Interest

Participation Rate – *Determines how much of the increase in the index is used to calculate index-linked interest. A participation rate usually is for a set period. The period can be from one year to the entire term. Some companies guarantee the rate can never be lower (higher) than a set minimum (maximum). Participation rates are often less than 100%, particularly when there's no cap rate.*

Cap Rate – *Typically, the maximum rate of interest the annuity will earn during the index term. Some annuities guarantee that the cap rate will never be lower (higher) than a set minimum (maximum). Companies often use a cap rate, especially if the participation rate is 100%.*

Spread Rate – *A set percentage the insurer subtracts from any change in the index. Also called a "margin or asset fee." Companies may use this instead of or in addition to a participation or cap rate.*

What Other Information Should You Consider?

Fees, Charges, and Adjustments

Fees and charges reduce the value of your annuity. They help cover the insurer's costs to sell and manage the annuity and pay benefits. The insurer may subtract these costs directly from your annuity's value. Most annuities have fees and charges but they can be different for different annuities. Read the contract and disclosure or prospectus carefully and ask the annuity salesperson to describe these costs.

A **surrender** or **withdrawal charge** is a charge if you take part or all of the money out of your annuity during a set period of time. The charge is a percentage of the amount you take out of the annuity. The percentage usually goes down each year until the surrender charge period ends. Look at the contract and the disclosure or prospectus for details about the charge. Also look for any waivers for events (such as a death) or the right to take out a small amount (usually up to 10%) each year without paying the charge. If you take all of your money out of an annuity, you've surrendered it and no longer have any right to future income payments.

Some annuities have a **Market Value Adjustment (MVA).** An MVA could increase or decrease your annuity's account value, cash surrender value, and/or death benefit value if you withdraw money from your account. In general, if interest rates are ***lower*** when you withdraw money than they were when you bought the annuity, the MVA could *increase* the amount you could take from your annuity. If interest rates are *higher* than when you bought the annuity, the MVA could *reduce* the amount you could take from your annuity. Every MVA calculation is different. Check your contract and disclosure or prospectus for details.

How Annuities Make Payments

Annuitize

At some future time, you can choose to **annuitize** your annuity and start to receive guaranteed fixed income payments for life or a period of time you choose. After payments begin, you can't take any other money out of the annuity. You also usually can't change the amount of your payments. For more information, see "*Payout Options*" in this Buyer's Guide. If you die before the payment period ends, your survivors may not receive any payments, depending on the payout option you choose.

Full Withdrawal

You can withdraw the cash surrender value of the annuity in a lump sum payment and end your annuity. *You'll likely pay a charge to do this if it's during the surrender charge period*. If you withdraw your annuity's cash surrender value, your annuity is cancelled. Once that happens, you can't start or continue to receive regular income payments from the annuity.

Partial Withdrawal

You may be able to withdraw *some* of the money from the annuity's cash surrender value without ending the annuity. Most annuities with surrender charges let you take out a certain amount (usually up to 10%) each year without paying surrender charges on that amount. Check your contract and disclosure or prospectus. Ask your annuity salesperson about other ways you can take money from the annuity without paying charges.

Living Benefits for Fixed Annuities

Some fixed annuities, especially fixed indexed annuities, offer a **guaranteed living benefits** rider, usually at an extra cost. A common type is called a guaranteed lifetime withdrawal benefit that guarantees to make income payments you can't outlive. While you get payments, the money still in your annuity continues to earn interest. You can choose to stop and restart the payments or you might be able to take extra money from your annuity. Even if the payments reduce the annuity's value to zero at some point, you'll continue to get payments for the rest of your life. If you die while receiving payments, your survivors may get some or all of the money left in your annuity.

Annuity Fees and Charges

Contract fee – *A flat dollar amount or percentage charged once or annually.*

Percentage of purchase payment – *A front-end sales load or other charge deducted from each premium paid. The percentage may vary over time.*

Premium tax – *A tax some states charge on annuities. The insurer may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments, or when it pays a death benefit to your beneficiary.*

Transaction fee – *A charge for certain transactions, such as transfers or withdrawals.*

* * *

Mortality and expense (M&E) risk charge – *A fee charged on variable annuities. It's a percentage of the account value invested in subaccounts.*

Underlying fund charges – *Fees and charges on a variable annuity's subaccounts; may include an investment management fee, distribution and service (12b-1) fees, and other fees.*

Living Benefits for Variable Annuities

Variable annuities may offer a benefit at an extra cost that guarantees you a minimum account value, a minimum lifetime income, or minimum withdrawal amounts regardless of how your subaccounts perform. See *"Variable Annuity Living Benefit Options"* at right. Check your contract and disclosure or prospectus or ask your annuity salesperson about these options.

How Annuities Are Taxed

Ask a tax professional about your individual situation. The information below is general and should not be considered tax advice.

Current federal law gives annuities special tax treatment. Income tax on annuities is deferred. That means you aren't taxed on any interest or investment returns while your money is in the annuity. This isn't the same as tax-free. You'll pay ordinary income tax when you take a withdrawal, receive an income stream, or receive each annuity payment. When you die, your survivors will typically owe income taxes on any death benefit they receive from an annuity.

There are other ways to save that offer tax advantages, including Individual Retirement Accounts (IRAs). You can buy an annuity to fund an IRA, ***but you also can fund your IRA other ways and get the same tax advantages.*** When you take a withdrawal or receive payments, you'll pay ordinary income tax on all of the money you receive (not just the interest or the investment return). You also may have to pay a 10% tax penalty if you withdraw money before you're age 59½.

Finding an Annuity That's Right for You

An annuity salesperson who suggests an annuity must choose one that they think is right for you, based on information from you. They need complete information about your life and financial situation to make a suitable recommendation. Expect a salesperson to ask about your age; your financial situation (assets, debts, income, tax status, how you plan to pay for the annuity); your tolerance for risk; your financial objectives and experience; your family circumstances; and how you plan to use the annuity. If you aren't comfortable with the annuity, ask your annuity salesperson to explain why they recommended it. Don't buy an annuity you don't understand or that doesn't seem right for you.

Variable Annuity Living Benefit Options

Guaranteed Minimum Accumulation Benefit (GMAB) – *Guarantees your account value will equal some percentage (typically 100%) of premiums less withdrawals, at a set future date (for example, at maturity). If your annuity is worth less than the guaranteed amount at that date, your insurance company will add the difference.*

Guaranteed Minimum Income Benefit (GMIB) – *Guarantees a minimum lifetime income. You usually must choose this benefit when you buy the annuity and must annuitize to use the benefit. There may be a waiting period before you can annuitize using this benefit.*

Guaranteed Lifetime Withdrawal Benefit (GLWB) – *Guarantees you can make withdrawals for the rest of your life, up to a set maximum percentage each year.*

Payout Options

You'll have a choice about how to receive income payments. These choices usually include:

- *For your lifetime*
- *For the longer of your lifetime or your spouse's lifetime*
- *For a set time period*
- *For the longer of your lifetime or a set time period*

Within each annuity, the insurer ***may*** guarantee some values but not others. Some guarantees may be only for a year or less while others could be longer. Ask about risks and decide if you can accept them. For example, it's possible you won't get all of your money back ***or*** the return on your annuity may be lower than you expected. It's also possible you won't be able to withdraw money you need from your annuity without paying fees ***or*** the annuity payments may not be as much as you need to reach your goals. These risks vary with the type of annuity you buy. All product guarantees depend on the insurance company's financial strength and claims-paying ability.

Questions You Should Ask

- Do I understand the risks of an annuity? Am I comfortable with them?
- How will this annuity help me meet my overall financial objectives and time horizon?
- Will I use the annuity for a long-term goal such as retirement? If so, how could I achieve that goal if the income from the annuity isn't as much as I expected it to be?
- What features and benefits in the annuity, other than tax deferral, make it appropriate for me?
- Does my annuity offer a guaranteed minimum interest rate? If so, what is it?
- If the annuity includes riders, do I understand how they work?
- Am I taking full advantage of all of my other tax-deferred opportunities, such as 401(k)s, 403(b)s, and IRAs?
- Do I understand all of the annuity's fees, charges, and adjustments?
- Is there a limit on how much I can take out of my annuity each year without paying a surrender charge? Is there a limit on the ***total*** amount I can withdraw during the surrender charge period?
- Do I intend to keep my money in the annuity long enough to avoid paying any surrender charges?
- Have I consulted a tax advisor and/or considered how buying an annuity will affect my tax liability?
- How do I make sure my chosen survivors (beneficiaries) will receive any payment from my annuity if I die?

If you don't know the answers or have other questions, ask your annuity salesperson for help.

When You Receive Your Annuity Contract

When you receive your annuity contract, carefully review it. Be sure it matches your understanding. Also, read the disclosure or prospectus and other materials from the insurance company. Ask your annuity salesperson to explain anything you don't understand. In many states, a law gives you a set number of days (usually 10 to 30 days) to change your mind about buying an annuity after you receive it. This often is called a **free look** or **right to return** period. Your contract and disclosure or prospectus should prominently state your free look period. If you decide during that time that you don't want the annuity, you can contact the insurance company and return the contract. Depending on the state, you'll either get back all of your money or your current account value.

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