ANNUITY

SIMPLICITY GROUP

Annuity Fundamentals

Serving as a foundational component of holistic financial planning at the intersection of wealth accumulation and protection, the right annuity type balances growth and security to help clients maximize their retirement aspirations and secure their family's long-term financial legacy.

	MYGA (Multi-Year Guaranteed)	SPIA (Single-Premium Immediate)	FA (Fixed Annuity)	FIA (Fixed Indexed Annuity)	RILA (Registered Index-Linked)	VA (Variable Annuity)
Primary Purpose	Grow money at a fixed, guaranteed interest rate for a specific term to support wealth accumulation.	Provide guaranteed income starting immediately as part of a holistic retirement plan.	Provide a guaranteed income stream, typically during retirement, to protect hard-earned assets.	Provide a guaranteed income stream, typically during retirement, or the ability to grow assets with the confidence that principal is always protected.	Provide accumulation with defined risk/reward parameters.	Provide long-term growth with a customizable investment strategy to meet aspirations.
Retirement Strategy Role	Safe accumulation for clients that prefer guaranteed rates of return.	Predictable lifetime income with no accumulation phase.	Safe, predictable accumulation with principal protection for hard-earned assets.	Principal protection with some market upside and no downside risk.	Balanced growth with limited downside risk within a holistic plan.	Growth potential with high market risk.
Premium Payment	Single Lump Sum.	Single Lump Sum.	Single or Flexible.	Single or Flexible.	Single or Flexible.	Single or Flexible.
Payout Timing	After a fixed term, such as 3, 5, or 7 years.	Immediately, or within one year.	Deferred until needed for the retirement phase.	Deferred until needed for the retirement phase.	Deferred until needed for the retirement phase.	Deferred until needed for the retirement phase.
Growth Mechanism	Guaranteed interest rate.	None.	Earns interest at a set, guaranteed interest rate.	Interest credited based on the performance of an index, with specific limits.	Growth is linked to a market index, featuring a downside buffer or floor as well as limits on upside growth.	Investment grows in sub-accounts tied to the market, similar to mutual funds.
Principal Protection	Yes.	Yes.	Yes.	Yes.	Partial.	No.
Market Exposure	No market exposure.	No market exposure.	No market exposure.	Limited to upside exposure only. Gains may be limited by participation rates, caps, and/or spreads.	Moderate; linked to an index with specific buffers or floors. Gains may be limited by participation rate and caps.	Full market exposure; direct investment in market sub-accounts.
Liquidity/Access to Funds	Surrender charges typically apply for early withdrawals. Free withdrawal and Surrender charge waiver options are available on most products.	Not liquid; income payments begin immediately or within one year of the contract.	Surrender charges typically apply for early withdrawals. Free withdrawal and Surrender charge waiver options are available on most products.	Surrender charges typically apply for early withdrawals. Free withdrawal and Surrender charge waiver options are available on most products.	Surrender charges typically apply for early withdrawals. Free withdrawal and Surrender charge waiver options are available on most products.	Limited; may be subject to withdrawal penalties.
Income Options	Optional rider or lump sum withdrawal.	Guaranteed income for life or a period certain.	Optional income riders or annuitization.	Optional income riders or annuitization.	Optional income riders.	Optional income riders.
Tax Deferral	Yes.	Yes.	Yes.	Yes.	Yes.	Yes.
Fees	None	None	None	None, unless an income rider is added.	Moderate; involves a cap/spread tradeoff.	Higher; may include M&E fees, fund fees, and rider fees.
Risk Profile	Conservative.	Conservative.	Conservative.	Conservative to moderate.	Moderate	Moderate to aggressive.
Regulatory Status	Regulated as insurance products.	Regulated as insurance products.	Regulated as insurance products.	Regulated as insurance products.	Regulated by both state insurance departments and federal securities regulators (SEC/FINRA).	Regulated by both state insurance departments and federal securities regulators (SEC/FINRA).
Sales Regulations	Insurance licensing only.	Insurance licensing only.	Insurance licensing only.	Insurance licensing only.	Requires securities licensing.	Requires securities licensing.

This is Simplicity

Simplicity supports advisors working with clients at the intersection of wealth accumulation and protection, by providing a holistic financial planning process that helps maximize the probability of achieving investment aspirations while protecting hard-earned assets.

With over $550 million in life insurance, $11 billion in annual annuity sales, and $11 billion in assets under management, Simplicity is a trusted leader in the industry. Backed by 400 marketers, 150 sales leaders, and over 140+ sales Partners, Simplicity is equipped to support you and your business every step of the way.

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