



The

FSD Journal

Fixed Annuities

A monthly guide for insurance agents

reviewing fixed annuity product quality & performance

June

Quality ♦ Integrity ♦ Expertise

2006

Are you selling EIA's (Equity Indexed Annuities)?

If you are, all of the following terms should be easily understood. Crediting method, annual reset, cap, spread, monthly averaging, daily averaging, monthly cap, participation rate, point to point, two tier annuity, annuitization requirement, 1 year performance, high water mark, waivers, free withdrawal, death benefit, annual lock-in, minimum guarantee, and surrender schedule. Some EIA's have several of the above features working in the same crediting method. This can reduce the client overall return when compared to a similar crediting method with only one feature limiting the overall performance of an EIA. For a quick example, if a product has a monthly or daily averaging crediting method it should not be capped since the same averaging crediting methods exist with company and have no cap.

I have talked to agents that have never sold an EIA because they feel EIA's are too complicated. For these agents we have a simple index design that is easy to understand. Here is how it works: If the S&P is not down the client gets 7.25% on an annual reset and lock in basis! Again: If the S&P is even or up client gets 7.25%! Easy enough?

If you have questions about the EIA you are selling, give me a call and I would be happy to review the contract and crediting method with you.

Jeff Affronti

Best Multi-Year Lock-In

**4.56% For
3 Years**

**5.10% For
5 Years**

**5.24% For
6 Years**

**5.22% For
10 Years**

**IMMEDIATE ANNUITIES
License with FSD and receive
our exclusive 7 company in-
come comparison spreadsheet.**

**A++, AA+ company! We pay a
4.00% Commission!**

FSD Adds A Life Settlements Broker

Alantra Life is a well respected and authorized life settlements broker, strategically located in the financial center of Northern New Jersey. Alantra Life works with insurance brokers/ agents/other financial professionals and their senior clientele who have experienced changes that have altered their need for costly life insurance policies, which they no longer need, want or can afford. Alantra provides you with our many years of experience and expertise in the life settlement marketplace. Our primary goal is putting this experience and expertise to work for you and your senior clients. You will benefit from our close relationships with the most aggressive providers in the life settlements industry, assuring you and your senior clients the highest financial returns on their life insurance settlements.

We look forward to developing a lasting and mutually beneficial relationship with you, the financial professionals.

**See the Alantra Life Settlements Ad on
Page 3 of this Journal for more information**

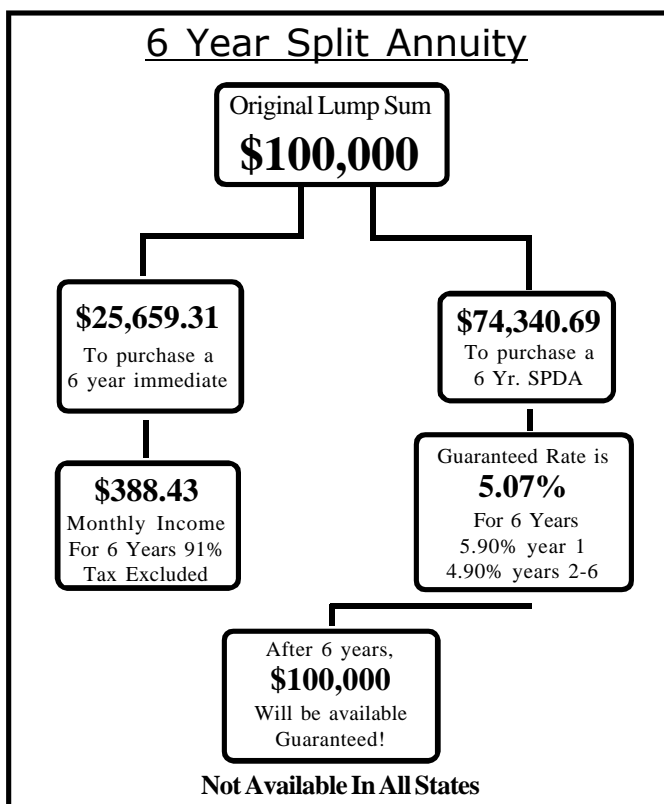
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FSD FINANCIAL SERVICES
5530 Corbin Ave. #333
Tarzana, CA 91356

Quality ♦ Integrity ♦ Expertise



A+ S&P Rated Company

5.22%

Guaranteed For 5 Years
 10 Year Surrender %: 8,8,7,7,6,6,5,5,4,4
 \$20,000 Minimum / Ages 0-83 / MVA

Commission 3.50%* (0-79)
 *0.25% Bonus for cases \$250,000 and up! (0-79)

Guaranteed Increasing Step-Up Rate Annuity

It is simple and works like this:

- Year 1 is 3.95% Guaranteed
- Year 2 is 4.45% Guaranteed
- Year 3 is 4.70% Guaranteed
- Year 4 is 5.20% Guaranteed
- Year 5 is 6.20% Guaranteed

ALL 5 YEARS ARE GUARANTEED!!

In year 5 the client is earning 6.20%.

Equity Indexed Annuity 5.00% Bonus

FREE Client Presentation CD

4 Crediting Methods

- ♦ Annual Point-to-Point Cap Index Strategy
- ♦ Annual Point-to-Point Participation/NO CAP
- ♦ Monthly Average with Spread / NO CAP
- ♦ Annual Fixed Rate Strategy
- ♦ All Strategies Reset Annually!

Past History Illustrations Available

10 Year Surrender Term - **Full Death Benefit**

10% Free Withdrawals - Waivers

8.50% commission to age 80

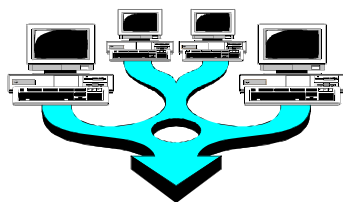
(See enclosed spreadsheets for details)

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For The Independent Broker

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