

While helping customers plan for their financial future, which might include how to reduce current taxes, a deferred annuity may be a good product to offer. If customers are not familiar with annuities, they may have questions.

### **Here are some common annuity objections, and ways you might respond:**

#### **“But an annuity isn’t FDIC-insured.”**

*You’re absolutely right, it’s not a bank product. It’s guaranteed by a very stable and financially sound insurance company.*

#### **“What if I need my money?”**

*There are withdrawal provisions that allow you some access to your funds. Plus, if you decide to surrender your policy, the insurance company guarantees a return of your premium, less any previous withdrawals.<sup>1</sup>*

#### **“I’ll still have to pay taxes someday.”**

*Yes, fixed annuities are tax-deferred, not tax-free. This means that no federal income tax will be due until money is withdrawn or when the fixed annuity payout begins, usually at retirement when you may be in a lower tax bracket. In the meantime, you can enjoy the benefits of tax-deferred compounding. You earn interest on your purchase premium, interest earnings, and tax savings on the money you’re not paying in taxes.*