

Flexible Premium Deferred Annuity

The Broker's Sales Guide To An Individual Fixed Annuity From The Standard

**With a Flexible Premium Deferred Annuity
you'll find a rewarding combination of safety,
tax deferral and choice.**

Flexible Premium Deferred Annuity
Standard Insurance Company



Flexible Premium Deferred Annuity

The Flexible Premium Deferred Annuity from The Standard is an annuity that offers accommodating contribution modes and flexible withdrawal options. It is an ideal savings vehicle for those who want the ability to customize their retirement-savings strategy. The Flexible Premium Deferred Annuity is designed to optimize the growth potential of your client's retirement savings while preserving capital — all without the risks associated with the investment markets. Additionally, the Flexible Premium Deferred Annuity is a perfect funding vehicle for tax-qualified money in the form of IRAs, 403(b) TSAs or SEPs.

Your client may choose to contribute monthly, quarterly, semiannually or annually and may change the amount and frequency of payments any time. Each premium will receive the current rate for a one-year guarantee period. And at the end of the guarantee period, your client benefits from competitive renewal rates based on the current interest-rate environment and current market conditions. After the surrender-charge period ends, there is no automatic restart of the surrender-charge schedule.

The Flexible Premium Deferred Annuity offers a variety of ways for your client to access funds before the end of the surrender-charge period without paying a surrender charge. Easy withdrawal methods include a 10% annual withdrawal option, payments of interest earnings, 72(t) and 72(q) SEPPs for early retirement income without penalties, IRS Required Minimum Distributions from qualified plans, and nursing home and terminal condition waivers.

Issue Ages

The maximum issue age on an owner or annuitant for the Flexible Premium Deferred Annuity is 90.

Initial Premium

\$600 first-year premium is the minimum necessary to establish the contract. \$1,000,000 is the maximum initial premium allowed for establishing an Flexible Premium Deferred Annuity; higher amounts may be permitted with prior approval from the home office.

Also, be sure to note that CODs are allowed to assist with the setup of employer list billings.

Additional Premiums

Once an Flexible Premium Deferred Annuity is established, your client may contribute additional premiums at any time, with the amount based on the prior year's contributions. The total premium in any given year cannot be more than 200% of the previous-year deposits or \$10,000, whichever is less, without approval. Additional premiums received will be credited with the current interest rate in effect at the time of the deposit, unless the additional premium results from a rollover, transfer or exchange request that may benefit from an interest-rate lock.

...the Flexible Premium Deferred Annuity waives surrender charges if your client holds the annuity contract for five years or more and attains the age of 59½.

Fees

Non-qualified contracts valued less than \$10,000 will be assessed a \$25 fee annually. There are no fees on qualified contracts.

Selling Points

Competitive Rate Guarantees

The Flexible Premium Deferred Annuity offers strong growth potential through competitive interest rates. The Standard has a long-standing history of excellent fixed annuity performance and renewal rates.

The initial interest rate is guaranteed to remain level for one year on each deposit. After the rate guaranteed period your client will receive renewal interest rates based on current market conditions. And the interest rate is guaranteed to never go below the contractual minimum guaranteed rate!

Principal Guarantee

Principal is 100% guaranteed. Regardless of economic fluctuations at home or abroad, we guarantee that your client or the beneficiary will never receive less than total premium payments, less any previous withdrawals or outstanding loan balances. This is a guarantee that many other investments cannot provide.

Interest Rate Lock

The Flexible Premium Deferred Annuity may make available an interest rate lock. If available at the time of purchase, this would allow The Standard to hold a rate for a set time period from the home-office receipt of a request for a rollover, transfer or exchange. If the funds were to be received within this window, the client would receive the greater of the held interest rate or the current interest rate. If the premium is received after the rate-lock period, it would be credited the interest rate in effect at the time the premium is received. For more specific information, contact the sales team.

Practical Surrender-Charge Periods

Because the Flexible Premium Deferred Annuity is designed to perform best over the long term, if a client needs access to funds during the surrender-charge period (in excess of any free withdrawal provisions), a surrender charge is assessed according to the table below. Also, be sure to note that a unique contractual feature of the Flexible Premium Deferred Annuity waives surrender charges if your client holds the contract for five years or more and attains the age of 59½.

Flexible Premium Deferred Annuity Surrender-Charge Schedule

Contract Year	1	2	3	4	5	6	7	8	9
Charge	9%	8%	7%	6%	5%	4%	3%	2%	1%

Market Value Adjustment

The Flexible Premium Deferred Annuity does not use a Market Value Adjustment feature.

Flexible Withdrawal Features

Payments of Interest Earnings

Regular payments of earned interest are available without incurring a surrender charge. After the contract has been in force for 30 days your client may choose to receive monthly, quarterly, semiannual or annual interest payments. Payments cannot be less than \$100. Electronic Funds Transfer (or “direct deposit”) is available for regular payments.

10% Annual Withdrawals

After the first contract year, your client may annually withdraw up to 10% of the annuity’s value (as of the end of the preceding contract year) without incurring a surrender charge.

IRS Required Minimum Distributions

The Flexible Premium Deferred Annuity is available for purchase as an IRA, 403(b) Tax-Sheltered Annuity or other tax-qualified plan. If purchased as a tax-qualified contract, the IRS Required Minimum Distributions (RMDs) attributable to the account value of the annuity will be distributed without the assessment of a surrender charge. The Standard guarantees its calculation of RMDs and will pay any fines or penalties associated with an incorrect amount that is calculated by The Standard. However, The Standard will not be responsible for incorrect calculations due to incorrect information provided by the contract owner. This guarantee is limited to calculations made on accounts administered by The Standard.

Early Retirement Feature

Surrender charges are waived if your client holds the annuity contract for five years or more and attains the age of 59½. This feature makes the Flexible Premium Deferred Annuity ideal for those clients who wish to retire early.

Substantially Equal Periodic Payments

The Flexible Premium Deferred Annuity allows your client to select the Substantially Equal Periodic Payments (SEPP) option, which allows early-retirement (pre-age-59½) income without imposition of the IRS 10% early-withdrawal penalty or incurring a surrender charge.

Annuitization

Your client may convert the Flexible Premium Deferred Annuity into an income annuity with The Standard and pay no surrender charges, provided your client chooses a Lifetime Income option or a Period Certain option of five years or longer.

Nursing Home Benefit

After the first contract year, if your client becomes a nursing home resident for 30 or more consecutive days, The Standard will waive surrender charges on all withdrawals, transfers and surrenders during the period of confinement. Written documentation is required. The nursing home waiver is not available in Massachusetts.

Terminal Condition Benefit

If your client is diagnosed with a terminal condition, The Standard will waive surrender charges on all withdrawals, transfers and surrenders. Written documentation is required. State specific conditions apply to the terminal condition waiver.

Out of Surrender

After the end of the surrender-charge period, your client may withdraw some or all of the Flexible Premium Deferred Annuity funds without surrender charges.

Accommodating Income Options

When it's time to switch from the accumulation phase to the income phase, you'll want several payment options to present to your client. Some retirees prefer regular installment payments for a specific period; others want a predictable, guaranteed lifetime income. Whatever the long-term goals and financial needs, The Standard has an option to match.

- Life Income
- Life Income with Installment Refund
- Life Income with Certain Period
- Joint and Survivor Life Income
- Joint and Survivor Life Income with Installment Refund
- Joint and Survivor Life Income with Certain Period
- Joint and Contingent Survivor Life Income
- Certain Period

Tax Advantages

Unlike many other savings and investment products, income taxes on Flexible Premium Deferred Annuity funds are due only when your client makes withdrawals or begins taking regular distributions — generally at retirement, when the tax bracket may be lower. As a result, interest accumulates on principal, on earnings and on money otherwise paid in annual income taxes.

The Standard guarantees its calculation of RMDs and will pay any fines or penalties associated with an incorrect amount that is calculated...

Compensation

Commission Amounts

Your broker contract details the amount of commission paid to you. If you have questions about your compensation, please contact your National Marketing Organization or our sales team.

Commission Chargeback

Surrenders

- 100% of the commission will be recaptured on contracts surrendered in the first six contract months.
- 50% of commission will be recaptured on contracts surrendered in the seventh to twelfth contract months.

Death

There is no chargeback on death of an owner or annuitant except in those cases where the deceased was age 86 or older at contract issue, in which case:

- 100% of the commission will be recaptured on death in the first six contract months.
- 50% of commission will be recaptured on death in the seventh to twelfth contract months.

Annuitization

- 100% of the difference in commission between the deferred-annuity compensation and the immediate-annuity compensation will be recaptured in the first 12 contract months.

Sales Support

For additional information, please contact your National Marketing Organization or our sales team at 800.378.4578. You can also email our sales team at annsales@standard.com.

Forms And Materials

You may find these and others at www.standard.com/annuities. Be sure to check product availability and revision dates to ensure you're using all the correct forms and materials for your state.

New Business Submission

Annuity New Business, P5C
The Standard
PO Box 711
Portland, OR 97207-9971

Street Address For Overnight Deliveries

Annuity New Business, P5C
The Standard
1100 SW Sixth Avenue
Portland, OR 97204



Standard Insurance Company
Individual Annuities
1100 SW Sixth Avenue
Portland OR 97204-1093

www.standard.com/annuities

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