

[Q&A Playbook](#)[Indices](#)[Crediting
Strategies](#)[Access](#)[Legacy Benefits](#)[Medicaid-
Compliant Annuity](#)[Learn More
About FIAs](#)

Confident Conversations: Your Annuity Q&A Playbook

Empower clients to make informed financial decisions about fixed index annuities



Not FDIC-Insured • No Bank Guarantee • May Lose Value • Not Insured by any Federal Government Agency • Not a Bank Deposit

This document is incomplete without all accompanying pages, including any disclaimers.

SI 25634 (1/26)

For producers only. Not for use with consumers.

Confident Conversations: Your Annuity Q&A Playbook


[Q&A Playbook](#)
[Indices](#)
[Crediting Strategies](#)
[Access](#)
[Legacy Benefits](#)
[Medicaid-Compliant Annuity](#)
[Learn More About FIAs](#)

Question: What indices are available?

Answer:

The Standard offers these options with fixed index annuities.

When choosing an index, clients may consider options aligned with their values, interests, specific themes or managed risk tolerance. Managed-volatility indexes use strategies to help minimize the impact of unpredictable market fluctuations and help provide clients with more stable returns.



[S&P 500®](#)

Tracks the performance of 500 leading large-cap companies in the United States.

[S&P 500 Daily Risk Control](#)

[5% ER Index \(5% volatility target\)](#)

Combines the S&P 500 with a cash component to dynamically adjust volatility exposure.

[S&P 500 Dynamic Intraday TCA Index \(15% volatility target\)](#)

Offers exposure to the S&P 500 through the use of E-mini S&P 500 futures with intraday volatility control. It rebalances up to 13 times per day, allowing it to respond quickly to market changes.



[S&P MARC 5% ER Index \(5% volatility target\)](#)

Aims for more stable index performance with multi-asset diversification across equities, treasuries and gold — rebalancing daily based on market conditions.

[BofA Global MegaTrends Index \(7% volatility target\)](#)

Taps into long-term global innovation thematic indices, such as robotics, digital economy, disruptive technology and millennials.

[Q&A Playbook](#)[Indices](#)[Crediting Strategies](#)[Access](#)[Legacy Benefits](#)[Medicaid-Compliant Annuity](#)[Learn More About FIAs](#)

Question: How does a FIA earn interest?

Answer:

There are many crediting strategies, and the one — or ones — a client chooses for a FIA determines how interest is calculated.

If you have clients who feel overwhelmed by the choices, break it down with these simple descriptions.



Cap Rate

Clients earn interest up to the cap — or maximum — rate. If the index goes up more than the cap, they only get the capped amount. If the index goes down, they don't lose money — the interest is just zero.

Participation Rate

Clients earn interest based on a percentage of the index's growth. For example, if the index grows 10% and the participation rate is 70%, they earn 7%. If the index goes down, they don't lose money — the interest is just zero.

Trigger Rate

Clients earn a fixed interest rate if the index is flat or goes up — even just a little. If the index goes down, they earn zero interest, but they don't lose money.

Trigger Rate Plus

Clients earn a trigger rate if the index performance is zero or positive — plus a guaranteed earnings rate if the index performance is negative.

Locked Crediting Strategies

Clients experience locked-in rates for a specified number of years.

Fixed Rate

Clients earn a fixed interest rate that credits daily, which provides predictable growth. Once it's credited, the earnings are locked into the account value.

[Q&A Playbook](#)[Indices](#)[Crediting Strategies](#)[Access](#)[Legacy Benefits](#)[Medicaid-Compliant Annuity](#)[Learn More About FIAs](#)

Question: What if I need to get to my funds? Is my money locked up?

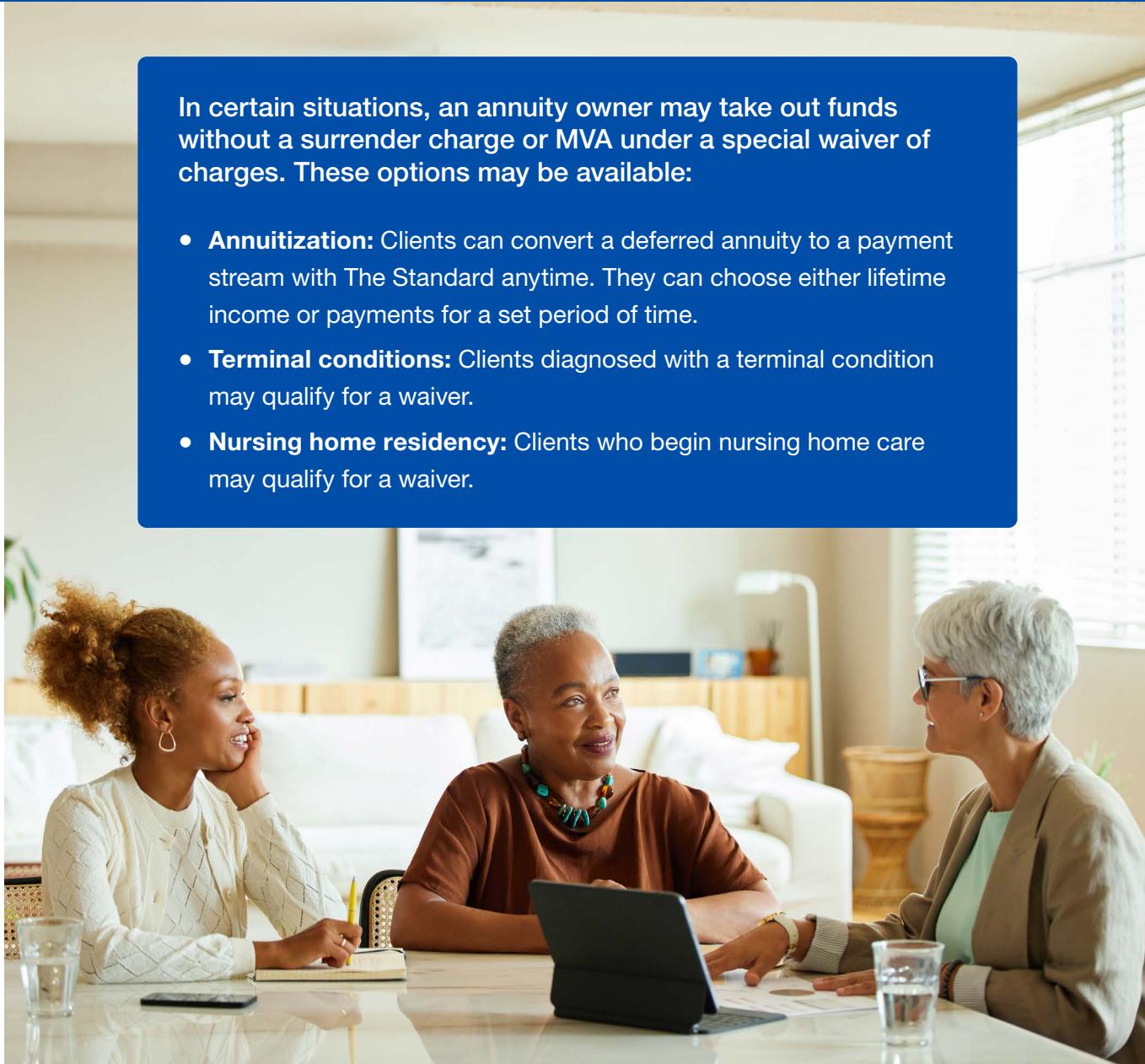
Answer:

Let clients know that as an annuity owner, they can withdraw funds at any time.

However, withdrawals above the free amount may incur costs. These are often referred to as a withdrawal or surrender charge, and are typically calculated as a percentage of the amount taken out. The percentage generally declines over the life of the annuity contract. A market value adjustment may also apply to withdrawals and surrenders that exceed the free withdrawal amount.

Inform your clients that there are ways to withdraw funds without fees or market value adjustments:

- **Annual withdrawals.** For example, some FIAs allow annual withdrawals up to a percentage — such as 10% or 15%.
- **IRS required minimum distributions,** or RMDs. Tax-qualified plans allow clients to withdraw RMDs without a penalty.



In certain situations, an annuity owner may take out funds without a surrender charge or MVA under a special waiver of charges. These options may be available:

- **Annuitization:** Clients can convert a deferred annuity to a payment stream with The Standard anytime. They can choose either lifetime income or payments for a set period of time.
- **Terminal conditions:** Clients diagnosed with a terminal condition may qualify for a waiver.
- **Nursing home residency:** Clients who begin nursing home care may qualify for a waiver.

[Q&A Playbook](#)[Indices](#)[Crediting Strategies](#)[Access](#)[Legacy Benefits](#)[Medicaid-Compliant Annuity](#)[Learn More About FIAs](#)

Question: What happens to my money if I pass away?

Answer:

Reassure clients that FIAs offer death-benefit options that can help them fulfill their legacy and estate plans.

These options may provide income for a spouse or other beneficiary if the annuity owner passes away. Beneficiaries can receive benefits by:

- Assuming ownership
- Taking a lump-sum payment
- Buying a new annuity with the death benefit proceeds
- Choosing an income option
- Move proceeds to an interest-earning contract
- Transferring proceeds to another annuity issuer



Death Benefit Riders

Some annuities offer optional riders that can enhance the benefits beyond typical death benefit riders. Legacy Max is an optional enhanced death benefit rider when a client purchases The Standard's Enhanced Choice Index Plus annuity. It offers a unique dual strategy with two growth components:*

- 6% annual compounded growth
- Double the amount of the interest credited to the annuity

Additional features include:

- Available up to age 80 at issue
- RMD friendly
- Lump-sum payout, plus more flexible payout options
- Growth to age 85 or for seven years, whichever is longer
- Partial interest crediting available

* Starting on day one, the death benefit base is equal to the total premium. On each contract anniversary, The Standard calculates the death benefit based on the two underlying growth components. The higher of the two amounts will be the new death benefit base.


[Q&A Playbook](#)
[Indices](#)
[Crediting Strategies](#)
[Access](#)
[Legacy Benefits](#)
[Medicaid-Compliant Annuity](#)
[Learn More About FIAs](#)

Question: How can my annuity help if my spouse or I become ill?

Answer:

If a client or their spouse requires additional care, there's a strategy that may be able to help with the cost of care for a Medicaid recipient.

This option can allow a client to transition from a FIA to a Medicaid-compliant single premium immediate annuity, or SPIA.

The amount used to buy the SPIA may be excluded from Medicaid's income and asset calculations. Then the individual can qualify for Medicaid without sacrificing financial stability.



Here's a way to show how this could work:

Jennifer, who is 78 years old, needs extra help with everyday activities. Her husband, Greg, is 80 and struggling as her caretaker. They're looking into a nursing home for Jennifer and how to pay for her care.

They have \$426,500 in countable assets. If they privately pay for Jennifer's care at \$6,000 a month, their savings will run out in almost seven years. Instead, they could use a Medicaid-compliant immediate annuity under the Omnibus Budget Reconciliation Act of 1993, or OBRA '93. The goal is to help the spouse that requires assistance to qualify for Medicaid long term care — while providing the healthy spouse with sufficient income and resources to maintain their lifestyle.

Let's look at the numbers:



\$500,000

Couple's total countable assets



\$125,000

Minus what Greg is allowed to keep



\$375,000

Balance used to purchase the annuity

For example purposes only. Actual numbers will vary by situation and state. If you have questions about your specific situation, consult with a qualified Elder Care Attorney. Federal law allows for a division of the assets at the time either spouse enters a nursing home.


[Q&A Playbook](#)
[Indices](#)
[Crediting Strategies](#)
[Access](#)
[Legacy Benefits](#)
[Medicaid-Compliant Annuity](#)
[Learn More About FIAs](#)

Turn client questions into opportunities.

Want to have a more meaningful conversation about FIAs during your next client meeting? Head to our FIA Resource Toolkit to better understand and position them to your clients.



Standard Insurance Company | The Standard Life Insurance Company of New York | standard.com

The Standard is a marketing name for StanCorp Financial Group, Inc. and subsidiaries. Insurance products are offered by Standard Insurance Company of Portland, Oregon in all states except New York. Product features and availability may vary by state and distributor and are solely the responsibility of Standard Insurance Company.

Surrender charges may apply to withdrawals during the surrender period. A 10% IRS penalty may apply to withdrawals prior to age 59½. Annuities are not guaranteed by any bank or credit union and are not insured by the FDIC or any other governmental agency. The purchase of an annuity is not a provision or condition of any bank or credit union activity. Some annuities may go down in value. Guarantees are subject to the financial strength and claims paying ability of Standard Insurance Company. An annuity should not be purchased as a short-term investment.

The S&P 500®, S&P 500® Dynamic Intraday TCA Index, S&P MARC 5% Index, and S&P 500® Daily Risk Control 5% Index ("the Indices") are products of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and have been licensed for use by Standard Insurance Company ("The Standard"). S&P®, S&P 500®, US 500, The 500, iBoxx®, iTraxx® and CDX® are trademarks of S&P Global, Inc. or its affiliates ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). The Standard's annuity products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the Indices.

BofA Securities, Inc. and its Affiliates ("BofAS"), BofA Global MegaTrends Index (the "Index") and related information, the name "BofAS", and related trademarks, are intellectual property of BofAS, licensed from BofAS to Standard Insurance Company ("Licensee"). In connection with the Index, BofAS has licensed the use of certain marks and data from Salt Financial LLC (collectively with BofAS, the "Licensors"). Neither the Licensee nor any fixed index annuity product ("Product") referencing the Index is sponsored, operated, endorsed, sold or promoted by the Licensors. Obligations to make payments under any Product are solely the obligation of Licensee pursuant to the term of the contract between Licensee and you, and are not the responsibility of the Licensors. The Licensors, the Index and related information, the names of the Licensors, and related trademarks may not be copied, used, or distributed without the relevant Licensors' prior written approval. The Products have not been passed on as to their legality or suitability, and are not regulated, issued, endorsed, sold, guaranteed, or promoted by the Licensors. The Licensors' only relationship to Licensee is the licensing (or sub-licensing) of certain trademarks and trade names and the Index or components thereof and the Licensors are not party to any transaction contemplated herein. **THE LICENSORS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE INDEX, ANY RELATED INFORMATION, THE TRADEMARKS, OR THE PRODUCT(S) (INCLUDING WITHOUT LIMITATION, THEIR QUALITY, ACCURACY, SUITABILITY AND/OR COMPLETENESS).**

MSCI indexes are the exclusive property of MSCI Inc. ("MSCI"). MSCI and the MSCI index names are service mark(s) of MSCI or its affiliates and have been licensed for use for certain purposes by BofA Securities, Inc. The fixed index annuity product referred to herein is not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to such fixed index annuity product. The annuity contract contains a more detailed description of the limited relationship MSCI has with BofA Securities, Inc. and any related fixed index annuity product. No purchaser, seller or holder of this fixed index annuity product, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this fixed index annuity product without first contacting MSCI to determine whether MSCI's permission is required. Under no circumstances may any person or entity claim any affiliation with MSCI without the prior written permission of MSCI. Additional information about MSCI Inc. with respect to, among other matters, licensing, trademarks and limitation of liability can be found at [MSCIDisclaimer.pdf \(ml.com\)](http://MSCIDisclaimer.pdf).

For producers only. Not for use with consumers.