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## C H A P T E R

### Do you need an **Indexed Annuity**?



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An **Indexed Annuity** ("IA") is a fixed annuity policy which offers a combination of benefits to individuals willing to accept some volatility in credited interest to achieve potentially higher returns than traditional fixed interest rate products.

IA's are **S. U. P. E. R.** They offer:

- S** &P 500®\* Index -  
Crediting rates are usually linked to S&P 500 Index values. The S&P 500 Index is based on the stock prices of 500 companies, considered to be leaders in their industries, and does not include dividends.
- U** pside Potential -  
Historically, over long periods of time the S&P 500 Index has outperformed traditional fixed interest products. Since crediting rates of IAs are usually linked to S&P 500 Index values, there is opportunity for potentially higher returns.\*\*
- P** ower of Tax Deferral -  
State and Federal taxes are deferred on interest earnings until the money is withdrawn.\*\*\*
- E** state Planning -  
Avoid the cost and delay of probate with direct payment to a designated beneficiary.
- R** ate Guarantee - Most IA's have a minimum guaranteed rate.

An Indexed Annuity is NOT:

- An index mutual fund,
- A registered security, or
- A stock market investment.

Is an **Indexed Annuity** right for you? It could be if you are looking for a long term accumulation product with the potential to achieve above average rates!

\* "S&P 500®" is a trademark of The McGraw-Hill Companies, Inc. and has been licensed for use by Jefferson-Pilot Life Insurance Company. Indexed annuity products are not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of purchasing these products.

\*\* Past performance of the S&P 500 Index is no guarantee of future changes in the S&P 500 Index or of future interest earnings.

\*\*\* Withdrawals may be subject to surrender charges and, if made prior to age 59½, may also be subject to a 10% Federal penalty tax.

Indexed annuities may be referred to as "equity indexed annuities" in certain states.



**JEFFERSON PILOT  
FINANCIAL**