

Annuity Replacement Comparison Worksheet Guide



When the purchase of an annuity involves the exchange or replacement of an existing life insurance or annuity contract, gathering information about the existing contract is important in determining the suitability of the new purchase. There are many factors to consider when recommending the replacement of an existing life insurance or annuity contract. The first step is obtaining specific information about both products so that you can make an informed recommendation to your client.

FOR ANNUITY EXCHANGES AND REPLACEMENTS

GENERAL

- You are required to provide details of ANY exchange or replacement that occurred in the last 60 months other than the current replacement being applied for.
- Keep in mind that the exchange or replacement of any product must meet our internal suitability criteria.
- A recent account statement is required if the contract being exchanged or replaced has been in force for less than 3 years (5 years for CA and MN).
- If the client is age 75 (65 in CA) or older, you need to submit a copy of your client's most recent annual statement.
- There may be situations that trigger a suitability analyst to contact you for additional information to assist us in making a decision. Please keep in mind that suitability determinations are based on each client's individual circumstances.
- Please note that even if your client surrenders an existing life insurance or annuity contract on their own, it is still considered a replacement.

PRODUCT SPEC & FEATURES COMPARISON

The producer must complete a side by side comparison of the contract being exchanged or replaced to the proposed Nassau contract. The purpose of this comparison is to show the advantages and disadvantages of exchanging or replacing the existing product.

- This section needs to be completed for any full or partial exchange or replacement.
- If the funds for the proposed Nassau contract are coming from penalty free withdrawals of an existing annuity contract, please complete the Penalty Free Withdrawal Replacement Worksheet (OL5423).
- Be sure to fill in each section of the worksheet. If an item is not applicable, indicate "N/A."

Has there been a replacement within the last 60 months?

Excluding the current replacement, have you replaced any other annuity contracts within the past 60 months? Yes No
If "YES", please explain: _____

Example: fixed, indexed, variable, life insurance.

Product Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Name of Company			
Type of Contract			

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Provide the product name – example Personal Income Annuity.

Product Name		
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Existing Contract: The amount the original contract was issued for.

Proposed Contract: Provide the expected premium.

Initial Premium/Deposit	\$ _____	\$ _____	\$ _____
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Indicate if there was or is a premium bonus (do not include bonus to rider benefit base).

Existing Contract: If there was a premium bonus, provide the dollar amount that will be recaptured upon surrender. If the bonus is fully vested, check N/A.

Proposed Contract: If there is a premium bonus check Yes. If not, check N/A.

Premium Bonus	_____ %	_____ %	_____ %
List any limitations or exclusions of bonus (bonus recapture charge or bonus vesting schedule)	Current year \$ _____ <input type="checkbox"/> N/A	Current year \$ _____ <input type="checkbox"/> N/A	<input type="checkbox"/> Yes - refer to product disclosure for details. <input type="checkbox"/> N/A

Existing Contract: Provide the current policy value.

Provide the current surrender charge amount (do not include the bonus recapture or mva).

Indicate if there is a market value adjustment. If there is, provide the dollar amount and indicate if it is a positive or negative adjustment.

Current Accumulation Value	\$ _____	\$ _____	
Current Surrender Charge	\$ _____	\$ _____	
Market Value Adjustment	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ + _____ - \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No _____ + _____ - \$ _____	Yes

Provide the surrender charge schedule (example: 10%,9%, 8%, 7%, 6%, 5%, 4%, 3%, 2%, 1%).

Surrender Charge Schedule		
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Indicate what the penalty free withdrawal percentage is.

Provide the annual minimum guaranteed interest rate even if the client is not currently allocated into this account. We are looking for the lowest rate the carrier can set the fixed account.

Penalty Free Withdrawal Percentage	_____ %	_____ %	_____ %
Annual Minimum Guaranteed Interest Rate			

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Existing Contract: If the client is in an index annuity, provide the applicable caps, rates & spreads for what the client is currently invested in.

Proposed Contract: Provide the caps, rates & spreads for what the client will be investing in at issue. If the client is investing in multiple accounts and there is not enough room to list all the rates, we can accept 1 allocation rate per line.

Applicable caps, rates, spreads	Participation Rate _____ %	Participation Rate _____ %	Participation Rate _____ %
	Index Cap _____ %	Index Cap _____ %	Index Cap _____ %
	Fixed account Rate _____ %	Fixed account Rate _____ %	Fixed account Rate _____ %
	Index Spread _____ %	Index Spread _____ %	Index Spread _____ %

*The specific rate percentage for each fund can be found on SalesNet by clicking on the rates link and then choosing the appropriate product and state.

If the funds are in a fixed annuity or going into a MYGA, provide the current interest rate and guarantee period. (For accounts that are renewing please provide the renewal information). If this question does not apply, enter N/A.

Credited Interest Rate/Guarantee Period (Fixed Annuity Only)	/	/	/
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Provide both the writing agent at the current carrier and for Nassau.

Existing Contract: Provide applicable fees (do not include rider fees. Rider fees will be added on page 2).

Applicable fees (e.g. administrative mortality, expense, Strategy fees)			
Writing Agent			

If the current contract has an income rider or benefit that provides guaranteed lifetime income, please provide the current benefit base, roll up percent (or indicate how the benefit base grows), the roll up duration and the payout percent for the age the client plans to activate the income rider at Nassau (this will coincide with question 2e on the suitability questionnaire). If 11+ years is selected, please complete the comparison for the 11th year. Provide any additional information on how the benefit works

Rider Spec & Features	1st Replaced Contract	2nd Replaced Contract	Proposed Contract
Does the current or proposed contract have an Income Rider? (Information provided for the payout % on the current contract should coincide with the response provided to question 2E within the Annuity Suitability Questionnaire)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Current Benefit Base \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Select box if your rider has a Non Guaranteed Roll Up If yes, <input type="checkbox"/> Single <input type="checkbox"/> Spousal Benefit Base \$ _____
	Roll-Up _____ %	Roll-Up _____ %	Roll-Up _____ %
	Roll-Up Duration (yrs) _____	Roll-Up Duration (yrs) _____	Roll-Up Duration (yrs) _____
	Payout _____ %	Payout _____ %	Payout _____ %

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Indicate if the rider requires annuitization to activate.

Provide the current rider fee.

Does the rider require annuitization to activate?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Current Rider Fee Percentage	_____ %	_____ %	_____ %

Indicate if there are additional riders on the contract (death benefit, care benefit). Indicate the benefit amounts and how they increase.

Other riders attached to the contract (e.g. death benefit, care benefit)			
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FOR LIFE INSURANCE EXCHANGES AND REPLACEMENTS

- A recent account statement is required along with a zero pay illustration.
- Not all sections of this form are required when exchanging or replacing an existing life insurance contract. Please make sure to complete the following sections:
 - Name of Company
 - Type of Contract (for example, whole life, universal life, term life, indexed life)
 - Contract Number
 - Date of Issue
 - Initial Premium Deposit
 - Current Accumulation Value
 - Current Surrender Charge
 - Surrender Charge Schedule (for all remaining years)
 - Income Rider Details, if applicable

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Lifetime payments and guarantees are based on the claims-paying ability of the issuing company.

Annuities issued by Nassau Life and Annuity Company (Hartford, CT) except in New York where annuities are issued by Nassau Life Insurance Company (East Greenbush, NY). In California, Nassau Life and Annuity Company does business as "Nassau Life and Annuity Insurance Company." Nassau Life and Annuity Company is not authorized to conduct business in MA, ME and NY, but that is subject to change. Please visit the State/Product Availability page on salesnet.nsure.com for current state-specific issuing company information. Nassau Life and Annuity Company and Nassau Life Insurance Company are subsidiaries of Nassau Financial Group. The insurers are separate entities and each is responsible only for its own financial condition and contractual obligations.