



**Annuity Product and Annuity Suitability Training
for Agents Appointed with
First United American Life Insurance Company**

FLEXIBLE PREMIUM ANNUITY

Policy Form NYFPDA02

FLEXIBLE PREMIUM ANNUITY

Interest Rate: Guaranteed never to be less than 3%

Issue Ages: 0-85

Minimum Initial Deposit: \$2,000

Minimum Additional Deposit: \$50

Maximum Deposit: \$20,000 per policy year, per annuitant

Type: Nonqualified

NO ANNUAL FEES

No front-end deductions, annual fees, or maintenance charges will be made.

LIQUIDITY

- **Flexibility of a free withdrawal** up to 10% of your cash value after the first policy year.
- On amounts withdrawn during the **first policy year, withdrawal charges may not exceed the interest credited.**
- In subsequent policy years two through six, amounts withdrawn in excess of the free withdrawal are subject to a withdrawal charge.
- At the end of six years, withdrawal charges are eliminated.

Withdrawal During Policy Year	Withdrawal Charge % of Deposit Withdrawn
1	7%
2	7%
3	7%
4	6%
5	5%
6	4%
7 or more	NONE

TAX CONSIDERATIONS

Interest income accumulates tax-deferred in an annuity. Current tax law treats any withdrawal prior to the maturity date as being from interest earnings first for income purposes. Withdrawals of earnings are subject to a 10% federal tax penalty unless **(1)** withdrawal is made after age 59½; **(2)** payment is made as a result of death or disability; or **(3)** the withdrawal is made as a series of substantially equal periodic payments for life.

NOTE: The information provided on the tax aspects of annuities represents our understanding of current laws and regulations; it is not a warranty and is not intended to be legal or tax advice. A prospective purchaser should consult with his/her tax advisor concerning his/her particular circumstances.

INCOME OPTIONS

Payout may begin as soon as the annuity has been in force for at least one year.

Payout options include:

- Fixed amount (specific monthly payments)
- Fixed period (monthly payments for a specified period)
- Life income – two ways to pay:
 - monthly payments to an individual
 - payments for the joint lifetime of two annuitants with continuing benefits to the survivor

GUARANTEED DEATH BENEFIT

If death occurs before annuity payments begin, the beneficiary receives the **full cash value of the policy**. Payment would **not be subject to the cost and delay of probate**.

SUITABILITY REVIEW

As an Agent representing the Company, you must always ensure that any policy sold is suitable to the needs of the applicant. Prior to the recommendation of an annuity, you must make a reasonable effort to obtain suitability information. You must consider such issues as the prospective insured's age, financial condition, need for insurance or an annuity, the values, benefits, and surrender charges in relation to any existing coverage, intended use of the annuity, and whether in the totality of each applicant's circumstances, the sale is suitable.

The Agent must advise the applicant to consider the following details regarding their overall personal financial situation before they complete an application for an annuity. For example:

Gross monthly household income, net worth of assets (*not including residence*), current monthly obligations: mortgage, consumer loans, liquidity needs, risk tolerance, tax status, other.

The applicant must have an understanding of investments and terminology before they complete an annuity application. For example, the applicant should have investment experience and know the current values of their:

Savings account, stock, pension plan, mutual fund, CD, IRA/401(k), Existing annuity.

Does the applicant have investment goals? For example:

Income, tax savings, debt reduction, capital growth, estate plan, retirement, savings.

The examples above represent the applicant's overall understanding of their personal financial status, investments, and terminology related to annuity contracts.

Applicants must acknowledge and understand they are applying for an annuity contract. Applicants must be provided an Annuity Buyer's Guide at the time of application. An annuity contract is a long-term investment.

First United American Life Insurance Company or the Agent selling this annuity do not offer tax advice, and applicants should consult a tax advisor if they have any questions.