



# SPIA Sales Solutions



## Why Should Selling SPIAs be Part of Your Business?

### Four key reasons to make SPIAs part of your business

How many insurance products can provide your clients a guaranteed, reliable income that can last a lifetime? That list starts and ends with annuities.

Here are four reasons to make United of Omaha's two single premium immediate annuities – **Income Access** and **Ultra-Income** – a consistent part of your business:

1. **Prospects galore** – With more than 70 million Baby Boomers closing in on retirement, there's no doubt the market is primed to sell SPIAs.
2. **The potential exists for large cases** – Clients who purchase a SPIA are likely to invest tens of thousands, if not hundreds of thousands or more, to help provide the income they'll need in retirement. And obviously the larger the sale, the more commission you'll earn.
3. **Guaranteed issue, quick pay** – Since SPIAs require minimal underwriting they get issued quicker than most other products. The quicker the policy is issued, the sooner you get paid.
4. **Working crossover markets** – If you've sold long-term care or Medicare supplement policies, those clients are a captive audience for a SPIA discussion. Working these crossover markets can help you maximize your business opportunities and increase sales.

### Think About SPIAs When Your Clients Need Income

Variable annuities often get a lot of attention in industry publications and even from your clients. But have you considered a single premium immediate annuity to satisfy their income needs? Use the chart below to compare the two products.

	Fixed SPIA	Variable Annuity with Income Rider
Primary Purpose	<b>Guaranteed</b> income during retirement	Tax-deferred growth, which is subject to market fluctuations
Amount of Retirement Income / Cash Flow	At ages 65+, often exceeds 7% of the original principal	Typically 5% of the principal
Total Policy Fees & Expenses	None	2.5% - 4% annually .40 - .75 for income option
Tax advantage of the Exclusion Ratio for non-qualified annuities	Yes	No – investment gains subject to ordinary income tax rates
Overall Product Complexity	Uncomplicated product design – Very straightforward	Complex design – A lot of “moving parts”
Impaired Risk Underwriting to increase payouts	Yes	No