

## ANNUITY SALES TIPS

### 1. From a Marketing Standpoint

- A. People buy annuities
- B. Insurance must be sold

### 2. Know How Annuities Work

- A. Investment advantages
- B. Tax advantages
- C. Highly liquid
- D. Flexibility of annuities
- E. Policy features

### 3. Understand the Client

- A. The Client wants:
  - 1) High interest
  - 2) Tax deferred growth
  - 3) Guaranteed safety
  - 4) Right to withdraw interest
- B. The Client does not want:
  - 1) To annuitize
  - 2) To lose any more money in the stock market
  - 3) To be concerned about tax consequences to children
  - 4) To be told he will be in a lower tax bracket

### 4. Some Don'ts

- A. Don't waste time on structured settlements
- B. Don't confuse the client with complex proposals (banks, brokerage firms & mutual funds – don't!)
- C. Don't be defensive about particular companies or products
- D. Don't give up – timing is everything!
  - 1) A “no” today doesn't mean “no” tomorrow
  - 2) CDs mature
  - 3) Pension plans terminate – people change jobs – people retire
  - 4) People die – policyholders and their relatives
  - 5) People sell rent houses – homes – businesses
  - 6) People have birthdays – children – spouses – grandchildren
  - 7) Annuity fire sales (Rate drops – policies discontinued)

### 5. Some Dos

- A. Give everyone the opportunity to buy an annuity!
- B. Call your clients and prospects
- C. Mail them letters and follow up!



## **SALES POWER PHRASES**

1. "You can truly appreciate the tax-deferred annuity only after you compare it to what you now own."
2. "With a fixed annuity, there is no stock market risk."
3. "With your current taxable accounts, you are paying taxes whether you leave the interest in or take the interest out."
4. "No sales charges, like where your money is now."
5. "No fees, like where your money is now."
6. "You have access to your money prior to maturity."
7. "Unlike your IRA, contributions are not tax deductible and unlike your IRA, there is no ceiling on how much you can put into the annuity."
8. "Like your IRA, you pay no taxes as interest accumulates."
9. "Like your IRA, you pay taxes only when dollars are withdrawn."
10. "You can decide when you want to pay taxes with an annuity."

## **CLOSING QUESTIONS**

1. "I'm going to print your name and address on this annuity application which acknowledges that you want to reduce income taxes. You do want to reduce taxes, don't you?"
2. "Would you like to pay taxes now or later?"
3. "Which will you enjoy most: The competitive interest rate, the easy ways you can withdraw your money, or that you only pay taxes when interest is withdrawn?"
4. "If I am hearing you correctly, you like the annuity because of safety and liquidity. Are both important to you?"
5. "You do agree that the more money you'll have later, the more spendable income you will have later?"
6. "Would you rather have your money double every 12 years or every 18 years?"
7. "Would you rather have \$600 earning interest for you or \$400 earning interest for you?"
8. "Do you want to own the annuity or do you want your spouse to own it?"
9. "Are you glad the government is giving you a safe way to reduce taxes?"
10. "Do your parents want to give an annuity to your children?"