

# Guaranteed Accumulation



With  
Upside  
Potential  
  
It's Just  
Insurance

By: Jeff Affronti

## **Maximize Guaranteed Accumulation & Keep Upside Potential!**

Interest rates are still hovering at low levels. Guaranteed accumulation is essentially moving at a snails pace. Finding concepts or products to enhance these gains on a guaranteed basis is becoming more difficult. The drop in issue rate and overall contractual minimum guaranteed rates have made yield harder to come by and predict. Many risk averse clients are earning little to no yield. Sometimes being just a little creative can open a Fixed Indexed Annuity to these risk averse retirement savers.

Diversifying between two very simple and competitive crediting methods a client can have the benefit of a nice guaranteed fixed return annually and the upside of triple that fixed return. Here is how:

### **Eight Year FIA With Two Crediting Buckets:**

1. Annual Point to Point (Pt 2 Pt) With Cap Of 5.75%
2. Annual Fixed Rate of 2.55%

A client in this FIA can get a guarantee of no less 1.275% for the year with an upside of 4.15%. How? Let us assume a client has \$200,000 in premium and allocates \$100,000 to each crediting method.

### **Results Assuming A Positive Index Year**

If the index is up for that year the client earns up to the 5.75% cap on the Annual Pt 2 Pt. Assuming the index hit the cap the gain would be \$5,750.00. The fixed bucket would earn an additional \$2,550.00. The accumulation value would be \$208,300.00 or a gain of 4.15%. *(See below for a 3.00% index year sample)*

### **Results Assuming A Negative Index Year**

If the index is down for that year the client earns nothing on the Annual Pt 2 Pt and \$2,550.00 on the fixed bucket. \$202,550.00 or a gain of 1.275%.

### **Guarantee Better Than Most Mainstream Products.**

Here is a way to beat the lower fixed rate alternatives while having a taste of the index likely upside for additional earnings. Tax deferral, compounded gains and NO FEES for guarantees! As rates and caps rise this method will become even more attractive for the risk averse saver.

### **3.00% Index Gain Sample**

A Pt 2 Pt index increase of 3.00% (\$3,000) and a Fixed Rate still kicking off the \$2,550 would make an accumulation value of \$205,550.00. A gain of 2.77% for that year. Locked in and compounded annually.

Jeff Affronti

Marketing, Illustrating, Building Fixed Annuities since 1995.

**The idea is to not outlive your money.**

**Maximizing it at the same time does not hurt.**

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