Dan Huslin
Licensed insurance agent

COMPANION WORKSHEET · THE LATCHKEY KID'S RETIREMENT PLAN

Before you buy an annuity

Take this to every meeting, with every agent, including Dan. Write each answer down, then compare. Agent: _____ Date: _____

ABOUT THE AGENT

1. How are you paid on this, and does it change depending on which product I choose?

2. How many companies can you show me today?

3. Why this product and not a simpler one?

4. What would make you tell me not to buy an annuity?

ABOUT THE PRODUCT

5. What kind of annuity is this?

6. What is guaranteed, and what isn't? Show me where.

7. Any riders? What does each cost per year, and what does it do?

8. Can I see the illustration with guaranteed and projected numbers?

ABOUT THE COMPANY

9. What's the company's financial strength rating, and who gave it?

10. How long has it been around, and are annuities a core business?

11. Does it make sense to split a large amount between two companies?

ABOUT THE MONEY

12. What's the surrender schedule, year by year?

13. How much can I take out each year without a charge?

14. Is there a market value adjustment?

15. For a MYGA: what happens when the rate period ends?

16. Where's the money coming from, and are there taxes or penalties to move it?

ABOUT THE EXITS

17. What happens to the money when I die?

18. If I need long-term care or have a terminal illness, are surrender charges waived?

19. How long is the free-look period, and what do I get back?

Want to go through it together?
Call Dan at 619-251-3868 or visit thedhagency.com/book

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ANSWER KEY

What to listen for

A real answer points to a page in the paperwork. If you can't repeat it back in two sentences, don't sign.

#	Question	A good answer	Red flag
	ABOUT THE AGENT		
1	How are you paid on this, and does it change depending on which product I choose?	The insurance company pays me a commission. It doesn't come out of your deposit. Here's roughly what it is on each option.	"Don't worry about that." Or "It's free."
2	How many companies can you show me today?	Here are three, side by side. (Captive: "Just one, and here's what I'd compare it to.")	"This is the only one worth looking at."
3	Why this product and not a simpler one?	It does [your goal]. The simpler option is [X], and here's why I am or am not suggesting it.	Can't name a simpler option.
4	What would make you tell me not to buy an annuity?	If you'll need the money soon, have no emergency fund, or your must-haves are already covered.	"I can't think of a reason."
	ABOUT THE PRODUCT		
5	What kind of annuity is this?	One plain sentence: "It's a five-year fixed-rate annuity."	A cloud of jargon.
6	What is guaranteed, and what isn't? Show me where.	The rate, minimums and surrender schedule, with the page number.	Only talks about the projected numbers.
7	Any riders? What does each cost per year, and what does it do?	About [x]% a year, does [y], and you can skip it. Here's the page.	"No cost" with nothing in writing.
8	Can I see the illustration with guaranteed and projected numbers?	Yes, this column is guaranteed and this one is projected, and here's why.	Won't show the guaranteed column.
	ABOUT THE COMPANY		
9	What's the company's financial strength rating, and who gave it?	The agency, the full grade and the date. Then check it yourself.	"They're all the same."
10	How long has it been around, and are annuities a core business?	A year, and "Yes, it's what we do."	"That doesn't matter."
11	Does it make sense to split a large amount between two companies?	At your amount, here's whether splitting makes sense, and how we'd do it.	Using your state's guaranty association as a selling point.
	ABOUT THE MONEY		
12	What's the surrender schedule, year by year?	A schedule that falls to zero, with the page number.	"It goes down over time." No numbers.
13	How much can I take out each year without a charge?	Here's exactly what this contract allows, and when.	"Take whatever you need."
14	Is there a market value adjustment?	No. Or yes, and here's how this contract calculates it and when it applies.	"What's that?"
15	For a MYGA: what happens when the rate period ends?	There's a window to renew, move or withdraw. Here's what happens if you do nothing.	"It renews automatically. Don't worry."
16	Where's the money coming from, and are there taxes or penalties to move it?	Here's how it moves and what it costs. Pre-tax money into a Roth is taxable.	A check made out to you, or ignoring surrender charges on what you're leaving.
	ABOUT THE EXITS		
17	What happens to the money when I die?	It depends on the payout. Before income starts, usually the account value. Here's this contract.	Unsure, or no mention of options.
18	If I need long-term care or have a terminal illness, are surrender charges waived?	Many contracts do after a waiting period. Here's this one's rule.	"They all have that." Nothing shown.
19	How long is the free-look period, and what do I get back?	[X] days from delivery in your state, and what you get back.	Pressure to sign right away.

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