

To learn more about how life insurance benefits can protect your family and your estate, please call a Winslow advisor today at (617)896-3500 or 1(800)556-8600.

Frequently Asked Questions: Life Insurance Benefits



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Q. What are annuities and do they make sense for your long-term planning goals?

A. Annuities are long-term financial vehicles designed for retirement purposes and are commonly used for supplemental retirement savings. Tax-deferred annuities can offer long-term growth advantages for your wealth management plan. Used as part of a savings and investment plan, annuities allow the growth of your investments on a tax-deferred basis for many years.

Our advisors can help you decide if such tools fit into your overall retirement plan, determine if they are likely to increase your wealth greatly compared to traditional savings plans, and evaluate the limitations of standard IRAs.

Our advisors have access to a large number of the major and financially stable insurance companies who offer:

- Fixed annuities*
- Index annuities*
- Variable annuities**

Q. Which type of an annuity serves your needs?

A. Through careful analysis, your Winslow advisor will help you determine what type of annuity should be part of your wealth management program based on your investment profile. For example, the growth potential and risk of investments in variable annuities fluctuate with that of an underlying securities portfolio. Values of variable annuities may be more or less than the original amount invested upon redemption. A variable annuity is a contractual agreement in which payment is made to an insurance company, which agrees to pay out an income or lump sum amount related to the investment at a later date. There are contract limitations, fees, and charges associated with variable annuities. *(continued in next column)*

(“Which type of annuity serves your needs?” continued)

Your advisor can evaluate whether your assets should be exposed to the risk of unforeseen market changes in the search of higher gains. He or she may direct some of your investments to the newer generation variable annuities, which offer certain income or withdrawal guarantees and can reduce a large portion of risk. In addition, your advisor can structure your annuity contract to provide specific death benefits to your survivors.

If variable annuities are not appropriate for your needs, or your investment time horizon is not long enough, fixed annuities may be more appropriate, since fixed and equity indexed annuities offer specific guaranteed rates that can be helpful for the planning needs of more conservative investors.

Q. Why should disability income insurance be part of your plan?

A. Your goals and dreams are driven by your earning power. If your earnings are reduced or shut off for a period of time, or if you are injured or become sick, your goals and retirement plans can be put on hold. Your financial resources can be stressed in the event of a long-term illness or injury.

Your Winslow financial advisor can help you consider the benefits of purchasing disability income insurance as part of your wealth management planning. He or she can design a program to help protect all or a portion of your earned income in the event of an illness or injury. They can even offer suggestions as to how disability income insurance may protect your ability to make retirement contributions if you become totally disabled.

Your advisor can help you make informed decisions regarding essential coverage options that are offered by all the major providers of this protection. If you are a business owner, we can also offer choices for group disability insurance programs or disability buy-out protection for your business partners.

Q. Will long-term care insurance protect you and your spouse?

A. Scarce government funds and changing demographics make the need for long-term care planning more critical than ever. Your long-term retirement and legacy planning can be disrupted by an extended stay in a nursing home, for example.

Long-term care insurance is ideal for those individuals who:

- Have assets and income they want to protect
- Want to avoid burdening their family with extensive care giving responsibilities
- Don't want to depend on government programs for care
- Want to be able to choose where they receive care
- Want assurances that they will receive high quality care, and have the option to receive care at home

Our advisors can help you make decisions that are appropriate for your circumstances. They will tailor a plan that efficiently balances your assets with specific levels of long-term care insurance.

* *Fixed and indexed annuities are not insured by the FDIC or NCUA; may lose value; are not guaranteed by the FDIC or any other government agency; are not deposits or other obligations of, or guaranteed or endorsed by, any bank or savings association.*

** *Risks associated with variable annuities include, but are not limited to: mortality and expense risk charges, sales and surrender charges, administrative fees, and charges for optional benefits. Early withdrawals may be subject to surrender charges and taxed as ordinary income and, in addition, if taken prior to age 59.5 an additional 10% federal income tax penalty may apply. Withdrawals reduce variable annuity contract benefits and values. Variable annuities are not guaranteed by the FDIC or any other government agency and are not deposits or other obligations of, or guaranteed or endorsed by, any bank or savings association. Variable annuity guarantees are backed by the claims-paying ability of the life insurance company and do not apply to the principal amount or investment performance of the separate account or its underlying investments.*