

SPIA SOLUTIONS

FROM *Qualified Annuity Services, Inc.*

Single Premium Immediate Annuities

PLANNING ISSUE: Maximize Income to Physically Impaired Client	
CLIENT BACKGROUND:	
Client's Gender and Age:	Male, Age 68
State of Residence:	Florida
Amount of Funds Available for Consideration:	\$200,000.00

THE PROCESS:

1. Maximize income that can be produced from the Client's brokerage account.
2. The Client is a victim of a stroke and may qualify for a **Medically Underwritten** immediate annuity.
3. Submit attending physicians' statements and copies of medical records to the insurance company. The insurance company will review the records to determine whether the client's life expectancy is shortened due to the physical impairment.
4. Purchase a single premium immediate annuity that will provide the highest income possible.

QAS' SOLUTION:

Product:	Medically Underwritten Single Premium Immediate Annuity		
Purchase Consideration:	\$200,000.00		
Annuitant:	Male Age 68		
Option:	Life with Installment Refund		
Value Added:	<u>Ordinary SPIA</u>	vs.	<u>Medically Underwritten SPIA</u>
Monthly Income:	\$1,635.73		\$1,821.12
Basis for Life Expectancy:	Actual Age (68)		Rated Age (73)

BENEFITS TO THE CLIENT:

- ✓ The client receives income for life, and with the Installment Refund option, any invested principal that he has not received upon his death is paid to his beneficiary.
- ✓ The client has suffered a life threatening impairment. Based on a review of medical records, the insurance company's underwriter concluded that, as a result of the impairment, the client's life expectancy is shortened. The underwriter estimated that the life expectancy was reduced from that of a 68-year old (about 17 years) to a 73-year old (about 13 years).
- ✓ Because the client is eligible for a Medically Underwritten annuity, he will receive an additional \$185 per month.

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Qualified Annuity Services does not give tax or legal advice. Any such information in this case study is merely our understanding of current interpretations of various tax laws and regulations. If you have any questions, we suggest you consult a professional tax advisor.