

OVERCOMING PRODUCER OBJECTIONS

Purpose: For Wholesalers and Internal Marketers to use as talking points in overcoming any Producer objections to the BenchMark RelianceSM Annuity Series, the index strategies, or fixed annuities in general.

Product Objection	Suggested Response
I'd prefer a product with a 10% free withdrawal feature.	Good news! The BenchMark Reliance SM now offers 10% surrender charge free withdrawal. It is available even in the first year. If liquidity is a concern, you need this product. The penalty free withdrawal is available after only 30 days in the contract. And for qualified money, RMDs won't incur a surrender charge even if they exceed 10%.
The minimum cumulative guarantee of 1.75% seems too low to me.	Have you considered the power of the Renewal Rate Guarantee? If your client elects the Index Corporate Bond Strategy, upon renewal, they are guaranteed to be credited the 90-month average of the LBICBI, less an administrative charge that will never exceed 2.5% annually.
The Benchmark <i>Extra</i> had a better annuitization schedule.	The BenchMark <i>Extra</i> was great. Many Producers are easily transitioning to the Reliance SM Series by focusing on the Renewal Rate Guarantee and the great liquidity features.
OR	
	As I'm sure you know, many carriers have had to change their products due to the current interest rate environment. The BenchMark <i>Extra</i> had some features that are no longer viable in this environment. The BenchMark Reliance SM is not intended to be a SPIA alternative. Let me show you where the Reliance SM fits in your clients' portfolio.
Is there a version with a shorter surrender schedule? 10 years seems like a long time.	By using a longer surrender charge on the product we found that we could pass along better yields to your client.
OR	
	If you were locking in the lowest rates in 45 years, I would agree with you. The longer Surrender Charge Schedule becomes a non-issue since the crediting rate is determined by an independent market index and has a Renewal Rate Guarantee. The client can actually be comfortable with their annuity for a longer time. Besides, the client has many ways to access their funds.
I don't like to offer products with an MVA in today's low rate environment.	That's the best thing about the Reliance SM ! The MVA goes away when the client's dollars are past the surrender period.
The base rate is too low.	The base rate should compare quite favorably to other fixed products available today. You also have the advantage of being able to offer extra interest to your clients. This extra interest product offers tremendous liquidity, flexibility, and the Renewal Rate Guarantee.
OR	
	The Index Corporate Bond strategy is currently paying ___% (refer

to the current Earning Rate Update for this information). Compare this to one-year CD rates—and your client still has the potential for rates to increase as the index increases.

Index Strategy Objections

Suggested Response

Isn't this the wrong time to start a bond strategy? What will I say to my client when the interest rates go up and bond prices drop?

Would you prefer a solution that protects your client from the changing value of bonds? That's exactly why the rate on this is tied to an independent index rather than a bond portfolio. Because of the Renewal Rate Guarantee, your clients actually benefit from an increasing rate environment.

Fixed Annuity Objections

Suggested Response

I don't sell fixed annuities anymore—the rates are too low.

You are right! Rates are low, and for that reason many traditional fixed annuities are not that attractive. This is why I recommend the RelianceSM which doesn't lock your clients into the lowest rates in over 40 years.

OR

Low rates are the exact reason you should sell fixed annuities and BenchMark RelianceSM offers your clients an "interest rate index" with the Index Corporate Bond Strategy. Your clients should have a great alternative for their "safe money". In recent years, sales of fixed products have hit record highs, if you aren't asking your clients for their safe money someone else is.

I only sell MYGAs.

I can appreciate that. MYGAs certainly have their place. However, many Producers don't want to have to explain to clients why their renewal rates are locked in at 45-year lows. This is exactly why we recommend the RelianceSM.

Telling the BenchMark RelianceSM Story:

- The Index Corporate Bond Strategy makes the minimum guarantee virtually irrelevant.
- Rates are at a 40-year low and won't likely go much lower.
- The Index Corporate Bond Strategy is based on a 90-month average of the Lehmann Brothers Intermediate Corporate Bond Index to provide a more stable crediting rate for your clients.
- Would your clients prefer to be locked into today's low rates or given the opportunity to have their crediting rate tied to what bond yields do over time?
- With other products, rates are declared by the company so the minimum crediting guarantee is crucial. The BenchMark RelianceSM has something much more valuable—the Renewal Rate Guarantee. American National Insurance Company guarantees that the credited rates will be determined by the Lehmann Brothers Intermediate Corporate Bond Index. The administrative charge is also guaranteed to never exceed 2.5% annually.
- Plus your clients have:
 - Tremendous first-year liquidity and "checkbook" access for the uncertainties in life.
 - 10% withdrawals free of Surrender Charges. No penalty if MRDs exceed the 10%.
 - Added liquidity for Nursing Home Confinement (60 day).
 - "1x10" or "5x5" annuitization. After one year your client can annuitize for as few as 10 years; after five years for as few as 5 years.
 - Settlement options 7 & 8 available for Medicaid planning.
 - Great compensation.
 - Extra first-year interest of 2%, 4%, 6%, or 8%, available regardless of when premiums are received within the first 10 contract years.