NEW YORK REGULATION 187 FORM – Annuity

In accordance with New York Department of Financial Services Regulation 187, your Equitable Advisors Financial Professional is required to provide you with certain education and disclosure information when recommending insurance product(s). In addition to this disclosure form, please carefully read all offering materials and if exchanging a product(s) for a new one(s), consider all applicable fees and charges.

Annuities are contracts that are designed for retirement savings. They may provide guaranteed income payment streams (not market appreciation) or guaranteed death benefits that are backed by the claims-paying ability of the issuing life insurance company. All annuities are tax-deferred until withdrawn and if purchased in an IRA or other qualified account, redundant tax-deferral occurs. Non-qualified account gains (not return of principal) are typically taxed as ordinary income. Because part of each non-qualified annuity withdrawal is a non-taxable return of principal, owners should understand how much of each payment is a non-taxable return of principal and how long the tax treatment will last.

Annuity Type	Essential Description
Fixed Deferred Annuities	A tax-deferred growth product with comparatively high contribution limits. Product fees built into the return rates. Some annuities offer 10-15% penalty free withdrawals while others may be limited to only the interest amount. There are two basic types: • Traditional fixed - offering guaranteed annual rates • Multi-year guaranteed - offering annual set rates in locked periods *Pros:* Conservative with precise rates and future values. *Cons:* Illiquid with contingent surrender charge periods.
Immediate Annuities	A tax-deferred product with either a lump sum payment or stream of fixed payments per a specified period. There are two basic types: • Single Premium Immediate Annuity (SPIA) with immediate payouts • Deferred Income Annuity (DIA) with a deferred payout date *Pros:* Known guaranteed payment or income stream for life or a “period certain”. *Cons:* Little or no liquidity, no cash value.
Qualified Longevity Annuities	A tax-deferred product funded with assets from a qualified retirement account or IRA. If the annuity complies with IRS requirements, it is exempt from IRS Required Minimum Distribution (RMD) rules until age 85 or payouts begin after a specified start date. *Pros:* Conservative, tax-deferred investment temporarily exempt from RMD rules. *Cons:* Interest rate sensitive with limited or no liquidity.
Fixed Indexed Annuity	A tax-deferred product that grows via the performance of a specified market-based index. Returns often based on one of three methodologies: annual reset, point to point, or highwater mark. *Pros:* Potential for market-based appreciation with principal protection. *Cons:* Sophisticated, illiquid with contingent surrender charge periods.
Variable Deferred Annuities*	A tax-deferred investment with the opportunity for market-based appreciation. Assets invested in client-selected investment-like “sub-accounts” or in some cases, investments offering market index-based upside potential alongside some “buffered” downside protection. Many offer optional guaranteed income and/or death benefits for a fee. *Pros:* Potential for market-based appreciation alongside guarantees. *Cons:* Sophisticated, subject to market risk, may lose value, illiquid with contingent surrender charge periods.

* Amounts in a variable annuity’s investment portfolios are subject to fluctuation in value and market risk, including loss of principal.

Variable annuities are offered by prospectus, which you can obtain from your financial professional or the insurance company. The prospectus contains detailed information about investment objectives, risks, charges and expenses. You should read the prospectus and consider this information carefully before purchasing a variable annuity contract.

This summary is not a complete discussion of all characteristics and considerations associated with annuities, nor it is intended as an offering or recommendation of any particular contract. In essence, annuities are contractual agreements in which payment(s) are made to an insurance company, which agrees to pay out an income at a later date. There are contract limitations and fees and charges associated with annuities, which include, but are not limited to, mortality and expense risk charges, sales and withdrawal charges, administrative fees, and charges for optional benefits. All guarantees provided within annuities are based on the claims-paying ability of the issuing life insurance company. With regard to the "buffered" partial downside protection provided by certain annuity products, there is a risk of a substantial loss of principal and previously credited interest because the contract holder agrees to absorb all losses to the extent they exceed the downside protection provided by the annuity.