

UNSHAKABLE ACCUMULATION

How the annuity industry's newest player, SILAC Insurance Company, is **redefining how retirement products are made, sold and understood**, using its philosophy of innovation, transparency and simplicity.

If you're a producer in the annuity space and aren't familiar with SILAC Insurance Company yet, take a seat. This rebranded Utah-based carrier could rapidly become a household name and make your experience talking about and selling annuities a whole lot easier, from product design and client interactions to service and support.

That might be a bold statement and not one that many established annuity carriers can make. For SILAC, this is where being "new" is an advantage.

While the full company history spans more than 85 years as a life and health carrier, plans to shift focus to the annuity realm and to rebrand as SILAC only started in 2017.

With the regulatory changes (some taking effect now) capturing the industry's attention an outsider might wonder why anyone would want to enter the field at this time.

Armed with a skilled leadership team and a mission to promote and simplify the industry's product offerings, as well as the inherent freedom; lack of legacy systems or bureaucracy that plagues many in the space, for SILAC "this time" couldn't have been better.

In 2017, SILAC laid the foundation for what would become the innovative, transparent and focused carrier that agents, advisors and their clients have been waiting for.



INSURANCE COMPANY

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INNOVATION. TRANSPARENCY. SIMPLICITY.™

The headline is more than the firm's founding principles; it's a powerful philosophy of every aspect of what SILAC does, from its producer service to innovative product design.

In fact, the leadership team is so passionate about this philosophy that rather than dive in and splash the annuity industry from Day One, this firm opted to bide its time to ensure it could live up to its emerging, game-changing reputation.

Ask anyone there and you'll hear praise for most of the carriers already operating in the space, many of which offer very customizable products.

BUT, the trade-off, as the leadership team will attest, of that versatility often comes in the form of complicated benefits, annual fees and exclusions — all of which can make knowing the pros, cons, ins and outs of each product difficult to master from an advisor's point of view and confusing to understand from a client's.

In a time of mounting regulations pressuring the entire industry to adjust its way of doing business, and the growing need for policyholders to easily understand what they're purchasing, SILAC found what could be the ultimate opportunity.

According to **Carrie Freeburg, VP of Annuity Products**, "Any product feature that could hurt performance is critically reviewed to see whether it is necessary. This allows us to build focused, clean and strong products because they are not weighed down by unnecessary or expensive features."

She continues, "The reality is that simplicity is our key innovation. I know it sounds backward. Over the past 10+ years, products in the industry have gotten more and more complicated. If a product is hard for us and our distribution partners to understand, how can we expect our policyholders to understand it? We went down a new path at

SILAC by simplifying the design of a product so we, our agents and our policyholders can all understand it. This is a HUGE benefit because with our focused selection, the client knows what protections he or she has and how to access them.



"They're what I like to call 'clean products' that are easier to understand and explain than just about any other company in the industry."

— Dwight Carter

"Retirement is hopefully a long time! Our focus on accumulation has led to very versatile products that may help policyholders be better prepared for their futures," she says.

While versatility is important in a retirement product, for SILAC, so is keeping their annuities streamlined to focus (primarily) on one goal each.

"The way we see it, if someone is nearing retirement, typically it is very important for them to continue to grow their nest egg but not suffer any drastic losses as they are nearing their final years before they retire," states **Dan Acker, President and Chief Marketing Officer at SILAC Insurance Company**.



"The other side of that is, once consumers decide to retire, they are on a fixed income. Our annuity products are a great way to provide a lifetime income stream that someone can count on and know that the money is not going to go away or fluctuate over time.¹"

Acker continues, "In a nutshell, we believe there is a need in our country today for fixed annuities and what they can provide to consumers, whether it is people preparing for retirement and saving or people who are in retirement and need a consistent income stream."

It's a powerful goal — one many fixed indexed annuities also accomplish. But SILAC's products may help to protect a client's nest

egg without many of the complications often found in other products, such as annual fees policyholders are charged even in a year with zero accumulation.

"This is very, very important for us and something we are really proud of because anyone selling our products can confidently tell consumers, 'You do not go backward with any of these annuities.' Sure, it's possible there may be some years where the index doesn't perform too well — just like any FIA

— and there isn't much of an interest credit, but unlike many other annuities, in a year of negative index returns if you have \$100,000 allocated to a Teton™ or Denali™ FIA, at the end of the day, the worst-case scenario is a client will still have their \$100,000," Acker explains.

It's a strategy that has producers across the country engaged and feeling confident talking about the firm's product perks.

"One of the many great things about SILAC is that their team does exactly what they promise. And they do it with competitive cap rates, good features and benefits, AND no annual fees.² Plus, they're what I like to call 'clean products' that are easier to understand and explain than just about any other company in the industry," adds Dwight Carter, principal owner of Financial Security Associates and SILAC agent.

The combination of downside protection plus no annual fees means SILAC products aren't only easy to explain, but they're also helpful for agents and advisors revisiting their clients on follow-up appointments and reviews.

After three years, the release of an innovative multiyear guaranteed annuity line, the release of two industry-leading FIA lines and a proprietary index (more on this later), SILAC officially announced its new name in January. The product suite, favored by scores of agents and advisors around the country, was already making waves.

INTRODUCING THE **SILAC ANNUITY SUITE**

INNOVATION. TRANSPARENCY. SIMPLICITY.™

Whether your clients' goals are accumulation or income (or both!), SILAC's product suite delivers top-performing products with competitive rates, bonuses and commissions, all in a transparent, simple, easy-to-explain and easy-to-understand manner.

**ISN'T IT TIME TO SIMPLIFY
RETIREMENT SOLUTIONS FOR
YOUR CLIENTS?**

TETON™ & **DENALI**™
FROM SILAC INSURANCE COMPANY

Visit SILACannuities.com to access your free starter kit and see for yourself how SILAC is changing the face of the annuity industry **for the better.**

INNOVATION. TRANSPARENCY. SIMPLICITY.™ SERVICE.

Powerful, easy-to-understand and easy-to-explain products is one realm where SILAC remains true to its core philosophy. However, it certainly isn't the only one. When it comes to supporting its sales force, be it placing new business, training or general support, few carriers strive to offer the level of service found within SILAC's headquarters.

The reason SILAC strives for a best-in-class level of support? According to Dan Acker, the carrier's other top priority is taking care of their clients — the agents in the field and their policyholders.

"I'm sure a lot of agents have experienced this feeling of a weird dynamic between them and home-office employees. When getting into the fixed indexed annuity space, we made the decision almost immediately to keep all of our administration in-house and not outsource to a single person," Acker explains.

"To help distinguish ourselves further, the culture we have instilled in SILAC is that agents and marketers are our clients first and foremost. We know that without an agent educating consumers on the value of our products and why they may need them, we really do not have any business coming in the door. So we should never believe that the agent has a simple job. We treat them as a partner, and they play a critical role. That's why we spend a lot of time talking with and putting ourselves in the shoes of the agents as much as possible."

Supporting their sales force is so important that their goal is to have every single person in the building, from the mailroom to the CEO, versed inside and out with product knowledge and be ready, capable and willing to answer the phone. It's an extra level of support that does not go unnoticed.

"The No. 1 thing for us as a mom-and-pop independent organization is that we have a direct line to all the key elements for doing business. We can talk to underwriters. We can talk to policy issue processors. We can talk to new business transfer managers. We can even talk to the CEO," Dwight Carter states.

This is precisely how SILAC wants the agent experience to be, according to



Kylie Gormly, VP of Annuity Customer Service.

"Our Annuity Customer Service Experience — ACE — Team is committed to the growth and innovation that both SILAC and the market have demanded. That commitment has allowed our team to care for every single agent and policyholder, from start to finish, by providing customized, creative and exclusive service to all SILAC partners," she states.

While striving to offer the highest level of support, SILAC also knows and prioritizes making sure its agents in the field are supported long before an appointment ever begins. That begins

with training and education.

"Our Annuity New Business Team believes in a culture of service, of being open and flexible for the needs and changing environments to match our agents' and policyholders' needs. We support this by setting expectations appropriately as well as training and educating our agents on an ongoing basis,"

Andelyn Warner, VP of Annuity New Business, explains. Much

of that training is in the hands of — after many interviews — the infamous and wildly popular **VP of Sales, Richard "Bubba" Morrow.**



At SILAC, that not only means continuous training for any new products or additions to existing products but also a complete onboarding experience, detailing how to do business with SILAC in addition to weekly and biweekly training that covers all challenges and questions an agent or marketing partner may encounter.

"The first training occurs when an agent gets appointed with SILAC. During the contracting process, the agent is required to review our product training for each one he or she intends to sell. After contracted, we offer weekly training webinars every Monday and every other Wednesday. These range from product knowledge to case studies, sales ideas and service-related concepts," Morrow mentions.

All of this is to support the sales force in every way possible. All for straightforward, transparent and innovative products. All tied to one of the most powerful and proprietary indexes an agent and their client could ask for.



As **Chad Roesler, President of Gradient Annuity Brokerage,** states, "It is one thing to have competitive products. It is another to have a sustainable, long-term relationship in the industry. Our agents enjoy telling SILAC's story and the story its product line allows you to tell."

INNOVATION. TRANSPARENCY. SIMPLICITY.[™] INDEXES.

If you were to look at a majority of FIAs or any annuities that follow an index, you'll notice one thing they have in common, including SILAC - most follow stocks or segments within the U.S.

On the one hand, this is great, considering the U.S. is the largest economy in the world. On the other, it's not always the strongest. A major part of SILAC's success with creating such powerful accumulation products — and one of the best stories to accompany their products — is the global diversification provided by the unique index they're tied to.

Introducing Barclays Atlas 5 Index.

We all know the markets in the U.S. can be volatile. While the U.S. may be the largest economy, it still only represents approximately 24% of the global GDP.³ Now ask yourself, what if you had retirement vehicles that based their performance on an index that aims to achieve optimal allocation between global bonds and equities, based on the principles of modern portfolio theory and the ability to reposition weights daily rather than be tied to one domestic index?

Instantly, your products gain an

appeal and understanding as to why they have performed so well and consistently helping to paint a more stable and appealing picture for a client or prospect truly interested in protecting their nest egg - especially in shaky times.

That's precisely what SILAC has accomplished with their proprietary index that both Teton[™] and Denali's[™] accumulation performance are tied to.

Thanks to a partnership with Barclays, the Atlas 5 Index aims to provide stable and consistent returns through a diversified portfolio of global equities and bonds and a 5% annualized volatility target. In total, it comprises six equity and five bond components. The weight of each is based on historical volatilities and correlations as well as current trends that are analyzed and reweighed, daily if necessary, between the U.S., the eurozone, and German, Japanese and emerging markets.

Another feature is Atlas' ability to increase its exposure. When volatility is low, it can increase exposure to the equity and bond markets. When volatility is high, it can decrease exposure to equities and bonds. Said differently, if markets are quiet and volatility is low, then exposure increases to provide

more participation in the underlying components of each market.

"When we first started out in this space in June 2019, we started off with the S&P 500[®] because everyone knows it. A client can type it into a web browser and see how it's performing. In January 2020, we decided to partner with Barclays Bank and introduce a custom index. We didn't do it for the sake of saying we have one. We partnered with Barclays on Atlas because we wanted to add a volatility controlled index that aligns with our company's philosophy and provides additional diversification. With Atlas, our agents and policyholders now have the ability to diversify out of the U.S. when it isn't performing as well," Acker clarifies.

The Barclays Atlas 5 Index is well suited to support SILAC's mission of providing some of the most competitive and easy-to-understand annuities in the industry.

The SILAC annuity series offers advantages for agents as well as their clients when it comes to accumulation, income and flexibility.






With the Barclays Atlas 5 Index, they now also have the advantage of global market diversification.

MEET THE BARCLAYS **ATLAS 5 INDEX**

POWERED BY THE WORLD'S STRONGEST MARKETS

The Barclays Atlas 5 Index is comprised of *6 equity and 5 bond components*. The weighting of each component is based on historical volatilities and correlations. It then considers current economic trends for each component to determine the optimal portfolio. The index targets a 5% annualized volatility and has been live since December 6, 2019. The components include:

EQUITIES**  S&P 500  NASDAQ 100  EUROZONE*  GERMANY*  JAPAN*  EMERGING MKTS

TREASURY FUTURES  US 10Y  US 5Y  GERMANY 10Y*  GERMANY 5Y*  JAPAN 10Y*

*Non U.S. Dollars denominated assets have their profits and losses converted to U.S. Dollars on a daily basis. **Equities index components, other than the Emerging Markets ETF, consist of equity futures indices.



Visit SILACannuities.com to access your free starter kit and see for yourself how SILAC is changing the face of the annuity industry **for the better.**

¹Withdrawals may impact future lifetime income withdrawal benefits.

²There are no annual fees. However, Withdrawal Charges, MVA, and Bonus Recovery may apply upon an excess withdrawal as outlined in the policy.

³<https://foreignpolicy.com/2017/02/24/infographic-heres-how-the-global-gdp-is-divvied-up/>

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