

# New options to help your clients meet changing needs and goals



**Financial Professional's Guide  
to AXA Equitable's Guaranteed  
Minimum Income Benefit Offers**

# New offer means new options.

AXA Equitable is offering eligible Accumulator® variable annuity contract holders the opportunity for immediate access to more cash now in exchange for their agreement to cancel all or a portion of their guaranteed benefits. These offers apply to contracts with:

- **Guaranteed minimum income benefits (GMIB)**
- **Guaranteed minimum death benefits (GMDB)**
- If applicable, **earnings enhancement benefits (EEB)**, also known as Protection Plus.

AXA Equitable has made similar offers in recent years, which some of your clients may have received and chose not to act – perhaps because they had no need for immediate access to more money at the time or were not comfortable giving up their valuable guaranteed benefits completely. That is why AXA Equitable has developed a new offer with two options:

The **Full Buyout Option**. AXA Equitable would increase the annuity account value and temporarily waive withdrawal charges, giving contract holders access to more money for immediate needs and goals or reinvestment in other financial products. In return, the guaranteed benefits would be canceled completely. At the time of acceptance, applicable prorated rider charges will be deducted from the annuity account value, but going forward, annual rider charges would be canceled.

The **Partial Buyout Option**. AXA Equitable also developed an option for those eligible contract holders who wish to retain a portion of their guaranteed benefits but still gain immediate access to a portion of these financial assets. Specifically, the contract holder would take 50% of their annuity account value from the contract, together with the Partial Buyout offer amount (minus applicable prorated rider charges), as a cash payment or transfer it to another financial product of their choice. In exchange, the current guaranteed benefit base would be reduced by 50%. The remaining 50% of the annuity account would remain in the contract. If the contract holder elects the Partial Buyout Option, a withdrawal charge will not apply to the withdrawal, transfer or exchange of the amount that must be taken from their contract. However, a withdrawal charge will apply to any withdrawal, transfer or exchange of any other amount from the remaining annuity contract.

**Not all contract holders will be eligible for both options. Some may only be eligible for the Full Buyout Option. These offers are entirely voluntary. If a contract holder chooses not to accept, they do not need to take any action at all, and their contract will remain as it is. Contract holders eligible for both offers may only accept one.**

To see which of your clients are eligible for which offer(s), review the list of eligible clients included in your mailing, or log in to your book of business by visiting [www.axa.com/GMIBOffer](http://www.axa.com/GMIBOffer). You can also call us at 866-638-0550 if you have any questions about the offers and who is eligible.

**CURRENT CONTRACT**



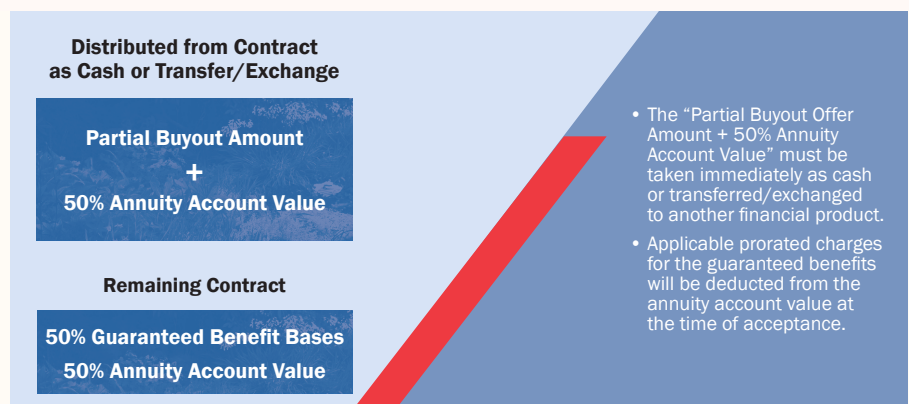
**AFTER ACCEPTING THE OFFER**



**CURRENT CONTRACT**



**AFTER ACCEPTING THE OFFER**



## Guide your clients to the decision that's right for them

AXA Equitable will be reaching out directly to your eligible clients to inform them of the offer and encourage them to seek your advice. You play an important role in helping them make well-informed decisions, and this can be a great opportunity for you to reconnect with them and ensure that their financial plans are on track to meet their evolving needs. Take the following steps:

- 1.** Review your list of eligible clients or go to [www.axa.com/GMIBOffer](http://www.axa.com/GMIBOffer) to visit your book of business and see which clients are eligible for which offer(s).
- 2.** Reach out to each client and review the Client Brochure and Client Letter with its attached offer comparison table to ensure that they understand their options.
- 3.** Emphasize that this is a choice and that there is no pressure to accept the offer.
- 4.** Review the pros and cons of each offer and walk them through the list of reasons contained in the brochure for accepting or not accepting an offer. Consider their personal circumstances to identify which reasons resonate most.
- 5.** Encourage them to discuss the offer with their tax and legal advisors.
- 6.** If they are choosing to accept, make a plan for how they will redeploy their assets. If they are selecting the Partial Buyout Option, help them complete and submit the appropriate paperwork.



# Why your clients may or may not choose to accept the offers

This offer can be a great opportunity to meet with your clients, reevaluate their retirement income strategies and reinforce your value as a trusted advisor. To help them navigate this very personal decision, consider the following reasons for which a client may or may not accept an offer. These reasons are also included in the Client Brochure, and we encourage you to walk your clients through that material to help them fully understand their choices.

## Reasons for accepting the Full Buyout

- They have a more significant need for cash now, and the Partial Buyout offer is not sufficient to cover this need.
- Increasing their account value now is more important than keeping their guaranteed benefits in the future.
- They prefer the flexibility of reinvesting their assets in another financial product better suited to address their new goals.
- They no longer need a guaranteed minimum death benefit.
- They have alternative sources of retirement income and no need for the guaranteed minimum income benefit.
- They no longer wish to pay the charges associated with the guarantees.

## Reasons for accepting the Partial Buyout

- They have need for cash now, and the Partial Buyout offer is sufficient to cover this need.
- They still wish to retain some of the guaranteed minimum death benefit (and if applicable, its full roll-up rate) for their beneficiary(ies).
- They still wish to retain some of the guaranteed minimum income benefit (and its full roll-up rate) to fund or supplement their retirement income.
- They want to keep some of the guaranteed benefits, but also want the flexibility to transfer assets to another financial product that may be better suited to their new goals.

## Reasons for not accepting either offer

- Their circumstances have not changed since they purchased the original contract and the reasons that led them to select these guaranteed benefits are still applicable.
- They have no immediate need for cash and no desire to move their assets to another financial product.
- They are relying on the full guaranteed minimum income benefit to fund their retirement.
- They want to leave the full guaranteed minimum death benefit to their beneficiary(ies).



## Other important considerations

There are a number of other personal questions that you and your clients should consider as you evaluate the offers.

- Do they expect to keep their contract long enough and live long enough to take full advantage of the guaranteed minimum income benefit?
- How likely is it that they will change their mind? Guaranteed benefits cannot be reinstated once clients accept the offer. AXA Equitable may or may not make offers like this in the future.
- How do they expect the market to perform in the future?
- What are the tax implications of accepting an offer?

## Consider the tax implications

The tax implications of accepting a buyout offer could vary depending on the type of contract, the client's age and other factors relating to their personal situation, and which buyout offer they accept. Clients should consult with their tax advisors to decide whether it makes sense to accept either buyout offer.

See the Client Brochure or Prospectus Supplement for more details on the impact of taxes on these offers.

## Why AXA Equitable is making this offer

The offer can be mutually beneficial to some contract holders and AXA Equitable. Contract holders whose financial needs have changed since they purchased the guarantees may have greater need for flexible access to their assets now rather than maintaining future income guarantees. At the same time, AXA Equitable benefits because ongoing low interest rates make maintaining these benefits costly to us and the credit amounts we are offering to clients are less than the amounts we're currently setting aside to guarantee the benefits.

## To accept the offer

Complete the acceptance form with your clients and return via the envelope provided, or fax to 816-701-4960.

### **OR**

Your clients may accept by logging into their account at [www.us.axa.com](http://www.us.axa.com) and clicking “Guaranteed Benefit Offer Acceptance.”

All complete offer acceptances must be received by the date specified in the letter your client received.

## Contact us for more information and support

Go to the dedicated Advisor website at [www.axa.com/GMIBOffer](http://www.axa.com/GMIBOffer), where you can:

- Access your book of business to see which clients are eligible for which offer(s) and their current offer amounts
- View a presentation about the offers
- Download and share client-approved materials

To talk to one of AXA’s dedicated customer service representatives and ask questions, call us at 866-638-0550.

## Client-Approved Resources

AXA Equitable is sending these materials directly to your clients, but you can also access samples of them at [www.axa.com/GMIBOffer](http://www.axa.com/GMIBOffer). Additionally, clients can call AXA’s dedicated customer service representatives to ask any questions at 866-638-0550.

- **Client Letter** introduces the offer(s) to your clients and illustrates the impact of the offer(s)
- **Client Brochure** provides more detail about the offer(s), as well as information designed to help them make an informed decision
- **Prospectus Supplement** contains details about the offer(s) and how they work



1290 Avenue of the Americas  
New York, NY 10104

[www.us.axa.com](http://www.us.axa.com)

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*Your clients should carefully consider the investment objectives, risks, charges, and expenses of Structured Capital Strategies® or Investment Edge as stipulated in the prospectus, before investing. For a prospectus containing this and other information, please call the Sales Desk at (888) 517-9900. Please encourage your clients to read it carefully before investing or sending money.*

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