



A Retirement Income You Can't Outlive

Retirements of today and tomorrow aren't going to look the same as those of our parents' or grandparents' generations. And that's good news. People are living longer and healthier lives, with retirement looking less like a slowdown than a new chapter in life.

A change in how retirement looks and how long it lasts also means looking at how you can make your savings and income from varied sources last as long as you do. Enter annuities.

Annuities are a financial instrument that allow you to both save money on a tax-favored basis and create an income for life. When they are used along with other retirement planning tools, annuities can help form a solid financial base for your retirement.

Here are some general facts you should know about an annuity:

1. It's a contract.

An annuity is a contract with an insurance company that you enter into. You purchase an annuity with the terms that meet your needs, such as how you will pay for it—immediately or over time, and then when you will start taking your payments and for how long.

2. There are different types of annuities.

Which type you choose depends on your personal financial situation, how long before you need to start taking the income payments and the risk you are willing to take in the accumulation phase, if there is one.

3. An annuity transfers risk.

This means that you pay money to a company for the annuity and in return they offer specific terms in the contract that can give you protected income for life.

4. There may be fees and charges.

When you transfer your risk of outliving your income to a company, which in turn guarantees a stable income, there may be fees and charges involved.* These depend on the type of annuity you purchase. Generally the more risk you transfer to the company, the higher the fees.

5. It can have additional benefits.

Depending on the type of annuity you get, your money can grow tax-deferred until you need it, and can have the ability to protect your beneficiary as well.

6. Help is available.

Insurance professionals have the training, expertise and licensing to help you navigate the annuity landscape specifically and your retirement planning in general.

These facts are just a first step in understanding how an annuity may help you create a retirement income that you can't outlive. As with any long-term planning, it makes sense to sit down with an experienced insurance professional to walk you through your options.

* The guarantees are based on the claims paying ability of the issuer of the annuity.