

WE LOVE FIXED ANNUITIES



And, we're not alone...

In a survey of those who elected an annuity over a lump sum from their retirement savings plan¹:

96% are happy they chose the guaranteed monthly annuity payments rather than a lump sum.

94% said they have peace of mind because the income is guaranteed to last their lifetime and this makes them feel financially secure.

87% said that, since they started receiving the annuity, their standard of living is about the same or better.

Here's why ...

Insured Savings

SAFETY: Fixed annuities have no investment risk. They guarantee that the money in your annuity is safe from the financial market's ups and downs.

CERTAINTY: Fixed annuities provide a variety of ways to receive income for life – and your income check is guaranteed no matter how long you live.

PROTECTION: Fixed annuities protect both your premium and interest as your annuity grows AND the lifetime payments from your annuity throughout retirement.

TAX DEFERRAL: Fixed annuities are tax deferred and the power of tax deferral helps to increase interest earnings.

MINIMUM PREMIUMS: Fixed annuities allow you to save regularly with modest premium amounts.

Consumer Safeguards

- ▶ State laws and regulations require insurance companies to review the sale of fixed annuities before a contract is issued in order to determine the suitability of the recommendation based on an individual's financial situation and retirement goals.
- ▶ Fixed annuity contracts must have a "free look" period so that you can be certain you want to proceed with the purchase.
- ▶ Fixed annuity salespeople must be specifically trained about the actual product before making a recommendation.

Industry Strength²

Life insurers provide the products that protect against life's uncertainties, helping individuals and families manage the financial risks of premature death, disability, long-term care and outliving their savings.

Life insurers pay out \$1.7 billion to families and businesses every day and issued \$74 billion in annuity payments in 2014 alone – offering peace of mind to Americans when they need it most.

Life insurers are the single largest source of bond financing for American business, holding more than 20% of all U.S. corporate bonds.

¹ Paycheck or Pot of Gold Study conducted by Harris Poll for MetLife, issued April 11, 2017.

² Statistics available through ACLI at <https://www.acli.com/Industry-Facts/Benefits-Paid>.

If you own an annuity or want to buy one and are uncertain about negative advertising you may have seen, we urge you to contact your nearest consumer protection agency or visit www.naic.org for your free "Buyer's Guide to Fixed Annuities." Don't be scared into making a decision that may not be right for you.

Make sure the insurance company you are considering is financially sound. You can start your research on the insurance company's website or ask your annuity salesperson for more information. You can also review an insurance company's rating from one of the four main rating agencies: A.M. Best Company, Standard and Poor's Corporation, Moody's Investors Service and Fitch Ratings. Or, your state insurance department may have more information. Just visit www.naic.org and click on the "States and Jurisdictions Map" to find your department's contact information.

You can also visit the following websites for factual information about fixed annuities:

www.annuretirement.com

www.fixedannuityfacts.org

www.indexedannuityinsights.org

NAFA is dedicated exclusively to promoting the awareness and understanding of fixed annuities. NAFA was founded in 1998.

**Contact an insurance
professional for more
information.**

