



# REASONS

# TO CONSIDER ANNUITIES NOW!

Given continued uncertainty, consumers are more interested in taking control of their finances and their future than ever before. Fixed annuities can be a valuable tool in the retirement planning toolbox. Here are seven reasons to consider annuities when preparing for your future.

## 1. Preparing for Peak 65

In 2024, the U.S. will have more 65-year-olds than ever before — dubbed “Peak 65” in the retirement industry. For those nearing retirement, your needs will change as you transition from accumulating assets to protecting what you have. **Fixed annuities offer protection from various risks and predictable lifetime income.**

## 2. Protecting Existing Gains

Older individuals who have done well in the equity markets are looking for ways to lock in the gains they have generated. **Moving money from pure equity products into fixed annuities protects their principal, including the gains.** With fixed indexed annuities, you also have the opportunity to earn interest based on the market’s upside.

## 3. Leveraging Tax Deferral

**An intrinsic value of annuity products is the tax-deferred build-up of accumulated interest and product gains.** As legislative talks continue, income tax rates are expected to increase at the federal, state and local level. A desire to utilize tax deferral to help minimize your tax burden can be a valuable part of a holistic plan.

## 4. Managing Risk

Fixed annuities are insurance products, not investments. **As such, they can protect you from a variety of risks: market risk, inflation risk, deflation risk, sequence of returns risk and long-term care risk.** Most importantly,

they can mitigate longevity risk — the potential to outlive one’s savings — by creating a reliable income stream for life.

## 5. Creating a Personal Pension

In 1980, 60 percent of private sector workers relied on income from an employer pension; by contrast, only 4 percent could count on a private employer pension in 2020. **With the uncertainty of traditional forms of retirement income, you’ll need a way to close any income gap in your retirement plan — and annuities can do just that.**

## 6. Avoiding Hidden Fees

Because fixed annuities are insurance products, consumers benefit from a retirement vehicle that has been built to address the associated costs of ownership upfront. **Unless you make early withdrawals, terminate your contract, or choose to pay for an optional rider delivering specific benefits, you will not be charged fees.**

## 7. Capitalizing on Innovation

Today’s products are not your grandfather’s annuities. **Innovations can help provide more reliable accumulation, bigger income payouts and other features like long-term care benefits.** When combined with benefits like tax deferral, defined liquidity and payout guarantees, fixed annuities can address a variety of retirement needs.

**Want to see how annuities fit into your future? Contact a trusted financial professional for solutions customized to your life and goals.**

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