

Retirement can mean travel, new hobbies and interests, charitable giving and leaving a financial legacy for your family. But how do you ensure you have enough to live on when your paychecks end?

THE VALUE OF ANNUITIES

What is an annuity?

An annuity is a contract between an individual and a financial services firm under which you commit funds to the firm, which it invests. When you retire, the firm makes payments to you. Fixed annuities provide both tax-deferred asset accumulation and lifetime income, which makes them well-suited as the foundation of a complete retirement plan.



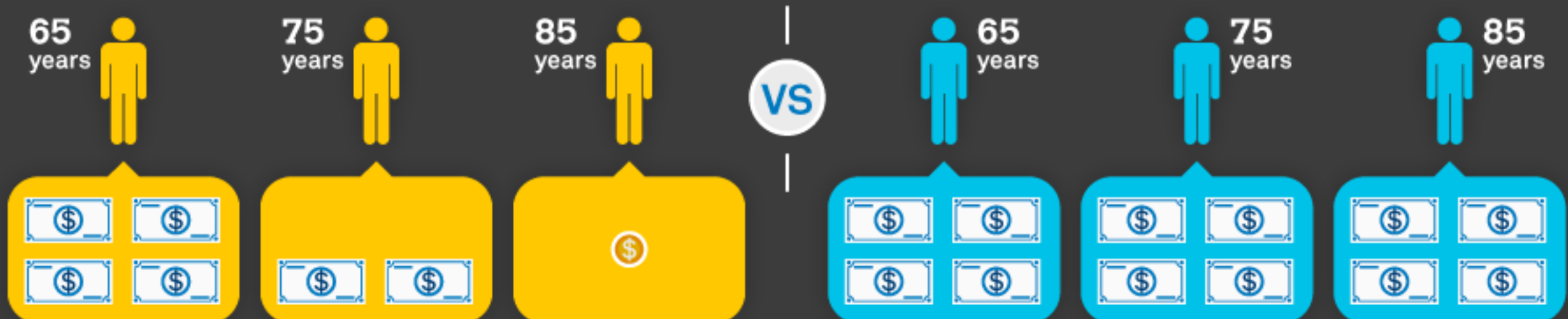
Nearly 50% of Americans between the ages of 57 and 63 are at risk of not having enough saved to pay for retirement.



Source: Employee Benefits Research Institute

PROBLEM ►

According to the Centers for Disease Control and Prevention (CDC), the average 62 year old American will live to be 82.5 years of age.* While many of us prepare to live in retirement by drawing down on accumulated assets, regularly withdrawing from savings in retirement means you may risk running out of money. Annuitizing is a way to make sure your retirement income floor doesn't fall out from underneath you. By annuitizing, you can receive guaranteed income for as long as you live.



Source: *National Vital Statistics Reports, Vol. 58, No. 10, March 3, 2010

What part of your life would you want to give up if you found yourself short on cash?

The average monthly Social Security payment for retired workers is \$1,181 a month¹, but the average budget for people aged 65 and over is \$3,130 per month².



Source: ¹ U.S. Social Security Administration, Monthly Statistical snapshot, as of July 2011; ² Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, October, 2010

SOLUTION

Annuitizing can provide lifetime income in retirement.

Most 401(k) plans primarily offer mutual funds, which are focused on generating investment returns to build assets, but do NOT include annuities or other retirement income options to convert accumulated savings into a guaranteed stream of income that you can't outlive.

Annuitizing — that is, converting all or some of your assets into guaranteed lifetime income payments — ensures that you won't outlive your money in retirement. It's the one way to guarantee the income benefit you worked so hard to build with your contributions over the years.



Annuities are designed to offer peace of mind for retirement and can even complement existing retirement accounts.

Consult with a financial advisor or visit TIAA-CREF.org to learn if an annuity is right for you.

TAKE CONTROL OF YOUR FUTURE



Sources: ebri.org — forbes.com — bls.gov — cdc.gov Design: FFunction