

Sample Information

Please note that this sample information is for demonstration purposes only and is not intended to be used to advise or sell a product to a potential customer.



What Type of Income Annuity is Right for Me?

Prepared For: Client

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An income annuity is a contract that pays a guaranteed amount of income over the course of time. It is often used as part of a financial portfolio to help support long-term cash flow needs for those who are in retirement. This piece provides you with a comparison of the different income payment options available from an income annuity, based on your profile.

Before investing in an income annuity, consult your financial advisor and a qualified tax advisor regarding your specific needs.

1 Income Annuity Types & Your Profile

There are three types of income annuities:

- Single Life:** Income supporting one person for their lifetime
- Joint Life:** Income supporting two people for their lifetimes
- Period Certain:** Income for a defined period of time

Your Income Annuity Profile	
Annuity Type	Single Life
Primary Annuitant	Male, born January 14, 1955
State	New Mexico
Premium	\$100,000
Issue Date	January 14, 2020
Income Start Date	February 14, 2020

To the right is your Income Annuity Profile, which is the basis of the income annuity options displayed below.

2 Guarantee Options & Income Estimates

There is a trade-off between the amount of income you receive and the guarantee option you select as part of the contract. While a life only option may provide a larger stream of income, added income guarantees can ensure that your beneficiaries continue to receive a portion of your investment after you pass away. The results below are an approximation of what you could purchase today, based on your profile.

Option	Monthly Income	Minimum Payout	Explanation
Life only (with no guarantee)	\$517	\$0	You will receive this income for life. However, your beneficiaries do not receive anything once you pass away.
Life with 10 year certain	\$508	\$60,960	You will receive this income for life. If you pass away before the guaranteed period (within the first 10 years), your beneficiaries will receive the remaining income payments until the end of that period.
Life with 20 year certain	\$468	\$112,320	You will receive this income for life. If you pass away before the guaranteed period (within the first 20 years), your beneficiaries will receive the remaining income payments until the end of that period.

Life with cash refund	\$473	\$100,000	You will receive this income for life. Your beneficiaries will receive whatever remains from your original investment if you pass away in a lump-sum payment.
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3 Other Features to Consider

In addition to guarantee options, there are other features you should consider in aligning an income annuity with your financial goals.

- Payment Frequency:** In addition to monthly income payments, quarterly, semi-annual or annual income payment options are available.
- Inflation Adjustments:** Some contracts provide an option that increases the income payments over time to help cover the cost of inflation.
- Payments:** If the lump sum you give the insurance company is from a non-qualified (taxable) account, a portion of each income payment is considered a return of principal and not subject to income tax. There are no tax advantages to investing in an income annuity with qualified money.

4 Assumptions and Disclosures

Other Assumptions	
Annuity Owner	The owner of the contract is the same as the primary annuitant
Payout Results	Results represent an average of 5 competitive income annuity payouts available through your advisor
Type of Assets	Non-qualified assets were used for this estimate. You can also purchase an income annuity with qualified assets from a 401(k) or an IRA.
Payment Frequency	Monthly
Issue Date	Assumes contract is issued the same day as the quote. Realistically, the annuity date may be several days after the quote date.