

# Annuity

## Is A Fixed-Income Annuity Right For You?

In today's low-interest-rate environment, there are fewer fixed income alternatives for retirees seeking income. Rates on traditional staples such as CDs and money market accounts are at or near all-time lows. For retirees seeking income and safety, fixed income annuities are an alternative to consider. Annuities are backed by the claims-paying ability of the insurance company issuing them. Once thought of as only a standalone retirement income solution, annuities are now commonly recognized as [one of many components](#) of a retirement portfolio. Here's why:

- Annuities protect during times of market decreases; withdraw from the annuity to avoid liquidating other accounts at low share prices.
- Fixed-income annuities purchase a one-time payment or period purchases. They are contracts purchased directly from an insurance company or a financial institution.
- Fixed-income annuities can be immediate, meaning payments commence at once or deferred with payments starting at a later date. Payment options can vary, including monthly or quarterly.

The advantages of a fixed-income annuity include:

- A guaranteed stream of lifetime income now or in the future.
- A way to add a fixed-income component to your retirement portfolio.
- They can be structured to provide income for your life and that of a spouse if applicable.
- The insurance company guarantees the payments.
- They can provide pension-like payments for those

with no actual pension.

- You won't outlive the payments.

**[Not all fixed income annuities are created equal](#)** or are all the providers of these products. We can help you decide if a fixed income annuity is right for your situation, and if so, which product is the best for your unique situation. Why not give me a call to discuss your financial situation and to see if a fixed income annuity makes sense for you?

**Additional Disclosure: Withdrawals are subject to ordinary income tax and, if taken before age 59 ½, a 10% federal penalty. Withdrawals will reduce the contract value and other benefits under the contract. Withdrawals that exceed any free withdrawal amount during the surrender period will be subject to a surrender charge.**

**Additional Disclosure: These are the opinions of the author and not necessarily those of the Registered Investment Adviser or Broker/Dealer, are for informational purposes only, and should not be construed or acted upon as individualized investment advice.**

**963240 - 0919**