

## **Copy Excerpt from Annuity Marketing Booklet**

HEADING: Why Annuities?

Annuities are becoming a popular retirement savings and tax management strategy. And it's no wonder! Annuities offer substantial tax and other advantages over other savings plans like CDs and mutual funds. But how do you know whether an annuity is right for you? And how do you know which annuity offers the features you need?

To answer those crucial questions, you need to know as much about annuities as you can. That's why I've produced this booklet – to let you in on seven secrets about annuities that many financial planners don't even know! That way, you can judge for yourself whether an annuity is right for you, and what kind of annuity can help you achieve specific financial goals.

Of course, everyone's situation is unique. As your financial planner, I'll recommend only those investment vehicles that are right for you. I'll be happy to sit down with you and evaluate your current financial position, then come up with a detailed plan for maximizing your returns while minimizing your tax bill.

First, let's go over some of the basic benefits of annuities.

SUBHEAD: Why is an annuity a good choice for retirement savings?

Annuities offer three basic advantages:

1. Tax Deferral
2. Probate Avoidance
3. Guaranteed Income

Let's take a quick look at each of these advantages.

**Tax Deferral.** "Tax-deferral" means that, as long as you keep your monies with the insurance company, you are not required to pay income tax on the interest earned. You pay no taxes while your money is compounding – you only pay taxes on the interest as you withdraw it. As we will see later, that's a big advantage over other investments like CDs.

**Probate Avoidance.** Annuities also allow you to pass the proceeds directly to a beneficiary. That means that your heirs won't have to wait six to twelve months (or longer) for the Probate Court to release your annuity funds. You can have peace of mind because you know that your money will be distributed to your designated beneficiary as you instructed, unencumbered by lengthy delays and high legal expenses.

**Guaranteed Income.** Here's the single most important advantage that annuities offer. With all other retirement savings plans, you're never really sure how much income they'll provide and for

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how long. What if you live longer than you planned? What if interest rates drop or the stock market goes down?

With annuities, this is not a problem. When you purchase your annuity, the insurance company calculates a guaranteed income payment based on your age, life expectancy, and the applicable interest rate. That means you will receive steady income from your annuity for a predictable period. While some annuities are guaranteed for a fixed period (such as five or ten years), others are guaranteed for life. You can also choose to continue the income to a surviving spouse or other joint annuitant after your death.

Now that you've seen how annuities can be an important part of a smart estate planning and tax management strategy, let's look at seven ways – I call them the *Seven Secrets* – that annuities can help you achieve specific financial goals.