

## INSURANCE

# Peace of Mind in Retirement

NewsUSA

(NU) - Sponsored News - Planning for retirement – and keeping that plan on track – can be difficult. You have to make sure your money grows so that it lasts as long as you do. There's a product offered by life insurers that helps people with this challenge. It's called a variable annuity.

A variable annuity is like a 401(k) plan in certain ways. Your savings grow tax-deferred, and you can invest in accounts tied to the stock market or at guaranteed rates. Like a 401(k), a variable annuity works best as part of a long-term planning strategy. A key difference between a variable annuity and many 401(k)s is that a variable annuity offers a guaranteed stream of retirement income for life to supplement Social Security. Put another way, a variable annuity's guarantees provide two vital elements to any comprehensive retirement plan – financial security and peace of mind.

Like all financial products, a variable annuity has fees associated with it. Fees are assessed for management of the annuity's funds – similar to mutual funds. Fees also pay for the annuity's unique insurance elements such as guaranteed lifetime income in retirement, something that is not available in any other financial product.

Annuities can include other unique features to address your financial concerns. One such feature ensures that if you die before annuity payments begin, your designated beneficiary will receive a benefit from the annuity. The amount of the benefit is defined in the annuity's contract and is guaranteed, even if your accounts tied to the stock market



**Finally, a retirement plan  
that will let you relax.**

perform poorly.

Since they are designed to be long-term planning products, early withdrawal from variable annuities can trigger additional charges. These are commonly referred to as withdrawal or surrender charges. Often, after a time specified in the contract, these charges are eliminated. Some annuities waive them under specific circumstances such as death, confinement to a nursing home or terminal illness.

Variable annuities are among the most regulated financial products in the marketplace. These regulations provide variable annuity owners with significant protections. From product development to advertising to sale, life insurers must comply with state and federal laws and rules that protect consumers' interests.

Variable annuities may not be for everyone. But for millions of retirees, the guarantees from variable annuities have been the difference between a secure retirement and an uncertain financial future.

More on variable annuities and how they may fit into a retirement plan is available at the American Council of Life Insurers' website, [www.acli.com](http://www.acli.com).