

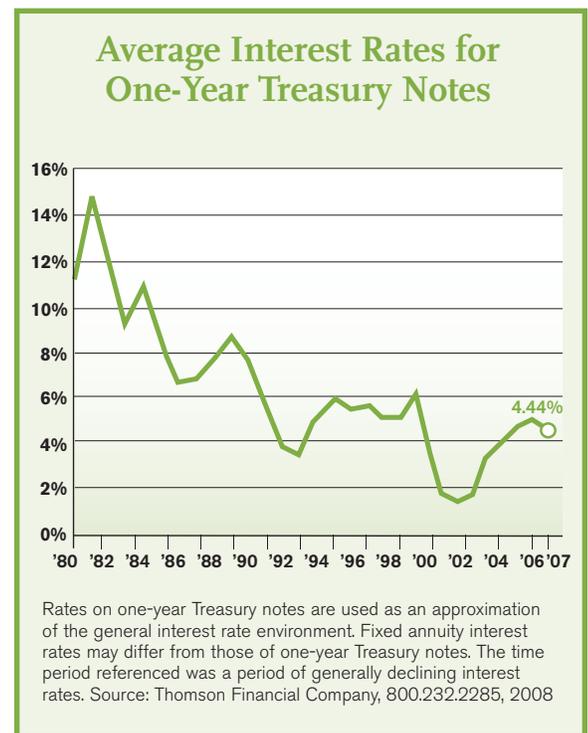


## There is more to consider than current interest rates when deciding if a fixed annuity is right for you.

Are you waiting for a return to double-digit interest rates before purchasing a fixed annuity? The chart on the right shows average interest rates on one-year treasury notes from 1980 through 2007. Double-digit rates occurred only four times: 1980, 1981, 1982, and 1984. In fact, average one-year rates were above 8% only seven times during this time period.

Don't let low interest rates keep you from making a long-term decision that could enhance your financial security. Check out the benefits—beyond rate—of a fixed annuity:

1. Earnings are not currently taxed, which may allow a larger nest egg to accumulate. However, if withdrawals are taken prior to annuitization they are generally treated as distributions of gain and are taxed as ordinary income. If taken prior to age 59½, these withdrawals may be taxed an additional 10% penalty. Also, surrender charges apply in the early years after a payment.<sup>1,4</sup>
2. Safety of principle is guaranteed by the issuing insurance company.<sup>2,4</sup>
3. A fixed annuities account value doesn't fluctuate with the stock market (Growth potential is limited compared to other investments).
4. Tax deferral on earnings may reduce the tax paid on your Social Security benefits.<sup>3</sup>
5. A fixed annuity may be available with no upfront fees, which means 100% of the premium can go to work immediately.<sup>4</sup>
6. Proceeds can usually be paid to a named beneficiary without the expense or delay of probate.
7. Surrender charges may be waived to help in the case of an emergency, such as terminal illness or unemployment. Waivers may vary depending on the type of annuity you purchase and the laws of the state in which you live. Please ask your financial representative for details.<sup>5</sup>



**A fixed annuity can serve as an excellent conservative retirement savings vehicle. Work with a financial representative to find out if a fixed annuity is right for you.**

(continued on back)

- 1 Distributions taken prior to annuitization are generally considered to come from the gain in the contract first. If the contract is tax-qualified, generally all withdrawals are treated as distributions of gain. Withdrawals of gain are taxed as ordinary income and, if taken prior to age 59½ may be subject to an additional 10% federal tax penalty.
- 2 Guarantees are based on the claims-paying ability of the insurance company.
- 3 Earnings accumulating in an annuity are not counted as income when determining tax on Social Security benefits, unless earnings are withdrawn (in contrast to a certificate of deposit's taxable interest or a municipal bond's tax-free interest).
- 4 Surrender charges apply in the early years after a payment.
- 5 Certain restrictions apply; not available on all products or in all states.

Not FDIC, NCUA/NCUSIF Insured	Not insured by any federal government agency	Not a deposit	Not guaranteed by the bank or credit union	May go down in value
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