

## The benefits of a tax-deferred annuity

### What is a tax-deferred annuity?

A tax-deferred annuity is a contract between you and an insurance company for a guaranteed interest bearing contract. The Company credits interest, and you don't pay taxes on the earnings until you make a withdrawal or begin receiving an annuity income.

### What is tax deferral?

Tax deferral means that you are postponing paying taxes on interest earned until a future date. During that "deferral" time you are earning interest on dollars that would otherwise be paid as taxes. Leaving you the potential to accumulate more money over a shorter period of time, which ultimately can provide you with a greater return.

**The following additional benefits make an annuity an attractive way to set aside retirement income—for yourself and your loved ones.**

### Ability to avoid probate

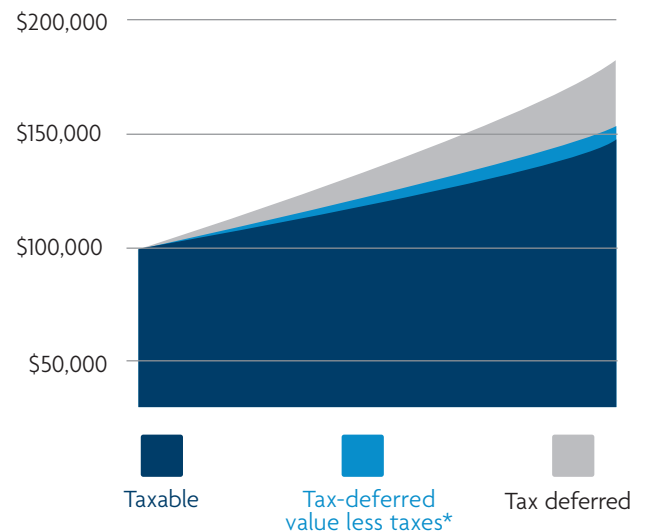
Passing along the value in your annuity to a named beneficiary can avoid the delays and costs of probate-making for a simplified way to transfer assets during a difficult time.

### Lifetime income

Annuities can provide you with a guaranteed income stream with the purchase of a tax-deferred annuity. You can convert an annuity into payments based on your needs—whether that be payments for life or over a specified period.

We encourage you to consult with and rely on your legal or tax advisor to fully understand the tax effects annuities can have for you and your estate.

### The power of tax deferral



*The chart is a hypothetical example of tax deferral and assumes an initial premium of \$100,000 earning 4% compounded annual rate of return for 15 years. It is not intended to predict or project performance. \*The tax-deferred value less taxes represents the increase in value, due to tax deferral, less taxes at an assumed rate of 33% with no surrender charge or market value adjustment (MVA), also known as interest adjustment, applied.*

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