

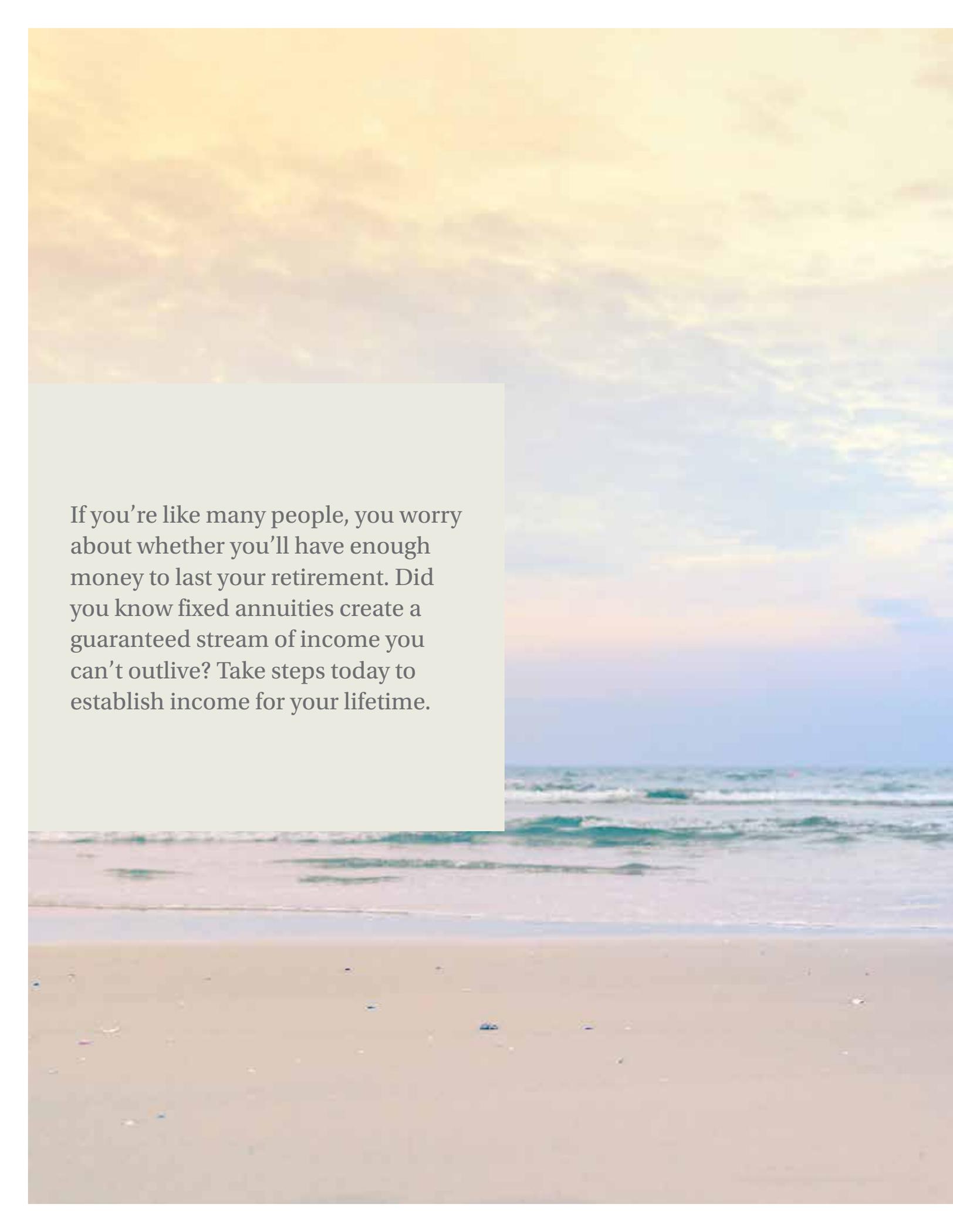
# Fixed Income Annuities

*Preparing today for tomorrow's guaranteed future income*



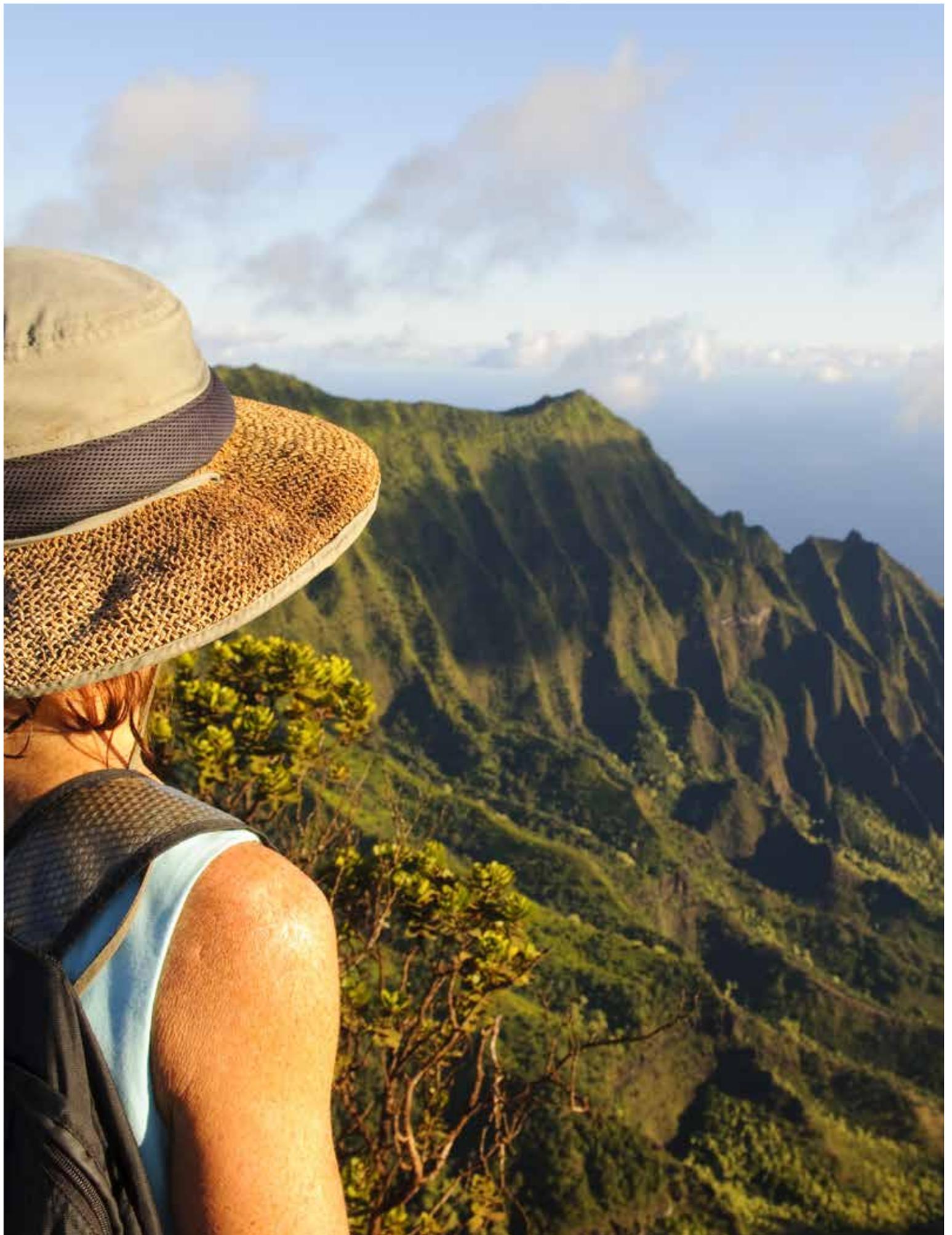
**ONEAMERICA®**

*OneAmerica® is the marketing name for the companies of OneAmerica*



If you're like many people, you worry about whether you'll have enough money to last your retirement. Did you know fixed annuities create a guaranteed stream of income you can't outlive? Take steps today to establish income for your lifetime.





# Meet your retirement goals

Fixed income annuities offer attractive benefits and advantages, regardless of market conditions.

The key to financial security in retirement is having enough money to cover your expenses — and having confidence it will last your lifetime. When you add a fixed income annuity to your retirement strategy, you can gain confidence and security.

## Lifelong income

Only an annuity can guarantee a lifetime of income you can't outlive. Did you know you can also cover your spouse and have income for their lifetime too? What would you do with guaranteed lifetime income?

## Predictability

Fixed annuities give the same amount of income on each payout, like a self-created pension. This predictability allow you to have peace of mind knowing when and how much income to expect and can help increase your budget for expenses.

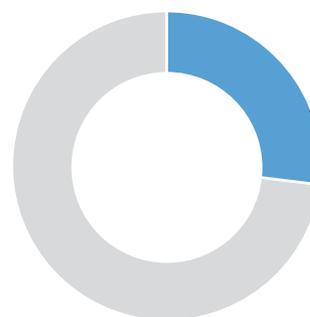
## No market risk

Retirement funds usually are associated with the stock market in some capacity. Fixed annuities have no link to the stock or housing market, so you don't have to worry about income distributions (realizing losses) in down market years.

## Income taxes

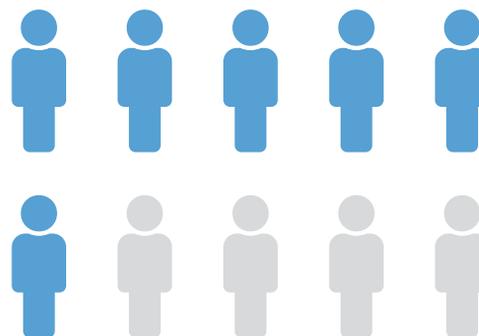
If you are funding your annuity with pretax money from a 401(k), IRA or tax-sheltered money (qualified money), all of your payouts are taxed. If you are funding your income annuity with your after-tax money from a bank account or non-tax sheltered money (non-qualified money), you owe ordinary income taxes only on the earnings in each payout. Once you have received your entire initial premium back in payouts, all additional income payouts become taxable at your ordinary income tax rate.

**27% of retired baby boomers** feel confident about having enough money to last through retirement.



Source: LIMRA's MarketFacts Quarterly / Number 1, 2017

**Six in 10 pre-retirees** do not expect to receive enough income from Social Security and employer pensions to cover the basic living expenses in retirement.



Source: The Facts of Life and Annuities 2017 Update. LIMRA.com Web. 2018

## How fixed annuities work

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Fixed annuities have guarantees and flexibility for income now or later.

Have confidence that a fixed annuity is a wise addition to your retirement strategy. Fixed annuities let you have dependable income on a frequency that you select.

Single Premium Immediate Annuity (SPIA) allows you to fund the contract once and immediately give yourself an income you can't outlive, guaranteed. Monthly, quarterly or annual income choices allow you to have control over how often you receive the SPIA payout.

Fixed Deferred Immediate Annuity (FDIA) allows you to put money in today and in the future to build up future payouts, which can be delayed up to age 85. Once you start your guaranteed lifetime income stream, no more payments are accepted.

## 5 ways a fixed annuity can work for you

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When you are ready to turn on your payout, you can use your SPIA and FDIA in the following ways:

**1 Self-created pension** — A pension is a type of retirement plan offered by companies that provides retired employees a lifetime income on an on-going basis. Today, many companies are not offering pensions and only annuities can guarantee lifetime income.

**2 Supplement to Social Security** — Living on Social Security alone is difficult. Using your fixed annuity, you can choose to receive income payouts annually, quarterly, or monthly to help supplement your Social Security check. This can provide a stronger reliable income.

**3 Inflation protection** — Worried about future inflation when purchasing an annuity? If you have the income payment increase rider, your payouts increase every year based upon the percentage you select when you apply for your fixed annuity.

**4 Increased income over other investments** — A fixed annuity may allow for a higher withdrawal rate than you can take from an investment portfolio if longevity runs in your family. SPIA and FDIA payouts are guaranteed and calculated based on the amount contributed and the average mortality rate (the percentage of people who die each year and at what age). The annual payout of a SPIA and FDIA is usually between 5 and 7 percent of your premium. Can you take out 5 to 7 percent out of your investment portfolio each year and know it will last your lifetime?

**5 Buffer to investment portfolio** — Acknowledging that traditional investments like stocks, bonds and mutual funds have good years and bad years due to the market's fluctuation, a fixed annuity can be used to complement your other investments. By placing some money into the fixed annuity, in a down market year you can minimize some market losses if you know you will get guaranteed income from a fixed annuity.

# A company you can trust

The companies of OneAmerica® have the strength, longevity and experience required to help you achieve your financial goals. For more than 140 years, millions of Americans like you have trusted the companies of OneAmerica. You can rely on us to deliver on our promises. With our mutual structure, we support the financial futures of those who depend on us. We have, we do, and we will.

As a mutual organization, our strength comes from putting you first — and the industry has noticed. Several leading independent credit rating agencies, have favorably recognized our overall strength. On July 20, 2017, American United Life Insurance Company®(AUL), a OneAmerica company, was rated A+ (Superior) by A. M. Best. This is the second highest of 16 possible ratings assigned by the agency. On October 4, 2017, AUL was rated AA- by S&P. This is the fourth highest of 21 possible ratings assigned by the agency.

Ask your financial professional to show you how annuities can help provide you peace of mind into your retirement.

*OneAmerica has the strength, longevity and experience to help you achieve your financial goals. For more than 140 years, millions of Americans have trusted us to deliver on our promises.*



**Note:** A fixed annuity is a long-term, tax-deferred insurance contract designed to create a fixed stream of income through a process called annuitization while providing a fixed rate of return. Withdrawals from fixed annuities may be subject to surrender charges and ordinary income taxes. If a withdrawal is made prior to age 59½, an additional 10% tax penalty may

apply. A fixed annuity contains guarantees and protections that are subject to the issuing insurance company's ability to pay for them. • All numeric examples are hypothetical and were used for explanatory purposes only. • Provided content is for overview and informational purposes only and is not intended as tax, legal, fiduciary, or investment advice.

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### **About OneAmerica®**

A national leader in the insurance and financial services marketplace for more than 140 years, the companies of OneAmerica help customers build and protect their financial futures.

OneAmerica offers a variety of products and services to serve the financial needs of their policyholders and customers. These products include retirement plan products and recordkeeping services, individual life insurance, annuities, asset-based long-term care solutions and employee benefit plan products.

Products are issued and underwritten by the companies of OneAmerica and distributed through a nationwide network of employees, agents, brokers and other sources that are committed to providing value to our customers.

To learn more about our products, services and the companies of OneAmerica, visit **[OneAmerica.com/companies](https://www.oneamerica.com/companies)**.