

This might replace the traditional table of contents for the Variable Annuities Buyer's Guide.

The Big Concepts

An annuity is an insurance product you can use to receive income payments for life. It's **not** a savings account. You should use annuities to reach **long-term** goals.

There are many important differences among annuities. One is whether you pay for an annuity with one payment or multiple payments.

To receive income payments for life from an annuity, you must **annuitize**. Once you do that, you can't change your mind and take the value of your annuity in a lump sum payment.

If you haven't annuitized, you can take money from your annuity by making withdrawals from your annuity value, ending your contract and taking a lump sum payment and/or leaving the value of your annuity to your beneficiaries.

Although all annuities offer a way to withdraw at least some of your money without paying fees, you likely will pay **surrender charges** to take money from your annuity before you annuitize.

Returns on variable annuities are tax deferred. You pay income tax on the returns when you take the money out of the annuity.

You can choose an annuity that guarantees the rate at which the money in your annuity will grow (**a fixed annuity**). There's more risk with other annuities (**fixed indexed** and **variable** annuities) that have few or no guarantees.

To Learn More about Them:

What Is an Annuity? Page ____

What Are the Different Types of Annuities? Page ____

How Can I Access My Money? Page ____

Surrender Charges Page ____

Will I Pay Income Tax on My Annuity Page ____

How Money in an Annuity Earns Interest: Fixed, Fixed Indexed and Variable Annuities Page ____

The Big Concepts

Variable annuity returns are based on the earnings in subaccounts set up at the time of each premium payment. These subaccounts can be stock funds, bond funds, money market funds or fixed interest accounts. Some variable annuities pay bonuses.

Variable annuities have multiple charges and fees set by the contract. It's important to understand each of these charges.

A variable annuity is NOT a mutual fund. The two differ in many ways.

You can add optional benefits, generally called riders to a variable annuity for an extra cost. It's important to understand these benefits and decide if each has a value in your overall annuity plan.

There are many questions you should ask yourself and the insurance agent or company. You and your agent (or company) should consider a number of factors to decide if an annuity is a good choice for you.

There are many terms that are unique to annuities.

To Learn More about Them:

How Does a Variable Annuity Earn a Return?
Page ____

What Charges May Be Subtracted From My Annuity? Page ____

Is A Variable Annuity a Mutual Fund? Page ____

What Optional Benefits Can I Choose? Page ____

How Do I Know If a Variable Annuity is Right for Me? Page ____

Annuity Terms Page ____