



# The Unique Benefits of ANNUITIES

*Planning ahead now could help you achieve the retirement of your dreams*

**P**eople approaching retirement have worked hard their entire lives to make sure they will be comfortable when they retire. Even after years of hard work and planning, many worry they will not have adequate funds to retire when and how they would like to. Annuities are often able to help people reduce these uncertainties and enjoy their retirement as they have always imagined.

## UNDERSTANDING ANNUITIES

An annuity is a retirement savings product that you make contributions to, either

in one lump sum payment or a series of payments, and in return receive either immediate income payments or income payments beginning at a specific point in the future. These payments continue until either the death of the annuitant (the person receiving the annuity payments) or a pre-determined time in the future. Annuities also allow you to accumulate funds on a tax-deferred basis.

Purchasing annuities is not just for people nearing retirement. Many people start building their retirement nest eggs, dollar by dollar, early in life. Annuities

offer growth potential and systematic savings programs that help people work towards their retirement goals. For those in their 30s and 40s, the immediate concern is almost always taxes. Annuities serve a dual purpose for the younger population—deferring taxes on interest earned and building a retirement nest egg with the same financial product.

## ADVANTAGES OF ANNUITIES

An annuity is a completely unique product. To help you determine if an annuity could be right for you, here is a summary

of several key characteristics.

One advantage of fixed annuities that makes this financial vehicle a good option for many people is safety. An annuity guarantees that the contract holder's principal will be intact. Plus, an annuity has a guaranteed interest rate in addition to the current rate.

Another reason for the popularity of annuities is that you receive tax savings through tax-deferred accumulation. The interest earned is not taxable until the money is withdrawn by the owner, generally at retirement.

A third reason many people find annuities hard to beat is the security offered by a lifelong income. Under a life income option, you simply cannot outlive your annuity benefits. An annuity is the only retirement savings vehicle that can make that promise.

Lifelong guaranteed income has always been one of the compelling reasons people buy annuities. This is more

important today than ever before, and not just because of the uncertain economy. Consider the fact that people are living longer now due to advances in medical science, healthier diets, and more exercise.

More and more people are breaking the century mark, and it is not unrealistic to assume that you could live well into your 80s or 90s. This is great news—but only if you are financially prepared. One of the greatest threats to financial security has always been the classic problem of living too long, outliving assets, and ending up without adequate income during a time when you should be free of financial worries. An annuity can help solve this problem.

Annuities also offer the benefit of control. Unlike other retirement savings plans such as 401(k)s and IRAs, many annuities have no upper limit on contributions. This means you can put as much money as possible into your annuity. Plus, you can select from a number of

payout options. This makes an annuity an ideal supplement to a qualified pension plan.

This protection feature of annuities extends to the probate of an estate. The process of probating an estate can entail three drawbacks: publicity, delay in processing an estate, and expenses associated with fees. Annuities are not subject to any of these as long as a beneficiary other than the estate is named.

### WANT TO LEARN MORE?

Talk to your NMB representative for an analysis of your present situation and objectives to find out if an annuity is right for you. There is no obligation for this service. If you prefer, you may send in the postage-paid card in this magazine, call the Home Office at 1-800-779-1936 (ask for the Sales and Marketing Department) or contact the agency office nearest you (see the directory on page 3). ♦



## INTRODUCING ADVANTAGE V

*A safe alternative offering stability and flexibility*

**W**e are excited to share with you the newest product added to NMB's portfolio of insurance programs. The Advantage V is a single payment deferred annuity, which means it is purchased with a single premium payment. Two unique features of this product are the five-year interest rate guarantee (currently

paying 4 percent on deposits of \$50,000 and above and 3.75 percent on deposits between \$20,000-\$49,999) and the penalty-free withdrawal of interest earned. The Advantage V also has a five-year surrender charge period that begins at 5 percent in the annuity's first year and then decreases by one percent each year after.

Like all annuities, this annuity accumulates interest on a tax-deferred basis.

The Advantage V may be the ideal solution if you want the advantages of a traditional fixed annuity and a competitive interest rate. If you are looking for tax-deferral and dependable returns, the Advantage V may be a perfect fit. ♦