

Fixed Annuities 101: Your Guide to Reliable Retirement Income

Reliable income is an important aspect of retirement. Annuities are one of the few retirement product options that can guarantee* income for life.

Understanding Fixed Annuities

A fixed annuity is a long-term contract between you and a life insurance company designed to help you accumulate funds for goals like retirement, and to help protect against outliving your income.

Fixed annuities come in many forms, each tailored to specific needs. Some are designed to help accumulate funds for long-term goals like retirement. This can include growth opportunities that are tied to an index's performance - these are called fixed index annuities. All fixed annuities can provide a stable income stream today or in the future, through annuitization.





Some fixed annuities can be purchased with a one-time premium payment, while others allow you to make additional premium payments throughout the term of the contract.

Fixed annuities often include optional riders that enhance their benefits. These riders can provide enhanced guaranteed income streams, death benefits and liquidity options that allow access to a portion of your funds without incurring surrender charges. Depending on the annuity, these riders may be included at no additional cost or may require an additional rider fee.

Consult your Financial Professional to explore the options and find the fixed annuity that best meets your needs.

*Guarantees are subject to the financial strength and claims-paying ability of the insurance company and subject to the terms and conditions of the product. Surrender and withdrawal charges may apply.

Key Features of Fixed Annuities

-  **Save for Retirement:** A fixed annuity can help build funds for retirement and may offer lifetime income options.
-  **Tax Deferred Growth:** 100% of your Accumulation Value typically grows tax deferred; with tax deferral, taxes on growth are not paid until you withdraw funds.
-  **Guaranteed Income:** Convert your funds into a reliable income stream for a set period, or for life.
-  **Principal Protection:** Your principal and interest earnings are typically protected regardless of what happens to the markets.

Fixed Annuities Offered by Revol One Financial® Include:

- Multi Year Guarantee Annuities ([Link](#))
- Multi Year Guarantee Index Annuities ([Link](#))
- Fixed Index Annuities ([Link](#))

Visit our website today to learn more!

Is A Fixed Annuity Right for Me?



A fixed annuity could be a smart choice if you:

- **Want a Guaranteed Income Option:** Gain peace of mind with guaranteed income for a set period of time, or for life.
- **Are Preparing for Retirement:** You are looking for additional ways to diversify your funds beyond employer-sponsored retirement plans.
- **Are Concerned About Outliving Your Savings:** When annuitized, you can elect to receive income payments for a set period of time or, in some cases, you can elect guaranteed lifetime income payments.
- **Have Long-Term Financial Goals:** You don't need immediate access to the funds and can let them grow over time.
- **Seek Tax-Deferred Growth:** You may be able to grow your funds tax-deferred, with the expectation of being in a lower tax bracket at the time of withdrawal.

If any of these align with your financial goals, a fixed annuity might be the right addition to your retirement strategy. Consult with your Financial Professional to explore your options.

Although annuities offer valuable benefits, there are considerations before you purchase an annuity.

- **Inaccessibility of funds:** Funds from annuities require time to generate returns for the insurance company. Therefore, annuities typically have restrictions on accessing funds, and may impose surrender charges for certain withdrawals.
- **Limited upside potential:** While annuities provide peace of mind by protecting your principal if the market declines, there are limits on earnings. Fixed annuities offer guaranteed rates that usually do not increase even if interest rates rise. Index strategies linked to market performance typically have caps and participation rates that limit growth.
- **Fees:** Fixed Annuities may come with various fees that may impact accumulation such as fees to offer additional benefits or features.

Frequently Asked Questions

1 Can I cancel my fixed annuity?

You may cancel your fixed annuity contract any time during the free-look period (typically up to 30 days after contract issue, but this varies by state) with no penalty. After that, surrender charges and Market Value Adjustments (MVAs) may apply.

2 Can I withdraw funds from my fixed annuity?

Typically funds are accessible at contract end or upon income activations. Some fixed annuities allow free partial withdrawals, but other excess withdrawals may incur surrender charges.

3 What is a Surrender Charge?

A Surrender charge is a fee applied when you withdraw funds from a fixed annuity during a pre-set period, referred to as the surrender charge period. The fee period varies in length based on the specific fixed annuity and is typically reduced over time.

4 What is a Multi Year Guarantee Annuity?

A Multi Year Guarantee Annuity (MYGA) is a type of fixed annuity that offers a guaranteed fixed interest rate for a set period, essentially locking in a fixed rate of return for a set number of years. It also offers the option to have a guaranteed stream of income, which may be for a set period of time, or for life.

5 What is a Fixed Index Annuity (FIA)?

A Fixed Index Annuity lets you earn interest based on a stock market index, so you can benefit from market growth without actually investing in the market. Participation (PAR) Rates and CAP Rates typically apply to how a specific Index Interest Option return is calculated. Your principal is protected from market losses. Many FIAs offer optional features like lifetime income, access to funds without incurring surrender charges, or a death benefit. These extra features may come with a fee. (See FAQ 6 for more details about PAR and CAP Rates).

6 What are Participation and CAP Rates?

Participation Rates and CAP Rates typically apply to how a specific Index Interest Option return is calculated.

Participation Rate (PAR): The percentage of the index return that is credited to your account value.

Example: \$100,000 with a 50% PAR rate in a 30% growth index earns \$15,000 (15%)

CAP Rate: The maximum percent limit (or CAP) that can be used to credit interest to your account value.

Example: \$100,000 with a 10% CAP rate in a 20% growth index earns \$10,000 (10%), even though the index grows to 20%

7 Do fixed annuities have fees?

Fees depend on the fixed annuity product chosen. It is possible that you could incur a fee for optional product features (or riders) you choose to add onto the base annuity, or you could incur administrative fees, and surrender charges among others. It is important you talk to your financial professional to understand what fees may apply to your fixed annuity.

Important Information

*Guarantees are subject to the financial strength and claims-paying ability of Revol One Insurance Company and subject to the terms and conditions of the product. Surrender and withdrawal charges may apply.

This information is provided in connection with the promotion or marketing of the matter(s) addressed in this material. The information cannot be used or relied upon for the purpose of avoiding IRS penalties. These materials are not intended to provide tax, accounting or legal advice. As with all matters of a tax or legal nature, you should consult your tax or legal counsel for advice.

Withdrawals and surrender are subject to federal and state income tax and may be subject to an IRS penalty if taken prior to age 59½.

The term “financial professional” is not intended to imply engagement in an advisory business with compensation unrelated to sales. Financial professionals will be paid a commission on the sale of an annuity.

Revol One Financial® is the marketing name for Revol One Insurance Company. Revol One Insurance Company is responsible for its own financial and contractual obligations. Revol One Insurance Company is not authorized to conduct business in the state of New York.