



ANNUITY
A R C H I T E C T S
SINCE 1985

Your former employer is no place to keep your 401k.

We can help you make informed decisions about your retirement savings that you can have confidence in.

Advantages of 401k Rollovers to IRA's

Convenience

The IRA belongs to you! It is not connected to a company you work for, and it stays with you through retirement.

Control

You can choose from a broad range of investment options because you are not limited to only what is offered in an employer retirement plan. You are the only one making decisions about your account – not your old employer.

Consolidation

You can combine other retirement accounts into an IRA – in turn, consolidating your savings into one account.

Annuity Architects will rollover your retirement savings into a personal IRA.

Rest assured you will not run out of income during your retirement years.

Contact the founder of Annuity Architects, Steven DeJohn, at [630-703-7000](tel:630-703-7000) or sdj@annuityarchitects.com.

Understanding 401(k) and Pension Rollovers

Change in Employment Status

Most people find themselves in the following situation at some point in their lives. They have either left or lost their current job or are getting ready to retire. Whatever the situation, it is crucial to know that you have options when deciding what to do with your 401(k)/Pension plan. You are entitled to take your hard-earned savings with you. Even if you are still working and are over age 59½ you may be able to take an in-service distribution of some or all of your money.

Avoid Unnecessary Taxes

Make the right decisions when it comes to your money. Withdrawing your 401(k)/Pension plan in a lump sum could cost you thousands of dollars in unnecessary taxes and penalties and extend your retirement age by years. These penalties are avoided by moving this money into an IRA; this is called an IRA rollover.

A rollover allows you to transfer your existing retirement account into another retirement account without incurring taxes or penalties. Pre-taxed dollars have been used to fund your retirement account and it grows tax deferred. If you take a distribution prior to age 59½, you will have to pay taxes on that money, and you will also incur a 10% penalty for an early withdrawal. Many people will incur these penalties simply because they are uninformed and do not know they can avoid these penalties with a tax-free rollover to an IRA.

Make the Right Decision

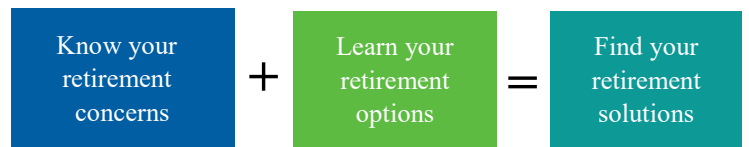
Barring a financial emergency, making the decision to withdraw your money unnecessarily is not the best decision you can make when trying to attain your financial goals. The best decision is to roll the money over to an IRA.

Retirement Concerns

The financial markets have been experiencing historic volatility and extreme ups and downs that are likely to continue for an unspecified period of time. The need for safer less risky financial investments has become more prominent than ever. This, coupled with fewer employers providing retirement accounts for their employees, has placed the responsibility on you to not only save for your retirement, but to find safe and secure investment vehicles for your money.

Retirement Questions

- Will my money be safe where it is?
- Are there alternatives besides risky investments and low-rate CD's?
- Will Social Security be there for me when I need it?
- Will my money last for the rest of my life?
- Can I be financially independent and not have to depend on my loved ones?
- Pension Plans seem to be a thing of the past. Can I create my own?



Retirement Solutions

Whether your long-term objective is to build a source of guaranteed lifetime income, save for a specific retirement goal, or leave a legacy for your loved ones, Fixed Annuities are designed to meet your retirement needs.

Retirement Solution Options

- Safe Guaranteed Investments offer security to address Retirement Fears.
- Fixed Annuities are one option to offer Safety and Guarantees.
- Income Riders attached to Fixed Annuities offer a way to create your own Pension Plan.

What are Fixed Annuities?

A Fixed Annuity is a contract between you and an insurance company designed to help you reach your long-term financial and retirement goals. Your money is not directly invested in the market and therefore is not subject to the risk of market losses.

Fixed Annuities guarantee a minimum rate of growth, provide penalty-free withdrawal options throughout the contract term and full liquidity at the end of the term. They can provide you with a guaranteed income stream starting immediately or at some time in the future.

Benefits of Fixed Annuities

Tax Deferral: Under current federal income tax laws, any interest in your Fixed Annuity is tax-deferred. You pay ordinary income taxes on your investment only when you begin receiving money from your contract. Most likely you will be retired by the time you begin taking this income and in a lower tax bracket than you were while earning the money.

Guaranteed Interest: Fixed Annuities offer a guaranteed interest rate that is competitive with other long-term financial vehicles. Since the interest, your annuity earns is tax-deferred, it may accumulate assets faster

Protection: Fixed Annuities offer you a level of protection you may find reassuring. That protection can benefit you in three separate ways:

- **Accumulation:** Your principal and credited interest is protected.
- **Guaranteed Income:** You can be protected from the possibility of outliving your assets.
- **Legacy:** If you pass away, a Fixed Annuity can help provide for your loved ones.

Lifetime Income Riders

Take control of your financial security by creating your own personal pension plan with a Guaranteed Lifetime Income Rider. This is an optional rider, which can be added to most Fixed Indexed Annuities and some Traditional Fixed Annuities. The Income Rider value grows at a specified rate separate from the annuity value. The rider will continue to grow for a specific period of time or until activated, the value serves as a basis for the income calculation. Once activated, the rider will provide a **LIFETIME payment guaranteed**. The annuity account value will continue to grow, and income payments are subtracted from the annuity value like a withdrawal. If the annuity value is depleted, the Income Rider payments will continue for life.

Spousal Continuance Options

Some Income Riders offer a joint payment option, allowing your payments to continue as long as both you and your spouse are living. This feature can provide peace of mind that neither one of you will run out of money as long as you live. Income Rider features will vary by product, so it is important to understand the benefits offered by the annuity contract you choose.

Income Rider Example

- A person aged 55 invests \$100,000 into a Fixed Annuity with an 8% Premium Bonus.
- Add an Income Rider growing at 6.5% compounding interest rate. The rider value will grow to \$202,730 in 10 years.
- If the Income Rider is activated after 10 years at age 65 based on a 5% withdrawal percentage, it will pay \$10,136 each year of guaranteed life.
- Compare this to an alternate investment growing at an estimated 3% compound rate, by taking the same withdrawal at age 65 the money will run out by 80

Investment	Index Annuity Rider Value	\$100,000 Growing At Estimated 3% Rate
Value after 10 years (Age 65)	\$202,730	\$134,392
Annual withdrawal amount at Age 65	\$10,136	\$10,136
Guarantees	Guaranteed for life	Runs out at Age 80

Product Options

Choosing the right accumulation vehicle for retirement can be difficult. With so many choices, which product will be right for you? On one hand, you want the safety and guarantee of premium and credited interest rates. On the other hand, you might want the potential of higher returns by being linked to the market.

The Game of Roulette

In the game of Roulette, if you place \$1.00 on black and the ball lands on black you win \$1.00, essentially doubling your money. However, if the ball lands on red, you lose all your money. This is a risk most people cannot afford to take with their retirement money.

What if there was a game that when you place \$1.00 on black, and the ball lands on black, you would win \$.50 for a total of \$1.50. However, if the ball lands on red you would not lose your \$1.00. You still get to keep your \$1.00 plus what you have already earned every time the ball lands on red. Is that a game you would want to play?

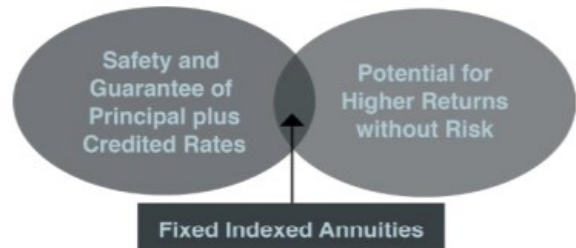
Understanding Fixed Indexed Annuities

With a Fixed Indexed Annuity, you participate in a portion of the gains, however you bear none of the risk; much like the game I mentioned. If the market goes up, you will receive a portion of the increase credited to your account. However, if the market goes down, you will not lose a penny of your original investment or the earnings that have been credited to your account. Fixed Indexed Annuity premiums are not invested directly in the stock market or in individual stocks. This allows you to benefit from the potential gains of the market without direct participation. In contrast to a securities-type product or mutual fund where the investor bears the market risk, the Fixed Indexed Annuity concept insulates you from any risk of loss of premium due to market downturns.



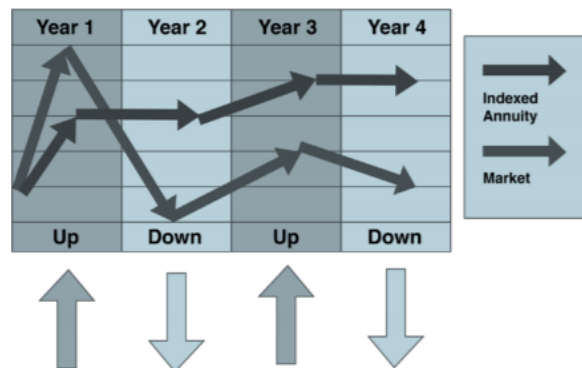
What is Indexing?

Indexing is simply an investment strategy that follows the performance of well-known market Indices. With indexing, the interest credits you earn are linked in part to the value of these indices. **However, regardless of the index performance, your interest credits will never be less than zero.**



Below is an example of how a Fixed Index Annuity protects your money from market volatility. The green line represents the annuity value, and the red line represents the market value.

- **Year 1:** When the market goes up the annuity participates in a portion of the gains.
- **Year 2:** When the market goes down the annuity value stays the same.
- **Year 3:** If the market goes up the annuity will not have to recover from market losses before earning again.
- **Year 4:** If the market goes down, the annuity value stays the same. **NO LOSS!**



Take Control of Your Future

It is up to you to take control of your future. Make sure you have the information needed that will allow you to make the best decisions for your money and help you to achieve your retirement goals. **Make safe, secure, smart choices and plan for the rest of your life now!**