

# Could a registered index-linked annuity be right for your client?

Use these insights to help you understand which clients may benefit from a RILA and how to fine-tune your communication strategies to help move them from consideration to decision-making.

## Meet Gary

Gary is still working as an Independent Consultant but would like to retire in the next 5-7 years. He's had a successful career and he's ready to live his best life in retirement. But he also sees his wealth as something to be enjoyed by future generations, and he dreams of leaving a strong financial legacy for his family.

He's considered annuities, but feels that they "lock up" money for a long time and he dislikes fees.

Gary's financial professional has always honored Gary's financial expertise, but she wants to help him be more realistic about his need to protect his investments as he gets closer to retirement. She doesn't want a sudden market downturn so close to retirement to derail his plans.

She suggests Gary consider using a portion of his retirement savings to purchase a registered index-linked annuity as an efficient way to manage portfolio risk. She explains how RILAs could offer both the growth potential and reduced exposure to market loss that he's looking for, as well as tax-deferred growth to help him accumulate more retirement income.



"I'm almost where I want to be to be able to reap the rewards of my hard work in retirement, but I'm open to my advisor's perspective on ways to diversify."

Gary is a well-informed investor and finance has always been a part of his reality. He credits much of his financial success to his own financial savvy and his inclination for informed risk-taking. He closely monitors his existing investments and does a lot of research before investing.

As he gets closer to retirement, Gary knows he needs diversity in his portfolio, but wants products that offer strong potential for growth and come with low to no fees.

MassMutual Ascend partnered with independent research firm, [Burke, Inc.](#), to identify distinctive investor segments within the annuity market. For more information on our methodology and research findings, visit [mmascendconnect.com/personas/annuity-market-insights](https://mmascendconnect.com/personas/annuity-market-insights).

## Key takeaway

Market drops near retirement, both small and large, could disrupt Gary's dreams for retirement. Investing in a RILA may offer the growth potential and built-in protection he needs to avoid having to cut back on his expected lifestyle in retirement if the market drops significantly.

### Why a RILA?

RILAs are designed with specific features that help manage risk while providing greater growth potential than fixed income alternatives.



**Built to help manage risk.** A RILA can offer Gary some protection against market downturns, ensuring a portion of his investment is safe and helping him stay focused on his long-term goals.



**Greater growth potential with index-linked performance.** Money grows by earning interest credits based partly on the performance of a market index. A RILA may allow for greater growth potential than other annuities since Gary assumes some of the risk of loss.



**No fees.** Many RILAs come with no upfront or recurring fees, meaning all of his money will go to work for him.



**Liquidity needs.** RILAs are intended to be long-term products, but some may offer liquidity features like free withdrawal allowances or terminal illness waivers that add flexibility.



**Tax-deferred growth.** With a RILA, Gary can experience the power of tax-deferred growth since taxes are not paid on growth until money is withdrawn from the annuity.

## Conversation tips

Clients like Gary are optimistic about their financial future, look for products that offer growth with no fees, and look for your perspective as a supplement to their own research and planning. Here are some communication strategies you can use to help tailor your approach to servicing clients with similar needs.



### How to connect

- Meet face to face for up-front strategizing but support through email, text or chat for day-to-day management.
- Honor their financial expertise and embrace a “do it together” approach.



### How to communicate

- Speak to them as a peer and be prepared to answer questions.
- Explain product features completely and don't shy away from the technical details.



### Benefits to highlight

- Focus on key RILA benefits, like how they are designed to track stock market performance with built-in protection against potential downturns.
- Explain how RILAs are intended to be long-term products, but some may offer liquidity features like free withdrawal allowances or terminal illness waivers that add flexibility.
- Demonstrate how they can allocate their investment across multiple strategies to support diversification.
- Consider introducing RILAs that require no upfront or recurring fees.

**Contact the MassMutual Ascend sales team to learn more about the registered index-linked annuities available to you.**

Registered index-linked annuities are securities and must be sold through a Broker/Dealer.

Any sales solicitation must be accompanied or preceded by a prospectus. To obtain a copy of the prospectus, please visit [MassMutualAscend.com/RILArates](https://www.MassMutualAscend.com/RILArates).

Registered index-linked annuities may be subject to early withdrawal charges or market value adjustments for a limited period of time.

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