Why Purchase a Fixed Annuity?

Purchasing a fixed annuity may help to make your future years more financially secure, and we at Annuity Investors Life Insurance Company® understand how important long-term security is to your retirement. There are many different types of financial products and investment options to consider when preparing for your future, including stocks, bonds, certificates of deposit and annuities. Below are a few reasons why a fixed annuity may be the right choice for you.

Power of tax-deferred growth

One of the greatest benefits of an annuity is that the interest credited to your annuity is completely untouched by current federal income tax during the accumulation period. As a result of tax deferral, your account value grows at a faster rate. You pay no taxes until you begin to receive income payments or make a withdrawal.



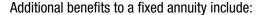
The yield on a taxable investment that is required to match the interest rate of a tax-deferred annuity may surprise you:

Tax Brackets	10%	15%	25%	28%	33%	35%
Annual Tax-Deferred Interest Rate	Taxable Equivalent Yield					
1.00%	1.11%	1.18%	1.33%	1.39%	1.49%	1.54%
1.50%	1.67%	1.76%	2.00%	2.08%	2.24%	2.31%
2.00%	2.22%	2.35%	2.67%	2.78%	2.99%	3.08%
2.50%	2.78%	2.94%	3.33%	3.47%	3.73%	3.85%
3.00%	3.33%	3.53%	4.00%	4.17%	4.48%	4.62%
3.50%	3.89%	4.12%	4.67%	4.86%	5.22%	5.38%
4.00%	4.44%	4.71%	5.33%	5.56%	5.97%	6.15%
4.50%	5.00%	5.29%	6.00%	6.25%	6.72%	6.92%
5.00%	5.56%	5.88%	6.67%	6.94%	7.46%	7.69%
5.50%	6.11%	6.47%	7.33%	7.64%	8.21%	8.46%
6.00%	6.67%	7.06%	8.00%	8.33%	8.96%	9.23%
6.50%	7.22%	7.65%	8.67%	9.03%	9.70%	10.00%
7.00%	7.78%	8.24%	9.33%	9.72%	10.45%	10.77%
7.50%	8.33%	8.82%	10.00%	10.42%	11.19%	11.54%
8.00%	8.89%	9.41%	10.67%	11.11%	11.94%	12.31%
8.50%	9.44%	10.00%	11.33%	11.81%	12.69%	13.08%
9.00%	10.00%	10.59%	12.00%	12.50%	13.43%	13.85%
9.50%	10.56%	11.18%	12.67%	13.19%	14.18%	14.62%
10.00%	11.11%	11.76%	13.33%	13.89%	14.93%	15.38%

Example assumes no withdrawals are made on either product. Interest on an annuity is taxable only upon withdrawals.

F6044313NW 11/13

Why Purchase a Fixed Annuity?



- Guaranteed income stream. Our annuities offer a variety of settlement options, including options that can provide you a stream of income for a fixed period or for as long as you live.
- ★ Guaranteed interest rate. Fixed annuities can give you the peace of mind of a product that can safely grow in value, while protecting your purchase payments. For your protection, you'll earn a minimum guaranteed interest rate throughout the life of your contract. The interest rate your money earns will never fall below the minimum guaranteed interest rate, even if economic conditions cause interest rates to drop dramatically.
- ★ Estate planning tool. An annuity can serve as an effective estate planning tool, since it distributes the death benefit to your beneficiaries without going through probate.

Annuities are a powerful vehicle to save money for retirement, but please remember you should have liquid assets available as early withdrawal charges are generally applied to withdrawals taken from an annuity for a period of time.

Ready to learn more? Contact me today!