Don’t just buy an Annuity! Stop. Think. Plan.

the definitive guide to understanding Annuities and knowing if they are right for you

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What is an Annuity?

an-nu-i-ty

Noun

1. A fixed sum of money paid to someone each year, typically for the rest of their life.

2. A form of insurance or investment entitling the investor to a series of annual sums.

Investopedia defines an annuity as "a financial product sold by financial institutions that is designed to accept and grow funds from an individual and then pay out a stream of payments to the individual at a later point in time."

Although annuities have only existed in their present form for a few decades, the idea of paying out a stream of income to an individual or family dates clear back to the Roman Empire. The Latin word "annua" meant annual stipends and during the reign of the emperors the word signified a contract that made annual payments. Individuals would make a single large payment into the annua and then receive an annual payment each year until death, or for a specified period of time.

The Roman speculator and jurist Gnaeus Domitius Annius Ulpianis is cited as one of the earliest dealers of these annuities, and he is also credited with creating the very first actuarial life table. Roman soldiers were paid annuities as a form of compensation for military service.

During the Middle Ages, annuities were used by feudal lords and kings to help cover the heavy costs of their constant wars and conflicts with each other. At this time, annuities were offered in the form of a tontine, or a large pool of cash from which payments were made to investors. As investors eventually died off, their payments would cease and be redistributed to the remaining investors, with the last investor finally receiving the entire pool. This provided investors the incentive of not only receiving payments, but also the chance to "win" the entire pool if they could outlive their peers.

European countries continued to offer annuity arrangements in later centuries to fund wars, provide for royal families and for other purposes. They were popular investments among the wealthy at that time, due mainly to the security they offered, which most other types of investments did not provide.

Up until this point, annuities cost the same for any investor, regardless of their age or gender. However, issuers of these instruments began to see that their annuitants generally had longer life expectancies than the public at large and started to adjust their pricing structures accordingly.

Annuities came to America in 1759 in the form of a retirement pool for church pastors in Pennsylvania. These annuities were funded by contributions from both church leaders and their congregations, and provided a lifetime stream of income for both ministers and their families. They also became the forerunners of modern widow and orphan benefits.

Benjamin Franklin left the cities of Boston and Philadelphia each an annuity in his will; incredibly, the Boston annuity continued to pay out until the early 1990s, when the city finally decided to stop receiving payments and take a lump-sum distribution of the remaining balance. But the concept of annuities was slow to catch on with the general public in the United States because the majority of the population at that time felt that they could rely on their extended families to support them in their old age. Instead, annuities were used chiefly by attorneys and executors of estates who had to employ a secure means of providing for beneficiaries as specified in the will and testament of their deceased clients.

Annuities did not become commercially available to individuals until 1812, when a Pennsylvania life insurance company began marketing ready-made contracts to the public. During the Civil War, the Union government used annuities to provide an alternate form of compensation to soldiers instead of land. President Lincoln supported this plan as a means of helping injured and disabled soldiers and their families, but annuity premiums only accounted for 1.5% of all life insurance premiums collected between 1866 and 1920.

Annuity growth began to slowly increase during the early 20th century as the percentage of multigenerational households in America declined. The stock market crash of 1929 marked the beginning of a period of tremendous growth for these vehicles as the investing public sought safe havens for their hard-earned cash.

The first variable annuity was unveiled in 1952, and many new features, riders and benefits have been incorporated into both fixed and variable contracts ever since. Indexed annuities first made their appearance in the late 1980s and early 1990s, and these products have grown more diverse and sophisticated as well. In 2011, sales of annuities were estimated to exceed $200 billion annually.

> Despite their original conceptual simplicity, modern annuities are complex products that have also been among the most misunderstood, misused and abused products in the financial marketplace, and they have had more than their fair share of negative publicity from the media.

You’ll often hear annuities as being guaranteed investments. It should be noted, however, that the guarantees of annuities is not by the FDIC, the Government, or any Government Agency. Rather, the guarantee is solely based on the claims paying ability of the issuing insurance company.

The 4 Types of Annuities

1. Immediate Annuity (Single Premium Immediate Annuity or SPIA)

A basic immediate annuity works just like the original annuities were intended to work. An investor will exchange their deposit to an insurance company to a defined income. There are quite a few options though, as an investor has the option to either take immediate income for life, or income for a set time period (like 5 years, 10 years, 20 years, etc.). When an immediate annuity is paid for a preset time period it is referred to as a Period Certain. There are also options for the income payments to be for a single depositors life or the joint life of more than one person.

For all intensive purposes consider an Immediate Annuity to be much like a Pension.

In this scenario you are insurance against the risk of outliving your money. The amount of the payout, much like in a pension, is determined by how long you are likely to live once you start payments. Typically the older you are, the more your annual (or monthly) income payments will be.

The risk with this type of annuity is in that you may not live long enough for your income payments to equal the amount of your original deposit.

Single Premium Immediate Annuities are the least used type of annuity for this reason. Many investors dislike the idea of losing control of their savings, and with the low interest rates today the income payments do not represent a large income stream relative to the required deposit amount.

However, Immediate Annuities do offer the nice benefit of knowing exactly what your income will be as well as knowing with confidence you cannot outlive that income stream.

2. Fixed Annuity (Deferred Annuity)

A fixed annuity (or deferred annuity) functions similarly to an Immediate Annuity in that it too can offer a guaranteed income for life (or period certain). There are two big differences though:

1) You don't ever have to take an income for life payout if you choose not to
2) You don't have to take income immediately

Instead, with a traditional fixed annuity you get a fixed return for a fixed time period, much like a CD.

In some cased a fixed annuity is a very simple investment. You might, for example, be guaranteed to earn 3% per year for 5 years at which point you can simply take your money out and walk away.

In other cases though, fixed annuities can be a bit more complex. The more complex fixed annuities might have a "bonus" making the first year return quite high, only to have a very low rate for the remaining years of the contract. In this case it's important to understand what the effective annualized rate equals.

After a fixed annuity term is finished investors usually have a few options to consider. Typically you can either A) just take your accrued balance at once; B) take payments for a period certain (like 5 years, or 10 years); or C) take payments as an income for life based on your age at which point that decision is made.

Fixed annuities are more popular than immediate annuities because they do offer some flexibility with regards to access to principal. However, once you choose a distribution option that flexibility goes away and the principal value is replaced with only the distribution option chosen.

3. Fixed Index Annuities (aka Equity Index Annuities)

Index annuities are perhaps the most complicated of all annuities. This is due to a dizzying array of way interest can be credited, optional features, and complexities in distribution options. Of all fixed type annuities they also pay the largest commissions to sales agents and in many cases, the most restrictive access to funds for the investor.

Ironically, despite the complexities, high commissions, and restrictions – Fixed Index Annuity sales have been booming the past 10 years.

When explained to investors, the typical explanation of how a Fixed Index Annuity works is like this:

Your money is guaranteed to never go down in value. Your return is linked to an index, typically one like the Dow Jones Industrial Average or S&P 500 (though there are many more options to link returns to). When those markets go up you get a portion of the upside, but none of the downside.

On the surface this sounds too good to be true. Market linked gains with no risk? Wow! But it's not all roses.

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In reality the limits to the upside are intrinsically linked to current interest rates. When interest rates are low, the percentage of the upside is smaller. When interest rates are high, the percentage of the upside is greater. This is called a "participation rate" and is usually a variable number with a minimum guarantee.

There are also many, many different ways to determine how upside participation is measured. There are point to point – which means a specific date range like 1 year, monthly average – which adds the sum of the average months less the starting date over a specific date range, and many more. Regardless of the crediting method, all will have some type of "cap," which is the limit of the markets upside you can earn as an investor.

Investors should also note that when calculating market upside the indexes used are all without dividends.

To illustrate these options consider the following hypothetical example using the calendar year 2009, which was a very good year overall for stock markets.

First, here are the calendar year returns of 2009, 2010, and 2011 of the S&P 500 without dividends:

Year	S&P 500 Return without dividends
2009	23.49%
2010	12.78%
2011	0.00%

Fixed Index Annuity A

Annual point to point crediting
Annual cap of 4%
Returns linked to the S&P 500

Year	Annuity Return
2009	4.00%
2010	4.00%
2011	0.00%

Fixed Index Annuity B

Monthly sum crediting
Monthly cap of 3%
Returns linked to the S&P 500

Year	Annuity Return
2009	1.29%
2010	0.00%
2011	0.00%

Why is the monthly sum so low?

In theory this method of earning interest has the potential for the highest returns. This is because you can earn up to 3% each month (based on a 3% monthly cap). However, the way interest is credited works like this:

Each month the market is up you add the return, subject to a 3% cap. When the market is down you also need to subtract that. So in a year like 2010 where the market had two very bad months (May and June) it wiped out all the sum of all the positive months. Since interest is credited just once per year having only 1 or 2 poor months will often do that with this particular crediting method.

As you can see from this simple, real world example, the crediting method chosen makes a huge difference in Fixed Index Annuity Returns. You can also see that while the returns are linked to an equity market the returns are nothing like those of equity investors, for better or worse.

Obviously if we included 2008 in these examples investors would have much preferred the 0% return instead of the markets near 40% loss. But to say that you get market like upside with no downside is a serious misnomer.

"...while the returns are linked to an equity market the returns are nothing like those of equity investors, for better or worse."

The Hybrid Annuity

One type of Fixed Index Annuity that has been talked about a lot in the past few years is being touted as a Hybrid Annuity. Technically there is no such thing, it's just a name agents have given a Fixed Index Annuity that also has a guaranteed income rider attached to it.

These have become quite popular because they combine elements of Fixed, Fixed Index, and Income Annuities into one chassis. When used correctly they can work quite well. Unfortunately most agents don't fully understand how they work, and even worse, many completely mislead investors into believing they'll get returns far in excess of what they will actually earn.

Fixed Index Annuities are often misunderstood, mis-explained, and mis-sold. When back tested 60+ years it really doesn't matter which crediting method is used, the long-term returns are all very similar.

Based on current cap rates and product designs it is realistic to expect an average return of 2% to 4% per year so long as you keep the product 15 years or more. This is hardly what most agents will tell their clients to expect, but it is factual and realistic.

In the end, with returns like this most investors don't benefit any more from this new and complex annuity any more than they would with the more plain vanilla annuities of yesteryear. My suspicion is the reason they are sold more has much more to do with the jumbo-sized commissions, and much less to do with being a superior product.

4. Variable Annuity

Variable Annuities have been around for more than 60 years, and much of that time they have been under intense scrutiny because of their fees.

A Variable Annuity works much like a mutual fund brokerage account. Investors have the option of investing in various "sub-accounts" that mirror mutual funds. The only real difference is the funds are purchased inside of an annuity chasis, which provides certain insurance benefits.

These benefits vary greatly by issuer and product.

Some will have death benefit features that ensure if the account owner dies with a lower current value than their original deposit or highest anniversary (all 1 year anniversaries since purchase date) the beneficiary will receive the greater amount. Others will have income guarantees attached that ensure principal safety or even an income base with guaranteed growth.

All of these benefits come at a cost, however, and some are very expensive.

Variable annuities have 3 basic types of costs:

1. Mortality and Expense (M&E) fees
2. Sub-account fees
3. Rider fees

While it varies by issuer and product, it is not uncommon for the M&E charges to be well over 1% per year, the sub-account (think mutual funds) fees to be 0.5% to 2% per year, and the rider fees to be 0.5% to 2% per year as well. On top of these fees many financial advisors charge a separate management fee of 0.5% to 2% for helping to manage the allocation of sub-accounts.

All told it is not uncommon at all to see total fees on Variable Annuities exceed 4% per year. And with those kind of fees its really tough to get much return for the investor.

Back when Variable Annuities first came out, the primary reason for purchase was tax deferral. For those that could not contribute to a 401k or IRA they could put money into a Variable Annuity and any growth would be tax deferred, with taxes only being due on the gains of the annuity when they were taken from the account.

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Nowadays Variable Annuities are sold more for the various death benefit and income riders promising some form of insurance protection on the assets.

Like Fixed Index Annuities, Variable Annuities have been hot sellers over the past decade. Partly due to all the new riders mentioned above, and partly (in my opinion) due to the high commissions earned by the sales agents.

Proper Use of Annuities

Proper Use of Annuities

Because annuities pay higher commissions than most other financial products, and because they have been designed and marketed to address investor fears of losing money, they have been sold in droves the past 10 years. While there are plenty of proper annuity placements, there have been many very unsuitable ones as well.

The first thing people should understand when buying any financial product is whether or not it truly is the most efficient way for them to reach their financial goals. It’s not about all the bells and whistles, its just about knowing, “will this product help me get what I truly desire from my money?”

“...is the cost worth the benefit?”

Secondarily, I think investors should consider if the cost is worth the benefit?

Many agents use slimy cover-ups to hide how much annuities really cost. Fact is, all investments have a cost. Some are up-front and known, while others are hidden.
With most annuities the costs are hidden.

That’s not to say that the costs aren’t reasonable, especially if the product will really help an investor reach their goals. It’s just wiser to know what those costs are and if they are worth the benefits.

After studying annuities for more than 10 years, and writing the most comprehensive independent reviews in the United States on many of the most popular annuity products, I’ve come to the following conclusions on their proper use:

Annuities work best if used:

- **In Moderation.** Annuities should almost never be used exclusively, and rarely work well if used as the primary investment/savings vehicle for investors.

- **For Income.** Whether it’s for income now, or guaranteed income in the future, that’s what annuities were originally designed for and where they still work best to this day.

- **In Conjunction with Plentiful Liquid Assets.** Annuities are almost always fairly illiquid, and often times come with hefty penalties for early withdraw. It’s imperative that if you use annuities, you keep plenty of cash or similar liquid assets in case of emergency.

- **In Conjunction with Inflation Hedging Assets.** Contrary to what many annuity sales people suggest, annuities are highly unlikely to keep up with real inflation – even if they have a “rider” designed for that purpose. So if you are going to use annuities, it’s very important to have non-annuity investments that have more adjustable interest rates to help offset inflation.

- **As Part of a Plan.** Any legitimate financial professional should insist before suggesting any products (especially annuities) that you have a comprehensive plan in place. Part of that plan should be testing which products (annuities or not) will give you the best opportunity to reach your financial goals in a low risk, low cost manner.

There are other special circumstances in which an annuity might work well for an investor. The best way to know if an annuity is right for you is to meet with a qualified, independent financial professional to help determine this.

This simple guide, however, should still be adhered to. If an annuity is suggested and it does not fit into the bullet point rules above, you may want to seriously reconsider if the annuity is truly in your best interest – or if it's just a sales agents attempt to use your money to generate a sizable commission for themselves.

Common Annuity Mistakes

Common Annuity Mistakes

The biggest mistake made with annuities is purchasing them without fully understanding them. Since annuities are getting more and more complex, understanding them is no easy task.

In addition to understanding how an annuity works for you, here are a few more common mistakes to avoid:

1) **Paying large fees without knowing it.** It should be obvious, but the more you pay for financial products – the less you generally get. This is especially true with annuities. And since certain annuities have the highest fees of any financial product you could ever buy, make sure you know what the real cost is before you buy one. To that end, don't just take an agents word. I'd like to say you can trust a licensed agent, but my experience suggests otherwise. Many won't tell you what they get paid, or sugar coat it, or flat out lie. Call the company of the product they are suggesting directly and find out exactly what the commission is and what the costs of owning the annuity is before you buy.

2) **Putting all or most of your assets into annuities.** As pointed out in the previous chapter – annuities should be a complimentary asset to others you own. Annuities will generally be illiquid and have penalties for early withdraw. They also may not be tax friendly, and usually don't stand a chance at keeping up with real inflation.

3) **Buying annuities with long surrender periods and high surrender penalties.** Even though an annuity should be viewed as a lifelong investment, I would stay away from any that have a surrender period longer than 10 years or penalties greater than 10%.

4) **Stay away from annuities with otherworldly bonuses.** Many annuities come with a “bonus” that gets credited the first year. Don’t be mistaken; there is no free lunch. The bigger the bonus, generally the longer the surrender (penalty) period and greater the surrender charges if it doesn’t fit your needs down the road.

5) **Buying annuities from a “Captive” agent.** A captive agent is an agent that represents just one or very few companies. Annuities vary greatly and it’s important that if you are to invest in one you look at all companies to make sure you get what works best for you, not the only one your agent can sell.

6) **Buying annuities from those that aren’t experts.** Look, everyone will try to tell you they’re an expert these days. But if you dig into the history of many so-called retirement/annuity experts you’ll find a lot of them were selling used cars or appliances just a few years ago. It takes time and experience to really understand financial planning and financial products. Don’t risk your financial future in the hands of someone with minimal experience/expertise in annuities.

> Like most things in life, if it sounds too good to be true – it usually is. Always be careful with your finances, and always be especially cautious with annuities.

There are a lot of well meaning, but uneducated advisors out there. You are the ultimate decision maker, so be sure to do your homework before you buy an annuity.

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Who Should Consider an Annuity?

Who Should Consider an Annuity?

When used correctly an annuity is an investment for someone willing to earn a lesser return on his or her money in exchange for a guaranteed stream of income. Contrary to what I’ve heard others suggest, an annuity most certainly isn’t for everyone.

Typically those who an annuity will fit best for are those who have saved more than what they should need for retirement, and want to take a portion of those savings and “insure” them against loss.

Oddly, I often see people using annuities that will actually be more hurt than helped by them. This usually happens when an investor desires an income from their investments that is not sustainable over their lifetime.

Annuities often work best when structured into multiple annuities, rather than just one. This is due to the increased cost of living as we age. As the income from one annuity might no longer meet a retired investors needs, perhaps they have a second and third smaller annuity to be used down the road to generate more income to fill that gap.

Generally speaking if an investor is more than 10 years from retirement an annuity is not the best solution. This is because the annuity will almost always earn a lesser return over a 10 year time period than other “safe” investing alternatives such as laddered bonds and/or CDs.

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Those who retire with no pension also are often candidates to consider an annuity. This is because having a predictable stream of income you cannot outlive takes pressure of portfolio assets that sometimes ebb and flow due to changing economic conditions.

From experience working with many clients, those who have a solid core income of pensions and Social Security, or annuity income and Social Security; tend to worry less about money during retirement and thus enjoy a higher overall quality of life.

In order to know if annuity is right for you, always do proper financial planning to test how they will fit into your financial goals. I find that with proper testing you can better see the results in advance – and thus feel much more confident about whether or not an annuity will meet your expectations.

Furthermore, with proper planning you can test many different types of annuities so you definitely get the right one for your needs (instead of just what the sales agent wants to sell you).

Annuity Alternatives for Conservative Investors

Annuity Alternatives for Conservative Investors

One of the common reasons investors first look at annuities is because they have grown tired with the ups and downs of stock market investing. Unfortunately, they are comparing apples and oranges when doing this.

Imagine a scale for investment risk from 1 to 10, with stocks being a 10 (the highest risk). On that scale annuities (fixed, index, and immediate) would all be about 2.

This means there is a large margin between stocks (or stock funds) and annuities.

Many investors are surprised to learn that if they just avoided, or minimally used stocks how enjoyable and consistent their investment results can be.

For example, from January 1962 to January 2013 a diversified portfolio of 90% bonds, 8% stocks, and 2% real estate would have averaged 6.55% per year with only 3 losing calendar years. Keep in mind that no fixed, or fixed index annuity available today has any chance of averaging a return above 5% (don't believe any agent who tells you otherwise).

"Many investors are surprised to learn that if they just avoided, or minimally used stocks how enjoyable and consistent their investment results can be."

The 3 losing years were:

Year	Portfolio Loss
1969	-3.06%
1994	-1.70%
2008	-2.62%

This is far from high risk or big losses.

So long as an investor stayed with their investment plan at least 3 years there would have never been a time period with gains of less than 1% per year and if they stayed with their plan 10 years their worst ever average annual return would be 3.58% per year.

All of that could have been done with nothing more complicated than a very conservative asset allocation of low cost index mutual funds.

Source: IndexFunds.com

A common problem investors go through are all the emotional highs and lows with their investing philosophy. When times are good they get more aggressive, which results in larger losses when times get bad. Of course with those larger losses investors lose confidence and start looking at things like annuities as a potential solution.

So my first possible solution is just to work with a quality financial planner to take a closer look at a very conservative, low cost, diversified investment portfolio. Nothing exotic or crazy – even just a quality basket of index mutual funds could work very well for most people.

Another option would be to use a CD ladder.

Even though interest rates are very low today, I would guess that even a laddered CD portfolio will return about the same as most annuities over the next 20+ years.

If you’re not familiar with a CD ladder, it’s really simple.

To start you just divide your investment into different maturity CDs. For example, if you have $100,000 you might put $20,000 into a 1 year, 2 year, 3 year, 4 year, and 5 year CD. Every year one of your CDs will mature, at which time you purchase a new 5 year CD.

This amazingly simple approach won’t yield much today, but as interest rates start to rise you’ll be locking in those higher rates. This gives you a much better chance at getting reasonable returns without risk to your principal, and if we have high inflation in the future the interest rates on these CDs is almost certain to go up; whereas an annuity already in the income phase will not.

How to Build a Proper Financial Plan Including Annuities

How to Build a Proper Financial Plan Including Annuities

For a plethora of reasons financial advisors seem to be divided into 2 camps. Those who love annuities and want to use them for all their clients; and financial advisors who hate annuities and would never use them for any client under any circumstance.

Both think they're right, which is a bit of a problem.

The truth is annuities work great for some people and terribly for others. The only way to know if they are a good fit for you is to build a financial plan (specifically a retirement income plan) that tests and forecasts what your future looks like with or without annuities.

"The truth is annuities work great for some people and terribly for others."

If a plan with annuities will work, the next thing that needs to be done is determine what amount of your assets should actually be used in annuities. While the actual process I use for clients is slightly different, here are some simple steps for determining that number:

1) Annuity investments are best used for income either now or in the future. So the first step is to determine your retirement income needs in today's dollars (not adjusted for inflation).

2) Add up any sources of guaranteed retirement income such as Social Security and Pensions.

3) Subtract your guaranteed retirement income from your income needs. If you have more guaranteed income than your income needs, you probably don't need an annuity (or would need a very small annuity at most). If you have more needs than guaranteed sources of income, note that amount as your Retirement Income Gap.

4) Determine if you will have any major changes in your retirement income needs in the future, and note when those will happen. An example might be a home mortgage that will be paid off 5 years into retirement. If you have any adjustments such as this, remove this amount from your Retirement Income Gap.

This gap is what, at a maximum, should be filled by an annuity. Possibly less, but not more.

Determining the appropriate amount of annuity investment it will take to fill your Retirement Income Gap will vary greatly by your age (and spouse's age if married), as well as if you need the income now or if it will be at a future retirement date.

A good financial planner can help with all of this, but here's a rough example so you get an idea of how this might look in reality.

Joe (age 65) and Sarah (age 64) want to retire in 1 year. Their current retirement budget is $75,000 per year.

When Joe retires he will have a pension of $20,000 per year and Social Security Income of $20,000 per year. Sarah's employer did not offer a pension, but when she retires she will have Social Security Income of $15,000 per year.

Joe and Sarah have a small mortgage, but it will be paid for in 6 years. They are currently paying $1,000 per month (or $12,000 per year) toward the mortgage.

In this scenario Joe and Sarah's simple Retirement Income Gap would look like this:

Income Goal	$75,000
Less Guaranteed Retirement Income	-$55,0000
Less Reduction in Future Income Need (mortgage)	-12,0000
Income Gap	$8,000

Using a popular “hybrid annuity” available in most states as of 1/1/2013 it would require an investment of $138,458 to guarantee an $8,000 income starting in 12 months for as long as Joe and Sarah live.

So long as they have ample money for cash reserves, money for the house payment (or payoff), and ample money for an inflation-hedging portfolio – an annuity just might be a good fit for them. If not, they should not be considering an annuity.

Please keep in mind this is an overly simplified version of how proper retirement income planning is done. In reality the budget should be more defined, risks such as Long Term Healthcare should be considered, and inflation should be factored into all assumptions.

This example does, however, help people see the general process that should be used to find an exact dollar amount that would be appropriate for annuities.

Not a dollar more than is truly needed to ensure a high quality, low stress retirement lifestyle.

Where to get Quality Annuity Advice

Where to get Quality Annuity Advice

Because annuities pay large commissions to their sellers you'll never find a shortage of those wanting to sell you one. Just because a lot of people want to sell them, however, does not mean all are good resources for investors.

Many annuity agents are very skilled salespeople. Most have spent considerable amounts of time and money learning how to gain client trust with advanced sales techniques.

Sadly, this does not help investors. Quite the opposite, really. Instead of becoming great at helping people, many agents have just become really great at selling people.

My opinion is most annuity (and financial, for that matter) advice is flawed. The costs are too high and all too often I witness first hand poor advice that hurts investors more than it helps them.

This book, and everything I do professionally, is designed to stop that. I want to change the status quo and start a high quality, low cost financial planning revolution.

Perhaps this could help you?

If you have questions and would like to talk to a retirement planning expert I have trained a team of quality, experienced advisors that would be happy to chat.

Phone calls are always free, 100% confidential, and there is never an annoying sales pitch. Just good, quality advice, to help point you in the right direction.

We help investors all over the country build a financial plan that helps you reach your goals, protect your assets, and do so in the lowest risk, lowest cost manner possible.

We can also help you stress-test your current financial plan to ensure an annuity makes sense given what you have read in this report.

We firmly believe that the financial industry has gotten too expensive, too complicated, and too out of touch with actually helping people reach their goals. We launched AnnuityGator.com to provide objective unbiased reviews of the most popular annuities being sold today.

Do you still have some questions on whether an annuity is even right for you? Or would you like your annuity thoroughly tested using our proprietary software to see if our numbers match up with your agent's, we'd be happy to help.

Click the link below, and we would be happy to point you in the right direction.

Get Your Financial Plan Objectively Reviewed & Stress-Tested And Have Your Annuity Tested Against Numerous Others

Closing

Closing

I sincerely hope this book was enjoyable and educational for you and I would love your feedback. If you have suggestions for improvement, or words of encouragement, please reach out to me at jwenk@retirementwealthadvisors.com.

Annuities were once simple, easy to understand investments. Today they are complex, confusing, and dangerous when used incorrectly.

By reading this book you are now armed with knowledge that will help make you a better investor. If you know anyone else you might benefit, feel free to send them a copy. Or better yet, just have them go to my website at www.AnnuityGator.com to request their own.

It is my wish that you do the best you can with the resources you have.

Never assume there is only one correct way to do anything, including investing.

Continue to educate yourself, and surround yourself with those who care about your well being more than their own (especially those who espouse financial advice).

About the Author

Jason Wenk

Jason Wenk is a popular financial author, blogger, award winning Financial Adviser, and self-proclaimed math geek.

In 1999 (at age 19) he was hired as the youngest employee of more than 50,000 worldwide by Morgan Stanley. In 2002 he founded Retirement Wealth Advisors, Inc, a SEC Registered Investment Adviser specializing in low cost, high quality financial advice for retirees.

Resources

http://en.wikipedia.org/wiki/Annuity

http://en.wikipedia.org/wiki/Annuity_(US_financial_products)

http://www.investopedia.com/terms/a/annuity.asp

http://www.sec.gov/answers/annuity.htm

http://www.sec.gov/investor/pubs/varannty.htm

http://www.annuitygator.com

Endorsements

This E-book has just recently been released and we'd love to hear your feedback. If you liked the information and would like to contribute an endorsement, please email your thoughts to:

jwenk@retirementwealthadvisors.com

Many thanks,

Jason Wenk