



Immediate Fixed Income Annuities

Creating an immediate income stream that's guaranteed for life.



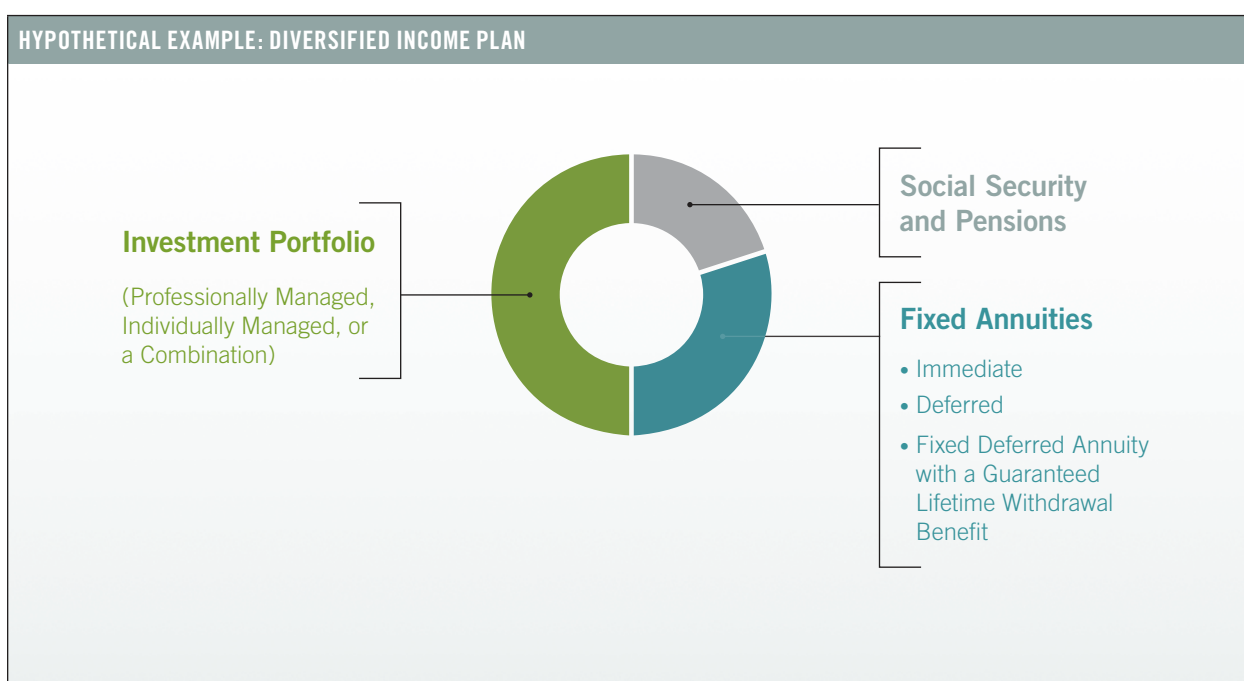
Fixed annuities available at Fidelity are issued by third-party insurance companies, which are not affiliated with any Fidelity Investments company. These products are distributed by Fidelity Insurance Agency, Inc., and, for certain products, Fidelity Brokerage Services, Member NYSE, SIPC. A contract's financial guarantees are solely the responsibility of and are subject to the claims-paying ability of the issuing insurance company.

The Challenge:

How do you fund your lifestyle in retirement?

Traditionally, retirees have relied on pension plans and Social Security for retirement income. Today, however, you may find the need to be increasingly responsible for creating retirement income from your own personal savings.

We believe every investor should have a plan that uses multiple sources of income to help fund his or her personal version of retirement. Complementary income sources can work together to help reduce the effects of some important key risks, such as inflation, longevity, and market volatility.



This is a sample hypothetical diversified income plan. The products and allocations appropriate for any given individual will vary.



- What are some of the strategies you're considering to generate cash flow in retirement?
- What sources are you relying on for guaranteed income in retirement?

One Solution:

Lifetime income from Immediate Fixed Income Annuities

As part of a diversified income plan, immediate fixed income annuities can provide you, or you and your spouse, with guaranteed income for the rest of your life or a set period of time.

Immediate fixed income annuities offer:

Lifetime Income

Avoid outliving your assets by ensuring that you will receive a guaranteed stream of income for life, beginning within 12 months from your investment date. One consideration to keep in mind is that immediate income annuity contracts have limited or no access to assets.

Personalization

When you invest in an immediate fixed income annuity, you may choose to receive guaranteed income for a set period of time or for your lifetime (or for the lives of you and another person for joint accounts). In addition, you can choose to purchase optional features that include protection for your beneficiaries, or add an annual payment increase feature¹ to help your payment keep pace with inflation.

Stability

Making sure you have predictable income payments that will cover your essential expenses in retirement is an important part of a diversified income plan. Immediate fixed income annuities provide you with the security of steady payments, regardless of market fluctuations and downturns.

Simplicity

Immediate fixed income annuities available through The Fidelity Insurance Network[®] are easy to understand and incorporate into your diversified income plan.

Guarantees are subject to the claims-paying ability of the issuing insurance company.

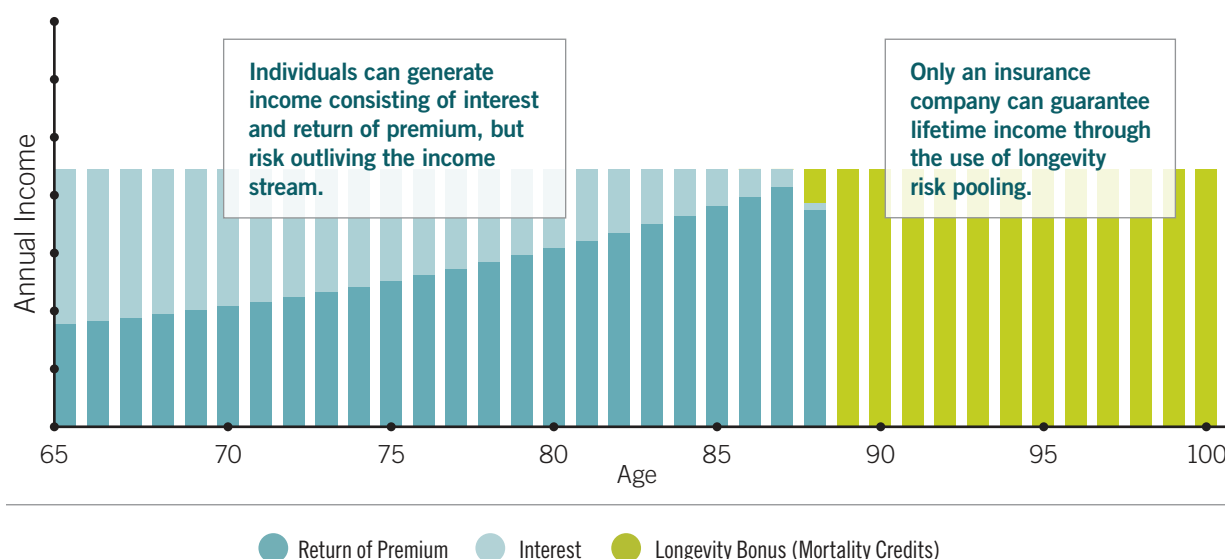
¹Provides an increase in the amount of income paid each year to help offset the impact of inflation on your income amount. A contract with an annual payment increase will provide lower initial income payments than an otherwise identical contract without an annual payment increase.

How It Works:

The value of lifetime income

In exchange for a lump-sum investment, immediate fixed income annuities provide guaranteed lifetime income starting immediately, with a predictable, steady income stream. What separates annuities from other investment options is the benefit of longevity risk pooling (or mortality credits). Effectively, assets from annuitants with shorter life spans remain in “the mortality pool” to support the payouts collected by those annuitants with longer life spans. Put simply, the longer you live, the more money you will receive. This is why it is so challenging for any individual investor to replicate this income stream to last a lifetime.

HYPOTHETICAL EXAMPLE: IMMEDIATE FIXED INCOME ANNUITY



This hypothetical example is for illustrative purposes only. It is not intended to predict or project income payments. Your actual income payments may be higher or lower than those shown here.

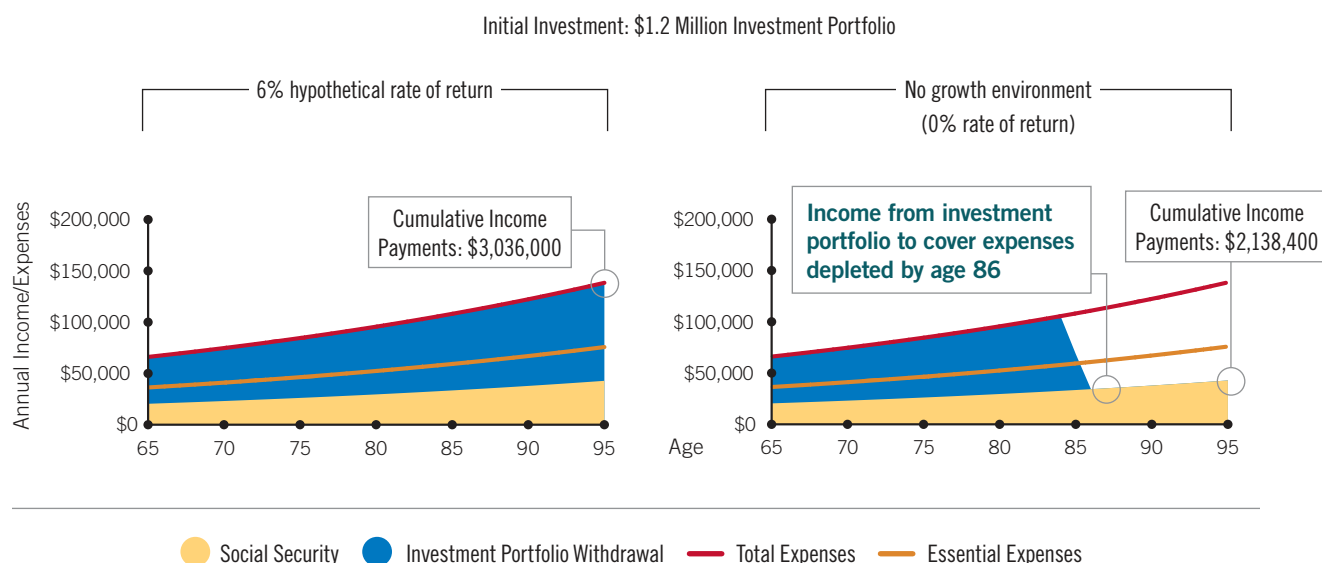
This hypothetical example assumes an investment by a 65-year-old male in a single-life immediate fixed income annuity with a 10-year guarantee period. Taxes are not reflected in this example.

How does an Immediate Fixed Income Annuity fit into a diversified income plan?

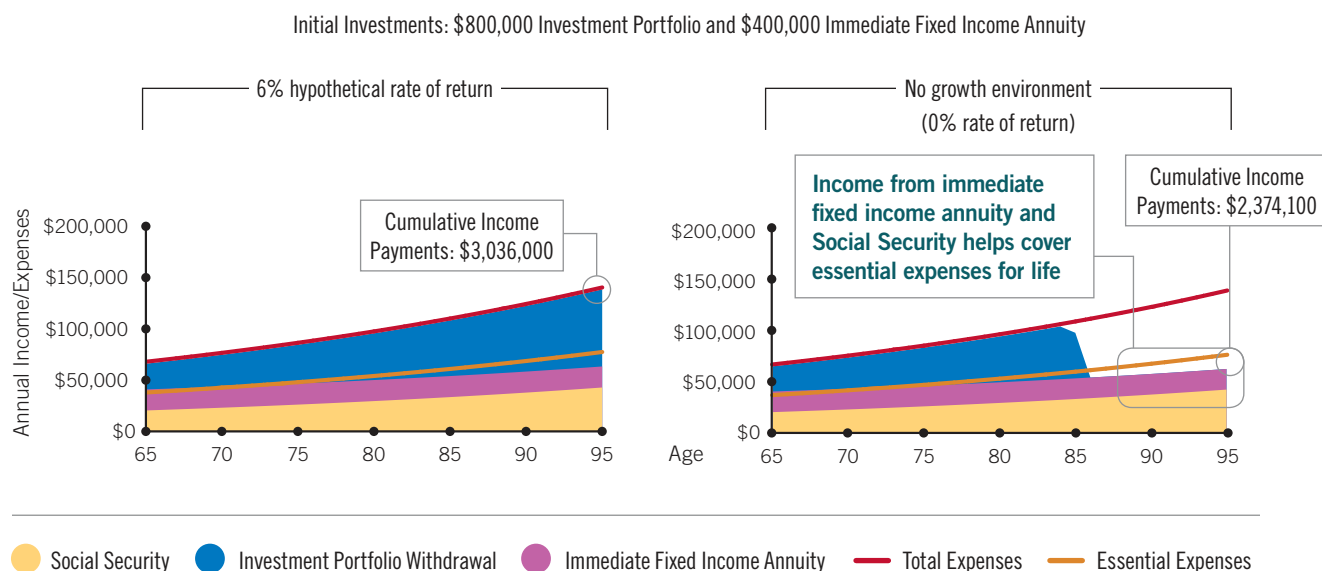
If you are close to or currently in retirement, having an immediate stream of income to help cover essential expenses is important. Adding a predictable stream of income payments from an immediate fixed income annuity—in conjunction with a systematic withdrawal plan, which provides non-guaranteed income—can help you meet your income needs and allow you to live in retirement the way you want. The next page shows a hypothetical example of a retired 65-year-old man who is looking to help meet his essential expenses with guaranteed income throughout retirement, regardless of market conditions. He has \$1.2 million in available assets and will be collecting guaranteed payments from Social Security.

Sources of income: Helping to meet essential needs in retirement

HYPOTHETICAL EXAMPLE: INVESTMENT PORTFOLIO + SOCIAL SECURITY



HYPOTHETICAL EXAMPLE: INVESTMENT PORTFOLIO + IMMEDIATE FIXED INCOME ANNUITY + SOCIAL SECURITY



These hypothetical examples are for illustrative purposes only. They are not intended to predict or project investment results. Your actual results may be higher or lower than those shown here.

Two retirement income strategies are presented above. In each case, the investor is receiving Social Security payments and has \$1,200,000 to invest to generate the additional income he will need to meet his total expenses, including taxes, in a given year. One strategy invests the entire \$1,200,000 in an investment portfolio utilizing a systematic withdrawal program (SWP). The other strategy divides the \$1,200,000 as follows: \$800,000 in an investment portfolio utilizing a SWP and \$400,000 in a single-life immediate fixed income annuity with a cash refund feature. The SWP amounts illustrated for each strategy: (i) are the amounts required and available in the investment portfolio to fully fund total expenses for the given year after accounting for Social Security and fixed income annuity payments and (ii) assume a constant 6% and 0% (no growth) hypothetical rate of return for the investment portfolio. Under a 6% return assumption, the investment portfolio balance for the SWP-only strategy would exceed that of the SWP and Immediate Fixed Income Annuity strategy. The Social Security and immediate fixed income annuity payments do not change based on the market conditions since they are guaranteed. Essential and total expenses and Social Security payments are assumed to increase at 2.5% annually. An effective tax rate of 15% is assumed. Fund fees and other expenses are not reflected for the investment portfolio. See last page for additional information.

Quick Facts and Features

Lifetime income options	<p>Predictable, guaranteed lifetime income</p> <ul style="list-style-type: none"> You (or you and your spouse) will receive income payments guaranteed to last a lifetime in return for a lump-sum investment. To receive these lifetime income payments, however, you will have limited or no access to your assets.
Features to help address your unique retirement needs	<p>Beneficiary Protection:</p> <p>You may customize your annuity contract with additional beneficiary protection. You may select one of the following:</p> <ul style="list-style-type: none"> A cash refund, which refunds your lump-sum investment minus any payments to your beneficiaries upon death A guaranteed period (5 to 30 years), which, upon your death, continues payments to your beneficiaries for the time you selected <p>Annual increase option:</p> <ul style="list-style-type: none"> This optional feature enables you to increase your payment by a percentage you choose, typically 1% to 5%, to help keep pace with inflation
Flexibility	<ul style="list-style-type: none"> Payments beginning within 12 months from the date you open your account
How to fund your annuity	<ul style="list-style-type: none"> Tax-free transfer from a qualified 401(k) plan, IRA, or other employer-sponsored plan Use money from your current savings, bonus, or inheritance Exchange an existing annuity to Fidelity tax free with a 1035 exchange² \$10,000 minimum investment amount

Guarantees are subject to the claims-paying ability of the issuing insurance company.

² A 1035 exchange is a provision in the tax code that allows for the transfer of funds between annuity policies tax-free. Before exchanging, check with your current provider to see if it will assess a surrender charge, and also consider the existing benefits and features you may lose in an exchange, which may be of particular importance in poor market conditions.

The Fidelity Insurance Network^{®3}

Selecting an annuity just got easier.

Choosing an annuity can be a complex and time-consuming process. Income payments can vary widely depending on the features you've chosen, and there are many different options available. So it can be challenging to get the right mix for your situation.

With The Fidelity Insurance Network, you have access to a network of reputable insurance providers all in one place. We've streamlined and simplified the process of comparing income payments and selecting the products, the company, and the features. We'll help you decide which type of annuity could help you meet your retirement goals.

With The Fidelity Insurance Network[®], you will receive:

Access	Choice	Guidance
<ul style="list-style-type: none">• Easy access to a variety of reputable companies• Fixed income annuities, commonly known as single premium income annuities (SPIAs)• Fixed deferred annuities, commonly known as single premium deferred annuities (SPDAs)• Deferred income annuities (DIAs)	<ul style="list-style-type: none">• Broad choice of products that can be tailored to meet your needs• Selection of competitive products, all in one place• Ability to directly compare annuity choices	<ul style="list-style-type: none">• Planning-based approach• Access to the tools and resources needed to help you make an informed decision• Support from a Fidelity financial professional who can help you address your retirement needs

Take the next step today



Call us at 800.544.2442.

We're available Monday through Friday, from 8 a.m. to 8 p.m. Eastern time.



Visit [Fidelity.com/immediateincome](https://www.fidelity.com/immediateincome) 24 hours a day for more information.

³ Fixed annuities available at Fidelity are issued by third-party insurance companies, which are not affiliated with any Fidelity Investments company. These products are distributed by Fidelity Insurance Agency, Inc., and, for certain products, Fidelity Brokerage Services, Member NYSE, SIPC. A contract's financial guarantees are solely the responsibility of and are subject to the claims-paying ability of the issuing insurance company.

Go to Fidelity.com/immediateincome to:

- View informative videos
- Explore our interactive tools
- Learn more about your investment options



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This information is intended to be educational and is not tailored to the investment needs of any specific investor.

Sources of Income: Helping to Meet Essential Needs in Retirement

Immediate fixed income annuity:

In order to arrive at the estimate, the best quote available as of June 11, 2019, was used from among the single-life immediate fixed income annuities with a cash refund feature, which are distributed by Fidelity Insurance Agency, Inc.; and are issued by third-party insurance companies, which are not affiliated with any Fidelity Investments company. Rates may change daily. A cash refund is a feature that can be purchased with certain fixed income annuity contracts. A contract with a cash refund provides income payments during the lifetime of the annuitant. Upon the annuitant's death, the beneficiaries receive the difference between the premium and the total payments made while the annuitant was living. Once the total payments made during the lifetime of the annuitant equal the premium, no death benefit is payable.

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