

ANNUITY QUESTIONS WORKSHEET

A worksheet of questions to help you better understand if an annuity is right for you.



QUESTIONS TO ASK WHEN CONSIDERING AN ANNUITY

The Alliance for Lifetime Income is committed to ensuring that every American who considers an annuity has access to simple, fact-based educational information and resources to understand how annuities work, how they fit within their specific needs, and what questions to ask before purchasing an annuity as part of their retirement plan.

The Alliance has developed the following questions in consultation with leading personal finance, academic and retirement industry experts to ensure that consumers are fully informed and have the relevant information when deciding whether or not to buy an annuity. The worksheet is meant as a practical guide for use when talking with a financial professional.

QUESTIONS AND WORKSHEET

1. What role can protected lifetime income from an annuity play in my retirement portfolio? What can it do that other investments cannot?
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2. What types of annuities are there? What guarantees do they provide?
Which one best meets my needs, investment objectives and risk tolerance?

3. What are the specific costs or expenses for this annuity?

4. What are the specific benefits of this annuity? How can my money grow?

5. Are there add-on benefits to customize this annuity to my specific needs? If so, what do they cost?

6. What are the associated risks if I purchase this annuity? Can I lose money?

7. How long will my money be invested? How can I assess the financial strength of the insurance company?

8. How and when can I obtain my income? What happens if I need to withdraw some or all my money earlier than expected?

9. What other restrictions should I be aware of before I consider purchasing this annuity?

10. How am I taxed on any withdrawals or income taken? How is that different from other investments or financial products?

11. If I purchase this annuity, how do you or your firm get paid and how much?
