

Assurity®

Encore Single-Premium Deferred Annuity



What's in your best interest?

As retirement nears, you will have to decide how to best manage your assets, whether they are from a 401(k), 403(b), Individual Retirement Account (IRA), Simplified Employee Pension (SEP), the sale of your home or business, or an inheritance. Planning is important since you don't want to underestimate your lifespan or the money you will need to cover all of your expenses.

If you want to convert your assets into an income stream that you can't outlive, Assurity's Encore Annuity may be your best option. A single-premium deferred fixed annuity contract, the Encore plan is a great way to accumulate money for retirement since your principal and interest grow tax-deferred until distribution.

An Encore Annuity provides many advantages

- Up to 12 percent yearly may be withdrawn without surrender charges
- No front-end maintenance or handling fees
- \$2,000 minimum initial contribution
- Supplemental contributions may be added to increase the value of your annuity during the first 12 months.*
- Federal and state income taxes on the interest income are deferred until you begin withdrawals from your annuity.
- Issue ages through age 85
- The cost, delay and publicity of probate for your heirs may be avoided for annuity values.
- Interest rate guarantee of 1 percent (for policies issued in 2020)
- During the first two years you own your Encore Annuity, you may (or may not) earn an interest rate bonus, not to exceed 1.5 percent, in addition to the base interest rate. Any bonus interest paid would provide you with faster annuity growth.

If you choose to diversify your retirement assets, establishing an annuity to help pay your daily living expenses – housing, food, utilities, transportation, health insurance, co-pays and prescriptions – may be a good choice. You can feel secure in knowing your most basic needs may be met.

* Interest rates for supplemental contributions are calculated at the current annuity interest rate at the time of each supplemental deposit.



It is estimated that a 65-year-old couple who retired in 2018, living to the average life expectancy, could need as much as \$393,946 to cover health insurance premiums and out-of-pocket health expenses during retirement.**

Purchase options

The **Encore Annuity** is available as a **qualified or non-qualified plan**.¹

An Encore **Qualified** Annuity is purchased with transfers from an IRA, 401(k), 403(b), SEP, etc., or with current pre-tax income.

- Funds deposited may be tax deductible at purchase.
- Taxes are assessed on the principal and interest earned as they are paid out.
- Distributions may be taken beginning at age 59½. For distributions prior to age 59½, tax penalties may apply.
- Distributions must begin the year you turn age 70½.

An Encore **Non-Qualified** Annuity is purchased with after-tax dollars – personal savings, bank CDs, money from the sale of a home or business, an inheritance or insurance benefit.

- Funds deposited are not tax deductible at purchase.
- Taxes are assessed on only the interest (not the principal) at distribution.

Pay-out options (after maturity)

- **Life income** – payments as long as you live. Payments stop with your death. There is no residual cash value in the annuity after your death, and your beneficiaries receive no funds.
- **Fixed period** – equal payments for a fixed number of years (not to exceed 30 years). These payments may be increased by additional interest accrued.
- **Life income with guaranteed period** – payments for your life. If you die before the end of the guaranteed period, your beneficiary may choose to receive the balance of the annuity payments or a lump sum.
- **Additional pay-out options may also be available.**

Retirement options - a comparison

Compare these features ²	Encore	Money Market	Certificate of Deposit
Principal deposit guaranteed (100 percent)	Yes	No	Yes
Interest earned on principal is compounded and tax-deferred until withdrawal	Yes	No	No
Can make additional contributions during specific time period	Yes	Yes	No
Remove funds without penalty in case of disability, nursing home confinement or death	Yes	Yes	Only if owner dies
Estate probate avoided for heirs	Yes	No	If established as payable on death
Guaranteed interest for length of contract	Yes	No	Yes
Bonus interest for first two contract years ³	Maybe	No	No
May withdraw 12 percent annually without penalty	Yes	Yes	No

** Source: Estimate based on a hypothetical couple retiring in 2019, 65-years-old, with life expectancies that align with Society of Actuaries' RP-2014 Healthy Annuitant rates with Mortality Improvements Scale MP-2016.

Withdrawal options

In your retirement, what if you want to take a cruise or buy something fun? You may withdraw, free of surrender charges, up to 12 percent of your account balance in each 12-month period.

No surrender charges for withdrawals (before maturity):

Your entire account balance is available to you without surrender charges –

- In the ninth and subsequent policy years
- If you become totally disabled prior to age 65
- After 30 days of consecutive nursing home confinement
- Upon your death (except when contract is jointly owned)

Surrender charges for withdrawals

Contract Year	Surrender Charge
1	9 percent
2	8 percent
3	7 percent
4	6 percent
5	5 percent
6	4 percent
7	3 percent
8	2 percent
9+	No charge

Current interest rates are determined by Assurity. The Encore Annuity may (or may not) credit extra bonus interest, not to exceed 1.5 percent, on the initial premium, which, if paid, is guaranteed in the first two contract years. Renewal base rates will be declared by Assurity and are effective on each annuity contract anniversary following the initial guarantee period. Rates for supplemental contributions are calculated at the current annuity interest rate from the date of deposit. For current rate information, please contact your agent and ask to see a current illustration. This annuity may contain reductions of benefits, limitations and exclusions. For costs and complete details of the coverage, please contact your agent or Assurity to review the contract for more information.

Helping people through difficult times

As a mutual organization, Assurity was founded on the simple concept of people coming together to support each other in moments of need. We continue our mission of helping people through difficult times by providing affordable insurance protection that is easy to understand and buy. Our financial stability has stood the test of time. It shows our commitment to be there when our customers need us. Owned by our policyholders, we conduct our business to serve only their best interests. Whether paying benefits, offering service with a human touch, giving back to our community, or practicing sustainable habits that provide for our planet, we embrace our capacity to improve lives. We all share in the future we create, and Assurity believes in using our business as a force for good.

Certified



Customer Service

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Find out more

assurity.com

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2. Features may vary by state.
3. This bonus interest, if paid, is dependent on the current economic environment.

NOT AVAILABLE IN NEW YORK.

Annuity Form Nos. I A1931 (Qualified); I A1930 (Non-Qualified) underwritten by Assurity Life Insurance Company of Lincoln, NE.

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