

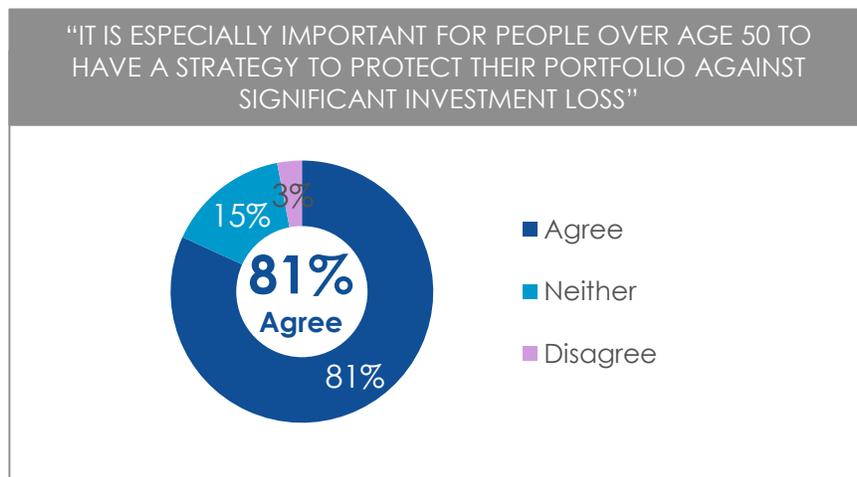
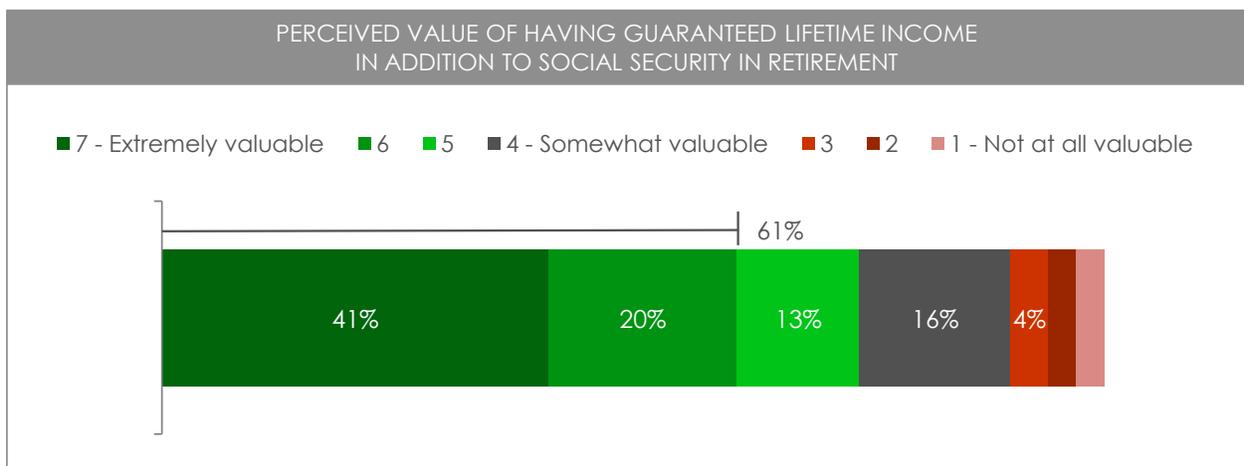
THE 3rd ANNUAL GUARANTEED LIFETIME INCOME STUDY (GLIS)

Press Release Fact Sheet

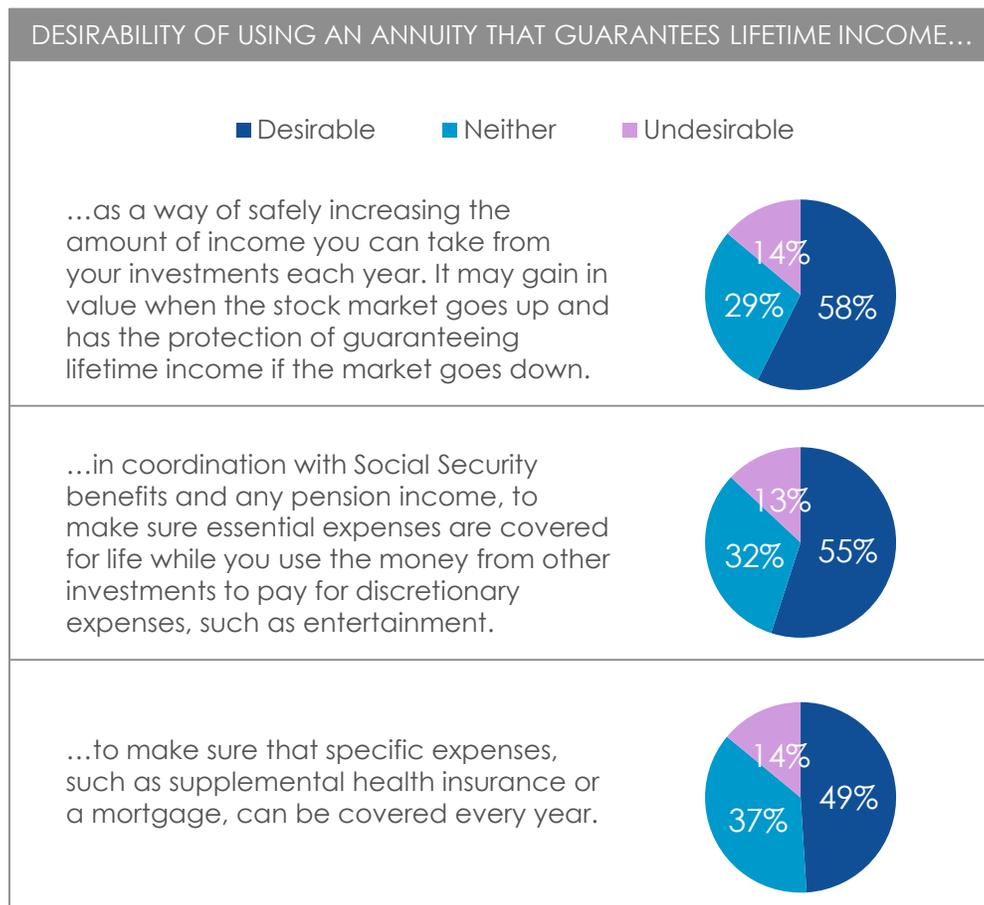
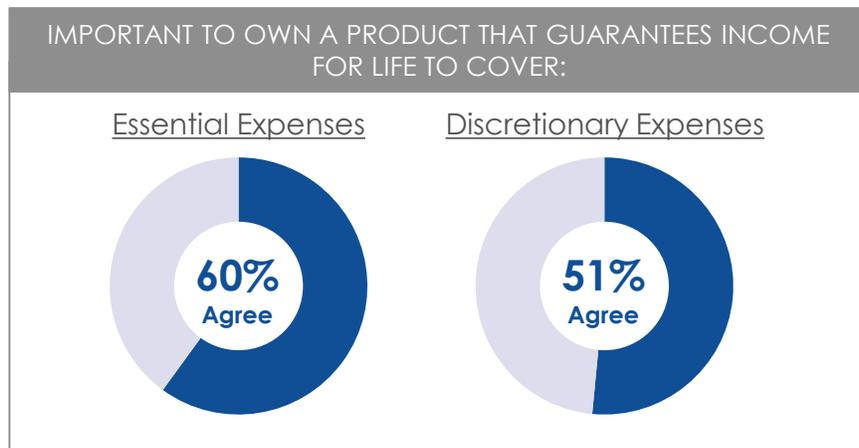
Guaranteed Lifetime Income is Highly Valued

According to the 3rd Annual *Guaranteed Lifetime Income Study*, 61% of consumers age 55-75 see high value in having guaranteed lifetime income to supplement Social Security in retirement. In fact, a similar share – six in 10 – believe financial advisors have a responsibility to present products that offer this benefit to their clients as part of a retirement income strategy.

A significant part of the appeal appears to stem from a strong desire to be protected against investment loss: eight in 10 agree that it is especially important for those over age 50 to have a strategy in place to protect their portfolio.



Consumers are especially interested in having this financial protection in place to guarantee that they can cover essential expenses in retirement: six in 10 say it is important to own a product that helps on this front; half see it as important for covering discretionary expenses. This difference makes sense considering that retirees have much more control over their discretionary spending. A majority of consumers also see these products as desirable when they are presented as part of an understandable strategy for managing retirement income.

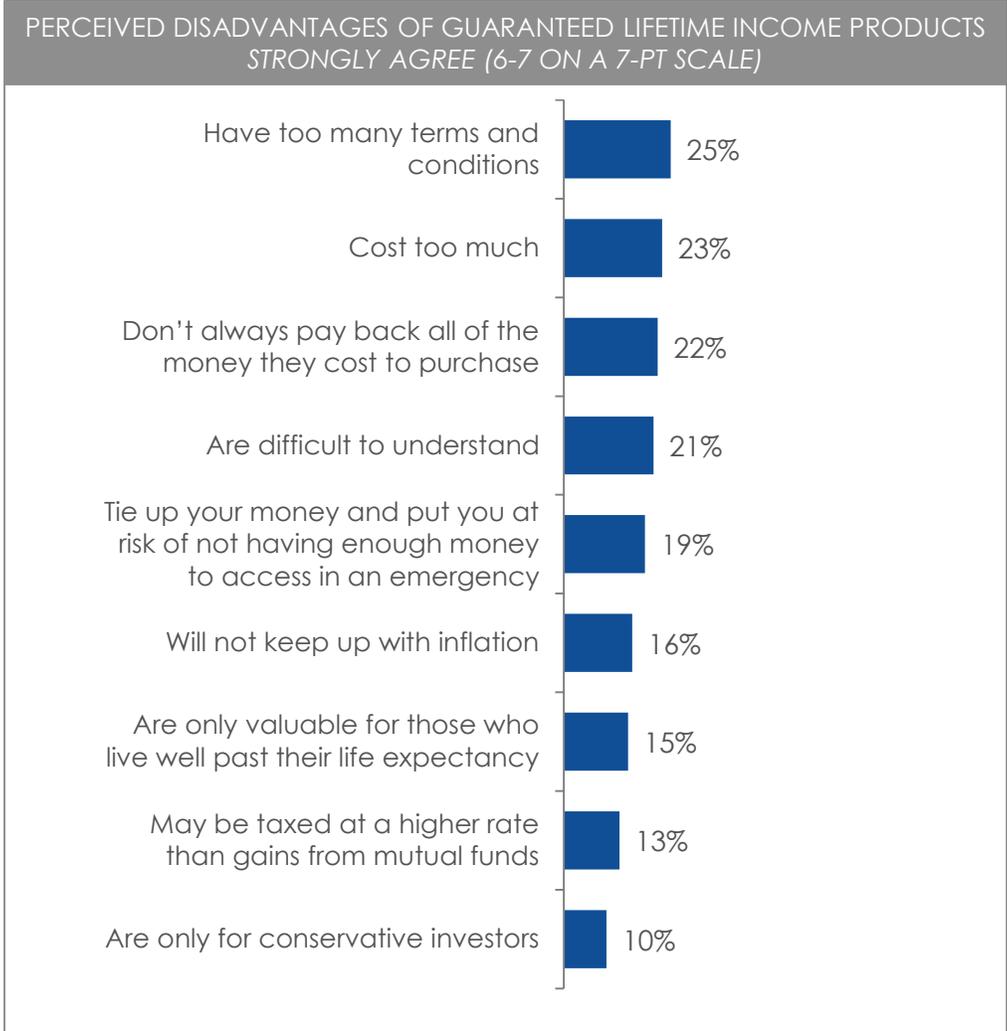


Perceived Advantages and Disadvantages

As mentioned, the financial protection that guaranteed lifetime income products offer is its most salient and valued characteristic. Consumers also see these products as offering peace of mind and making it easier to manage a budget in retirement. In addition, when asked why they made the purchase, those who own guaranteed lifetime income products most often cite the importance of having the guarantee as well as the security and dependability they offer. Few consumers consider how these products might offer additional benefits to a portfolio, such as helping to diversify and allowing one to take more risk with other assets.



In terms of perceived disadvantages, the complexity and cost of the products rise to the top of the list. That said, only a quarter strongly agree with these disadvantages (and only a third strongly agree with the top advantages), indicating that familiarity may be more of an issue than specifics about the products.



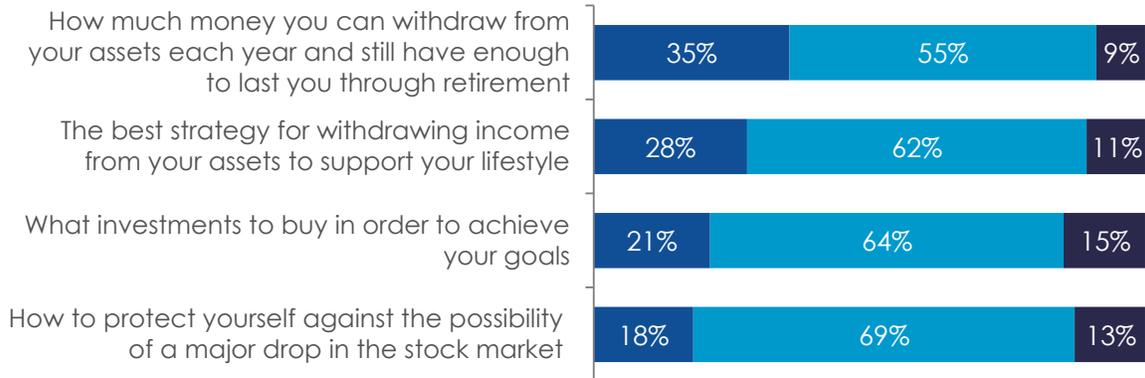
Familiarity and Knowledge

Despite a clear desire among older consumers to have a strategy to protect against running out of money in retirement or the possibility of significant investment loss, less than a quarter of consumers surveyed feel highly knowledgeable about what investments to buy in order to achieve their goals and only 18% are confident in how to actually protect themselves against loss.

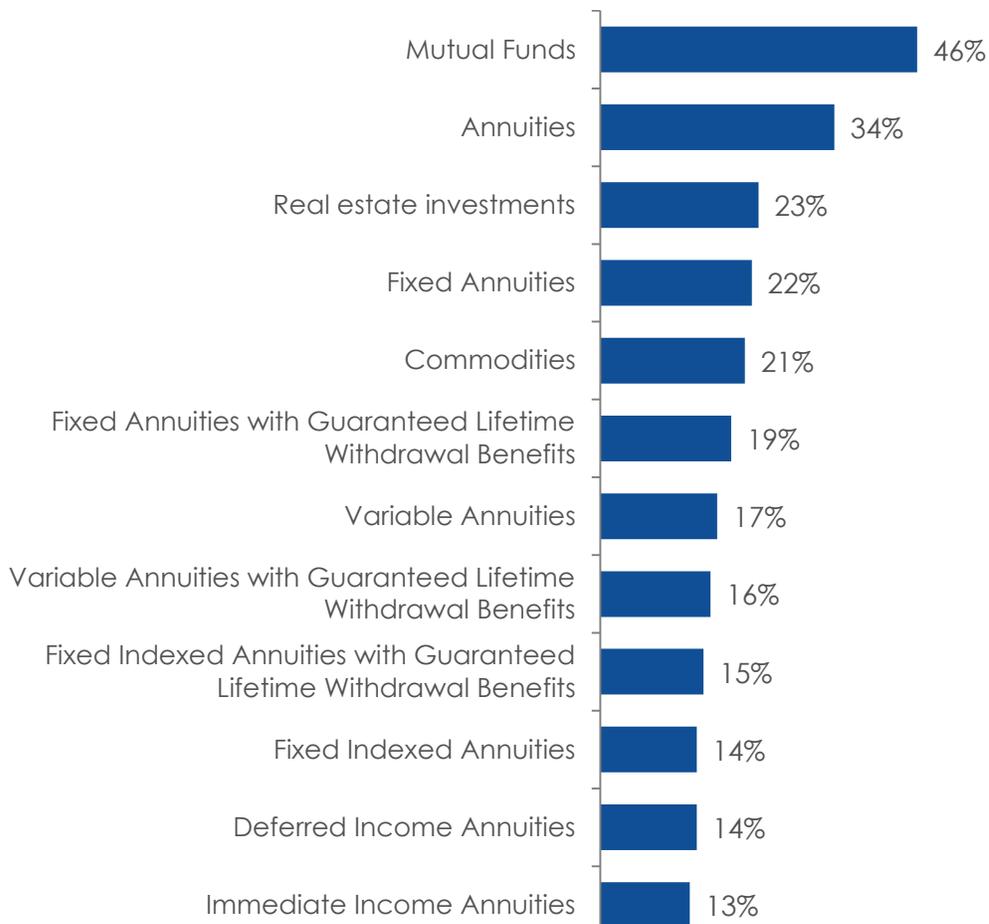
Similarly, the study found that despite a high level of consumer interest, very few people own financial products that provide guaranteed lifetime income. Even familiarity with these financial products is low: only a third of consumers are highly familiar with annuities in general, and even fewer are familiar with annuity products that guarantee income for life. Even among those who own an annuity, only about half (53%) say they have high familiarity with annuity products in general.

INVESTMENT KNOWLEDGE (7-PT SCALE)

■ High knowledge (6 to 7) ■ Some knowledge (3 to 5) ■ Low knowledge (1 to 2)



FAMILIARITY WITH FINANCIAL PRODUCTS HIGHLY FAMILIAR (6-7 ON A 7-PT SCALE)



Consumers Desire Advice on Retirement Income Strategies

It is this lack of confidence that leads many to want more advice on strategies from their financial advisors: nine in 10 say that advisors should present multiple retirement income strategies and help each client decide what which strategy fits their needs. As mentioned, 61% of consumers actually believe financial advisors have a responsibility to present products that offer this benefit to their clients.

This desire for advice does not appear to be met, however. Currently, a third of those working with an advisor have never discussed these strategies, while only about three in 10 have discussed guaranteed lifetime income products as part of a strategy.

