Considering a fixed annuity? Let’s talk about it.
You have annuity questions. We have answers.

If you’re planning ahead for retirement, you may want to consider adding a fixed annuity to your income planning strategy. These low-risk, long-term investments can help boost your retirement savings while providing guaranteed income for life when annuitized.

➤ Is a fixed annuity right for you? We can help you answer that. Let’s get started with questions to ask when considering an annuity.
What is a fixed annuity?

A fixed annuity is a long-term contract between you and an insurance company that can provide guaranteed growth and income for life when annuitized.

➤ **How it works.** You build up your annuity during your earning years, and in return, you receive guaranteed income payments for the rest of your life. Over time, the money you invest grows tax-deferred until you withdraw those funds or start receiving payments from your annuity.

➤ **How many ways can you use an annuity?** You can use an annuity to help solve a specific goal or need, such as:

- Having guaranteed income in retirement to help protect you from outliving your savings
- Closing gaps between current income sources and essential living expenses, reducing the risk in your retirement portfolio
- Caring for future financial needs of loved ones
- Helping pay for retirement, medical and long-term care costs
- Leaving a legacy and optimizing wealth

When is the best time to buy an annuity?

**If you are:**

- Planning for retirement and want to save for the future without market risk
- Nearing retirement and want to identify income and resources for non-working years
- About to retire or already retired and want a steady, guaranteed investment return or income for life
- Considering more conservative investment choices
What types of fixed annuities are there?

There are two basic types of fixed annuities: deferred and immediate.

**Deferred annuity**
You purchase it now and earn tax-deferred growth interest over time that can help you build retirement faster. We offer two types: an Extended Guarantee Annuity that lets you make a one-time, lump-sum contribution and a Flexible Retirement Annuity that lets you make contributions as often as you like.

**Immediate income annuity**
You purchase it now and start receiving payments within the first year. Your payments can be guaranteed for as long as you choose — even for life.

Both types can be used to supplement your retirement income. Deferred annuities can also be converted to immediate annuities at any time after the first year.

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**TIP:** How much of your retirement portfolio should you put into an annuity? Our advice: Each member’s situation is unique. Contact one of our financial advisors to review USAA’s approach to retirement income planning.
Deferred Annuity

Initial contribution

Grows tax-deferred over time

Access to Account Value to use for retirement

Immediate Annuity

From a 401(k), inheritance, real estate sale, etc.

A fixed, monthly income for as long as you choose — even for life.

Turn savings into retirement income.
Benefits and considerations.

**Benefits**

- The biggest benefits of investing in a fixed annuity are the guarantees: a guaranteed rate of return, guaranteed lifetime income and guaranteed death benefit.
- Returns on fixed annuities are guaranteed regardless of market performance.
- Annuities can be a great way to supplement your retirement income with tax-deferred savings growth.
- You decide how long you want to invest your funds and when you want to receive income payments; we make sure you have the money ready when you need it.

**Considerations**

- Some annuities can be complicated and can include annual and early withdrawal fees.
- Similar to an Individual Retirement Account (IRA), annuities are not intended to be withdrawn before the age of 59½, except for financial emergencies.

Our annuities.

USAA Life Insurance Company offers fixed annuities. Fixed annuities turn your tax-deferred savings into guaranteed future income to help keep your retirement secure.

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1 The Financial Emergency Liquidity Rider for GRIP for Tradtional IRA, Roth and Qualified plans is included, in approved states, if you are less than 71 years of age on the effective date. Financial emergencies include funeral expenses for direct family; payments to avoid foreclosure or eviction from your primary residence, large unpaid bills; including medical bills which are not covered by insurance, Medicare or Medicaid. “Large” is the amount of income you receive from GRIP over a full year or more. Financial Emergency Liquidity Rider: Form number AS94834ST 10-11. 2 The fixed annuity guarantee against principal loss depends on the claims-paying ability of the insurance company.
A Flexible Retirement Annuity (FRA) is a deferred annuity that allows you to make contributions over time and provides a bonus on money you put into it during the first 12 months.

An Extended Guarantee Annuity (EGA) is a deferred annuity where you invest a lump sum and your investment earns a competitive, fixed interest rate for a specified period of time.

Single Premium Immediate Annuity (SPIA) provides an income stream and lets you choose from a variety of income plans for a specified period of time or for your lifetime.

### Compare your choices:

<table>
<thead>
<tr>
<th>Type of fixed annuity</th>
<th>Minimum amount to open</th>
<th>Contribution frequency</th>
<th>Interest rate</th>
<th>Emergency withdrawal</th>
<th>Guarantee growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>FRA</td>
<td>$5,000</td>
<td>Unlimited</td>
<td>May change monthly&lt;sup&gt;3&lt;/sup&gt;</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>EGA 10</td>
<td>$20,000</td>
<td>Single</td>
<td>Locked in for 10 years&lt;sup&gt;4&lt;/sup&gt;</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>EGA 5</td>
<td>$50,000</td>
<td>Single</td>
<td>Locked in for 5 years&lt;sup&gt;4&lt;/sup&gt;</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>SPIA</td>
<td>Lump sum</td>
<td>Single</td>
<td>Varies by income plan&lt;sup&gt;5&lt;/sup&gt;</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

<sup>1</sup> Premium bonus offer is limited to the purchase of a new USAA Flexible Retirement Annuity only. Premium bonus amount will never be less than 1% of your first-year premiums. Bonus match percentage is fixed and will not change after the contract is issued. Not available in New York. <sup>2</sup> EGA earns interest at the rate in effect at the time of purchase. Rate guaranteed for the period selected. Afterward, interest rates may change monthly, but not below the minimum guaranteed interest rate. <sup>3</sup> FRA interest rates may change monthly. Interest credited to existing contracts depends on when premiums are received and the amount of premiums paid. <sup>4</sup> Interest rate lock periods are subject to change without notice. <sup>5</sup> Availability is based on state, contract and age. Financial Emergency Liquidity Rider: Form number ASI94834ST 10-11.
Why choose us?

Buying an annuity requires faith that the company you choose will be financially sound enough to pay benefits when you need them. So when choosing a company, financial strength and superior service should be important considerations.

When you call us, you get advice. You get straightforward guidance — even if it means an annuity isn’t right for you. It’s a practice that’s rooted in our military values of service, loyalty, honesty and integrity.
USAA Life Insurance Companies are financially strong.

USAA Life Insurance Companies have consistently earned top financial strength ratings from the major rating agencies:

- A.M. Best: A++ (Superior — first in 16 categories)
- Moody’s Investors Service: Aa1 (Excellent — second in 21 categories)
- Standard & Poor's: AA+ (Very Strong — second in 21 categories)

Is an annuity right for you? A USAA Financial Advisor can help answer that.

➡️ Call 800-472-8722 for a personalized assessment today. Or learn more at usaa.com/annuities.
Annuitize
To convert the account value under a deferred annuity contract into a stream of income.

Beneficiary
Generally, the person(s) who receive(s) money upon the death of the annuity’s contract owner. The contract owner decides who the beneficiary will be.

Deferred Annuity
A type of personal investment account issued by an insurance company that provides tax-deferred growth for long-term goals, such as retirement. When you are ready to receive income payments, the deferred annuity provides many choices, including guaranteed income for life.

Fixed Annuity
A contract issued by an insurance company that can provide guaranteed tax-deferred growth and income for a specified time period, such as a number of years or for life. There are two types of fixed annuities: deferred annuities and immediate annuities.
Immediate Annuity
An annuity contract that you generally buy with a lump sum and from which you begin receiving income within a short period, always within 12 months. Payments must be no less frequent than annual. Often called an “income annuity.”

Income Choices
The different ways you can receive income payments from an annuity. Annuities offer a variety of choices to select from, including guaranteed income for a fixed time period or a lifetime.

Surrender Charges
Penalty fees for withdrawing money early.

Tax-Deferred
In a tax-deferred investment, such as an annuity, you don’t pay federal or state income taxes on the annuity’s earnings until you withdraw money.
A.M. Best: A++, Superior (highest of 16 possible ratings); Moody's Investors Service: Aa1, Excellent (second highest of 21 possible ratings); Standard & Poor’s: AA+, Very Strong (second highest of 21 possible ratings). Company ratings represent an opinion of financial strength and the company’s ability to meet ongoing obligations to policyholders.

Ratings apply to USAA Life Insurance Company and not to the products or services it provides.

Surrender charges may apply to withdrawals.

Guarantees apply to certain insurance and annuity products and are subject to product terms, exclusions and limitations, and the insurer's claims-paying ability and financial strength. Annuities are generally suitable for long-term investing, particularly retirement savings.

An annuity is a long-term insurance contract sold by an insurance company and designed to provide an income, usually after retirement, that cannot be outlived. There are fees, expenses and surrender charges that may apply.

Money not previously taxed is taxed as income when withdrawn. Withdrawals before age 59½ may be subject to a 10% federal tax penalty.

You may wish to seek independent legal or financial advice before selling or liquidating any assets and prior to the purchase of any life or annuity products.

Extended Guarantee Annuity: AEG37641ST 05-01 (varies by state); in NY, NEG38001NY 05-01. Flexible Retirement Annuity: ARA33846ST 03-99 (varies by state); in NY, NRA36171NY 05-00. Single Premium Immediate Annuity (SPIA): ASI94832ST 10-11; in NY, NSI97130NY 10-11, NSI94897NY 10-11 (SPIA form varies by state and by payout option). Call for details on specific costs, benefits, limitations and availability in your state. Financial planning services and financial advice provided by USAA Financial Planning Services Insurance Agency, Inc. (known as USAA Financial Insurance Agency in California, License # 0E36312), a registered investment advisor and insurance agency, and its wholly owned subsidiary, USAA Financial Advisors, Inc., a registered broker dealer.

Annuities provided by USAA Life Insurance Company, San Antonio, TX, and in New York by USAA Life Insurance Company of New York, Highland Falls, NY. All insurance products are subject to state availability, issue limitations, and contractual terms and conditions. Each company has sole financial responsibility for its own products.

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