

A guarantee period guarantees payment of your annuity from the time you retire for a set period, usually 5 or 10 years.

For example, if you choose a 10-year guarantee period and died 2 years after retiring, your annuity would continue to be paid out for another 8 years.

The income can be paid to anyone you wish, your partner or anyone else you choose.

Adding a guarantee period isn't expensive and some people add it to a joint annuity to provide extra income to their dependents should they die early in retirement.

In most cases, a guarantee period with a single annuity is not a suitable alternative to a joint annuity because it won't provide your dependent with an income for life.

However, it may be suitable alongside a single annuity if your dependent has a short life expectancy or if they don't qualify for a joint annuity.

But remember, payments stop at the end of the guarantee period and it won't pay out at all if you live beyond it.