



In Search of an Income You Cannot Outlive

If you are concerned about running out of money during retirement, you are in good company.

The majority of non-retired baby boomers (age 50–65) with financial assets of more than \$100,000 “are interested in creating guaranteed lifetime retirement income,”¹ according to research from the LIMRA Secure Retirement Institute. Seven in 10 retirees and pre-retirees added that having enough money to last their lifetime “is a top priority.” According to the Insured Retirement Institute (IRI), as boomers have moved into retirement, their confidence in how ready they are to tackle the challenges of retirement has steadily eroded since 2011.²

¹ Facts about Retirement Security: LIMRA Secure Retirement Institute http://www.limra.com/uploadedFiles/limra.com/LIMRA_Root/Posts/PR/_Media/PDFs/Informing-the-Debate.pdf

² Insurance Retirement Institute Boomer Expectations for Retirement 2017 Seventh Annual Update on the Retirement Preparedness of the Boomer Generation https://www.myirionline.org/docs/default-source/research/iri_boomers-expectations-for-retirement-2017.pdf

A Changing Retirement Landscape

For many pre-retirees, the market volatility of 2008-2009 underscored just how vulnerable their portfolios were to sudden declines.

However, solutions to the volatility challenge were not immediately apparent.

What worked for many retirees in the past—a gradual re-allocation from equity-based solutions to high-quality fixed-income instruments—may simply not work in the near future. With benchmark five-year CD yields below 1.00% as of late 2017,³ for example, investors must search further afield for reliable sources of future retirement income.

From the Mid 1980s, CD Rates Have Trended Down

For most retirement investors, lifetime income strategies should probably include more than simply yield considerations.



Source: Bankrate.com <http://www.bankrate.com/banking/cds/you-earned-how-much-a-brief-history-of-cd-rates/#slide=1>

**Needed: A Retirement Income Choice that's Flexible and Reliable
Enough to Protect Lifestyles—And Last a Lifetime**

Many retirees will be confronted with retirements that can last 20 to 30 years and even longer. Outside influences in the form of taxes, inflation and health emergencies can quickly diminish purchasing power, leaving an individual with less to spend in retirement. However, for those who are currently invested primarily in equities, bonds or mutual funds and are seeking additional ways to generate more dependable levels of income, fixed index annuities (FIAs) may have some advantages to offer.

³ Bankrate.com <http://www.bankrate.com/finance/cd-rates-history-0112.aspx>

For Your Future Retirement

Whether your objectives are to build a strategy for guaranteed income to last a lifetime, meet a special retirement objective or simply leave a legacy to those you love the most, take a closer look at FIAs.

These insurance-based products consist of an accumulation phase that begins upon purchase and a distribution phase that starts when you choose to receive income payments.

FIAs come in many shapes and sizes and offer a wide number of ways to help you grow and preserve your retirement assets before generating a guaranteed income stream with the potential to grow over time.

Choosing a Retirement Income for Life

When you're ready to start drawing on your savings in retirement, an FIA offers a variety of income options:

- You can make periodic withdrawals from your account as needed.
- You can choose to "annuitize" your contract, with guaranteed payments for life or for a specified period, for you and (if you purchase a joint contract) your spouse.
- Some FIAs also have optional benefits that guarantee a specified level of withdrawals for life—even if your account value goes to zero.

Guaranteed Income Important to Americans

MOST AMERICANS ARE CONCERNED ABOUT HAVING ENOUGH MONEY TO LAST THEIR LIFETIME AND REMAINING FINANCIALLY INDEPENDENT. THE INSTITUTE ESTIMATES THAT THERE WILL BE 82 MILLION RETIREES BY 2040; MANY WILL NEED TO GET MORE THAN 40% OF THEIR RETIREMENT INCOME FROM SAVINGS.

– LIMRA SECURE RETIREMENT INSTITUTE³

Paying a Guaranteed Minimum Interest Rate

For income that you can't outlive, the optional Guaranteed Minimum Lifetime Withdrawal Benefit can guarantee lifetime income payments for you and your spouse, even if your Account Value should go to zero.

Introduced in 1995 by the insurance industry, an FIA pays interest based on the performance of one or more market indexes. Many FIAs offer a number of interest-generating strategies that can help retirees adjust their asset blend periodically to keep up with cost-of-living adjustments and other events, including:

- **Fixed Account** Pays a guaranteed rate for a specified period of time
- **Domestic Equities** Linked to an index like the S&P 500®; for investors who want to participate in the performance of the broad U.S. market
- **International Equities** Linked to a global index; for investors who desire allocation across a broad array of global equity markets and selected industry sectors
- **"Momentum" Assets** Linked to multi-asset strategies that may allocate across equities, gold, interest rates and cash in an effort to outperform fixed-weight portfolios by dynamically allocating more to assets that show upward momentum

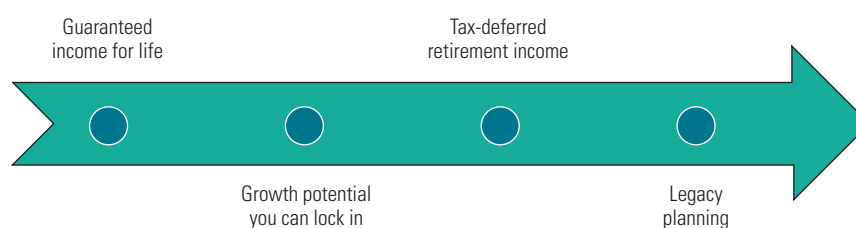
³ Facts about Retirement Security: LIMRA Secure Retirement Institute http://www.limra.com/uploadedFiles/limra.com/LIMRA_Root/Posts/PR/_Media/PDFs/Informing-the-Debate.pdf

FIA as a Part of a Diversified Portfolio

As popular as they are today, FIAs trace their origins back to the annuities introduced in ancient Rome. For a single sizable monetary contribution to the Emperor, citizens could obtain a lifetime of annual payments. Later, 18th century European governments sold annuities to their citizens to help fund national armies.

FIAs tend to work best when they are part of a diversified portfolio. Because FIAs provide guaranteed income, they allow retirees to branch out into other solutions, while remaining confident in the knowledge that their FIA principal will not be exposed to market risks. With FIAs, principal balance is backed by the assets of life insurance companies. That means each insurer must meet strict, state-regulated cash reserve requirements, which in turn, must match each dollar of principal on a one-to-one basis.

A Retirement Strategy that Grows with You



For the Retirement Dimensions in Your Life: Growth Today for Income Tomorrow

If you are like many individuals nearing or entering retirement, you are looking to achieve two primary goals: Accumulate dollars today and receive dependable income tomorrow.

The journey between those goals, however, may involve unwanted risk exposure unless you have adequate information, expert advice and access to proven strategies. One strategy you and your financial professional may want to consider to secure a sustainable retirement lifestyle is a proven, cornerstone financial product like an FIA.

An FIA, in effect, is a contract between you and an insurance company that is designed to help you meet your long-term retirement needs. In exchange for your payment of an insurance premium, the insurance company gives you the opportunity to earn additional interest based on the performance of a market index, and pays you income in the future.

Is a Fixed Index Annuity Right for You?

You might be a good candidate for an FIA if you agree with any of these statements:

"I want a convenient way to receive predictable monthly payments after I retire."

"I need to find a way to preserve my retirement principal."

"I'm retiring yet still want my money to keep growing while it pays me income."

"I'd like a solution that locks in value I can leave to my heirs."

Experience Delaware Life Dimensions

Delaware Life Dimensions is designed to help you reach your retirement goals through timely, thoughtful ideas and leading research. This 12-part educational program offers general advice concerning principal preservation, growth and income during retirement. It is not intended as a substitute for a consultation with a qualified financial professional who understands how this information may apply to your specific situation. Guarantees are backed by the financial strength and claims-paying ability of the insurance company issuing the annuity.

Do You Want to Learn More?

Ask your financial professional about other topics in the Delaware Life Dimensions Retirement Education Series, including:

>4 Finding a Retirement Lifestyle Expert Right-sizing a retirement strategy can be daunting and complex. Fortunately, individuals don't have to do this alone.

>8 Building a Legacy of a Lifetime Not all retirement planning techniques offer savers a way to guarantee income payments and provide for loved ones. Here is one that does.

>12 Creating a Predictable Strategy for an Unpredictable World How one solution, a fixed index annuity (FIA), can help address retirement uncertainty through a dependable blend of tax deferral, indexed interest potential and optional benefits for the protection of assets and income.

About Delaware Life

We are dedicated to supporting you with valuable, straightforward solutions that help you save today and provide income for tomorrow. Our current product offerings include fixed and fixed index annuities. Delaware Life Insurance Company manages approximately 342,000 in-force annuity and life insurance policies representing \$36.6 billion in assets under management and \$14.1 billion of invested assets as of September 30, 2017.

Contact Your Financial Professional Today to Learn More

Delaware Life Insurance Company is authorized to transact business in all states except New York, as well as in the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Delaware Life Insurance Company is a member of Group One Thousand One.

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