

Title:

Can Annuities Help You?

Word Count:

520

Summary:

Are you confused about annuities? Not sure what they are and how they can benefit you? We introduce you to the annuity and show you why they may be of interest to you!

Keywords:

annuities, annuity, annuity advice, best annuity, annuity types, annuity products

Article Body:

Are you beginning to think about you're financial stability for you and you're partner's future? Perhaps you're beginning to wonder just how you can support yourself during your retirement years? If so, then perhaps it's time you took a look at annuities and see if they are the answer to you're concerns.

So what is an annuity and who do you buy them from? Well, annuities are typically sold by the insurance companies. There are many types of annuities available and knowing which the right one for you is can be difficult. With so many different annuity plans, it's easy to feel confused and a little lost! Before committing yourself to any annuity contract, you should look to consult with you're financial advisor, he will identify your personal circumstances and help you find the right annuity plan for you.

Ok, so what is an annuity you ask! Well, to put it simply, an annuity is basically a contract between yourself and the insurance company. You agree to pay the insurance company a lump sum of money and the insurance company invests that money and agrees to pay you interest on that sum over a number of years. To put it simply, an annuity is a loan. Of course, this is just a simple explanation and the details and terms will vary according to the type of annuity you do take out.

When choosing a type of annuity, you are also deciding on a certain level of risk which you are prepared to take. A fixed annuity is one of the safest to sign up for, but it isn't as rewarding as some of the other annuities. One of the more riskier ones available is the 'variable' annuity. You can earn some

excellent interest with these, but there is also the possible danger of losing all the money you've invested if the money is not invested wisely. Again, your financial advisor will help to explain the best options to you and advise you where you should look to invest you're money.

When signing an annuity, you are signing a contract, a contract that usually isn't easy to get out of! So, be careful. Never sign an annuity without fully researching the annuity you're signing up for and also the insurance company that you're be dealing with. You should never feel pressured about signing an annuity contract straightaway. If they pressure you to do this, then just walk away! This is you're long term future at stake! Take a few days, discuss it with you're partner and also you're financial advisor.

Annuities aren't for everybody. They can be confusing and any annuity you're interested in, needs to be researched thoroughly! Whether an annuity is right for you depends on your personal circumstances. Many have found them beneficial and rewarding, but then again, many find themselves stuck in a contract that they are fighting to get out of. So speak with your advisor and see if an annuity is the answer for you.