



# Help Revitalize **Your Retirement**

The Power of Annuity Reevaluation



Prepared on behalf of:



**LIBERTY GROUP**

ESTATE LAW • WEALTH MANAGEMENT • TAX PLANNING

[www.libertygrouppllc.com](http://www.libertygrouppllc.com)



Changes in your life and in the economy are good reasons to take another look at your annuity.

Annuities are purchased for a variety of reasons and are often integrated into a retirement plan to help meet the specific objectives of the owner. Life events can shift these objectives, signaling the need for an adjustment to your annuity to keep it aligned with your new goals. Similarly, the economic landscape also can affect the performance of an annuity, as shifts in the financial markets and changes in fiscal policy can alter the expected returns and advantages that were anticipated at the time of purchase.

Like many other financial tools, annuities typically should be reviewed every year or two to help ensure that your annuity remains in step with the broader economic environment as well as your personal financial landscape.

Here are four key situations that may necessitate a review of your annuity.

## **No. 1 — Changing Interest Rates**

In recent years, rising interest rates have impacted many financial products, including annuities. If you bought an immediate annuity when interest rates were low, you may have locked in lower payouts for life.

With the Federal Reserve raising interest rates 11 times in 2022 and 2023, recent annuity buyers are getting significantly higher payouts than those who purchased immediate annuities a few years ago.<sup>1</sup>

## **No. 2 — High Inflation Rates**

If you previously secured a deferred income annuity to bolster your Social Security and other retirement funds for essential expenses like food and housing, the surge in consumer prices since early 2021 — with an increase of 17.9%<sup>2</sup> — may have diminished its buying power. As a result, the income from your existing annuity might not be sufficient to cover the elevated cost of living in retirement. An annuity review could help identify opportunities to adjust your payments to better match current inflation rates or to explore additional features that can offer increased income, working to ensure your retirement funds keep pace with economic changes.

<sup>1</sup> Kimberly Lankford. AARP. March 6, 2024. "5 Things You Should Know About Annuities." [www.aarp.org/retirement/retirement-savings/info-2020/learn-about-annuities.html](https://www.aarp.org/retirement/retirement-savings/info-2020/learn-about-annuities.html). Accessed May 11, 2024.

<sup>2</sup> Ben Werschkul. Yahoo Finance. Feb. 14, 2024. "Inflation is cooling. The GOP wants you to remember it's up 17.9% since Biden took office." [finance.yahoo.com/news/inflation-is-cooling-the-gop-wants-you-to-remember-its-up-179-since-biden-took-office-152408852.html](https://finance.yahoo.com/news/inflation-is-cooling-the-gop-wants-you-to-remember-its-up-179-since-biden-took-office-152408852.html). Accessed May 11, 2024.

### No. 3 — Unnecessary Riders

When you purchased your annuity, you may have added specific riders to provide extra protection or benefits tailored to your financial or health situation at the time — like a death benefit or securing funds for potential long-term care needs. These riders, while offering added security, also increase the cost of your annuity.

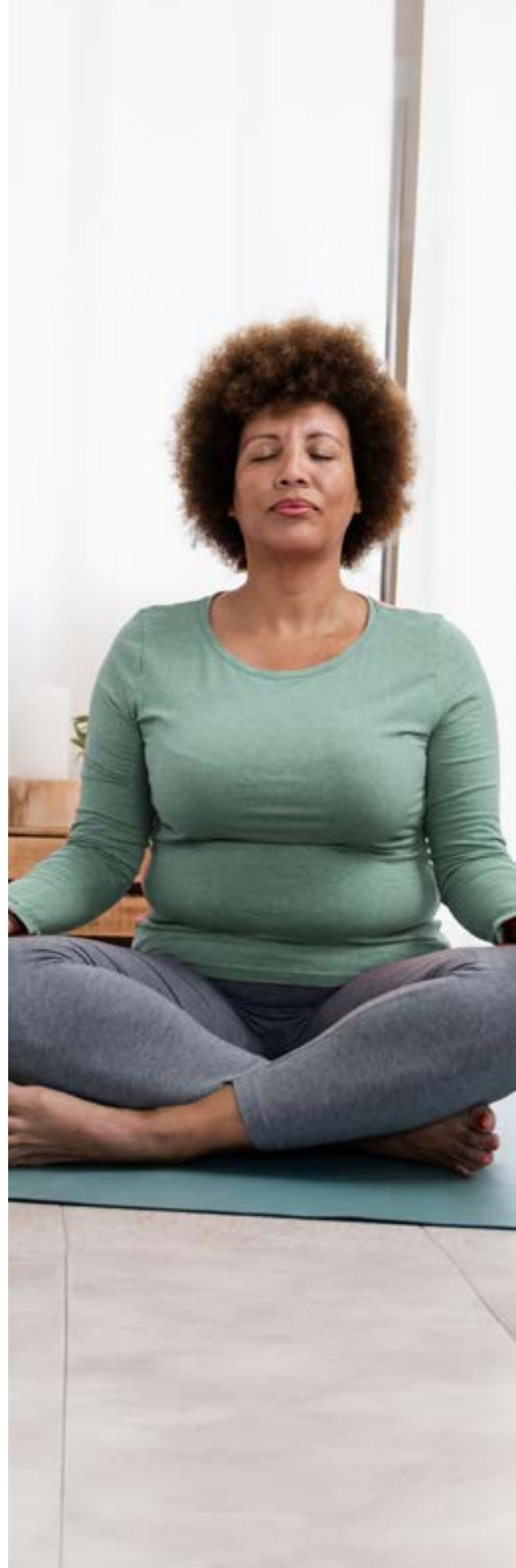
Some riders are selected at the outset, and others can be attached as circumstances evolve. However, as life changes, these once-valuable riders may no longer align with your needs. An annuity review is an opportunity to assess the relevance of these riders. Depending on the terms of your contract and the policies of the annuity issuer, you might be able to adjust or remove riders that are no longer beneficial, which could help in reducing ongoing costs and helping to ensure your annuity is better aligned with your present circumstances.

### No. 4 — Life Event Changes

There are certain life events that may trigger the need for an adjustment to your annuity. The most common are:

- Change in marital status
- Change in employment status
- Significant change in assets
- Change in the date you plan to start receiving Social Security benefits
- Change in the amount of income needed for retirement
- Change in health status

This list is simply a guide. Your own personal life situation will determine when a review of your annuities may be necessary.





## **What Does an Annuity Review Actually Entail?**

A typical comprehensive annuity review will go much deeper than merely analyzing performance and lifetime income payments. It will look at your current life situation, including your financial goals, any recent life changes, changes in your health, current economic conditions and new trends in annuities, as well as compare the benefits and limitations of your existing annuity to new annuity products that may be available.

Special attention will be given to these particular aspects of your current annuity:

### **Beneficiary Designations**

- Do you need to update your beneficiaries to properly address your intentions?

### **Supplementary Benefits**

- Do you have unnecessary riders on your annuity that increase fees?
- Are there new options that may be of benefit to you?

### **Annuity Ownership**

- Is the annuity ownership structure tax efficient, and does it still make sense?

### **Annuity Performance**

- Are there other options that could potentially improve the annuity's performance?





# Annuity Review Preparation

## Personal Information

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

## Existing Policy Information

Issuing Company: \_\_\_\_\_ Customer Service Phone: \_\_\_\_\_

Contract Number: \_\_\_\_\_

A comprehensive annuity review is recommended to help ensure that your current coverage still fits your current circumstances and objectives. Below are general questions for a policy review. You should be prepared to answer as many as possible.

What are your basic financial objectives for your annuity?  
(supplemental retirement income, growth, protection from stock market volatility, etc.)

---

---

---

---

What type of annuity do you have? \_\_\_\_\_

Who are the owners and beneficiaries? \_\_\_\_\_

---

---

If applicable, when do you intend to start receiving deferred income payouts? \_\_\_\_\_

Do you feel the annuity provides benefits adequate to meet your current and future needs? Y / N

*This is for informational purposes only.*



## What Happens Now?

Once the review of your annuity is concluded, several outcomes may present themselves. You may find that your existing annuity is well-aligned to your current financial needs. Alternatively, you might discover opportunities to make adjustments that better align with your evolving financial objectives. Some of the potential review results could include:

- Adjusting the terms of your existing annuity
- Maintaining your current annuity without any changes
- Exchanging or restructuring your annuity to better serve your goals

In cases where you and your financial advisor decide a new annuity contract is in order, be mindful that annuity products often involve financial assessments and may carry new or different fees and surrender charge periods. It's critical to thoroughly compare your current and prospective annuity contracts with your financial advisor. Understanding the nuances and potential trade-offs is essential, especially if you consider replacing your current contract.

Annuities are a strategic way to help secure steady income during retirement, helping to ensure that you can manage your living expenses and maintain your lifestyle. By reviewing your annuity contracts now, you're taking a proactive step to confirm that your retirement planning is on track, your annuity is designed to meet your expectations and you are positioned for the financial confidence you've worked toward.







## LIBERTY GROUP

Liberty Group, Holdings, Inc. operates the following range of businesses through controlled entities, collectively referred to as Liberty Group (or "LG"): Hollander & Hollander, PC ("H&H"), Liberty Alternative Asset Management, LLC ("LAAM"), Liberty Real Estate Management Company, LLC ("LREM"), Liberty Tax Planners, LLC ("LTP"), Liberty Wealth Management, LLC ("LWM"), DBA Liberty Group, and Lifetime Planning Marketing, Inc. ("LPM"), CA # 0F17020. Persons engaging the services of one affiliated LG company should be aware that each company is operated separately. Engaging the services of one entity does not entitle any client to the rights and protections of another, some of whom are regulated entities subject to different governing regimes. Clients should be aware that services provided by one regulated entity will only be provided concerning that entity, not for another. Further, the protections afforded when doing business with one affiliated entity may not necessarily exist with another.

Investment advisory services are offered through Liberty Wealth Management, LLC, DBA Liberty Group, an SEC-registered investment adviser. Persons engaging the services of one affiliated LG company should be aware that each company is operated separately. Engaging the services of one entity does not entitle any client to the rights and protections, some of whom are regulated entities subject to different governing regimes. Clients should be aware that services provided by one regulated entity will only be provided concerning that entity - the protections afforded when doing business with one affiliated entity may not necessarily exist with another. The opinions expressed and material provided are general information and should not be considered a solicitation for purchasing or selling any security. Nothing presented is intended to provide specific legal or tax advice. Financial and planning decisions must be based on your specific due diligence, investment objectives, economic, risk tolerance, and individual financial and personal circumstances. Past performance is no indication of future results, and investing involves risk, including the possible loss of principal. No investment strategy can guarantee a profit or protect against loss in periods of declining value. Before investing, you should consult with a qualified professional - a competent financial, legal, or tax advisor, or another, to aid in due diligence as proper for your situation to determine the suitability of the risk and tax consequences associated with any investment. For additional information on LG, its related companies, or LWM and any of its affiliated persons who are registered or required to be registered as Adviser Representatives of the firm, please visit [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or contact us directly at 411 30th Street, 2nd Floor, Oakland, CA 94609, T: 510-658-1880, F: 510-658-1886. [www.libertygrouppllc.com](http://www.libertygrouppllc.com). Certain information contained herein has been obtained from third party sources and such information has not been independently verified by Liberty Group. No representation, warranty, or undertaking, expressed or implied, is given to the accuracy or completeness of such information by Liberty Group or any other person. While such sources are believed to be reliable, Liberty Group does not assume any responsibility for the accuracy or completeness of such information. Liberty Group does not undertake any obligation to update the information contained herein as of any future date.

Except where otherwise indicated, the information contained in this presentation is based on matters as they exist as of the date of preparation of such material and not as of the date of distribution or any future date. Recipients should not rely on this material in making any future investment decision.

Any references to protection or lifetime income generally refer to fixed insurance products, never securities or investment products. Insurance and annuity product guarantees are backed by the financial strength and claims-paying ability of the issuing insurance company.

Content prepared by Advisors Excel

© Copyright 2024 Advisors Excel, LLC