

# Pension Annuity Works Because:

- Can't lose principal
- Guaranteed income for life
  - \* or both lives if married
- Upfront bonus 4% or 8%
- Only fee .95% or .75%, income is net of a fee
- Income grows by 8% or 6% simple or 6.5% compounding each year of deferral
- 10% free withdrawal per year without charges after year 1
- Exit charge starts at 10% or 12.5%, goes to zero over 10 years, waived at death
- Longevity component— income continues even if account is spent to zero