MANAGING YOUR MONEY

Variable Annuities: What You Should Know

(NAPSA)—Saving for the retirement of your dreams doesn't mean you have to sacrifice your lifestyle until then. Consider the following individual stories:

Curtis wants to put his retirement savings into the market—but also guarantee that he won't lose his initial investment. Katherine wants the option during retirement to withdraw cash over several years to supplement income from her part-time job and support her aging mother. Mary needs to ensure that she has a steady flow of income over many, many years during her retirement. Clint wants to identify a means for passing money on to his loved ones if he can't spend it during his lifetime.

Each of these are unique individuals—with unique financial objectives. Surprisingly, one type of product may provide each of them the individual options they're looking for, whether they are saving, spending or passing money on. This product is called a variable annuity.

Variable annuities are contracts between an insurance company and an investor in which the insurer agrees to make periodic payments to the buyer, either immediately or at a future date. In addition, variable annuities allow buyers to choose how they want their money invested among the available investment alternatives. The "variable" in variable annuities refers to the fact that the contract's worth varies according to the performance of the investment alternatives chosen. However, variable annuities can also offer various optional guarantees for an added annual charge to help protect the buyer's principal investment.

A variable annuity provides many options, whether you are looking to save, spend or pass money on.

So how could a variable annuity help Curtis, Katherine, Mary and Clint?

Curtis may want to take advantage of an option that allows him to guarantee the principal amount, or provide a minimum return guarantee, while investing in the market through a "guaranteed minimum accumulation feature." A "guaranteed minimum withdrawal option" might be the right choice for Katherine—which will allow her a source of guaranteed withdrawals while allowing her to take advantage of potential gains. Mary may want to build an income plan that helps guarantee an amount of money each month that she cannot outlive. Finally, Clint may wish to select from an array of death benefit options that would help to protect his beneficiaries in the event of his death.

For more information about annuities or to find out if one is right for you, speak with your financial professional or visit www.allstate.com.