

## **How the stretch feature on inherited non-qualified annuities works**

### **When planning your legacy, what if you could...**

- Help avoid a large taxable event for your beneficiary, and even a successor beneficiary?
- Continue growing your money, compounded by tax deferral?
- Offer your beneficiary complete access to funds as needed?

The non-qualified annuity stretch feature is a little-known strategy that may help defer taxes and preserve your wealth for your beneficiaries, as well as successor beneficiaries.

With a non-qualified annuity (purchased with after-tax dollars), beneficiaries commonly elect a lump-sum distribution or use the default Five-Year Rule. Income from the gains within the contract (in the form of interest, interest credits or returns from underlying investments) could place them into a higher tax bracket.

With our deferred, non-qualified annuities, primary beneficiaries can choose to stretch distributions over his/her lifetime. By stretching payments over their lifetime, the taxable income is less likely to push the beneficiary into a higher tax bracket. Additionally, this tax-efficient approach allows the beneficiary enjoy tax-deferred accumulation as well as extend the stretch benefits to their successor beneficiaries.

As with the default Five-Year Rule, the beneficiary retains full access to the contract value and can withdraw funds as they wish.

The stretch feature is available on our inherited fixed annuities\*, variable annuities and select fixed index annuities\* not held in an IRA or other qualified retirement accounts, and where a guaranteed lifetime income rider has not been elected.

\*Fixed and Fixed Index Annuities not available in the state of New York. The stretch features is available on inherited annuities not held in an IRA or other qualified retirement accounts, and where a guaranteed lifetime income rider has not been elected.

**Ask your financial professional to learn how our deferred, non-qualified annuities can be a part of your retirement and legacy planning strategy.**

## **STRETCH FEATURE AVAILABLE ON:**

- [Advanced Choice Annuity](#)
- [ClearLine Annuity](#)
- [EliteDesigns® Variable Annuity](#)
- [EliteDesigns® II Variable Annuity](#)
- [Foundations Annuity](#)
- [RateTrack® Annuity](#)
- [SecureDesigns® Variable Annuity](#)

- [Total Interest Annuity](#)
- [Variflex® Variable Annuity](#)

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**Investing in variable annuities involves risk and there is no guarantee of investment results.**

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Variable Annuities are long-term investments suitable for retirement investing. Product features, limitations, and availability vary by state.

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