INDEXED ANNUITIES

IS YOUR RETIREMENT **NEST EGG INSURED?**

COWDELL™
INVESTMENTS, LLC

INTRODUCTION

Insure Your Most Valueable Assets

You insure your house against fire, flood, earthquakes and other catastrophic events. You also insure your health, your car, your boat and RV's against loss, don't you?

In a world full of RISK, most prudent people insure their most valuable assets. One very large asset, perhaps your largest, is often overlooked: Your retirement account.

Is your retirement nest egg insured against market loss? If not, then why not?

When you are younger, it is fine to take on more risks when investing because you have time on your side to make back those losses, not so when you are retired or near retirement age (in your 50's to 90's). A large loss at those ages could prove catastrophic to your financial wellbeing.

You spend a lifetime accumulating your retirement account. Wouldn't it make sense to protect some or all of that money later in life? Wouldn't it be great waking up every morning knowing - not guessing - that your retirement nest egg is protected against stock market losses and will provide income guaranteed to last your lifetime?

FIXED INDEXED ANNUITY

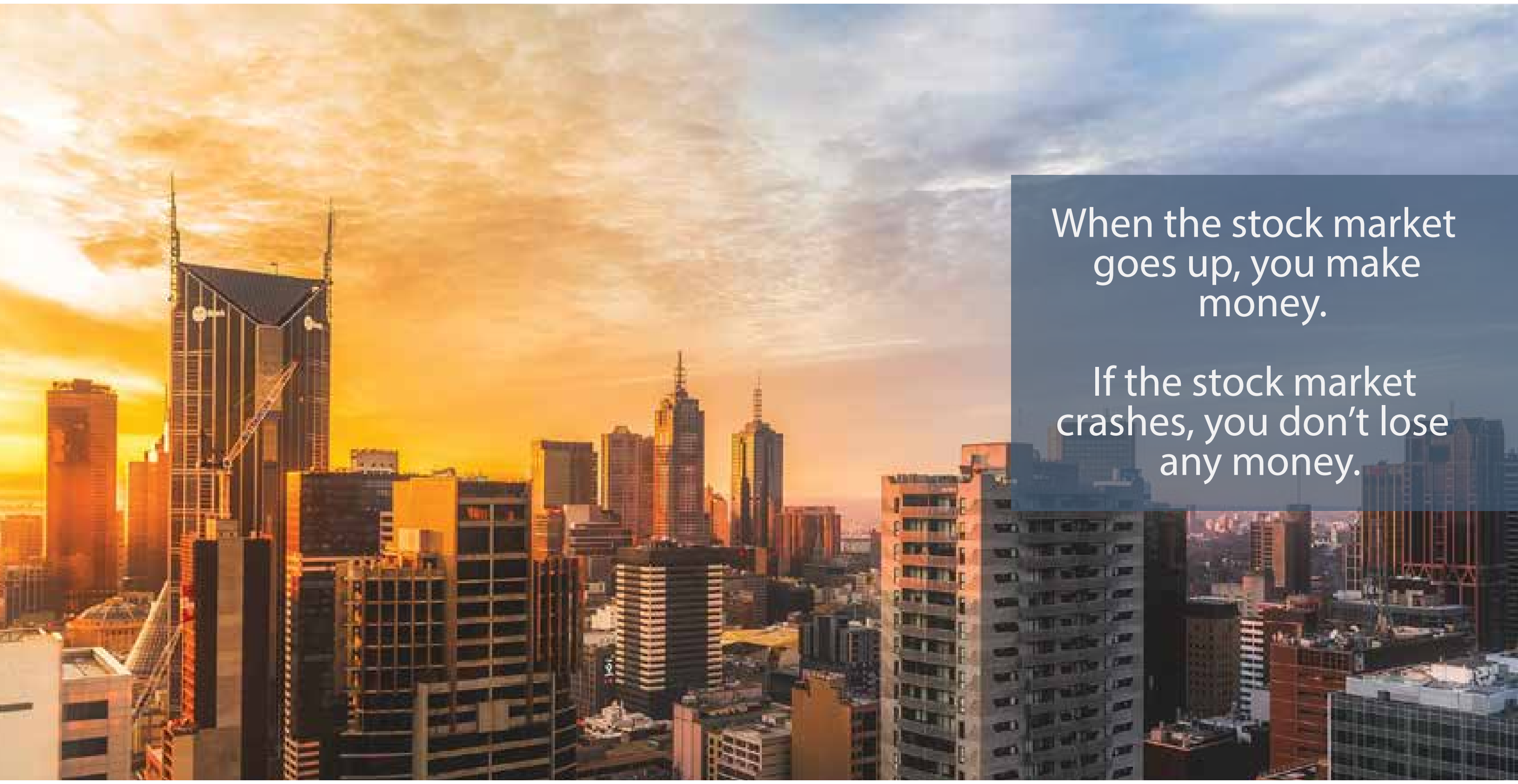
Is there an account that goes up when the stock market goes up but is protected against losses should it crash?

Yes. There is. It is called a Fixed Indexed Annuity.

How does this type of account work? And more importantly, is it appropriate for you and some of your money?

In the most simplistic terms; when the stock market goes up, you make money, but if the stock market crashes, you don't lose any money.

What is the tradeoff? You don't get all of the gains, because none of your money in the stock market.



HOW IT WORKS

It’s not magic. Here is how it works.

You are giving your money to an insurance company. They invest the money mainly into bonds but also buy an option on the stock market so that you have the potential to get a higher interest rate credited to your account should the stock market go up. If the stock market goes down, the option expires worthless and you don’t lose any money.

There are also limits or caps to how much you earn each year.

For example:

- If the markets go up 20%,
  and your Indexed Annuity has a cap or maximum of 5%,
  you would only earn 5%.

- If your account had a participation rate of 45%,
  you could earn 9%.

- If it used another more aggressive index strategy,
  perhaps you could earn 17% in a given year.

- If the markets crash and drop 40%,
  your account would earn zero that year.

In the above scenarios, you would have earned anywhere from zero to 17%. That is the range that we have seen in our client’s accounts over the last

HOW IT WORKS

several years. It is not a bad rate of return compared to banks and other investments, especially one that is protected and insured against market losses by an insurance company.

One nice feature...

...of most Indexed Annuities is that once you earn interest in your account, it is never taken away through market losses.

It is unlike traditional mutual funds or stocks where you could earn 10% one year just to lose it the next year and be back to zero or less than zero.

Most Indexed Annuities lock in the gains or interest earned each year. It is always moving forward, never moving backwards. It’s like going up a step; once higher, you never go back down.

IS IT RIGHT FOR YOU?

Understanding The Drawbacks

Before you go out and mortgage the farm or invest all of your money into an Indexed Annuity, you need to also understand some of the drawbacks.

These accounts are not very liquid. The insurance company wants you to leave the bulk of the money with them for 7 to 10 years. Most companies allow you to withdraw about 10% per year during this time period.

These accounts normally have surrender fees for 7 to 10 years, and if you withdraw all of your money out early, you could lose some money due to fees and sometimes government penalties.

Please consult with your financial advisor and read the company disclosures prior to putting money into an Indexed Annuity. Each product is different. Make sure to select one that will work for your specific circumstances.

Bottom Line...

A Fixed Indexed Annuity is designed for those investors who want safety, don’t want to lose their money, but also want the potential for higher returns. It is frequently used to insure against losses later in life, especially when it comes to retirement planning.

So, if you have other liquid cash, want to insure against market losses, are comfortable with returns above bank and bond rates, but not quite as high as stocks, perhaps a Fixed Indexed Annuity is worth considering.

Is it right for you?

Please consult with your Financial Advisor or call and speak with one of our Certified Financial Planner professionals.

Call **1-888-763-3088**
or
visit us online at **www.RetireRichToday.com**

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