

SPIA

A SPIA can help provide a dependable, guaranteed stream of income for a lifetime.



Consider securing a steady, lifetime income

A **SPIA**, a single premium immediate annuity issued by Western-Southern Life Assurance Company (Western & Southern Life), can help support a comfortable lifestyle. Individuals can simply determine the premium amount, select the payout option and optional benefits that best suit needs, then receive a sure stream of income for a period chosen — even as long as a lifetime.





Potential retirement concerns

Western & Southern Life can help individuals prepare for, live in and manage risk up to and through retirement. Common retirement worries may include:

- **Lifespan:** Living longer and outliving retirement money.
- **Inflation:** Cost of living increases eroding retirement buying power.
- **Fluctuation:** Market volatility impacting retirement assets.
- **Experience:** Life events requiring retirement plan flexibility.



Help create retirement confidence

Achieving a full and satisfying retirement requires an income that provides lifestyle confidence. A guaranteed stream of income for retirement helps provide the freedom to live the promises made along the way — to travel, to experience, to go where life takes you — without financial concerns.

Hard work can help to accumulate the assets needed to achieve your retirement possibilities. Living a desired retirement may mean capitalizing on the opportunities within reach, while managing the risks that could derail financial freedom.

Often, savings objectives are centered on the ability to one day be able to spend flexibly to meet needs and wants. To meet this, a **SPIA** converts retirement savings to retirement income — income that can last a lifetime. Designed to provide a dependable, guaranteed stream of income, a **SPIA** is backed by the full financial strength of Western-Southern Life Assurance Company — among the insurance industry's most highly rated companies.

Simplicity may lead to peace of mind. **SPIA** payouts are automatic and guaranteed, giving the financial freedom to relax and enjoy a deserved retirement.

Why choose an income annuity?

Consider where money goes. Most spending, in retirement or otherwise, is for essentials. That means it goes toward food, housing, transportation, utilities, taxes, health care and the other fundamentals of daily living.

The daunting concern many retirees face is this: How long will the money you've saved last? Will you have enough to last through your retirement — which could be 20 or 30 years?

An income annuity can help provide certainty. Consider converting a portion of wealth into an income stream and increase the likelihood of covering basic expenses for a lifetime. Not only can an income annuity help support a comfortable and worry-free retirement, it also helps provide funds for life's extras, such as recreation, travel, hobbies, gifts and charitable donations.

Reasons for considering an income annuity

- You're entering retirement or are already retired.
- You have resources (pension distributions, retirement accounts, brokerage accounts) that you wish to convert into an income stream. (Surrender charges or penalties may apply.)
- You're concerned about outliving your income and savings.
- You value a guaranteed source of income in retirement.
- You want to select among various payout options.
- You have other retirement resources that can be invested for growth.
- You seek freedom from having to manage your savings to generate income.
- You wish to provide income for your spouse or beneficiaries.



You spent a lifetime growing your retirement wealth. What's next?

An annuity can play a key role in helping secure a retirement defined by confidence and independence. The basics behind a **SPIA** are simple. One payment provides an immediate and steady stream of income guaranteed for the period chosen.

The money for an income annuity can come from many sources, including savings, investments, sale proceeds, IRAs, company retirement plans, maturing certificates of deposit or other tax-deferred annuities.

A guaranteed, income stream can supplement current income or provide income for loved ones. If unlimited access to all assets is not required and dependence on guaranteed income is preferred, a **SPIA** could be a solution.

More opportunities with a SPIA

Providing regular retirement income payments is only one use for a SPIA. Any ongoing need for regular, guaranteed funding offers potential opportunities to:

- › Finance a business purchase being made on installments.
- › Provide deferred compensation to an employee on separation or retirement.
- › Shelter assets in cases of personal bankruptcy (with proper tax counseling).
- › Pay the premiums on life insurance and long-term care policies.
- › Make payments on a mortgage.
- › Create a charitable giving plan.
- › Underwrite educational expenses.
- › Support the care of someone who is unable to work.

Benefits of a SPIA

Tax-deferred payments

Are you concerned about taxes owed after years of tax-deferred compounding? A SPIA could provide a solution. If premium represents pre-tax funds, such as from a 401(k), pension or traditional IRA, generally income taxes are deferred until the money is received. The result: tax liability can be spread out over the same number of years payments are received.

If premium is from an after-tax source, a portion of every income payout is excluded from income tax. The "exclusion ratio" is an important advantage in income planning. Each payment represents a combination of earnings and return of premium, which is money taxes are already paid on in the past. Because taxes are only assessed when the money is received, a SPIA allows taxable gain to be spread throughout the years or even a lifetime.



Wide selection of guaranteed payout options

Do you want a range of income choices? Multiple payout options available with a SPIA enable you to determine which one best meets your specific needs. Creating an income flow or helping to safeguard a comfortable standard of living for loved ones can be as easy as selecting a payout option guaranteed for a specified amount, for a fixed period of time or for a lifetime.

Purchasing power protection

Are you concerned that rising prices will deteriorate your purchasing power, especially over an extended period? To help ensure income stream remains strong throughout the years, a SPIA offers a guaranteed Increasing Payout Option (IPO).

- › Selecting the IPO increases annual payouts over the length of the income stream by a compounded interest rate of 1 to 5 percent. It's available with any income option chosen. There is no percentage or dollar limit to the maximum increase.
- › The option is not tied to any outside index or indicator. Once a contract is signed, the option cannot be added or removed, as the income stream is adjusted from the start of the contract.

SPIA at a Glance

Issue Ages	0-95 (varies with Income Payout Option).
Minimum Contract Size	\$10,000 (or the premium required to purchase a monthly income payout of \$100, whichever is higher).
Maximum Contract Size	\$1 million without prior company approval (\$500,000 for issue ages 76-85 choosing life-only payout option and for issues ages 76-85 choosing temporary life payout option).
Funds	Nonqualified are accepted.
Income Payout Frequencies	Monthly, quarterly, semiannually or annually.
Guaranteed Income Payout Options <i>See "Select Your Income Stream" on page 6 for details.</i>	<ul style="list-style-type: none"> ➤ Payouts for life (single life). <i>Issue ages 0-85.</i> ➤ Payouts for two lives (joint and survivor). <i>Issue ages 0-85.</i> ➤ Payouts for life or for two lives with a certain period. <i>Issue ages 0-85, certain period five to 30 years.</i> ➤ Payouts for life or for two lives with cash refund. <i>Issue ages 0-85.</i> ➤ Payouts for life or for two lives with installment refund. <i>Issue ages 0-85.</i> ➤ Payouts for a certain period. <i>Issue ages 0-95.</i> ➤ Temporary life payouts. <i>Issue ages 0-85.</i>
Guaranteed Increasing Payout Option <i>See "Benefits of a SPIA" on page 4 for details.</i>	<p>For buying power protection, this provides an annually compounded increase in the income payout amount.</p> <p>Increase options are 1, 2, 3, 4 or 5 percent.</p>
Commutation Benefit* <i>See "Consider Cash Access Options" on page 7 for details.</i>	<p>For potential liquidity needs, this provides a lump-sum payout of the present value of future certain payouts in specific instances. Access options are as follows:</p> <ul style="list-style-type: none"> ➤ Living annuitant commutation (available after first contract year). ➤ Deceased annuitant commutation (death benefit commutation rights).

Consider a guaranteed income stream

- **Payouts for life (single life)** — Provides the highest income payout amount of any of the life options because payouts will continue only while the annuitant is alive.
- **Payouts for two lives (joint and survivor)** — Lifetime income with guaranteed payouts that will continue for the life of the annuitant and joint annuitant. Payouts may reduce upon the death of the annuitant or joint annuitant.
- **Payouts for life or for two lives with a certain period** — Lifetime income with a guarantee that payouts will continue for at least a specified period. This ensures that, in the event of death, payouts will continue to a beneficiary until the end of the specified period.
- **Payouts for life or for two lives with installment refund** — Another lifetime income option with a money-back guarantee that at least the single premium will be returned, regardless of whether the annuitant is alive. If payouts before death are less than the premium paid, the beneficiary will receive the payouts on the same installment schedule until the full premium is refunded.
- **Payouts for life or for two lives with cash refund** — Income payouts continue for as long as the annuitant(s) is alive. Upon death there will be one final payout of the excess of the premium paid over the sum of all payouts made.
- **Payouts for a certain period** — A non-lifetime option where payouts will continue for a period of time (from five to 30 years) specified by the owner. Payouts continue until the end of the specified period, regardless of whether the annuitant is alive.
- **Temporary life payouts** — Income will continue for a period of time (from five to 30 years) specified by the owner, but only while the annuitant is alive.

You select the frequency: annual, semiannual, quarterly or monthly.

Understanding the parties to an annuity contract

- The **owner**, generally the person who buys the contract, may exercise the rights and privileges provided in it. The owner makes all of the decisions.
- The **annuitant** is the person whose life determines the income payouts. In most cases the owner is the annuitant. If not, the annuitant has no ownership rights and makes no decisions about the contract.
- The **beneficiary** is the person who may receive any remaining benefits at the death of the owner or the annuitant, depending on the terms of the contract.

Consider cash access options

The ability to access cash in the form of a lump-sum payout from a **SPIA** is available in specific instances.

The “commuted” value is the present value of future payouts. Commutation benefits* can provide valuable liquidity should an unforeseen need arise. Examples of such an “event risk” include an unexpected relocation or a health-related matter.

Access while the annuitant is living

A living annuitant commutation benefit allows owners receiving certain period payouts (of 10 years or longer) to commute, or “cash out,” a percentage of all remaining certain payouts. The original payout amount is reduced by the same percentage. At the end of the certain period, if a life contingency (payouts for life or for two lives) exists, remaining payouts (including any Increasing Payout Option impact) resume as if there had been no commutation. A **SPIA** must be in force at least one year before this benefit may be exercised.

Access after the annuitant dies

A deceased annuitant commutation benefit allows beneficiaries to commute, or “cash out,” the remaining certain period payouts upon the death of the annuitant (for a single life annuity) or the last-to-die joint annuitant (for a joint and survivor annuity). The lump sum will be the present value of the remaining certain period payouts discounted at a single interest rate stated in the contract.

* Commutation only available with period certain payouts and not available in all states.

Help ensure stability

Besides your health, maintaining your financial independence may be your greatest retirement concern. Your standard of living, the daily activities you undertake and your outlook on the future all begin with the strength of your financial foundation.

A **SPIA** can help reduce concerns about outliving savings because it offers annuitization, a distinct annuity feature. A **SPIA** payout will be received for a specific amount on a regular basis and the payout will continue for the period chosen.

Consider a guaranteed income with a **SPIA**. You may enjoy the peace of mind that can come from knowing that payouts won't fluctuate with market volatility and can increase to address inflation.



Find confidence in long-term commitments and strong financial ratings

You may own your annuity contract for many years, so it's important to carefully select a partner for retirement well-being.

All guarantees are backed by the financial strength and claims-paying ability of the insurance company. High ratings for financial stability and operating performance from independent rating agencies could help you find confidence in your insurance provider. Western-Southern Life Assurance Company holds the following ratings*:

A.M. BEST COMPANY: A+ SUPERIOR

Second highest of 16 ratings; rating held since June 2009 for superior ability to meet ongoing insurance obligations.

STANDARD & POOR'S: AA- VERY STRONG**

Fourth highest of 21 ratings; rating held since August 2018 for very strong financial security characteristics.

FITCH: AA VERY STRONG

Third highest of 21 ratings; rating held since June 2009 for very strong capacity to meet policyholder and contract obligations on a timely basis.

MOODY'S: Aa3 EXCELLENT

Excellent financial security (fourth highest of 21 ratings; rating held since February 2009).

COMDEX: 95 OUT OF 100

Composite held since August 2018. The Comdex Ranking is a composite of all the ratings a company has received from the major rating agencies. It ranks insurers on a scale of 1 to 100 (where 1 is the lowest) in an effort to reduce confusion over ratings because each rating agency uses a different scale.

The ratings are current as of 9/12/18 and are subject to change. Ratings refer to the claims-paying ability of the insurance company and do not reflect the performance or safety of any investment product. The rating agencies listed above are independent of each other and use proprietary evaluation criteria and rating scales.

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An immediate annuity is permanent. The owner has no access to the premium, which converts to a stream of income payouts. There is no cash value, no death benefit and the annuity can't be surrendered. The contract terms, such as payment amount and frequency, cannot be changed, unless commutation is available and elected. You should not purchase an immediate annuity if you may need to access any of your premium for living expenses or other purposes.

Western-Southern Life Assurance Company, Cincinnati, OH, operates in DC and all states except NY. Single Premium Immediate Annuity contract series ICC10 ENT-01 0901, Commutation Rider (Living Annuitant) series ICC10 ER.01 0901, and Commutation Rider (Deceased Annuitant) series ICC10 ER.02 0901 issued by Western-Southern Life Assurance Company.

Payment of benefits under the annuity contract is the obligation of, and is guaranteed by Western-Southern Life Assurance Company. Guarantees are based on the claims-paying ability of Western-Southern Life Assurance Company. Products are backed by the full financial strength of Western-Southern Life Assurance Company.

Earnings and pre-tax payments are subject to income tax at withdrawal. Withdrawals may be subject to charges. Withdrawals of taxable amounts from an annuity are subject to ordinary income tax, and, if taken before age 59½, may be subject to a 10% IRS penalty.

Neither Western-Southern Life Assurance Company, nor its agents, offer tax advice. For specific tax information, consult your attorney or tax advisor. Interest rates are declared by the insurance company at annual effective rates, taking into account daily compounding of interest. Product and feature availability, as well as benefit provisions, vary by state. See your financial professional for product details and limitations.

Payouts end at the annuitant's death unless a certain period or installment refund option is selected. If a payout for life or for two lives is selected, whether the payouts received are less than or greater than the premium paid will depend on how long the annuitant(s) lives. If death occurs after all certain income payouts have been made, no additional payments will be made to the beneficiary.

IPO payments are initially lower than a payout option without IPO. IPO payments increase annually and at some point, depending on payout elected and annuitant's longevity, exceed those received under an option without IPO. If annuitant dies prior to life expectancy, a payee may receive less total income with an IPO than without one.

Income payments under the Temporary Life option will continue for a period of time, specified by the owner, only while the annuitant is alive. If the annuitant dies before the specified Temporary Life maximum period, the contract terminates with no further benefits. This option is suitable for situations such as making alimony, mortgage or loan payments or bridging an income gap before Social Security, pension or RMD benefits commence. Payments received may total less than premium paid.

Commutation is only available with period certain payouts and not available in all states.

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