

ANNUITIES VS. CDs

IMPORTANT FEATURES – SINGLE PREMIUM DEFERRED ANNUITIES AND FLEXIBLE PREMIUM ANNUITIES

	Annuities	CDs
Are tax-deferred, allowing your money to grow quickly?	YES	NO
Avoid Probate at death?	YES	NO
Provide a variety of income options, including an income stream that is guaranteed to last as long as you live?	YES	NO
Offer a lifetime minimum interest guarantee?	YES	NO
Provide access to a portion of account value to be withdrawn without penalties being assessed?*	YES	NO
Allow for beneficiary designations, making for swift and uncomplicated transfer at death?	YES	NO
Allow for settlement options at death to ease potential tax and/or estate planning?	YES	NO
Offer protection from the claims of creditors?***	YES	NO

* true with most carriers; withdrawals prior to age 59 ½ may result in federal tax penalty

** rules differ from state to state