

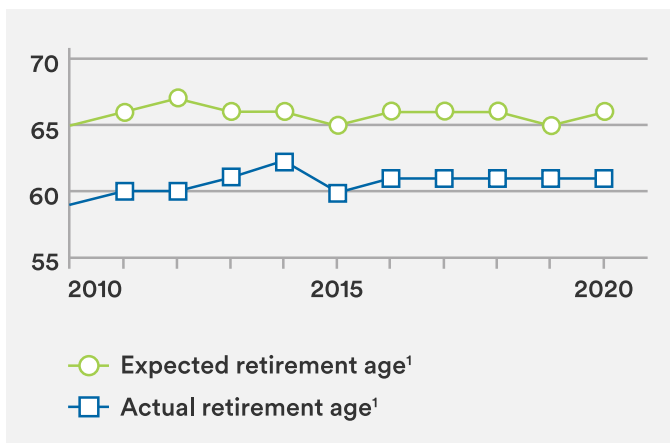
The importance of guaranteed income in retirement planning



Rethinking retirement

Americans are spending more time in retirement than ever before. 78% of people age 61 will live to 81 years old, with many living well beyond that age.² At retirement, some participants decide to take a lump sum payment from their 401(k) plan and count on drawing down their savings for the remainder of their lives. This doesn't account for longevity risk (the risk of outliving your savings) and the possibility of spending your savings too quickly, a fear that is at the forefront for more than half of people facing retirement.³ And, living longer means that your retirement savings has may have more exposure to market volatility and fluctuations.

61 AVERAGE RETIREMENT AGE¹



What this means for your retirement planning

There are several risks you have to account for as you plan for the 20 or more years you may spend in retirement, including:



Longevity risk: If you can't predict how long you'll live, how can you make sure you won't outlive your savings?



Market risk: Financial markets fluctuate, so how can you ensure your savings will stay the course?



Cognitive risk: Will you always be able to make complex decisions about your savings as you grow older?



Overspending risk: Do you have the discipline to manage your finances and not overspend?

95%

Annuity recipients believe that receiving regular monthly payments makes their budget more predictable.³

How lifetime income solutions can help

Lifetime income solutions convert all or a portion of your retirement savings into monthly income payments that:

- Are **guaranteed for life**, no matter how long you live⁴
- Provide a **fixed and predictable dollar amount**, no matter how the financial markets are performing⁴
- Helps **reduce the effects of poor financial decision-making** later in life
- **Makes budgeting easier** through a fixed stream of income

The steady stream of income provided by lifetime income solutions can help pay for everyday expenses in retirement, such as groceries and utilities, as well as unexpected costs that can arise, such as healthcare or family-related expenses.⁴

70–90%

Most retirees will need 70–90% of their pre-retirement income to maintain their standard of living when they stop working.⁵

Contact your human resources (HR) department to learn more about the guaranteed income options available in your retirement plan.

1. Economy and Personal Finance Survey, Gallup, April 2020.
2. Life expectancy for an individual age 61 as of 1/1/2021. Society of Actuaries Annuity 2000 Mortality Table with 100% AA projection to 2016 and 150% projection thereafter, with mortality blended 50% Male and 50% Female at age 60.
3. Paycheck or Pot of Gold Study,SM MetLife, April 2017. Respondents include over 700 DB and DC plan participants.
4. All guarantees are based on the claims-paying ability and financial strength of the issuing MetLife company.
5. Top 10 Ways to Prepare for Retirement, U.S. Department of Labor, September 2019.
6. LIMRA U.S. Group Annuity Risk Transfer Survey (a survey of 18 participating companies), September 30, 2020.

Group annuity contracts are issued through Metropolitan Tower Life Insurance Company (MTL) or Metropolitan Life Insurance Company (MLIC). Like most group annuity contracts, MTL and MLIC group annuities contain certain limitations, exclusions and terms for keeping them in force. MTL and MLIC annuity products may not be available in all states. Contact your MetLife representative or human resources department for more information.

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Our advantage

The MetLife enterprise ranks #1 in sales and assets of institutional income annuities.⁶ For over 45 years, the Institutional Income Annuities team has developed, evolved, and refined a disciplined approach to creating guaranteed income solutions. We've done so by accumulating decades of knowledge, listening intently to our customers and putting our clients first. This combination of experience and empathy, paired with our financial strength, results in a committed partner with a proven ability to anticipate market shifts and successfully navigate them.

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