Janus Henderson
INVESTORS

BIG QUESTIONS

For a Better Retirement

- When Is the Right Time to Retire?
- How Do I Make My Money Last?
- What Do I Need to Know About Social Security?
- How Do I Plan for Health Care in Retirement?
- How Do I Start My Plan?

BIG QUESTIONS

For a Better Retirement

As investors near retirement, readiness planning can seem daunting. We believe it's important to ask the right questions in order to make sound decisions. Big Questions for a Better Retirement is designed to ask and answer questions and help investors start building a solid foundation for retirement readiness.

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When Is the Right Time to Retire?

Timing retirement is not just about age. There are important factors to consider when planning the right time to retire.

Health

An individual's health and the health of his or her spouse should factor into the decision about when to retire. A retiree in poor health may not be able to work full time or even part time during retirement. In addition, poor health may factor into a shortened projected life expectancy and higher short-term health care costs when calculating how long your money will need to last.

Life Expectancies Are Getting Longer

- **A woman who is 65 today can expect to live, on average, until age 87**
- **A man who is 65 today can expect to live, on average, until age 84.3**

Source: ssa.gov

Conversely, a retiree with a good bill of health and a family history of longevity may want to factor in a longer life cycle for how long their savings will have to last.

When Social Security benefits began in 1940, the life expectancy of Americans was 65 years. In 2017, according to the Centers for Disease Control and Prevention, life expectancy has reached 78.6 years. People age 85 or older make up the fastest-growing segment of the U.S. population. With advances in medicine and technology, this trend is likely to continue, but retirement assets are less likely to keep pace. For many, this means working longer. A couple in good health may want to plan for scenarios in which one or both live 30+ years in retirement.

Longer life expectancies also are likely to impact health care costs, one of the largest out-of-pocket expenses in retirement. For individuals looking to retire before age 65, health care can present a problem because Medicare benefits are not available until recipients reach age 65. For those considering retiring before age 65, the cost of private health care insurance coverage should be factored in for pre-Medicare years and possibly after age 65 for partial coverage.

In a 2019 retirement study, 43% of retirees indicated they retired earlier than planned, many due to health reasons.[1]

[1] "2019 RCS Fact Sheet #2 Expectations About Retirement," EBRI/Greenwald Retirement Confidence Survery. https://www.ebri.org/docs/default-source/rcs/2019-rcs/rcs_19-fs-2_expect.pdf?sfvrsn=2a553f2f_4

Where Will Your Income Come From In Retirement?

- Social Security
- IRA
- 401(k)
- Pension
- Annuity

Access to retirement benefits by age

AGE 55 — Can access most 401(k) plan assets without IRS penalty[2]

AGE 59½ — Can access tax-deferred retirement savings without IRS penalty

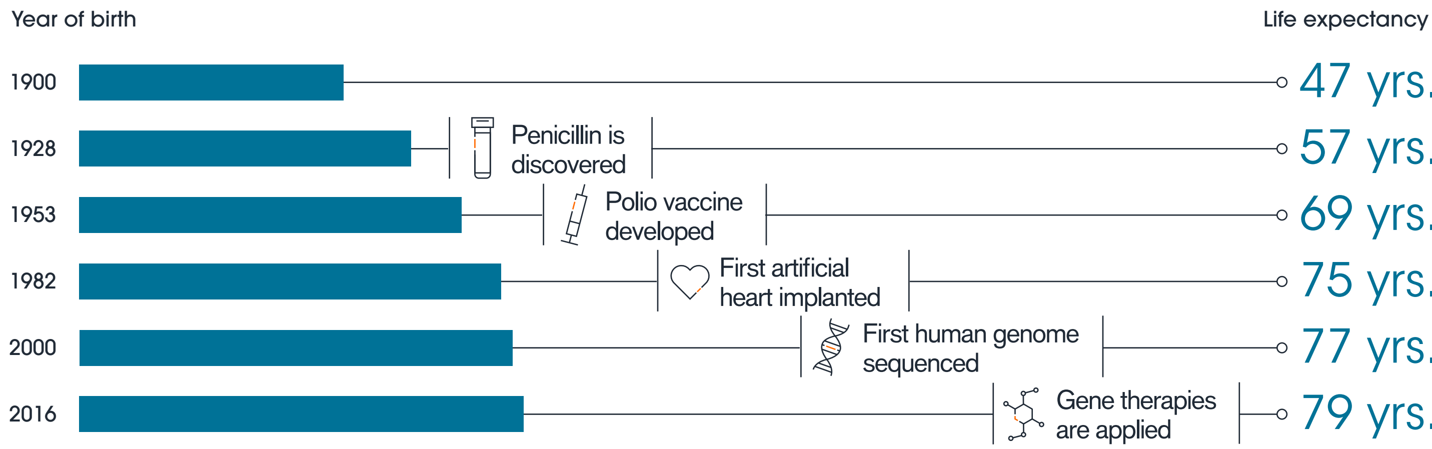
AGE 62 — Can apply for reduced Social Security benefits

[2]With separation from service

When Is the Right Time to Retire?

Health Care Evolution Fuels Longer Lives

Continued health care advances translate to longer life expectancies



Source: cdc.gov

Age

Age will dictate access to certain benefits and income sources in retirement. The typical age at which individuals can start taking withdrawals from 401(k) accounts without penalty is 55 if separated from service or no longer working. If planning to retire before then, a retiree may have to rely on other sources of income or assets until retirement accounts can be tapped. Waiting until age 55 for 401(k) access or age 59½ for retirement account access can still pose problems because Social Security isn't available until age 62 or later. Full retirement age – the age at which retirees can expect to receive unreduced Social Security benefits – falls somewhere between ages 65 and 67, depending on the year a person was born. Knowing the age breakpoints can help determine how much and when to expect retirement income. This may influence the timing of a person's departure from the workforce.

Money

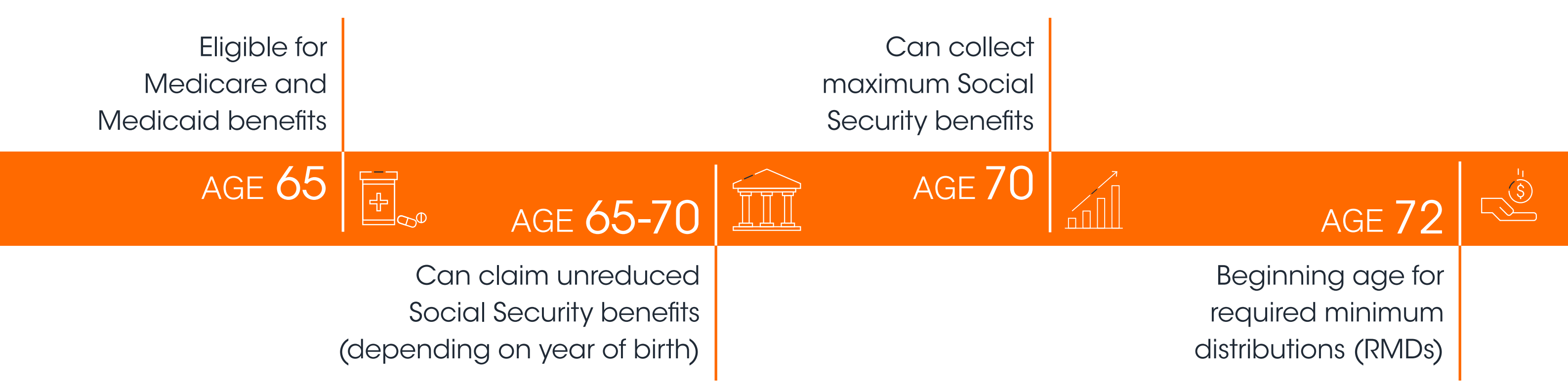
It goes without saying that money is needed to live in retirement, but how much will vary significantly by retiree. It's important to understand minimum expenses and how much money will be needed to cover those costs. For near-retirees who may not have much money saved outside of a qualified retirement plan, it may become necessary to work until their retirement assets become accessible without penalty to meet short-term cash flow needs. On the other hand, a near-retiree with liquid assets that are accessible may have the means to retire early or move into part-time work prior to tapping retirement funds.

Time

Another important consideration before retirement is deciding what to do if leaving the workforce. Leisure activities might be good initially, but many retirees want more during retirement to keep themselves stimulated. Think about where to spend the extra time and be intentional about living in retirement. A happy retirement is one that is filled with passions.

Where will you spend your time in retirement?

- **Part-time work**
- **Volunteering**
- **Coaching/teaching**
- **Traveling**
- **Pursuing a passion or hobby**



How Do I Make My Money Last?

1 in 4
65-year-olds will
live to age 90

TIP: If you are eligible to contribute the maximum amount to a 401(k) or 403(b) and your adjusted gross income is under $140,000 (single) or $208,000 (married, filing jointly) in 2021, you may also maximize contributions to a Roth IRA.

Maximize your highest earnings years

The Internal Revenue Service (IRS) allows individuals over age 50, during what will likely be peak earning years, to increase or catch up retirement savings in a variety of ways. Understanding all your options can help you maximize contributions as you near retirement.

The IRS Allows Catch-Up Contributions to Retirement Accounts If Over Age 50

Type of Retirement Plan	Catch-up Amount Allowed	Maximum Contribution Limit (includes catch-up)
401(k), 403(b), SARSEP, governmental 457(b)	$6,500	$26,000
SIMPLE IRA	$3,000	$16,500
Traditional IRA or Roth IRA	$1,000	$7,000

IRS catch-up provisions for 2021. Visit irs.gov for additional rules and regulations regarding retirement contributions.

Don't underestimate the impact of large drawdowns

The chart below shows how radically different an investor's wealth profile can look if they take a large withdrawal or experience a large market downturn early in retirement. Spend too much or suffer a big loss early and an investor could run out of wealth much sooner.

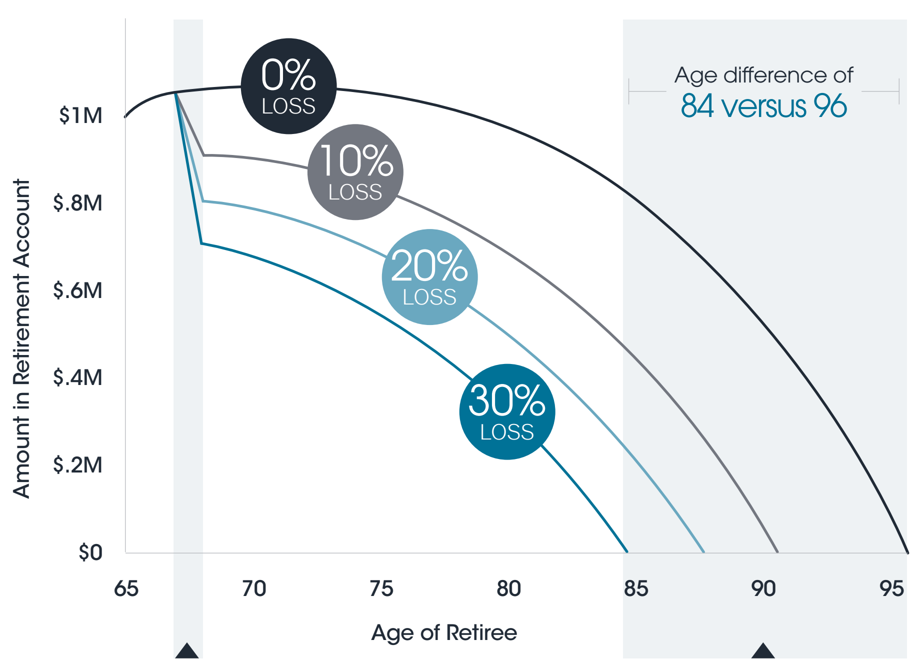
Potential large drawdowns

- Health care expenses
- Market fluctuation
- Family emergency
- Large purchases

Hypothetical Example: Assume a $1M beginning balance at retirement, a 5% return annually with the exception of a significant downturn in the third year of retirement (-30%, -20% and -10%), and a $45K withdrawal adjusted 3% each year for inflation.

Hypothetical Example: Age When Investor Could Run Out of Wealth

if a large drawdown occurs in the first three years of retirement



A significant loss in the third year of retirement will have a substantial impact on how long your savings will last.

One in four 65-year-olds will live to age 90

How Do I Make My Money Last?

Spending Discipline

Unexpected Expenses

- Car Repair
- Emergency Room Visit

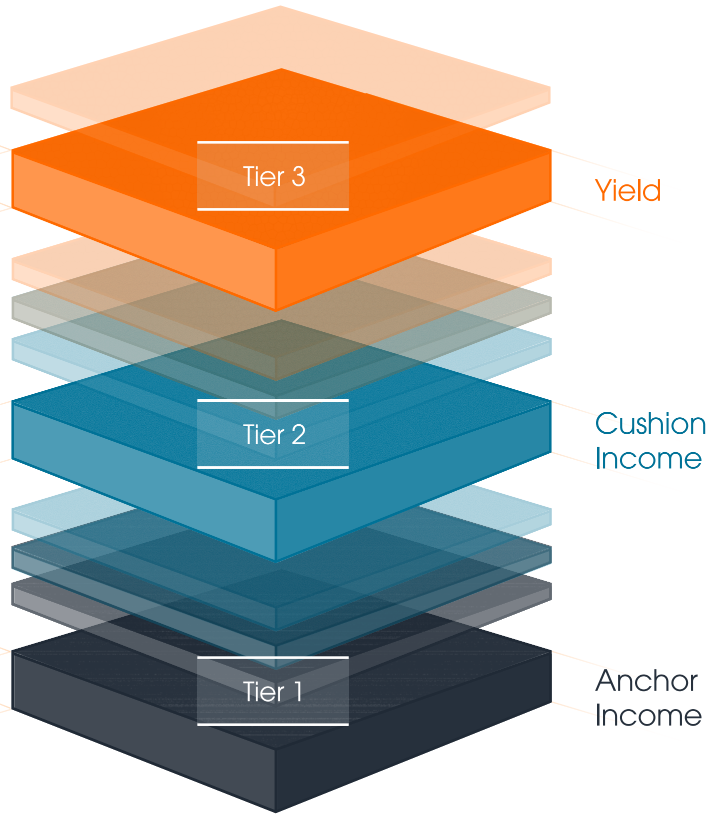
Discretionary Expenses

- Weekend Getaway
- Concert Tickets
- Replace Dishwasher
- Dinner Party

Essential Expenses

- Food
- Utilities
- Housing
- Insurance

The Three Tiers of Retirement Income



Establish spending discipline

The downside of engaging in unsustainable spending patterns is the risk of living longer than your money. Significant withdrawals from your retirement or savings accounts can have a large impact on how long your assets will last. The behavioral flaw of instant gratification will likely have a negative impact on a portfolio's ability to generate cash flow over a lengthy retirement period. Oftentimes, spending is about trade-offs. Prioritizing cash flow needs can help investors make a rational, informed decision.

Align your spending discipline with your expenses to help create a realistic budget and make good spending decisions.

Create a cash flow strategy

Once you have estimated retirement expenses, the next step is to audit all accounts and understand how much is invested in equities, fixed income, cash and other investments. Ensure that the allocation is appropriate in terms of risk tolerance and ease of access. It may be good to review with a financial professional. One way to think about asset allocation is from the viewpoint of creating income in retirement. Looking at the portfolio from this perspective can help you invest to help meet your cash flow needs in retirement. The Three Tiers of Retirement Income is a framework that can help. (Read more on next page.)

TAKEAWAY: A solid income strategy that is needs-based can help create peace of mind in retirement regardless of the market or economic environment.

The Three Tiers of Retirement Income

Investors looking for income in retirement may benefit by implementing an entirely different approach to their investment decisions. Start by acknowledging that income and yield are two different concepts. Income represents total cash flow can be inclusive of Social Security, pensions, royalties and rental income and is what helps retirees meet their essential household expenses. Yield, meanwhile, is related to the income a particular investment pays. While yield can be helpful in evaluating specific investment opportunities, investors are likely to be better served by an income-based strategy.

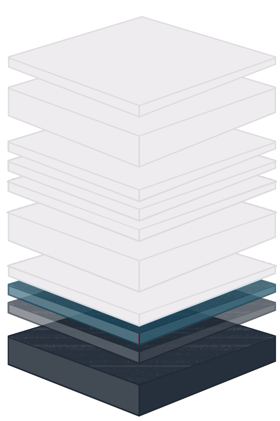
The Three Tiers of Retirement Income strategy aligns income needs with investments that can help meet those needs.

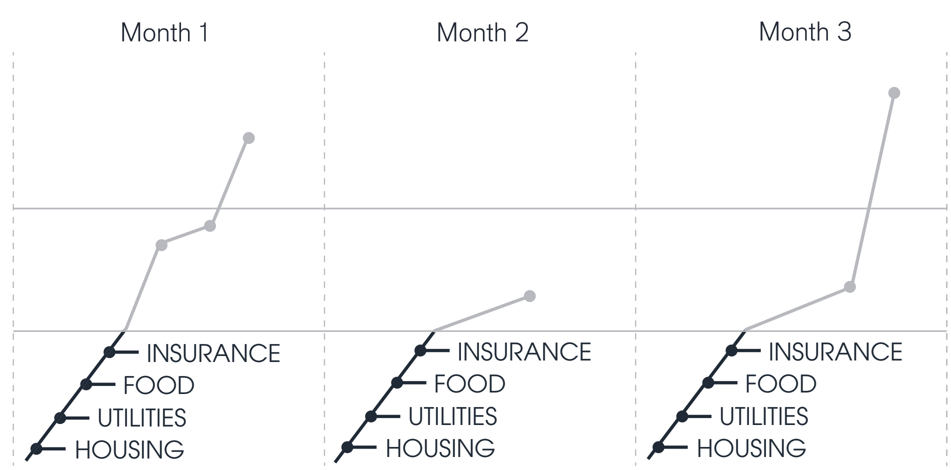
Tier 1: Anchor Income
Essential Expenses

May be used to meet essential needs in retirement; can generally be relied on regardless of market or economic conditions.

Many retirees may find peace of mind when their anchor income sources are equal to their essential household expenses. If there is a shortfall, it may be wise to use a portion of their existing portfolio to purchase an investment product that will provide the necessary additional monthly income.

Hypothetical Example: Cash Flow Needed to Meet Essential Needs





Examples of Anchor Income

- Social Security
- Pensions
- Royalties
- Annuities

Tier 2: Cushion Income
Discretionary Expenses

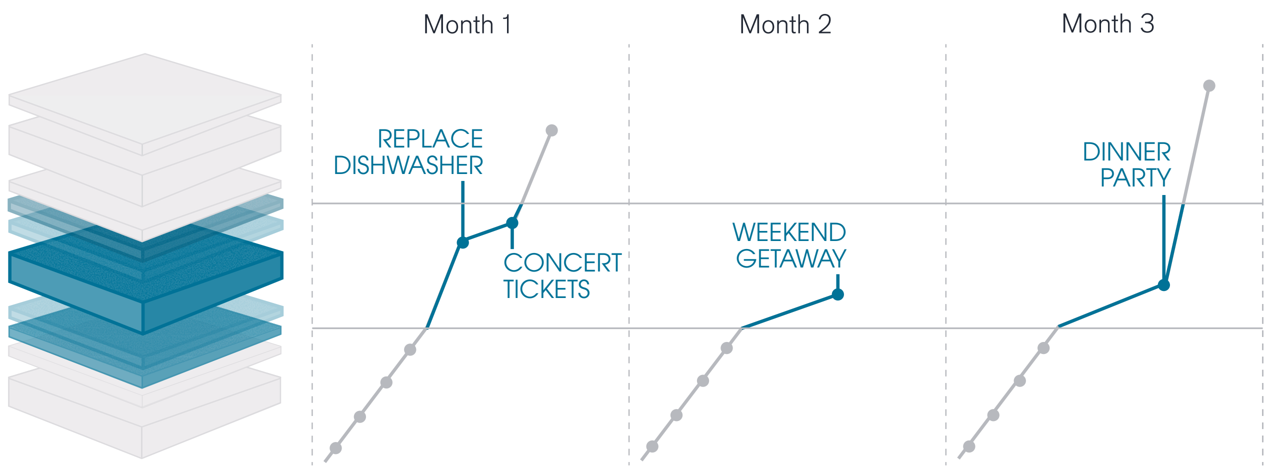
Income that can be used to pay unexpected expenses, to cover a shortfall in essential expenses or for discretionary expenses.

Cushion income may help avoid the need to sell stock investments that have gone down in value. If effective, a pool of cash is readily available for withdrawals and can be augmented or replenished from the yield portion of the portfolio.

Cushion Income Examples

- Bank deposits
- Short-term or low-duration bond mutual funds or ETFs
- Money markets

Hypothetical Example: Cash Flow Needed for Discretionary Expenses



Tier 3: Yield
Unexpected Expenses

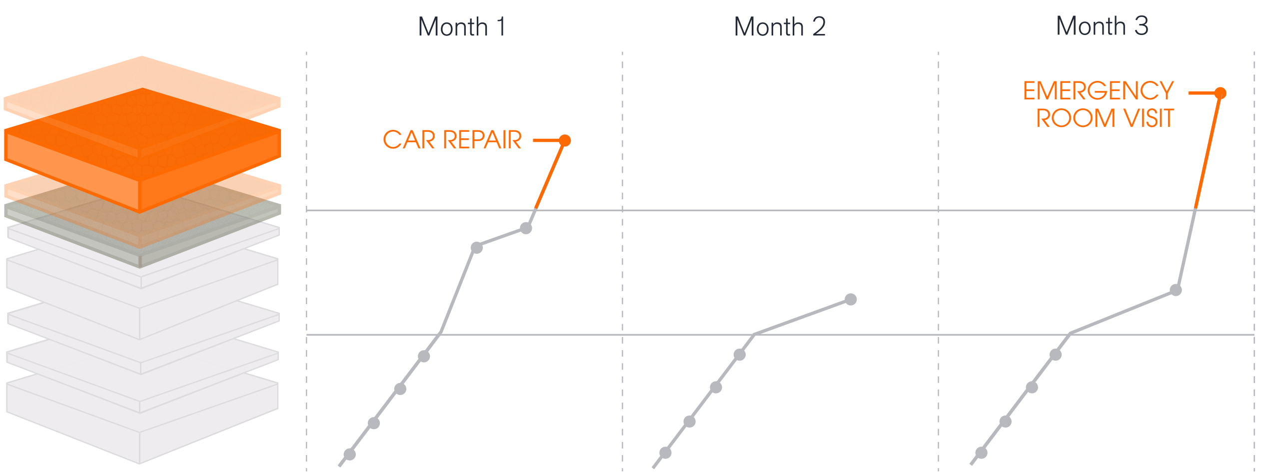
Additional income generated from higher-risk investments that can provide diversification from the stock or growth portion of a retirement portfolio; used to replenish cushion income as needed.

As these investments often pay interest and/or dividends, those payments may be reinvested or can be used to refill cushion income and augment anchor income. For some investors, income needs may require interest and dividends to help meet unexpected expenses.

Examples of Yield Income

- Government and corporate bonds of various maturities and credit qualities
- High-dividend-paying stocks
- Fixed income-based mutual funds or ETFs

Hypothetical Example: Cash Flow Needed for Unexpected Expenses



2021 Income Tax Brackets

12%

- Individual
  $9,951 to $40,525
- Married Filing Jointly
  $19,901 to $81,050

22%

- Individual
  $40,526 to $86,375
- Married Filing Jointly
  $81,051 to $172,750

24%

- Individual
  $85,526 to $163,300
- Married Filing Jointly
  $171,051 to $326,600

32%

- Individual
  $163,301 to $207,350
- Married Filing Jointly
  $326,601 to $414,700

Source: irs.gov

Be tax aware

Your tax situation in retirement will be impacted by the account from which you withdraw. For example, withdrawing from a traditional IRA tax-deferred account will mean that you generally will pay taxes on the amount withdrawn for that tax year. However, withdrawing from a taxable account may help reduce taxes as retirees cross into higher tax bracket breakpoints, and withdrawing from an eligible Roth IRA may be tax free. The type of accounts and order of withdrawals matter. See how the withdrawal strategy of a retired couple looking to live on $100,000 a year can save on potential taxes.

Hypothetical Example Shareholders: Fred and Linda

A retired couple with the following retirement accounts is looking to receive income of $100,000 for the year. What accounts are tapped and in what order make a big difference in the taxes owed to the IRS.

- Total Investments: 401(k)s $1M,
- Traditional IRAs $200,000, Roth IRAs $150,000

12% Income Tax

Income Source	Taxable Income	Tax Withdrawn
Social Security benefit	$20,000	$2,400
Pension benefit	$20,000	$2,400
401(k) withdrawn	$37,400	$4,488
Total Income	**$77,400**	**$9,288**

After taxes, Fred and Linda will bring home **$68,112**. In order to hit their goal of $100,000 in pre-tax income, Fred and Linda need to find an additional income of **$22,600**. This is a key decision for Fred and Linda because additional income withdrawn will generally be taxed higher at the next tax bracket of 22%.

Big Decision

Non-tax-efficient strategy of remaining $22,600 withdrawn from 401(k) taxed at ordinary income rate

$4,972 spend in taxes at 22%

Tax-aware strategy of remaining $22,600 withdrawn from a Roth IRA tax free

$0 spend in taxes

▼$14,260 overall tax spend VS ▼$9,288 overall tax spend

- TIP: Qualified withdrawals from a Roth IRA are tax free and can be used strategically to minimize taxes

What Do I Need to Know About Social Security?

Can you count on Social Security?

The Congressional Budget Office projects that given tax revenues, the Social Security Administration may not be able to support expected benefits in future years.

Expected Payout of Social Security Benefits

Year	% of Expected Benefits
2033 or Earlier	100%
2034	79%
2092	74%

Source: Social Security Trustee Report 2018

While reform is expected to address future shortfalls, benefits for baby boomers are not likely to be affected.

Calculating Social Security

The amount of Social Security benefit you receive is based on two factors:

- How much you earned over your working career
- The age at which you apply for benefits

How to estimate your Social Security benefit

You may begin taking Social Security retirement benefits as early as age 62, but your benefit will be greater if you wait until your full retirement age (FRA), which is defined by the IRS based on the year you were born. You can receive benefits while you are working, but if you are younger than your FRA, benefits will be permanently reduced. Once you start taking benefits, there may be an annual cost-of-living adjustment to your benefit determined each year by the Department of Labor. View the chart on the next page for more information on FRA.

By year 2034, you may get only 79% of scheduled Social Security benefits.[3]

- A Social Security estimator tool is available at **janushenderson.com**. A financial professional can also help estimate expected Social Security benefits.

[3]ssa.gov 2018

To get 100% of your Social Security benefit, you must wait until your full retirement age.

Full Retirement Age

Year of Birth	Age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

How it works

To calculate your Social Security benefit, each year's earnings are tallied up and indexed for inflation. The highest 35 years of earnings are averaged and then run through a formula to determine your benefit. The formula is complex and depends on which year you were born. Before you take Social Security, you should examine your earnings record from your latest Social Security statement, available online at socialsecurity.gov/mystatement. Review it for accuracy and missing years to make sure your benefit will be calculated correctly.

When to take Social Security benefits

There isn't a simple formula to tell you when to collect Social Security benefits. However, there are some important factors to consider such as health status, life expectancy, need for income, whether you plan to work in retirement and the needs of your surviving spouse. To receive 100% of your Social Security benefit, you must wait until your full retirement age.

Hypothetical Example: How Much Social Security Can You Expect?
(based on an expected benefit of $1,000/month at full retirement age)

If your full retirement age is 66

% of benefit	75%	80%	86.7%	93.3%	100%	108%	116%	124%	132%
age	62	63	64	65	66	67	68	69	70
$ amount of benefit	$750				$1,000				$1,320
	Early				On Time				Late

If your full retirement age is 67

% of benefit	70%	75%	80%	86.7%	93.3%	100%	108%	116%	124%
age	62	63	64	65	66	67	68	69	70
$ amount of benefit	$700					$1,000			$1,240
	Early					On Time			Late

Strategies for making the most of Social Security

Work longer and delay taking your benefit until age 70

For each year you delay taking benefits after your full retirement age up until age 70, the annual benefit increases by 8%, which equates to more income later on. If you apply early, your benefit starts lower and stays lower for life. The annual cost-of-living adjustment to your benefit will also magnify the impact of when you claim your benefit. Working longer before you claim may also have the benefit of improving your earnings record since the calculation takes into account your highest earnings years.

Consider using a spousal benefit strategy

What is it?

For married couples, each spouse has the option of taking Social Security benefits using their own earnings record or collecting spousal benefits, a process that uses his or her spouse's earnings record to calculate benefits. You can't do both. The spousal benefit generally equates to 50% of the full benefit.

When to use it?

Typically, this strategy is used when the lower-earning spouse's Social Security benefit would be more if using the spousal benefit rather than collecting on his or her own benefit.

Can I use it?

To utilize this strategy, you must have been born before 1954. You typically must wait until your spouse files for his or her benefit first before you can claim the spousal benefit.

Hypothetical Example: Spousal Benefit Approach Can Pay Off

The hypothetical example below features a married couple exploring how using the spousal benefit to claim Social Security can optimize their benefit.

$1,000
Terry's Social Security benefit based on earnings record

$350
Robin's benefit based on earnings record

$500
Robin's benefit if claiming a spousal benefit – taking 50% of Terry's benefit

43% more

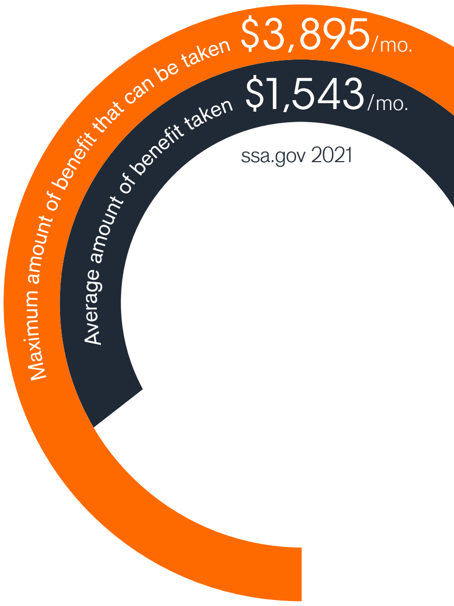
$150/month
over 8 years

Assumes spousal benefit taken from ages 62-70

Other spousal strategies to consider

- If you are divorced, had been married for at least 10 years and are not remarried, you can collect the greater of your own benefit or 50% of your ex-spouse's benefit.
- If you are a widowed spouse, you are eligible to collect the greater of your own benefit or 100% of your spouse's benefit.

Will Social Security Be Enough?



BOTTOM LINE

It's not just when you take Social Security, but how you take it that can optimize your benefit.

Source: "Savings Medicare Beneficiaries Need for Health Expenses: Some Couples Could Need as Much as $350,000." EBRI, January 31, 2017. https://www.ebri.org/crawler/view/savings-medicare-beneficiaries-need-for-health-expenses-some-couples-could-need-as-much-as-350-000

To help cover gaps in Medicare, consider:

Purchasing Medigap insurance for gaps in coverage not covered by Medicare

Purchasing custodial long-term care coverage

How Do I Plan for Health Care in Retirement?

According to a recent study, an average couple may need to save $268,000 to cover out-of-pocket medical expenses in retirement[4]. Over a 25-year retirement, that averages to over $10,700 per year in out-of-pocket costs. Many retirees look to Medicare as their primary health care provider in retirement, yet many don't fully understand how it works. Even with Medicare, it is important to plan for out-of-pocket premiums, deductibles and co-pays.

How Medicare works

Generally, retirees will qualify for Medicare at age 65 if they or their spouse have worked long enough to be eligible for Social Security retirement benefits. At age 65, retirees who are receiving Social Security benefits will be enrolled automatically in Parts A and B; if not receiving benefits, they will need to apply.

Medicare Basics

Coverage	Premium	Deductible	Co-Pay
Part A Hospital; skilled nursing facility; home health care and hospice care	Generally none	$1,484 for hospital stays	Begins after 60 hospital days
Part B Physician and outpatient services	Begins at $144.60/ month	$203	20% of Medicare-approved amounts
Part D Prescription drugs	Depends on plan	Maximum of $445	Plan dependent up to $4,130 of total costs, after which is 25% of both brand name and generic drug costs.

Source: medicare.gov

Medicare gaps to be aware of

Medicare Part A and Part B do not cover routine dental coverage such as checkups, cleanings, fillings or dentures. Medicare also does not cover vision care such as eye exams, contact lenses and eyeglasses, and hearing exams and aids (although some implants may be covered). In addition, while skilled long-term care is covered, custodial long-term care, or the general day-to-day care that is not considered medical, is not covered. These factors should be considered when estimating annual out-of-pocket health care costs throughout retirement.

More information about Medicare Part A and Part B can be found at www.medicare.gov.

[4] "Savings Medicare Beneficiaries Need for Health Expenses: Some Couples Could Need as Much as $350,000." EBRI, January 31, 2017. https://www.ebri.org/crawler/view/savings-medicare-beneficiaries-need-for-health-expenses-some-couples-could-need-as-much-as-350-000

Putting It Together – How Do I Start My Plan?

The following practical steps can provide the foundation to creating a retirement plan, helping position you for retirement readiness.

Audit expenses and determine projected retirement monthly spending gap

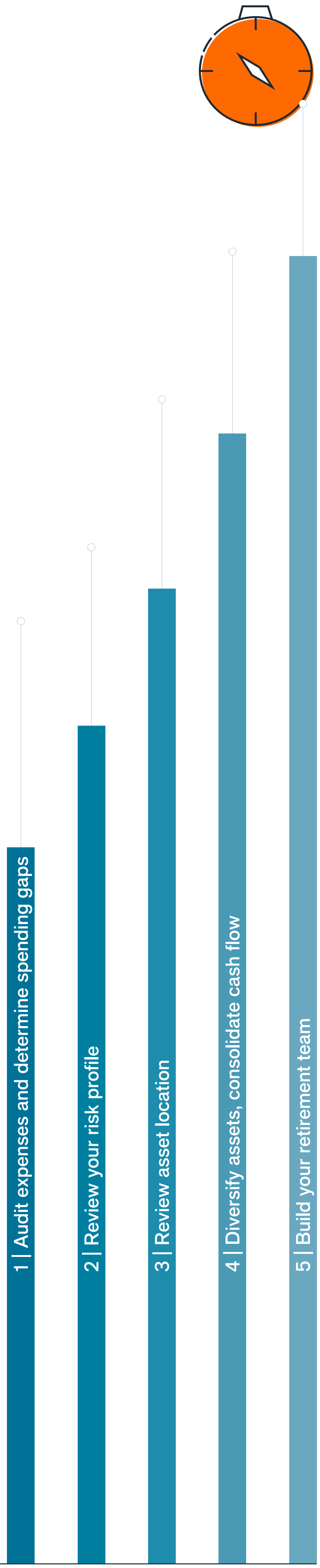
Mapping out expected expenses and comparing them to guaranteed sources of income such as Social Security is one of the easiest ways to get a realistic picture of your needs before you retire. This exercise can help determine how much you can expect to receive and what you may need to withdraw from investments each month.

Review your risk profile and beware of investing solely for income

Many financial professionals agree that as investors approach retirement, they should evaluate their asset allocation to potentially reduce equity exposure and risk. For many people, this means reallocating to a less-risky investment such as bonds. These are a popular choice because they can potentially reduce risk and generate income. Beware of investing solely for income, however, because not all bonds are created equal. In a low interest rate environment, it may be difficult to generate meaningful cash flow. In an attempt to generate high levels of income, or yield, the worst-case scenario would be to assume risks that are neither understood nor appropriate. As a result, declining market values can eclipse income received, leaving investors with an overall net loss. Refer to The Three Tiers of Retirement Income to help you get started creating an income strategy.

Review asset location

Next, audit the types of investment accounts in which money is invested and how much is in each account. These types of accounts might include: 401(k) plan, traditional IRA, Roth IRA, pension, annuity, taxable accounts, etc. Auditing the types of accounts and how much is invested in each will assist you in creating a tax-aware cash flow strategy.



Diversify assets, consolidate cash flow

One common misconception is that consolidating investments within one financial institution will simplify retirement planning. While it may be convenient, make sure to understand how it will affect your investment returns. When considering consolidating investments within a single institution, especially if looking to roll over a 401(k), take a hard look at the fees and expenses. For example, transferring an investment to another institution may require a change that could mean a higher expense ratio. One way to consolidate cash flow is to set up banking information on each investment account to make deposits to a single checking account or a Personal Pension Account (PPA) to pay bills from a single source.

▶ TIP: Review investment accounts to ensure beneficiaries are listed and correct prior to retirement.

Build your retirement team

When planning for retirement, one of the most critical and yet overlooked steps is building a support team during retirement.

Consider Recruiting the Following Team Members to Help Build Your Plan:

- Financial professional to assist with managing the investment transition into retirement
- Tax professional for tax planning and assisting with a tax-aware withdrawal strategy
- Legal counsel for estate planning purposes and help drafting power of attorney documents

Communicate your wealth-transfer plans with key family members to keep them informed on your needs, wants and wishes during retirement.

Asking and answering the big questions before retirement is critical to creating an effective plan. Janus Henderson has a team of experienced retirement experts to help develop tools and resources for clients.*

VISIT **JANUSHENDERSON.COM** FOR MORE RETIREMENT RESOURCES

*Janus Henderson does not verify or review financial or tax situations in any way and directs people to their financial or tax professional.

About the Expert

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Matt Sommer is Senior Managing Director, Retirement Strategy Group at Janus Henderson Investors. In this role, he leads the Defined Contribution and Wealth Advisor Services Team. His expertise covers a number of areas, including regulatory and legislative trends, practitioner best practices, and financial and retirement planning strategies for high-net-worth clients.

Prior to joining Janus in 2010, Mr. Sommer spent 17 years at Morgan Stanley Wealth Management and its predecessors, Citi Global Wealth Management and Smith Barney, during which time his roles included director of financial planning and director of retirement planning.

Mr. Sommer received his bachelor's degree in finance from the University of Rhode Island and an MBA with a concentration in finance from Pace University, Lubin School of Business. He is a Certified Private Wealth Advisor (CPWA®) and currently serves on the CPWA examination task force. Additionally, Mr. Sommer is an adjunct professor at the College for Financial Planning of the CFP® and CRPS® programs. He is also a Ph.D. candidate at Kansas State University.

Mr. Sommer holds the Certified Financial Planner (CFP®) and Chartered Financial Analyst designations. He has 25 years of financial industry experience.

> "We believe it's important to ask the right questions in order to make sound decisions.

FOR MORE INFORMATION, PLEASE VISIT **JANUSHENDERSON.COM**

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Investing involves market risk and it is possible to lose money by investing. Investment return and value will fluctuate in response to issuer, political, market and economic developments, which can affect a single issuer, issuers within an industry, economic sector or geographic region, or the market as a whole.

The information contained herein is for educational purposes only and should not be construed as financial, legal or tax advice. Circumstances may change over time so it may be appropriate to evaluate strategy with the assistance of a financial professional. Federal and state laws and regulations are complex and subject to change. Laws of a particular state or laws that may be applicable to a particular situation may have an impact on the applicability, accuracy, or completeness of the information provided. Janus Henderson does not have information related to and does not review or verify particular financial or tax situations, and is not liable for use of, or any position taken in reliance on, such information.

The examples provided are hypothetical and used for illustration purposes only.

A retirement account should be considered a long-term investment. Retirement accounts generally have expenses and account fees, which may impact the value of the account. Non-qualified withdrawals may be subject to taxes and penalties. For more detailed information about taxes, consult a tax attorney or accountant for advice.

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Diversification neither assures a profit nor eliminates the risk of experiencing investment losses. No investment strategy can ensure a profit or eliminate the risk of loss.

Fixed income securities are subject to interest rate, inflation, credit and default risk. The bond market is volatile. As interest rates rise, bond prices usually fall, and vice versa. The return of principal is not guaranteed, and prices may decline if an issuer fails to make timely payments or its credit strength weakens.

Annuities are long-term investment vehicles designed to accumulate money on a tax-deferred basis for retirement purposes. They limit access to the investment as a result of surrender charges and are subject to a 10% tax penalty on certain withdrawals. Riders are generally available for an additional charge. Variable annuities are subject to investment risk, and investment return and principal value will fluctuate.

Guarantees are subject to the claims paying ability of the insurer.

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