



# Help maximize your retirement income with an annuity



## Social Security: When you file matters

Delaying Social Security can have a significant impact on your monthly and lifetime retirement income.

Which monthly income would you rather have?

|  |   |  |
|--|---|--|
| <b>\$2,904</b><br>Claim Social Security<br>at age 62 |  | <b>\$1,136,605</b><br>Total potential<br>benefit at age 85 |
| <b>or</b>  |   |  |
| <b>\$6,478</b><br>Claim Social Security<br>at age 70 |  | <b>\$1,462,129</b><br>Total potential<br>benefit at age 85 |

**Flip over to see how an annuity can help maximize your protected income.**

**87%** of  
US workers  
indicated they  
are interested  
in a deferred  
annuity as  
a benefit.

— Franklin Templeton's 2024 Voice  
of The American Worker Survey

**For illustrative purposes only.** Individual Social Security benefits will vary, and actual results may be significantly different. Taxes have not been taken into account. Assumptions include: A single individual, born on 1/1/1966; total lifetime benefits assume cost-of-living adjustment (COLA) increases of 3% per year. Full Retirement Age (FRA) benefit assumed to be \$3,664. Talk to your financial professional or visit the Social Security Administration site ([www.ssa.gov](http://www.ssa.gov)) for more information about your specific situation.

# Maximizing your protected income

## Meet Mary



- She is age 55 and single
- She has \$1 million to invest and considering two options:
  1. Invest in a 60% equity/40% fixed income portfolio and take Social Security at age 62.
  2. Invest in a 60% equity/20% fixed income portfolio, use 20% to purchase an annuity and take Social Security at age 70.
- Plans to retire at 62
- She wants to maximize Social Security

S&P 500 Index represents the equity investment and the Bloomberg US Aggregate Bond Index represents the fixed income investment. Indexes are unmanaged, and one cannot directly invest in an index. The S&P 500 and Bloomberg Indexes do not include any fees, expenses or sales charges.

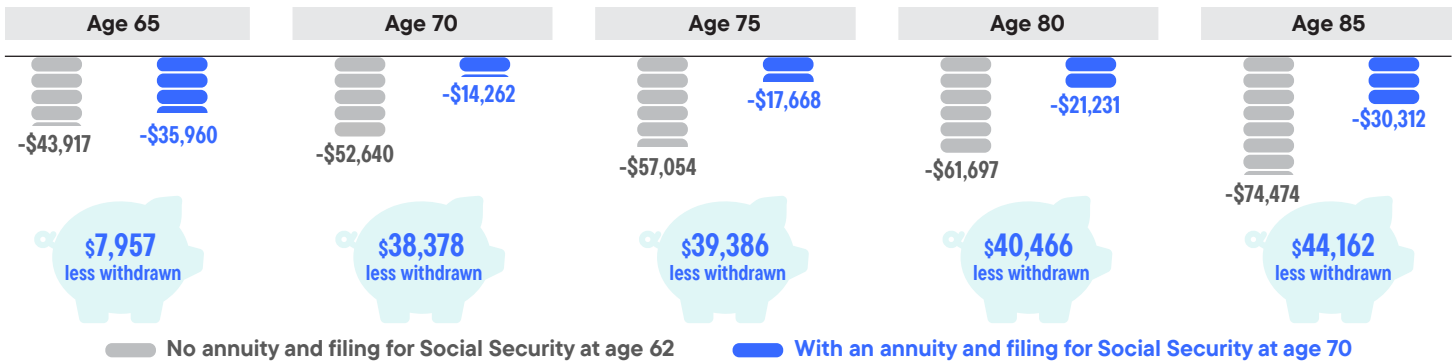
## Protected lifetime income snapshot (from age 62 to 85)

Total lifetime protected income  
(no annuity)  
**\$473,385**  
Claim Social Security at age 62

Total lifetime protected income  
(with annuity)  
**\$1,105,384**  
Claim Social Security at age 70

## Hypothetical withdrawals from your investment portfolio at specific ages

By investing 20% of her portfolio in an annuity and by maximizing her Social Security benefits, Mary is able to withdraw significantly less from her investments throughout retirement, to meet her needs.



The chart is for illustrative purposes only and does not reflect the performance of any Franklin Templeton fund. The chart does not reflect any taxes, fees, expenses or sales charges. The hypothetical Social Security illustrations were prepared using the LifeYield Social Security Optimizer calculator tool. The information generated by the LifeYield tool is hypothetical in nature and does not guarantee actual future benefits. Actual results may be significantly different from that shown here. LifeYield, LLC is an independent company that is not affiliated with Franklin Templeton Distributors, Inc. (FTDI), its affiliates or subsidiaries. FTDI is the distributor of the Franklin Templeton funds.

Source: Franklin Templeton Capital Market Insights Group. \$200,000 investment in a deferred annuity with 5% lifetime income guarantee. The growth stage lasts 10 years (from 1992 to 2002) and the annuity grows to \$477,300. During growth stage the variable annuity investment option is 80% S&P 500 and 20% Bloomberg US Aggregate Bond Index. After 10 years the variable annuity stops growing and provides 5% lifetime income guarantee on the \$477,300. Annual variable annuity payouts equal \$23,865 from 2003 to 2024. Monthly variable annuity payouts equal \$1,989 from 2003 to 2024. Total lifetime protected income (no annuity and claiming Social Security at age 62) is \$473,385. Total lifetime protected income (with annuity and claiming Social Security at age 70) is \$1,105,384. Total assumed living expenses (age 62 to 85) Medical: \$219k, Necessary expenses (mortgage, groceries, utilities, etc): \$1.6M, Discretionary (vacations, gifts, donations, home renovations, etc.): \$191k.

All financial decisions and investments involve risk, including possible loss of principal.

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Annuities are long-term investments designed for retirement purposes. The value of variable annuities is subject to market risk and will fluctuate. Product guarantees are subject to the claims-paying ability of the issuing insurance company. Earnings, when withdrawn, are subject to federal and/or state income tax, including a 10% tax penalty for withdrawals before age 59½. Some income guarantees offered with annuities take the form of optional riders and carry charges in addition to the fees and charges associated with annuity products.

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