Assured Edge® Advisory

A fixed annuity with a flexible guaranteed lifetime withdrawal benefit

Reducing withdrawal strain: A protected solution for wealth management

corebridge financial

Meet Richard

- He needs $50,000 per year to cover his total annual retirement expenses. He will receive $20,000 in guaranteed income from Social Security and a pension, leaving a $30,000 income gap.
- He has $750,000 in retirement assets earmarked for retirement income and he is considering two different scenarios.

Scenario 1 — Unprotected systematic withdrawal strategy

Richard takes a $30,000 systematic withdrawal from his $750,000 portfolio to cover the income gap.

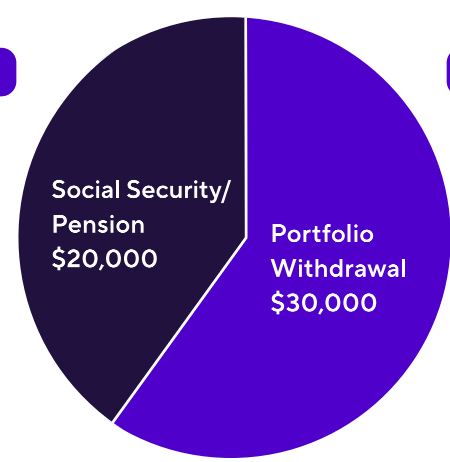
- His portfolio withdrawal rate—how much he withdraws from his retirement savings portfolio each year—is 4% ($30,000/$750,000).
- His income reliability ratio—how much of his income is provided from guaranteed sources—is 40% ($20,000/$50,000).

At outset of scenario

Account value: $750,000

Portfolio withdrawal rate: 4%

Income reliability ratio: 40%



After 20% decline in portfolio value

Account value: $600,000

Portfolio withdrawal rate: 5%

Income reliability ratio: 40%

Assuming a 20% decline in portfolio value but no change in his withdrawal amount, his new portfolio withdrawal rate is 5%, putting greater pressure on his portfolio to provide lifetime income.

In today's environment, Richard's portfolio withdrawal rate and low income reliability ratio increase his probability of outliving his savings. If the market declines, even more pressure will be put on his portfolio to provide lasting income while using a withdrawal rate that may not be sustainable over the long term.

Scenario 2 — Protected withdrawal strategy with Assured Edge

Richard uses $250,000 of his overall portfolio to purchase Assured Edge Advisory to generate an annual guaranteed lifetime income amount of $18,500—assuming an income percentage of 7.4% Single Life coverage. This strategy reduces his income gap to $11,750.

- His income reliability rate—how much of his income is provided from guaranteed sources—is 77% ($38,500/$50,000).

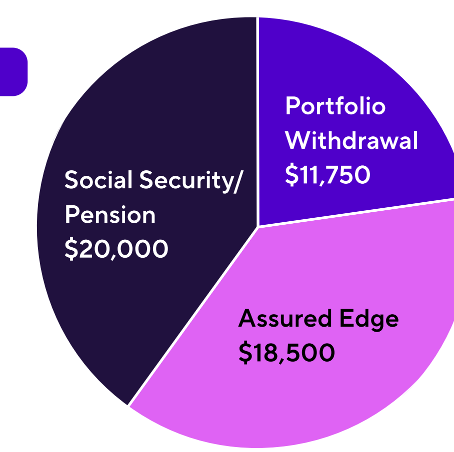
At outset of scenario

Account value: $750,000

- Investments: $500,000
- Assured Edge: $250,000

Portfolio withdrawal rate: 2.4%

Income reliability ratio: 77%



After 20% decline in portfolio value

Account value: $650,000

- Investments: $400,000
- Assured Edge: $250,000

Portfolio withdrawal rate: 2.9%

Income reliability ratio: 77%

In the event of a 20% decline in his portfolio value, Richard's new portfolio withdrawal rate is 2.9%, placing less strain than Scenario 1 without Assured Edge, while maintaining a higher income reliability ratio.

Overview

- Pressure is taken off of Richard's investment portfolio withdrawal strategy
- His income reliability ratio is 77% vs. 40% with the systematic withdrawal strategy, placing less reliance on his portfolio, allowing it to withstand market changes and invest the balance more freely

What's more, with Assured Edge Advisory if Richard did not need income right away, he would also have the opportunity to increase his guaranteed lifetime income amount every year until he activates lifetime income.

This is not an actual case. This is a hypothetical example for illustrative purposes only.

Assured Edge Advisory. A simple solution that adds predictable income for life.

A fixed annuity is a contract between you and an insurance company that, in exchange for your premium (earning a fixed rate of interest), offers a stream of guaranteed income payments.

Annuities are long-term products designed for retirement.

Retirement accounts such as IRAs can be tax deferred regardless of whether or not they are funded with an annuity. The purchase of an annuity within an IRA does not provide additional tax-deferred treatment of earnings. However, annuities do provide other features and benefits.

Withdrawals may be subject to federal and/or state income taxes. A 10% federal early withdrawal tax penalty may apply if taken before age 59½ in addition to ordinary income tax. Partial withdrawals may reduce benefits and contract value.

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