



Thanks for joining

Your Life in Retirement.

The workshop will start in **10** minutes.





Your Life in Retirement.

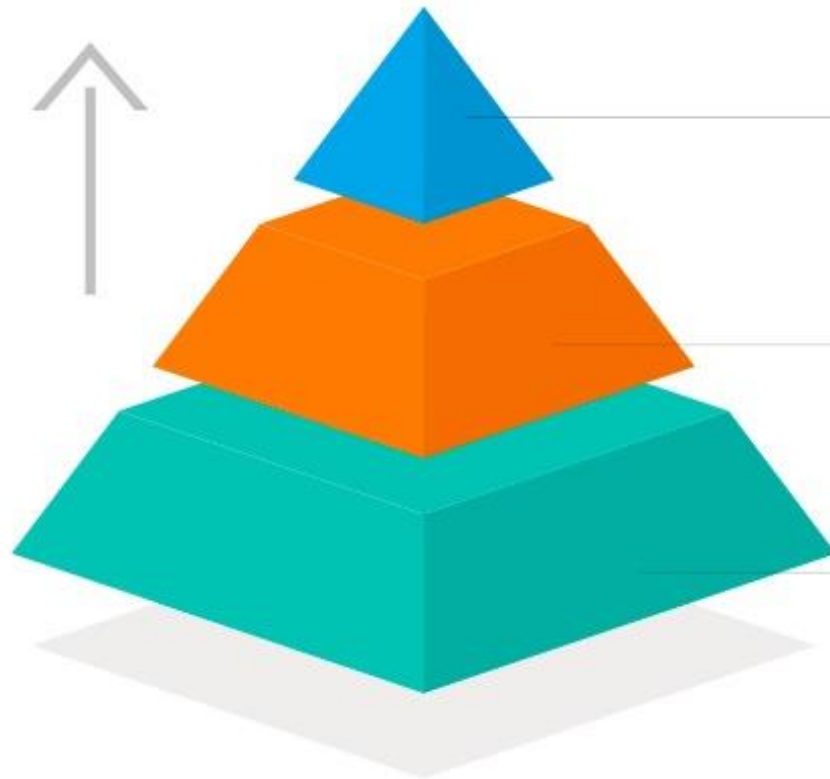


Strategies to help maximize your retirement income.



Your Life in Retirement

Retirement income needs



Legacy plan

Life insurance, wills, trusts

Discretionary lifestyle expenses

Travel, leisure, hobbies

Essential lifestyle expenses

Food, shelter, clothing, transportation, healthcare

Annual income needs

Variable income

Personal savings, investments, post-retirement income

Income designed to last a lifetime

Social Security, pension, GMWB

Funding sources

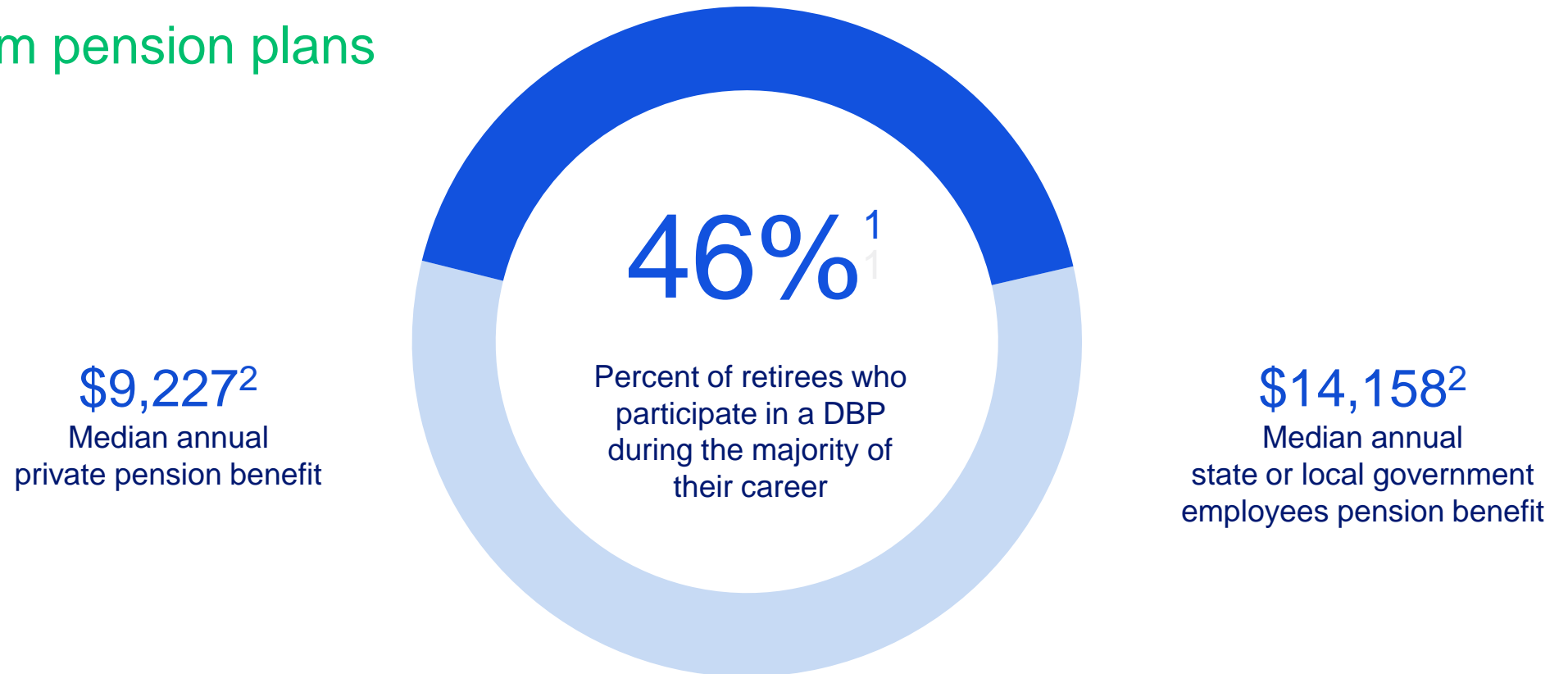
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Cover essentials with predictable income



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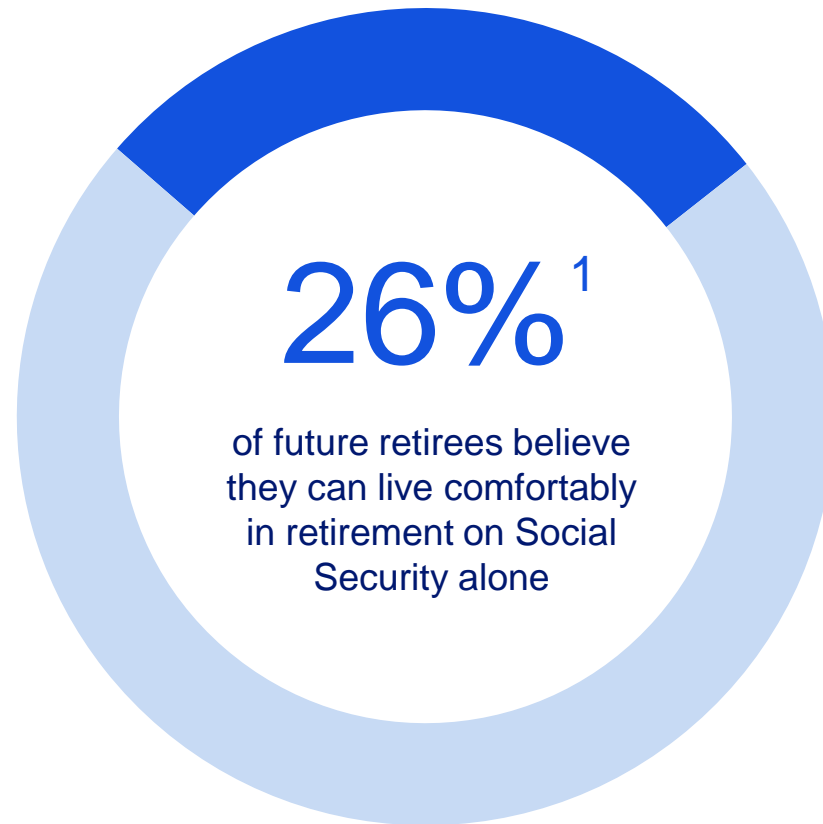
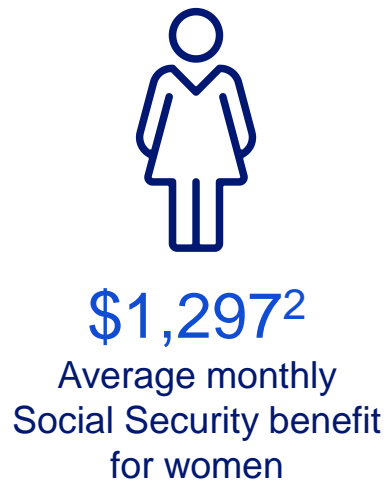
Income from pension plans



Sources: ¹The Current State of Retirement: Pre-Retiree Expectations and Retiree Realities. Transamerica Center for Retirement Studies, December 2015. ²Income from Pensions. www.pensionrights.org, 2014. <http://www.pensionrights.org/publications/statistic/income-pensions>.

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Income from Social Security



Sources: ¹Over Half of Future Retirees Will Rely on Social Security as Their Main Source of Retirement Income. Prnewswire.com. April 26, 2018.

²Fast Facts and Figures About Social Security, 2019, SSA Publication No. 13-11785. Released August, 2019. ssa.gov.

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What if I still have an income gap to fill?

Consider an annuity with a lifetime guaranteed minimum withdrawal benefit (GMWB)

1

Purchased to ensure payments never fall below the amount guaranteed by your contract

2

Contract terms, payout options, fees and investment/age restrictions vary

3

Features may include lifetime income at a set annual percentage

4

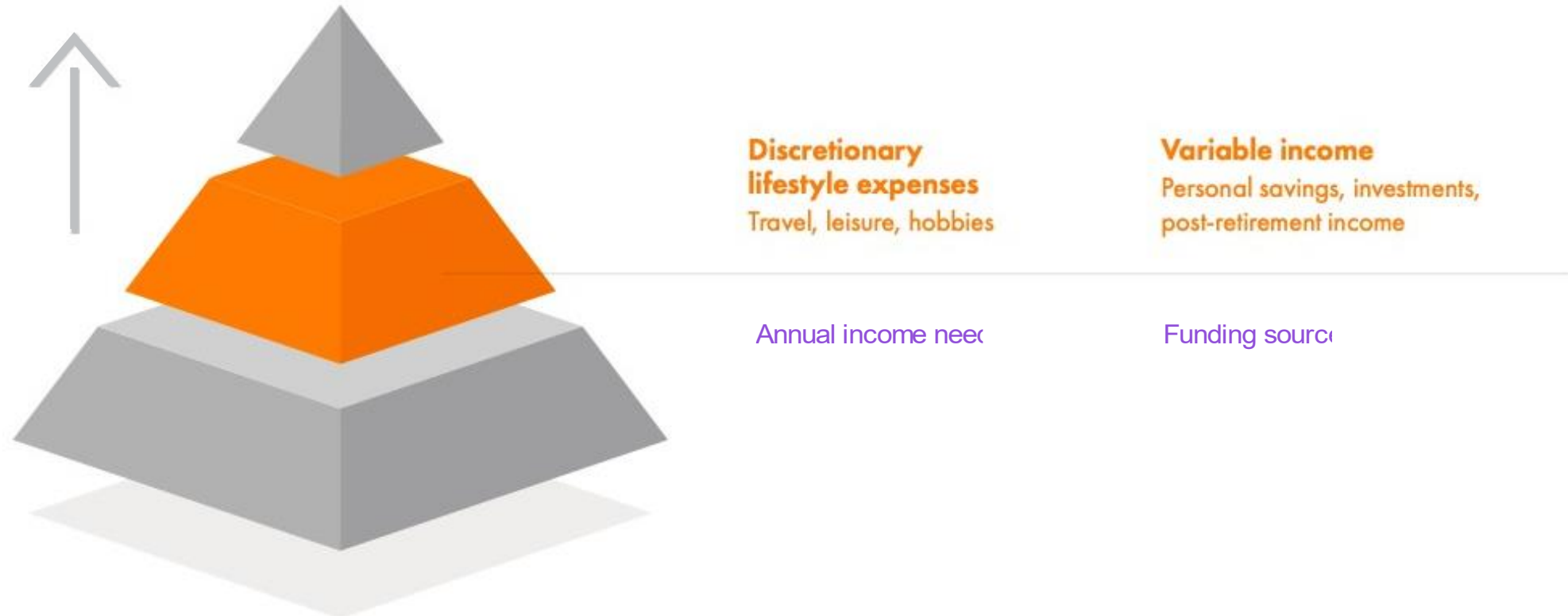
If your account value increased in a bull market, you would not need to use the rider

Withdrawals in excess of permitted free amounts may be subject to early withdrawal charges. Withdrawals are also subject to taxation as ordinary income. Guarantees are backed by the claims-paying ability of the issuing insurance company.



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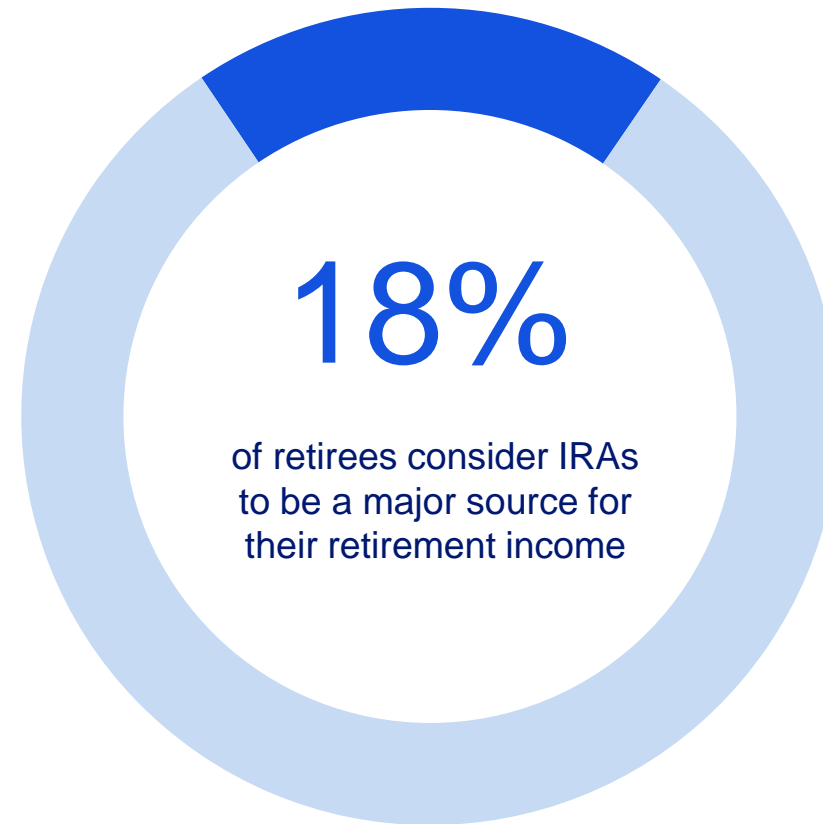
Cover non-essentials with supplemental income.



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Qualified accounts: IRAs

Traditional and Roth IRAs



Source: The 2016 Retirement Confidence Survey: Worker Confidence Stable, Retiree Confidence Continues to Increase. EBRI Issue Brief, March 2016, No. 422.

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Work and still receive Social Security benefits

2021

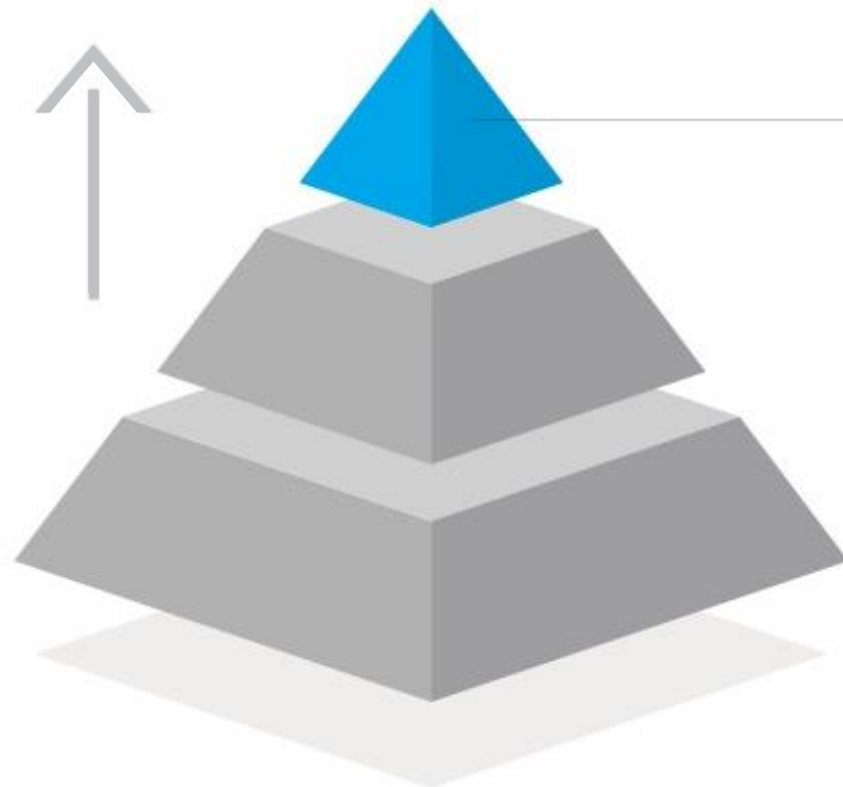
Age	Earn up to	After which some portion of your benefits will be deferred by
In years before Full Retirement Age (FRA)	\$18,960	\$1 for every \$2 you earn over limit
Up to the month within the year you reach FRA	\$50,520	\$1 for every \$3 you earn over limit

In the month you reach FRA and anytime thereafter, there's no earnings limit or penalty. Will your Social Security benefits be enough if you live to be 100 ... or older?

Source: What the Social Security COLA for 2021 Means For You. USNews.com. Oct. 13, 2020.

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Leaving a legacy.



Legacy plan

Life insurance, wills, trusts

Annual income needs

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① Longevity risk

Risk of outliving your retirement savings

- Retire later
- Work part-time
- Monitor and adjust budget
- Access permanent life insurance cash accumulation assets
- Leverage income from annuity

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② Healthcare risk

The high cost of healthcare in retirement



\$285,000

The average couple retiring today at the age of 65 will need \$285,000 to cover healthcare expenses in retirement

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Managing healthcare risk



Source: Amount of Savings Needed for Health Expenses for People Eligible for Medicare: Some News Not So Rare Anymore. Monthly Newsletter. Vol. 36, No. 10. EBRI. October 2015.

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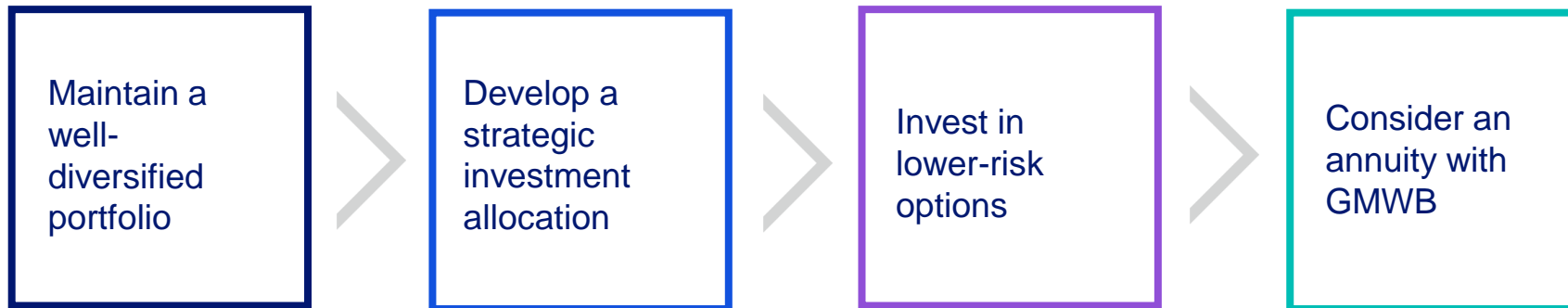
Medicare

Your Social Security healthcare benefit	
Eligibility requirements	<ul style="list-style-type: none">• Age 65 and over• Ten years of covered employment• Disabled
Covered services	<ul style="list-style-type: none">• Basic healthcare services (e.g., doctor visits, lab tests, surgeries)• Supplies (e.g., wheelchairs, walkers)
Excluded services	<ul style="list-style-type: none">• Skilled and private nursing• Custodial and routine care• In-home services• Plastic surgery• Most vision and dental care
Plans	<ul style="list-style-type: none">• Part A, B, C & D

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③ Investment risk

Risk that actual investment return could be different than expected



Diversification does not ensure a profit or protect against market loss.

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④ Managing the risk of inflation



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5 Withdrawal risk

Risk of drawing down your assets too aggressively to meet spending needs

Investor A

Age	Hypothetical negative early returns	Hypothetical account value	Annual withdrawal adjusted 3% for inflation
61		\$250,000.00	
62	-11.2%	\$209,500.00	\$12,500.00
63	-18.5%	\$157,867.50	\$12,875.00
64	-2.9%	\$140,028.09	\$13,261.25
65	4.5%	\$132,670.27	\$13,659.09

Investor B

Age	Hypothetical positive early returns	Hypothetical account value	Annual withdrawal adjusted 3% for inflation
87	8.8%	\$949,187.74	\$26,172.22
88	4.5%	\$964,943.80	\$26,957.39
89	-2.9%	\$909,194.32	\$27,766.11
90	-18.5%	\$712,394.27	\$28,599.10
91	-11.2%	\$632,606.11	

Source: MFS research. This hypothetical example is for illustrative purposes only and is not intended to predict the returns of any investment choices. Rates of return will vary over time, particularly for long-term investments. There is no guarantee the selected rate of return can be achieved. The performance of the investments will fluctuate with market conditions. Also, note that this example does not take into account other potential sources of retirement income, such as Social Security, corporate pensions, etc. Keep in mind that all investments carry a certain amount of risk including possible loss of the principal amount invested.

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⑥ Interest rate risk

Risk that interest rate fluctuations could affect your investments



Remember investing involves risk including the possible loss of principal.

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7

Taxation risk

The risk of paying too many taxes from income and distributions.

Single		Tax Rate	Married, filing jointly	
2020	2021		2020	2021
\$0 to \$9,875	\$0 to \$9,950	10%	\$0 to \$19,750	\$0 to \$14,200
\$9,876 - \$40,125	\$9,951 - \$40,525	12%	\$19,751 - \$80,250	\$14,201 - \$54,200
\$40,126 - \$85,525	\$40,526 - \$86,375	22%	\$80,251 - \$171,050	\$54,201 - \$86,350
\$85,526 - \$163,300	\$86,376 - \$164,925	24%	\$171,051 - \$326,600	\$86,351 to \$164,900
\$163,301 - \$207,350	\$164,926 - \$209,425	32%	\$326,601 - \$414,700	\$164,901 - \$209,400
\$207,351 - \$518,400	\$209,426 - \$523,600	35%	\$414,701 - \$622,050	\$209,401 - \$523,600
\$518,401+	\$523,600+	37%	\$622,050+	\$523,600+

Source: 2021 Tax Brackets. The Tax Foundation. October 27, 2020. Individuals should seek independent tax advice regarding their circumstances.

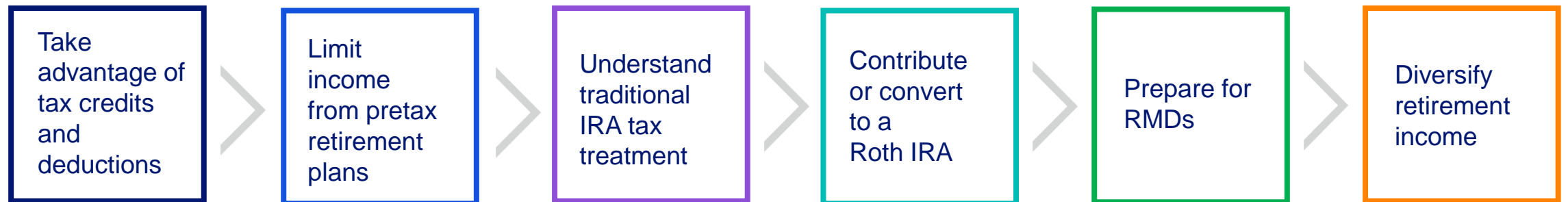
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How retirement income is taxed

	Account type/circumstances	Taxation
Tax-deferred accounts	Traditional IRAs and 401(k) and 457(b) accounts.	Taxed as ordinary income, your top tax bracket.
Taxable accounts	Profits from the sale of investments, such as stocks, bonds, mutual funds and real estate.	Taxed at capital-gains rates, depending on how long you've owned the investments.
	Short-term capital gains.	Taxed at your ordinary income tax rate.
	Long-term capital-gains rates (assets held longer than a year).	If you're in the 10% or 15% tax bracket, you'll pay 0% on those gains.
	Interest on savings accounts and CDs and dividends paid by your money market mutual funds.	Taxed at your ordinary income rate.
	Interest from municipal bonds.	Tax-free at the federal level.
Roth IRA	As long as the Roth has been open for at least five years and you're 59½ or older.	All withdrawals are tax-free. No RMD requirements at age 72.
Social Security	Single, earning between \$25,000 and \$34,000 or Married, combined earning between \$32,000 and \$44,000.	Up to 50% of your benefits is taxable.
	Single, earning over \$34,000 or Married, combined earning over \$44,000.	Up to 85% of your benefits is taxable.
Pensions	Payments from private and government pensions.	Taxable at your ordinary income rate, assuming you made no after-tax contributions to the plan.
Annuities	Portion of the payment that represents your principal sold to you by the insurance company is required to tell you what is taxable.	Tax-free; the rest is taxable.
	Annuity with pretax funds (such as from a traditional IRA).	100% of your payment will be taxed as ordinary income.

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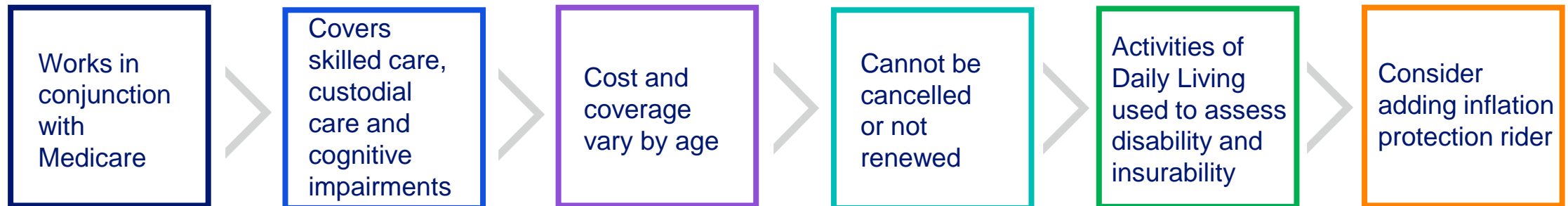
Managing the risk of taxation



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8 Managing long-term care risk.

Live a healthier lifestyle and consider purchasing long-term care insurance.



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9 Elder abuse

Risk of having your savings depleted due to scams and fraud.

90% of reported cases of abuse are committed by a family member



Sources: Top 10 Financial Scams Targeting Seniors. National Council on Aging. Retrieved April 2016. Avoiding Retirement Fraud. Investor.gov., U.S. SEC. Retrieved March 2016.

Your Life in Retirement

Do you know what AIG Retirement Services can offer you?

For more than half a century, AIG Retirement Services has helped Americans plan for and enjoy a more secure financial future.



Prioritize your investment goals



Identify and analyze the risks to your retirement income



Determine the time horizon needed to achieve your goals

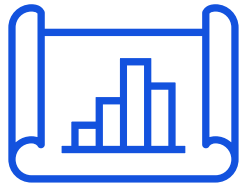


Determine a financial strategy to help meet your goals

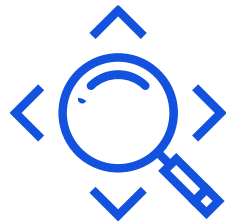


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Benefits of financial planning



Provides a big picture view of your current financial situation



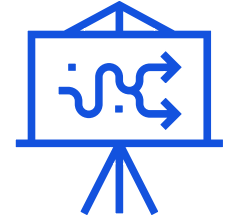
Helps identify your financial goals and objectives



Allows you to understand the impact of your decisions



Helps your goals stay on track, if reviewed regularly



Offers you a course of action needed to achieve your financial goals

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Retirement Pathfinder® Get answers to your questions:

- Can I retire when I planned?
- How much monthly income will I need?
- Am I currently saving enough?
- Is it possible to guarantee my retirement income?
- Will I outlive my retirement savings?
- What happens if I die prematurely?



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Financial 360 Plan

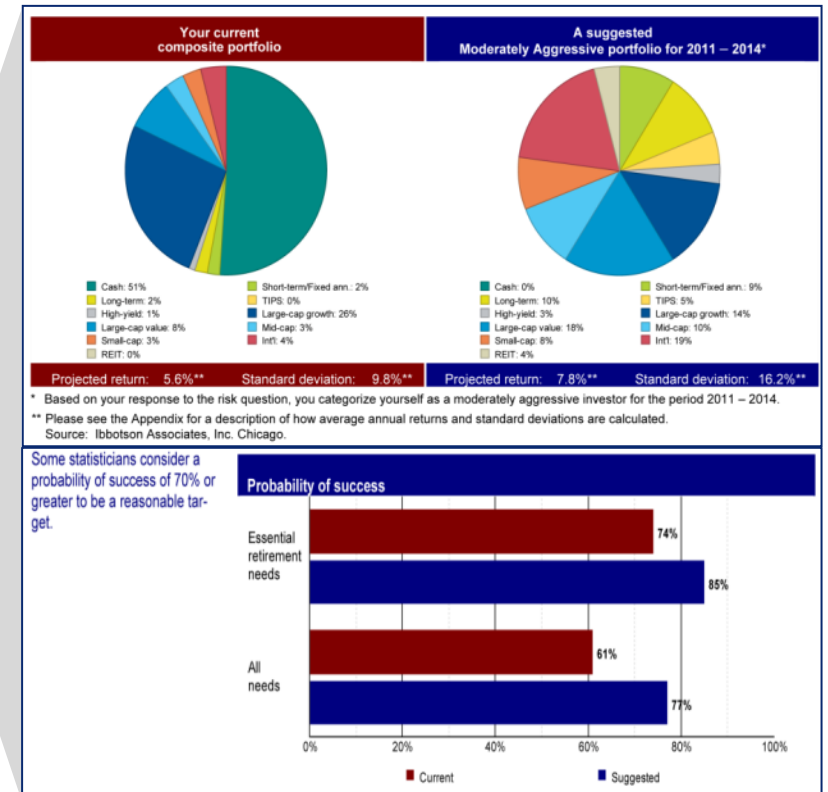
Provides a customized analysis of your financial situation

Financial

Prepared for:
Mary Kelly
16650 Greenbriar
Houston, TX 77065

Presented by:
Richard Gutierrez

Plan snapshot



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Helpful resources

Agency	Contact Information
Social Security Administration	www.socialsecurity.gov/myaccount ; 1-800-772-1213
Medicare	https://www.medicare.gov/ ; 1-800-MEDICARE (1-800-633-4227)
U.S. Department of Health & Human Services	http://www.hhs.gov/ ; 1-877-696-6775
Healthfinder	http://healthfinder.gov/
RetirementJobs.com	RetirementJobs.com
Administration on Aging (AoA)	http://www.aoa.gov/ ; 1-800-677-1116

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TEXT XXX-XXX-XXXX

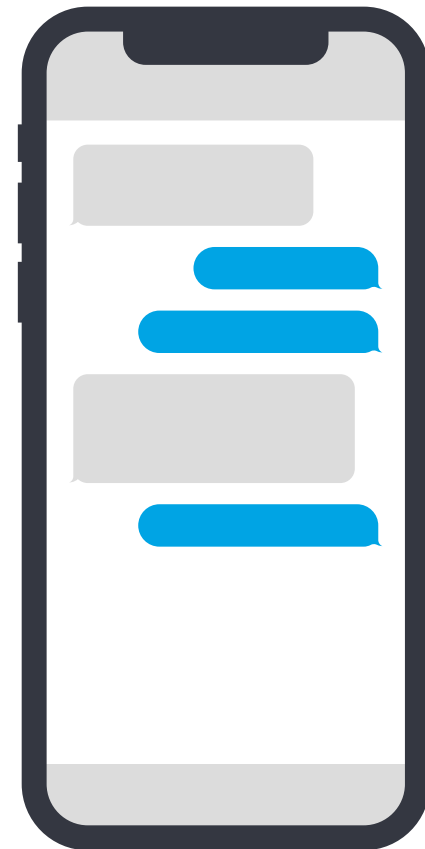
Your Name

Worksite Name

ENROLL

REVIEW or

RETIRE



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Schedule an appointment today!

Sign up to benefit from personal attention and get answers to help you plan for a more secure financial future.

Visit our website at aig.com/RetirementServices/workshop

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Thank you!

Questions?
