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NAFA Partners with Fellow Industry Leaders for Annuity Awareness Month

Targeted Educational Initiatives Aim to Position Distributors and Producers to Help Increase Annuity Education Nationwide

WASHINGTON (Jun. 1, 2021) — As part of a collaborative effort to help Americans recover from the financial hardships of the ongoing pandemic and create a more secure retirement future, NAFA, the National Association for Fixed Annuities, is leading the charge in bringing National Annuity Awareness Month into the spotlight during the month of June. In addition to hosting and participating in formative educational events for both distributors and annuity professionals, NAFA is engaging with a number of organizations to distribute a toolkit of materials producers can use to help educate consumers nationwide about the features and benefits of annuity products and their role in creating predictable lifetime income.

“For more than a decade, NAFA has been working to develop the National Annuity Awareness Month initiative into a well-recognized celebration of these powerful products and the value they deliver in helping consumers close income gaps, retire with confidence and enjoy a desired lifestyle in their golden years. Through the engagement of our sister trades in the Coalition for Annuity Awareness, the breadth and depth of the initiative we’ve worked so hard to build is materializing. These industry leaders are helping expand our efforts and outreach to ensure a growing number of individuals and families have the information they need to make the best decisions for managing risk and ultimately enjoying the freedom to do more of what they love in retirement,” said Chuck DiVencenzo, president and CEO of NAFA.

NAFA is joined in the Coalition for Annuity Awareness by industry associations including the American Council of Life Insurers (ACLI), the Alliance for Lifetime Income, Finseca, the Insured Retirement Institute (IRI) and the National Association of Insurance & Financial Advisors (NAIFA), as well as a number of companies who provide support to those associations and their member companies. This year, NAFA has also recruited more than a dozen of its member companies to sponsor the National Annuity Awareness Month campaign, including Allianz, American Equity Investment Life Insurance Company, AmeriLife, Athene, Brokers International, Delaware Life, EquiTrust Life Insurance Co., Global Atlantic Financial Group, Great American Insurance Group,

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Lincoln Financial Group, Nasdaq, National Western Life Insurance Company, Nationwide, North American and SILAC Insurance Company.

“With more Americans turning 65 in the next three years than ever before, we’re running out of time to help them protect part of their retirement savings to cover basic expenses so they don’t go bankrupt. Now is the time to double down on education and the commitment to being part of the solution,” said Jean Statler, CEO of the Alliance for Lifetime Income. “National Annuity Awareness Month brings needed attention to these important products. We’re glad to work with NAFA and our other industry partners to shine a light on annuities as an important part of the solution to addressing the retirement income crisis facing millions of Americans.”

Throughout the past year, the coronavirus pandemic has tested our nation in many ways. In addition to the impacts on health and well-being, research from SimplyWise indicates that nearly a third of people in their 50s and one out of five in their 60s now plan to postpone retirement due to its financial effects. Moreover, continued market volatility, the demise of traditional pensions, low interest rates and rising inflation are all part of a growing challenge Americans face in preparing successfully for retirement. Despite the need for thorough preparation, data from the Employee Benefit Research Institute’s 2021 Retirement Confidence Survey indicates that 34 percent of workers have less than \$50,000 saved and only half of workers report having tried to calculate how much money they will need to have saved so that they can live comfortably in retirement.

To help overcome these obstacles, the educational toolkit developed by NAFA, fellow Coalition members and sponsors includes fliers, whitepapers, social media content, a consumer-friendly presentation, digital marketing materials and a coloring book. These materials, along with an interactive quiz that individuals can take to test their annuity knowledge, are available at AnnuRetirement.com, the official home of National Annuity Awareness Month. We Love Annuities stickers are also available for purchase on the website.

“Educating consumers about the benefits of annuities is critical because an insured retirement matters,” said Wayne Chopus, president and CEO, Insured Retirement Institute. “No other financial product today offers the benefits, security and peace of mind that annuities provide. An aging population with decreasing access to pensions makes planning, self-sufficiency and annuities more critical.”

Recently, the industry has lauded efforts from Congressional leaders in both the House and the Senate for reintroducing legislation that would provide workers with greater access to annuities in retirement planning. As part of National Annuity Awareness Month outreach, NAFA has led efforts to obtain proclamations from each governor declaring Annuity Awareness Month in his or her state, bringing policymaker education to the forefront of the campaign. Early adopters in 2021 include the District of Columbia, Georgia, Illinois, Iowa, Pennsylvania and Tennessee, with an anticipation of many more proclamations to be received in the next two weeks.

“Americans are living longer in retirement than ever before and many face the very real possibility of outliving their savings. As the only financial product that guarantees lifetime income, annuities are a key tool for ensuring financial security through retirement. Helping workers access the

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certainty that annuities provide, especially as fewer workers have access to traditional pensions from their employers, is an important priority as policymakers continue to modernize retirement policy,” said Susan Neely, ACLI president and CEO. “During National Annuity Awareness Month, ACLI and our member companies are reinforcing our commitment to helping all consumers, regardless of where or how they work, their life stage, or the economic status of their household, access information about how annuities provide peace of mind no matter how long they live.”

“Financial security cannot be achieved without sufficient retirement savings,” said Marc Cadin, CEO of Finseca. “Annuities are a critical component in ensuring guaranteed lifetime income. Finseca is working with leaders in Congress like Chairman Richard Neal (D-MA) and Ranking Member Kevin Brady (R-TX) of the House Ways and Means Committee, among others, to expand opportunity for more hardworking Americans to realize the empowerment and freedom that comes from being financially secure. Consumers who work with a financial security professional to develop a plan to meet their families’ needs can benefit from customized solutions for financial security.”

“We are working to put more Americans on the pathway to financial security by first focusing on financial empowerment, which starts with accessibility to financial education and income protection products such as annuities,” stated Kevin Mayeux, CAE, CEO of NAIFA. “Our federal work to support SECURE and SECURE 2.0, as well as our work at the state level to advocate for the adoption of the NAIC best interest annuity model, has provided the opportunity to amplify the benefits of annuities. We are proud to follow NAFA’s lead in increasing awareness of the benefits of annuities to consumers, our membership of financial advisors and policymakers.”

In addition to the content available on AnnuRetirement.com, planned events for the month include NAFA’s 11th Annuity Leadership Forum June 15-17; a Twitter chat co-hosted by NAFA and the Alliance for Lifetime Income on June 22; How FIAs Address 3 Key Risks in Retirement Planning, an educational webinar hosted by NAFA and presented by CANNEX Financial Exchanges, Ltd., on June 23; a Twitter chat hosted by ACLI on June 28; and How the Annuity Industry Is Navigating an Advisor Sea Change, a panel discussion co-hosted by NAFA and NAIFA on June 29.

Those interested in engaging with National Annuity Awareness Month efforts are encouraged to follow along on LinkedIn, Twitter, Facebook and YouTube under the @AnnuRetirement handle.

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About NAFA

NAFA, the National Association for Fixed Annuities, is the premier trade association exclusively dedicated to fixed annuities. Our mission is to promote the awareness and understanding of fixed annuities. We educate annuity salespeople, regulators, legislators, journalists, and industry personnel about the value of fixed annuities and their benefits to consumers. NAFA’s membership represents every aspect of the fixed annuity marketplace covering fixed annuities sold by independent agents, advisors and brokers. NAFA was founded in 1998. For more information, visit www.nafa.com.

ABOUT the Coalition for Annuity Awareness

The Coalition for Annuity Awareness is comprised of industry associations who serve consumers by helping them understand annuity products. As today's challenging economic environment continues to evolve, a growing number of individuals and families are turning to annuities to help provide security for their retirement. Specifically, many consumers are using annuities as a vital risk management tool to protect themselves against the possibility of outliving their financial resources. Annuities are unique among financial products in the marketplace because they can provide retirees with a guaranteed lifetime income stream.

Currently, there is approximately \$1 trillion of in-force premium serving roughly 8 million Americans. More than nine in 10 consumers believe guaranteed lifetime income is an appealing characteristic of annuities^[1] and 72 percent of retirees receiving income from an annuity were satisfied with their investment^[2]. During 2019, life insurance companies paid \$95 billion in annuity benefit payments providing crucial retirement security to contract holders^[3]. In addition, Americans deposited \$204 billion in individual annuities, up 32.1 percent from 2018, and another \$143 billion into group annuities (sold through employer-sponsored retirement plans), up 14.9 percent higher from 2018.

[1] It's All About Income: Inaugural Study on the American Retirement Experience, Insured Retirement Institute, 2016

[2] The Language of Retirement: Advisor and Consumer Attitudes Toward Income in Retirement, Insured Retirement Institute and Jackson, 2017

[3] The American Council of Life Insurers (ACLI) Life Insurers Fact Book 2020