

FOR IMMEDIATE RELEASE

Contact: Chuck DiVencenzo
NAFA President & CEO
Direct 414.332.9306, ext. 0
cjd@nafa.com

Premier Industry Trade Organizations Increase Momentum behind Annuity Awareness Month

NAFA Leads Continued Growth of National Annuity Education Initiative

WASHINGTON (June 6, 2022) — Amid challenging economic circumstances, a pandemic recovery and growing consumer desire for solutions that can help deliver a more secure retirement future, NAFA, the National Association for Fixed Annuities, is leveraging relationships with fellow Coalition for Annuity Awareness members to elevate the profile of annuities in celebration of June as National Annuity Awareness Month. The group is collectively working to expand its messaging in 2022 through a growing number of marketing channels and communication mediums targeting distributors, annuity professionals and the general public, while building its library of objective reference materials that clearly communicate the features and benefits of annuity products and their role in creating predictable lifetime income.

“The overwhelming financial and economic uncertainties Americans are facing underscore the need for incorporating lifetime income solutions in comprehensive retirement plans. Last year, we saw just how much that messaging resonated, as hundreds of industry organizations and professionals joined the call for recognizing June as National Annuity Awareness Month. Thanks to help from our fellow trade organizations with which we’re proud to align and partner, we’ll be spreading awareness through video messaging, social media giveaways, an evolution of our official Annuity Awareness toolkit, and premier educational events throughout the month of June,” 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 Indexed Annuity Leadership Council (IALC), 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, ECA Marketing, EquiTrust Life Insurance Co., Insurance

-more-

Agency Marketing Services, Inc. (IAMS), Lincoln Financial Group, Nasdaq, Nationwide, North American, Reliance Standard, SILAC Insurance Company and Securian Financial.

“Like Elton John, I want to tell everyone about the importance of making a plan for the future that includes protected income to cover your basic expenses, so you have freedom to find your Yellow Brick Road,” said Jean Statler, CEO of the Alliance for Lifetime Income. “National Annuity Awareness Month is a great opportunity to highlight the product and link it to the protected income it provides, and we’re supportive of Chuck DiVencenzo and NAFA for the leadership promoting this month.”

Throughout the past two years, uncertainty has plagued Americans’ ability to save and plan for the future. Even as some of the effects of the pandemic abated last year, a third of workers and almost a quarter of retirees said the pandemic has made them less confident in their retirement prospects, according to new research from the Employee Benefit Research Institute. Moreover, continued market volatility, the demise of traditional pensions, low interest rates and increasing longevity are all part of a growing challenge Americans face in preparing successfully for retirement. Despite the need for thorough preparation, the most current data from the Federal Reserve indicates that the overall median retirement savings is \$21,120.

“An aging population facing continued market volatility and decreasing access to pensions presents a growing challenge for successfully creating an insured retirement,” said Wayne Chopus, president and CEO of the Insured Retirement Institute. “Fortunately, annuities offer unique benefits and versatility to deliver protected lifetime income and protection against market volatility that today’s workers and retirees need.”

As we rapidly approach Peak 65 in 2024 — the point in time when more Americans will turn age 65 than at any point in history — it is clear annuity education and awareness are needed to move the needle in helping more individuals attain retirement security.

“In two years, 12,000 people a day will turn 65. Many can expect to live 20, 30 years or longer in retirement, and the fear of outliving their savings will weigh heavy on their minds,” said American Council of Life Insurers (ACLI) President and CEO Susan Neely. “Annuities are the only product that can guarantee lifetime income and alleviate this concern. The U.S. Congress in 2019 reaffirmed the importance of lifetime income when it passed legislation making it easier for employers to include annuities in workplace retirement plans. But more needs to be done to help people access information about this important financial tool. During National Annuity Awareness Month, we look forward to working with our Coalition partners to educate policymakers and consumers on the unique role annuities play in helping people retire with financial certainty.”

“Financial security cannot be achieved without sufficient retirement savings,” said Marc Cadin, CEO of Finseca. “Annuities are a critical component to ensure that guaranteed lifetime income. Finseca will continue working with leaders in Congress like Chairman Neal and Rep. Brady, among others, to expand opportunity for more hardworking Americans as they seek to realize the empowerment and freedom that comes from being financially secure. Working with a financial security professional to develop a plan to meet your families’ needs will yield a customized solution for your financial security.”

-more-

“NAIFA members work face-to-face every day with Main Street Americans helping them plan for retirement and achieve their financial goals,” said NAIFA CEO Kevin Mayeux. “Annuities are a crucial tool in the financial plans of many of these families and individuals. It is important that we make Americans fully aware of all their financial planning options, especially those that provide the tremendous benefit and peace of mind offered by a guaranteed lifetime income. NAIFA is proud to partner with NAFA and other fine organizations to promote National Annuity Awareness Month as a service to insurance and financial professionals and the consumers they serve.”

AnnuRetirement.com, the official home of National Annuity Awareness Month, is filled with educational, product agnostic resources that financial professionals and consumers alike can use to better understand how annuities can help mitigate various retirement risks and complement other strategies in holistic plans for retirement. Materials include fliers, whitepapers, social media content, a consumer-friendly presentation, digital marketing materials, video and other interactive content, a coloring book, and stickers.

“Though studies repeatedly indicate strong consumer interest in the concept of lifetime income, the use of annuities in generating it is dismally low. Moreover, our industry is well aware of the work we must do to educate consumers about the various types of annuities in the marketplace and where they might fit given an individuals’ specific risk tolerance and desire for balancing protection and growth,” said Jim Poolman, executive director for the Indexed Annuity Leadership Council (IALC). “National Annuity Awareness Month and AnnuRetirement.com are helping close the needs gap, and we’re thrilled to be moving this vital initiative forward with our Coalition partners.”

In addition to educating the industry and consumers, the Coalition is also working to ensure policymakers at both the state and federal levels are aware of the Annuity Awareness initiative. Currently, 24 states, the District of Columbia and Puerto Rico have issued proclamations declaring June as Annuity Awareness Month. These efforts are fueling NAFA’s work with legislators in moving to introduce a Congressional Resolution declaring June as National Annuity Awareness Month.

NAFA members and guests will celebrate National Annuity Awareness Month during the association’s 12th annual Annuity Leadership Forum June 13-15 in Washington, D.C. NAFA will also host two webinars with industry experts, Determining Your Clients’ Retirement Income Styles on June 8 and Why Consumers Are Discovering the Value of Today’s Fixed Annuities on June 22, while ACLI will host a Twitter chat June 29. Additional events from Coalition members will be announced throughout June; visit AnnuRetirement.com for a current listing.

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.

###

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 2020, life insurance companies paid \$56 billion in annuity benefit payments, providing crucial retirement security to contract holders^[3]. In addition, Americans deposited \$150 billion in individual annuities and another \$151 billion into group annuities (sold through employer-sponsored retirement plans).

[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 2021