Live confidently in retirement

Fixed income annuities through Vanguard Annuity Access
Dependable income for life? It’s not too good to be true. Not when you have an income annuity—an annuity designed to provide regular, reliable, guaranteed payments.

With an income annuity, you make a onetime investment in exchange for predictable income payments that can continue as long as you live.* All you have to do is decide when you want the payments to start and how long you want them to last.

You can start payments:
• As early as 30 days from the time you purchase the annuity.
• As late as your 85th birthday.
• On any other date between 30 days of purchase and when you turn 85.

And your payments can last for:
• Your lifetime.
• Your lifetime and that of your spouse or partner.
• A specific number of years you choose.

Rely on Vanguard Annuity Access
As a Vanguard client, you can take advantage of a unique service called Vanguard Annuity Access™ that lets you compare figures and features of comparable fixed annuities from leading insurance companies.

Through Vanguard Annuity Access, you’ll get competitive quotes on high-quality products from well-known insurers. That means you have the chance to stretch your retirement dollars farther when you purchase an annuity through Vanguard.

We’re here to help
Annuities. Insurance companies. Quotes. Decisions. While there’s a lot to consider, you’ll have Vanguard’s licensed annuity specialists at your service for whatever assistance you need with any part of the process. And because our specialists receive no commission for putting you in any particular product, you can be confident the focus will be on your income needs, not ours.

*Guarantees are subject to the claims-paying ability of the issuing insurance company.
Is an income annuity a good choice for you?

Key considerations

An income annuity might be appropriate if you:

• Want regular income you can’t outlive.
• Need more income than you expect to receive or may be currently receiving in retirement.
• Have other money available for investing, or for emergencies or unanticipated purchases.
• Want funds on hand to help pay expenses, such as everyday bills or insurance premiums.

But weigh your decision more carefully if you:

• Feel confident in your ability to manage your savings and create a successful withdrawal strategy on your own.
• Would prefer to retain control of your assets.
• May not have enough other savings left to cover financial emergencies.
• Are uncomfortable knowing that an annuity purchase is generally irreversible.

With fewer employers offering pensions, more investors count on their personal savings to support them throughout retirement. An income annuity can help ensure your savings meet that challenge.

An income annuity can also complement other income sources, such as Social Security, or a traditional pension, if you’re fortunate enough to receive one.

In exchange for your premium payment, an insurance company will guarantee income payments for life, or for the period of time you choose—a provision that can make it easier for you to plan for your retirement-spending needs and help reduce the risk that you’ll outlive your assets.
Vanguard Annuity Access is offered in collaboration with Hueler Investment Services, Inc., through the Income Solutions® platform. This unique, web-based platform facilitates easy, apples-to-apples contract comparisons.

We provide:

• **Highly competitive rates:** Vanguard and Hueler Investment Services work together to ensure delivery of high-quality products at a low cost. You can receive instant quotes from a Vanguard annuity specialist or directly from the Income Solutions website, which you can access after you log on to vanguard.com.

• **Service:** Get unbiased assistance from licensed specialists who receive no sales commissions and work solely for your benefit as they help you weigh your choices. If you eventually decide to purchase an income annuity, we’ll be there to walk you through the buying process as well.

• **Choice:** Compare information from highly rated insurers offering a variety of payment terms. And choose from three annuity products—a single premium immediate annuity, a deferred income annuity, or longevity insurance.

What to expect from us
Learn more about your annuity choices

The type of annuity you choose will largely depend on when you plan to start your income payments.

<table>
<thead>
<tr>
<th>Type of annuity product</th>
<th>What it is</th>
<th>When payments can start</th>
<th>Why you’d want to consider it</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single premium immediate annuity (SPIA)</td>
<td>A SPIA is a fixed income annuity that allows you to begin payments almost immediately.</td>
<td>After 30 days of purchase to within one year of purchase.</td>
<td>Allows the earliest start for steady payments that last your lifetime or for whatever number of years you choose.</td>
</tr>
<tr>
<td>Deferred income annuity (DIA)</td>
<td>As the name implies, a DIA is a fixed income annuity that allows you to postpone or defer payments for at least one year.</td>
<td>More than one year after purchase.</td>
<td>By waiting for payments to begin, you can save on your initial investment and still enjoy guaranteed income for life or for the set number of years you choose.</td>
</tr>
<tr>
<td>Longevity insurance</td>
<td>Longevity insurance is a fixed income annuity with payments postponed until your 85th birthday.*</td>
<td>On your 85th birthday.</td>
<td>By investing long before you turn 85, you’ll have a much lower initial investment and still have the protection of guaranteed income after age 85—a time when many nest eggs are depleted.</td>
</tr>
</tbody>
</table>

*Longevity insurance doesn’t include a death benefit.
Choose the amount of income you need

With an income annuity, you have the flexibility to buy the level of income that meets your needs. The longer you wait for income payments to start, the less you’ll need to invest. However, in the interim you’ll have to rely on personal savings to meet your spending needs until you begin to receive payments from the income annuity.

The amount you’ll need to invest is based on your age at purchase, current interest rates, the date you plan to start your payments, and the annuity features you elect to add.

See how to guarantee $1,000 in monthly income

The chart below shows the initial investment you need at age 65 to start generating $1,000 in monthly income at various ages. Choose the age at which you want payments to begin to see your approximate initial investment. Being flexible about the start time for your payments may allow you to invest a smaller amount to get the guaranteed income you want.

<table>
<thead>
<tr>
<th>Income start age</th>
<th>65</th>
<th>70</th>
<th>75</th>
<th>80</th>
<th>85</th>
<th>Longevity insurance*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>$183,118</td>
<td>$135,934</td>
<td>$93,191</td>
<td>$58,423</td>
<td>$33,007</td>
<td>$27,603</td>
</tr>
<tr>
<td>Female</td>
<td>$196,177</td>
<td>$146,656</td>
<td>$103,205</td>
<td>$66,611</td>
<td>$39,296</td>
<td>$32,617</td>
</tr>
<tr>
<td>Joint</td>
<td>$220,689</td>
<td>$167,549</td>
<td>$116,087</td>
<td>$76,728</td>
<td>$51,741</td>
<td>$46,545</td>
</tr>
</tbody>
</table>

The information is for 65-year-old male and female joint annuitants who reside in Pennsylvania. It’s based on a lifelong contract using nonqualified funds with an estimated deposit date of February 19, 2015.

This hypothetical example is not meant to represent any particular annuity or investment.

*Longevity insurance does not include a death benefit.

Source: Vanguard Annuity Access powered by Income Solutions.
What else may affect your annuity decisions

Other factors can influence the level of income you receive from your annuity, so before you sign on the dotted line, make sure you:

- **Consider** your life expectancy at the time of purchase (and that of your spouse too, if you’re thinking of a joint life annuity). If you feel there’s a good chance you’ll live beyond the average expectancy, you’ll want to be mindful of the income needed to live comfortably for that time.

- **Factor** in the income payment options you may want to include. For example, some investors choose to have their income payments increase with inflation or be guaranteed for a minimum period of time.

- **Invest** only a portion of your savings. Since you generally lose access to the money used to buy the annuity, you’ll need to have additional funds on hand for emergencies and other expenses.

- **Compare** the financial strength of insurance companies. While all providers available through the Income Solutions platform are well-known, it’s always wise to check the ratings of those you’re interested in.

Remember that all or a portion of your payments are taxable. Consult a tax advisor about your individual situation.

The underwriting risks, financial obligations, and support functions associated with the products are the responsibility of the issuing insurance company. The issuing insurance company is responsible for its own financial condition and contractual obligations.
Compare before you decide

If you’re confident that an income annuity could be the path toward a more comfortable retirement, then it’s time to size up your choices. Vanguard Annuity Access makes that easy by giving you customized, highly competitive payment quotes on a real-time basis through the Income Solutions platform.

There’s never a charge for requesting a quote, and you’re under no obligation once you receive one. If you purchase an annuity, you’ll pay a onetime transaction fee of 2% that’s based on your annuity purchase amount. The price you’re quoted includes this onetime fee. It also reflects costs from the issuing insurance company.

You don’t have to do it alone

Remember that throughout all phases of the decision-making process, you can call on licensed Vanguard specialists to give you unbiased answers and help you make sensible choices. If you want, they’ll also run quotes and even lend a hand with completing the forms.

Once you purchase your annuity, you’ll receive service directly from the insurance company you select to provide your annuity income.
Get started

Visit vanguard.com/income, or call us at 800-522-5555 Monday through Friday from 8 a.m. to 8 p.m., Eastern time. We’ll be happy to help.

Vanguard Annuity Access is provided by Vanguard Marketing Corporation, d/b/a VMC Insurance Services in California.