



Annuities: You've Got 'Em, We Want 'Em! Well, Sorta...

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Let's talk about one of my least favorite topics, annuities! They are complicated, can be costly, and frankly, can be hard to comprehend. However, in some recent conversations I have had around the topic, I have been

provided with additional perspective on annuities along with considerations to share.

Annuities are meant to help investors generate a source of regular income from the assets initially used to purchase the annuity policy. Historically, they have been commission-based products often associated with high costs, hidden fees, and complex features. Further, as financial products have evolved over time, an investor can forget that they ever purchased a policy and lose sight of how these policies may best fit (or not) into their overall financial plan.

It is important to note that the annuity landscape has changed! And with those changes, there are some important considerations for investors to think about. First, annuities are available in a commission-free form, designed with the investor in mind and to complement existing strategies in the investor's financial plan. Second, annuities can be structured in such a way to help investors protect against the downside risk that traditional stock market investments pose. Lastly, annuities can be utilized in an investor's portfolio as a fixed income or bond instrument, potentially helping achieve a higher rate of interest versus other bond instruments in our current low-interest rate environment. There is no such thing as a 'risk-free' investment, and annuities are no exception. However, just as with any investment instrument, there can be a best time and place for an annuity.

At Portfolio Advisors, we are committed to helping the families that we serve find the best solutions to achieving their goals. We have partnered with DPL Financial Partners ("DPL"), an insurance platform providing low-cost, commission-free insurance and annuities from some of the nation's leading insurance carriers. DPL, along with your advisor, can review and analyze any existing policies you may have and educate you, the policyholder, on what you hold. In this process, we uncover costs and policy features to help you better determine what you should do with them. The process ultimately concludes with a determination of best possible courses of action: (1) keep your policy as is, (2) exchange it for a better solution, or (3) surrender the policy (with assets being transferred out of the policy). *(Please note that this service is provided at no extra cost for existing clients.)*

We aim to continue to add value to the relationships we have with the individuals and families we serve. We welcome your questions and encourage you to [schedule a time](#) with your advisor to review your existing annuity and life insurance policies and explore possible solutions.