securian FINANCIAL®

Understanding fixed deferred annuities

Not a deposit – Not FDIC/NCUA insured – Not insured by any federal government agency – Not guaranteed by any bank or credit union – May go down in value

Insurance products issued by:

Minnesota Life Insurance Company
Securian Life Insurance Company

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Understanding fixed deferred annuities

When you put money into a fixed deferred annuity, you lock in an interest rate for the guarantee period you select. You will know how much you'll earn and what the value of your annuity will be at the end of the guarantee period.

Guaranteed returns

One of the primary reasons to choose a fixed deferred annuity is the guaranteed interest throughout the term of the annuity.

Fixed deferred annuities have no exposure to stock market risk. This means your money can grow every year, without the fear of market loss.

Length of term

When you decide to purchase an annuity, you can select from a range of guarantee periods. This is important because it dictates the number of years your interest rate is guaranteed.

Your money isn't exposed to stock market volatility.

You can take up to 10% of your previous contract anniversary value with no penalty. And you won't pay taxes on gains you don't withdraw.

Liquidity

Even during the surrender charge period, you can access a portion of the value of your annuity without surrender charge or market value adjustment (MVA).

Also, if your annuity is a tax-qualified account, such as an IRA, any required minimum distributions can be withdrawn with no surrender charge.

Some annuities also include a feature that allows you to withdraw an additional amount if you become confined to a healthcare facility or diagnosed with a terminal illness.

A Market Value Adjustment (MVA) adjusts the annuity's value to reflect the changes in interest rates since the contract was purchased. Depending on the direction interest rates have taken since the contract was opened, the MVA can have a positive or negative impact on the value of the annuity.

Tax deferral and compound interest

Common annuity features are compounding interest and tax deferral.

Compound interest means the interest your annuity has been credited will also receive interest, which helps your money grow faster.

You typically won't pay taxes on any gains until you take money out of your annuity.

Keep in mind, withdrawals before age 59½ may result in IRS penalties, in addition to income tax.

At the end of the surrender period, you can withdraw your entire account balance with no surrender charges or fees.

At the end of the surrender period

When you reach the end of your surrender charge period, you can withdraw the entire balance of your annuity — with no charges or fees.

You can exchange this annuity for another one, or you can choose to allow your current annuity to renew at a new current rate.

Financial strength Remember, any annuity guarantee is backed by the claims-paying ability of the issuing company. Securian Financial's insurance company subsidiaries, Minnesota Life Insurance Company and Securian Life Insurance Company, receive high ratings from independent rating agencies that review and analyze the claims-paying ability of the insurance companies. For more information about the rating agencies and to see where our ratings rank compared to other ratings, please see our website at securian.com/ratings.

FAQ frequently asked questions

Q: **What is an annuity?**

A: Annuities are offered by insurance companies to help people save and provide an option for income later on. They're typically designed to be long-term financial tools, to align with your long-term financial goals.

Q: **What is a fixed deferred annuity?**

A: A fixed deferred annuity is designed to help you earn interest on your money and protect it from fluctuations in the stock market. When you purchase one, you'll know what your guaranteed interest rate will be, and for how long.

Q: **Can my interest rate change during the guarantee period?**

A: No.

Q: **How does tax deferral work?**

A: During your contract term, your money grows on a tax-deferred basis — meaning you won't pay taxes on any gains until you take money out of your annuity or elect to annuitize.

Q: **Can I withdraw money during the guarantee period?**

A: Yes, you can access a portion of your annuity's value without contract penalty. The minimum withdrawal amount is $250.

Depending on the specifics of the annuity, 10% free withdrawals may be available right away — or available after the first year.

Q: **What happens if I want all of my money back before the end of the guarantee period?**

A: If the unexpected happens and you need to surrender your contract, Securian Financial offers certain annuities that allow you to do so and receive your purchase payments back. This is called a purchase payment guarantee. If you surrender your contract and have taken no prior withdrawals, you're guaranteed to get back at least your total purchase payments.

It's important to note the impact withdrawals have on the return of purchase payment guarantee. If you've taken withdrawals (and a surrender charge did not apply), you'll receive your total purchase payments, less withdrawals at the time of contract surrender.

If you have taken withdrawals and a surrender charge did apply, you're guaranteed to receive back your total purchase payments, less withdrawals and applicable charges.

Q: **Can I withdraw more money without a surrender charge if I get sick?**

A: After the first contract anniversary, you can withdraw additional amounts if you are:

- Confined to a facility with a minimum 90-day confinement. The request must be made while confined or within 90 days following discharge, or
- Diagnosed with a terminal illness or condition with a life expectancy of 12 months or less.

Q: **What if I want to start an income stream from my annuity?**

A: Generally, you have the option to annuitize after the first year. Typically, after the first contract anniversary, you may annuitize under an annuity income option, free from any applicable surrender charge.

Q: **What if I pass away?**

A: Should you pass away, any amount payable as a death benefit will go to your beneficiaries free from any applicable surrender charge. Your designated beneficiaries will receive the current contract value On some products, your spouse may elect to continue the contract.

Q: **What are my options at the end of the surrender charge period?**

A:
1. Continue your annuity. Following the initial guaranteed period, renewal interest rates will be guaranteed for one-year periods. A minimum guaranteed rate is set for the life of your contract at the time you purchase your annuity — it will be 1% or higher.
2. Turn the accumulated value into a stream of income by annuitizing
3. Surrender the annuity and put your money into another investment

Q: **How do I get started?**

A: Talk to your financial professional to see if a fixed deferred annuity from Securian Financial might be appropriate for you.

Some products may not be available in all states and features may vary by state. Not all products and features are available from all firms.

1. Employee Benefit Research Institute and Greenwald Research, 2024 Retirement Confidence Survey

At Securian Financial, we're here for family. And we're here because of it.

Family doesn't have to branch from your tree, but it always shares your roots. Roots woven by common understanding, shared values and mutual respect. Those who believe a rewarding life is really about being present in the here and now, and that your financial picture should support the everyday moments as much as the major milestones. That's why our insurance, investment and retirement solutions give you the confidence to focus on what's truly valuable: banking memories with those who matter most.

An annuity is intended to be a long-term, tax-deferred retirement vehicle. Earnings are taxable as ordinary income when distributed, and if withdrawn before age 59½, may be subject to a 10% federal tax penalty. If the annuity will fund an IRA or other tax qualified plan, the tax deferral feature offers no additional value. Qualified distributions from a Roth IRA are generally excluded from gross income, but taxes and penalties may apply to non-qualified distributions. Please consult a tax advisor for specific information. There are charges and expenses associated with annuities, such as surrender charges (deferred sales charges) for early withdrawals.

Guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.

Some products may not be available in all states and features my vary be state. Not all products and features are available from all firms.

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A purpose of the method of marketing is solicitation of insurance and that contact will be made by an insurance agent or agency.

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