



# Lifetime income payouts from TIAA Traditional

## How you can benefit

**Annuities are designed to provide you with lifetime income in retirement. How can TIAA Traditional offer you the potential for higher income amounts?**

### **Our motivation is you**

TIAA<sup>1</sup> is unique, and consistent with our not-for-profit heritage, we make maximizing annuity payouts to our clients a priority.

More than **100** years of experience helping clients create lifetime income.

### **With us, your income can last a lifetime**

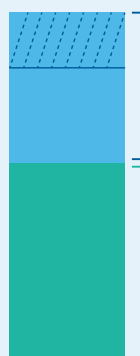
In addition to Social Security and pensions, annuities can provide guaranteed monthly income for life. Fixed annuities, like TIAA Traditional, can provide dependable income even in the most volatile markets.

Fixed annuity providers generally offer a set payout rate, based on certain assumptions. When actual overall results exceed expectations, those providers may—or may not—choose to return any of these realized gains to clients. TIAA Traditional's payout structure was **created to benefit you**. Our “sharing the profits” approach seeks to reward you with additional growth and income.

### TIAA Traditional total payout breakdown

#### Loyalty bonus<sup>2</sup>

Potential for long-term participants to earn a higher payment due to “sharing the profits.”



#### Additional amounts<sup>3</sup>

Potential for higher amounts of income for all annuitants above the guaranteed amount.

#### Guaranteed minimum payment<sup>4</sup>

### **It can pay to stay**

TIAA Traditional has the built-in potential to **reward long-term contributors with increased additional amounts of lifetime income**. To find out your loyalty bonus, ask us for your personal payout rate.

<sup>1</sup> Teachers Insurance and Annuity Association of America.

<sup>2</sup> TIAA may provide a loyalty bonus that is only available when electing lifetime income. The amount of the bonus is discretionary and determined annually.

<sup>3</sup> TIAA may share profits with TIAA Traditional Annuity participants through declared additional amounts of interest during accumulation, higher initial annuity income, and through further increases in annuity income benefits during retirement. These additional amounts are not guaranteed beyond the period for which they were declared.

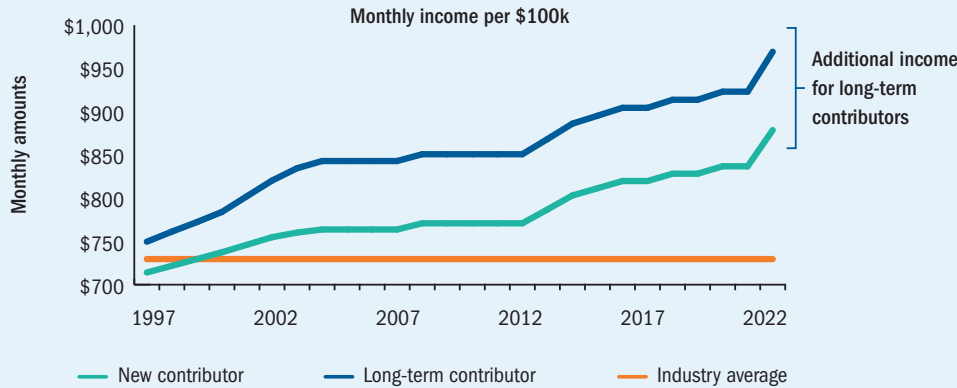
<sup>4</sup> All guarantees are subject to TIAA's claims-paying ability.

# Lifetime income payouts from TIAA Traditional



## We are there for you in retirement

Even during periods of historic market volatility, TIAA Traditional has consistently rewarded its customers with **additional income above their guaranteed payout** amount.



**22.4%**  
more initial income  
enjoyed by the  
long-term contributor<sup>5</sup>

**15** payout increases  
in the last 25 years

	Annual initial payment	Cumulative payments 1997-2022	
1997 industry average <sup>6</sup>	\$8,754.84	\$8,754.84	\$227,626
TIAA Traditional new contributor	\$8,568.72	\$10,543.56	\$243,878
TIAA Traditional long-term contributor	\$8,995.44	\$11,630.64	\$267,006

See footnote 5 for chart assumptions.

2022 annual payment

\$23,129 more for the  
long-term contributor



## TIAA's track record

When TIAA does well, our participants may do better.

TIAA Traditional has paid its customers more than the guaranteed minimum amount every year since

**1949**

Over the last 10 years,  
we shared more than:



with



\$3 billion a year on  
average in profits

Our participants<sup>7</sup>

<sup>5</sup> Source: Based on a study that compared the amount of initial lifetime income that would have been received by two hypothetical participants beginning lifetime income, for each of the 301 months from January 1, 1997, through January 1, 2022. The two hypothetical participants are the same age 67 and they select a single-life annuity with a 10-year guarantee period using TIAA's standard payout annuity. The career contributor made level monthly contributions to TIAA Traditional under the Retirement Annuity Contract over a 30-year career prior to their retirement date. The new contributor transferred the same final accumulation as the career contributor to TIAA Traditional shortly before selecting lifetime income. Over the study period, the career contributor's initial lifetime income exceeded that of the new contributor in 291 of the 301 retirement months with an average lifetime income advantage of 15.1%. Their biggest advantage was 29.8% and their smallest advantage was -2.9% (a disadvantage). Over the study's most recent decade, the career contributor's initial lifetime income exceeded that of the new contributor in all 120 retirement months with an average lifetime income advantage of 22.4%. Their biggest advantage was 29.8% and their smallest advantage was 17.1%. In the study's most recent month, the career contributor's initial lifetime income exceeded that of the new contributor by 17.2%. Past performance is no guarantee of future results.

<sup>6</sup> Source: Industry average from 1997 issue of *Annuity and Insurer* magazine, <https://www.immediateannuities.com/pdfs/as/annuity-shopper-1997-Jan.pdf>, as of January 1997.

<sup>7</sup> TIAA may share profits with TIAA Traditional Annuity participants through declared additional amounts of interest during accumulation, higher initial annuity income, and through further increases in annuity income benefits during retirement. Additional amounts are not guaranteed beyond the period for which they are declared.

TIAA Annual Statement, Page 4, Line 30.

This material is for informational or educational purposes only and does not constitute fiduciary investment advice under ERISA, a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

**Investment, insurance, and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.**

**Past performance is no guarantee of future results.**

©2022 Teachers Insurance and Annuity Association of America-College Retirement Equities Fund, 730 Third Avenue, New York, NY 10017