

Annuitization

Putting Your Annuity to Work

Whether you've used a tax-deferred annuity, an IRA or an employer-sponsored plan to save for retirement, now it's time to transition from the accumulation phase to the income phase of your savings strategy. Standard Insurance Company has a full array of annuitization options, one of which is sure to meet your income needs.

Standard Insurance Company
Individual Annuities
1100 SW Sixth Avenue
Portland OR 97204
800.247.6888

www.standard.com

A subsidiary of StanCorp Financial Group, Inc.

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Choosing An Income Option

Annuitization is precisely why many people buy an annuity — to insure against outliving an income. By annuitizing your deferred annuity contract and choosing an income option, you will be exchanging your accumulated savings for a guaranteed income stream.

While you may annuitize at any time, you'll generally start to consider this option as you find the need to transition from the accumulation stage, when you're actively saving for retirement, to the income stage, usually at or during retirement.

Annuitization Benefits

Annuitization is a financial solution that can:

- supplement income from Social Security, a pension plan or investments;
- provide financial stability in the event of illness or nursing home stay; and
- ensure you won't outlive your savings.



It's an option that:

- provides a guaranteed income stream;
- can set payments that meet the IRS Required Minimum Distribution; and
- allows you to pay taxes on smaller, annual payments instead of a lump sum.

Tax Consequences

The payments generated from your decision to annuitize will generally be taxable in the year in which you receive them, so you'll be paying taxes only as the payments are made over time. The good news is that often people move to a lower tax bracket during this time of their lives and will likely pay less in taxes than they would have just a few years earlier. The amount of your payment deemed taxable will be based on the tax status of the funds under IRS guidelines; your financial advisor can tell you more.

Integrity and Stability

Since 1906, The Standard has been dedicated to treating customers with integrity — a philosophy that results in strong financial strength ratings.

Income Options

Life Income

A guaranteed income for as long as the annuitant lives. Payments will cease upon the death of the annuitant. The Life Income Commutation and Inflation Protection features are also available.

Life Income with Installment Refund

A guaranteed income for as long as the annuitant lives. The total payments will never be less than the total of the funds paid to purchase this option. If the annuitant dies before receiving at least that amount, payments continue until the full amount is repaid (or may be commuted to a lump-sum payment). The Life Income Commutation feature is also available.

Life Income with Certain Period

A guaranteed income for as long as the annuitant lives. If the annuitant dies prior to the end of the period specified (5, 10, 15 or 20 years), payments continue until the end of the period (or may be commuted to a lump-sum payment). The Life Income Commutation and Inflation Protection features are also available.

Joint and Survivor Life Income

A guaranteed income for as long as both annuitants live. When either annuitant dies, payments will continue at 50%, 66⅔%, 75% or 100% of the payments received when both were living. Payments will cease upon death of both annuitants.

Joint and Survivor Life Income with Installment Refund

A guaranteed income for as long as both annuitants live. The total payments will never be less than the total of the funds paid to purchase this option. If both annuitants die before receiving at least that amount, payments continue until the full amount is repaid (or may be commuted to a lump-sum payment).

Joint and Survivor Life Income with Certain Period

A guaranteed income for as long as both annuitants live. When either annuitant dies, payments will continue at 100% of the payments received when both were living. If both annuitants die prior to the end of the period specified (5, 10, 15 or 20 years), payments continue until the end of the period (or may be commuted to a lump-sum payment).

Joint and Contingent Survivor Life Income

A guaranteed income for as long as both annuitants live. If the primary annuitant dies first, payments will continue at 50% of the payments received when both were living. If the contingent annuitant dies first, payments will continue at 100% of the payments received when both were living. Payments will cease upon death of both annuitants.

Certain Period

A guaranteed income for a time period chosen (5, 10, 15 or 20 years). At any time, benefits may be commuted to a lump-sum payment. If the annuitant dies prior to the end of the period specified, payments continue until the end of the period (or may be commuted to a lump-sum payment). The Inflation Protection feature is also available.

Tailor Your Annuity

Life Income Commutation

If this feature is added at the time of application, in any contract year (after an initial two years) up to 10% of future benefits may be commuted to a lump-sum payment. After exercising this feature the remaining payments will be reduced by the percentage commuted. A maximum of 20% of future payments can be commuted over the lifetime of a contract.

Inflation Protection

On many of the income options, an election may be made to guard against the effects of inflation with an annually increasing payment of 1%, 2%, 3%, 4% or 5%. If this option is selected at the time of application, the increased payments would begin one year after the first payment and would increase annually thereafter.

*Peace of mind comes with knowing
your regular income payments
are secure, guaranteed and flexible.*

The following applies if the annuity is purchased through a bank or a credit union: (a) the annuity is not a deposit; (b) the annuity is not guaranteed by any bank or credit union; (c) the annuity is not insured by the FDIC or any other governmental agency; (d) the purchase of an annuity is not a provision or condition of any bank or credit union activity; and (e) some annuities are subject to investment risk and may go down in value.

Policy: SPIA
Riders: R-COMM-L1, R-COMM-LCP3, R-COM-IR2, R-COMM-CP1
R-COMM-DB1, R-IPA, R-IRA-IMM, R-ROTH IRA-IMM,
R-QPP-IMM, R-ERTSA-IMM, R-NERTSA-IMM