

Fees and Commissions

Set out on your retirement journey with clarity.

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Annuity Myths: Fees and Commissions

Navigating your way through retirement can be challenging. What you should know about fees and commissions.

Myth 1: Annuities are too expensive.

Reality: Annuities may be less costly than you think. Some annuities have no direct costs. Others do — but fees reflect the value they provide (like guaranteed lifetime income or downside protection).

Why it's worth considering:

Annuities offer features and benefits, such as monthly income for life or protection from market downside, that few other investments do. Think of it like insurance: You pay for stability and protection. For many, lifetime income or principal protection is worth the added cost.

Smart move:

Ask a financial professional whether the benefits justify the cost for your goals.

Myth 2: The fees are hidden.

Reality: They're not. You can easily see all costs in:

- A personalized illustration
- The prospectus or disclosure statement
- Your regular annuity statement

Smart move:

Ask your financial professional to walk you through each fee and benefit.

Myth 3: Commissions are too high.

Reality: Financial professionals must be compensated for their work — either through a fee you pay or a commission paid by the insurance company. Neither is inherently better.

What matters:

Your financial professional should recommend what best supports your plan, not how they're paid.

Ask them directly:

- “How are you compensated?”
- “Does the payment come from me or from the insurer?”

The bottom line:

Annuities aren't right for everyone. But the fees and commissions are transparent — and often tied to valuable benefits that can strengthen your retirement plan. Speaking with a financial professional is the fastest way to determine whether an annuity fits your needs.

