

Safe Money Advisory



Guaranteed Retirement Option for Women

Houston, Texas For Immediate Release

Outliving their money is the greatest fear of most retirees. Because of massive market losses since 2007, high and rising medical costs and more taxes & inflation as fallout from the unprecedented federal deficit spending, retiree fear is at an all-time high. But for the stronger gender, females, it is especially alarming, because they are expected to live longer and more likely to encounter financial problems late in life.

According to the U.S. Census Bureau's latest data, females at birth are expected to live 80.4 years compared to the 75.2 years for males. This gap narrows as age increases, but even at age 65 the female is expected to live another 20.8 years, while her male counterpart is given only 17.8 more years. What's more, women are much more likely to be living alone in old age than are men. Census data show that at age 75 women are 2.5 times more likely to live alone than men. About three-fourths of the women age 80-84 live alone, whereas only one-fourth of the men of the same ages live alone.

The Census data show that over one-half of married men are two or more years older than their wife, whereas only one-tenth of wives are older than their husbands. These marriage statistics, combined with longer life expectancy, cause women to have greater fear about outliving their money in retirement. In addition to being generally younger and having longer life expectancy, other reasons fuel longevity fear among women:



1. they are more likely to lose Social Security benefits due to a spousal death;
 2. end-stage medical expenses can decimate retirement savings;
 3. medical costs and/or convalescent care expenses rise dramatically with age.
- How are women protecting themselves financially from the longevity risk they face?**

In recent years the insurance industry has begun offering guaranteed lifetime income riders on fixed and index-linked annuities. Unlike variable annuities, fixed/index-linked annuities are free of market risks if held for the stated term. Retirement money can be placed in a fixed/index-linked annuity at any age and then at retirement turned into a lifetime income that cannot be outlived, even if the underlying retirement account is zero. The beauty of this retirement option is that at any time the annuity-holder can change their mind and withdraw some or all of the remaining money in their account. The issuing insurance company makes available a variety of options (inflation protection, joint spousal coverage, guaranteed earning until income is started, etc.) which permits the coverage to be tailored to fit most circumstances. When combined with Social Security benefits, this innovative development permits retirees of both genders, but especially the female, to have peace of mind in retirement knowing that outliving their money is no longer possible. If interested in securing this safe money option with some or all of your retirement money, you should discuss annuities and guaranteed lifetime income benefit riders with your financial advisor. Parenthetically, annuities are the only retirement option that offers you the lifetime security of a guaranteed income.

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