The foundation of a safe and secure retirement

TIAA Traditional Annuity

Stability, strength and guaranteed income for life
Issued by Teachers Insurance and Annuity Association of America, TIAA Traditional can be the foundation of a complete retirement savings strategy that can work like a personal pension plan. Complemented by Social Security, investments and other long-term assets, TIAA Traditional offers safety, stability and guaranteed income through retirement.

Why choose a guaranteed income product?
A guaranteed income product like TIAA Traditional is a retirement savings vehicle that preserves the value of your money, pays a minimum guaranteed interest rate and lets you choose lifetime income payments when you retire. It can be part of a diversified retirement portfolio that may include stocks (equities), bonds (fixed income), real estate and money market investments.

How does TIAA Traditional help you get to and through retirement?
The goal of retirement saving isn’t to build the biggest nest egg. Of course you want your savings to grow. But the real reason you save is because you’ll need a source of income in retirement to replace the income you earned when you were working. TIAA Traditional is a great way to save and to convert at least some of your savings into a steady stream of guaranteed income.

Three reasons to choose TIAA Traditional

1. Your money is safe.
Your contributions are backed by the claims-paying ability of TIAA, which is rated among the highest rated insurance companies in the U.S. by the four leading insurance company rating agencies.1

2. You may earn competitive returns.
The returns of TIAA Traditional have experienced much lower volatility than those of a typical bond fund, across all interest-rate environments.2

3. You can receive guaranteed income for life.
Every dollar contributed to TIAA Traditional during the accumulation phase of your retirement purchases a guaranteed amount of lifetime income when annuitized. Choosing lifetime income when you retire means you don’t have to worry about outliving your money.

For more information call TIAA-CREF at 800 842-2888 or visit our website for a full menu of services at tiaa-cref.org.

What makes TIAA Traditional a guaranteed product of choice?
Experience
- Launched in 1918, it has helped millions of people save for, and enjoy, a secure retirement.
- In 2013, we paid out more than $13.0 billion in retirement income and other payments to over 700,000 participants.5
The foundation of a safe and secure retirement

Reliability
- TIAA Traditional’s guarantees protect you from loss and ensure that your savings always increase in value—benefits backed by TIAA’s claims-paying ability and supported by its top-rated financial strength.
- Since TIAA Traditional guarantees income for life, you don’t have to worry about outliving your income in retirement. You can select an option that helps to protect against inflation and provides lifetime income to your spouse or other beneficiary after your death.

Interest rates that are among the highest in the industry
- As part of a “personal pension plan,” TIAA Traditional is designed for retirement income needs, not short-term goals.
- Your contributions earn a specific interest rate depending on when you make them. This “vintage” approach to crediting interest—reflecting, in part, the prevailing interest-rate environment—helps you to earn a consistently competitive rate over time.

Low costs, including no hidden fees, penalties or teaser rates
- Unlike some other guaranteed income products, TIAA Traditional has no deferred sales charges, hidden fees or teaser rates.¹
- TIAA Traditional is one of the lowest cost annuities in the market today—and has been for 50 years.⁶

The TIAA-CREF difference
We are uniquely dedicated to helping you plan for a safe and secure retirement. TIAA-CREF is one of the largest financial services organizations in the world.⁷ As of December 31, 2013, over 4.8 million people and more than 15,000 retirement plans rely on TIAA-CREF.

¹ For its stability, claims-paying ability and overall financial strength, TIAA is one of only three insurance groups in the United States to currently hold the highest possible rating from three of the four leading insurance company rating agencies: A.M. Best (A++ as of 9/14), Fitch (AAA as of 10/14) and Standard & Poor’s (AA+ as of 10/14). It currently holds the second highest possible rating from Moody’s Investors Service (Aa1 as of 10/14). Per S&P criteria, the downgrade of U.S. long-term government debt limits the highest rating of U.S. insurers to AA+ (the second-highest rating available). There is no guarantee that current ratings will be maintained. Ratings represent a company’s ability to meet policyholders’ obligations and do not apply to variable annuities, mutual funds or any other product or service not fully backed by TIAA’s claims-paying ability.

² Average Annual returns for the TIAA Traditional Annuity Retirement Annuity (RA) contracts for all contracts in force each year. Hypothetical bond fund returns are based on the returns of the Barclays Capital U.S. Aggregate Bond Index, less 18 basis points for expenses. There are substantial differences between bond funds and fixed annuities, including differing investment objectives, costs and expenses, liquidity, safety, guarantees or insurance, and fluctuation of principal or return. Past performance is no guarantee of future results. There is no assurance that additional amounts above the TIAA Traditional Annuity’s guaranteed minimum rate will be declared in the future. Source: TIAA-CREF calculations.

³ Source: TIAA Actuarial proprietary research. As of 7/1/13, someone who was in TIAA Traditional for 25 years and amassed $100,000 through level monthly contributions would receive 23% more income as compared to someone who contributed or transferred $100,000 to an annuity immediately before retirement. However, the experience of each investor depends on many factors, including the number of years of participation, varying contribution levels, and the interest rate environment at the time of retirement. Thus, individual experience will vary. These calculations are purely hypothetical and do not illustrate past or projected performance. Past performance is not indicative of future returns. Our results are based on historical and current crediting and payout interest rates, and under different interest rate scenarios the results will vary.

⁴ Under the Retirement Annuity (RA) contract, the TIAA Traditional Annuity contract does not allow lump-sum cash withdrawals from the TIAA Traditional Annuity and transfers out must be spread over 10 annual installments. Under the Group Retirement Annuity (GRA) contract, lump-sum withdrawals are available from the TIAA Traditional Annuity, subject to the terms of your plan, only within 120 days after termination of employment and are subject to a 2.5% surrenders charge. All other withdrawals and all transfers from TIAA Traditional to any variable annuity accounts or mutual funds offered through TIAA-CREF within the plan or to approved alternate carriers within the plan from the TIAA Traditional Annuity must be spread over an 84-month period (seven years) in monthly systematic payments.

⁵ As of 12/31/13. Benefits include annuity payments from TIAA and CREF; additional amounts paid on TIAA Traditional above the guaranteed rate, surrender benefits and other withdrawals, death benefits, health insurance and disability insurance benefits, and all other policy proceeds paid.

⁶ “Statement on Best Practices for the Design of Defined Contribution Plans,” Financial Economists Roundtable, October 2006. Additional note: The median participant-weighted all-in fee for TIAA-CREF record-kept plans is 0.51% of assets, while the median stated in the ICI/Deloitte 2011 Defined Contribution 401(k) fee study was 0.78%. TIAA-CREF annuities average .48%, less than 1/4 the industry institutional annuity costs — comparable annuities outside the savings plan can average 2 - 4%.

⁷ Combined assets under management are as of 12/31/13.

Annuity contracts contain terms for keeping them in force and may have surrender charges. A financial consultant can provide you with costs and complete details. The TIAA Traditional Annuity Retirement Annuity (RA) contract form series 1000.24; Group Retirement Annuity (GRA) contract form series G-1000.4 or G-1000.5/G1000.6 or G1000.7 (not available in all states); Supplemental Retirement Annuity (SRA) contract form series 1200.8; Group Supplemental Retirement Annuity (GSR) contract form series G1250.1 (GSRAs are not available in all states); Retirement Choice (RC) contract form series IGRS-01-05, IGRS-01-60, and IGRS-01: Retirement Choice certificate series IGRS-CERT-1-5, IGRS-CERT-1-60, IGRS-CERT-1-84; Retirement Choice Plus contract form series IGRS-01-5, IGRS-01-60, IGRS-01-84; and Retirement Choice Plus certificate series IGRS-CERT-1-5, IGRS-CERT-1-60, IGRS-CERT-1-84 are issued by Teachers Insurance and Annuity Association of America, 730 Third Avenue, New York, NY 10017.

Amounts contributed are deposited in TIAA’s General Account. These guaranteed contracts and certificates are not considered to be “investments” under the federal securities laws. Each premium allocated to the TIAA Traditional Annuity Retirement Annuity buys a definite amount of lifetime income for participants based on the rate schedule in effect at the time the premium is paid. Additional interest, when declared, remains in effect for the “declaration year” that begins each March 1 for accumulating annuities and January 1 for lifetime payout annuities. Additional interest is not guaranteed for future years.

The TIAA Traditional Annuity is not a mutual fund or bank product. The obligations of TIAA are not insured by the FDIC or any other federal governmental agency. As provided for in the annuity contract or certificate, restrictions may apply to certain plan sponsor- and/or participant-initiated transactions. Please refer to the contract or certificate for details. Annuity products are issued by TIAA (Teachers Insurance and Annuity Association of America), New York, NY.

Past performance is no guarantee of future results.

©2014 Teachers Insurance and Annuity Association of America-College Retirement Equities Fund (TIAA-CREF), 730 Third Avenue, New York, NY 10017