Lifetime retirement income

The foundation to seeking a secure future
Retirement income options from TIAA-CREF

Your financial priorities can change over time. That’s why we offer a wide range of income choices under the annuities issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF). Our income options give you the flexibility and choices you need to help meet those priorities and create a payment arrangement that suits your particular situation.

If you don’t need to use your entire retirement account balance at once, you can begin receiving income on just part of it. And you can use our options in any combination you like. For example, if you select a lifetime annuity for part of your balance, you can still receive income at the same time or at a different time from other portions using different options.

Depending on your plan, you can receive payments for a temporary period with some non-lifetime options like systematic cash withdrawals, interest-only payments, or minimum distribution payments. Plus, you may be able to convert the remaining account balance to lifetime annuity payments later. Whatever your situation, we may have an income option that helps meet your needs.

Keep in mind that any guarantees under annuities issued by TIAA are subject to TIAA’s claims-paying ability. Payments from variable accounts will rise or fall based on investment performance.

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Plan for retirement income you can’t outlive.

With people living longer, retirement is lasting longer. For those turning age 65, there’s an 80% probability that they’ll reach age 80, and 27% of them will reach age 95.* That can mean 30 or more years in retirement. This is why you need a plan that includes income you can’t outlive.

TIAA and CREF lifetime income choices offer a strong foundation from which you can build a complete retirement income plan to help you manage your savings throughout retirement. For some, lifetime income may be sufficient for most of their income needs. For others, lifetime income may be appropriate for only a portion of their retirement income needs. And it may not be the right income choice at all for some situations. What’s right for you depends on your needs in retirement and how much you may want to leave to your heirs.

Let us help you build an income strategy.

Our Retirement Income Planner is a good place to start. Just log in to your account at tiaa-cref.org, select Advice & Guidance at the top of the page, then choose Retirement Income Planner on the right side. By estimating your potential income based on your account balances, personal situation and income preferences, these tools can help get an idea of whether you’ll have enough income to meet your needs.

You can also contact us for a personalized Retirement Planning and Advice assessment. We’ll look at both your estimated income and your anticipated needs to help you create an income strategy that’s right for your situation. We can help you evaluate which combination of income choices is right for your current needs, and build in the flexibility for changes to your strategy as your vision for retirement evolves. Call us at 800 842-2252 to set up a one-on-one meeting.

This brochure is for those who have started their retirement planning and are interested in finding out more about how the lifetime income choices fit into their needs. In addition to lifetime income, we offer a range of other withdrawal choices to help you create an income strategy that is right for you.

*TIAA-CREF 2014 mortality assumptions.
Your choices for lifetime income

For your lifetime income, you can choose a one-life annuity, a two-life annuity or a combination of the two. These options allow you to design an income plan to meet your current financial needs while planning for your beneficiaries.*

A one-life annuity guarantees you income for as long as you live. If you do not elect a guaranteed period (see next page), payments stop at your death.

A two-life annuity guarantees lifetime income to you. And, upon your death, income continues to your annuity partner for his or her life. The level of income you or your surviving annuity partner receives depends on which of the following four options you choose.

- **Full benefit to survivor**
  Upon your death, your annuity partner continues to receive the full amount of lifetime income. This is the only option in which income isn’t reduced when you die, but your initial income is lower than with any of the other options.

- **Half benefit to annuity partner**
  At your death, your annuity partner receives half the amount you would have received had you lived. If your annuity partner dies before you, there is no reduction in your lifetime income.

- **75% benefit to annuity partner**
  At your death, your annuity partner receives 75% of the amount you would have received had you lived. If your annuity partner dies before you, there is no reduction in your lifetime income.

- **Two-thirds benefit to survivor**
  At the death of either you or your annuity partner, the survivor continues to receive lifetime income, but the payments are reduced to two-thirds of the amount that would have been received had you both lived. Although this is the only two-life option that reduces your income if your annuity partner dies before you, it often provides the highest income among the two-life options while you’re both alive.

* Any guarantees under annuities issued by TIAA are subject to TIAA’s claims-paying ability. Payments from the variable accounts will rise or fall based on investment performance.
How your benefits can survive you

If you add a guaranteed period to your lifetime annuity option and you — or both you and your annuity partner under a two-life option — die during the period, your beneficiary will receive income for the rest of the period. If you (or your annuity partner under a two-life annuity) live beyond the guaranteed period, your beneficiary will not receive any payments.

While you can generally choose from guaranteed periods of 10, 15 and 20 years, you can’t select a period that would continue income beyond your life expectancy or that of your annuity partner or beneficiary.

Keep in mind that including a guaranteed period with any of the options reduces your initial income — the longer the guaranteed period, the bigger the reduction. A guaranteed period is available with both one-life and two-life annuities.

How the guaranteed period works...

Let’s assume you choose a one-life annuity with a 20-year guaranteed period.

- You receive income for as long as you live.
- If you die after receiving payments for 15 years. Your beneficiary receives payments for the remaining five years of the guaranteed period.
- If you die after receiving payments for 25 years. Payments stop at your death. Because the 20-year guaranteed period has expired, your beneficiary receives no payments.
Income from the TIAA Traditional Annuity

If you decide to receive income from a TIAA Traditional Annuity, your income is based on a guaranteed interest rate of 2.5% (for most contracts) with the opportunity for additional amounts.*

Additional amounts are amounts we credit in excess of the guaranteed rate, and may be declared annually by TIAA’s Board of Trustees. When declared, they are in effect for the declaration year, which begins each January 1. Additional amounts are not guaranteed for future years.

There are two methods for receiving your income from the TIAA Traditional Annuity. While they both guarantee a minimum interest rate, they provide different amounts of current and future income.

Standard Payment Method
You receive the total interest credited with each payment, which includes the guaranteed portion plus any additional amounts. Designed to provide a relatively consistent level of income, the Standard Payment Method pays you a higher initial amount than the Graded Payment Method. However, it may not provide a future hedge against inflation.

Graded Payment Method
Your initial income is based on a 4% interest rate — 2.5% is guaranteed and the rest comes from additional amounts. Any interest credited above the 4% rate is reinvested to buy additional future income. Graded payments go up when the total interest rates exceed 4%. If, for example, the total interest credited for a given year is 6%, your income the following year will increase by about 2%.

Important information about TIAA’s Graded Payment Method
In today’s interest rate environment, you may not be able to use the Graded Payment Method for some or all of your income.

TIAA’s Graded Payment Method is only available for vintages with payouts based on an interest rate of 4% or more. If the interest rate for a particular vintage is less than 4% on your income starting date, your initial payment and all future payments for the portion of your account balance in that vintage will be made under TIAA’s Standard Method. For information on TIAA’s current payout rates, go to tiaa-cref.org.

* Any guarantees are subject to TIAA’s claims-paying ability.
Important consideration when choosing lifetime income

Once you decide to receive lifetime income and choose an income option, guaranteed period and annuity partner, you can’t change them. Nor can you stop your payments. You can, however, change the investments your income is based on. Call us at 800 842-2252 for details on how you can transfer income between the available investment accounts.

Minimum interest guarantees

The TIAA Traditional Annuity guarantees a minimum level of interest, with the opportunity to receive additional amounts above the guaranteed rate. In fact, we have paid additional amounts above the guaranteed rate every year for 60 years.

With consistent, competitive interest rates, the TIAA Traditional Annuity is an excellent choice from which to build a steady source of income for your lifetime retirement income needs.
Income from a variable annuity

Unlike the TIAA Traditional Annuity, TIAA and CREF variable annuity accounts don’t guarantee a minimum income. Instead, your income is directly tied to the account’s investment returns.

This means that income from a variable annuity will fluctuate based on market performance and may be worth more or less than your original investment.

When we calculate your income from a variable account, we take into account your age, the age of your annuity partner and the lifetime income option you’ve selected. We also assume an annual investment return of 4%.

Making an assumption about future earnings enables us to pay you more initial income than if we did not assume future growth. And the 4% rate is low enough that performance over time may be greater.

For example, if your account’s net investment earnings in a given year are 6%, your variable income will go up by about 2%. If the investment earnings are less than 4%, your income will decrease. In addition to investment returns, variable payments from the CREF accounts vary with mortality and expense performance, although these have had relatively insignificant effects in the past.

You can choose to have your income revalued — based on investment experience — either monthly or annually. If you choose annual revaluation, your income will change each May 1 based on the performance from the past year ending the last business day in March. If you choose to have your income revalued monthly, your income will change each month based on the prior month’s investment experience.

Which choice provides more income over the long term? Neither. Both methods are virtually equivalent. Your choice should depend on whether you prefer to receive predictable income that only changes once during the year or income that varies more frequently based on the current investment performance.

When we calculate your income from a variable account, we take into account your age, the age of your annuity partner and the lifetime income option you’ve selected.
Your retirement income illustrations

You can call 800 842-2252 to speak with a consultant about the best way for you to receive retirement income. And you can request your Retirement Income Illustrations.

These illustrations give you estimates of your monthly income based on your age, your annuity partner’s age, your account balances, when your retirement income will begin and potential earnings rates. Keep in mind the amounts are only projections based on the information that was provided and your income will likely be higher or lower than what’s illustrated. But, the closer you are to starting your retirement income, the more accurate your illustrations will likely be.

The Initial Income Illustration gives you a summary of the initial monthly income from your balances in the CREF and TIAA Real Estate variable annuities, and the TIAA Traditional Annuity under both the Standard and Graded Payment Methods. Note: If you don’t have account balances in CREF, TIAA Real Estate or TIAA Traditional, the corresponding column on your illustration is left blank.

Under each of the TIAA Traditional Annuity choices, you’ll see the Contractual Payment that represents your guaranteed (or minimum) income. You’ll also see another column labeled With Additional Amounts, which shows your income based on the total interest rates (contractual plus additional amounts) being credited on lifetime annuities paid from TIAA Traditional. To get your total income, add either the Graded or Standard income, including additional amounts, to the CREF and TIAA variable income for any of the rows.

Your illustrations also show your estimated income for interest-only payments and, if you requested it, income for a fixed period of years. The tables on your illustrations provide examples of how your income could change over time given different inflation assumptions, investment performance and interest rates.
Here’s an example of the information that is included in your customized Initial Income Illustration.

Please note that the following example is hypothetical and is only intended to assist you in reading your personalized illustration. It represents only one sample page from the illustration.

<table>
<thead>
<tr>
<th>Options</th>
<th>Monthly Annuity Income</th>
<th>TIAA Traditional Annuity</th>
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</thead>
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<tr>
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<td>LifeTime Guaranteed Period</td>
<td>CREF Combined Accounts</td>
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<td>Lifetime Annuities</td>
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<td>One Life No Lifetime Survivor Benefit</td>
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<td></td>
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<tr>
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<tr>
<td></td>
<td>10</td>
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<tr>
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<tr>
<td></td>
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<tr>
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<td></td>
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<tr>
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<td></td>
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<td></td>
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<td></td>
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<tr>
<td></td>
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Payments from the variable annuity accounts are not guaranteed and will fluctuate based on investment performance.

The figures above are based on two annuitants age 65 and can be higher or lower depending on actual ages. For the hypothetical illustration above, we assume that a $100,000 balance is converted to TIAA Traditional annuity income, a balance of $100,000 in combined CREF accounts and $100,000 in TIAA Real Estate are converted to variable annuity income. We used a 5.25% interest rate for TIAA Traditional, but your actual rates and income can be higher or lower than those shown above.
What retirement income choices work for you?

When people make the transition from work to retirement, they are faced with a major change in the way they receive their income — from earning a “regular” salary to receiving retirement income from one or more sources.

For many people, a lifetime annuity may be the best form of payment for most, if not all, of their retirement account balance. It’s a safe, efficient way to help ensure you have income throughout your retirement. With a lifetime annuity, you don’t have to worry that you’ll live too long. However, there are occasions when a lifetime annuity doesn’t meet your needs. You may need something else — or something in addition to your regular annuity income payments.

That’s why TIAA-CREF offers you a wide range of choices for receiving income. You can use them in combination, or use certain payment methods first and then convert to a lifetime annuity later.
We’re here to help you through retirement.

While you’re deciding on your income plan as well as while you’re receiving retirement income, you’ll continue to benefit from your relationship with TIAA-CREF with:

**Personalized guidance**
Our consultants will use their knowledge to provide choices that guarantee you won’t outlive your income.*

**Investment philosophy**
Our long-term investment philosophy and competitive historical returns help support your retirement income needs.**

**High ratings***
TIAA is one of the three highest rated insurance companies in terms of overall financial strength.

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* Guarantees are subject to TIAA’s claims-paying ability.
** Past performance does not guarantee future results.
*** 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.
Additional income choices

To help you customize an income plan to suit your needs, we offer a variety of income options. You can use them as a complement to lifetime income, alone or in any combination. However, please keep in mind that all options may not be available under all plans.

Systematic and lump-sum cash withdrawals
Partial or lump-sum cash withdrawals allow you to stay flexible. You can withdraw what you wish as a single payment (minimum of $100 per investment account), or set up a series of withdrawals and receive them monthly, quarterly, semiannually or annually. You can change the amount, frequency or stop them at any time.

Interest-only income
This option offers you the flexibility to receive income without drawing down your TIAA Traditional balance in Retirement Annuity, Group Retirement Annuity and Retirement Choice Annuity contracts. Your income includes a guaranteed interest rate* plus any additional amounts declared above the guaranteed rate. As interest rates change, so does your income. It’s an ideal way to supplement your income during a transition to full retirement or if you are working part time. Once you reach age 70½, you are generally required to switch to another income choice designed to meet the IRS minimum distribution requirements.

Minimum distribution withdrawals
Generally available for participants who have reached age 70½, this option pays you only the amount needed to meet federal required minimum distributions. That way, your remaining balance can continue to accumulate tax deferred.

Transfer Payout Annuity
The TIAA Traditional Annuity’s primary goal is to provide you a high level of interest while guaranteeing your principal balance. To help ensure this, withdrawals are limited to a portion of your balance each year. For income from your TIAA Traditional balance in a Retirement Annuity or Group Retirement Annuity, you can receive 10 annual withdrawals through the Transfer Payout Annuity. And Retirement Choice Annuity contracts offer an 84-month withdrawal option.

Group Retirement Annuities may also offer the choice of fixed-period withdrawals between 5 and 30 years.

* The guaranteed rate is 3% for most Retirement Annuity and Group Retirement Annuity contracts and 1% to 3% for Retirement Choice Annuity contracts.

Note: Withdrawals are subject to ordinary income tax and a federal 10% penalty may apply to withdrawals made prior to age 59½. The availability of some income options for Retirement Annuities, Group Retirement Annuities and Retirement Choice Annuity account balances may be limited by the rules of your employer’s plan. Call us at 800 842-2252 for details about the options available to you.
Take the next step.

Contact us today for more information, advice or help with setting up your retirement income. It’s easy to reach us.

Call us.
Call 800 842-2252 to speak with one of our consultants. They are available Monday to Friday from 8 a.m. to 10 p.m. and Saturday from 9 a.m. to 6 p.m. (ET) and can run illustrations of the options available to you.

Visit us online.
Go to tiaa-cref.org to run illustrations of your income and explore the many ways that we can serve your financial needs. To send us an email, click Contact Us at the top of the home page.

Schedule an appointment.
Arrange a one-on-one meeting with a TIAA-CREF Consultant at the TIAA-CREF office nearest you. To find a local office, go to www.tiaa-cref.org/local.
Under Texas law, the benefits of an annuity purchased under the Optional Retirement Program are available only if a participant attains the age of 70½ years or terminates participation in the program. For these purposes, a person terminates participation in the Optional Retirement Program, without losing any accrued benefits, by: (1) death; (2) retirement; or (3) termination of employment in all Texas public institutions of higher education.

The tax information contained herein is not intended to be used, and cannot be used by any taxpayer, for the purpose of avoiding tax penalties that may be imposed on the taxpayer. It was written to support the promotion of the products and services addressed herein. Taxpayers should seek advice based on their own particular circumstances from an independent tax advisor.

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

TIAA-CREF products may be subject to market and other risk factors. See the applicable product literature, or visit tiaa-cref.org for details.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Call 877 518-9161, or go to www.tiaa-cref.org/prospectuses for current product and fund prospectuses that contain this and other information. Read the prospectuses carefully before investing.

Annuity contracts contain terms for keeping them in force. Exclusions, restrictions, limitations and reductions in benefits will, in certain situations, apply to annuity contracts. Please consult your contract for more details.

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