



Discover the benefits of TIAA Traditional

Protected lifetime income and more

BUILT TO PERFORM.

CREATED TO SERVE.

Helping participants like you pursue a more secure retirement

Guaranteed income to last a lifetime is just one of the benefits of TIAA Traditional.¹ It also offers opportunities for additional income, flexible payment options and a solid track record even in the most volatile markets—distinct advantages that make it an important part of an income plan in retirement.

Since 1918, TIAA Traditional has consistently rewarded participants with additional income above their guaranteed payment amount. In fact, more than \$3 billion* has been shared with TIAA Traditional participants on average each year over the past 10 years.



¹ All guarantees are subject to TIAA's claims-paying ability.

*TIAA may share profits with TIAA Traditional Annuity participants through declared additional amounts of interest during accumulation, higher initial annuity income, and through further increases in annuity income benefits during retirement. Additional amounts are not guaranteed beyond the period for which they are declared.

TIAA Annual Statement, Page 4, Line 30.



A fixed annuity is a foundation for retirement income

While saving for retirement, you chose different investments across diverse asset classes to help you manage risk and meet your goals. The same principle of diversification is equally important when creating an income plan once you retire.

Sources of retirement income

Drawing on a mix of income sources (see graphic below)—some reliable and guaranteed, and others that are tied to market performance but with greater potential for growth—can help you maintain a desired lifestyle and offset risks in retirement. These include market volatility, inflation, cognitive decline and outliving your money.

		
Social Security Pensions Fixed annuities	Variable annuities	Investment portfolio
Guaranteed lifetime income	Lifetime income & growth potential	Growth potential & liquidity

Adding a fixed annuity payment like TIAA Traditional to your Social Security and pension (if you have one) creates an income base to cover your essential expenses.

TIAA Traditional—unlike other fixed annuities

Fixed annuities pay a guaranteed level of “market-proof” income over time. TIAA Traditional does, too, but also offers opportunities for additional income—a distinct advantage over other fixed annuities.

Let’s see how it works.



Guaranteed lifetime income

First, your guaranteed lifetime income payment is based on factors like your age at the time of election and the income option you select. This is your baseline, and income will never fall below the guaranteed rate.



Additional amounts

Next, you have the opportunity for additional amounts on an annual basis that are not guaranteed but may be declared by TIAA’s board of trustees for a given year. This is based on the underlying performance of the investments in the TIAA general account in a given year and only applies for the declaration year beginning January 1.²



Loyalty bonus³

Further, you may even be eligible for a greater share in our profits—we think of it as a loyalty bonus. It seeks to reward you with additional amounts of income based on how long you’ve been contributing.^{1, 2}

This happens when the monies set aside to cover future benefits exceed the monies needed. TIAA historically has returned these excess amounts to participants.

TIAA Traditional’s unique payout structure was created to benefit you

Every year since 1949, TIAA has paid additional amounts.*

¹ All guarantees are subject to TIAA’s claims-paying ability.

² TIAA may establish additional amounts of interest and income benefits above contractually guaranteed levels. Additional amounts are not guaranteed beyond the period for which they are declared.

³ TIAA may provide a loyalty bonus that is only available when electing lifetime income. The amount of the bonus is discretionary and determined annually.

*As of 12/31/2021.

Benefits of loyalty

If you are a long-term contributor to TIAA Traditional, you have an opportunity to unlock the potential for the loyalty bonus by deciding to convert a portion of your account balance for regular lifetime income payments when you retire. You'll miss this opportunity, however, if you decide to just take required minimum distributions (RMDs) instead.

Calculating TIAA Traditional lifetime income payments

Let's look at a hypothetical example. Maria and Anna both have \$100,000 in TIAA Traditional. Their contribution history makes all the difference in their annual and cumulative lifetime income payments. The difference in income can add up over 30 years.



Maria contributed in 2022

As a new contributor, Maria's payment rate is 6.0%.

Investment amount: **\$100,000**
 Annual lifetime income: **\$6,005**
 Payment over 20 years*: **\$120,100**



Anna contributed since 1992

Since Anna has been contributing since 1992, she enjoys a blended payment rate that is 17% higher because of her loyalty bonus over time.

Investment amount: **\$100,000**
 Annual lifetime income: **\$7,038**
 Payment over 20 years*: **\$140,760**

Income payment rates for lifetime annuities issued during January 2022

Vintage (when money was contributed)	Lifetime income payment rate Single life with 10-year guarantee
2021-2022	6.0%
2020	6.0%
2016-2019	6.1%
2012-2015	6.1%
2002-2011	6.6%
Pre-2002	8.2%

Maria:
 As a new contributor, her payment rate is 6.0% at age 67.

Anna:
 As a long-term contributor, her blended payment rate is 17% higher because of her loyalty bonus over time.

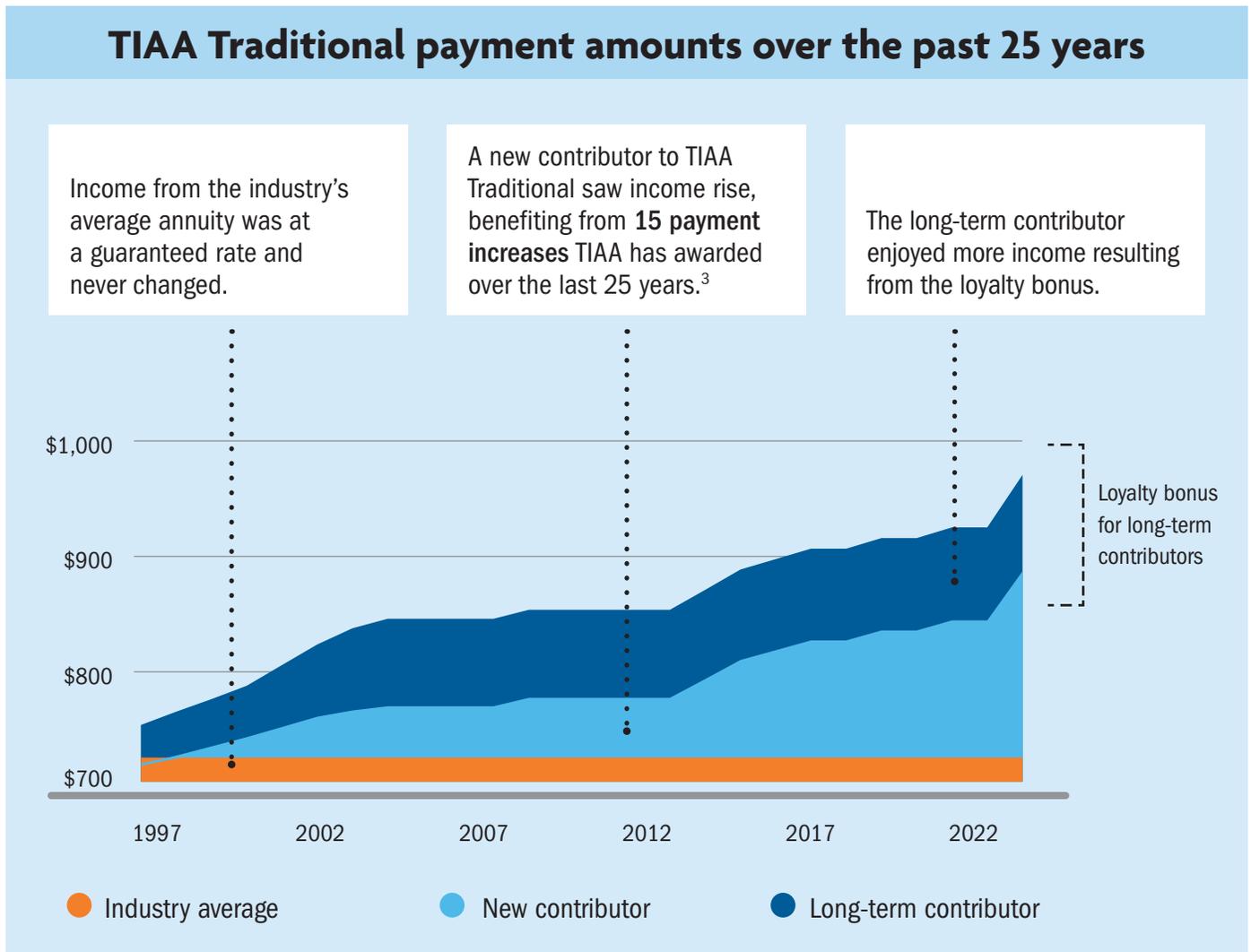
*Assuming there are no changes to the payment amount.
 For a single-life annuity with a 10-year guarantee period for a 67-year-old beginning lifetime income 1/1/2022.

More income over time

Let's look at another example that compares lifetime income payments from 1997 to present and demonstrates how TIAA Traditional can provide a higher amount of income over time.

As you can see in the chart, TIAA Traditional's income—for both new and long-term contributors—beat the typical industry annuity. The new contributor, who transferred outside savings to set up a TIAA Traditional account at the time of retirement in 1997, saw income rise, benefiting from 15 payment increases TIAA has awarded over the last 25 years.³ In fact, many retirees taking lifetime income from TIAA Traditional in 2021 received a 5% increase in 2022.⁴

The long-term contributor's income also benefited from these 15 increases but was higher than the new contributor's. Why? Having selected TIAA Traditional to save for retirement since 1967, the long-term contributor's account also received the loyalty bonus due to contributions over the previous 30-year period. It not only increases your initial payment but may also increase all future payments.



³ Source: Industry average from January 1997 issue of Annuity and Insurer magazine, <https://www.immediateannuities.com/pdfs/as/annuity-shopper-1997-Jan.pdf>, as of January 1997. The chart and table above reflect two hypothetical participants who annuitize \$100,000 at age 65 and select the same single-life annuity using TIAA's standard payment annuity where payments begin on 1/1/1997 and assumes no prior withdrawals were taken. Assumes the career contributor made level monthly contributions of about \$65 per month over a 30-year career and took no prior withdrawals. Effective through 1/1/2022.

⁴ Applies to standard settlement annuitizations. Prorated increases applied to annuitants receiving lifetime income for less than one year as of 1/1/2022.

Explore a range of income options

When you convert some or all of your TIAA Traditional balance for guaranteed payments, you also have a range of flexible income options.* As the annuity owner, you will always receive income for life no matter which option you choose.



Do you want income just for you?

A “single life” option offers the highest monthly income payment which lasts for your life.



Do you want income for you and your partner?

With a “joint life” option, you’ll get slightly lower payments, but they last for both of your lives.**



Do you want beneficiary protection?

For slightly less income, you can also extend payments to your beneficiaries should you die before the period you select (10, 15 or 20 years) is over.***

More income or more protection—you decide

Take a look at the following example† to see the different payment amounts.

		Monthly income	
	Just you (Single life)	\$1,186	Higher income ↑
	Add a beneficiary (20-year period)	\$1,066	
	You and a partner (Joint life)	\$1,019	↓ Most protection
	Add a beneficiary (10-year period)	\$1,018	
	Add a beneficiary (20-year period)	\$1,000	

*Converting some or all of your savings to income benefits (referred to as “annuitization”) is a permanent decision. Once income benefit payments have begun, you are unable to change to another option.

**The payment will be lower for two lives than one. You can choose from several income amounts to help provide the same quality of life. If your annuity partner is not your spouse (as defined for federal tax purposes) and he or she is more than 10 years younger than you, an annuity for two lives is not available.

***The maximum guarantee period is based on your life expectancy according to Internal Revenue Service tables. Depending on who you designate as beneficiary, some or all of the payments remaining at your death, if any, may need to be commuted to comply with federal tax law. You should consult a tax advisor before selecting an annuity guarantee period.

†This illustration is hypothetical and is intended to provide the reader with a general idea of the approximate level of potential change in income by reducing the level of protection based on varying forms of payment. The figures above are based on annuitants age 67, and can be higher or lower depending on actual ages. For the hypothetical illustration, we assumed that a balance of approximately \$200,350 was converted to TIAA Traditional annuity income assuming a 4.0% settlement interest rate. Every participant can have their own unique settlement rate because of their own unique split of their accumulation across TIAA Traditional vintages, so actual rates and income can be higher or lower than those shown above. Note that using the same balance and the minimum guarantees in the Retirement Annuity contract, a 100% to survivor with 20 years guaranteed would provide \$736 in income versus the \$1,000 depicted above. In addition, if the monthly payment column was reconstructed based on the minimum guarantees in the contract, the additional income percentages would differ from what is shown above. All guarantees are based on TIAA’s claims-paying ability.

TIAA Traditional delivers

Additional income, higher payments over time, a solid track record and flexible income options to protect yourself and those you love—these are just some of the benefits of TIAA Traditional. Find out how TIAA Traditional can deliver for you so you can feel more confident about your future financial well-being.



Call today for your personalized TIAA Traditional lifetime income quote



Call one of our advisors at **800-842-2252**, weekdays, 8 a.m. to 10 p.m. (ET).



Log in to your TIAA retirement account at **TIAA.org** and use our Retirement Income Illustrator tool in the Resources menu.

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Transfers and withdrawals from TIAA Traditional are restricted by its underlying agreements that can affect the liquidity of the product.

Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 or go to [TIAA.org/prospectuses](https://www.tiaa.org/prospectuses) for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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

TIAA Traditional is issued by Teachers Insurance and Annuity Association of America (TIAA), New York, NY.

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