



A solid foundation for your retirement

Three reasons to choose TIAA Traditional

1. Certainty

Even in the most volatile markets, you will never lose the value of the principal you contribute. In fact, your principal and earnings will grow every day – guaranteed. Guarantees are backed by the financial strength and claims-paying ability of TIAA.¹

2. Income you cannot outlive

TIAA Traditional can function as your “salary” in retirement by providing you with guaranteed lifetime income to help cover your basic, everyday living expenses in retirement.

3. Peace of mind

You have the confidence in knowing you won’t outlive your lifetime income payments and you won’t need to worry about market performance affecting the amount of your guaranteed income in retirement.

Certainty. Income you cannot outlive. Peace of mind.

As a current or former employee of a non-profit or governmental organization, you (and members of your immediate family) have exclusive access to TIAA Traditional Annuity through your employer’s retirement plan and/or through a TIAA IRA. TIAA Traditional is a guaranteed annuity issued by Teachers Insurance and Annuity Association of America (TIAA) that is designed to be a core component of a diversified retirement savings portfolio. It has helped prepare millions of people like you with a solid foundation for retirement. Contributing to it gives you the peace of mind and certainty that you (and a spouse or partner you may choose to include) will have a “salary” in retirement that can help cover your basic, everyday living expenses without worrying about outliving your income. If you can cover your basic living expenses with a TIAA Traditional Annuity you will be able to use the other money you have saved for discretionary purposes.

How TIAA Traditional works

While you are saving

When you contribute to TIAA Traditional, you will be paid interest at competitive crediting rates which are declared in advance.²

- TIAA has credited interest above the contractual minimum guaranteed rate on one or more contracts every year since 1948.³
- Since 1981, the TIAA Traditional Retirement Annuity and Supplemental Retirement Annuity crediting rates have outpaced inflation.³
- TIAA has rewarded participants who save for the long-term in contracts where benefits are paid in installments over time instead of in an immediate lump sum by crediting higher interest rates, typically 0.50% to 0.75% higher.⁴ Higher rates will lead to higher account balances and more retirement income for you.

While you are receiving income

An annuity, like TIAA Traditional, is the only retirement savings option that offers income you cannot outlive – guaranteed for life.

- You choose when to convert some or all of your TIAA Traditional savings into income that you and your spouse or partner cannot outlive.
- You can choose from a range of flexible lifetime income options to provide you with a “salary” in retirement.
- You can mix lifetime income with other income options, payment frequencies and payment start dates to help meet your retirement and estate planning needs.

By converting to lifetime income, TIAA Traditional may provide you with more income in retirement than you could receive if you utilized a 4% per year systematic withdrawal approach that is sometimes recommended in retirement planning literature; and by selecting lifetime income you will not be at risk of running out of money in retirement.⁵

Not worried about outliving your income?

Consider this. As of the end of 2015 we were still paying lifetime income to people who have celebrated their 105th birthday.

TIAA Traditional provides peace of mind.

With TIAA Traditional you have the confidence in knowing you won't outlive your lifetime income payments and you won't need to worry about market performance affecting the amount of your guaranteed income in retirement.

Our mission-based approach can provide additional potential benefits to you. Like all insurance companies, we set money aside to protect your benefits. However, unlike most other insurance companies, and consistent with our non-profit heritage, to the extent the reserves we set aside prove to be unneeded, they are returned to retirees to increase the amount of lifetime income they receive initially and over time. Consider the following:

- Retirees who began receiving lifetime income from TIAA Traditional in 1995 have experienced 14 increases in their annual annuity payment amounts through 2016 at an average of more than 1.25% per increase without ever experiencing a decrease.⁶
- Contributing to TIAA Traditional consistently over a working career has driven lifetime income 17.5% higher on average for retirement dates within the last decade versus contributing outside of TIAA Traditional and transferring in shortly before selecting lifetime income. This is due, in part, because of TIAA's return of contingency reserves that have built up on older contributions.^{6,7}

The TIAA difference

TIAA is one of the largest financial services organizations in the world. We are uniquely dedicated to helping you plan for your retirement. If you need help planning for retirement, a TIAA Financial Consultant will be happy to provide personalized advice based on your plan's investment options.⁸ Schedule an advice session at no additional cost with a TIAA Financial Consultant near you, or call **800-842-2776**.



All guarantees are based on TIAA's claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for federal securities law purposes. Past performance is no guarantee of future results.

TIAA Traditional is available under multiple contract forms. Some contracts allow for full withdrawals and transfers. Other contracts only permit withdrawals and/or transfers to be paid in multi-year installments and certain withdrawals may be subject to a surrender charge. Review your contract, certificate, or other product literature, or contact TIAA for complete details. When TIAA Traditional Annuity is made available within an employer-sponsored retirement plan, income and withdrawal options are subject to the terms of the employer plan. Withdrawals prior to age 59½ may be subject to a 10% federal tax penalty.

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 6/15), Fitch (AAA as of 9/15) and Standard & Poor's (AA+ as of 7/15). It currently holds the second-highest possible rating from Moody's Investors Service (Aa1 as of 8/15). 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. Interest credited to TIAA Traditional Annuity accumulations includes a guaranteed rate, plus additional amounts as may be established on a year-by-year basis by the TIAA Board of Trustees. The additional amounts, when declared, remain in effect through the "declaration year", which begins each March 1 for accumulating annuities and January 1 for payout annuities. Additional amounts are not guaranteed for the future years.
3. Source: TIAA Actuarial Department.
4. Source: TIAA Actuarial Department, based on actual historical total interest crediting rates for TIAA's Retirement Annuity contracts and Supplemental Retirement Annuity contracts.
5. Source: TIAA Actuarial Department, based on the following assumptions: The career contributor made level monthly contributions to TIAA Traditional under the Retirement Annuity Contract over a 30 year career. The new contributor accumulated outside of TIAA Traditional and transferred in shortly before selecting lifetime income. Both participants turned 65 on December 31, 2015 and began a single life annuity with a 10 year guarantee period on January 1, 2016. In this scenario the career contributor's initial annual income would have represented approximately 7.8% of the amount converted to lifetime income (Payout Income Rate) and the new contributor would have had an initial Payout Income Rate of 6.2%. Because each of these participants selected lifetime income with a guarantee period, they (or their beneficiaries) will receive income until the later of 10 years or their death. The TIAA Traditional Payout Income Rates in this example would have provided the career contributor with almost twice as much initial income in retirement and the new contributor with over 50% more initial income in retirement than each would have received by using a 4% per year systematic withdrawal strategy that is sometimes referred to or advised in retirement planning literature and that is not guaranteed to be paid for life. Past performance does not guarantee future results.
6. Source: TIAA Actuarial Department based on actual historical data of the TIAA Standard payout annuity.
7. Source: TIAA Actuarial Department, based on a study that compared the amount of initial lifetime income that would have been received by two hypothetical participants beginning lifetime income, for each of the 253 months from January 1, 1995 through January 1, 2016. The two hypothetical participants are the same age and they select a single life annuity with a 10 year guarantee period. The career contributor made level monthly contributions to TIAA Traditional under the Retirement Annuity Contract over a 30 year career prior to their retirement date. The new contributor transferred the same final accumulation as the career contributor to TIAA Traditional shortly before selecting lifetime income. Over the study period, the career contributor's initial lifetime income exceeded that of the new contributor in 243 of the 253 retirement months with an average lifetime income advantage of 13.5%. Their biggest advantage was 32% and their smallest advantage was -3.1%. Over the study's most recent decade, the career contributor's initial lifetime income exceeded that of the new contributor in all 120 retirement months with an average lifetime income advantage of 17.5%. Their biggest advantage was also 32% and their smallest advantage was 2.5%. In the study's most recent month, the career contributor's initial lifetime income exceeded that of the new contributor by 27.0%.
8. Personalized advice is available pursuant to the terms of your employer's retirement plan.

TIAA Traditional is a fixed annuity product issued by Teachers Insurance and Annuity Association of America (TIAA), New York, NY. Annuity contracts contain terms for keeping them in force. Exclusions, restrictions, limitations and reductions in benefits will, in certain situations, apply to annuity contracts. Your financial consultant or advisor can provide you with costs and complete details.

The TIAA Traditional Annuity Retirement Annuity (RA) contract form series 1000.24; Group Retirement Annuity (GRA) certificate 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 (GSRA) certificate form series G1250.1; Retirement Choice (RC) contract form series IGRS-01-84-ACC and IGRS-02-ACC; Retirement Choice certificate series IGRS-CERT2-84-ACC and IGRS-CERT3-ACC; Retirement Choice Plus contract form series IGRSP-01-84-ACC and IGRSP-02-ACC; Retirement Choice Plus certificate series IGRSP-CERT2-84-ACC and IGRSP-CERT3-ACC; Group Annuity (GA) contract form series 6008.8 and 6008.9-ACC; After-Tax Retirement Annuity (ATRA) contract form series 1000.24-ATRA; IRA contract form series 1280.2, 1280.4 (not available in all states and generally no longer issued), or TIAA-IRA-01 and Roth IRA contract form series 1280.3 or 1280.5 (not available in all states and generally no longer issued), or TIAA-Roth-01; and Keogh certificate form series G1350 (not available in all states) are issued by Teachers Insurance and Annuity Association of America, 730 Third Avenue, New York, NY 10017.

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