

# Start planning for retirement income

## → Assess your income needs

With the help of your financial professional, determine how much money you're going to need each year. Take a look at your essential lifestyle expenses and your discretionary lifestyle expenses.

Begin by calculating your current expenses and then adjust them based on your desired lifestyle in retirement.

| Essential lifestyle expenses  | Annual cost |
|---|-------------|
| <b>Housing</b><br>mortgage payments, rent, insurance, property tax  | \$          |
| <b>Utilities</b><br>gas, water, electricity, telephone, cable   | \$          |
| <b>Food/groceries/meals</b>   | \$          |
| <b>Transportation</b><br>car payments, gas, car insurance, maintenance  | \$          |
| <b>Personal</b><br>clothing, haircuts, dry cleaning, toiletries   | \$          |
| <b>Healthcare/Medicare premiums</b><br>supplemental medical insurance, prescriptions and other out-of-pocket expenses | \$          |
| <b>Life, disability and long-term care insurance</b>  | \$          |
| <b>Income taxes</b><br>federal, state   | \$          |
| <b>Other</b>  | \$          |
| <b>Annual essential lifestyle expenses</b>  | \$          |

| Discretionary lifestyle expenses  | Annual cost |
|---|-------------|
| <b>Entertainment</b><br>movies, theater, sporting events and restaurants      | \$          |
| <b>Travel &amp; recreation</b><br>hotels, airfare and RV/boat expenses        | \$          |
| <b>Memberships</b><br>golf, health club and yoga                              | \$          |
| <b>Gifts and donations</b>  | \$          |
| <b>Other</b>  | \$          |
| <b>Annual discretionary lifestyle expenses</b>                                | \$          |
| <b>Annual essential lifestyle expenses</b>                                    | \$          |
| <b>Annual discretionary lifestyle expenses</b>                                | \$          |
| <b>Total annual expenses</b><br>Essential lifestyle + Discretionary lifestyle | \$          |

Not FDIC or NCUA/NCUSIF Insured  
 May Lose Value • No Bank or Credit Union Guarantee  
 Not a Deposit • Not Insured by any Federal Government Agency

→ **Determine your annual protected income**

Once you have obtained the needed estimates for Social Security and a pension, if applicable, you can determine your annual income from guaranteed sources.

| Guaranteed sources of retirement income | Annual income |
|---|---------------|
| Social Security                         | \$            |
| Pensions                                | \$            |
| Annuities (if you own one)*             | \$            |
| Other                                   | \$            |
| <b>Total annual guaranteed income</b>   | \$            |

→ **See if you're facing an income gap**

First determine if you have enough guaranteed income to cover your annual essential lifestyle expenses. This is a priority for many retirees.



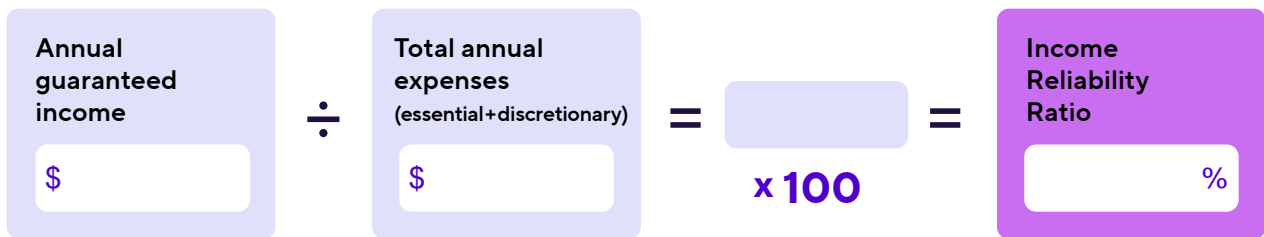
Of course, you may want some or all of your discretionary lifestyle expenses to also be covered with protected income. So next, examine your total annual expenses (that is, your essential lifestyle expenses PLUS your discretionary lifestyle expenses) to see if you're facing an overall income gap.



\*Guarantees are backed by the claims-paying ability of the issuing insurance company.

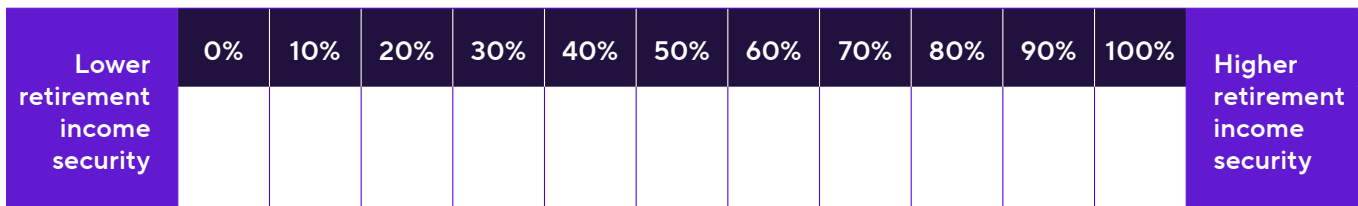
## → Calculate your Income Reliability Ratio

Another factor you may want to consider is your Income Reliability Ratio. Your Income Reliability Ratio can help you assess where you stand in terms of your retirement income security. If your Income Reliability Ratio is low, you may want to consider how challenges such as a market decline or living longer than expected could impact your long-term retirement income strategy.



## Your Income Reliability Ratio

Indicate with a check mark on the chart below where your Income Reliability Ratio currently falls.



**If your Income Reliability Ratio is further to the left,** consider if you're comfortable with your retirement income being funded from your current savings and investments, or other non-guaranteed sources, such as a part-time job or rental income. This type of income may be less predictable due to market volatility, changes in interest rates or other factors, and may result in lower retirement income security.

**If your Income Reliability Ratio is further to the right,** you have the assurance of knowing that a greater portion of your total annual expenses in retirement will be covered with income that's guaranteed for a higher level of retirement income security.

## → Review your situation with your financial professional

Your financial professional can help you further assess where you stand with respect to your retirement income needs and current income sources—and help you determine a retirement income strategy that makes sense for you.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Products and features may vary by state and may not be available in all states. The purchase of an annuity is not required for, and is not a term of, the provision of any banking service or activity.

Annuities are long-term products designed for retirement. Withdrawals may be subject to federal and/or state income taxes. An additional 10% federal tax may apply if taken before age 59½, in addition to ordinary income tax. Partial withdrawals may reduce benefits and contract value.

Annuity contracts issued by **American General Life Insurance Company** (AGL), Houston, TX except in New York, where issued by **The United States Life Insurance Company in the City of New York** (US Life). Certain annuities are issued by **The Variable Annuity Life Insurance Company** (VALIC), Houston, TX. **Variable annuities are distributed by Corebridge Capital Services, Inc.** (CCS), member FINRA. Issuing companies AGL, US Life and VALIC are responsible for financial obligations of insurance products. AGL does not solicit, issue or deliver policies or contracts in the state of New York. Products and services may not be available in all states and product features may vary by state. Please refer to the contract.

All companies above are wholly owned subsidiaries of Corebridge Financial, Inc. Corebridge Financial and Corebridge are marketing names used by these companies.

© 2023 Corebridge Financial, Inc. All rights reserved.

corebridgefinancial.com