

A deferred annuity type of contract that delays payments of income, installments or a lump sum until the investor elects to receive them. This type of annuity has two main phases, the growing or saving phase in which you invest money into the account, and the distribution phase in which the plan is converted into an annuity and payments are received.

Earnings on a deferred annuity account are taxed only upon withdrawal, providing the annuity with a tax benefit. This type of annuity also provides a death benefit, so that the beneficiary of the annuity is guaranteed the principal and the investment earnings.