

**AIG** 100

# Plan for 100<sup>SM</sup>

We're celebrating ours!

# 100





**AIG Celebrates 100 Years  
of Serving Customers Around the Globe**

**100 years ago, a young man from Ft. Bragg, California named Cornelius Vander Starr started a general insurance agency in Shanghai, China. From that humble beginning would grow the global company that is AIG.**

**Today, American International Group, Inc. (AIG) is one of the world's largest insurance organizations with nearly 50,000 employees serving customers in more than 80 countries and jurisdictions around the globe.\***

**Here's to our 100—and planning for Your 100!**

\*As of 12/31/17

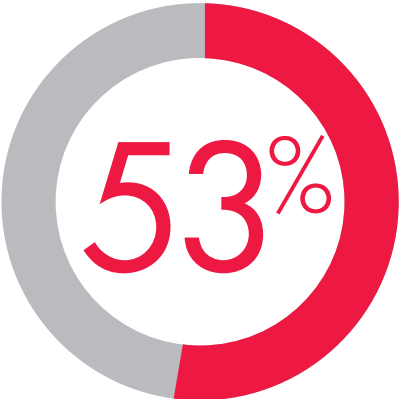
A decorative graphic in the top right corner consisting of numerous thin, parallel orange lines that form a large, stylized arrow shape pointing towards the right.

# Start Planning for Your 100

As AIG celebrates its 100 years, we encourage you to plan for your 100. While living a long life was once relegated to a lucky few, today it's increasingly becoming the norm, thanks to medical advances and healthier lifestyles. It's time to embrace the new longevity.

# Embrace the New Longevity

A recent AIG survey found that more than half of Americans surveyed say their goal is to live to 100, reflecting growing sentiment that later life is not about disability and decline, it's about deepening relationships with family, being around to witness new discoveries and remaining productive.<sup>1</sup>



of Americans surveyed say **their goal is to live to age 100**

Q: Is it your goal to live to age 100?  
Responses: Yes (53%); No (47%).

## Major benefits of living to 100:

- 39%** Continue to develop deep relationships with family
- 32%** Be around to witness new discoveries and watch the world evolve
- 17%** Continue to remain productive
- 13%** Have many years of leisure after a life of hard work

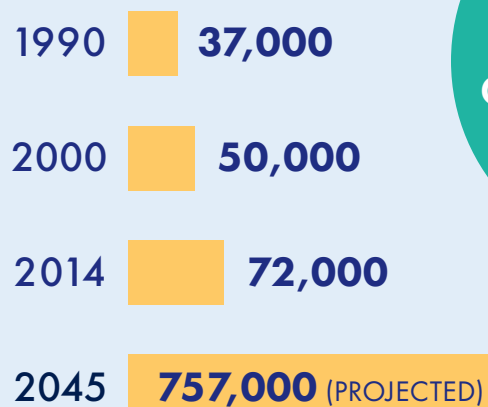
Note: Response total exceeds 100% due to rounding.

<sup>1</sup> AIG 2019 Plan for 100 Survey was conducted online within the United States by Dr. Michael Finke of The American College of Financial Services in December 2018 and January 2019 among 1,012 U.S. adults age 45-74 who have at least \$50,000 in retirement accounts.



# Plan for Your 100

The number of people who have reached their 100th birthday—so called “Centenarians”—is growing rapidly and projected to reach over 750,000 by 2045.<sup>2</sup> Will you be a future member of the 100 club?



The Growing  
Number of  
Centenarians in the  
United States<sup>2,3</sup>

<sup>2</sup> Alliance for Aging Research, “Celebrating Centenarians and Studying Longevity,” July 8, 2016.

<sup>3</sup> U.S. Department of Health and Human Services and U.S. Department of Commerce, “Centenarians in the United States,” July 1999; National Center for Health Statistics, “Mortality Among Centenarians in the United States, 2000-2014.”

# Re-Think Life Expectancy

As you think about your future and plan for your retirement, it's important to recognize that life expectancy is a mid-point, not an end-point.

If you're age 65 today, your life expectancy is:

**Age 83**

if you  
are male<sup>4</sup>



**Age 86**

if you  
are female<sup>4</sup>

However, there's a strong possibility you could live well beyond these ages—and that possibility should be taken into careful consideration, particularly when it comes to planning for your retirement income.

<sup>4</sup>Centers for Disease Control, *Health*, United States, 2017.



# Consider the Odds of Living Longer

The reality is that you could end up living a lot longer than you may think. Consider the probabilities of a 65-year-old living well into his or her 90s—if not to age 100.

For example, there's a nearly 1 in 3 chance a 65-year-old female will live to 95; a 1 in 5 chance a 65-year-old male will live to 95. These are not slim odds. And if they hold true for you, it could mean you will be spending three or four decades retired and without a regular paycheck.

## Probability of Living to Specified Ages<sup>5</sup>

	Age 90	Age 95	Age 100
65-Year-Old Female	53%	31%	12%
65-Year-Old Male	43%	21%	6%

<sup>5</sup> Society of Actuaries 2012 Individual Annuitant Mortality Tables (Age Nearest, with Scale G mortality improvement).

# Make Smart Lifestyle Choices

You should also know that if your goal is to live a long and healthy life, there are things you can do right now to help increase your odds. Research shows that the lifestyle choices you make today can have a profound impact on your longevity.<sup>6</sup>

By finding ways to maintain your health, challenge your mind and nurture your soul, you'll not only increase your chances of living longer, but you're also likely to live a happier, more productive life.

**+8 YEARS**  
**Laughter**

**It's true; laughter really is good medicine.**

It boosts your immune system, relieves stress, dissolves anger and brings people together. Laughing on a regular basis can add 8 years to your life.

**+3 YEARS**  
**Exercise**

**Exercise doesn't have to mean pumping iron** or spending time on the treadmill. It can just be taking the stairs instead of the elevator.

**+7 YEARS**  
**Pets**

**Owning a pet could add 7 years to your life.**



<sup>6</sup> AIG "Live Longer, Retire Stronger", 2008.



# Evaluate Your Priorities

We asked Americans, "If you knew you were going to live to 100, what would you do today to prepare?"

Here's a sample of what we heard:<sup>7</sup>

*"Work longer. Invest more."*

*"Keep myself mentally and physically in the best possible condition I can."*

*"Take yoga and exercise."*

*"Eat healthy foods."*

*"Take good care of myself and invest a little more aggressively."*

*"Start planning as early as I can and start saving."*

*"Save, save, save."*

*"Pay off all of my debt."*

*"Work on staying healthy to avoid future medical costs."*

*"Have better connections to friends, family and community."*

**How would YOU  
prepare if you knew  
you were going to  
live to 100?**

<sup>7</sup> AIG 2019 Plan for 100 Survey.

# Prepare for the Challenges

While increasing longevity is certainly a reason to celebrate, it also introduces new challenges—including health worries. 35% of Americans surveyed say that serious health problems worry them the most with respect to living to 100. Being a burden on family and running out of money to live comfortably were also identified as top worries.<sup>8</sup>

## Top Worries of Living to 100: Health Problems, Being a Burden & Running Out of Money

Q: What is the greatest worry you have about living to 100?

**35%** Serious health problems

**27%** Being a burden on family

**25%** Running out of money to live comfortably

**6%** Being lonely

**5%** Not having a purpose

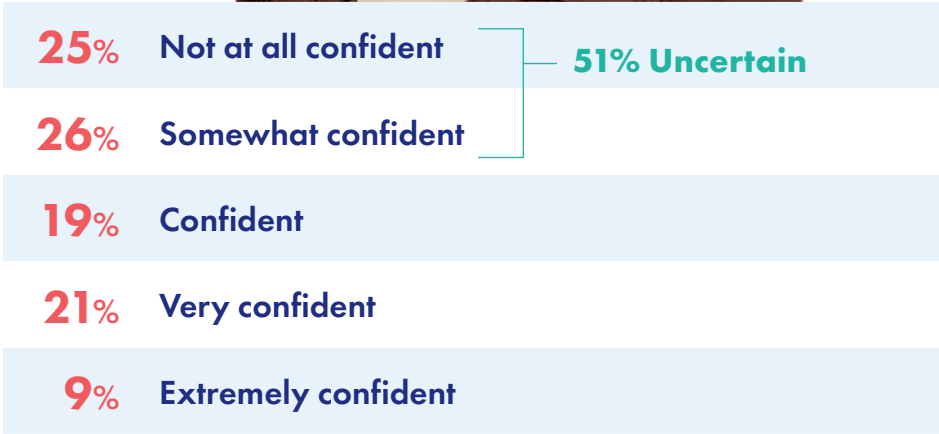
**3%** Having nothing left to leave my children/grandchildren

Note: Response total exceeds 100% due to rounding.



What's more, many Americans surveyed don't believe they have a retirement savings plan that will support a retirement that might take them to age 100. More than half of those surveyed are not at all confident—or only somewhat confident—in their current plan.<sup>8</sup>

**Q: How confident are you that your current retirement savings plan will provide for you financially if you were to live to 100 years old (up to 40 years of retirement)?**



# Prepare for Market Volatility

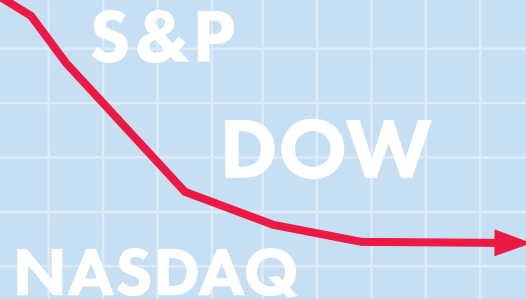
When planning for 100 and the retirement income you will need, it's also important to factor in market volatility. Once you begin taking withdrawals from your investment, the order in which you encounter positive investment returns and negative investment returns (known as the "sequence of returns") poses a retirement risk that should be carefully considered.

If you experience a market downturn early in retirement, it can have lasting effects on your portfolio's ability to generate sustainable income throughout retirement.

## Will you retire at the "wrong" time?

As a respondent in our most recent survey noted:

*"The bad timing of a market downturn right around the time of retirement could push me to working later, or risk beginning taking withdrawals when things are down."*<sup>9</sup>

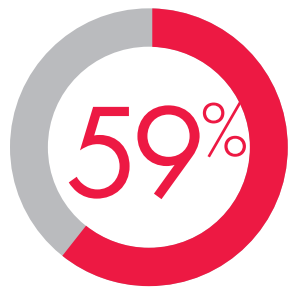


<sup>9</sup> AIG 2019 Plan for 100 Survey. Q: Briefly describe what worries you about spending from your retirement account investments instead of from a pension or a product that provides protected monthly income for life?

# Will You Outlive Your Money?

A longer life presents the need to generate income for a retirement that could last 30 to 40 years. That's why it's important to work with a financial professional to ensure you've got a plan for income that will last as long as you do—whether that's well into your 80s, 90s or to 100+.

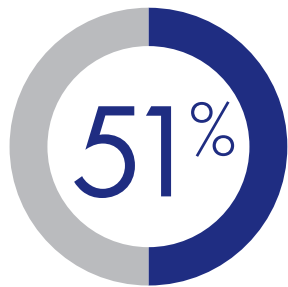
**Our recent surveys of Americans revealed some powerful insights with respect to fears around money and retirement:**



of Americans surveyed say they **fear running out of money** more than death<sup>10</sup>

Q: Which of the following do you fear more?

Responses: Running out of money (59%); Death (41%).



of Americans surveyed have **no formal withdrawal strategy** for generating income from their retirement savings<sup>11</sup>



<sup>10</sup> AIG 2019 Plan for 100 Survey.

<sup>11</sup> AIG 2018 Income Savvy Survey.



# Start Planning for Your 100 Today

The first step in planning for today's increasing longevity is to meet with your financial professional. Your financial professional can help you:

- **Assess your retirement income needs**
- **Prepare for the unexpected**
- **Put together a plan that takes into consideration living to 100 or beyond**

**Contact your financial professional to get started.**





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