



LIVING WELL IN RETIREMENT

**LIFETIME  
RETIREMENT INCOME**  
THE FOUNDATION TO A SECURE FUTURE



FINANCIAL SERVICES  
FOR THE GREATER GOOD<sup>®</sup>

## **TIAA-CREF: FINANCIAL SERVICES FOR THE GREATER GOOD®.**

TIAA-CREF is dedicated to serving the retirement needs of those in the academic, medical, cultural and research fields. With our strong nonprofit heritage, we subscribe to guiding principles directly influenced by the people we serve.

We are committed to seeking consistent, long-term performance and solid returns. We strive to keep our fees low to help our participants maximize their investable assets and ensure more of their money is working hard for them. We offer personalized, objective advice by noncommissioned consultants\* to help ensure our participants' best interests are always being served. And most importantly, we leverage our knowledge and expertise to provide retirement income solutions that guarantee our participants won't outlive their income.\*\*

The mission we embarked on in 1918 still rings true today. We are there when our participants begin their careers helping others. And we will be there to guide them as they plan for--and live well in--retirement.

\* Our consultants receive no commissions. They are compensated through a salary-plus-incentive program based on client service excellence and financial results. Consultants will only recommend products that help achieve our clients' goals.

\*\* Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. Payments under CREF and the TIAA Real Estate Account are variable and will rise or fall based on investment performance.

## HOW TO GET THE MOST FROM YOUR RETIREMENT INCOME

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### TIAA-CREF'S RETIREMENT INCOME SOLUTIONS

TIAA-CREF understands that your financial priorities can change over time, which is why we offer you a wide range of income choices to help meet those priorities. Our income options give you the flexibility and choices you need to create a payment arrangement that suits your particular situation.

If you don't need to use all of your retirement accumulation at once, you can begin receiving income on just the portion you need. And you can use our options in any combination you like. For example, if you select a lifetime annuity for a portion of your accumulation, you can still receive income at the same time from other portions of your accumulation using different options.

Depending on your plan, you can receive payments for a temporary period with some non-lifetime options such as the Systematic Cash Withdrawal Option, Interest-Only Payments, or Minimum Distribution Payments, and you may be able to convert the remaining accumulations to lifetime annuity payments later. Whatever your situation, we may have an income option that helps meet your specifications.

## PLAN AN INCOME YOU CAN'T OUTLIVE

With people living longer, retirement is lasting longer. For anyone turning age 65, there's an 82% probability that they'll reach age 80, and 30% of them will reach age 95.\* That can mean 30 or more years in retirement. Which is why you need a plan that includes income you can't outlive.

TIAA-CREF's lifetime income choices offer a strong foundation from which you can build a complete retirement income plan to help you manage your savings throughout retirement. For some, lifetime income may be sufficient for most of their income needs. For others, lifetime income may be appropriate for only a portion of their retirement income needs. And it may not be the right income choice at all for some situations. What's right for you depends on your needs in retirement and how much you may want to leave to your heirs.

### LET US HELP YOU BUILD AN INCOME STRATEGY

Your Retirement Illustrations, available at [www.tiaa-cref.org/tools](http://www.tiaa-cref.org/tools), is a good place to start. By estimating your potential income based on your account balances,

personal situation and income preferences, these tools can help estimate whether you'll have enough income to meet your needs.

You can also contact us for a personalized Retirement Planning and Advice assessment. We'll look at both your estimated income and your anticipated needs to help you create an income strategy that's right for your situation. We can help you determine which combination of income choices is right for your current needs, and build in the flexibility for changes to your strategy as your vision for retirement evolves.

Call one of our consultants at **800 842-2252** to set up a one-on-one meeting.

This brochure is for those who have started their retirement planning and are interested in finding out more about how the lifetime income choices fit into their needs. In addition to lifetime income, we offer a range of other withdrawal choices to help you create an income strategy that is right for your situation.

\* TIAA-CREF 2010 mortality assumptions.

**Trusted advisors**

Based on years of research and experience, TIAA-CREF believes that lifetime income is generally the most effective solution for meeting our participants' income needs.

Since 1918, TIAA-CREF participants have received a total of \$270 billion in annuity payments and other benefits.\*



\* As of 12/31/09. Other benefits from TIAA and CREF include: Additional amounts paid on TIAA Traditional annuity contracts above the guaranteed rate, surrender benefits and other withdrawals, death benefits, health insurance and disability insurance benefits, and all other policy proceeds paid.

## YOUR CHOICES FOR LIFETIME INCOME

For your lifetime income, you can choose a one-life annuity, a two-life annuity or a combination of the two. These options allow you to design an income plan to meet your current income needs while planning for your beneficiaries.

A **one-life annuity** guarantees you income for as long as you live.

A **two-life annuity** guarantees lifetime income to you or, upon your death, income that will continue to your annuity partner for their life. The level of income the surviving annuity partner receives depends on which of the following four options you choose.

- **Full benefit to survivor.** Upon your death, your annuity partner continues to receive the full amount of lifetime income. This is the only option in which income isn't reduced when you die, but your initial income is lower than with any of the other options.
- **Half benefit to annuity partner.** At your death, your annuity partner receives half the amount you would have received had you lived. If your annuity partner dies before you, there is no reduction to your lifetime income.
- **75% benefit to annuity partner.** At your death, your annuity partner receives 75% of the amount you would have received had you lived. If your annuity partner dies before you, there is no reduction to your lifetime income.
- **Two-thirds benefit to survivor.** At the death of either you or your annuity partner, the survivor continues to receive lifetime income, but the payments are reduced to two-thirds of the amount that would have been received had you both lived. Although this is the only two-life option that reduces your income if your annuity partner dies before you, it provides the highest income among the two-life options while you're both alive.

## HOW YOUR BENEFITS CAN SURVIVE YOU

Even if you, or you and your annuity partner, die prematurely, a guaranteed\* period, available with both one-life annuities and two-life annuities, ensures that your named beneficiary will receive a portion of your lifetime income.

With a guaranteed period in place, your beneficiary will receive income for the rest of the guaranteed period if you, or you and your annuity partner, die before it ends. If you, or you and your annuity partner, live beyond the guaranteed

period, income will stop at your death or the death of your surviving annuity partner.

While you can generally choose from guaranteed periods of 10, 15 and 20 years, you cannot select a guaranteed period that would continue income beyond your life expectancy or that of your annuity partner or beneficiary.

Keep in mind that when a guaranteed period is applied to any of the options, it reduces your initial income — the longer the guaranteed period, the bigger the reduction.

### How the guaranteed period works...

**Let's assume you choose a one-life annuity with a 20-year guaranteed period.**

- **You receive income for as long as you live.**
- **If you die after receiving payments for 15 years.** Your beneficiary receives payments for the remaining five years of the guaranteed period.
- **If you die after receiving payments for 25 years.** Payments cease at your death. Because the 20-year guaranteed period has expired, your beneficiary receives no payments.

\* Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. Payments under CREF and the TIAA Real Estate Account are variable and will rise or fall based on investment performance.

## INCOME FROM THE TIAA TRADITIONAL ANNUITY

If you decide to receive income from a TIAA Traditional Annuity, your income is based on a guaranteed interest rate of 2.5% (for most contracts) with the opportunity for additional amounts. Additional amounts, when declared, remain in effect for the declaration year which begins each January 1. Additional amounts are amounts we credit you in excess of the guaranteed rate, and may be declared annually by TIAA's Board of Trustees. Any guarantees are subject to TIAA's claims-paying ability. Additional amounts are not guaranteed.

There are two methods for receiving your income from the TIAA Traditional Annuity. While they both guarantee a minimum interest rate, each provides differing amounts of current and future income.

### 1. Standard payment method.

You receive the total interest credited with each payment, which includes the guaranteed portion plus any additional amounts.

Designed to provide a relatively consistent level of income, the Standard Payment method pays you a higher initial amount than the Graded Method, but it is not designed to provide a future hedge against inflation. As you can see on the chart to the right, Standard payments have remained fairly level over the past 14 years.

### 2. Graded payment method.

Your initial income is based on a 4% interest rate — 2.5% is guaranteed and the rest comes from additional amounts. Any interest credited above the 4% rate is reinvested to buy additional future income. Graded payments go up when the total interest rates exceed 4%. If, for example, the total interest credited for a given year is 6%, your income the following year will increase by about 2%.

**Important consideration for taking lifetime income.** Once you have chosen to receive lifetime income, you cannot change the option you've chosen, the guaranteed period, or your annuity partner. Nor can you stop your payments. You can, however, change the investments your income is based on. Call us at **800-842-2252** for details on how you can transfer income between the available investment accounts.



### Guarantees that are difficult to match

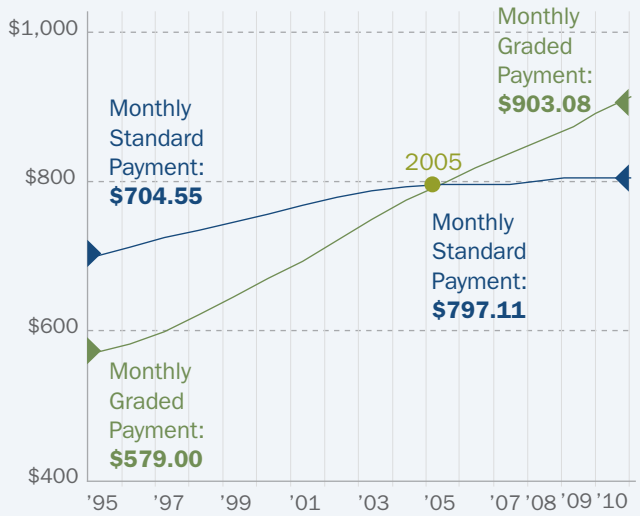
The TIAA Traditional Annuity guarantees a minimum level of interest, with the opportunity to receive additional amounts above the guaranteed rate. In fact, we have paid additional amounts above the guaranteed rate every year for 60 years.

With consistent, competitive interest rates, the TIAA Traditional annuity is an excellent choice from which to build a steady source of income for your lifetime retirement income needs.

### Which method is right for you?

The Graded Payment method generally provides initial income that is less than that of the Standard Payment method and can take a number of years to catch up. For the 14-year period beginning in 1995, the crossover point is 2005, and on average, it can be 18 to 20 years for the cumulative value of the graded payments to exceed that of the standard payments. Different interest rates, of course, would produce different results.

Please note that the crossover point will vary from case to case, and essentially reflects the age(s) of the annuitant(s) and the annuity option chosen.



Based on actual returns. Assumes a participant age 65 began lifetime income from a \$100,000 balance on January 1, 1995, under the One-Life Annuity with a 10-Year Guaranteed Period. Past performance is not an indicator of future returns. The same options chosen today are likely to result in different returns. Past performance cannot guarantee future results. For more complete information about TIAA-CREF performance and rankings, visit [www.tiaa-cref.org/performance](http://www.tiaa-cref.org/performance).

## INCOME FROM A VARIABLE ANNUITY

Unlike TIAA Traditional, our variable annuity accounts do not guarantee a minimum income. Rather, your income is directly tied to the account's investment returns. As a result, income from a variable annuity will fluctuate based on market performance and thus may be worth more or less than your original investment.

When we calculate your income from a variable account, we take into account your age, the age of your annuity partner and the lifetime income option you've selected and we assume an annual investment return of 4%.

Making an assumption about future earnings allows us to pay you more initial income than if we did not assume future growth. And the 4% rate is low enough that performance over time may be greater.

If, for example, your account's net investment earnings in a given year are 6%, your variable income will go up by about 2%. If the investment earnings are less than 4%, your income will decrease. In addition to investment returns, variable payments from CREF vary with mortality and expense performance, although these have had relatively insignificant effects in the past.

You can elect to have your income revalued or changed, either monthly or annually, based on the investment experience. If you choose the annual revaluation, your income will change each May 1 based on the performance from the past year ending March 31. If you choose to have your income revalued monthly, your income will change each month based on the prior month's investment experience.

Which choice provides the most income over the long term? Neither, both methods are virtually equivalent. Therefore, your choice should depend on whether you prefer to receive predictable income over the year or income that varies more frequently based on the current investment performance.

**A Commitment to Consistent Growth over the Long Term**

At TIAA-CREF, we don't play to the whims of the market. Instead, we think long term and are committed to consistent performance. And it helps that our investment professionals have an average tenure of more than 19 years of industry experience.



**The right allocation for you**

One of our consultants can help you create a customized asset allocation strategy that's right for you. Call us at **800 842-2252**.

## YOUR RETIREMENT INCOME ILLUSTRATIONS

You can call **800 842-2252** to speak with a consultant about how best to receive retirement income, and request your Retirement Income Illustrations. These illustrations give you estimates of your monthly income based on your age, your annuity partner's age, your account balances, when your retirement income will begin and potential earnings rates. Keep in mind the amounts are only projections and will likely be higher or lower when you begin receiving income. But, the closer you are to starting your retirement income, the more accurate your illustrations will be.

The Detailed Initial Income Illustration gives you a summary of the initial monthly income for balances you have in the CREF and TIAA Real Estate variable annuities, and the TIAA Traditional Annuity under both the Standard and Graded payment methods. Note: If you don't have account balances in CREF, TIAA Real Estate or TIAA Traditional, the corresponding column on your illustration is left blank.

Under each of the TIAA Traditional Annuity choices, you'll see the Contractual Payment that represents your guaranteed (or minimum) income, and the With Additional Amounts, which shows your income based on the total interest rates being

credited on lifetime annuities paid from TIAA Traditional. To get your total income, add either the Graded or Standard income, including additional amounts, to the CREF and TIAA variable income for any of the rows.

Your illustrations also show your estimated income for Interest-Only payments and, if you requested it, income for a fixed period of years. The tables on your illustrations provide examples of how your income could change over time given different inflation assumptions, investment performance and interest rates.

### Initial Income Illustration

Here's an example of what will be included in your customized Initial Income Illustration. It's where you will find, in detail, your initial monthly income from your TIAA and CREF annuities.

Monthly Annuity Income								
Options		Variable Annuity			TIAA Traditional Annuity			
Lifetime Annuities	Guaranteed Period (in years)	CREF Combined Accounts	TIAA Real Estate Account	Graded Method		Standard Method		
				Contractual Payment	With Additional Amounts	Contractual Payment	With Additional Amounts	
One Life	No Lifetime Survivor Benefit	0	\$574	\$559	\$411	\$562	\$411	\$633
		10	\$560	\$547	\$407	\$550	\$407	\$620
		15	\$544	\$533	\$401	\$536	\$401	\$604
		20	\$520	\$513	\$392	\$516	\$392	\$583
Two Life	2/3 Benefit to Survivor	0	\$544	\$531	\$391	\$534	\$391	\$605
		10	\$543	\$530	\$391	\$533	\$391	\$605
		15	\$542	\$529	\$391	\$532	\$391	\$603
		20	\$537	\$526	\$390	\$529	\$390	\$600
	Full Benefit to Survivor	0	\$493	\$483	\$357	\$485	\$357	\$556
		10	\$492	\$482	\$357	\$485	\$357	\$555
		15	\$490	\$481	\$356	\$483	\$356	\$553
		20	\$485	\$476	\$355	\$479	\$355	\$549
	1/2 Benefit to Annuity Partner	0	\$530	\$518	\$382	\$521	\$382	\$592
		10	\$530	\$518	\$382	\$520	\$382	\$592
		15	\$529	\$517	\$381	\$520	\$381	\$591
		20	\$525	\$514	\$381	\$517	\$381	\$588
75% Benefit to Annuity Partner	0	\$511	\$500	\$369	\$502	\$369	\$573	
	10	\$510	\$499	\$369	\$502	\$369	\$573	
	15	\$509	\$498	\$368	\$501	\$368	\$571	
	20	\$504	\$495	\$368	\$497	\$368	\$568	

Payments from the variable annuity accounts are not guaranteed and will fluctuate based on investment performance.

The figures above are based on two annuitants age 65 and can be higher or lower depending on actual ages. For the hypothetical illustration above, we assume that a \$100,000 balance is converted to TIAA Traditional annuity income, a balance of \$50,000 in combined CREF and \$50,000 of TIAA Real Estate variable annuity income. We used a 5.25% interest rate for TIAA Traditional, but your actual rates and income can be higher or lower than those shown above.

## WHAT RETIREMENT INCOME CHOICES WORK FOR YOU?

When people make the transition from work to retirement they are faced with a major change in the way they receive their income — from earning a “regular” salary to receiving retirement income from one or more sources.



For many people, a lifetime annuity may be the best form of payment for most, if not all, of their accumulations. It's a safe, efficient way to pay yourself a lifetime “salary” during retirement. With a lifetime annuity, you don't have to worry that you'll live too long. There are occasions when a lifetime annuity doesn't meet your needs. You may need something

else — or something in addition to your regular annuity income payments.

That's why the TIAA-CREF retirement system offers you a wide range of choices for receiving income. You can use them in combination, or use certain payment methods first and then convert to a lifetime annuity later.

# WE'RE HERE TO HELP YOU THROUGH RETIREMENT

Whatever option you choose, you'll want to plan your income with a partner with consistent investment performance and retirement expertise.

We complement our fund performance with a full suite of Advice and Planning services and solutions, including objective retirement planning advice, which *Forbes* magazine recognized for two years running as “the most extensive personal workplace advice” in the industry.\*

Our Consultants receive no commissions.\*\*

And the breadth of our products and our experience give you the ability to consolidate your investments with us — for potentially greater efficiencies and effectiveness.\*\*\*

## Backing up our guarantee of lifetime income

For its stability, claims-paying ability and overall financial strength, TIAA currently holds top ratings from these leading insurance company ratings agencies: A.M. Best Co.: A++ (as of 12/2009); Fitch: AAA (as of 4/2010); Moody's Investors Service: Aaa (as of 10/2009); and Standard & Poor's: AAA (as of 5/2010).

These ratings do not apply to variable annuities, mutual funds, or any other product or service not fully backed by TIAA's claims-paying ability. Ratings are subject to change. There is no guarantee that current ratings will be maintained.

Securities and insurance products are:

NOT FDIC-INSURED/NOT BANK-GUARANTEED/MAY LOSE VALUE.

\* *Forbes 2008 Investor Guide* and *Forbes 2009 Retirement Guide*. This claim should not be seen as an endorsement by *Forbes*.

\*\* TIAA-CREF compensates the consultants through a salary-plus-incentive program based on client service excellence and financial results. Consultants will only recommend products that help achieve our clients' goals.

\*\*\* Before transferring assets, consider the differences in features, costs, surrender charges, services, company strength, and any tax consequences. Consult with your own advisors regarding your particular situation.



**Note:** Withdrawals of earnings are subject to ordinary income tax and a federal 10% penalty may apply prior to age 59½. The availability of some income options for Retirement Annuities, Group Retirement Annuities and Retirement Choice account balances may be limited by the rules of your employer’s plan. Call us at **800 842-2252** for details about the options available to you.



## ADDITIONAL INCOME CHOICES

To customize a withdrawal plan to suit your needs or complement lifetime income, TIAA-CREF also offers an array of other retirement income choices that you can use alone or in any combination. Not all options may be available under all plans.

**Systematic and lump-sum cash withdrawals.** Cash withdrawals, either partial or lump sum, allow you to stay flexible. You can withdraw what you wish from your account as a single withdrawal (minimum of \$100 per investment account), or set up a series of withdrawals that you receive semimonthly, monthly, semiannually or annually. You can change the amount, frequency or stop them at any time.

**Interest-Only income.** Interest-Only offers you the flexibility of receiving income without drawing down your TIAA Traditional balance in Retirement Annuity, Group Retirement Annuity and Retirement Choice contracts. Your income includes a guaranteed interest rate of 1% to 3% (for most contracts) plus any additional amounts declared above the guaranteed rate. As interest rates change, so does your income.

It's an ideal way to supplement your income during a transition to full retirement or if you are working part time. Once you reach age 70½, we generally recommend

that you switch to another income choice designed to meet the IRS required minimum distributions.

**Minimum distribution withdrawals.** Generally available for participants who have reached age 70½, this option pays you only the amount needed to meet federal required minimum distributions. That way, your remaining balance can continue to grow tax deferred.


**Transfer payout annuity.** The primary goal of the TIAA Traditional Annuity is to provide you the highest level of interest while guaranteeing your principal balance. In order to uphold these benefits, withdrawals are limited to a portion of your balance each year. For income from your TIAA Traditional balance in a Retirement Annuity or Group Retirement Annuity, you can receive 10 annual withdrawals through the Transfer Payout Annuity.

Group Retirement Annuities may also offer the choice of annual fixed-period withdrawals between 5 and 30 years. And Retirement Choice contracts offer a 7-year withdrawal option.



## **TAKE THE NEXT STEP**

Contact us today for more information, advice or help with setting up your retirement income. It's easy to reach us.



**Call us** at **800 842-2252** to speak with one of our consultants. They are available Monday to Friday from 8 a.m. to 10 p.m. and Saturday from 9 a.m. to 6 p.m. (ET) to run illustrations of the options available to you.

**Visit us** at **tiaa-cref.org** to run illustrations of your income and explore the many ways that we can serve your financial needs.

To send us an e-mail, click Contact Us at the top of the home page.

**Schedule an appointment**

You can arrange a one-on-one meeting with a TIAA-CREF consultant at the TIAA-CREF office nearest you. To find a local office, go to **[www.tiaa-cref.org/local](http://www.tiaa-cref.org/local)**.

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**You should consider the investment objectives, risks, charges and expenses carefully before investing. Call 877 518-9161, or go to [tiaa-cref.org](http://tiaa-cref.org) for a current prospectus that contains this and other information. Read the prospectus carefully before investing.**

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Retirement Annuity (RA) TIAA Contract form series 1000.24, CREF Certificate series C1000.11 STD.1; Group Retirement Annuity (GRA) TIAA Contract form series G1000.4 or G1000.5, G1000.6 or G1000.7 (not available in all states), CREF Certificate series CG-1000.1; Supplemental Retirement Annuity (SRA) TIAA Contract form series 1200.8, CREF Certificate series C1200.4; Group Supplemental Retirement Annuity (GSRA) TIAA Contract form series G1250.1 (GSRA's are not available in all states), CREF Certificate series CG1250.1; IRA Annuity TIAA Contract form series 1280.2 or 1280.4 (not available in all states), CREF Certificate series C1280.2 or C1280.4; Roth IRA Annuity TIAA Contract form series 1280.3 or 1280.5 (not available in all states), CREF Certificate series C1280.3 or C1280.5; Retirement Choice TIAA Contract form Series IGRS-01-5-ACC, IGRS-01-60-ACC, and IGRS-01-84-ACC, TIAA Certificate Series IGRS-CERT1-5-ACC, IGRS-CERT1-60-ACC, IGRS-CERT1-84-ACC, CREF Contract form series CIGRS, CREF Certificate series CIGRS-CERT1; Retirement Choice Plus TIAA Contract form Series IGRSP-01-5-ACC, IGRSP-01-60-ACC, IGRSP-01-84-ACC, TIAA Certificate Series IGRSP-CERT1-5-ACC, IGRSP-CERT1-60-ACC, IGRSP-CERT1-84-ACC, CREF Contract form series: CIGRSP, CREF Certificate series: CIGRSP-CERT1.

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