

AT LAST! THE ANNUITY THAT CORPORATE INVESTORS CHOOSE IS NOW AVAILABLE TO YOU!

Investing in Today's Economy



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It's an age-old question: where can you invest your hard-earned money that brings both safety as well as competitive returns? Considering today's volatility in the stock and bond markets, the uncertainty of our economy, gridlock in Washington, and the fact that interest rates from banks are near all-time lows, you may be wondering if there is still any such place.

Fortunately, there is.

If your investment objectives include safety and competitive returns, or even tax-advantages and income, then annuities are well-worth considering. In addition to traditional annuities, Secondary Market Annuities (SMAs) are available. SMAs are often referred to as "Structured Settlements" or "IN-Force Annuities," but whatever the name, the benefits are the same.

Simply put, SMAs are previously-owned annuities. Here's an example. Say someone has an accident, makes a personal injury claim, and is awarded a favorable judgment from the courts. The settlement granted to the recipient is usually a specific amount of money paid over a defined period of time in the form of an annuity. What most people don't often realize is that these annuities can be bought and sold. This is a strategy that corporate investors have utilized for many years. Now, ordinary individuals have the opportunity to participate in these safe and secure purchases, too.

You may be asking yourself, "Why do people sell these Settlements?" There are actually a number of reasons why the owner of a Settlement may want to sell. For instance, sometimes the recipient needs the money faster than the scheduled payments will allow, or maybe they're seeking a lump sum to buy a house. Perhaps their health is declining and they would like to have access to the money immediately. In some cases, the recipient has passed away and their estate would like to make a payout to the heirs, who have their own reasons for wanting to sell. The point is, these annuities can be offered on the market for a variety of reasons, resulting in an opportunity for you to purchase a safe, guaranteed investment.

Since an SMA is established by court order, it cannot be altered. That means the only way to convert it to cash is to offer it for sale, usually with the assistance of an organization that specializes in Structured Settlement transfers. Once the sale is approved, the contract must be legally transferred to the buyer by a

court order. All terms of the original agreement remain intact and the future payments being sold are legally assigned to the new buyer.

So what are the benefits of a Secondary Market Annuity? There are several. SMAs offer fixed-term payment streams from top-quality insurance carriers, and also come with yields that are typically 1 ½% to 4% higher than banks or comparable annuities. That means yearly income that is both extremely competitive and safe. In short, SMAs bring all the benefits of a traditional annuity — while offering higher returns.

SMAs aren't right for everyone, but they do offer a safe, predictable investment that provides a guaranteed yield that is not influenced by the economic environment or performance of the stock market. The caution with this type of investment is that the payments are fixed and offer no liquidity, and payments cannot be accelerated, increased, or deferred. But if you're looking to protect and diversify some of your portfolio by establishing guaranteed income, or if you want guaranteed growth over a specific period of time, this is an option worth your attention.

If you would like to know more about SMAs and whether they are right for you, please feel free to contact me. I'd be happy to speak with you.

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