

# Health problems?

## Talk to your financial adviser

Health problems are not all bad news. If you have certain lifestyle or health conditions, an 'enhanced' annuity could provide you with a higher income in retirement than a 'standard' annuity.

Being up front about your medical conditions is essential, as even mild health conditions can result in a higher retirement income.

An enhanced annuity works on the basis that you'll have a shorter life-span than someone in better health - essentially using up your pension fund more quickly by giving you access to more money each year.

### Some facts and figures

- 70% of the retiring population could qualify for a higher income in retirement<sup>1</sup>
- 72% of clients are unaware that certain lifestyle or medical conditions could qualify them for a better income<sup>1</sup>
- Something as common as taking medication to control your blood pressure or cholesterol would qualify - our recent survey found that 40% of over 55s have high blood pressure and 33% have high cholesterol
- The difference between the best enhanced and worst standard annuity rates is a staggering 43% for men and 46% for women<sup>3</sup>
- Only 2% of customers who go it alone buy an enhanced annuity compared to 40.6% of those who seek financial advice<sup>2</sup>

Take a look at the thermometer - it shows how the income you receive each year can increase based on some medical conditions. There are even investment-backed products which take account of your health and can provide higher income levels, assuming you've got an appetite for investment risk.

**Talk to your financial adviser if you think you might qualify.**

**£14,881.08**  
Lung cancer spread to bones  
radio and chemo<sup>5</sup>

**£10,636.68**  
Lung cancer with radio  
and chemo<sup>5</sup>

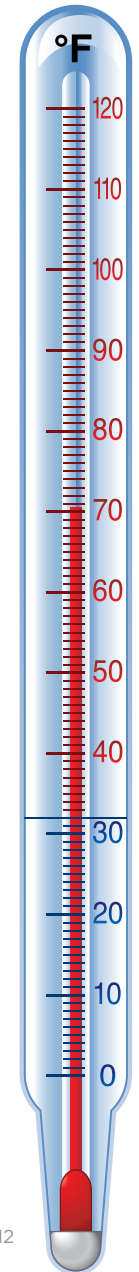
**£8,166.24**  
Diabetes with retinopathy,  
nephropathy and neuropathy<sup>5</sup>

**£7,321.32**  
Diabetes with high blood  
pressure and high cholesterol<sup>5</sup>

**£6,656.52**  
Smoker with high  
blood pressure<sup>5</sup>

**£6,615.24**  
Smoker<sup>5</sup>

**£6,013.32**  
Healthy<sup>4</sup>



<sup>1</sup>Research conducted (Dec 2011) by Research Plus with 2,086 UK adults aged 55 +/<sup>2</sup>ABI Market data for 2011/<sup>3</sup>MGM Advantage annuity index (July 2012)/<sup>4</sup>Avelo Exchange June 2012/<sup>5</sup>MGM Advantage June 2012

Note: Sources 3, 4 and 5 above are based on male, 65 years, £100k fund, single life, monthly in advance, nil guarantee and level