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## **Annuities Are a Middle-Class Phenomenon: Gallup/Greenwald**

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By Editor Test    *Fri, Sep 18, 2009*

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*Non-qualified annuities contribute significantly to the retirement security of middle-class Americans, Gallup Survey shows.*

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Non-qualified annuities contribute significantly to the retirement security of middle-class Americans, and those who own annuities have great confidence in financial future despite downturn, says a new Gallup survey.

The survey of 1003 annuity owners nationwide was conducted by The Gallup Organization and Mathew Greenwald & Associates in conjunction with the Committee of Annuity Insurers (CAI), a trade group of major life insurance companies.

The survey showed that eight out of 10 owners of non-qualified annuities (annuities purchased with after-tax money, rather than money in a 401(k) or IRA) have annual household incomes below \$100,000 and 42% have incomes below \$50,000. Only 4% have incomes over \$200,000.

More than 80% if owners intend to use their annuities to avoid burdening their children in their later years. About the same percentage intend to use their annuities to hedge longevity risk.

Most non-qualified annuity owners are female (58%) and the average owner is a retired 70-year-old woman with a moderate income. Most owners (69%) are retired, up from 58% in 2005. Owners' average age increased to 70 in 2009 from 66 in 2005.

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