



## Insured Retirement Institute

**FOR IMMEDIATE RELEASE**  
Tuesday, January 24, 2012

**Contact: Danielle Holland**  
[dholland@irionline.org](mailto:dholland@irionline.org) or 202.469.3007

### **President Obama Outlines Path To Increase Middle-Class Economic Security**

*IRI Research Shows that One-Quarter of Middle-Class Americans Ages 30-65  
Lack Confidence In Their Financial Future;  
Underscores Consumer Need for Guaranteed Retirement Income Strategies*

**WASHINGTON, D.C.** – In his State of the Union address, President Barack Obama highlighted the need to further support the financial security of working-class Americans. IRI research shows that working-class Americans are pessimistic about their financial future. More than one-quarter (26%) of middle class Americans ages 30-65 lack confidence that they will have the ability to meet their economic needs in retirement, while another four out of 10 (40%) state that they are only somewhat confident that they will have enough money to live comfortably in retirement.

“We applaud the President for discussing the critical need for our nation to chart a course toward greater economic prosperity, and we share his goal to help all Americans attain a financially secure future,” said IRI President and CEO Cathy Weatherford. “A key piece of any successful long-term economic roadmap, must include opportunities for all Americans, especially those in the middle class, to have access to retirement savings vehicles. Throughout the year, IRI will continue our efforts to promote and protect the ability of all Americans to invest in retirement strategies that can help them attain financial peace of mind, and we look forward to working with the Administration and Congress to achieve this important goal.”

Of note, IRI research shows that the tax deferral of annuity earnings is of greatest benefit to middle-income Americans, who comprise the largest segment of annuity owners. With eight in 10 (80%) of annuity buyers having incomes less than \$100,000 and two-thirds (64%) earning less than \$75,000, insured retirement strategies clearly play a significant role in the retirement income planning of middle-class Americans. In addition, in the absence of tax deferral, hard-working, middle-income Americans would be faced with potentially burdensome restrictions to access insured retirement strategies.



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With millions of Americans expressing concern about their financial well-being, IRI will continue to work to ensure that access to suitable retirement savings vehicles, as well as professional investment advice, is not curtailed. Specifically, IRI will vigorously advocate to:

- Ensure the Department of Labor (DOL) re-proposes its fiduciary rule in a way that achieves the proper balance between protections for consumers while preserving the ability of retirement tools for all Americans;
- Protect the tax deferral status of annuity earnings so that those who need them most – working-class Americans – continue to have access to these heavily relied on investment strategies;
- Create a regulatory environment that encourages Americans to meet their retirement income needs, and develop the best environment in which the industry can provide products and services in the most cost efficient manner possible by working closely with the Federal Insurance Office as they identify ways to modernize and improve the country’s regulatory system;
- Provide consumers clear and concise information when making investment decisions, by working with the Securities Exchange Commission to bring a variable annuity summary prospectus into the marketplace; and
- Increase access to guaranteed lifetime income options for all Americans, through continued work with the DOL and Department of Treasury and support for the Lifetime Income Disclosure Act.

For more information about IRI’s advocacy work, and to access IRI’s research, visit [www.IRIONline.org](http://www.IRIONline.org) .

**About the Insured Retirement Institute:** The Insured Retirement Institute (IRI) is a not-for-profit organization that for twenty years has been a mainstay of service, commitment and collaboration within the insured retirement industry. Today, IRI is considered to be the authoritative source of all things pertaining to annuities, insured retirement strategies and retirement planning. IRI proudly leads a national consumer education coalition of nearly twenty organizations and is the only association that represents the entire supply chain of insured retirement strategies: our members are the major insurers, asset managers, broker dealers and more than 75,000 financial professionals. IRI exists to vigorously promote consumer confidence in the value and viability of insured retirement strategies, bringing together the interests of the industry, financial advisors and consumers under one umbrella. IRI’s mission is to: encourage industry adherence to highest ethical principles; promote better understanding of the insured retirement value proposition; develop and promote best practice standards to improve value delivery; and to advocate before public policy makers on critical issues affecting insured retirement strategies and the consumers that rely on their guarantees. Visit [www.IRIONline.org](http://www.IRIONline.org) today to experience the vast resources of the Insured Retirement Institute for yourself.

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