



## Article Side

Arrange for Your Own Pension with an Annuity Policy by [Robertcook](#)

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Having a peaceful retired life is your right and not just a wish. Especially if you have sacrificed your hobbies and the things you have always wanted to do due to work pressure for all your life, you rightfully deserve a long break after retirement. But make sure you plan your retirement well such that you get what you deserve. If you have not saved enough and do not get much pension on top of that, you will be denied the pleasures of a happy retirement. Hence plan well in advance i.e. while you are still working such that you can have a tranquil retired life.

If your company does not have a pension policy, or if the pension amount is meager, then instead of brooding over it arrange for your own pension, through annuities. An annuity is a simple policy which works three ways, as savings, as investment with returns as well as pension for yourself after your retirement. Let me explain. When you buy an annuity policy from a company you pay them a premium of a pre decided amount for a period of time, say till your retirement. Once that time period is over i.e. after your retirement that amount along with the interest accumulated with it will be returned to you as a lump sum amount or as monthly installments, again as pre determined with the company. This payment amount, interest rate as well as the period of payment is all decided when you buy the policy from a company and hence be careful while signing any papers. Make sure you understand all the terms and conditions clearly.

Annuities are extremely useful policies for people who work in companies that do not have pension policies but can be useful to others too since after retirement any kind of inflow of money would be helpful in sustaining you as well as your family. The interest rate offered with different kinds of annuities might vary with different companies and hence it is advised that you collect quotes from different good and reputed companies before investing in any particular one. You can calculate the amount of premium you would need to pay depending on the amount of return you are looking for yourself with the help of an annuity calculator available online. Based on that as well as the kind of interest you receive, you can take your decision.

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