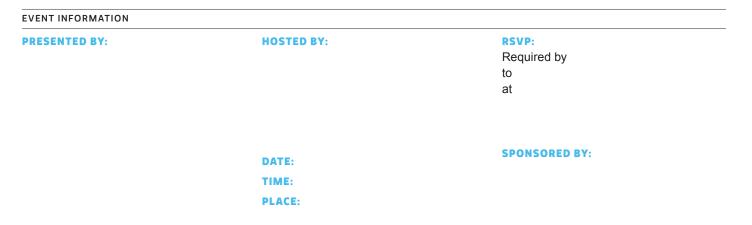
Managing Retirement Income

Once you retire, properly converting assets to income is just as important as accumulating them. When you take Social Security can have a big impact, and your retirement nest egg has to be carefully managed.



*Guarantees are based upon the claims-paying ability of the issuing insurance company.

For clients whose account is carried by Morgan Stanley Smith Barney LLC, insurance products are offered in conjunction with Morgan Stanley Insurance Services, Inc. For clients whose account is carried by Citigroup Global Markets Inc., Morgan Stanley Smith Barney LLC offers insurance products in conjunction with SBHU Life Agency, Inc.

Living benefits are optional and are available for an additional cost. When evaluating a living benefit there are several key factors that must be considered such as: cost, investment limitations, holding period, liquidity, withdrawals and the client's age and risk tolerance. The cost for these optional living benefits typically ranges from 0.25% to 1.70% annually. You should review and discuss all of these general points with your clients before they invest. Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. Exchanging annuities may result in surrender charges and a new surrender charge period. New surrender charges may be imposed with a new contract; and the new contract may be subject to additional insurance and investment related fees as well as increased risk. Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty.

Variable annuities are sold by prospectus. Investors should carefully read the prospectus which includes information on the investment objectives, risks, charges and expenses along with other information before investing. To obtain a prospectus, please contact your Financial Advisor. Please read the prospectus carefully before investing.

Principal value and return of an investment will fluctuate with changes in market conditions. Estimates of future performance are based on assumptions that may not be realized. Because of their narrow focus, sector investments tend to be more volatile than investments that diversify across many sectors and companies.

Morgan Stanley Smith Barney LLC and its affiliates do not provide tax or legal advice. Individuals should consult their personal tax and legal advisors before making any tax or legal related decisions.

If you are investing in a variable annuity through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection. Investments and services offered through Morgan Stanley Smith Barney LLC, member SIPC.