



Variable Annuity Living Benefits and Eligible Funds

Summary descriptions of recent living benefits with comprehensive fund data on the underlying eligible investments

September 2010

AN ASSET INTERNATIONAL COMPANY

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A New Tool to Understand VA Living Benefits

As the VA industry works to more assiduously manage risk, the structure of variable portfolios that can be used with the guarantees becomes an increasingly important metric. Investment limitations have become a necessity, yet all insurers handle these limitations differently. Understanding the risk profile of a given product necessitates having a good handle on how policyholders can allocate their assets.

This report provides a convenient snapshot of the latest VA living benefits and the available investment options. We include key characteristics of the guarantees and comprehensive details on the eligible investments, including asset allocations, performance and fees.

When using this report, it is important to understand that the research focuses on living benefits rather than contracts. We narrow the research for each benefit to a single “reference contract,” though we include no additional information on the contracts per se. Because of the profound changes in living benefits over the past several years, we have limited research to benefits added since the beginning of 2010 and a few older benefits that have continued to garner significant sales into 2010.

Each benefit includes information on the reference contract to facilitate additional prospectus-based research. However, we detail fees, the guaranteed lifetime withdrawal percentages, and describe the essential mechanisms of the benefits.

Most saliently, each benefit includes information on the eligible investment options. These generally fall in two categories, individual options and asset allocation programs. The former can include funds, DCA, and fixed (general account) options. The latter can include either insurer-controlled asset allocation programs or custom programs that allow policyholders to allocate within certain limits.

In addition, we include performance, fee, and asset allocation data from our SimFund VA database on each variable portfolio that is either an individual eligible investment or part of an asset allocation program.

How to Use the Report

All of the living benefits we research for this report are included in a grid in the front of the volume. Each individual benefit has its own section that includes detailed information on the features and eligible investments (only those that may be used in conjunction with the benefit). There is a text summary of the available investments followed by details on the specific funds from our Simfund VA database.

Reference Contract

This section specifies the contract we used for research as well as additional SEC information that helps in looking up documents filed for that contract. We also include the date of the latest filing used for information on the benefit.

Feature Type

This section denotes the type of guaranteed living benefit. Most of the popular benefits are either classified as minimum income benefits (GMIBs), or guaranteed lifetime withdrawal benefits (GLWBs). If there is lifetime coverage available, we state whether that is available on a single or joint life basis.

Fees

This section describes the fee structure for the benefits, including maximum allowable fees. Single and joint fees are listed separately.

Lifetime Withdrawal Percentage

This section includes age-tiered guaranteed withdrawal percentages. Tiers may be separated by single and joint life and may include additional information depending on the design of the benefit.

Benefit Base Enhancements

This section describes how the benefit base increases during the life of the contract. Typical increases include period step-ups to the contract value and additional enhancements. These enhancements may apply only during years with no withdrawals and have a limited duration, either a set number of years or until the policyholder reaches a certain age. The enhancement may be applied as a percentage of the original benefit base or the current benefit value. In addition, these enhancements may be reset with step-ups.

Benefit Base

This section includes information on how the benefit works, including details such as the impact of withdrawals and whether the lifetime withdrawal percentages step up during the withdrawal period.

Custom Allocation Fixed/Equity Boundaries

This section provides two pieces of data that describe important boundaries in the investment limitation structure. First, the report provides the minimum required allocation of a custom allocation program to the fixed bucket, whether that is the fixed account or one or more fixed income investment options. Second, the report provides a calculation of the maximum possible equity exposure within the custom allocation. This is based on the highest possible allocation to the most equity-heavy fund(s) possible. Note that an individual eligible fund or an insurer-dictated model allocation may have a higher equity ratio.

Eligible Investment Options

This section lists all eligible investment options. These can include fixed accounts, DCA programs, individual eligible investments, and asset allocation programs. Asset allocation programs can take the form of either insurer-dictated asset allocation programs or custom allocation programs that allow investors to choose their own allocations, within limitations.

When it comes to individual eligible investments, some programs require that 100% of assets be allocated to a single variable portfolio at a time, whereas others allow allocation among the various funds. If we are aware that a program states the 100% allocation, we include this information in this section.

Eligible Investment Data Summaries

We provide data on each of the eligible funds, whether they are available as individual investments or part of a custom allocation program. These two categories are separated into different groups in the data summaries. The custom allocation program portfolio data is broken into the different investment categories (i.e. fixed income, core equity, etc.).

Note that we list each of the eligible funds in a text list in the beginning of this section but use the name the fund goes by in our Simfund VA database in the data summaries, making it easier for Simfund VA users to look up additional information on these funds. Though the share classes are not listed in the text lists, we use the share classes stated in the prospectuses for the fund-specific data.

Fund Composition

In this section, we break down the holdings of the fund by percentage according to basic asset classes: Stock, Bond, Cash, and Other. "Other" includes instruments such as warrants and derivatives.

Total Return

This section includes the Morningstar category and rating for the given fund as well as performance figures. We provide cumulative returns for the year-to-date and the previous one-year period. We provide annualized returns for the previous three, five and ten years (as applicable).

Total Return Percentile

This section provides the name of the manager (adviser), and the ranking of the portfolio relative to its peers.

Fees and Expenses

This section details the fund fees, broken down according to management, 12b-1, underlying fund expenses, and other fees. We list the expense waiver, if any, and the total expenses minus the waiver.

Living Benefits and Eligible Funds Snapshot

Insurance Company	Feature Name	Feature Type	Fee	Withdrawal Percentages			Enhancements	Minimum Fixed Requirement in Custom Allocation Program	Maximum Equity Exposure in Custom Allocation Program	Available Sub-Accounts
Allianz	Investment Protector	GMAB	0.90%; max 2.50%	N/A			Annual Benefit Base Reset to Account Value.	5%	96%	52
Allianz	Income Protector	GLWB	Single: 1.05% (max 2.50%). Joint: 1.20%; (max 2.75%).	Age	%		Greater of quarterly Reset to AV or quarterly simple interest (2%) increase of one-fourth of the Annual Increase	N/A	N/A	21
				60-64	4.00%					
				65-79	5.00%					
				80+	6.00%					
Allianz	Investment Plus	GLWB	Single: TBD (max 2.50%). Joint: TBD; (max 2.50%).	Current 10yr U.S. Constant Maturity Treasury Rate	Payment percentage if younger Covered Person is age 60-64	Payment percentage if younger Covered Person is age 65-90	Ten year guarantee on benefit base to account value with annual reset. Lifetime withdrawals based on Ten-year U.S. Constant Maturity Treasury rate with quarterly reset.	N/A	N/A	22
				3.49% and below	3.50%	4.00%				
				3.50% to 4.99%	4.50%	5.00%				
				5.00% to 6.49%	5.50%	6.00%				
				6.50% and above	6.50%	7.00%				
AXA Equitable	Guaranteed Income Benefit	GMIB/ GLWB	0.90%; max 1.20%	Age	Single %	Joint %	Annual SU. Annual roll-up tied to ten-year Treasuries formula rate.	40%	46%	12
				Up to 85	4.00%	3.25%				
				86-94	5.00%	4.00%				
				95+	6.00%	5.00%				

AXA Equitable Guaranteed Income Benefit

Feature Type

GLWB (Single and Joint)

Fees

	Fee	Maximum Fee
Single	0.90%	1.20%
Joint	0.90%	1.20%

Reference Contract

AXA Equitable
 Retirement Cornerstone Series B
 Class/Contract ID: C000080571
 CIK: 0001015570
[Latest Filing: 4/22/2010](#)
[Feature Inception Date: 12/11/2009](#)

Lifetime Withdrawal Percentages

Age	Withdrawal %	
	Single	Joint
Up to 85	4.00%	3.25%
86-94	5.00%	4.00%
95+	6.00%	4.50%

Benefit Base Enhancements

Annual benefit base step-up to AV. Annual roll-up tied to ten-year Treasuries formula rate.

Benefit Base

There are two benefit bases, one that steps up to account value and another that increases according to the roll-up bonus. The GIB roll-up benefit base is used to calculate the annual withdrawal amount, as well as the GIB benefit base and charge. The annual ratchet to age 95 benefit base is not used to calculate the annual withdrawal amount, but is used to calculate the GIB benefit base and charge.

Every three years, the roll-up benefit bases automatically reset to equal the account value, if higher, up to age 85 (for the bonus), or age 95 (for the roll-up). Even if neither resets, the roll-up benefit bases cannot reset again until the next eligible anniversary. The annual withdrawal amount is the annual roll-up rate multiplied by the GIB roll-up benefit base.

Beginning in the second contract year, if lifetime GIB payments have not begun, the withdrawals up to the annual withdrawal amount do not reduce the GIB roll-up benefit base.

The annual roll-up rate is used to calculate the annual withdrawal amount and amounts credited to the roll-up benefit base(s). The rate is variable and is tied to the ten-year Treasuries formula rate (as described below) but will never be less than 4% in all contract years. The Annual Roll-up rate will be set at our discretion, subject to the stated minimum.

Every quarter, the "ten-year Treasuries formula rate" is calculated based on the average of the rates for 10-year U.S. Treasury notes on each day for which such rates are reported during the 20 calendar days ending on the 15th day of the last month of the preceding calendar quarter. Then, add 1% and round to the nearest 0.10% increment.

If the initial contribution is received within 75 days of the date you sign your application, the initial annual roll-up rate is the greater of the rate in effect on the date of the application or the

AXA Equitable Guaranteed Income Benefit

initial annual roll-up rate is the greater of the rate in effect on the date of the application or the rate in effect on the date your contract is issued. Otherwise, the initial annual roll-up rate is the rate in effect when the contract is issued.

Custom Allocation Fixed/Equity Boundaries

Minimum Fixed Allocation: 40%

Maximum Equity Exposure: 46%

Eligible Investment Options

Assets covered by the GIB guarantee must be allocated to either the Special DCA Programs or Custom Selection Custom Allocation Program

SPECIAL DCA PROGRAMS

Special Dollar Cost Averaging (Series B and L contracts only)

Special Money Market Dollar Cost Averaging (Series CP and C only)

3, 6, 9, and 12 months DCA Guarantee Options (others may be offered).

Allocations to the Special DCA Programs must be new contributions with an initial deposit of at least \$2,000 (subsequent deposits \$250). If the DCA program will be used for the guarantee, then 100% of the contribution must go into the DCA program; the benefit base is rolled up based on transfers from the DCA program into Custom Selection.

CUSTOM ALLOCATION PROGRAM

Custom Selection

Categories

Allocation Range

Category 1: AXA Strategic Allocation	Maximum for category: None (1) Minimum for category: None Maximum for each option: None
Category 2: Fixed Income	Maximum for category: None Minimum for category: 40% (2) Maximum for each option: None
Category 3: Equity	Maximum for category: 60% Minimum for category: None Maximum for each option: 10% (3)

(1) If there is any allocation to Category 3, there is a 40% minimum allocation requirement to Category 2, thus limiting the amount that may be allocated to Category 1. (2) Applies only if there is any allocation to Category 3. (3) GB AXA Tactical Manager 400 I and GB AXA Tactical Manager 2000 I have a 10% maximum limit individually. GB AXA Growth Strategy, GB AXA Tactical Manager International I and GB AXA Tactical Manager 500 I are not subject to a per fund maximum.

AXA Equitable Guaranteed Income Benefit

CUSTOM ALLOCATION PROGRAM

Category 1 -- AXA Strategic Allocation

GB AXA Balanced Strategy

GB AXA Conservative Growth Strategy

GB AXA Conservative Strategy

GB AXA Moderate Growth Strategy

Category 2 -- Fixed Income

GB EQ/Core Bond Index

GB EQ/Intermediate Government Bond Index

Category 3 -- Equity

GB AXA Growth Strategy

GB AXA Tactical Manager International I

GB AXA Tactical Manager 400 I

GB AXA Tactical Manager 500 I

GB AXA Tactical Manager 2000 I

AXA Equitable Guaranteed Income Benefit

CUSTOM ALLOCATION - Category 1 - AXA Strategic Allocation

Data as of Sep 2010

Fund Composition

Fund	Asset Class %					Total
	Stock	Bond	Cash	Other		
EQ/AXA Bal Strtgy-B	45	41	13	0		100
EQ/AXA Consv Gro Strtgy-B	37	51	11	0		100
EQ/AXA Consv Strtgy-B	20	72	8	0		100
EQ/AXA Mdrt Gro Strtgy-B	53	32	15	0		100
Maximum	53	72	15	0		

Total Return

Fund	Morningstar Category	Mstar Rating	Cumulative		Annualized		
			Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
EQ/AXA Bal Strtgy-B	Moderate Allocation		5.30	7.50			
EQ/AXA Consv Gro Strtgy-B	Conservative Allocation		5.64	7.49			
EQ/AXA Consv Strtgy-B	Conservative Allocation		6.31	7.16			
EQ/AXA Mdrt Gro Strtgy-B	Moderate Allocation		4.74	7.47			

Total Return Percentile

Fund	Manager	Cumulative		Annualized		
		Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
EQ/AXA Bal Strtgy-B	AXA Equitable	53	82			
EQ/AXA Consv Gro Strtgy-B	AXA Equitable	68	81			
EQ/AXA Consv Strtgy-B	AXA Equitable	50	84			
EQ/AXA Mdrt Gro Strtgy-B	AXA Equitable	66	82			

Fees and Expenses

Fund	Fees %						
	Management	12b-1	Other	Underlying Fund	Total Expense	Waiver	Net Total
EQ/AXA Bal Strtgy-B	0.10	0.25	0.66	0.58	1.59	0.54	1.05
EQ/AXA Consv Gro Strtgy-B	0.10	0.25	1.04	0.57	1.96	0.96	1.00
EQ/AXA Consv Strtgy-B	0.10	0.25	1.65	0.53	2.53	1.58	0.95
EQ/AXA Mdrt Gro Strtgy-B	0.10	0.25	0.40	0.60	1.35	0.25	1.10

AXA Equitable Guaranteed Income Benefit

CUSTOM ALLOCATION - Category 2 - Fixed Income

Data as of Sep 2010

Fund Composition

Fund	Asset Class %				Total
	Stock	Bond	Cash	Other	
EQ/Core Bond Idx-B	0	96	4	0	100
EQ/Intrmd Govt Bond Idx-B	0	98	2	0	100
Maximum	0	98	4	0	

Total Return

Fund	Morningstar Category	Mstar Rating	Cumulative		Annualized		
			Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
EQ/Core Bond Idx-B	Intermediate-Term Bond	1	7.38	7.24	0.49	1.60	3.77
EQ/Intrmd Govt Bond Idx-B	Intermediate Government	1	6.08	5.43	3.34	3.52	4.26

Total Return Percentile

Fund	Manager	Cumulative		Annualized		
		Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
EQ/Core Bond Idx-B	AXA Equitable	81	90	97	97	97
EQ/Intrmd Govt Bond Idx-B	AXA Equitable	63	84	95	94	94

Fees and Expenses

Fund	Fees %					
	Management	12b-1	Other	Underlying Fund	Total Expense Exp	Net Total
EQ/Core Bond Idx-B	0.35	0.25	0.14		0.74	0.74
EQ/Intrmd Govt Bond Idx-B	0.35	0.25	0.14	0.03	0.77	0.77

AXA Equitable Guaranteed Income Benefit

Data as of Sep 2010

CUSTOM ALLOCATION - Category 3 - Equity

Fund Composition

Fund	Asset Class %					Total
	Stock	Bond	Cash	Other		
AXA Tactical Mgr 2000 I-B	80	0	20	0		100
AXA Tactical Mgr 400 I-B	78	0	22	0		100
AXA Tactical Mgr 500 I-B	80	0	20	0		100
AXA Tactical Mgr Intl I-B	77	0	23	0		100
EQ/AXA Gro Strtgy-B	60	23	16	0		100
Maximum	80	23	23	0		

Total Return

Fund	Morningstar Category	Mstar Rating	Cumulative		Annualized		
			Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
AXA Tactical Mgr 2000 I-B	Small Blend		6.32				
AXA Tactical Mgr 400 I-B	Mid-Cap Blend		8.56				
AXA Tactical Mgr 500 I-B	Large Blend		1.54				
AXA Tactical Mgr Intl I-B	Foreign Large Blend		-1.16				
EQ/AXA Gro Strtgy-B	Moderate Allocation		4.29	7.44			

Total Return Percentile

Fund	Manager	Cumulative		Annualized		
		Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs
AXA Tactical Mgr 2000 I-B	AXA Equitable	81				
AXA Tactical Mgr 400 I-B	AXA Equitable	53				
AXA Tactical Mgr 500 I-B	AXA Equitable	76				
AXA Tactical Mgr Intl I-B	AXA Equitable	91				
EQ/AXA Gro Strtgy-B	AXA Equitable	75	82			

Fees and Expenses

Fund	Fees %						
	Management	12b-1	Other	Underlying Fund	Total Exp	Expense Waiver	Net Total
AXA Tactical Mgr 2000 I-B	0.45	0.25	1.45		2.15	1.20	0.95
AXA Tactical Mgr 400 I-B	0.45	0.25	3.91	0.01	4.62	3.66	0.96
AXA Tactical Mgr 500 I-B	0.45	0.25	0.40		1.10	0.15	0.95
AXA Tactical Mgr Intl I-B	0.45	0.25	1.55		2.25	1.30	0.95
EQ/AXA Gro Strtgy-B	0.10	0.25	0.45	0.62	1.42	0.32	1.10