



## Variable Annuity Living Benefit Product Profiles

Summary descriptions of recent living benefits  
including information on the underlying eligible investments

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AN ASSET INTERNATIONAL COMPANY

# Strategic Insight

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\* Denotes most recently available/filed benefits for each insurer

## ***A New Tool to Understand VA Living Benefits***

As the VA industry adapts to a new economic environment in order to continue to provide retirement income guarantees for investors, the tracking and understanding of these benefits becomes all the more complicated. Analysis of the features alone provides insufficient information to truly understand the real risk coverage provided by the guarantee. The structure of variable portfolios that can be used with the guarantees becomes an increasingly important metric. Anybody interested in understanding the world of VAs today must look at both features and the investment limitations.

This report provides a convenient reference guide to the latest VA living benefits and the available investment options. We include key characteristics of the guarantees and details on the eligible investments, including asset allocations and every investment option available to investors. In this revision, we now include two different grids for quick identification of key characteristics of the benefits.

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 continued to garner significant sales into 2010.

We continue to research and add benefits as they are registered, and the list includes benefits that are not yet live and may be missing many important details due to the nature of preliminary filings. Note that the reference contracts on newer benefits may differ from those associated with older ones. To add clarity, given the profusion of benefits issued just in the past two years from many insurers, we indicate the most recently filed and available benefits. In the Table of Contents and feature summaries, we use an asterisk. Within the grids, we highlight the entire entry. In some cases, we may only be marking the latest benefit(s), and in others, we continue to indicate older benefits that remain available at the same time as the newer ones.

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

In addition, 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.

## ***How to Use the Report***

The report includes two grids and then a comprehensive feature summary for each living benefit. The grids provide easy access to key information about the benefits, either according to the feature or the available investment options. The individual living benefit summaries provide more detailed information about how the benefits work, including available investment options. The most recently filed and available benefits are indicated by an asterisk in the Table of Contents and feature summaries and by highlighting in the two sets of grids.

### ***Living Benefit Snapshot (Grid)***

The living benefit snapshot lists provides key feature data in a convenient grid format. Benefits are listed alphabetically by insurer, with the most recently filed/available benefits highlighted in blue. The grid includes quick reference information on:

- Feature name
- Feature type (i.e. GLWB, GMIB, GMAB)
- Fee
- Withdrawal percentages
- Enhancements (i.e. step-ups, deferral bonuses, etc.)
- Total number of funds (a “+” denotes the availability of non-fund options)

### ***Investment Options Snapshot (Grid)***

The investment option snapshot provides a quick reference grid for the number and type of eligible investments for each living benefit. Benefits are listed alphabetically by insurer, with the most recently filed/available benefits highlighted in blue.

- Feature name
- Feature type
- Asset transfer program (yes/no)
- Number of custom allocation categories
- Minimum/maximum allocations for custom allocation categories
- Number of asset allocation models
- Number of individual eligible funds
- Total number of funds (a “+” denotes the availability of non-fund options)

### ***Living Benefit Summaries***

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). We indicate the most recently filed and available benefit(s) with an asterisk. In some cases, this is only the latest benefit(s), and in others, we continue to indicate older benefits that remain available at the same time as the newer ones. The summaries include a list of the available investments separated out by category.

In addition, recent amendments are listed in red with a link to the relevant document. These filings may be dated later than the “latest filing” date in the “Reference Contract” box.

## 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 that includes complete feature information linked to the given document and a link to the original inception of the benefit. Benefits that have been registered but not yet become effective are linked under “latest filing” but have a feature inception date of TBD. Also, amendments made after the latest filing date may appear separately in red if they are not yet effective, contradict information found elsewhere, or do not contain complete feature information.

## 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 periodic step-ups to the contract value and additional enhancements. Deferral bonuses 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.

Another common type of enhancement is a deferral guarantee of some percentage of the starting benefit (i.e. 200%) after a set period of time, such as 10 or 12 years. These bonuses apply only if there were no withdrawals taken during the entire period, and they often are based on a calculation of an enhanced percentage of starting premium plus 100% of subsequent purchase payments.

## 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.

## Eligible Investment Options

This section lists all eligible investment options and describes the ways in which they may be used.

**Individual investment options**

- *Fixed accounts and DCA programs*
- *Individual eligible funds* that allow investors to allocate up to 100% in one or more funds. Some programs require that all assets be allocated to a single fund, whereas others allow flexibility.

**Asset allocation programs** invest in a variety of funds available within the contract, with investment guided either by the insurer or the investor.

- *Insurer-dictated programs* include static and dynamic models that are created and managed by the insurance company, sometimes using third-party guidance
- *Custom allocation programs* allow investors to select individual investment(s) within pre-determined minimum and maximum “guardrails.” Insurers retain control over the programs and which funds fall within which categories

## User Guide - Living Benefit Summary

Asterisk denotes most recently available/filed benefits for each insurer

Information on the contract used for research, including links to the Annuity Insight documents for the latest filing and feature inception

### RiverSource SecureSource Stages 2 \*

Denotes type of living benefit

#### Feature Type

GLWB (Single and Joint)

#### Fees

Fee structure for the benefit, including maximum allowable fees

	Fee	Maximum Fee
Single	1.10%	1.75%
Joint	1.30%	1.95%

#### Reference Contract

RiverSource  
 RAVA 5 Advantage  
 Class/Contract ID: C000090547  
 CIK: 0001000191  
 Latest Filing: [4/29/2011](#)  
 Feature Inception Date: 5/07/2010

Fee reflects increase effective 11/14/2011 (from 0.95% for single and 1.15% for joint)

#### Lifetime Withdrawal Percentages

Age	A %	%B
50-58	4.00%	3.00%
59-64	5.00%	4.00%
65-79	6.00%	5.00%
80+	7.00%	6.00%

Example of a recent important amendment with an Annuity Insight link to the relevant document

Age-tiered guaranteed withdrawal percentages

#### Benefit Base Enhancements

Non-life and lifetime withdrawal options. 10-year deferral bonus of 8% the first year and 6% thereafter. Annual benefit base step-up to AV.

Describes how the benefit base increases

#### Benefit Base

There is a one-year waiting period and annual step-ups, which stop if a fee increase is declined. Two percentages are used for a given age band, percentage A or percentage B. Percentage B is used if withdrawals begin. The difference between A and B is called an adjustment threshold. If no withdrawal is taken during the waiting period, after the waiting period a comparison of the contract value and the withdrawal adjustment base (WAB) determines whether percentage A or percentage B is used to calculate the ALP. On each valuation date, if the benefit determining percentage (1 - previous contract value/previous WAB) is less than the 20% adjustment threshold, then percentage A is used in calculating the withdrawal amount otherwise percentage B is used.

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

There is a 10-year deferral bonus. On the first rider anniversary, the bonus is 8% of purchase payments within 180 days. After that, the bonus is a flat 6%.

#### Eligible Investment Options

Lists all eligible investment options, including fixed accounts, DCA programs, individual eligible investments, and asset allocation programs

##### Portfolio Navigator Program

1. VP Aggressive Portfolio: 80% Equity / 20% Fixed Income
2. VP Moderately Aggressive Portfolio: 65% Equity / 35% Fixed Income

### Living Benefits Snapshot

Insurance Company	Feature Name	Feature Type	Fee	Withdrawal Percentages			Enhancements	Total # of Investment Options
Allianz	Investment Protector	GMAB	0.90%; max 2.50%	N/A			Annual benefit base reset to account value	54
Allianz	Income Protector	GLWB	Single: 1.05% (max 2.50%). Joint: 1.20%; (max 2.75%)	<b>Age</b>	<b>%</b>		Greater of quarterly reset to AV or quarterly simple interest (2%), amounting to 8% annually	25
				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 10-year U.S. Constant Maturity Treasury Rate	Age 60-64	Age 65-90	Ten year guarantee on benefit base to account value with annual reset. Lifetime withdrawals based on 10-year U.S. Constant Maturity Treasury rate with quarterly reset	25
				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%		
Allianz	Income Focus	GLWB	Single/Joint: [0.90%-1.50%]	<b>Age</b>	<b>Single %</b>	<b>Joint %</b>	1% increase to withdrawal percentage based on positive contract value performance	Funds to be added by amendment
				45-64	[3.5% to 4.5%]	[3% to 4%]		
				64-79	[4% to 5%]	[3.5% to 4.5%]		
				80+	[5% to 6%]	[4.5% to 5.5%]		
Allianz	Income Protector 2011	GLWB	Single/Joint: [0.70%-1.50%]	<b>Age</b>	<b>Single %</b>	<b>Joint %</b>	Quarterly benefit base step-up to AV. 30-year simple interest increase credited quarterly	10+ funds to be added by amendment
				45-64	[3.5% to 4.5%]	[3% to 4%]		
				64-79	[4% to 5%]	[3.5% to 4.5%]		
				80+	[5% to 6%]	[4.5% to 5.5%]		

### Eligible Funds Snapshot

Insurance Company	Feature Name	Feature Type	Asset Transfer Program	Number of Custom Allocation Options	Minimum and Maximum Allocation Restrictions for Custom Allocation	Number of Model Allocation Options	Number of Individual Eligible Funds	Total Number of Available Investment Options
Allianz	Investment Protector	GMAB	No	Group A	10%/95%			54
				Group B/X				
				Group Y				
Allianz	Income Protector	GLWB	No				25	25
Allianz	Investment Plus	GLWB	No				25	25
Allianz	Income Focus	GLWB	No				TBD	TBD
Allianz	Income Protector 2011	GLWB	No				10 plus TBD	10 plus TBD
AXA Equitable	Guaranteed Income Benefit	GMIB/ GLWB		Category 1: AXA Strategic Allocation	Max: N/A			11
					Min: N/A			
				Category 2: Fixed Income	Max: N/A			
					Min: 40%			
				Category 3: Equity	Max: 60%			
Min: N/A								
AXA Equitable	GMIB I - Asset Allocation	GMIB	Yes			5 AXA Strategic Allocation Portfolios	2	7

## Allianz Income Protector

### Feature Type

GLWB (Single and Joint)

### Fees

	Fee	Maximum Fee
Single	1.05%	2.50%
Joint	1.20%	2.75%

### Lifetime Withdrawal Percentages

Age	Withdrawal %
60-64	4.00%
65-79	4.50%
80+	5.50%

### Benefit Base Enhancements

Greater of quarterly benefit base reset to account value or quarterly simple interest (2%) increase, which amounts to an annual increase percentage of 8%.

### Benefit Base

On each anniversary until the older covered person turns 91, the benefit base steps up based on either an increase to the contract value or an increase in the payment percentage because of an age-based step-up to a higher tier.

The benefit base is the greater of the highest quarterly contract value, or a quarterly simple interest increase of one-fourth (amounting to 2% per quarter) of the annual increase percentage (currently 8%) that applies for 30 years (*Effective May 2, 2011 the maximum number of guarantee years was increased from 20 years to 30 years*). The length of the bonus period is established at inception, but the current length is 20 years.

### Eligible Investment Options

Currently requires 100% allocation of total contract value among the Group C investment options, subject to quarterly rebalancing.

#### INDIVIDUAL ELIGIBLE FUNDS

##### Investment Option Group C

AZL Balanced Index Strategy Fund

AZL Franklin Templeton Founding Strategy Plus Fund

AZL Fusion Balanced Fund

### Reference Contract

Allianz of America

Vision Variable Annuity

Class/Contract ID: C000044001

CIK: 0000836346

[Latest Filing: 05/01/2011](#)

[Feature Inception Date: 4/23/2010](#)

## Allianz Income Protector

AZL Fusion Conservative Fund  
AZL Fusion Moderate Fund  
AZL Gateway Fund  
AZL Growth Index Strategy Fund  
AZL Invesco Equity and Income Fund  
AZL Money Market Fund  
BlackRock Global Allocation V.I. Fund  
Fidelity VIP FundsManager 50% Portfolio  
Fidelity VIP FundsManager 60% Portfolio  
Franklin High Income Securities Fund  
Franklin Income Securities Fund  
Franklin U.S. Government Fund  
PIMCO VIT All Asset Portfolio  
PIMCO VIT Emerging Markets Bond Portfolio  
PIMCO VIT Global Advantage Strategy Bond Portfolio  
PIMCO VIT Global Bond Portfolio (Unhedged)  
PIMCO VIT Global Multi-Asset Portfolio  
PIMCO VIT High Yield Portfolio  
PIMCO VIT Real Return Portfolio  
PIMCO VIT Total Return Portfolio  
PIMCO VIT Unconstrained Bond Portfolio  
Templeton Global Bond Securities Fund