

Institutional Retirement Income Solutions

Market Product Types and Distribution Channels



Innovation, Communication, Evaluation.

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Product Types



Product Type	High-Level Description	Nature of Income Generated	Fee Structure	Product Manufacturer
<p>Out-of-Plan Rollover Annuity Platforms</p> <p><i>Supermarket Approach</i></p>	<ul style="list-style-type: none"> • Maximize income at point of distribution • Choice of insurers • Options include fixed or variable annuities 	<ul style="list-style-type: none"> • Annuitization • Maximizes initial income (no upside potential for fixed annuity) 	<ul style="list-style-type: none"> • Fees embedded in monthly benefit for fixed annuities • Monthly benefit incorporates investment management, longevity, administration, and risk charges 	<ul style="list-style-type: none"> • Fidelity (platform) • Hueler (platform)
In-Plan Deferred Fixed Annuities	<ul style="list-style-type: none"> • Buy units of future income during accumulation • Purest "DB in DC" 	<ul style="list-style-type: none"> • Annuitization • Maximizes initial income at time of investment (no upside potential) 	<ul style="list-style-type: none"> • Fees embedded in future income amount • Incorporates investment management, longevity, administration, and risk charges 	<ul style="list-style-type: none"> • Barclays Global Investors (Sponsor Match) • Hartford (Lifetime Income) • MetLife (Pension Builder)
In-Plan Guaranteed Minimum Income Benefit (GMIB)	<ul style="list-style-type: none"> • Buy units of minimum future income during accumulation 	<ul style="list-style-type: none"> • Upside potential before retirement • Annuitization or withdrawal benefit 	<ul style="list-style-type: none"> • Accumulation: Explicit guarantee and investment fees; risk charges linked to benefit richness • Upon annuitization, future fees embedded in income amount via actuarial assumptions 	<ul style="list-style-type: none"> • Genworth (ClearCourse–Income Benefit)
In-Plan Guaranteed Minimum Withdrawal Benefit (GMWB)	<ul style="list-style-type: none"> • Guarantees: <ul style="list-style-type: none"> – basis for income – stable lifetime withdrawals with upside potential • Participant retains control of account balance • Market value determines account balance 	<ul style="list-style-type: none"> • Income generated is initiated from income base • Investment paradigm (flexibility, upside) • Transfers market and longevity risks to insurer post-retirement • No guarantee of principal; guarantee of income 	<ul style="list-style-type: none"> • Explicit guarantee fee and investment fee throughout accumulation and drawdown • Fee is expressed as percentage of account value or benefit base 	<ul style="list-style-type: none"> • Alliance Bernstein (TBD) • Genworth (ClearCourse–Withdrawal Benefit) • John Hancock (Guaranteed Income for Life) • Milliman (Retirement Guarantee Network) • Prudential (IncomeFlex) • UBS/Genworth

Product Type	High-Level Description	Nature of Income Generated	Fee Structure	Product Manufacturer
Out-of-Plan Rollover Guaranteed Minimum Withdrawal Benefit (GMWB) <i>Institutional Offering</i>	<ul style="list-style-type: none"> Guarantees: <ul style="list-style-type: none"> – basis for income – stable lifetime withdrawals with upside potential Participant retains control of account balance Market value determines account balance 	<ul style="list-style-type: none"> Income generated is initiated from income base Investment paradigm (flexibility, upside) Transfers market and longevity risks to insurer post-retirement No guarantee of principal; guarantee of income 	<ul style="list-style-type: none"> Explicit guarantee fee, mortality and expense fee, and investment fee throughout drawdown Fee is expressed as percentage of account value or benefit base 	<ul style="list-style-type: none"> AXA (Crossings) Lincoln (i4Life)
Out-of-Plan Non-Guaranteed Options <i>Managed Payout</i>	<ul style="list-style-type: none"> Provides a drawdown strategy at a designated percentage 	<ul style="list-style-type: none"> No guarantees of principal or income streams generated 	<ul style="list-style-type: none"> Part of investment management fee 	<ul style="list-style-type: none"> Fidelity Income Replacement Funds Russell Target Distribution Funds Vanguard Managed Payout Funds

Note: Managed account providers are evaluating these types of solutions and may be added at a later date.