
American General launches 'Power Index Plus' FIA

By Kerry Pechter *Fri, Nov 1, 2013*

The new fixed indexed annuity offers three interest-crediting strategies, a one-year fixed interest account and two that are pegged to the S&P500 (excluding dividends): an annual point-to-point index interest account, and a monthly point-to-point additive index interest account.

American General Life Insurance Company has issued a new fixed index annuity, Power Index Plus, that offers a guaranteed lifetime income rider with a 10-year, double-your-benefit-base roll-up, if no withdrawals are taken.

The product is designed for distribution by financial institutions and independent broker-dealers, but it will also be available to brokerage general agencies (BGAs).

The new FIA offers three interest-crediting strategies:

- A one-year fixed interest account.
- An annual point-to-point index interest account.
- A monthly point-to-point additive index interest account.

The second two are pegged to the S&P 500, excluding dividend yield.

With the product's Lifetime Income Plus rider, the benefit base is raised to double the amount of premiums paid in the first 30 days of the contract, as long as no withdrawals are taken before the 10th contract anniversary. The benefit base will increase by 7% each year that withdrawals are not taken in the first 10 contract years. The maximum withdrawal rate is 6%, starting at age 75.

Power Index Plus will be issued by American General Life Insurance Company (AGL) in 49 states.

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