
Aria Retirement Solutions aims stand-alone living benefit at RIA market

By Editor Test *Wed, Jan 11, 2012*

SALBs are back in the news. The RetireOne Transamerica solution is the first of what Aria Retirement Services CEO David Stone said will be several income solutions provided by Aria in partnership with major insurance carriers.

[Aria Retirement Solutions](#) (Aria) has announced the first of a series of RetireOne guaranteed income solutions that serve independent registered investment advisors (RIAs) operating fee-only practices.

RetireOne Transamerica, the initial product, is a stand-alone living benefit ([SALB](#)). It wraps a fixed contingent annuity of the type usually found in variable annuities with guaranteed living benefits around a portfolio of mutual funds and ETFs offered by American Funds, iShares, PIMCO, Vanguard, and Dimensional Fund Advisors. Transamerica Advisors Life provides the income guarantee. The broker-dealer is Protected Investors of America.

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“RetireOne’s income solutions will provide latitude for investment allocation by RIAs to employ a wide spectrum of strategies and adjust exposure to risk for their clients,” said Neil Wilding, Aria executive vice president and national sales director in a release.

Headquartered in San Francisco, Aria was founded by executives who had been at Charles Schwab, Fidelity and other firms. Aria’s Retirement Solutions Advisor Center in Louisville, Ky., will support the new products.

Lockwood Advisors introduced the first stand-alone living benefit in late 2007, in a partnership with the Phoenix Companies. It was a way to let money managers add a guaranteed lifetime income guarantee to whatever portfolios they happened to be managing. The cost of the rider varied according to the risk profile of the underlying portfolio.

In August 2009, Nationwide Life Insurance announced a deal to add a guaranteed lifetime withdrawal benefit (GLWB) rider to certain unified managed accounts (UMAs) at Morgan Stanley Smith Barney (MSSB). Select Retirement, as Nationwide’s GLWB was called, could be applied to assets in MSSB’s Select UMA, a product launched by Smith Barney in April 2008.

In August 2010, Investors Capital Corporation (ICC), a broker-dealer and investment advisory unit of Investors Capital Holdings, Ltd., launched the Investor Protector series: a managed investment account paired with a stand-alone income benefit. The account combined Investors Capital Advisory Services’ (ICA) series of asset allocation models with a stand-alone lifetime benefit that offered the investor a 5% lifetime income stream, regardless of market conditions.

The initial investment account value established the client's Retirement Income Base (RIB). The investor was able to lock in a higher RIB if the account value was higher on the anniversary date for an additional fee. At age 65, the client could draw a 5% stream of income based on the highest, locked-in RIB. A spousal benefit was also available.

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