
Brighthouse offers fee-based indexed variable annuity

By Editorial Staff Thu, Aug 17, 2017

Brighthouse Financial reported \$570 million in sales of its Shield portfolio in the second quarter of 2017, up 28% year-over-year. The products were previously sold under the MetLife brand.

Brighthouse, the company that was formed from MetLife's individual products business and which went public earlier this month, has announced the launch of new index-linked annuities as part of its flagship Shield annuity family, including a design for fee-based advisors.

Like fixed indexed annuities, these packaged products invest in bonds and options on equity indexes. Unlike FIAs, they don't guarantee zero losses; instead, the issuers absorb the first 10% (or more) of losses. In return, investors get a chance for higher returns than they would get on FIAs.

Indexed variable annuities enjoyed a sales burst in recent years. Brighthouse Financial reported that sales of its Shield portfolio "remained strong in the second quarter of 2017 at \$570 million, up 28% year-over-year." The products were previously sold under the MetLife brand.

The new Brighthouse products include:

Brighthouse Shield Level Select 3-Year and Shield Level Select 6-Year annuities. These product options feature no annual fee, offer a 3 or 6-year surrender charge schedule, and include a new standard return-of-premium death benefit.

Brighthouse Shield Level Select Access annuity. This product is designed for fee-based advisors who would like to offer annuity solutions as part of their practices. There is no surrender charge schedule and no annual product fees (other than the cost of advisory services).

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