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## **Downtick in GLB elections: LIMRA**

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By Editor Test     *Wed, May 25, 2011*

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*Year-over-year, the election rate fell by one percentage point, to 86%, in the first quarter of 2011 for all types of guaranteed living benefits.*

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LIMRA has reported that the percentage of U.S. individual variable annuity (VA) buyers who purchased any guaranteed living benefit (GLB) feature fell slightly in the first quarter of 2011, to 86% from 87% in the first quarter of 2010, *National Underwriter* reported. It was the lowest GLB election rate since 3Q 2008.

GLB features include guaranteed living withdrawal benefits (GLWB), guaranteed minimum income benefits (GMIB), guaranteed minimum accumulation benefits (GMAB), guaranteed minimum withdrawal benefits (GMWB), and hybrid benefit guarantee features.

Insurers generated about \$29 billion in VA sales during the latest quarter, and about \$23 billion of those sales came with GLB elections, LIMRA analysts said.

For 8% of the sales, a GLB feature was available but not taken; for 13% of the sales, no GLB feature was available.

GMABs sold best in the career agent channel, while hybrid guarantees sold best in the bank channel.

VA assets backed by guarantees reached \$558 billion at the end of the first quarter, up 7% since the end of 2010.