
It's official: Lincoln's indexed variable annuity has arrived

By No Author *Thu, May 24, 2018*

The contract's costs, other than those embedded in the performance caps and floors, are 40bps for an income rider, 10 to 30bps for a death benefit and administrative fees, and between 49 and 120 bps for variable subaccounts, if chosen.

Lincoln Financial Group this week officially announced the introduction of Lincoln Level Advantage indexed variable annuity for near-retirees and retirees. Unlike many competing products—which LIMRA Secure Retirement Institute now calls “registered index-linked annuities”—it offers both variable and index-linked investment sleeves.

Designed for either commissioned or fee-based advisors, Lincoln Level Advantage offers four index options for growth, several levels of protection against loss and an option to convert the value of the contract into a variable income stream for life.

Sales of registered indexed-linked annuity sales increased 25% in 2017 and are expected to keep growing in 2018, according to LIMRA SRI. LIMRA said the products' downside buffer and their upside potential through links to equity indexes appeal to investors in today's uncertain investment environment. LIMRA expects sales to continue to grow throughout 2018.

Lincoln Level Advantage offers linkage to four indexes (the S&P 500, Russell 2000, MSCI EAFE Index, and Lincoln's Capital Strength Index), three renewable term options (one-year, six-year, and a six-year annual lock option) and four protection options (against losses up to 10%, 20%, 30% or 100% of each contract year's starting value).

Lincoln's patented i4LIFE Index Advantage lifetime income rider is available for an additional charge. If selected, it lets clients turn their account value into a variable lifetime income stream and offers certain tax efficiencies.

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