
Liberty Mutual's new fixed deferred annuity offers three options

By Editor Test *Wed, Nov 2, 2011*

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Boston-based Liberty Mutual has launched a customizable fixed deferred annuity, Freedom Series Builder Annuity, to be sold by Liberty Life Assurance Co. of Boston. Purchasers of the product can choose among three modules—Extra access, Extra care and protection, or Extra assurance.

According to the company, Extra access has two features:

- Return of premium guarantee - Upon surrender the owner is guaranteed to receive no less than the premium paid less prior withdrawals.
- Penalty-free withdrawals - After the first year, the owner can withdraw 10% of your beginning-of-year account value per year. A withdrawal of 5% is allowable without selecting this module.

Extra care and protection allows for withdrawals or surrenders without withdrawal charges in the event of certain serious health conditions:

- Owner or spouse becomes ill and requires a qualifying medical stay for 45 days out of any continuous 60-day period
- Owner or spouse is diagnosed as terminally ill
- Owner or spouse becomes unable to perform two of the six activities of daily living

Extra assurance allows unrestricted withdrawals if the declared interest rate on the annuity, before any rider charges are applied, drops below the minimum threshold determined at time of contract issue. Additionally, the owner will not incur withdrawal charges if he or she decides to withdraw the account value any time up to 60 days after the rate returns above the minimum threshold.