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## MetLife files for GMIB Max IV rider

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By Editor Test      Thu, Jun 7, 2012

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On June 1, MetLife filed a new [variable annuity application](#) for its GMIB Max IV, which supersedes its GMIB Max III in all but an unspecified number of unnamed states.

Under the new version, contract owners who take withdrawals before the fifth contract anniversary are locked into a maximum 4.5% per year withdrawal rate. If they defer withdrawals for five years, they can take out up to 5% for life. After 10 years, owners may annuitize the contract.

Last November, MetLife announced that it would reduce the deferral bonus on the benefit base of its recently-introduced GMIB Max product from 5.5% to 5%, the company said in a release.

“As of January, the roll-up rate on our GMIB Max product will be reduced from 5.5 percent to 5 percent,” MetLife CEO Steven Kandarian told analysts in a conference call in November.

In mid-February, MetLife announced that it was discontinuing its GMIB Plus products, which offered greater investment flexibility than the GMIB Max with slightly lower withdrawal rates.

The GMIB Max IV charge is 100 bps, unchanged from previous iterations of the rider, with a maximum of 150 basis points. The portfolio expenses range from 52 basis points to 134 basis points. The combined annual mortality & expense ratio and administrative fee are 130 basis points. There is an additional fee for an enhanced death benefit.

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