
Nationwide Adds Annuity Option to Morgan Stanley UMAs

By Editor Test *Wed, Jul 29, 2009*

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Morgan Stanley Smith Barney announced that it has launched Select Retirement, which adds an optional Nationwide Life Insurance fixed income annuity option to the Select unified management account program as a way to convert UMA assets to lifetime income.

“We expect that the ability to combine a UMA with access to guaranteed lifetime income will be viewed by our industry as an important step forward,” said James J. Tracy, Director of Consulting Group for Morgan Stanley Smith Barney.

Select Retirement creates an opportunity to offer clients income guarantees that were not previously available for UMAs that include separately managed accounts (SMAs).

“By teaming with Morgan Stanley Smith Barney, we’re able to draw upon the collective financial strength and experience of both firms to build an investment and income strategy that Financial Advisors can provide to help clients preparing for or in retirement,” said John Carter, president of Nationwide Financial Distributors, Inc.

Before and after activating Select Retirement, eligible investors can use Select UMA to help build assets. Select UMA provides a selection of diversified asset allocation strategies and the ability to construct portfolios with a mix of separately managed accounts, mutual funds and/or exchange-traded funds (ETFs).

“With Select UMA, investors receive the convenience and efficiencies of a single account that integrates asset allocation, product selection, account administration and performance reporting,” said Marc Brookman, Director of Product Development for Morgan Stanley Smith Barney. Investors also can benefit from the personal guidance of their Financial Advisor and the expertise of Morgan Stanley Smith Barney’s centralized asset allocation and manager research teams, he said.

“The ability to combine Select Retirement with Select UMA provides Financial Advisors with a powerful program for clients who seek to balance asset growth potential while at the same time eliminating the worst-case scenario of outliving their income,” said James J. Tracy. “This may prove to be an especially helpful strategy for near-retirees and retirees who are hesitant to return to the equities markets at this time.”