
New products bulletin

By Editorial Staff Thu, Mar 11, 2021

Nationwide and Annexus partner on income-generating FIA; Equitable extends RILA feature to variable annuity; Securian offers new IOVA.

Nationwide and Annexus partner on income-generating FIA

Nationwide is partnering with Annexus, the prominent independent designer of fixed indexed annuities (FIAs), to issue Nationwide New Heights Select, which is built “on the foundation of 2020 top-selling income FIA with a guaranteed roll-up.”

Nationwide New Heights Select offers two new indices, new bucketing capabilities for greater diversification, competitive accumulation opportunities, and increased lifetime income payout percentages on one of the optional income riders, the companies said in a release.

The contract offers options that track the performance of an index and lock in earnings at the end of each strategy term. New bucketing capabilities allow a clients’ contract value to be allocated among up to five strategy options, including two new indices.

The SG Macro Compass Index, which uses the current economic outlook to determine its asset allocation, is available on the product. It can “adapt to current market conditions by pivoting and leaning into growth assets when markets are bullish and defensive assets when markets are bearish,” the release said.

The methodology leverages the expertise of Societe Generale’s Quantitative Research team. It is rooted in the academic research of macroeconomic regimes created by Dr. Solomon Tadesse.

Nationwide New Heights Select has also added the NYSE Zebra Edge II Index, based on a methodology developed by economist Roger G. Ibbotson and his team at Zebra Capital Management, and founded on Ibbotson’s behavioral finance research. It uses his behavioral finance filtering process to evaluate the 500 largest publicly traded companies in the United States each quarter, and then remove the riskiest and most volatile companies to identify equities with the potential for higher returns with less risk.

Nationwide New Heights Select offers two optional living benefit riders available for an additional charge, to create a source of guaranteed income for life. The Nationwide High

Point 365 Select Lifetime Income rider with Bonus now offers higher lifetime payout percentages with the flexibility for earlier withdrawals.

It includes a bonus of 10% of a client's purchase payment added to their Minimum Income Benefit Value at contract issue. In addition, the Minimum Income Benefit Value will continue to grow daily at a 7% compound annual rate until the earlier of 10 years or until beginning lifetime income withdrawals, whichever comes first. By year 10, the Minimum Income Benefit Value is guaranteed to at least double.

Equitable extends RILA feature to variable annuity

Equitable, which invented the registered index-linked annuity (RILA) 10 years ago, has enhanced its Investment Edge tax-deferred variable annuity to include an investment choice with a downside buffer similar to the one on Equitable's Structured Capital Strategies RILA.

This "segment-based investment approach will track a well-known benchmark index of the client's choosing," an Equitable release said. Clients experience the growth of that index up to a performance cap rate, with protection against the first 10% of potential losses, less the contract fee.

Clients can select either a Standard Segment which measures investment performance over a one-year term, or the Step Up Segment which guarantees a return equal to the Performance Cap Rate, less the contract fee, if the index performance is equal to or greater than zero when the Segment matures. Clients can transfer out of, or between, the two Segment options at any time.

Investment Edge also includes two other choices for investing:

- Preset portfolios consisting of either investments selected by well-known managers, or risk-based portfolios that create a diversified asset-allocation.
- Option to build a diversified portfolio of investments from more than 100 investment options, including core U.S. and international equity options and alternative investments

Interactive retirement education and detailed product information for Equitable Financial's individual retirement annuities is available through its online Retirement Guide.

The latest version of Investment Edge also gives clients a return-of-premium death benefit. The contract can be used as an investment vehicle for inherited IRA contracts.

Securian offers new IOVA

Securian Financial has introduced MultiOption Momentum, an investment-only variable annuity (IOVA) offering both indexed and variable investment options in a tax-deferred, variable annuity.

The contracts are issued by Minnesota Life Insurance Company.

“MultiOption Momentum is our first IOVA. It provides customization, flexibility and the ability to build risk hedge,” said Chris Owens, Securian Financial’s national sales vice president for retail life insurance and annuities, in a release.

IOVAs allow investors to set aside taxable assets in a tax-deferred instrument focused only on investment. With MultiOption Momentum, investors can customize the product to meet their needs with optional benefits for an additional cost.

Key MultiOption Momentum product features include more than 70 variable investment options, two indexed account options and one guaranteed interest account option.

MultiOption Momentum is available to all Securian Financial-approved distribution channels.