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## **Pacific Life launches GLWB for indexed annuity and 'O-share' variable annuity for Edward Jones**

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By Editor Test    *Tue, Jan 24, 2012*

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*Pacific Index Choice now has an optional lifetime income benefit for 75 basis points and the Pacific Destinations VA comes in a new and cheaper share class.*

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Pacific Life's Pacific Index Choice, a fixed indexed annuity, has added an optional eight percent (simple interest), 10-year deferral bonus called Enhanced Lifetime Income Benefit, Pacific Life said in a release.

Someone who purchased a \$100,000 Pacific Index Choice contract with Enhanced Lifetime Income Benefit and waited 10 years before making withdrawals, would have a benefit base of \$180,000.

Under the lifetime income benefit, a single-life version of the rider pays out 5% from ages 59½ to 69; 6% from ages 70 to 79, and 7% from age 80 onward. (For joint-and-survivor contracts, the payout rates are a half-percent less in each age band.) The annual charge for the Enhanced Lifetime Income Benefit is 0.75%.

"Even if the annuity contract earns no interest, clients can boost the base amount from which they draw income by eight percent per year, for up to 10 years, simply by deferring the date they start their withdrawals," said Christine Tucker, Pacific Life's vice president of marketing, Retirement Solutions Division.

There are six-, eight- and ten-year surrender-period versions of the contract, and two crediting methods, a one-year point-to-point and a two-year point-to-point. The account can link to the performance of the S&P 500 Index or the MSCI All Country World Index. There's also a "declared interest index option," where a "fixed interest rate is credited if the index shows an increase" as well as a fixed return option, which promises a fixed interest rate of at least one percent.

On January 9, Pacific Life's Retirement Solutions Division launched a new O-share variable annuity, **Pacific Destinations O-Series**, with the low mortality, expense, and administrative fees of an A-share product without an up-front sales charge. It has a seven-year surrender period. A premium-based charge will apply to each purchase payment and is deducted quarterly over a seven-year period.

Several insurers have created so-called O-share variable annuities to meet the demands of Edward Jones for a product with more customer-friendly pricing. Pacific Life's product line for Edward Jones now includes fixed and variable annuities (including A-share and O-share versions of Pacific Destinations), mutual funds, and life insurance products.

"The introduction of Pacific Destinations O-Series is another important step in fulfilling our commitment to provide Edward Jones Financial Advisors with a wide range of quality product choices to help meet clients' needs and preferences," said Chris van Mierlo, Pacific Life's chief marketing officer, Retirement Solutions Division.

The Pacific Destinations O-Series product offers four investment asset allocation categories. For an additional cost, it also offers a choice of two optional guaranteed withdrawal benefits: Automatic Income Builder, which enables clients to receive income for life with automatic increases, and CoreIncome Advantage5 Plus, which enables clients to lock in market gains and an income that can continue for life.

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