
Penn Mutual Enriches Income Benefit Without Raising Fees

By Editor Test *Wed, Feb 17, 2010*

The "Growth and Income Advantage Benefit" rider now has a 6% annual roll-up and a maximum 5% annual payout.

Penn Mutual Life Insurance Company announced that it is increasing the accumulation and withdrawal benefits in one of its variable annuity lifetime income guarantee benefit riders.

The Horsham, Pa., company said its Growth and Income Advantage Benefit rider now has a 6% guaranteed accumulation rate for the withdrawal benefit base, up from 4%. The company also increased the rider's maximum annual withdrawal percentage to 5%, up from 4%.

In addition, the company's Purchasing Power Protector rider, which adjusts with changes in the U.S. Consumer Price Index, will now vary the withdrawal percentage based on the insured's age at first withdrawal.

Annual withdrawals that begin before age 64½ are limited to 4% of the withdrawal base. Withdrawals that begin on or after that age can be 5% of the withdrawal base. Current rider charges or other benefits currently offered under each rider will not change, the insurer said.

The changes "provide clients with improved accumulation potential and secure withdrawal rates to assure our products keep pace with our clients' needs through every life stage," said Ray Caucci, vice president, product management.

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