
VA from Fidelity and MetLife marks \$1 billion in sales

By Editor Test *Wed, Jan 12, 2011*

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MetLife and Fidelity Investments have reported first year sales of more than \$1 billion for the MetLife Growth and Guaranteed Income (MGGI) variable annuity, a low-cost contract distributed exclusively by Fidelity and originally manufactured by Fidelity's own insurance company.

MGGI is the only deferred variable annuity with a living benefit that Fidelity distributes. It allows individuals approaching or living in retirement to use a portion of their retirement assets, particularly from tax-deferred accounts, to provide a guaranteed lifetime income stream for an individual or couple. The product provides the potential for growth when markets are up, and offers downside income protection against market declines.

MGGI is issued by MetLife and includes a built-in guaranteed withdrawal benefit for life which ensures guaranteed lifetime withdrawals of between 4% and 6% of the single premium investment, depending on the age of the client. Once established, the withdrawal percentage does not change.

MGGI simplifies the investment option selection for the customer by offering a single fund, the Fidelity VIP FundsManager 60% Portfolio, which uses an asset allocation approach to achieve exposure to multiple asset classes. This asset allocation approach provides potential for both growth and reduced volatility through diversification. MGGI is also priced lower than the industry average for deferred variable annuities with guaranteed withdrawal benefits.

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