# Voya launches ‘Journey’ indexed annuity

By Editorial Staff *Thu, Feb 16, 2017*

*Returns are pegged to either the J.P. Morgan Meridian Index and the Citi Dynamic Asset Selector 5 Excess Return Index, Voya said in a release this week.*

Voya Financial, Inc., announced this week that it has added the new Voya Journey Index Annuity to its fixed indexed annuity lineup. Journey offers a two-stage interest crediting approach. This product is intended for commission-based sales, but Voya said it will introduce a fee-based version later this year.

According to this two-stage approach, when returns are pegged to either the J.P. Morgan Meridian Index and the Citi Dynamic Asset Selector 5 Excess Return Index:

- In contract years 1-6, the accumulation value of the contract can receive a Performance Interest Credit for every year when the participating index—the J.P. Morgan or the Citi index—is above the initial level.
- In contract year 7, the uncapped point-to-point return of the participating index (or combination of indices) is credited to the accumulation value.

“It’s a new design in the marketplace,” Chad Tope, Voya’s president of annuities and individual life distribution, said in an *RIJ* article published last December 15. “It’s an FIA product with a seven-year term. It will compete with, or act like, an indexed certificate of deposit, but tax-deferred. We’ve had term point-to-point products, with seven- and nine-year terms, but there was no value during the term. With this design, we’re offering credits.”

Asked what might motivate fee-based advisors to sell indexed annuities when they do not have the extra incentive that commissions traditionally provide, Tope said, “When it comes to fee-based FIAs, advisors are still deciding on how to treat these type of products. They are asking a lot of questions—just like many of the firms.”