

# Product Reframed: Field Guide

Harnessing the opportunity presented by modern, in-plan annuities requires more than just knowledge about how these products work. It is about equipping yourself with practical tools and tactics to seamlessly integrate guaranteed lifetime income (GLI) into your client conversations and workflows. This guide is designed to act as your roadmap as you start growing your retirement plan practice with GLI.

## Before you get started

### ☐ Deepen your expertise

However you choose to integrate GLI with your retirement plan practice, the ultimate goal remains the same: empowering plan participants to build a secure and fulfilling retirement.

To confidently navigate this growing market and identify products that suit your clients' needs, continuous learning is key.

### Industry resources

- Explore the Retirement Income Consortium [Resource Hub](#) including the [Prudent Practices for Retirement Income Solutions](#)
- Check out certification options such as the [Retirement Income for 401\(k\) Plans™ Certificate Course \(RI\(k\)™\)](#) from NAPA

### Allianz® insights

- Bookmark [allianzlife.com/dcplanresearch](https://allianzlife.com/dcplanresearch) to access our library of actionable insights around today's retirement realities
- Explore [allianzlife.com/dcblogs](https://allianzlife.com/dcblogs) for blogs on key topics surrounding guaranteed lifetime income

### ☐ Incorporate GLI into your value proposition

Contemplate your own client base and desired service offerings, which will help define your value proposition and how you bring GLI to a plan.

---



---



---

### Consider

- Your level of responsibility over the investment selection and monitoring process
- Potential collaborations with partners including Managed Account providers
- How you engage and educate participants

### ☐ Identify clients well suited for GLI

Pinpoint plan sponsors predisposed to, or in a position to benefit from, guaranteed lifetime income.

---



---



---



---

### Hint

According to recent research from LIMRA, in-plan annuities are more likely to be offered:

1. In newer plans (< 10 years)<sup>1</sup>
2. At employers that offer, or have offered in the past, Defined Benefit (DB) plans<sup>1</sup>
3. At employers who believe they have some responsibility for helping individuals turn their balance into an income stream<sup>1</sup>

### ☐ Be prepared to demonstrate the value of GLI

Request a customized Portfolio Impact Report to assess how the integration of an annuity in a participant's portfolio can help improve quantitative outcomes. Build it into your agenda and review the results along with other recommendations for improving plan health – it's an effective way to show the impact GLI can have.

→ [CLICK HERE](#) to request your customized report

<sup>1</sup> In-Plan Annuities: The Plan Sponsor Perspective, LIMRA, 2023

For financial professional use only – not for use with the public.

## CRAFTING AND DELIVERING THE RIGHT MESSAGE

Successfully introducing GLI to a plan often hinges on your ability to construct a clear, empathetic message that addresses any misconceptions or knowledge gaps that your clients may have. For that reason, a strong communication strategy plays an important role in driving an effective implementation and, ultimately, improving participant outcomes. The following table offers key talking points to help spark meaningful discussions with your clients about the value of GLI.

Topic	Key Points
<b>Complexity</b>	<ul style="list-style-type: none"> <li>• Modern in-plan annuities are designed to be seamlessly integrated within an employer-sponsored plan.</li> <li>• User-friendly interfaces and embedded educational resources make it easier for participants to engage with and understand their GLI option(s).</li> <li>• Allocations can also be automated by pairing GLI with an existing investment vehicle, such as a Managed Account or Target Date Fund (TDF).</li> </ul>
<b>Cost</b>	<ul style="list-style-type: none"> <li>• More cost-efficient structures and the economies of scale offered by employer plans have led to lower annuity costs.</li> <li>• Many also provide a cost-effective way for a plan to expand retirement savings options with no additional fees for the plan sponsor.</li> <li>• For example, the Allianz Lifetime Income+® Annuity is available at no cost to the plan sponsor, and it has a competitive product fee of 50bps for participants.</li> </ul>
<b>Flexibility and accessibility</b>	<ul style="list-style-type: none"> <li>• Forget the “all-or-nothing” choice associated with annuitization. Many modern products are designed with a Guaranteed Lifetime Withdrawal Benefit (GLWB), which provides access to income while retaining control over remaining cash value.</li> <li>• Such products offer flexibility for participants to decide when and how to start income. With Allianz Lifetime Income+®, participants can start income any time after age 60, and adjust withdrawal amounts, up to an annual maximum, to fit their changing needs.</li> </ul>
<b>Growth potential</b>	<ul style="list-style-type: none"> <li>• In-plan annuities are an important part of a holistic strategy that tackles both retirement income building and risk management.</li> </ul>
<b>Technology for delivering and serving GLI</b>	<ul style="list-style-type: none"> <li>• Technology innovations including middleware solutions address connectivity costs and complexities with standardized data flows, streamlined communications, and other automations – making it easier for recordkeepers to connect to GLI solutions.</li> </ul>

Topic	Key Points
<b>Competing priorities with SECURE 2.0</b>	<ul style="list-style-type: none"> <li>In-plan annuities complement SECURE 2.0's goals by building on its savings provisions and providing a cornerstone for a secure income stream in retirement.</li> </ul>
<b>Participant interest</b>	<ul style="list-style-type: none"> <li>90% of Americans recognize the need for a guaranteed stream of income beyond Social Security,<sup>1</sup> but behavioral biases, such as present bias and inertia, along with financial literacy challenges, impede advocacy for these solutions.</li> <li>One recent survey found that 75% of participants believe their Target Date Fund offers a guaranteed stream of retirement income.<sup>2</sup> Such examples of misinformed confidence can hinder proactive actions toward true income protection.</li> </ul>
<b>Sufficiency of existing strategies like the 4% rule</b>	<ul style="list-style-type: none"> <li>While strategies like the 4% rule provide a helpful framework, it's important to recognize its limitations in today's dynamic economic landscape.</li> <li>One-size-fits-all rules also ignore individual realities, including unplanned expenses such as health care or long term care costs, which can have a significant impact on retirement savings.</li> </ul>
<b>Fiduciary risk</b>	<ul style="list-style-type: none"> <li>The SECURE Act of 2019 has paved the way for wider adoption of GLI products in employer plans by addressing fiduciary concerns and simplifying the selection of an insurer.</li> <li>Additionally, it is prudent for plan fiduciaries to consider all solutions that have the potential to improve participant outcomes – both in terms of saving enough money for retirement and in not running out of money while in retirement.</li> </ul>
<b>Portability</b>	<ul style="list-style-type: none"> <li>The ability to seamlessly move an annuity across different DC plans, or even roll it into an IRA, is crucial for individuals who change jobs or wish to consolidate their retirement savings.</li> <li>While some in-plan annuities require a conversion to an individual product, and/or complicated service agreements to transition out-of-plan, not all do.</li> <li>By way of example, the individual contract design of Allianz Lifetime Income+® Annuity removes potential roadblocks and ensures retirees maintain all the same benefits, pricing, and guarantees if they move the annuity to another plan or to an IRA.</li> <li>Additionally, plan-level portability is also possible with the open architecture approach of middleware, which eases the administrative work required to transition recordkeepers.</li> </ul>

<sup>1</sup> 2023 3Q Quarterly Market Perceptions Study was conducted by Allianz in August 2023 with a nationally representative sample of respondents age 18+.

<sup>2</sup> Retirement Outlook 2023, MFS Investment Management, January 2023

# Go deeper

**Read our latest white paper** for more on how to skillfully navigate GLI conversations, and establish yourself as a trusted advisor in this growing market.



**ACCESS Product Reframed (PDF) by filling out this quick form**

## Get help from our dedicated team

Allianz can help you develop your value proposition and deliver a clear, concise message to your clients about the power of guaranteed lifetime income.



**EMAIL [retirement-income@allianzlife.com](mailto:retirement-income@allianzlife.com)**

### For financial professional use only – not for use with the public.

Fixed index annuities are designed to meet long-term needs for retirement income. They provide guarantees against the loss of principal and credited interest, tax-deferred accumulation potential, and the reassurance of a death benefit for beneficiaries.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. (C64712-MVA)

Increasing income potential is provided through a built-in rider at no additional cost. Withdrawals from the annuity may be subject to ordinary federal and state income taxes. You may also be subject to a 10% federal additional tax if you take withdrawals prior to age 59½.

Guarantees are backed solely by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America.

Product and feature availability may vary by state and retirement plan.

This content does not apply in the state of New York.

• Not FDIC insured • May lose value • No bank or credit union guarantee  
• Not a deposit • Not insured by any federal government agency or NCUA/NCUSIF