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FlexChoice

A Variable Annuity Rider From MetLife

How to offer married clients **Lifetime Income** with **Fewer Compromises**

Today’s agenda

How Will Your Clients’ Lives Unfold?

FlexChoice: Flexible For The Ways Life Unfolds

Protected Growth Strategies: Seek Growth & Manage Risk

Next Steps for Your Practice

Are your clients' financial plans flexible enough for the ways life unfolds?

Clients want

CERTAINTY

But need

FLEXIBILITY

Do your clients feel like they have to trade off the flexibility they need in order to generate the retirement income they want?

How can decisions clients make today limit their ability to adapt as needs change?

In your experience, are there any GLWBs that do the following:

- Allow clients to elect single or joint lifetime income after the contract has been issued?
- Calculate the rider's withdrawal amounts on the life of the older owner not the younger owner?
- Offer the same initial withdrawal rate for single and married clients, not a lower rate for married clients?
- Charge the same fee for single and married clients, not a higher fee for married clients?

If you answered "no" to any of these, your clients may need an alternative.

Offer married clients guaranteed[1] lifetime income and additional flexibility

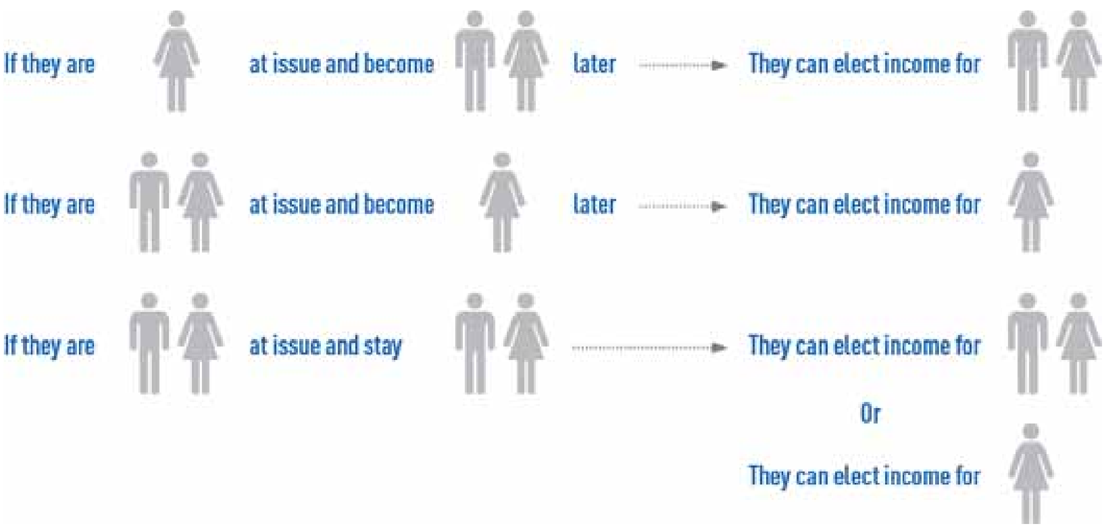
4 ways FlexChoice[2] provides additional flexibility to married clients

Let's examine each of these benefits further.

1 Guarantees are subject to the product terms, exclusions, and limitations and the insurer's claims-paying ability and financial strength.
2 FlexChoice is referred to as the Guaranteed Lifetime Withdrawal Benefit in the prospectus.
3 We use the terms "income" and "lifetime income" to refer to any allowable withdrawal(s) under the FlexChoice rider, as well as any lifetime income payments your clients would receive under the rider if their account value reduces to zero.
4 Initial withdrawal rate refers to the withdrawal rate after age 59½ (age 59½ of older owner if jointly owned) and prior to the contract's account value reducing to zero. If the account value reduces to zero, they can elect to receive income for 1 or 2 lives based on the applicable Lifetime Guarantee Rate. The Joint Lifetime Guarantee Rate is less than the Single Lifetime Guarantee Rate and the spouse cannot be more than 10 years younger than the older owner as determined by the birthdays of the two individuals.
5 The FlexChoice rider is available for an additional annual charge of 1.20% of the Benefit Base, which is deducted from the account value on each contract anniversary. Upon Automatic Step-Up, the annual charge may increase, up to a maximum of 2.00%.

How do your clients feel about locking in decisions today?

With FlexChoice, your married clients are covered **no matter how their lives unfold,** because your clients don't have to choose between single or joint lifetime income options at issue.



Here's how it works

If your client's account value reduces to zero, they can choose the option that best fits their needs:

1. Lifetime Income for 1
2. Lifetime Income for 2,

OR

3. Lump Sum Option[1]

And there's **no additional charge** to cover the spouse.[2]

1 Payment of the lump sum will terminate the contract and all obligations under the contract. Please see the prospectus and contract rider for details.
2 The FlexChoice rider is available for an additional annual charge of 1.20%, which is deducted from the account value on each contract anniversary. The spouse cannot be more than 10 years younger than the older owner as determined by the birthdays of the two individuals.

Help provide income when they need it most

Two guaranteed withdrawal options[1]

FlexChoice provides clients with the same **initial withdrawal rate**, helping provide more income when your clients need it most.[2]

FlexChoice Level[3]

Provides clients with a level amount of payments for their lifetime – guaranteed.

Withdrawal Percent:

Ex. Age 65 = 5%

Note: If the account value reduces to zero, clients will still receive the same amount of single life income for life.

FlexChoice Expedite

Provides clients a higher level of withdrawals early in retirement through a higher withdrawal rate.

Withdrawal Percent:

Ex. Age 65 = 6%

Note: If the account value reduces to zero, clients receive a **reduced** level of income for life.

Not all options and features are available at all states and firms.

1 The amount clients withdraw each year is determined by age at the time of their first withdrawal. So waiting to take withdrawals can increase the amount they're able to withdraw, while maintaining a guaranteed stream of lifetime income.

2 Source: Estimating the True Cost of Retirement. Morningstar Investment Management Retirement Research Report, November 2013.

3 If FlexChoice Level is elected, the withdrawal rate used to calculate the Annual Benefit Payment will be the same immediately before and after the account value is reduced to zero (conditions apply prior to age 59½; see prospectus for details) unless joint lifetime income is elected.

How long should your married clients wait to start income?

87% The percentage of married clients who are not the same age[1]

2.3 Years The average age difference[1]

With FlexChoice, the initial withdrawal rate is based on the age of the older owner.

This means your clients won't have to wait for the younger owner to reach a key age to begin withdrawals.

Meet Tom And Beth

Hypothetical example. For illustrative purposes only.

Tom: Age 65 Beth: Age 63

When can they begin withdrawing 5% (Level) or 6% (Expedite)?

Immediately

Tom and Beth can immediately start 5% or 6% withdrawals **because Tom is 65**.

1 Source: U.S. Census Bureau, 2013. www.census.gov

What if something unexpected happens?

FlexChoice provides your clients with Spousal Continuation and the ability to continue withdrawing income at the **established withdrawal rate**.

If one spouse passes away before the account value reduces to zero, the surviving spouse can[1]:

- ✓ Assume ownership of the variable annuity contract.
- ✓ Continue to withdraw income at the established withdrawal rate until the account value reduces to zero.
- ✓ Elect to receive lifetime income or a lump sum payment if the account value reduces to zero. [2]

FlexChoice Level

Hypothetical example. For illustrative purposes only.

Tom & Beth begin **5% withdrawals** when he is **65** and she is **63**

Tom suddenly passes away at the age of **78**

Beth continues taking **5% withdrawals until the account value reduces to zero.** Beth elects **5% income for life.**

1 The spouse must be sole primary beneficiary and cannot be more than 10 years younger as determined by the birthdays of the two individuals.
2 If the contract's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, they will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate.

How can a MetLife variable annuity with the optional FlexChoice rider help ALL your clients retire more confidently?

Flexible for the ways

LIFE UNFOLDS

FlexChoice

FlexChoice – flexible for the ways life unfolds

Guaranteed INCOME FOR LIFE

Guaranteed regardless of market performance

If account value reduces to zero, receive income for life[1]

Three Ways Clients can GROW THEIR INCOME

In Up Markets: Capture market gains through Automatic Step-Ups[2]

In Up, Flat or Down Markets: Annual 5% compounding[3] for the first 10 contract years, in years where there are no withdrawals taken

At Any Time: Additional purchase payments[4]

1 Lifetime income provided if the client stays within the provisions of the rider. If the contract's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, your clients will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate. See prospectus for details.

2 Automatic Step-Ups may increase the annual charge to a fee not to exceed 2.00%.

3 Annual Compounding is referred to as Rollup Rate in the prospectus and contract. The Benefit Base is not available as a lump sum withdrawal.

4 We may restrict subsequent purchase payments at any time if certain changes are made to the FlexChoice rider or if the benefit is no longer available to new contract customers. See prospectus and contract for details.

Withdrawal rates – Level vs. Expedite

Withdrawal Rate - **before** account value reduces to zero

LEVEL

Age at 1st Withdrawal	Withdrawal Rate (% of Benefit Base)
59½ to less than 65	4.00%
65 to less than 75	5.00%
75 to less than 80	5.25%
80+	5.75%

EXPEDITE

Age at 1st Withdrawal	Withdrawal Rate (% of Benefit Base)
59½ to less than 65	5.00%
65 to less than 75	6.00%
75 to less than 80	6.00%
80+	6.75%

Note: If the contract's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, your clients will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate. See prospectus for details.

Withdrawal rates – Level vs. Expedite

Lifetime Guarantee Rate - **after** account value reduces to zero

LEVEL

Age at 1st Withdrawal	Single Life Guarantee Rate	Joint Lifetime Guarantee Rate
59½ to less than 65	4.00%	3.00%
65 to less than 75	5.00%	4.00%
75 to less than 80	5.25%	4.25%
80+	5.75%	4.75%

EXPEDITE

Age at 1st Withdrawal	Age When Account Value is Reduced to Zero	Single Life Guarantee Rate	Joint Lifetime Guarantee Rate
59½ to less than 65	79 or younger	3.00%	2.00%
	80 or older	3.25%	2.25%
65 to less than 75	79 or younger	4.00%	3.00%
	80 or older	4.25%	3.25%
75 to less than 80	79 or younger	4.00%	3.00%
	80 or older	4.25%	3.25%
80+	79 or younger	N/A	N/A
	80 or older	5.00%	4.00%

Note: If the contract's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, your clients will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate. See prospectus for details.

Level withdrawals for 1 or 2 lives

An example: if your client was 65 when she took her first withdrawal:

Hypothetical example for illustrative purposes only. It does not reflect a specific annuity, an actual account value or the performance of any investment.

$100,000 Benefit Base **X** **5%** Withdrawal Rate **=** **$5,000** Annual Benefit Payment → Until Acount Value reduces to zero[1]

If her account value reduces to zero[2], she has the option to choose lifetime income for

1 OR 2 LIVES

$100,000 Benefit Base **X**

- **5%** Lifetime Guarantee Rate **=** **$5,000** Lifetime Income Payment → **LIFE**
- **4%** Joint Lifetime Guarantee Rate **=** **$4,000** Joint Lifetime Income Payment

1 If the account value never reduces to zero, the withdrawal rate will always apply.
2 If the client's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, they will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate.

Expedite withdrawals for 1 or 2 lives

An example: if your client was 65 when he took his first withdrawal:

Hypothetical example for illustrative purposes only. It does not reflect a specific annuity, an actual account value or the performance of any investment.

$100,000 Benefit Base X **6%** Withdrawal Rate = **$6,000** Annual Benefit Payment — Until Acount Value reduces to zero[1]

If his account value reduces to zero[2] at age 80, he has the option to choose lifetime income for

1 OR 2 LIVES

$100,000 Benefit Base X

- **4.25%** Lifetime Guarantee Rate = **$4,250** Lifetime Income Payment
- **3.25%** Joint Lifetime Guarantee Rate = **$3,250** Joint Lifetime Income Payment

LIFE

1 If the account value never reduces to zero, the withdrawal rate will always apply.
2 If the client's account value is reduced to zero due to a withdrawal before age 59½, or due to an excess withdrawal, they will not be eligible for lifetime income, no further benefit will be payable under the FlexChoice rider, and the rider will terminate.

FlexChoice – offers real-life flexibility for the ways life unfolds

Real–Life Flexibility

Spousal Flexibility

FlexChoice was designed to remove tough, upfront decisions married clients often face when planning for retirement.

Start withdrawals at any time

Your clients decide when to start withdrawing income.

The FlexChoice initial withdrawal rate is based on your client's age at the time of the 1st withdrawal after age 59½.

For jointly owned contracts, we will base the initial withdrawal rate on the age of the **older owner.**

Cancel if needs change

Your client can cancel the FlexChoice rider on the 5th, 10th or later contract anniversary.

Lump-sum option[1]

If your clients' needs change, they can elect to receive a lump-sum payment instead of lifetime income.

1 Payment of the lump sum will terminate the contract and all obligations under the contract. Please see the prospectus and contract rider for details.

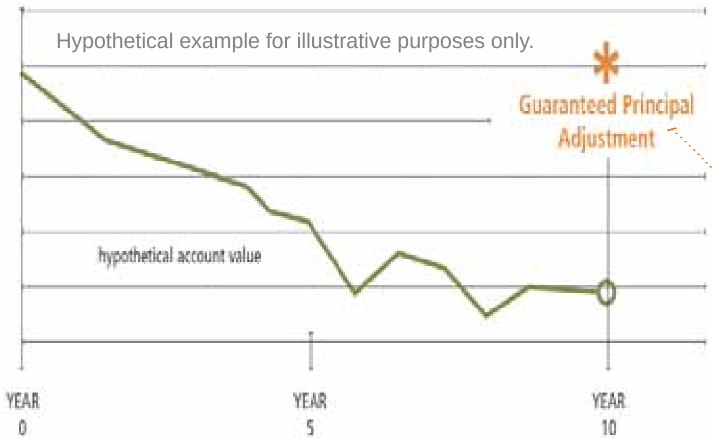
What if my clients needs change?

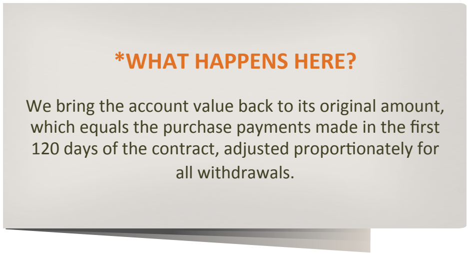
Two options to cancel the rider:

Before the contract account value reduces to zero

Guaranteed Principal Adjustment

If your clients cancel the rider on the 10th or later contract anniversary and their account value has decreased…





After the contract account value reduces to zero

Lump Sum

How is the FlexChoice lump sum calculated?
The lump sum is calculated by multiplying the client's Annual Benefit Payment at that time, using the Single Lifetime Guarantee Rate, by a lump sum factor in effect at the time the contract's account value reaches zero.

Hypothetical example for illustrative purposes only.

Assumed lump sum factor: 4.8

82

Client's age when the account value is reduced to zero.

$8,144	X	**4.8**	=	**$39,091**
Annual Benefit Payment		Hypothetical Lump Sum Factor		Hypothetical Lump Sum Amount

FlexChoice in action – optional death benefit

Add more CERTAINTY

If a client elects the optional death benefit, their beneficiary(ies) will receive the greater of:

- FlexChoice Death Benefit[1] or
- Their contract's standard death benefit

Optional DEATH BENEFIT

- Annual compounding regardless of market conditions[2]
- Automatic Step-Ups to capture market gains
- Dollar-for-dollar reduction for allowable withdrawals

1 Fee is 0.65% of the death benefit base (up to a maximum of 1.20%). Not available in all states.
2 The set rate is stated in the prospectus. Annual compounding is referred to as Rollup Rate in the prospectus. Applies to first 10 contract years – in years where there are no withdrawals taken.

Protected Growth Strategies – seeking growth, manage risk

Construct a Diversified Portfolio

Invest for Growth, Manage for Risk

The MetLife Protected Growth Strategy portfolios **seek more consistent returns over time** through a balanced approach that identifies **opportunities for growth** while responsively managing risk.

Protected Growth Strategies – 3 main categories

Managed Volatility

- Similar to a traditional moderate portfolio – 60% equity, 40% fixed income
- Each portfolio takes a unique approach to managing volatility
- Focus on risk reduction in periods of heightened volatility
- Position for growth in stable markets

Balanced Risk

- Allocate assets based on their risk contribution to the portfolio
- Prevent any one asset class from dominating the portfolio returns
- Low correlation to our Managed Volatility and Momentum portfolios

Momentum

- Similar to a traditional moderate portfolio – 60% equity, 40% fixed income
- Seeks to identify persistent trends in market movements
- As trends are identified, portfolios may adjust their asset allocations accordingly

For more information, please visit **www.MetLife.com/PGS**

FlexChoice investment options

Managed Volatility

AllianceBernstein Global Dynamic Allocation Portfolio

MetLife Multi-Index Targeted Risk Portfolio

BlackRock Global Tactical Strategies Portfolio

Pyramis® Managed Risk Portfolio

MetLife Balanced Plus Portfolio

Schroders Global Multi-Asset Portfolio

Balanced Risk

AQR Global Risk Balanced Portfolio

Invesco Balanced-Risk Allocation Portfolio

PanAgora Global Diversified Risk Portfolio

Momentum

Allianz Global Investors Dynamic Multi-Asset Plus Portfolio

JPMorgan Global Active Allocation Portfolio

For more information, please visit **www.MetLife.com/PGS**

Which clients need to hear about FlexChoice?

Target client for FlexChoice[1]:

- Between **ages 55–70**
- **Married** Clients
- 5–10 years **from retirement**
- Prefers **flexibility and control**
- Seeking **guaranteed income via withdrawals** with market upside potential

1 FlexChoice is available for an additional annual charge of 1.20% of the Benefit Base. This fee is deducted from the account value on each contract anniversary and may increase at the time of an automatic step up, to a charge not to exceed 2.0%.

What more should you know?

FlexChoice Facts:

Annual Charge

1.20%

of Benefit Base

Issue age

50 minimum

85 maximum

FlexChoice Death Benefit Facts:

Annual Charge

0.65%

of Death Benefit Base

Issue age

50 minimum

65 maximum

If jointly owned, issue age determined by age of older owner.

What more do you need to know about withdrawals?

The Withdrawal Rate and Lifetime Guarantee Rate are determined by the clients' age at the time of their 1st withdrawal after age 59½. For jointly owned contracts, this will be based on the age of the older contract owner.

Early Withdrawals (prior to age 59½) reduce the clients' Benefit Base proportionately. For example, if a withdrawal reduces their account value by 10%, then their Benefit Base would also be reduced by 10%. If these withdrawals do not cause their account value reduce to zero, they'll still receive lifetime income.

Excess Withdrawals (after age 59½) in a contract year that exceed the Annual Benefit Payment, will reduce the Benefit Base proportionately and could impact whether or not the client receives lifetime income payments. An excess withdrawal that reduces the account value to zero will terminate the FlexChoice rider.

Required Minimum Distributions (RMDs) will not be considered excess withdrawals if they're greater than the clients' Annual Benefit Payment. This applies to RMDs for this contract only.

Important information

Annuities are long-term investments designed for retirement purposes.

Prospectuses for variable annuities issued by a MetLife insurance company, and for the investment portfolios offered thereunder, are available from MetLife. The contract prospectus contains information about the contract's features, risks, charges and expenses. Investors should consider the investment objectives, risks, charges and expenses of the investment company carefully before investing. The investment objectives, risks and policies of the investment options, as well as other information about the investment options, are described in their respective prospectuses. Clients should read the prospectuses and consider this information carefully before investing. Product availability and features may vary by state. Please refer to the contract prospectus for more complete details regarding the living and death benefits.

Variable annuities are long-term investments designed for retirement purposes. MetLife variable annuities have limitations, exclusions, charges, termination provisions and terms for keeping them in force. There is no guarantee that any of the variable investment options in this product will meet their stated goals or objectives. The account value is subject to market fluctuations and investment risk so that, when withdrawn, it may be worth more or less than its original value, even when an optional protection benefit rider is elected. All contract and rider guarantees, including optional benefits and annuity payout rates, are subject to the claims-paying ability and financial strength of the issuing insurance company.

Withdrawals of taxable amounts are subject to ordinary income tax and if made before age 59½, may be subject to a 10% Federal income tax penalty. Distributions of taxable amounts from a non-qualified annuity may also be subject to the 3.8% Unearned Income Medicare Contribution Tax on Net Investment Income if your modified adjusted gross income exceeds the applicable threshold amount. Withdrawals will reduce the living and death benefits and account value. Withdrawals may be subject to withdrawal charges.

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