

Brighthouse Guaranteed Income Builder[®]

A Case Study

A qualifying longevity annuity contract funded with an individual retirement account (IRA) can reduce required minimum distributions.¹ IRS regulations allow a deferred income annuity (DIA) to be offered as a qualifying longevity annuity contract (QLAC). The Brighthouse Guaranteed Income Builder[®] deferred income annuity can be purchased as a QLAC IRA, allowing income payments to begin at an advanced age while retirees can wait to take some required minimum distributions (RMDs) on the value of the QLAC until as late as age 85 instead of age 73.²

Hypothetical example for illustrative purposes only.

Meet Max

Age 68 and retired

Some facts about Max:

- Has traditional IRAs with a value totaling \$580,000 as of December 31 from the prior calendar year
- Has additional retirement income sources, including Social Security and a pension, and would like to tap into other IRA income sources in 15 years
- Wants to ensure that he has enough guaranteed lifetime income later in retirement as he expects his cost of living will increase over time
- Would prefer to avoid having to receive some of his RMDs beginning at age 73
- Wants to delay paying taxes on money that isn't needed in early retirement³

¹ An annuity in an IRA does not provide tax deferral and should not be purchased for that purpose.

² Generally, clients must take required minimum distributions from their Individual Retirement Annuity (IRA) once they reach age 73 or at age 72 if they were born on or after July 1, 1949 through December 31, 1950. Clients should seek advice from a qualified tax professional for complete details.

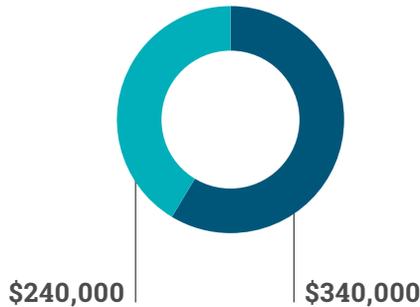
³ Any discussion of taxes is for general informational purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax, or accounting advice. Clients should confer with their qualified legal, tax, and accounting professionals as appropriate.

Max's IRA assets in action

Consider Max's current situation with traditional IRAs totaling \$580,000. The hypothetical example below offers a glimpse into Max's RMDs for a 10-year window, beginning at age 73.

Max's Current Traditional IRA Assets

● IRA #1 ● IRA #2



Max's RMD obligation⁴ with his current traditional IRAs over a hypothetical 10-year period:

Age 73: \$25,373

Age 83: \$32,162

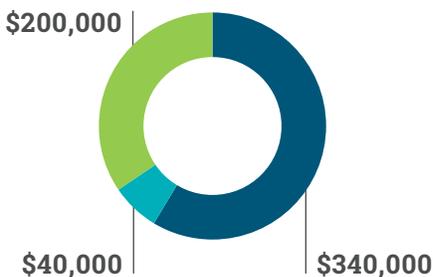
Max's cumulative RMDs subject to taxation for this period:

\$316,992

What if Max purchases a DIA, such as Brighthouse Guaranteed Income Builder, as a QLAC IRA? Rolling over part of his \$580,000 in traditional IRAs to purchase the maximum allowable QLAC for an individual (\$200,000),⁵ Max can defer the payment of some RMDs under his IRAs and the obligation of the associated taxes while scheduling guaranteed lifetime income for later in retirement.

Max's Traditional IRA Assets With a QLAC

● IRA #1 ● IRA #2 ● Guaranteed Income Builder as a QLAC



Max's RMD obligation⁴ with his QLAC of \$200,000 over a hypothetical 10-year period:

Age 73: \$16,624

Age 83: \$22,138

Max's cumulative RMDs subject to taxation for this period:

\$209,694

(\$107,298 in RMDs deferred)

Besides Max's RMD savings, his \$200,000 purchase payment has secured him annual income as part of his Guaranteed Income Builder QLAC contract.⁶ If Max defers income until age 83, he'll have \$57,702 in annual income for life.⁷

⁴ Required minimum distributions based on the Uniform Lifetime Table, Brighthouse Financial Federal Tax Quick Reference Guide, 2023. Assumes IRA account growth at 3% annually. Inflation and discount are not applied and all amounts are in current dollars. These examples are hypothetical and for illustrative purposes only.

⁵ An individual's purchase limit for QLACs for contracts purchased on or after December 29, 2022 may not exceed \$200,000, less the sum of all premiums previously made to other QLACs. Lower QLAC Purchase Payment limits may apply to QLAC contracts issued before December 29, 2022. Please consult your tax professional to ensure that your Purchase Payment does not exceed the amount allowed under the Internal Revenue Code. Source: A way to secure retirement income later in life. Fidelity, March 14, 2023.

⁶ A QLAC does not make available any Cash Out Option, cash surrender right, or other similar feature. Adhering to the purchase limit is your responsibility.

⁷ Future income payments are based on the annuity purchase rate available on the day you make a purchase payment into the Guaranteed Income Builder annuity. Guaranteed Income Builder income payments in the example were based on a single purchase payment, Lifetime Income with Cash Refund option for a male, age 68, and the hypothetical annuity purchase rate developed on 05/17/2023, and is not to be construed as a guarantee or estimate of amounts to be paid in the future. In MA and MT, unisex annuity purchase rates are used to determine income payments.

Brighthouse Guaranteed Income Builder can help you prepare for a long and comfortable retirement

If you're concerned about having enough guaranteed income in retirement and don't plan on needing a portion of IRA savings early in retirement, a strategy such as a QLAC for reducing RMDs may make sense. Contact your financial professional for more information.

A Guaranteed Income Builder annuity can help cover retirement income needs by providing:



Income for Life

Guaranteed Income Builder can help you leverage a portion of your assets to secure future lifetime income, which can help cover retirement expenses.



Income for Living

From the day the deferred income annuity is purchased and the income start date is chosen, you'll know exactly how much you, or you and your spouse, will receive each year as long as you live.



Income for Changing Needs

Tailor future income payments by selecting the options and features that can meet changing needs.

The Brighthouse Guaranteed Income Builder deferred income annuity is an insurance product and not insured by the FDIC, the NCUSIF, or any other government agency, nor is it guaranteed by, or the obligation of, the financial institution that sells it. All contract guarantees and annuity payout rates are subject to the claims-paying ability and financial strength of the issuing insurance company. They are not backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased, or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability and financial strength of the issuing insurance company. Similarly, the issuing insurance company does not back the financial strength of the broker/dealer or any of its affiliates.

The Brighthouse Guaranteed Income Builder deferred income annuity has charges, termination provisions, and terms for keeping it in force. Please contact your financial professional for complete details.

Withdrawals of taxable amounts are subject to ordinary income tax. Withdrawals made before age 59½ may also 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% Net Investment Income tax that is generally imposed on interest, dividends, and annuity income if the modified adjusted gross income exceeds the applicable threshold amount. Withdrawals will reduce the death benefit and account value. Withdrawals may be subject to withdrawal charges.

Buying an annuity to fund a qualified retirement plan or IRA should be done for the annuity's features and benefits other than tax deferral. Tax deferral is generally a feature of a qualified retirement plan or IRA, so an annuity would not provide an additional tax deferral benefit. References throughout this material to tax advantages, such as tax deferral and tax-free transfers, are subject to this consideration. The product described in this material is not made available to employer-sponsored qualified retirement plans. For non-qualified annuities, tax deferral is not available to corporations and certain other entities.

All guarantees, including any optional benefits, are subject to the claims-paying ability and financial strength of the issuing insurance company. Each issuing insurance company is solely responsible for its own financial condition and contractual obligations.

The Brighthouse Guaranteed Income Builder® deferred income annuity is issued by, and product guarantees are solely the responsibility of, Brighthouse Life Insurance Company, Charlotte, NC 28277, on Policy Form 6-1000-1 (05/14) ("Brighthouse Financial"). Product availability and features may vary by state or firm. This product is not available in New York.

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Brighthouse Life Insurance Company
11225 North Community House Road
Charlotte, NC 28277
brighthousefinancial.com