

ANNUITIES

Income



Brighthouse
FINANCIAL®

Build for what's ahead®

Brighthouse Income Annuity

A Case Study: Early Access Option





Move forward with an option that offers partial access to future income

Having a steady stream of guaranteed income can give you peace of mind in retirement – so does having access to a portion of your retirement savings if unexpected needs arise.

With a retirement product like the Brighthouse Income Annuity,¹ you can plan for the expected – and the unexpected – with a variety of income payment options and the Early Access Option.^{2,3}

A Brighthouse Income Annuity lets you turn a portion of your assets into stable income with payments that begin right away. Experience more certainty about your income without market risk, and choose the payment option that best fits your needs.

Plus, you don't have to worry about "locking up" all your money. The Early Access Option lets you access some of your future payments if the need arises – in some cases as much as 50% of your remaining payments. See page 04 for further details.



Did you know?

The average retiree should plan on needing about

80%

of their pre-retirement income to maintain their standard of living in retirement.⁴



Meet Patricia

See how she uses the Early Access Option to add flexibility to her financial future.

Guaranteed income. Flexible access.

Patricia is 70 years old and recently purchased a Brighthouse Income Annuity for \$100,000 using a portion of her retirement savings. She selected the Lifetime Income with Cash Refund income payment option. Patricia liked the added benefit of the Early Access Option so that her money felt more accessible. Her annuity provides her annual income of \$6,813 that will last as long as she lives. Should she pass away before receiving income payments equal to her purchase payment, a lump-sum payment of the difference will be made to her beneficiary(ies).

Patricia uses her income of \$6,813 a year to help cover some of her grocery and living expenses. However, she faces an unexpected emergency requiring access to a portion of her future income. Fortunately, because her Brighthouse Income Annuity includes the Early Access Option, she can access a portion of her future income during her Liquidity Period.

How the Liquidity Period for the Early Access Option works

The Liquidity Period is the time when withdrawals are allowed and is determined by the guaranteed income payout option that you choose. So, for example, if you choose Lifetime Income with a Guarantee Period of five years, your Liquidity Period will be five years. If you choose Lifetime Income with a Guarantee Period of 20 years, your Liquidity Period will be 20 years. See the table below for the Liquidity Period lengths of all income payment options.

Income Payment Option ⁵	Liquidity Period
Lifetime Income or Lifetime Income for Two with Early Access Option	10 years
Lifetime Income or Lifetime Income for Two with Cash Refund	
Lifetime Income or Lifetime Income for Two with a Guarantee Period (for periods between 5 and 30 years)	Guarantee period length
Income for a Guarantee Period only	

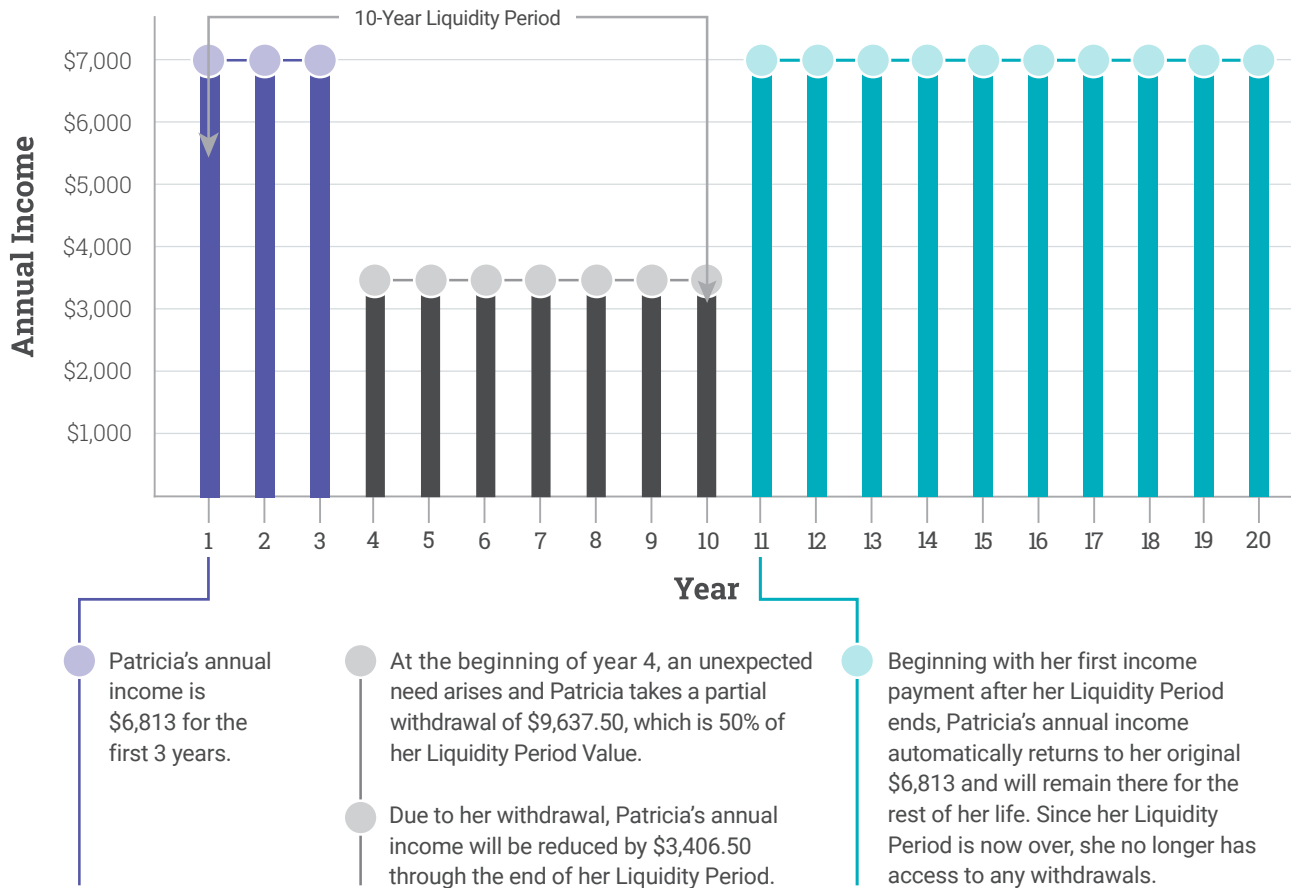
Following the first contract anniversary, you can access up to 50% of your Liquidity Period Value, taken as a partial withdrawal. Your remaining payments during the Liquidity Period will be reduced by the percentage withdrawn for the remainder of the Liquidity Period.

Purchase Payment:

\$100,000

Lifetime Income with Cash Refund Liquidity Period:

10 Years



Hypothetical example for illustrative purposes only.

The withdrawal amount is based on an assumed discount rate of 7.75%. Rates illustrated in these hypothetical case studies are for illustrative purposes only and were based on annuity purchase rates in effect on 8/1/23, assuming a \$100,000 purchase payment. These rates are not to be construed as a guarantee or estimate of amounts to be paid in the future. Actual annuity rates are determined when a purchase payment is received and will be based on current rates. Actual rates will be higher or lower than those illustrated. All illustrations are based on non-qualified deposits and assume no premium tax applies. Income payment types cannot be changed or modified once payments have begun. These examples do not take into consideration the impact of taxes. Ask your financial professional for a current illustration of actual income payments. In MA and MT, unisex purchase rates are used to determine income payments.

The Liquidity Period Value illustrated above was determined as of the beginning of the year indicated, is the commuted value of future Liquidity Period income payments, and assumes no prior early access withdrawals. The amount is determined using the discount rate shown and, if applicable, the company's mortality table as of the date of the illustration.

Withdrawals made under the Early Access Option will be subject to a processing fee of 2%. For IRAs and tax-qualified retirement plans, it is unclear whether the restoration of the original payment stream (plus any increase due to the Increasing Income Option, if applicable) after the reduction in payments during the Liquidity Period is permitted under the required minimum distribution rules. Consult your tax professional prior to the purchase of an income annuity providing the Early Access Option in an IRA and other tax-qualified markets.

For non-qualified annuities, the amount received from the exercise of the Early Access Option may be fully includable in your taxable income. Exercising the Early Access Option may adversely impact the portion of your subsequent income payments made during the Liquidity Period that can be treated as a non-taxable return of your after-tax investment.

With the Brighthouse Income Annuity, you can:



Turn a portion of your assets into stable income – for you **or** you and another person.



Access a portion of future payments if the need arises with the Early Access Option.^{2,3}



Experience more certainty with no market risk – market fluctuations won't cause a variation in income payments.



Take advantage of favorable tax treatment when purchasing an annuity with after-tax assets.^{7,8}



Select the income payment option that's right for you.



Begin receiving income payments right away.



Choose the Increasing Income Option to help protect against inflation.⁶



Use your income for anything from everyday living expenses to hobbies and vacations.



For more information about the Brighthouse Income Annuity, speak with your financial professional or visit [brighthousefinancial.com](https://www.brighthousefinancial.com).

¹ Referred to as Single Premium Immediate Annuity in the contract and on related forms.

² The Early Access Option is not available in all states. In Oregon, the Early Access Option is not available. In the state of Washington, the Early Access Option is only available with the following income options: Lifetime Income (or Lifetime Income for Two) with Cash Refund, Lifetime Income (or Lifetime Income for Two) with a Guarantee Period, and Income for a Guarantee Period Only.

³ The Early Access Option is available for contracts where each owner is at least 59½ at the time of contract issue, and is available on both qualified and non-qualified contracts. There will be a 2% processing fee for any partial withdrawal.

⁴ How much money do you need to retire? A good rule of thumb is to save enough to cover 80% of your pre-retirement income. Fortune, March 22, 2023.

⁵ The Early Access Option can be selected as an added benefit to the following income payment options: Lifetime Income or Lifetime Income for Two, Lifetime Income or Lifetime Income for Two with Cash Refund, Lifetime Income or Lifetime Income for Two with a Guarantee Period, or Income for a Guarantee Period only.

⁶ The Increasing Income Option is available for contracts where each owner is at least 59½ at the time of contract issue and is available on both qualified and non-qualified contracts. This option must be elected at the time of purchase and, once chosen, it cannot be changed or canceled. It will continue until the end of the contract. By selecting the Increasing Income Option, the initial income payment will be lower than if the option had not been selected.

⁷ The taxation of the money you receive from your contract will differ depending on the type of contract (qualified or non-qualified) and whether you are taking withdrawals or receiving income payments. The taxable portion of the money you receive will be subject to ordinary income taxes and, if distributed before the owner reaches age 59½, may be subject to a 10% federal income tax penalty. If any of the lifetime income payment options are selected, then the 10% penalty generally does not apply. Depending on whether the annuity is qualified or non-qualified and how it is funded, the income for a Guarantee Period Only option could result in the 10% penalty. On the non-qualified side, if the annuity is funded by way of a 1035 exchange from a deferred contract, the exception to the 10% penalty for immediate annuities would not apply. Partial withdrawals from non-qualified annuity contracts, including withdrawals under the Early Access Option, are treated as coming from the taxable portion first; and only after the taxable portion has been exhausted are withdrawals treated as a non-taxable return of the after-tax investment, subject to certain aggregation rules if you purchased multiple annuities from the same company or affiliate in the same calendar year.

⁸ 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.

Brighthouse Financial fixed and income annuities are insurance products and not insured by the FDIC, the NCUSIF, or any other government agency, nor are they guaranteed by, or the obligation of, the financial institution that sells them. 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.

Annuities from Brighthouse Financial have charges, termination provisions, and terms for keeping them 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.

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.

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 Single Premium Immediate Annuity is issued by Brighthouse Life Insurance Company, Charlotte, NC 28277, on Policy Form Series MLIU-SPIA (07/06) and, in New York only, by Brighthouse Life Insurance Company of NY, New York, NY 10017, on Policy Form Series FMLI-SPIA (7/06) ("Brighthouse Financial"). Product availability and features may vary by state or firm.

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

Brighthouse Life Insurance Company of NY
285 Madison Avenue
New York, NY 10017