



# Fixed Indexed Annuities Reference Guide



# TABLE OF CONTENTS

---

Fixed-Indexed Annuity Overview.....	3
Fixed-Indexed Annuity Product Specifications	
Flexible Premium Deferred Annuity (FPDA) for 403(b) Classic, Classic Plus.....	6
Flexible Premium Deferred Annuity (FPDA) Secure 7 High Band, Secure 7 Low Band .....	7
Flexible Premium Deferred Annuity (FPDA) Multi-Choice 6, Multi-Choice 10.....	8
Bonus Annuities	
Multi-Choice Bonus Plus, Loyalty Rewards Escalator 12 .....	9

# **FIXED-INDEXED ANNUITY OVERVIEW**

---

Many of our customers are planning for retirement by placing money in secure savings vehicles. To help our customers meet their financial objectives, GuideOne offers the following types of **Fixed-Indexed Annuities**:

◆ **For 403(b) Plans**

- ◆ Flexible Premium Deferred Annuities (FPDA)
  - Classic (North American)
  - Classic Plus (North American)

◆ **For All Other Savings Plans**

- ◆ Flexible Premium Deferred Annuities (FPDA)
  - Secure 7 (ING)
  - Multi-Choice 6 (AmerUs)
  - Multi-Choice 10 (AmerUs)
- ◆ Bonus Annuities
  - Bonus Plus (AmerUs)
  - Loyalty Rewards Escalator 12 (F&G)

## **What is a Fixed-Indexed Annuity?**

A fixed-indexed annuity is an annuity that earns interest by being linked to an external index, such as, Standard & Poor's 500.

## **How is it different from other fixed annuities?**

A fixed-indexed annuity is different because of the way interest gets credited to the value of your annuity. Most fixed annuities credit interest according to the calculated rate specified in the contract. Whereas, fixed-indexed annuities credit interest using a special formula that is based on changes to the index to which the annuity is tied. This formula determines how the additional interest, if any, is calculated and credited. The amount of additional interest you receive and when you receive it depends on the features of your particular annuity.

A number of fixed-indexed annuities, like other fixed annuities, also provide a minimum guaranteed interest rate even if the index-linked interest rate is lower. Plus, the value of your annuity will never drop below a guaranteed minimum.

# FIXED-INDEXED ANNUITIES OVERVIEW

---

## Common Terms

### ◆ **Indexing Method**

Approach used to measure the amount of change in the index, if any. Some of the most common indexing methods are:

- **Point-to-Point**

The index-linked interest, if any, is based on the difference between the index value at the end of the term and the index value at the start of the term. Interest is added to your annuity at the end of the term.

- **Monthly Averaging**

In some annuities, the average of an index's value is used rather than the actual value of the index on a specified date. Index averaging may occur at the beginning, the end, or throughout the entire term of the annuity. Averaging at the beginning of a term can protect you from buying at a high point, which would reduce the amount of interest you might earn. Averaging at the end of the term can protect you from severe declines in the index and losing index-linked interest.

- **Monthly Cap**

1. The index value at the end of any given policy month will be compared to the index value at the beginning of that policy month to determine the point-to-point index return for that month.
2. The index change is determined by subtracting the prior month's index value from the current month's index value and then dividing this amount by the prior month's index value.
3. If this results in a positive index change and is not more than the cap, it is used as the capped index change for that month. If the index change is greater than the cap, the cap rate is used as the capped index change for that month. If the index change is negative, a negative capped index change is used for that month.

### ◆ **Participation Rate**

Decides how much of the increase in the index will be used to calculate index-linked interest. For example, if the calculated change in the index is 9% and the participation rate is 70%, the index-linked interest rate will be 6.3% ( $9\% \times 70\% = 6.3\%$ ). A different participation rate for newly issued annuities may be set as often as each day. Therefore, the initial participation rate will depend on when it is issued and will be guaranteed for the period specified in your contract. Most contracts have 100% participation guaranteed for the life of the contract.

### ◆ **Cap Rate or Cap**

Establishes the maximum rate of interest the annuity will earn. While a cap limits the amount of interest you might earn, annuities with this feature may have other product features, such as annual interest crediting, partial withdrawals, or a higher participation rate.

### ◆ **Margin/Spread/Administrative Fee**

For some annuities, the index-linked interest rate is determined by subtracting a specific percentage from the calculated change in the index. This percentage, often referred to as the "margin", "spread", or "administrative fee," might be instead of, or in addition to, a participation rate or cap.

# FIXED-INDEXED ANNUITY OVERVIEW

---

## Common Terms Continued

### ◆ Escalator Bonus

A type of bonus where the bonus interest rate (typically 1 %) will be credited on the first year premium payments when they are initially paid and thereafter on each policy anniversary up to the point in time (usually) when the surrender charges no longer apply.

# FIXED-INDEXED ANNUITY PRODUCT PORTFOLIO SPECIFICATIONS

Flexible Premium Deferred Annuities for 403(b) Plans				
Feature	Classic		Classic Plus	
Company	North American Company			
Participation Rate	A: 60% B: 60.5% C: 50% D: 55% E: 55% F: 2.20%		A: 55% B: 55% C: 45% D: 50% E: 50% F: 2.00%	
Indexing Method	A: S&P 500 B: DJIA C: Nasdaq – 100 D: S&P Mid 400 E: Russell 2000 F: Monthly Cap G: Fixed: 3.05%		A: S&P 500 B: DJIA C: Nasdaq – 100 D: S&P Mid 400 E: Russell 2000 F: Monthly Cap G: Fixed: 2.70%	
Issue Ages	0 – 79 Owner/Annuitant		0 – 75 Owner/Annuitant	
Minimum Deposit	<ul style="list-style-type: none"> <li>Non-Qualified: \$10,000 single</li> <li>Qualified: \$2,000 single, \$50/month or \$600 annually</li> </ul>			
Minimum Guarantee	87.5% of premium at 2.1% interest			
Policy Fee	None			
Minimum Interest Rate Cap	Annual Point-to-Point = 12%			
Free Withdrawal	10% of Accumulation Value, once each year, after the first policy year.			
Payout Options	<ul style="list-style-type: none"> <li>5 x 5</li> <li>1 x Life</li> </ul>		<ul style="list-style-type: none"> <li>5 x 5</li> <li>10 x 5</li> <li>1 x Life</li> </ul>	
Policy Maturity Age	Age 100			
Annuitization	Not required			
Surrender Charges	<b>Policy Year</b>	<b>Percentage</b>	<b>Policy Year</b>	<b>Percentage</b>
	1	10%	1	18%
	2	9%	2	18%
	3	8%	3	17%
	4	7%	4	15%
	5	6%	5	15%
	6	5%	6	15%
	7	4%	7	15%
	8	3%	8	14%
	9	2%	9	12%
	10	1%	10	10%
	11+	0%	11	8%
	*Lower charges may apply in some states.		12	6%
			13	4%
14			2%	
15 +			0%	
*Lower charges may apply in some states.				
Market Value Adjustment	Will apply only to a total surrender or a withdrawal in excess of the earned interest withdrawal made in any year during the surrender charge period.			
Total Return Adjustment	No		No	
Death Benefit	Full Account Value			
Special Riders/Waivers	Nursing Home Confinement			
Loans	Minimum loan amount is \$1,000. The Company reserves the right to charge a \$25 loan fee.			
States NOT Approved	AL, KS, MD, MA, MN, , OR, WA		AL, CT, KY, MD, MA, MN, OK, OR, UT, VT, VA, WA	

# FIXED-INDEXED ANNUITY PRODUCT SPECIFICATIONS

## Flexible Premium Deferred Annuities for All Other Savings Plans (Table 1 of 2)

Feature	Secure 7 High Band (75,000)	Secure 7 Low Band (15,000)																																				
<b>Company</b>	ING																																					
<b>Participation Rate*</b>	A: 100% B: 100% C: 55%	A: 100% B: 100% C: 50%																																				
<b>Indexing Method*</b>	A: Monthly Average B: S&P Point-to-Point w/ cap C: S&P Point-to-Point without cap D: Fixed rate: 4.00%	A: Monthly Average B: S&P Point-to-Point w/ cap C: S&P Point-to-Point without cap D: Fixed rate: 4.00%																																				
<b>Issue Ages</b>	Non-Qualified & Qualified: 0 – 80 Owner/Annuitant																																					
<b>Minimum Deposit</b>	Qualified: \$75,000 Non-Qualified: \$75,000	Qualified: \$15,000 Non-Qualified: \$15,000																																				
<b>Minimum Guarantee</b>	2.5% on 100% of premium, less any withdrawals, premium taxes, surrender charges and/or adjustments.																																					
<b>Policy Fee*</b>	A: .75% B: None C: None	A: 1.25% B: None C: None																																				
<b>Interest Rate Cap*</b>	A: None B: 8.00% C: None	A: None B: 7.25% C: None																																				
<b>Free Withdrawal</b>	<ul style="list-style-type: none"> <li>• Interest after 30 days</li> <li>• 10% cash value after first year</li> </ul>																																					
<b>Payout Options</b>	Unavailable																																					
<b>Policy Maturity Age</b>	Age 95																																					
<b>Annuitization</b>	Not required																																					
<b>Surrender Charges</b>	<table border="1"> <thead> <tr> <th>End of Policy Year</th> <th>Percentage</th> <th>Beginning of Policy Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>1</td><td>12%</td><td>1</td><td>12%</td></tr> <tr><td>2</td><td>11%</td><td>2</td><td>11%</td></tr> <tr><td>3</td><td>10%</td><td>3</td><td>10%</td></tr> <tr><td>4</td><td>10%</td><td>4</td><td>10%</td></tr> <tr><td>5</td><td>9%</td><td>5</td><td>9%</td></tr> <tr><td>6</td><td>8%</td><td>6</td><td>8%</td></tr> <tr><td>7</td><td>7%</td><td>7</td><td>7%</td></tr> <tr><td>8</td><td>0%</td><td>8</td><td>0%</td></tr> </tbody> </table>	End of Policy Year	Percentage	Beginning of Policy Year	Percentage	1	12%	1	12%	2	11%	2	11%	3	10%	3	10%	4	10%	4	10%	5	9%	5	9%	6	8%	6	8%	7	7%	7	7%	8	0%	8	0%	
End of Policy Year	Percentage	Beginning of Policy Year	Percentage																																			
1	12%	1	12%																																			
2	11%	2	11%																																			
3	10%	3	10%																																			
4	10%	4	10%																																			
5	9%	5	9%																																			
6	8%	6	8%																																			
7	7%	7	7%																																			
8	0%	8	0%																																			
<b>Market Value Adjustment</b>	None																																					
<b>Total Return Adjustment</b>	None																																					
<b>Death Benefit</b>	Full account value																																					
<b>Special Waivers</b>	Nursing Care waiver 30 days confinement access to full account value																																					
<b>States NOT Approved</b>	AL, CA, CT, DE, IL, IN, MD, MA, MN, NJ, ND, OR, PA, SC, TX, UT, VT, WA, WY																																					

\*Please remember that participation rates, fees and caps are often subject to change on Fixed Indexed Annuities. Please make sure you refer to the Fixed Indexed Annuity product grid sent out monthly from RZ Financial to all agents certified in Fixed Indexed Annuities for any recent changes.

# FIXED-INDEXED ANNUITY PRODUCT PORTFOLIO SPECIFICATIONS

## Flexible Premium Deferred Annuities for All Other Savings Plans (Table 2 of 2)

Feature	Multi-Choice 6	Multi-Choice 10																
<b>Company</b>	AmerUs Life	AmerUs Life																
<b>Participation Rate</b>	100% guaranteed for life	100% guaranteed for life																
<b>Indexing Method*</b>	A: S&P Bi-annual Point-to-Point B: Annual Point-to-Point C: Fixed rate: 3.00%	A: S&P Monthly average B: S&P Bi-annual Point-to-Point C: Annual Point-to-Point D: Fixed rate: 3.00%																
<b>Issue Ages</b>	<ul style="list-style-type: none"> <li>◆ Qualified: 0 – 80 Owner/Annuitant</li> <li>◆ Non-Qualified: 0-85 Owner/Annuitant</li> </ul>	<ul style="list-style-type: none"> <li>◆ Qualified: 0 – 80 Owner/Annuitant</li> <li>◆ Non-Qualified: 0-80 Owner/Annuitant</li> </ul>																
<b>Minimum Deposit</b>	<ul style="list-style-type: none"> <li>◆ Qualified: \$2,000</li> <li>◆ Non-Qualified: \$5,000</li> </ul>	<ul style="list-style-type: none"> <li>◆ Qualified: \$2,000</li> <li>◆ Non-Qualified: \$5,000</li> </ul>																
<b>Minimum Guarantee</b>	100% of premium	100% of premium plus bonus																
<b>Policy Fee*</b>	A: None B: None	A: 1.9% B: None C: None																
<b>Interest Rate Cap*</b>	A: 13% B: 6%	A: None B: 13% C: 6%																
<b>Free Withdrawal</b>	10% of accumulated value beginning in the second year OR ½% of principle after 30 days "Checkbook access" after 1 <sup>st</sup> year	10% of accumulated value beginning in the second year OR ½% of principle after 30 days "Checkbook access" after 1 <sup>st</sup> year																
<b>Payout Options</b>	1 x 8 or 5 x 6																	
<b>Policy Maturity Age</b>	None																	
<b>Annuitization</b>	Not Required																	
<b>Surrender Charges</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">End of Policy Year</th> <th style="width: 30%;">Percentage</th> </tr> </thead> <tbody> <tr><td style="text-align: center;">1</td><td style="text-align: center;">10%</td></tr> <tr><td style="text-align: center;">2</td><td style="text-align: center;">9%</td></tr> <tr><td style="text-align: center;">3</td><td style="text-align: center;">8%</td></tr> <tr><td style="text-align: center;">4</td><td style="text-align: center;">7%</td></tr> <tr><td style="text-align: center;">5</td><td style="text-align: center;">6%</td></tr> <tr><td style="text-align: center;">6+</td><td style="text-align: center;">4%</td></tr> <tr><td style="text-align: center;">7+</td><td style="text-align: center;">0%</td></tr> </tbody> </table>	End of Policy Year	Percentage	1	10%	2	9%	3	8%	4	7%	5	6%	6+	4%	7+	0%	10 years varies based on bonus (call for details)
End of Policy Year	Percentage																	
1	10%																	
2	9%																	
3	8%																	
4	7%																	
5	6%																	
6+	4%																	
7+	0%																	
<b>Death Benefit</b>	<ul style="list-style-type: none"> <li>• Ages 0-74 Accumulation Value</li> <li>• 75+ = Minimum 5-yr payment</li> </ul>																	
<b>Special Waivers</b>	<ul style="list-style-type: none"> <li>◆ Nursing Home Waiver*</li> <li>◆ Terminal Illness Rider*</li> <li>◆ Unemployment Rider*</li> </ul> <p>*(N/A over 75)</p>	<ul style="list-style-type: none"> <li>◆ Nursing Home Waiver*</li> <li>◆ Terminal Illness Rider*</li> <li>◆ Unemployment Rider*</li> </ul> <p>*(N/A over 75)</p>																
<b>States NOT Approved</b>	MD, ND, OR, WA	No bonus: MN, ND, OR 2% bonus: CT, MN, ND, OR, UT, WA 4% bonus: CT, MD, MN, ND, OR, TX, UT, WA																

\*Please remember that participation rates, fees and caps are often subject to change on Fixed Indexed Annuities. Please make sure you refer to the Fixed Indexed Annuity product grid sent out monthly from RZ Financial to all agents certified in Fixed Indexed Annuities for any recent changes.

# FIXED-INDEXED ANNUITY PRODUCT SPECIFICATIONS

Bonus Oriented Fixed-Indexed Annuities All Other Savings Plans				
Feature	Multi-Choice Bonus Plus		Loyalty Rewards Escalator 12	
Company	AmerUs		F&G	
Participation Rate	100% guaranteed for life		100% guaranteed for life	
Indexing Method*	A: S&P monthly Average B: S&P Bi-annual Point-to-Point C: S&P Annual Point-to-Point D: S&P monthly cap E: Fixed rate: 3.00%		A: S&P monthly cap B: S&P Annual Point-to-Point C: S&P monthly Average D: Fixed rate: 2.65%	
Issue Ages	Non-Qualified & Qualified: 0 – 79 Owner/Annuitant		<ul style="list-style-type: none"> <li>◆ Qualified: 18 – 85 Owner/Annuitant</li> <li>◆ Non-Qualified: 0-85 Owner/Annuitant</li> </ul>	
Minimum Deposit	Qualified: \$2,000 Non-Qualified: \$5,000		Qualified: \$10,000 Non-Qualified: \$10,000	
Minimum Guarantee	100% of premium, plus bonus, less any withdrawals, premium taxes, surrender charges and/or adjustments.		1.5% on 87.5% of premium, less any withdrawals, premium taxes, surrender charges and/or adjustments.	
Policy Fee*	A: 1.9% B: None C: None D: None		A: None B: None C: None	
Interest Rate Cap*	A: None B: 13% C: 6% D: 2.25%		A: 3.20% B: 6.75% C: 7.50%	
Free Withdrawal	<ul style="list-style-type: none"> <li>◆ ½% of principle after 30 days</li> <li>◆ 10% after first year</li> <li>◆ Checkbook access</li> </ul>		<ul style="list-style-type: none"> <li>◆ 10% after first year</li> </ul>	
Payout Options	1 x10 or 10 x 5		5 x 5	
Policy Maturity Age	None			
Annuitization	Not required			
Surrender Charges	End of Policy Year	Percentage	Beginning of Policy Year	Percentage
	1-3	18%	1	17.5%
	4	15%	2	16.5%
	5	14%	3	15.5%
	6	13%	4	14.5%
	7	12%	5	13.5%
	8	11%	6	12.5%
	9	10%	7	11.5%
	10	9%	8	10.5%
	11	7%	9	9.5%
	12	5%	10	8.5%
	13	3%	11	7.5%
	14	1%	12	6.5%
	15	0%	13	0%
Market Value Adjustment	Yes			
Bonus	6% premium bonus on contributions in 1 <sup>st</sup> year only		1% bonus paid on each policy anniversary for 12 years on the first year premium	
Death Benefit	0-79: Full account value		Full account value	
Special Waivers	<ul style="list-style-type: none"> <li>◆ Terminal Illness</li> <li>◆ Nursing Home Care</li> </ul>		<ul style="list-style-type: none"> <li>◆ Terminal Illness</li> <li>◆ Nursing Home Care</li> <li>◆ Unemployment</li> </ul>	
States NOT Approved	CT, ME, MN, OK, OR, UT, WA		MD, MA, MN, OK, OR, TX, UT, VT, WA	

\*Please remember that participation rates, fees and caps are often subject to change on Fixed Indexed Annuities. Please make sure you refer to the Fixed Indexed Annuity product grid sent out monthly from RZ Financial to all agents certified in Fixed Indexed Annuities for any recent changes.

# **FIXED-INDEXED ANNUITY PRODUCT PORTFOLIO SPECIFICATIONS**

---

## **Contact Information**

For quotes or additional information, contact:

Mark Burch, CLU, LUTCF  
Life and Health Marketing Specialist  
CGA Insurance Services  
1-877-448-4331 Ext. 5949  
mburch@guideone.com