

# > Mutual of Omaha Individual Annuities

Annuity Portfolio and Certification Course



## > Annuity Overview

These are consumer's main retirement objectives:

- Maintain their current lifestyle at retirement, and
- Provide for adequate health care

## > Annuity Overview

The importance of retirement planning has escalated in recent years due to concerns:

- Over inadequacy of Social Security benefits
- Demise of traditional employer-provided pensions

## > Annuity Overview

Now, more than ever, people are aware of the need to plan for a financially secure retirement.

They recognize that they will have to rely primarily on company pensions, personal savings and investments for retirement.

## > Annuity Overview

Annuities are one of the best ways to accumulate money for retirement.

Annuities are specifically designed for two important retirement planning aspects:

1. Maximum accumulation of funds before retirement
2. A reliable source of income after retirement

## > Annuity Overview

Annuities offer your clients these important benefits:

- Lifetime income
- Security of principal
- Tax-deferred accumulation
- Consistent investment return
- Sound investment management
- Flexible features of distribution and accumulation
- Low risk

## > Annuity Overview

Annuities can be a valuable tool in helping your clients succeed in achieving their retirement planning goals.

# Mutual of Omaha's Annuity Products\*

\*Underwritten by United of Omaha

Accumulation Annuities	Payout Annuities
Ultra-Premier Annuity	Ultra Income
Ultra-Secure Plus	Deferred Income Protector
Bonus Flexible Annuity	Income Access
	Income Annuity with Premium Return



## > Accumulation Annuities

Ultra-Premier Annuity, Ultra-Secure Plus, and Bonus Flexible Annuity



## › Ultra-Premier Annuity

## > Ultra-Premier Annuity

**Ultra-Premier Annuity** is a single premium deferred annuity with either a five-year or a seven-year rate guarantee.

It is designed for long-term tax-deferred growth and offers our most competitive long-term interest rate.

## > Ultra-Premier Annuity

Issue ages:

- 5-year: 0-89
- 7-year: 0-88

Premiums:

- \$25,000 is the minimum purchase amount
- Policy additions are allowed within the first year with a minimum amount of \$500.

## > Ultra-Premier Annuity

Annual withdrawals of 10% of the account value with no surrender charge are available immediately.

### Surrender Charges

5 Year	Year 1	Year 2	Year 3	Year 4	Year 5
Charge	9%	9%	8%	7%	6%

7 Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Charge	9%	9%	8%	7%	6%	5%	4%

## > Ultra-Premier Annuity

A market value adjustment may apply to a cash surrender or partial withdrawal.

- If the current new money interest rate at the time of the surrender or withdrawal is **higher** than the multi-year guaranteed interest rate, the market value adjustment will be **downward**.
- If the current new money interest rate at the time of the surrender or withdrawal is **lower** than the multi-year guaranteed interest rate, the market value adjustment will usually be **upward**.
- The market value adjustment does not apply to the 10% free withdrawal amount or any death benefit. In addition, there will be no market value adjustment during the renewal period or if the contract is annuitized.

## > Ultra-Premier Annuity

Surrender charges or market value adjustment will **NOT** apply if the withdrawal is for any of the following\*:

- Confinement to a Hospital, Nursing Home or Long-Term Care Facility
- Unemployment
- Disability
- Terminal illness
- Death of a Spouse or Minor Dependent
- Damage to Residence
- Transplant Surgery

\* Waiver provisions have some restrictions and limitations which are described in the contract. Not available in all states.

## > Ultra-Premier Annuity

Ultra-Premier Annuity has a 30-day renewal period at the end of the initial guarantee period. During this 30-day window, clients have three choices:

1. Begin a new multiyear guarantee period of the same length (surrender charge schedule and market value adjustment provisions restart)
2. Begin a one-year guarantee period (no surrender charges or market value adjustment apply)
3. Surrender the contract without any charges



## > Ultra-Premier Annuity

The death benefit equals the accumulation value on the date of the owner's death, minus any applicable premium taxes. No withdrawal charges apply to the death benefit.

› Ultra-Secure Plus

## > Ultra-Secure Plus

**Ultra-Secure Plus** is a single premium deferred annuity with either a five-year or a seven-year rate guarantee.

It is designed for long-term tax-deferred growth and a competitive long-term interest rate.

## > Ultra-Secure Plus

Issue ages:

- 5-year: 0-89
- 7-year: 0-88

Premiums:

- \$5,000 is the minimum purchase amount
- Policy additions are allowed within the first year with a minimum amount of \$500.

## > Ultra-Secure Plus

### Ultra-Secure Plus interests rates:

- Five- or seven-year fixed rate guarantee period
- Additional 0.15% interest added to purchase payments and accumulation values of \$50,000 or higher

## > Ultra-Secure Plus

Annual withdrawals of 10% of the account value with no surrender charge are available immediately.

### Surrender Charges

5 Year	Year 1	Year 2	Year 3	Year 4	Year 5
Charge	6%	6%	6%	6%	5%

7 Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Charge	6%	6%	6%	6%	5%	4%	3%

## > Ultra-Secure Plus

A market value adjustment may apply to a cash surrender or partial withdrawal.

- If the current new money interest rate at the time of the surrender or withdrawal is **higher** than the multi-year guaranteed interest rate, the market value adjustment will be **downward**.
- If the current new money interest rate at the time of the surrender or withdrawal is **lower** than the multi-year guaranteed interest rate, the market value adjustment will usually be **upward**.
- The market value adjustment does not apply to the 10% free withdrawal amount or any death benefit. In addition, there will be no market value adjustment during the renewal period or if the contract is annuitized.

## > Ultra-Secure Plus

Surrender charges or market value adjustment will **NOT** apply if the withdrawal is for any of the following\*:

- Confinement to a Hospital, Nursing Home or Long-Term Care Facility
- Unemployment
- Disability
- Terminal illness
- Death of a Spouse or Minor Dependent
- Damage to Residence
- Transplant Surgery

\* Waiver provisions have some restrictions and limitations which are described in the contract. Not available in all states.



## > Ultra-Secure Plus

- Ultra-Secure Plus has a return of premium benefit.
  - Surrender value will never be less than purchase payments\*
  - 100% of remaining premiums can be returned at any time\*
  - Renews at time of contract renewal and guarantees the client the accumulation value at the time of the most recent renewal date\*

\*Minus any withdrawals and any applicable premium tax

## > Ultra-Secure Plus

Ultra-Secure Plus has a 30-day renewal period at the end of the initial guarantee period. During this 30-day window, clients have three choices:

1. Begin a new multiyear guarantee period of the same length (surrender charge schedule and market value adjustment provisions restart)
2. Begin a one-year guarantee period (no surrender charges or market value adjustment apply)
3. Surrender the contract without any charges

## > Ultra-Secure Plus

The death benefit equals the accumulation value on the date of the owner's death, minus any applicable premium taxes. No withdrawal charges apply to the death benefit.

## > Ultra-Premier Annuity vs. Ultra-Secure Plus

Benefits	Ultra-Premier Annuity	Ultra-Secure Plus
<b>Description</b>	Single Premium Deferred Annuity	Single Premium Deferred Annuity
<b>Issue Ages</b>	5-year: 0-89 7-year: 0-88	5-year: 0-89 7-year: 0-88
<b>Minimum Premium</b>	\$25,000 minimum initial deposit with \$500 minimum additions in first policy year	\$5,000 minimum initial deposit with \$500 minimum additions in first policy year
<b>Return of Premium</b>	No	Yes
<b>Interest Bonus</b>	None	Additional interest added to purchase payment and accumulation values \$50,000 or higher
<b>Liquidity</b>	10% annual withdrawal with no withdrawal charges	10% annual withdrawal with no withdrawal charges
<b>Death Benefit</b>	Accumulation value less any applicable premium taxes	Accumulation value less any applicable premium taxes
<b>Withdrawal Charges</b>	Surrender charge and market value adjustment applicable during Guarantee Period (5/7 years)	Surrender charge and market value adjustment applicable during Guarantee Period (5/7 years)
<b>Other Benefits</b>	<ul style="list-style-type: none"> <li>Higher credited rates than Ultra-Secure Plus</li> </ul>	<ul style="list-style-type: none"> <li>Competitive rates</li> <li>Better liquidity than Ultra-Premier with return of premium provision and lower surrender charges</li> </ul>

## › Bonus Flexible Annuity

## > Bonus Flexible Annuity

**Bonus Flexible Annuity** is designed specifically for the accumulation of funds for both tax-qualified and nonqualified plans.

It is a flexible premium deferred annuity with a fixed interest rate and flexible contribution options.

## > Bonus Flexible Annuity

Issues ages: 0-89

- Premium:
  - \$1,200 minimum annual contribution for recurring premiums
  - \$5,000 minimum for single premium

Contributions are flexible and may be increased or decreased at any time subject to a minimum \$100 a month.

## > Bonus Flexible Annuity

- Cash value accumulates at a current interest rate
- Contributions receive an additional 1%\* in addition to the current rate during the first 12 months for all new deposits made
- After 12 months, the deposits receive the stated current interest rate, but not the first year additional 1%\*
- Additional 0.15%\* added to interest rate on accumulation values equal to or over \$50,000

\*These values are subject to change.



## > Bonus Flexible Annuity

- A 10% **annual** withdrawal of the cash value is allowed with no surrender charge
- Minimum withdrawal is \$100
- The accumulation value cannot be less than \$5,000 after the withdrawal
- The accumulation value may be withdrawn, subject to applicable surrender charges in the first 8 years (shown below)
- There is no market value adjustment on this product

Year	1	2	3	4	5	6	7	8
Charge	8%	8%	7%	6%	5%	4%	3%	2%

## > Bonus Flexible Annuity

- A systematic income feature can provide a regular income to annuitants
- Withdrawal options are **interest only** or **fixed amount**
- The income withdrawals can be as low as \$100 and can be monthly, quarterly, semiannually or annually
- Withdrawal charges apply to systematic income withdrawals that exceed 10% of the accumulation value during the first 8 policy years
- The request for a systematic withdrawals can be made at any time by completing the appropriate form

## > Bonus Flexible Annuity

- The death benefit is equal to the accumulation value less any applicable premium taxes. No withdrawal charges apply to the death benefit.

## > Deferred Annuity Portfolio Recap

Benefits	Ultra-Premier Annuity	Ultra-Secure Plus	Bonus Flexible Annuity
<b>Description</b>	Single Premium Deferred Annuity	Single Premium Deferred Annuity	Flexible Premium Deferred Annuity
<b>Issue Ages</b>	5-year: 0-89 7-year: 0-88	5-year: 0-89 7-year: 0-88	0-89
<b>Minimum Premium</b>	\$25,000 minimum initial deposit with \$500 minimum additions in first policy year	\$5,000 minimum initial deposit with \$500 minimum additions in first policy year	\$1,200 annual contribution, or \$5,000 for single premium
<b>Return of Premium</b>	No	Yes	No
<b>Interest Bonus</b>	None	Additional interest added to purchase payment and accumulation values \$50,000 or higher	1% additional interest rate in the first year. 0.15% additional interest added to accumulation values of \$50,000 or higher
<b>Liquidity</b>	10% annual withdrawal with no withdrawal charges	10% annual withdrawal with no withdrawal charges	10% annual withdrawal with no surrender charge
<b>Death Benefit</b>	Accumulation value less any applicable premium taxes	Accumulation value less any applicable premium taxes	The greater of the accumulation value or premiums paid less partial withdrawals and outstanding loans
<b>Withdrawal Charges</b>	Surrender charge and market value adjustment applicable during Guarantee Period (5/7 years)	Surrender charge and market value adjustment applicable during Guarantee Period (5/7 years)	Surrender charge applicable through year 8
<b>Other Benefits</b>	<ul style="list-style-type: none"> <li>Higher credited rates than Ultra-Secure Plus</li> </ul>	<ul style="list-style-type: none"> <li>Competitive rates</li> <li>Better liquidity than Ultra-Premier with return of premium provision and lower surrender charges</li> </ul>	<ul style="list-style-type: none"> <li>Flexible payment options</li> <li>Automatic annuitizations</li> <li>Competitive payouts</li> </ul>

## > Payout Annuities

Ultra Income, Income Access, Income Annuity with Premium Return, and  
Deferred Income Protector

## > Payout Annuities

- Single Premium Immediate Annuities (SPIA)
  - **Ultra Income** – Traditional SPIA with multiple payout options
  - **Income Access** – Unique SPIA with liquidity and enhanced payout features
  - **Income Annuity with Premium Return** – Unique SPIA with full return of premium on death
- Deferred Income Annuity (DIA)
  - **Deferred Income Protector** – Traditional DIA with multiple payout options

› Ultra Income

## > Ultra Income

**Ultra Income** is a Single Premium Immediate Annuity (SPIA).

After the initial payment has been made, the client may choose Income Payments beginning the very next month or the payments may be postponed up to 13 months.



## > Ultra Income

- Issue ages: 0-85
- Premiums
  - The minimum single premium is \$10,000
  - The maximum single premium is \$1,000,000 (premiums in excess of this amount require Home Office approval)

## > Ultra Income

- Benefit payments may be made monthly, quarterly, semiannually, or annually
- The minimum payment is \$100
- Payouts must begin between 1 and 13 months of the purchase date
- The annuitant can elect an annual cost-of-living adjustment up to 6% of the initial annual benefit

## > Ultra Income

- There are a variety of payout options:
  - Life annuity
  - Life annuity with period certain
  - Period certain without life
  - Joint and survivor life
  - Joint and survivor life with period certain
  - Installment refund
  - Temporary (life contingent)

## > Ultra Income

- Age Rating for Impaired Risk/Substandard
  - Age rating increases the monthly payments for clients with health problems and a history that includes a lower life expectancy. Twelve months of medical records are required for Underwriting to determine a rated age.

For example, a 65-year old man has severe emphysema. He places \$100,000 in the annuity. Underwriting assigns him a rated age of 72. Using the **rated age** his benefit is \$902 instead of the normal life expectancy benefit of \$748 a month for life.

## › Income Access

## > Income Access

**Income Access** is a flexible Single Premium Immediate Annuity (SPIA) that provides a lifetime guaranteed income to the annuitant(s).

It offers a package of several base plans and optional benefits.

## > Income Access

- Issue ages: 0-85
- Premiums
  - The minimum single premium is \$10,000
  - The maximum single premium is \$1,000,000 (premiums in excess of this amount require Home Office approval)

## > Income Access

- Benefit payments may be made monthly, quarterly, semiannually or annually
- The minimum periodic payment is \$100
- Payouts must begin between 1 and 13 months of the purchase date
- Income Access offers a guaranteed lifetime income payout to the annuitant. Generally, the lifetime income from Income Access will be less than the comparable lifetime income from Ultra Income due to the liquidity features offered by Income Access.
- No period certain or refund options are offered



## > Income Access

- Increased Payout Options (subject to state availability)
  - Inflation Protection Rider (optional benefit)
    - 3% inflation protection
  - Enhanced Payment Nursing Home Rider (optional benefit)
    - 50% payment increase for nursing home confinement for five years

## > Income Access

- Death Benefit Options (subject to state availability)
  - Return of premium death benefit
    - Any remaining premiums not received will be paid to the beneficiary(ies)
  - Guaranteed minimum death benefit rider
    - Policy will pay the greater of any remaining premiums or 10% of the initial premium
    - If the entire premium amount has been recovered through income payments, the beneficiaries will receive 10% of the initial premium as the death benefit

## > Income Access

- Death Benefit Options (continued)
  - Accidental death benefit rider
    - Pays double the death benefit upon accidental death in a plane, train, taxi or other common carrier
  - Survivor continuation rider
    - Offers the continuation of the annual income benefit to the surviving spouse/relative/business partner/companion

## > Income Access

- Liquidity Features (subject to state availability)
  - Partial return of premium on cancellation
    - Allows the owner to cancel the contract and receive a lump-sum of any remaining premium. Only a partial return of premium will be paid in the first several years (subject to a vesting schedule)
  - Return of premium for terminal illness
    - Allows the owner to receive the return of premium death benefit up to 12 months early, without being subject to the vesting schedule.

## › Income Annuity with Premium Return

## › Income Annuity with Premium Return

**Income Annuity with Premium Return** is a Single Premium Immediate Annuity (SPIA) that offers a full return of premium upon death and competitive income payouts.

- Provides clients:
  - A secure way to pass money to heirs
  - A way to supplement retirement income
  - A risk-averse solution

## › Income Annuity with Premium Return

- Issue ages: 59-85
- Premiums:
  - The minimum single premium is \$10,000
  - The maximum single premium is \$1,000,000 (premiums in excess of this amount require Home Office approval)
- Income Start Date: Payments must start between 30 days and 13 months after the purchase date.

## > Income Annuity with Premium Return

- Benefits and Features:
  - Income Options – Life Only or Joint Life Only Income Options
  - Death Benefit – The death benefit is equal to the single premium less any applicable rate premium taxes
  - Commuted Value – The commuted value is equal to the present value of both the projected future income payments and the projected death benefit.



## › Deferred Income Protector

## > Deferred Income Protector

- **Deferred Income Protector** is a “pension-like” annuity that:
  - Provides clients with a guaranteed fixed amount of monthly income that they will begin receiving several years in the future, and
  - Affords protection against constantly fluctuating interest rates and higher income payments

## > Deferred Income Protector

Deferred Income Protector is a versatile annuity that allows individuals to invest a portion of their assets to secure a portion of their retirement needs.

It also serves clients who are looking for a longevity product that provides security against outliving their existing assets at advanced ages.

## > Deferred Income Protector

- Qualified Longevity Annuity Contracts (QLACs):
  - Are fixed-rate deferred annuities that can be sold with certain types of employer-sponsored retirement plans and IRAs
  - Individuals may allocate either 25% of total qualifying assets or \$135,000, whichever is less, into a QLAC, diverting a portion of their qualified funds for later use
  - Reduces the required minimum distributions (RMDs) he or she must start taking at age 72
  - Must start taking distributions no later than age 85

## > Deferred Income Protector

- The target market is ages 55-65
  - those approaching retirement age
  - planning to retire in the next 5 to 10 years

## > Deferred Income Protector

- Issue ages:
  - 40-75 for Non-Qualified and QLAC plans
  - 40-70 for Qualified plans

## > Deferred Income Protector

- The minimum initial premium is \$5,000.
- Additional purchase payments may be added at any time until two years before the Income Start Date.
- The minimum additional purchase amount is \$2,000.
- The sum of all purchase payments may not exceed \$1,000,000 without Home Office approval.

## > Deferred Income Protector

- Surrenders are not allowed. This contract does not provide access to funds prior to the income start date, other than payment of the death benefit, if any.



## > Deferred Income Protector

- Income Start Date selected on the application:
  - Must be at least 2 years from the most recent purchase payment and no more than 40 years from issue date,
  - Payments must start by age 72 if qualified, or age 85 if non-qualified or a QLAC
  - May be changed one time to move the date up to 5 years earlier or later than originally selected
  - A change in Income Start Date will result in a change in the Income Payment Amount

## > Deferred Income Protector

- Income options include:
  - Life (or Joint Life) only
  - Life (or Joint Life) with Period Certain\*
  - Life (or Joint Life) with Cash Refund
  - Life (or Joint Life) with Installment Refund\*

\*Not allowed on QLAC contracts

## > Deferred Income Protector

- Death Benefit:
  - Life Only: None
  - Cash Refund: Lump sum return of premium less any income payments received
  - Installment Refund: If death prior to income start date, lump sum full return of premium. If death after income start date, income payments continue to beneficiary until initial premium is recovered.

## > Deferred Income Protector

- The Income Advance feature:
  - Only available on monthly payments
  - Allows policyowners to receive the next scheduled monthly payment along with 6 subsequent payments for a total of 7 months of income payments paid in one lump sum
  - May be exercised three times during the life of the contract

## > Deferred Income Protector

- Annual Income Increase Option:
  - Must be elected at the time of application
  - Allows policyowners to increase income payments by 1-3 percent annually
  - Annual increases begin on the Income Start Date

## > Deferred Income Protector

- Income Reduction for Surviving Spouse allows the income payment to be reduced after the death of one annuitant.

## > Deferred Income Protector

- There is no contract fee
- Rated age and impaired risk underwriting are not available

## > Payout Annuity Portfolio Recap

Benefits	Ultra Income	Income Access	Income Annuity with Premium Return	Deferred Income Protector
Product Description	SPIA with competitive rates and multiple Income options	SPIA with Liquidity options	SPIA with full return of premium death benefit	"Pension-like" annuity
Issue Ages	0-85	0-85	59-85	40-75 for Non-Qualified and QLAC, 40-70 for Qualified
Client Profile	65+	65+	65+	55-65 approaching retirement
Minimum Initial Premium	<ul style="list-style-type: none"> <li>• \$10,000 single premium</li> <li>• \$100 min monthly Income</li> </ul>	<ul style="list-style-type: none"> <li>• \$10,000 single premium</li> <li>• \$100 min monthly Income</li> </ul>	\$10,000 single premium	\$5,000
Minimum Additional Premium	n/a	n/a	n/a	\$2,000



## > Payout Annuity Portfolio Recap

Benefits	Ultra Income	Income Access	Income Annuity with Premium Return	Deferred Income Protector
Liquidity	n/a	Return of premium features	Commuted Value	n/a
Deferral Period	1-13 months	1-13 months	1-13 months	2-40 years (Income payments must begin by age 72 if Qualified or by age 85 if Non-Qualified/QLAC)
Income Start Date	1-13 months from purchase date	1-13 months from purchase date	1-13 months from purchase date	At least 2 years from most recent purchase (may be changed once to move date 5 years earlier or later)
Other Features	<ul style="list-style-type: none"> <li>• Age Rating</li> <li>• 0-6% COLA</li> <li>• Flexible payment frequency</li> </ul>	<ul style="list-style-type: none"> <li>• Inflation Protection Rider</li> <li>• Enhanced Payment</li> <li>• Nursing Home Rider</li> <li>• Flexible payment frequency</li> </ul>	Flexible payment frequency	<ul style="list-style-type: none"> <li>• Income Advance Feature</li> <li>• Annual Income Increase Option (1-3%)</li> <li>• Income Reduction for Surviving Spouse</li> </ul>

## > Payout Annuity Portfolio Recap

Benefits	Ultra Income	Income Access	Income Annuity with Premium Return	Deferred Income Protector
Death Benefit	Benefit options available to continue benefit payments to the beneficiary if death occurs prior to the end of the guarantee period	<ul style="list-style-type: none"> <li>• Return of remaining premium at death</li> <li>• Guaranteed minimum death benefit (optional)</li> <li>• Death Benefit doubles for Accidental Death (optional)</li> </ul>	Full return of premium at death	<ul style="list-style-type: none"> <li>• Life Only: none</li> <li>• Cash Refund &amp; Installment Refund: Return of Premium</li> </ul>
Withdrawal Charges	n/a	Vesting schedule for early withdrawal	n/a	n/a

## Resources

- Fixed Annuities Product Portfolio Overview
- Bonus Flexible Annuity Policy Highlights
- Ultra-Secure Plus Highlights
- Ultra-Premier Highlights

# > Mutual of Omaha Individual Annuities

Suitability



## > NAIC Suitability Model

In recommending the purchase or exchange of an annuity, agents must have reasonable grounds for believing the recommendation is suitable for the customer.

## > NAIC Suitability Model

- To determine the product's suitability, the agent must obtain information concerning:
  - The client's financial status
  - The client's tax status
  - The client's investment objectives and
  - Any other information used or considered to be reasonable in making the recommendation to the client

## › Suitability Form

- This form is **required to be completed** and signed by the applicant and must be submitted with the application before an annuity can be issued.

### Annuity Suitability Information and Buyer's Guide Certification

We appreciate your interest in purchasing an annuity from United of Omaha Life Insurance Company. United of Omaha and your licensed producer are required to ask you for information to help you determine if this product is suitable for you, in light of your investment goals and your current and anticipated future financial situation. Prior to purchasing an annuity it is important for you to have thought through your financial condition – now and what you expect in the future – as well as the goals you are pursuing in purchasing an annuity.

Product Name \_\_\_\_\_

UNITED OF OMAHA LIFE INSURANCE COMPANY  
A MUTUAL OF OMAHA COMPANY

#### Annuity Suitability Information and Buyer's Guide Certification

We appreciate your interest in purchasing an annuity from United of Omaha Life Insurance Company. United of Omaha and your licensed producer are required to ask you for information to help you determine if this product is suitable for you, in light of your investment goals and your current and anticipated future financial situation. Prior to purchasing an annuity it is important for you to have thought through your financial condition – now and what you expect in the future – as well as the goals you are pursuing in purchasing an annuity.

**Product Name** \_\_\_\_\_

**Contract** Name(s): \_\_\_\_\_

**Owner/Annuitant** Phone Number: \_\_\_\_\_ Age Last Birthday: \_\_\_\_\_  
 Marital Status:  Married  Single  Widowed  Divorced  
 Occupation: \_\_\_\_\_

**Financial Information**  
 Annual Household Income \$ \_\_\_\_\_  
 Estimated Net Worth (excluding primary residence, automobile(s) and furnishings) \$ \_\_\_\_\_

Do you have sufficient sources of cash, other income, or liquid assets, other than the amount paid for this annuity, available for living expenses and emergencies?  
 Yes  No

Federal Tax Bracket %  
 0 to 10%  Greater than 10%

**Source of Income**  
 (Check all that apply)  Employment  Retirement Plans  
 Investments/Savings  Social Security  
 Other \_\_\_\_\_

**Insurance Product or Investment Experience**  
 (Check all that apply)  Stocks  Certificate of Deposit  
 Bonds  Fixed Annuities  
 Mutual Funds  Variable Annuities  
 Life Insurance  Variable Life Insurance

**Source of Premium**  
 (Check all that apply)  Stocks  Checking/Savings Account  
 Bonds  Certificate of Deposit  
 Mutual Funds  Fixed Annuities \*  
 Reverse Mortgage  Variable Annuities \*  
 Other \_\_\_\_\_  Life Insurance \*

\*Is this a replacement of another annuity or life contract?  
 Yes  No

If yes, what is the surrender charge(s) %, if any? \_\_\_\_\_ %

Submit to Home Office, Licensed Producer to Retain Copy  
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# > Mutual of Omaha Individual Annuities

Disclosure





## > Disclosure

Clients must be given a disclosure about the specific annuity being offered for purchase.

The disclosure reviews important points that the client needs to consider.

## > Disclosure

- Some of the topics the disclosure will cover:
  - Type of annuity
  - Benefits
  - Annuity starting date
  - Fees, expenses and other charges
  - Withdrawal charges, if applicable
  - Taxes
  - Miscellaneous information

# > Disclosure

- The appropriate disclosure forms must be provided to the client. They must be completed and signed.

**UNITED OF OMAHA LIFE INSURANCE COMPANY**  
A Member of Omaha Group

## Bonus Flexible Annuity A Flexible Purchase Payment Deferred Annuity

FIXED DEFERRED ANNUITY DISCLOSURE

This document reviews important points to think about before you buy this United of Omaha Life Insurance Company annuity. It is a fixed annuity which means it earns a specified interest rate during the guaranteed period. This annuity is tax-deferred, which means you don't pay taxes on the interest it earns until the money is paid to you.

You can use an annuity to save money for retirement and to receive retirement income for life. It is not meant to be used to meet short-term financial goals.

100% of the purchase payment is guaranteed by United of Omaha Life Insurance Company. Upon cancellation, an Owner will always receive at least 100% of their purchase payment, less any prior removal of funds and applicable withdrawal charges. Any premium tax incurred by United of Omaha will be deducted from the account value. (Premium taxes affect CA, MI, NV, SD, WV and WY.)

Annuities are an insurance product therefore not a deposit, not FDIC insured, not insured by any Federal Government Agency, not guaranteed by the bank, may lose value and the bank may not condition an extension of credit on either. 1) The consumer purchase of an insurance product or annuity from the bank or any of its affiliates or 2) The consumer's agreement not to obtain, or a prohibition on the consumer from obtaining, an insurance product or annuity from an unaffiliated entity.

If you have questions about this annuity, please ask your agent, producer, broker, or advisor, or contact the company at 800.546.5921.

### THE ANNUITY CONTRACT

How will the value of my annuity grow?  
The Bonus Flexible Annuity is a Flexible Purchase Payment fixed deferred annuity policy. Interest is credited on each Purchase Payment until the Annuity Starting Date or the date of withdrawal.

### BENEFITS

How do I get income (payments) from my annuity?  
When you apply for your annuity, you choose a payout commencement date—when you start to get income from your annuity. You also choose how to get the income—the payout option.

- Proceeds held on deposit of interest, while the proceeds are held by us, we will annuitize your interest to the payee or add interest to the proceeds.

- Income of a specified amount: we will pay the proceeds in installments of a specified amount until the proceeds with interest have been fully paid.

- Income for a specified period: we will pay the proceeds in installments for the number of years you choose.

- Lifetime Income: we will pay the proceeds as monthly income for as long as the annuitant lives. The following guarantees are available.

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(a) **Guaranteed Period:** we will pay the monthly income for a minimum of 10 years and as long thereafter as the original annuitant lives; or

(b) **Guaranteed Amount:** we will pay the monthly income until the sum of all payments equals the proceeds placed under this option and as long thereafter as the annuitant lives.

■ **Lump sum:** we will pay the proceeds in one sum.

■ **Alternative schedule:** upon request and if available, we will provide payments for other options, including joint and survivor periods.

**ANNUITY STARTING DATE**—The Annuity Starting Date is flexible. The earliest Annuity Starting Date allowed is the eighth policy anniversary. The latest Annuity Starting Date allowed is the policy anniversary following the annuitant's 95th birthday.

A selection of fixed payout options is available, including lifetime income with a guaranteed period and lifetime income with a guaranteed amount. The policy may result in loss of life for only a few years.

**What happens after I die?**

If you die before we start to pay you income from your annuity, we will pay the value of your annuity to your beneficiary.

If you die after the payments start, depending on the type of payout you choose, we pay the remaining value in the annuity, if any, to your beneficiary.

A beneficiary may also have the death benefit applied to a payout option. If the beneficiary does not choose an option within 60 days of the date we receive due proof of death, we will make payment in a lump sum.

**FEES, EXPENSES AND OTHER CHARGES**

**What happens if I take out some or all of the money from my annuity?**

You can take any of the money out of your annuity after the payout begins. Before it begins, you can take out all of your annuity's value (full surrender) or part of it (partial surrender). You can take a partial surrender as long as the amount you take is 10% of the accumulated value. The 10% withdrawal amount is available immediately, \$100 minimum per month.

We make a contingent deferred sales charge (also known as a surrender charge) from amounts you withdraw before the end of the eighth contract year. Here's how the charge is calculated:

**WITHDRAWAL CHARGES**

Year 1-3 1.4%, 4-7 0.8%, 8-11 0.4%, 12-15 0.2%, 16-20 0.1%

Example: If you withdraw \$1,000 from your annuity in the fourth contract year, your surrender charge is \$1,000 x 0.8% = \$80. If you take another \$1,000 after the end of the eighth contract year, there is no charge.

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Interest earnings are derived from a base rate which is compounded daily to achieve the annual rate. The stated rate for any rate period assumes that the annuity is held for the entire period; any prior removal of funds will reduce the amount of interest earnings.

**Do I pay any other fees or charges?**

If the accumulation value is less than \$20,000 on any policy anniversary prior to the Annuity Starting Date, a policy fee of \$30 will be deducted on the policy anniversary date. If the accumulation value is equal to or greater than \$20,000 on any policy anniversary prior to the Annuity Starting Date, the policy fee will be waived for that policy year.

In PA, SC, & WA — \$30 annually if accumulated value is under \$20,000. Policy fee will only be taken out of excess interest. Fee is waived and the accumulated value is \$20,000 or more on the policy anniversary.

**TAXES**

**How will payouts and withdrawals from my annuity be taxed?**

For Non-qualified Annuities: If any annuity payout option is elected, a portion of each payout is considered a tax-free return of purchase payment, until the total purchase payment has been distributed. A selection of fixed payout options is available, including lifetime income with a guaranteed period and lifetime income with a guaranteed amount. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. You also pay a 10% federal income tax penalty on earnings you withdraw before age 59 1/2. If your state imposes a premium tax, it will be deducted from the money you receive.

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may pay a surrender charge if you make the exchange during the first eight years you own the annuity. Also, you may pay a surrender charge if you make withdrawals from the new annuity during the first years you own it.

Some states impose an annuity premium tax. If a tax is charged or due, we reserve the right to deduct this amount from the single annuity premium or annuity value.

**Does buying an annuity in a retirement plan provide extra tax benefits?**

Buying an annuity within an IRA, 401(k), or other tax-deferred retirement plan doesn't give you any extra tax benefits. Choose your annuity based on its other features and benefits as well as its risks and costs, not its tax benefits.

**OTHER INFORMATION**

**What else do I need to know?**

- Once you start to receive your payments, you can't surrender your annuity.

- We may change your annuity contract from time to time to follow federal or state laws and regulations. If we do, we'll tell you about the change in writing.

- We pay the agent, producer, broker, or firm for selling the annuity to you.

■ **RETURN OF PURCHASE PAYMENT**—The policy provides for a refund of purchase payment during a period of time required by state laws.

■ **PURCHASE PAYMENT LIMITATIONS**—The minimum monthly payment made and \$5,000 for a single Purchase Payment made. The minimum subsequent Purchase Payment allowed is \$100. The maximum total Purchase Payments allowed is one policy year without prior Home Office approval is \$1,000,000.

■ **ILLUSTRATED VALUES**—For any sales illustration of accumulated values or annuity payments presented that is based on excess interest credits, those values or annuity payments are illustrations only and are not guaranteed.

■ **CONTRACT SUMMARY**—A complete summary of the policy values and benefits on current and guaranteed bases will be provided upon request.

■ **UNDERSTAND THAT:** The 1-Year Base Interest Rate is 1%.

An Additional Interest Rate of 1% is guaranteed by United of Omaha for the first policy year. Additions received in the 1st year will also receive the extra 1% interest rate. Any excess interest credited after the first policy year will not include this additional interest. United of Omaha guarantees a minimum interest rate as shown on the policy data page.

**What should I know about the insurance company?**

United of Omaha Life Insurance Company offers a wide variety of retirement and financial security products, including life insurance, annuities, long-term care, and disability income insurance. Our financial strength ratings are: A+ (A.M. Best), A+3 (Moody's) and AA- (S&P).

I acknowledge that I have read these disclosure statements and understand the descriptions of these provisions as they apply to my application.

Owner's Signature \_\_\_\_\_

Date \_\_\_\_\_

Joint Owner's Signature (if applicable) \_\_\_\_\_

Date \_\_\_\_\_

I certify receipt of \$ \_\_\_\_\_ given to purchase a Tax-deferred Annuity.

Producer's Signature \_\_\_\_\_

Producer's Printed Name \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_

Annuities are underwritten by **UNITED OF OMAHA LIFE INSURANCE COMPANY**

Member of Omaha Group  
Omaha, NE 68175  
mutual@omaha.com

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## > Disclosure

It is important as you make a recommendation for an annuity to a client that you have reasonable grounds that the recommendation is suitable for the client based on the facts disclosed by the client.

# > Mutual of Omaha Individual Annuities

Replacements



## > Replacements

Replacement of existing coverage should occur only when it is in the best interest of the client.

You need to be able to assist the client in evaluating whether replacement is in his or her best interest.

## > Replacements

When completing the application if the applicant answers “yes” to the question regarding existing coverage and coverage will be replaced or used to fund the new contract, the client must be given a replacement notice.

In addition, the application should list the name of the insurer, insured or annuitant, and the policy or contract number of the policy being replaced, if available.

# > Replacements

## A copy must be provided to the client and submitted with the application

**UNITED OF OMAHA LIFE INSURANCE COMPANY**  
A Mutual of Omaha Company

**Important Notice:**  
**Replacement of Life Insurance or Annuities**

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at a less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on this form.

- Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?  YES  NO
- Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?  YES  NO

If you answered "yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured, and the contract number # available) and whether each policy will be replaced or used as a source of financing:

Insurer Name	Contract or Policy #	Insured	Replaced (R) or Financing (F)

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because \_\_\_\_\_

I certify that the responses herein are, to the best of my knowledge are accurate.

Applicant		Applicant # if applicable	
Printed Name of Proposed Applicant/Owner		Printed Name of Proposed Applicant/Owner	
Signature of Proposed Applicant/Owner		Signature of Proposed Applicant/Owner	
Date		Date	

Producer's Signature \_\_\_\_\_ Printed Name/Date \_\_\_\_\_

I do not want this notice read aloud to me. \_\_\_\_\_ (Applicants must initial only if they do not want the notice read aloud.)

L6232\_0508 1 - Home Office Copy 2 - Applicant/Owner Copy

**UNITED OF OMAHA LIFE INSURANCE COMPANY**  
A Mutual of Omaha Company

**LIFE INSURANCE AND ANNUITIES REPLACEMENT MEMORANDUM**

EXISTING CONTRACT/POLICY	PROPOSED CONTRACT/POLICY
Owner / Annuitant(s) _____	Owner / Annuitant(s) _____
Insurer _____	Insurer _____
Contract # _____	Application # _____
Product Type * _____	Product Type * _____
Product Name _____	Product Name _____

**FOR BOTH LIFE INSURANCE AND ANNUITIES**  
(Complete all that is applicable)

CONTRACT OR POLICY PROVISION	EXISTING CONTRACT/POLICY	REPLACEMENT CONTRACT/POLICY
Current Proposed Premium/Annual Consideration		
Current Contract Value		
Current Surrender Value		
Death Benefit Amount		
Current Interest Rate & Guarantee Period		
Guaranteed Minimum Accumulation/Interest Rate		

**FOR ANNUITIES ONLY**  
(Complete all that is applicable)

CONTRACT PROVISION	EXISTING CONTRACT/POLICY	REPLACEMENT CONTRACT/POLICY
Initial Bonus Percentage or Amount		
Potential Loss of Bonus if Annuity is Exchanged, Surrendered or Funds Withdrawn		
Sub-Account Choices		
Guaranteed Purchase/Settlement Options		

Surrender Charge Period in Years/ Charge Percentage Per Year/ Years Remaining \_\_\_\_\_

Are free withdrawals available? If yes, what percentage? List options. \_\_\_\_\_

Other significant policy or contract provisions \_\_\_\_\_

I have received a copy of this completed form.

Owner/Annuitant \_\_\_\_\_ Date \_\_\_\_\_ Joint Owner/Annuitant \_\_\_\_\_ Date \_\_\_\_\_

I certify that the above provisions, and any other significant provisions, of the existing policy or contract and the proposed policy or contract were discussed with the applicant(s).

Producer Signature \_\_\_\_\_ Date \_\_\_\_\_

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## > Replacements

- Submit the correct forms for a replacement or 1035 exchange.

If there is a replacement or 1035 exchange, submit correct forms:

- Non-Qualified replacements (e.g. funding source is another annuity or life insurance policy): complete the Life Insurance/Annuity 1035 Exchange form and the applicable State Replacement form
- Non-Qualified transfers (e.g. funding source is a mutual fund): complete the Annuity Request to Transfer Funds form
- Qualified transfers, rollovers, and replacements: complete the Qualified Business Form and the applicable State Replacement form
- Contact the other carrier to confirm requirements for outgoing transfers. Often, you may be able to complete the transfer directly with the company, speeding up the process (e.g. CDs, mutual fund redemptions, 401k rollovers)

## > Replacements

Remember, in making a recommendation, the agent must have reasonable grounds to believe the recommendation is suitable based on the facts the client has disclosed about his or her financial situation and needs.

> Wrap-up

## > Annuity Checklist

When selling an annuity be sure to:

- Submit the completed application and any applicable proposal (illustration)
- Complete and submit the Annuity Suitability form
- Complete and submit the appropriate Disclosure Statement
- If there is a replacement or 1035 exchange, submit the correct forms
- Provide a copy of the “Buyer’s Guide to Annuities” to the client (where required)

## > Certification and Acknowledgement Form

Close this window, scroll down the SPA page to locate, complete and submit form noted below.

Complete the [certificate and acknowledgement form](#) and email to [agency.mailbox@mutualofomaha.com](mailto:agency.mailbox@mutualofomaha.com) or fax to Producer Services at (402) 997-1829.

Questions? Contact 1-877-617-5589

NAIC Suitability in Annuity Transactions Model Regulation  
**Company Product Training**  
Certification and Acknowledgement Form

I hereby acknowledge that I have received the appropriate Company product training and understand the benefits and provisions of the Annuity products currently being marketed. I completed these requirements on the date shown below:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Full Name (PRINT)

\_\_\_\_\_  
Production Number

Please return this completed form to Mutual of Omaha Insurance Company by one of the following options.

***Fax or E-mail to:***

Agency: (402) 997-1829 or [agency.mailbox@mutualofomaha.com](mailto:agency.mailbox@mutualofomaha.com)

Brokerage: (402) 997-1830 or [contractsandappointments@mutualofomaha.com](mailto:contractsandappointments@mutualofomaha.com)

***Mail to:***

Mutual of Omaha Insurance Company  
6- Producer Services  
Mutual of Omaha Plaza  
Omaha, NE 68175

NOTE: This product training does not fulfill the 4-hour CE Requirement.

Annuity products underwritten by:  
United of Omaha Life Insurance Company  
Home Office: Omaha NE 68175

Affiliates of Mutual of Omaha Insurance Company  
Mutual of Omaha Plaza, Omaha, NE 68175

For Home Office Producer Services use only.  
Not for use with the public.