



Disclosure and Acknowledgment Form Instructions

INSURER: Fidelity & Guaranty Life Insurance Company
Fidelity & Guaranty Life Insurance Company of New York

The sample PTE 84-24 disclosure form provided by Fidelity & Guaranty Life Insurance Company and Fidelity & Guaranty Life Insurance Company of New York (“F&G”) is designed to help agents disclose their compensation for sale of tax-qualified annuity products and provide other relevant information to their clients.

It is important to emphasize:

- The form is to be used in connection with Individual Retirement Annuity or other tax-qualified annuity sales.
- The form recognizes an agent may or may not be acting as a fiduciary under ERISA and/or the Tax Code.
- The information is provided by the agent to the applicant as a precaution to help satisfy disclosure conditions of PTE 84-24 in case applicable.
- Agents may use this form or any other form containing the required information for purposes of satisfying PTE 84-24.
- The agent assumes responsibility for use of the form which can be adapted for use with sale of an F&G annuity or any other company annuity.
- F&G provides the sample form to assist agents with satisfying disclosure requirements of PTE 84-24 for tax-qualified annuity sales. However, F&G does not supervise nor assume any liability with respect to fiduciary responsibilities borne by agents including but not limited to their satisfaction of conditions of PTE 84-24.

Please note the following with respect to the sample PTE 84-24 disclosure form:

- It is incumbent upon the agent to ensure all information disclosed on the form is complete, accurate and truthful.
- It is a standardized form so the agent should review its content carefully and make any necessary changes to conform its contents to the agent’s situation and practices.
- When disclosing commission, agents should take into account the commission amount paid to the agent by F&G directly and any additional commission paid to the agent by any IMO or up-line agency such that total commission received by the agent for sale of the annuity is properly reflected.
- Four lines are provided for disclosing base commission. Only the relevant line or lines for a given sale should be filled in. Presently, most F&G annuities are either single premium, in which case commission is a percentage of premium received upon purchase (first line), or flexible premium, in which case commission is a percentage of premiums received during the first policy year (second line). F&G does not presently pay trail commissions based on annual premium (third line). F&G does offer agents the option to receive trail commission based on percentage of account value, and thus agents electing that option should disclose the first-year commission (on the first or second line – whichever is applicable) and trail commission based on account value (fourth line).



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NOTE: Agents disclosing trail commission should be careful to show the annualized rate even though trail commission is calculated and paid on a quarterly basis. For example, if trail commission is 1%, the agent should indicate 1% even though actual trail commission would be calculated as 0.25% of account value at the end of each quarter for the life of the policy. F&G commission schedules are found on [SalesLink](#)[®]

- A separate line is provided for disclosure of bonus commission in cases where an agent is eligible for additional commission based on sales performance. Agents are encouraged to provide this information even if the bonus has not been earned at time of sale. An agent should fill in the amount of commission that he or she might potentially earn using the highest tier or percentage of any applicable bonus program. Agents should also be careful to add in any additional potential bonus that could be payable by an IMO or other up-line agency.

NOTE: For sale of F&G fixed indexed annuities, the highest potential bonus amount is currently set at 1.5% of gross annual premium. F&G does not pay commission bonus on other kinds of annuities – i.e., single premium immediate or multi-year guarantee – so bonus payable by F&G in those cases would be zero.

- Documentation that the agent satisfied conditions of PTE 84-24, if applicable, should be retained in the agent's files for the life of the product, plus six years or as required by the applicable agency or producer agreement, whichever is longer.
- Documentation that an agent satisfied conditions of PTE 84-24, if applicable, must be provided to F&G or appropriate regulators upon request.

A copy of the sample PTE 84-24 disclosure form is available for download on SalesLink.

Important Disclaimer: The laws on who is a fiduciary and how to satisfy prohibited transaction exemptions under ERISA and the Tax Code are complex and often judged based on facts and circumstances. F&G is making its own good faith effort to promote compliance with applicable requirements. However, agents cannot and should not in any way rely on the company for legal or compliance advice and are strongly encouraged to seek their own professional legal counsel in these matters.

For financial professional use only. Not for use with the general public.

F&G is the marketing name for Fidelity & Guaranty Life Insurance Company issuing insurance in the United States outside of New York and, in New York only, Fidelity & Guaranty Life Insurance Company of New York. Each Fidelity & Guaranty Life company is solely responsible for its contractual commitments.