





# F&G Secure MYGA® Product Training

**Multi-year guaranteed annuities with  
3-, 5-, and 7-year interest rate guarantees**

Not to be used with the offer or sale of annuities. Products not available in all states.





Each F&G product has a **Statement of Understanding (SOU)**. You are required to review the SOU before soliciting business. Please note that state variations may apply to your clients, and not all products are available in all states. Refer to F&G's rate sheets for current rate information.

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# F&G Secure MYGA

F&G's Secure MYGA series of single premium deferred fixed annuities offers **3-, 5- or 7-year interest rate guarantee periods<sup>1</sup>** with the flexibility to renew for subsequent guarantee periods. These products are primarily intended for clients seeking a long-term retirement savings vehicle. Key features include:

- penalty-free withdrawals without surrender charges or, when applicable, market value adjustment (MVA)
- a death benefit, **and**
- access to the full account value during periods of qualifying nursing home care, or in the event of chronic or terminal illness with no surrender charges or MVA (these are defined conditions and benefits and availability may vary by state)
- annuitization

<sup>1</sup> Guarantee periods may vary by firm.



## The training consists of:

- ▶ **Secure MYGA 3, 5 & 7 Features Overview — Page 6**
- ▶ **Secure MYGA MVA Features Overview— Page 11**
- ▶ **Secure MYGA Non-MVA Features Overview — Page 16**
- ▶ **Secure MYGA ROP Features Overview — Page 21**
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# Secure MYGA<sup>®</sup> 3, 5 & 7

**(ONLY AVAILABLE IN CA & MO)**

Please refer to the F&G Secure MYGA 3, 5 and 7 Statement of Understanding (SOU) for full product details.

# F&G Secure MYGA 3, 5 & 7

ONLY  
AVAILABLE IN  
CA & MO

## Issue ages

Non-qualified: **0-90** Qualified: **18-90**

- Non-qualified may have joint owners; eligibility is based on older owner's age

## Premium

Minimum: **\$20,000** Maximum: **\$1,500,000**

## Minimum guaranteed interest rate

- The credited rate will never be less than the guaranteed minimum fixed interest rate

## Death benefit

Prior withdrawals reduce benefit amount.

Paid as a lump sum of:

- Account value (unless the spouse, as beneficiary, of the first owner to die continues or succeeds ownership of the annuity)

## Annuitization

- Beginning at the first contract anniversary, the client may elect to have the account value annuitized under an annuity option

## Minimums

- Minimum surrender and withdrawal amount: \$500
- Minimum account balance after surrenders and withdrawals: \$500

## Qualified plans

- Rollovers from IRAs, 401(k), 403(b), pension or profit sharing plans

## Free look period

- 10 days or longer as required by state law

## Penalty-free surrenders and withdrawals

- Accumulated interest and any amount withdrawn during the first 30 days after any guarantee period

## Systematic withdrawal provision

- Two automatic payment options for payment of either a specific amount or interest only on a repetitive basis
- Minimum payment per mode is \$100
  - Frequency: monthly, quarterly, semiannual or annual

## Market value adjustment (MVA)

- Any withdrawal or surrender that incurs a surrender charge will incur an MVA. It may be positive or negative. The MVA is based on changes in rates between the date the contract was issued, and the date the withdrawal is processed. Generally, if rates have risen, the market value adjustment will decrease surrender value; if rates have fallen, it will increase surrender value. MVA does not apply in CA.

## Renewals

At the end of each guarantee period, there is a 30-day window to withdraw the account value without incurring surrender charges or an MVA. At the end of 30 days, F&G automatically renews the annuity for the same guarantee period, with the same surrender charge schedule. Unless there is a full surrender, this renewal process will continue until annuitization or death except in the states listed below.



## Renewals (continued)

In California, if a contract is not surrendered during the 30-day window at the end of the guarantee period, it automatically renews and the surrender charges continue to decline until 10 years from the date the contract was first issued, and do not begin again at 9%. The surrender charge percentage schedule is 9.00%, 8.00%, 7.00%, 6.00%, 5.00%, 4.00%, 3.00%, 2.00%, 1.00%, 1.00%, 0.00%.

## Surrender charge schedule

- The surrender charge will be 9% in the first year, decreasing throughout the initial fixed

Years into guarantee period	1	2	3	4	5	6	7	8+
F&G Secure MYGA 3	9.00%	8.00%	7.00%	0.00%				
F&G Secure MYGA 5	9.00%	8.00%	7.00%	6.00%	5.00%	0.00%		
F&G Secure MYGA 7	9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	3.00%	0.00%

<sup>1</sup>In CA, surrender charges continue to decline over 10 years and do not reset at 9%.

**For unexpected health care costs — access to account value with no surrender charge or MVA**

## **Nursing Home Confinement** (in a licensed nursing home)

- Confinement must begin at least 1 year after contract effective date
- Must be confined to nursing home for at least 60 days

## **Terminal Illness**

- Diagnosis must be made at least 1 year after contract effective date and certified by licensed physician
- Life expectancy must be less than 1 year

# Secure MYGA<sup>®</sup> MVA

**(AVAILABLE IN ALL STATES EXCEPT CA, MO & NY)**

Please refer to the F&G Secure MYGA 3, 5 and 7 MVA Statement of Understanding (SOU) for full product details.

# F&G Secure MYGA MVA

AVAILABLE IN ALL  
STATES EXCEPT  
CA, MO & NY

## Issue ages

Non-qualified: **0-90** Qualified: **18-90**

- If joint owner, eligibility is based on older owner's age

## Premium

Minimum: **\$20,000** Maximum: **\$1,500,000**

## Minimum guaranteed interest rate

- The credited rate will never be less than the guaranteed minimum fixed interest rate

## Death benefit

Prior withdrawals reduce benefit amount.

Paid as a lump sum of:

- Account value (unless the spouse, as beneficiary, of the first owner to die continues or succeeds ownership of the annuity)

## Annuitization

- Beginning at the first contract anniversary, the client may elect to have the account value annuitized under an annuity option

## Minimums

- Minimum surrender and withdrawal amount: \$500
- Minimum account balance after surrenders and withdrawals: \$2,000

## Qualified plans

- Rollovers from IRAs, 401(k), 403(b), pension or profit sharing plans

## Free look period

- 30 days or longer as required by state law

## Penalty-free surrenders and withdrawals

- Beginning in the first year, up to 10% of account value annually during the initial fixed interest rate guarantee period
- Any amount after the initial fixed interest rate guarantee period ends

## Systematic withdrawal provision

- Two automatic payment options for payment of either a specific amount or interest only on a repetitive basis
- Minimum payment per mode is \$100
  - Frequency: monthly, quarterly, semiannual or annual

## Market value adjustment (MVA)

- Scheduled and unscheduled withdrawals of principal are allowed, but surrender charges and MVA apply
- Any withdrawal or surrender that incurs a surrender charge will incur an MVA. It may be positive or negative. The MVA is based on changes in rates between the date the contract was issued, and the date the withdrawal is processed. Generally, if rates have risen, the market value adjustment will decrease surrender value; if rates have fallen, it will increase surrender value. State variations may apply.

## Renewals

After the initial guarantee period ends, the annuity will immediately enter into a new renewal rate guarantee period crediting a renewal fixed interest rate. At the end of any guarantee period, if the client leaves the account value in the product, it will automatically renew one year at a time with no additional surrender charges. That means, the client may withdraw the account value penalty-free at any time. Unless there is a full surrender, this renewal process will continue until annuitization or death. State variations may apply.

## Surrender charge schedule

- The surrender charge will be 9% in the first year, decreasing throughout the initial fixed interest rate guarantee period by 1% each contract year
- Upon renewal, a new one-year renewal interest rate guarantee period begins, and surrender charges no longer apply

Years into guarantee period <sup>1</sup>	1	2	3	4	5	6	7	8+
F&G Secure MYGA 3 MVA	9.00%	8.00%	7.00%	0.00%				
F&G Secure MYGA 5 MVA	9.00%	8.00%	7.00%	6.00%	5.00%	0.00%		
F&G Secure MYGA 7 MVA	9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	3.00%	0.00%

<sup>1</sup>Guarantee periods may vary by firm.

## For unexpected health care costs — access to account value with no surrender charge or MVA

These are defined conditions, and benefits and availability may vary by state.

### Impairment

- Impairment must begin at least 1 year after contract effective date
- Must be unable to perform at least 2 of 6 activities of daily living (for at least 60 days and expected to continue for at least 90 days after requesting withdrawal)

### Nursing Home Confinement (in a licensed nursing home)

- Confinement must begin at least 1 year after contract effective date
- Must be confined to nursing home for at least 60 days

### Terminal Illness

- Diagnosis must be made at least 1 year after contract effective date and certified by licensed physician
- Life expectancy must be less than 1 year

# Secure MYGA<sup>®</sup> Non-MVA

**(AVAILABLE IN ALL STATES EXCEPT CA, MO & NY)**

Please refer to the F&G Secure MYGA 3, 5 and 7 Non-MVA Statement of Understanding (SOU) for full product details.



# F&G Secure MYGA Non-MVA

AVAILABLE IN ALL  
STATES EXCEPT  
CA, MO & NY

## Issue ages

Non-qualified: **0-90** Qualified: **18-90**

- If joint owner, eligibility is based on older owner's age

## Premium

Minimum: **\$20,000** Maximum: **\$1,500,000**

## Minimum guaranteed interest rate

- The credited rate will never be less than the guaranteed minimum fixed interest rate

## Death benefit

Prior withdrawals reduce benefit amount.

Paid as a lump sum of:

- Account value (unless the spouse, as beneficiary, of the first owner to die continues or succeeds ownership of the annuity)

## Annuitization

- Beginning at the first contract anniversary, the client may elect to have the account value annuitized under an annuity option

## Minimums

- Minimum surrender and withdrawal amount: \$500
- Minimum account balance after surrenders and withdrawals: \$2,000

## Qualified plans

- Rollovers from IRAs, 401(k), 403(b), pension or profit sharing plans

## Free look period

- 30 days or longer as required by state law

## Penalty-free surrenders and withdrawals

- Beginning in the first year, up to 10% of account value annually during the initial fixed interest rate guarantee period
- Any amount after the initial fixed interest rate guarantee period ends
- Scheduled and unscheduled withdrawals of principal are allowed, but surrender charges apply

## Systematic withdrawal provision

Two automatic payment options for payment of either a specific amount or interest only on a repetitive basis

- Minimum payment per mode is \$100
- Frequency: monthly, quarterly, semiannual or annual

## Renewals

After the initial guarantee period ends, the annuity will immediately enter into a new renewal rate guarantee period crediting a renewal fixed interest rate. At the end of any guarantee period, if the client leaves the account value in the product, it will automatically renew one year at a time with no additional surrender charges. That means, the client may withdraw the account value penalty-free at any time. Unless there is a full surrender, this renewal process will continue until annuitization or death. State variations may apply.

## Surrender charge schedule

- The surrender charge will be 9% in the first year, decreasing throughout the initial fixed interest rate guarantee period by 1% each contract year
- Upon renewal, a new one-year renewal interest rate guarantee period begins, and surrender charges no longer apply

Years into guarantee period <sup>1</sup>	1	2	3	4	5	6	7	8+
F&G Secure MYGA 3 Non-MVA	9.00%	8.00%	7.00%	0.00%				
F&G Secure MYGA 5 Non-MVA	9.00%	8.00%	7.00%	6.00%	5.00%	0.00%		
F&G Secure MYGA 7 Non-MVA	9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	3.00%	0.00%

<sup>1</sup>Guarantee periods may vary by firm.

## For unexpected health care costs — access to account value with no surrender charge

These are defined conditions, and benefits and availability may vary by state.

## Impairment

- Impairment must begin at least 1 year after contract effective date
- Must be unable to perform at least 2 of 6 activities of daily living (for at least 60 days and expected to continue for at least 90 days after requesting withdrawal)

## Nursing Home Confinement (in a licensed nursing home)

- Confinement must begin at least 1 year after contract effective date
- Must be confined to nursing home for at least 60 days

## Terminal Illness

- Diagnosis must be made at least 1 year after contract effective date and certified by licensed physician
- Life expectancy must be less than 1 year

# Secure MYGA<sup>®</sup> ROP

**(AVAILABLE IN ALL STATES EXCEPT CA, MO & NY)**

Please refer to the F&G Secure MYGA 3, 5 and 7 ROP Statement of Understanding (SOU) for full product details.

## Issue ages

Non-qualified: **0-90** Qualified: **18-90**

- If joint owner, eligibility is based on older owner's age

## Premium

Minimum: **\$20,000** Maximum: **\$1,500,000**

## Minimum guaranteed interest rate

- The credited rate will never be less than the guaranteed minimum fixed interest rate

## Death benefit

Prior withdrawals reduce benefit amount.

Paid as a lump sum of:

- Account value (unless the spouse, as beneficiary, of the first owner to die continues or succeeds ownership of the annuity)

## Annuitization

- Beginning at the first contract anniversary, the client may elect to have the account value annuitized under an annuity option

## Minimums

- Minimum surrender and withdrawal amount: \$500
- Minimum account balance after surrenders and withdrawals: \$2,000

## Qualified plans

- Rollovers from IRAs, 401(k), 403(b), pension or profit sharing plans

## Free look period

- 30 days or longer as required by state law

## Return of Premium (ROP) feature

A guarantee unique to  
F&G Secure MYGA ROP 3, 5 & 7.

## What is the ROP feature?

- The contract is guaranteed to return at least the original premium, assuming no excess withdrawals were taken previously.
- The ROP feature only applies during the initial fixed interest rate guarantee period.
- In some situations, the ROP amount could be lower than the contract's surrender value, at which point the payout would be the higher of the two numbers.

## When might the ROP feature be useful?

- The client's situation has changed and they need liquidity.
- Market conditions have changed and you or the client no longer think it's the best product for them.
- Rates have increased and the client can get a better rate if they open a different annuity.

## Penalty-free surrenders and withdrawals

- Beginning in the first year, up to 10% of account value annually during the initial fixed interest rate guarantee period
- Any amount after the initial fixed interest rate guarantee period ends

## Systematic withdrawal provision

- Two automatic payment options for payment of either a specific amount or interest only on a repetitive basis
- Minimum payment per mode is \$100
  - Frequency: monthly, quarterly, semiannual or annual

## Renewals

After the initial guarantee period ends, the annuity will immediately enter into a new renewal rate guarantee period crediting a renewal fixed interest rate. At the end of any guarantee period, if the client leaves the account value in the product, it will automatically renew one year at a time with no additional surrender charges. That means, the client may withdraw the account value penalty-free at any time. Unless there is a full surrender, this renewal process will continue until annuitization or death. State variations may apply.



## Surrender charge schedule

- The surrender charge will be 9% in the first year, decreasing throughout the initial fixed interest rate guarantee period by 1% each contract year
- Upon renewal, a new one-year renewal interest rate guarantee period begins, and surrender charges no longer apply

Years into guarantee period <sup>1</sup>	1	2	3	4	5	6	7	8+
F&G Secure MYGA 3 ROP	9.00%	8.00%	7.00%	0.00%				
F&G Secure MYGA 5 ROP	9.00%	8.00%	7.00%	6.00%	5.00%	0.00%		
F&G Secure MYGA 7 ROP	9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	3.00%	0.00%

<sup>1</sup>Guarantee periods may vary by firm.

## For unexpected health care costs — access to account value with no surrender charge

These are defined conditions, and benefits and availability may vary by state.

## Impairment

- Impairment must begin at least 1 year after contract effective date
- Must be unable to perform at least 2 of 6 activities of daily living (for at least 60 days and expected to continue for at least 90 days after requesting withdrawal)

## Nursing Home Confinement (in a licensed nursing home)

- Confinement must begin at least 1 year after contract effective date
- Must be confined to nursing home for at least 60 days

## Terminal Illness

- Diagnosis must be made at least 1 year after contract effective date and certified by licensed physician
- Life expectancy must be less than 1 year

# Additional information

Please refer to the relevant Statement of Understanding (SOU) for full product details.

## How is MVA calculated?

Amount of withdrawal x MVA adjustment factor

The MVA adjustment factor is:

$$1 - \left( \frac{1 + \text{rate at contract issue}}{1 + \text{rate when withdrawal processed} + 0.0025} \right)^{N/12}$$

N is the remaining months in the surrender charge schedule, rounded up to the next month

Rate in the formula refers to the U.S. Treasury Constant Maturity (TCM) Series 3, 5 and 7 year maturities.

**For Secure MYGA 3**, the MVA is based on changes in the yield of the U.S. TCM Series (3-year maturity) between the date of contract issue and the date the withdrawal is processed.

**For Secure MYGA 5**, the MVA is based on changes in the yield of the U.S. TCM Series (5-year maturity) between the date of contract issue and the date the withdrawal is processed.

**For Secure MYGA 7**, the MVA is based on changes in the yield of the U.S. TCM Series (7-year maturity) between the date of contract issue and the date the withdrawal is processed.

MVA is not applicable in CA.

## How is MVA calculated?

Amount of withdrawal x MVA adjustment factor

The MVA adjustment factor is:

$$1 - \left( \frac{1 + \text{rate at contract issue}}{1 + \text{rate when withdrawal processed} + \text{MVA offset}} \right)^{N/12}$$

N is the remaining months in the surrender charge schedule, rounded up to the next month

Rate in the formula refers to the Bloomberg Barclays US Aggregate Index Yield to Worst.

The MVA is based on changes in the yield of the applicable index between the date of contract issue and the date the withdrawal is processed.

Note that the MVA is an area where there are many state variations.

In the following states the MVA offset equals 0.25%: DE, FL, ND, SD. In the remaining available states, the MVA offset is not applicable.

MVA is not applicable in all states or for all products in the Secure MYGA series.

# Annuitization options

**The contract may be annuitized at any time after the first contract anniversary, and these are the payout options:**

- Income for a fixed period
- Life income with a guaranteed period
- Life income
- Joint & contingent life income
- Joint & survivor life income with a guaranteed period
- Joint & survivor life income
- Life income with a lump sum refund at death
- Period certain with a lump sum refund at death

All the payment options, except income for a fixed period and period certain with a lump sum refund at death, provide a guaranteed income your client cannot outlive.

Annuity payments are based on the account value of the annuity. Some states require waiver of surrender charges when payments begin.

# Does Secure MYGA suit your client?

You must have reasonable grounds to believe your recommendation to purchase, replace or exchange an annuity is suitable for your client, based on the client's disclosed insurance needs and financial state and objectives.

Before making a recommendation to your client:

## 1. Know your client

What are the client's future goals and needs? You must evaluate carefully and make every effort to understand the client's unique financial circumstances, objectives, needs and risk tolerance. Does the client have adequate remaining funds for emergencies, and access to sufficient liquid assets? Is the client comfortable there are no likely, foreseeable, significant adverse changes in income or expenses during the annuity surrender period that would affect his or her decision?

## 2. Inform your client

Make every reasonable effort to present the client with the information necessary to make a well-informed decision. Explain the key features and purpose of the annuity completely and accurately.

## 3. Believe it's right

You must believe the client will benefit from purchasing the annuity and that, as a whole, it is suitable for the client.

# If you are recommending that your client **replace or exchange** an annuity, you have additional responsibilities. You must also consider:

1. Will the client incur surrender charges?
2. Will the client benefit from product enhancements (such as riders)?
3. Has the client exchanged or replaced an annuity within the last 36 months (60 months for California or Minnesota clients)?
4. Does the client understand the various features of the annuity, both favorable and unfavorable? These include tax penalties, surrender charges, new surrender periods, and loss of existing benefits.
5. Will the client benefit from the new annuity's features?
6. Is the surrender and purchase transaction suitable?



The **NAIC's Suitability in Annuity Transactions Model Regulation** requires a licensed insurance producer to have reasonable grounds to believe the recommendation to purchase, replace or exchange an annuity is suitable, based on the client's disclosed insurance needs and financial objectives.

It is your responsibility, both as an appointed producer for F&G and a licensed insurance producer, to recommend the purchase, replacement or exchange of an annuity only after carefully evaluating the unique financial circumstances, objectives and needs of your client to determine if an annuity is suitable.

Please follow up with your **Broker  
Dealer supervisor** for additional  
information on suitability  
requirements, forms and  
other details.



# Disclosures

“F&G” is the marketing name for Fidelity & Guaranty Life Insurance Company issuing insurance in the United States outside of New York. Life insurance and annuities issued by Fidelity & Guaranty Life Insurance Company, Des Moines, IA. Guarantees are based on the claims paying ability of the issuing insurer, Fidelity & Guaranty Life Insurance Company, Des Moines, IA.

F&G is not providing investment advice for any individual or any individual situation. Nothing in this product training should be read as investment advice.

F&G annuities are insurance products not guaranteed by any bank nor are they insured by FDIC, NCUA/NCUSIF, the Federal Government or any agency. They may lose value. There is no bank or credit union guarantee, and they are not a deposit. They may be offered only by a licensed insurance agent.

This product training is for financial professional use only. The term financial professional is not intended to imply engagement in an advisory business with compensation unrelated to sales. Financial professionals will be paid a commission on the sale of an F&G annuity.

F&G Secure MYGA 3,5 & 7, MVA, Non-MVA and ROP are Single Premium Deferred Annuities.

An annuity is intended for retirement or other long-term needs. It is intended for a person who has sufficient cash or other liquid assets for living expenses and other unexpected emergencies, such as medical expenses. An annuity is not a registered security.

F&G Secure MYGA MVA, Non-MVA and ROP are not available in CA, MO and NY.

F&G Secure MYGA 3, 5 and 7 is only available in CA and MO.

New Secure MYGA products (MVA, Non-MVA, ROP): A new 1-year guarantee period will begin after the end of the previous guarantee period.

Secure MYGA 1.0: There is a 30-day window at the end of each 3-, 5- or 7-year guarantee period where your client may withdraw all or part of the annuity value without application of surrender charges or market value adjustment. A new guarantee period and surrender charge period will begin after the end of the previous ones.

Withdrawals and surrender of taxable amounts are subject to ordinary income tax and, except for certain circumstances, will be subject to an IRS penalty if taken prior to age 59 ½. Withdrawals in year one or in excess of 10% in contract years 2 on are subject to surrender charges and an MVA. This may result in a loss of principal.

The provisions, riders and optional additional features of this product have limitations and restrictions, and may have additional charges. Contracts are subject to state availability, and certain restrictions may apply.



**THANK YOU**

# Attestation

This concludes the online study guide material for the course. In order to receive credit for this course, you are required to complete an online attestation.

Click the “attestation” step to be directed to the online attestation.