



# RetireMax Secure 5 FAQ

## SINGLE PREMIUM DEFERRED ANNUITY

### What is the RetireMax Secure 5 annuity?

RetireMax Secure 5 is a fixed single premium deferred annuity that offers a guaranteed fixed interest rate for the first 5 years.

### What is the current guaranteed fixed interest rate?

The guaranteed fixed interest rate is 5.15% as of 10/14/22.

### What is the minimum and maximum single premium that a client can deposit into the RetireMax Secure 5?

The Minimum Premium amount is \$100,000.

The Maximum Premium amount depends on age at issue:

- Age 0-70: \$2,000,000
- Age 71-75: \$1,500,000
- Age 76-80: \$1,000,000
- Age 81-85: \$500,000

(Higher amounts are available with Home Office approval)

### What are the selling points for RetireMax Secure 5?

In today's volatile market, some clients value **certainty and safety** more than indexed crediting potential. RetireMax Secure 5 offers a safe and guaranteed way for clients to diversify their savings, and also provides **tax advantages**.

- **Certainty:** RetireMax Secure 5 has a known (guaranteed fixed) rate and known term (5 years) so the outcome is known at issue.
- **Safety:** The client's principal is protected.
- **Tax deferral:** Interest gains are not taxed until funds are withdrawn.

### Can clients access their money in the first 5 years?

Withdrawals in the first policy year are subject to a withdrawal charge. After the first policy year, a client may withdraw in any one year up to 10% of the Accumulation Value without incurring a withdrawal charge.

Withdrawal Charges						
Policy Year	1	2	3	4	5	6+
Charge	7%	7%	7%	6%	5%	0
	Charge applies to full amount of withdrawal in first policy year.	Withdraw up to 10% of the Accumulation Value without charge in any one year. Withdrawal charge applies to any additional amount withdrawn over 10%.				

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No bank or credit union guarantee | Not a deposit | Not FDIC/NCUA insured | May lose value | Not insured by any federal or state government agency

Guarantees are dependent upon the claims-paying ability of the issuing company.

### If clients are looking for safety and guarantees, then why not put their money in a CD?

Certificates of deposit (CDs) offer safety and guarantees but interest gains are taxable. In contrast, RetireMax Secure 5 interest compounds without the interest gains being taxed until withdrawal.

If no withdrawals are made before the end of the 5-year period, clients will see higher value accumulation compared to a CD:

Jumbo CD <sup>1</sup>	RetireMax Secure 5 <sup>2</sup>
\$100,000	\$100,000
3.5% guaranteed fixed interest rate	5.15% guaranteed fixed interest rate
Net value after 5 years: <b>\$113,514</b>	Net value after 5 years: <b>\$128,543</b>

RetireMax Secure 5 also offers advantages over jumbo CDs when it comes to withdrawal charges:

- After the first policy year, clients can withdraw up to 10% of their RetireMax Secure 5 funds without a withdrawal charge.
- With a 5-year jumbo CD, clients cannot access their funds for 5 years without a penalty.

### What are the fees or expenses?

RetireMax Secure 5 has no fees or expenses.

### What happens after the 5-year rate guarantee period?

After the 5-year rate guarantee period ends, the policy's interest rate will renew annually. The interest rate is guaranteed to be no less than the guaranteed minimum rate set at issue.

### What is the current guaranteed minimum rate?

The guaranteed minimum rate is 1% as of 10/14/22.

### Which states is RetireMax Secure 5 approved in?

RetireMax Secure 5 is approved in all states EXCEPT for Arizona, Maryland, Montana, New Jersey, New York, North Carolina, Oklahoma, Oregon and Washington. Green Mountain Freedom 5 is our fixed SPDA that is approved in NY.

### Is there a marketing brochure for RetireMax Secure 5?

Yes. The brochure can be found on Merrill. The catalog number is 101299(1022)

### What is the process for submitting an application?

The RetireMax Secure 5 is not on the eApp system. The paper application is available from the forms system. Once completed, applications can be scanned and emailed to [imaging@nationallife.com](mailto:imaging@nationallife.com) or mailed to National Life, Attn: New Business Unit, 1 National Life Drive, Montpelier, VT 05604.

1. Assumes a 5-year jumbo CD rate of 3.5% (best available rate as of 10/22 from a highly reputable national bank); net after taxes; 28% tax bracket

2. Assumes current rate of 5.15% for 5 years, tax-deferred, before tax value. Earnings in a non-qualified annuity are subject to ordinary income tax upon distribution. Withdrawals prior to age 59 ½ may be subject to a 10% Federal Tax Penalty.