

WEALTH CHOICE

FIXED INDEXED ANNUITY

Financial Professional Marketing Guide

5, 7, & 10 Year Options
With Optional Bonus on 10 Year



Kuvare
▶ GUARANTY
INCOME LIFE INSURANCE

This guide pairs with the Interest
Crediting Options Guide, WC-66.

► WealthChoice

Fixed Indexed Annuity (FIA)

As a financial professional, you seek to provide viable options for your clients' retirement savings. For your clients who want both growth opportunities and protection from market downturns – WealthChoice is a sensible choice. WealthChoice allows additional premium contributions during the first contract year.

WealthChoice Rises Above Annuity Objections

If you are hesitant to sell annuities due to common concerns or burns from other FIA products, let's address how WealthChoice was designed to rise above these issues:

● **Complexity:**

Many FIAs can be difficult to explain to customers, especially the income features. WealthChoice FIA with Guaranteed Living Benefit Rider was developed with simplicity, so you can easily explain the benefits to clients in terms they can understand. No confusing phantom benefits, step ups or roll-ups.

● **Renewal Rate Integrity:**

Some companies launch FIAs with competitive rates and cut renewal rates the following year. WealthChoice was designed for the long-haul. Our renewal rate integrity has been consistent since launch.

● **Liquidity:**

Not all annuities provide ample liquidity like WealthChoice: 10% free withdrawals are available each year, a Return of Premium provision kicks in after the fifth contract year and surrender charge periods are shorter than many competing options.

● **Expensive:**

WealthChoice can be less expensive than older annuities. When adding the optional income rider, the only cost is less than 1%.

Not FDIC/NCUA insured • Charges may apply • Not bank/CU guaranteed • Not a deposit • Not insured by any federal agency • May go down in value

A fixed index annuity is not a security and is not an investment in the stock market. Index account interest is based, in part, on index performance. Past performance of an index is not an indication of future performance.

WealthChoice Fixed Indexed Annuity is underwritten and issued through Guaranty Income Life Insurance Company. Guarantees are backed by the financial strength and claims paying ability of the company. Product availability and features may vary, and some features may not be available in all states.

WEALTH CHOICE



► Base Product

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DETAILS



Qualification Types

- Non-Qualified
 - Roth IRA, Traditional IRA
- Full Roth Conversions are accepted, partials are not.



Owner / Annuitant

Single Owner: Owner and Annuitant must be the same person
Joint Owner: Joint Owners must be spouses, not applicable for IRAs

Trust: A Trust cannot be a joint owner. Grantor must also be the Annuitant; suitability information must be for grantor/annuitant. The income rider is available on the annuitant in a trust-owned annuity. Trusts can be revocable or irrevocable.

WealthChoice contracts are Owner-driven.



Premiums

- \$20,000 – \$1,000,000 max without company approval
- Additional premium allowed in first year to fixed account, may be reallocated at next anniversary. Minimum additional premium is \$5,000.



Surrender Periods & Availability

WEALTHCHOICE 5

- Surrender charges – 9, 8, 7, 6, 5% (CA only: 8.65, 7.90, 6.85, 5.75, 4.70%)
- Issue ages 0–90

WEALTHCHOICE 7

- Surrender charges – 9, 8, 7, 6, 5, 4, 3% (CA only: 8.65, 7.90, 6.85, 5.75, 4.70, 3.60, 2.50%)
- Issue ages 0–90 (max 80 if adding Guaranteed Living Benefit Rider)

WEALTHCHOICE 10

- Surrender charges – 10, 9, 8, 7, 6, 5, 4, 3, 2, 1% (CA only: 8.65, 7.90, 6.85, 5.75, 4.70, 3.60, 2.50, 1.35, 0.25, 0%)
- Issue ages 0–80 (max 80 if adding GLBR)



Maturity Age

Age 110, unless GLBR rider is included – then is extended to 120



Fixed And Indexed Account Options & Minimum Guarantees

For full details on our interest crediting options, please refer to WC-66.



Rate Lock

In the event of any rate change, applications have 60 days to fund from the date the app is received in good order to receive the previous rate.



Premium Allocation

There is no requirement to use a specific fund or all funds. Allocations among funds must add up to 100%, be whole numbers and should adhere to the \$1,000 minimum account size.

► Base Product

FEATURE/BENEFIT

DETAILS



Reallocations

Upon receiving the policy annual statement on contract anniversary, the owner has up to 21 days after the policy anniversary to reallocate among accounts. The reallocation will be effective as of the policy anniversary. There are no limits on reallocation percentages as long as the percentages equal 100%.



Death Benefit

The Death Benefit is payable in a lump-sum upon the death of an owner before the Maturity Date and is equal to the greater of the Accumulation Value or the Cash Value.

Any Joint Owner must be the Owner's spouse. If there are Joint Owners, they must be each other's sole beneficiary.

Death Benefit Enhancement: upon death, if beneficiary elects at least a 5-year or longer period certain payout option, the death benefit will be multiplied by 110% prior to determining the periodic payment.



Accumulation Value

The Accumulation Value is the sum of the Fixed Account and any IndexedAccount(s).



Cash Surrender Value

Account value less any premium bonus recapture, less surrender charges and plus or minus any Market Value Adjustment (MVA), which could be positive or negative. The cash surrender value will never be less than the Guaranteed Surrender Value (MGSV).



Guaranteed Minimum Cash Surrender Value (GMCSV) & Interest Rate (GMCSVIR)

GMCSV equals 87.5% of premiums accumulated at GMCSVIR, reduced by withdrawals. The GMCSVIR rate is between one and three percent locked in, based on declared rate at time contract is issued.



Market Value Adjustment

A market value adjustment (MVA) is applied only during the surrender charge period to full surrenders and to any partial surrender in excess of the Free Partial Surrender available. The adjustment is either positive or negative, based on the Constant Maturity Treasury (CMT) rate for matching duration (5, 7 or 10 years) at time of withdrawal. The MVA is applied after any unvested premium bonus is deducted. The MVA will never be more than the difference between the Accumulation Value less Surrender Charges and the Guaranteed Minimum Cash Surrender Value. Contracts issued in California further limit the MVA to 2% of earnings in the contract.

The MVA is based on the difference between the CMT at issue and at surrender – if it is higher at surrender there will be a negative MVA, or if it is lower at surrender there is a higher MVA.

MVA does not apply to:

- Death Benefit
- Free Partial Surrender Withdrawals & RMDs
- Guaranteed Living Benefit Rider (GLBR)
- Terminal Illness & Nursing Home Confinement Benefit

► Base Product

FEATURE/BENEFIT

DETAILS



Terminal Illness & Nursing Home Confinement Benefit

Surrender charges and MVA are waived in the event of terminal illness and/or confinement to a nursing home.

Terminal Illness: a health condition or injury experienced, which to a reasonable degree of medical certainty, confirmed by a Physician, will result in that person's death within one year.

Confinement: receiving continuous care for at least 30 days from a hospital or long-term care facility.

Refer to contract for additional details.



Free Partial Withdrawals

10% of the prior anniversary's Accumulation Value is available free of surrender charge and MVA, applies in all years. During the first year, it is 10% of the initial premium.



RMD Provision

In all contract years, the Required Minimum Distribution (RMD) amount is free of surrender charges even if in excess of the free withdrawal amount. If less, only the difference remaining is available for free withdrawal.



Return of Premium

After the 5th contract year, any full surrender will return at least the amount of premium paid into the contract reduced by previous withdrawals.



Premium Bonus Rider

Optional only on **WealthChoice 10**.

Premiums paid within the first 90 days will receive a premium bonus, which is applied to the Account Values as allocated. Unplanned premiums paid in the first 90 days, along with applicable Bonus, are allocated to the fixed account and the accumulated values may be reallocated at the next anniversary. There is no fee for the rider, though caps and pars may be lower than if no Premium Bonus Rider had been selected.

If any withdrawal in excess of free partial withdrawals, Lifetime Yearly Income withdrawals, RMDs or surrender occurs, some or all of the Premium Bonus may be forfeited in years one through five: 100, 80, 60, 40, 20%; fully vested in year 6.

Premium bonus may still be recaptured if Waiver of Surrender Charges & MVA feature is exercised due to terminal illness or nursing home confinement.

View the Interest Rate Bulletin for the current bonus rate.



Commission Chargeback

Chargebacks may apply. Please refer to your commission addendum for details.



Forms & Disclosures

State-specific WealthChoice application kits are available at: gilico.com/pre-sales-documents/?password=wcimo and via e-App.

You may also email sales@gilico.com to request kits.

► Base Product

FEATURE/BENEFIT

DETAILS



Annuity Payout Options

Period Certain Payments - equal payment for a fixed period of not less than 10 years or more than 30 years, as selected.

Lifetime Income - equal payment made for the life of the Owner.
Life Income with Guaranteed Period - equal payments made for the life of the Owner with a guaranteed period of 10, 15, 20, 25 or 30 years, as selected.

Joint and Survivor Lifetime Income - equal payments made for the greater of the life of the Owner or the life of the Joint Owner with no guaranteed period.

Joint and Survivor Lifetime Income with Guaranteed Period - equal payments made for the greater of the life of the Owner or the life of the Joint Owner with a guaranteed period of 10, 15, 20, 25 or 30 years, as selected.



Annuity Suitability

WealthChoice offers opportunities to spread risk over both conservative (fixed) and moWealthChoice offers opportunities to spread risk over both conservative (fixed) and moderately conservative (indexed) options. There is a 'parachute' for the index funds in that they cannot lose money based on fund performance. However, there is still the added element of risk added by the MVA. Because WealthChoice utilizes index options, it is generally more suitable for the more market savvy applicant who is willing to 'risk' having no return in exchange for the upside potential.

You are expected to be familiar with the product's attributes at the time of sale. You will be required to go over them with your client and complete a product disclosure form attesting that you have thoroughly reviewed the product details with them and that the product sold is being recommended as suitable to and in the best interest of your client based on their specific situation. **If you have any questions regarding the product or the process, please contact your Sales Director or our Sales Support team at 800-535-8110 or email sales@gilico.com.**

▶ Guaranteed Living Benefit Rider

FEATURE/BENEFIT

DETAILS



Guaranteed Living Benefit Rider (GLBR)

Optional rider that can only be added to **WealthChoice 7** or **WealthChoice 10** only at time of issue.

The GLBR allows for withdrawals to be made for the lifetime of the owner without regard to available funds – as long as withdrawals are less than, or equal to, the Lifetime Yearly Income (LYI) withdrawal amount. The withdrawal amount will be a level payment or an increasing payment, based on the election of the owner at the time of utilization.

The LYI withdrawal amount is based on a factor determined at the time of utilization that depends on the owner's age at that time, multiplied by the account value. Any excess withdrawals will reduce future withdrawals and could cause the GLBR payments to stop and the policy terminate. The benefit base is not a separate account; it is the account value, and it gets multiplied by the payout factor.



Issue Age

Available for issue ages through 80.



Rider Fee

Annual cost of 0.95% of accumulation value payable each anniversary starting on the first contract anniversary. Once the GLBR has been exercised, the Rider Fee gets locked in at the last value determined prior to the Rider Payout Start Date. The Rider Fee ends once the accumulation value goes to 0.



Covered Person(s)

GLBR rider is based on a Covered Person(s), related to, but not always identical to the Owner.

- If Owner is a natural person, Owner & Annuitant must be the same person, and they are the Covered Person.
- If Owner is not a natural person, Annuitant is Covered Person.
- Joint Owners are Joint Covered persons for the purpose of the rider. Joint owners must be spouses.
- If there is a Single Covered Person, and the Covered Person's Spouse is the sole beneficiary of the contract, then the Spouse can optionally be a Joint Covered Person – election made at Income Start Date.



Minimum Income Start Age

Attained age 50.

▶ Guaranteed Living Benefit Rider

FEATURE/BENEFIT

DETAILS



Lifetime Yearly Income (LYI) Amount

This is the amount that may be withdrawn, starting on the Benefit Payout Start Date, each contract year for the life of the Covered Person(s) even if the Accumulation Value is reduced to zero.

When the Benefit Payout Start Date is elected, either Single Lifetime Withdrawals or Joint Lifetime Withdrawals are chosen, and either Level Withdrawals or Increasing Withdrawals are elected.

LYI withdrawals will be based on the applicable Lifetime Withdrawal Option factor for the youngest Covered Person multiplied by the Accumulation Value. Future LYI withdrawals will not decrease unless Excess Withdrawals are made in any Contract Year.

If joint payout is selected, and first death occurs during first three years, the payout factor will be redetermined based on single life payout on the next anniversary of the election date.

Withdrawals under the Single Lifetime Withdrawal option will end upon the death of the Covered Person. Withdrawals under the Joint Lifetime Withdrawal option will end upon the death of the second-to-die of the Covered Person or the Joint Covered Person.



Lifetime Yearly Income (LYI) Payout Factors

The LYI factor varies by the Level Withdrawal Option and the Increasing Withdrawal Option. It is based on the youngest Covered Person at the timewithdrawals begin. The LYI payout factors are available in the WealthChoice GLBR payout rate document, CR-0032.



Waiting Period

Payouts can begin at any time after issue. A 30-day processing time applies.



Benefit Payout Start Date

The date where the contract owner, by written request, starts withdrawals. The initial LYI is determined on this date.

▶ Guaranteed Living Benefit Rider

FEATURE/BENEFIT

DETAILS



Spousal Continuation

For joint income, the spouse must be listed as primary beneficiary. If death occurs before income start date – the spouse has the option to continue the rider, with no change in benefits.

If death occurs after income start date –

- If Joint Income was elected, with the deceased Owner's spouse as the Joint Covered Person, the surviving spouse may continue the contract and continue receiving the Lifetime Income Amount.
- If Single Income was elected, the GLBR Rider will be terminated.



Impact of Excess Withdrawals to Lifetime Income Amount

An excess withdrawal is the amount of a withdrawal on or after the Benefit Payout Start Date that exceeds the LYI taking into account all amounts withdrawn during the same contract year. The amount of any excess withdrawal will be subject to surrender charges and MVAs. An excess withdrawal will reduce future LYI except for any applicable RMD amounts.



Education Requirements

Many states require a specific license type, Annuity education and Product Specific Training prior to soliciting sales. Product Specific Training can be completed for WealthChoice at RegEd.com using course code: WCA19.

If your firm uses an alternate training platform, please use that system.



Contract Year

This means each successive 12-month period beginning on the Contract Date.

Withdrawal

This is any amount taken from the Contract as a Partial Surrender or Full Surrender.

Maturity Date

This is the date an Annuity Payout Option must begin.

Death Benefit

Prior to electing a Benefit Payout Start Date, this is the greater of the Accumulation Value or the Cash Surrender Value.

Accumulation Value

This is the sum of the Fixed Account Value and all Indexed Account Values.

Fixed Account Value

This equals the premium allocated to the Fixed Account, less any amounts withdrawn, plus interest credited at the Fixed Rate.

Indexed Account Value

The premium allocated to a particular Indexed Account, less any amounts withdrawn, plus Index Credits.

Free Partial Surrender

Withdrawals of up to 10% of the beginning of year Accumulation Value without Surrender Charges or MVAs. For tax qualified contracts, the Free Partial Surrender amount will be the greater of the value described in the preceding sentence or the RMD.

Surrender Charge

A surrender charge is applied to withdrawals (full or partial) in excess of the Free Partial Surrender within the first 5, 7, or 10 Contract Years.

Market Value Adjustment (MVA)

An adjustment to the amount withdrawn/surrendered during the Surrender Charge Period.

Cash Surrender Value

The amount that is available at the time of surrender, equal to the Accumulation Value less any Surrender Charges and Market Value Adjustments. Never less than the Guaranteed Minimum Cash Surrender Value.

Return of Premium Value

Starting with the first day of the 6th Contract Year, the Cash Surrender Value will not be less than the Premium for this Contract less all Withdrawals taken through a given date.

Guaranteed Minimum Cash Surrender Value

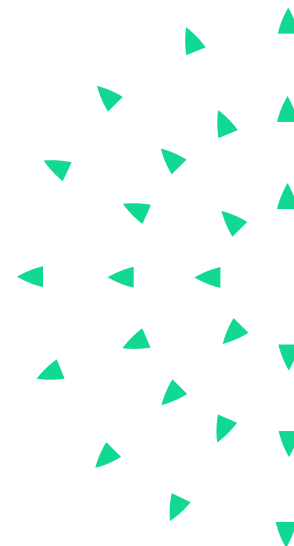
This equals 87.5% of the Premium for this Contract less any Withdrawals less any applicable taxes, accumulated as the Guaranteed Minimum Cash Surrender Value Interest Rate.

Required Minimum Distribution (RMD)

This is the amount that is required to be distributed under an annuity which is tax qualified in order for the owner of the annuity to avoid incurring a Federal income tax penalty for failure to withdraw the required distribution from the annuity.

Annuity Payout Options

On or before the Maturity Date, the Cash Surrender Value may be applied to an Annuity Payout Option. This contract contains several annuity payout options which include Life Contingent Options, Joint Life Contingent Options, and Period Certain Options.



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