

# Sage Secure FIA



PRODUCT GUIDE

## Fixed Indexed Single Premium Deferred Annuity

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Contract Forms: ICC173007, ICC176067

**SAGE SECURE FIA PRODUCT DESCRIPTION**

Sagicor Life Insurance Company's Sage Secure Fixed Indexed Single Premium Deferred Annuity (Sage Secure FIA) provides an opportunity for accumulation with index-linked crediting and no loss of principal or accumulation value in a down market.

**APPLICATION**

eApplication and paper application options available. eApplications will expedite processing and pays higher commissions, please refer to Sagicor's commission schedules for details.

**ISSUE AGES (AGE LAST BIRTHDAY)**

15 days to 90 years (Applies to both Owner and Annuitant)

**MINIMUM PREMIUM**

\$25,000 (Qualified and Non-Qualified)

**MAXIMUM PREMIUM**

\$750,000 (Higher amounts are available with Home Office Approval)

**MATURITY**

Maturity is reached on the contract anniversary following the Annuitant's 100<sup>th</sup> birthday.

**GUARANTEED SURRENDER VALUE**

This value is 87.5% of the premium paid, accumulated at the nonforfeiture rate, adjusted by net withdrawals.

**WITHDRAWALS**

Withdrawals<sup>1</sup> are allowed at any time and may be subject to a surrender charge.

**PENALTY FREE WITHDRAWALS**

Beginning in the second contract year, the Owner can withdraw<sup>1</sup> up to 10% of account value per year without a surrender charge.

**NURSING HOME FACILITY, CONFINED CARE FACILITY CONFINEMENT OR TERMINAL ILLNESS**

If the Owner meets the qualifications for the nursing home facility, confined care facility confinement or terminal illness benefit, the maximum penalty free withdrawal percentage will be 100%. If it is determined by Sagicor that the Owner is qualified, for nursing home or confined care, the Owner remains qualified from that date forward, regardless of whether or not ongoing or future confinement occurs.

**QUALIFICATIONS FOR NURSING HOME FACILITY OR CONFINED CARE FACILITY CONFINEMENT**

1. To qualify, the Owner cannot have been confined at any time between the application date and the contract effective date or for at least 30 consecutive days anytime during the year prior to the contract effective date.
2. The Owner has been confined to a nursing home or a confined care facility for at least 90 consecutive days; the Owner does not have to be confined when submitting a qualification form.

**QUALIFICATIONS FOR TERMINAL ILLNESS**

1. To qualify, the Owner must be diagnosed with a Terminal Illness by a Licensed Physician.
2. The first diagnosis of Terminal Illness must have occurred after the first Contract year.

**MARKET VALUE ADJUSTMENT (MVA)**

The Sage Secure FIA includes an MVA. An MVA is an adjustment to surrenders or withdrawals when a surrender charge is applied. It may increase or decrease the amount received depending on the direction interest rates move. An MVA does not apply at death and the Surrender Value will never be less than the Guaranteed Surrender Value.

**SURRENDER CHARGES**

The owner has the choice to select from three different Surrender Charge options listed below:

Year	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>	9 <sup>th</sup>	10 <sup>th</sup>
10-Year	9%	9%	8%	7%	6%	5%	4%	3%	2%	1%
7-Year	9%	8%	7%	6%	5%	4%	3%			
5-Year	9%	8%	7%	6%	5%					

**ANNUITIZATION OPTIONS**

1. Period Certain
2. Life Only
3. Joint and Survivor
4. Fixed Income

**DEATH OF OWNER**

The death benefit will be paid if the Owner dies before the Maturity Date.<sup>2</sup> The death benefit will be paid in one lump sum or an available settlement option may be chosen.

**DEATH OF ANNUITANT**

If the Annuitant dies before the Maturity Date and while the Owner is living, the Owner will become the Annuitant, until other written notice is received. If the Owner is not a natural person, a new Annuitant may not be designated.<sup>2</sup>

**TERMINATION**

The contract will terminate on the earliest of the following dates:

1. Date the death benefit is paid
2. Maturity date
3. The date the Owner requests termination or a settlement option
4. Termination of the contract due to a surrender value of less than \$250<sup>3</sup>

Upon termination, any surrender value will be paid to the Owner.

### ALLOCATION DATE

The allocation date will be one of the following dates; the 1<sup>st</sup>, 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup> or 25<sup>th</sup> day of the month. It is the date when funds are allocated to the strategies and is the date from which contract years and contract anniversaries will be determined.

### REALLOCATIONS [ACCOUNT VALUE TRANSFERS]

Account value transfers among the crediting options are permitted at the end of the 1-year term period for the Declared Rate Strategy, the S&P 500<sup>®</sup> Index Strategy, and the Global Multi-Index Strategy.

### THREE INTEREST CREDITING STRATEGY OPTIONS

1. Declared Rate Strategy -  
Interest credited daily and compounded; Minimum Guaranteed Interest Rate: 1%
2. S&P 500<sup>®</sup> Index Strategy -  
Annual point-to-point with Cap; Minimum Guaranteed Cap: 1%
3. Global Multi-Index Strategy -  
Annual point-to-point with Participation Rate; Minimum Guaranteed Participation Rate: 10%

**For current rates and strategy options, download the Current Crediting Strategies/Rates PDF (Form 4062) from the Producer Portal.**

### GLOBAL MULTI-INDEX STRATEGY

The Global Multi-Index Strategy (GMIS) credited rate is calculated using 50% of the index return of the S&P 500<sup>®</sup> Index, plus 30% of the index return of the EURO STOXX 50<sup>®</sup> Index, plus 20% of the index return of the Hang Seng<sup>®</sup> Index, and applying a hypothetical 45.75% participation rate. **The Global Multi-Index Strategy guarantees the credited interest will never be less than 0%.**

Example Global Multi-Index Strategy Calculation (10-Year Surrender Charge Period with \$100,000+ Premium)					
Index	Index Performance		Multi-Index Percentage		Credited Rate
S&P 500 <sup>®</sup>	-6.24%	x	.5 (50%)	=	-3.12%
EURO STOXX 50 <sup>®</sup>	-14.34%	x	.3 (30%)	=	-4.30%
Hang Seng <sup>®</sup>	-13.61%	x	.2 (20%)	=	-2.72%

Calculation (-3.12% + -4.30% + -2.72% = -10.14% x .4575 (Participation Rate of 45.75%)) equals **a credited interest of -4.64%; however, since the GMIS guarantees the total interest credited will never be less than 0% the total interest credit would be 0%\***.

\* Credited interest, if any, is based on a combination of index performance, caps/participation rates then in effect, and other internal factors. Index performance fluctuates with stock market performance. Credited rates are subject to change.

Hypothetical calculation for illustrative purposes only. Not intended to predict or project any actual results. The Global Multi-Index Strategy has been in existence for less than 10 years. The S&P 500<sup>®</sup>, Euro Stoxx 50<sup>®</sup> and Hang Seng<sup>®</sup> indexes that are the basis of the GMIS have been in existence for longer than 10 years. To show how the GMIS interest rate is calculated, the 2018 Index Return was used for each index stated above.

### INDICES OFFERED [REFER TO PAGE 7 FOR INDICES DISCLOSURES]

- **S&P 500<sup>®</sup> Index:** Standard and Poor’s 500 Index is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **EURO STOXX 50<sup>®</sup> Index** is an index of 50 leading European companies. The index provides a blue-chip stock representation from those countries participating in the European Economic and Monetary Union. Each component’s weight is capped at 10% of the index’s value to avoid single stock domination.
- **Hang Seng<sup>®</sup> Index** is an index of 48 of the largest companies listed on the Hong Kong stock exchange. It is a free float adjusted capitalization-weighted index of companies with a 15% cap to avoid single stock domination.

**FOOTNOTES**

1. Withdrawals made prior to age 59 ½ are subject to ordinary income taxation and may be subject to tax penalties.
2. If the Owner is not a natural person (e.g. entity), the death of the Annuitant or entity dissolution will be treated as the death of the Owner.
3. The contract will not be terminated if there remains a possibility of a positive guaranteed minimum withdrawal benefit.

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Rating and guarantees based on claims-paying ability of issuing insurer.