

# Fidelity & Guaranty Life

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# Who Is The New Fidelity & Guaranty Life



Des Moines, Iowa



Baltimore, Maryland



Lincoln, Nebraska

## Corporate Spotlight

Be smart. Take action. Own your future.™

Originally Incorporated in 1959

- 3 Locations: Des Moines, IA; Baltimore, MD; Lincoln, NE
- \$22.4 Billion in Total Assets\*
- Over 96% of Assets rated in NAIC 1 or 2 Category\*
- Risk Based Capital in Excess of 400%\*
- Solid Rating Reviews – A.M. Best: B++ for Financial Strength, the Fifth Highest of 16 Rating Classes
- Stable Leadership Team with Average of 29 years of Industry Experience
- Over 700,000 Policyholders with 20,000 Licensed Agents\*

\*As of September 30, 2013

# Fidelity & Guaranty Life

## The Story of FIUL

- **The Population Is Aging**
  - **People Are Living Longer and Outliving Their Income**
- **The Work Force is Declining**
  - **Less People Contributing to Social Security**



*People can expect to live one fourth to one third of their life in retirement. That requires a lot of planning. The challenge is to make a nest egg last a lifetime in the face of uncertainty about how long one will live and what future expenditures will be.”*

Jeffrey Brown, economist





- **A Persons Money Will Never Be Worth More Than It Is Today**
  - Inflation is eroding the value of the dollar
- **This May Be The Lowest Tax Bracket a Person Will Ever Be In**
  - With increased US debt and spending do you think tax brackets in the future be higher or lower?

- Where Can a Person **Safely** Put Their Money?
- What’s More Important to a Person Today – **Safety** or **Returns??**

**There is a Definite “Flight to Safety”**

# Indexed Universal Life

The **“HOTTEST”** Product  
in the Marketplace





**Over 80+ million baby boomers,  
70% of which are  
considered middle income**

**Currently in the accumulation phase and quickly nearing  
the post-accumulation and payout phases of their lives**



Baby Boomers are running out of time and need an **Innovative Solution** for their Protection and Retirement Income Needs

**The  
Innovative Solution  
Is**

**INDEXED  
UNIVERSAL LIFE**

***With Indexed Universal Life, A Person has the Best of Both Worlds***

The Stability of Fixed Universal Life with:

- Guarantees
- Flexibility
- Liquidity

**With Greater upside Earning Potential of Index Market Returns AND Downside Protection**



Fidelity &  
Guaranty Life<sup>SM</sup>

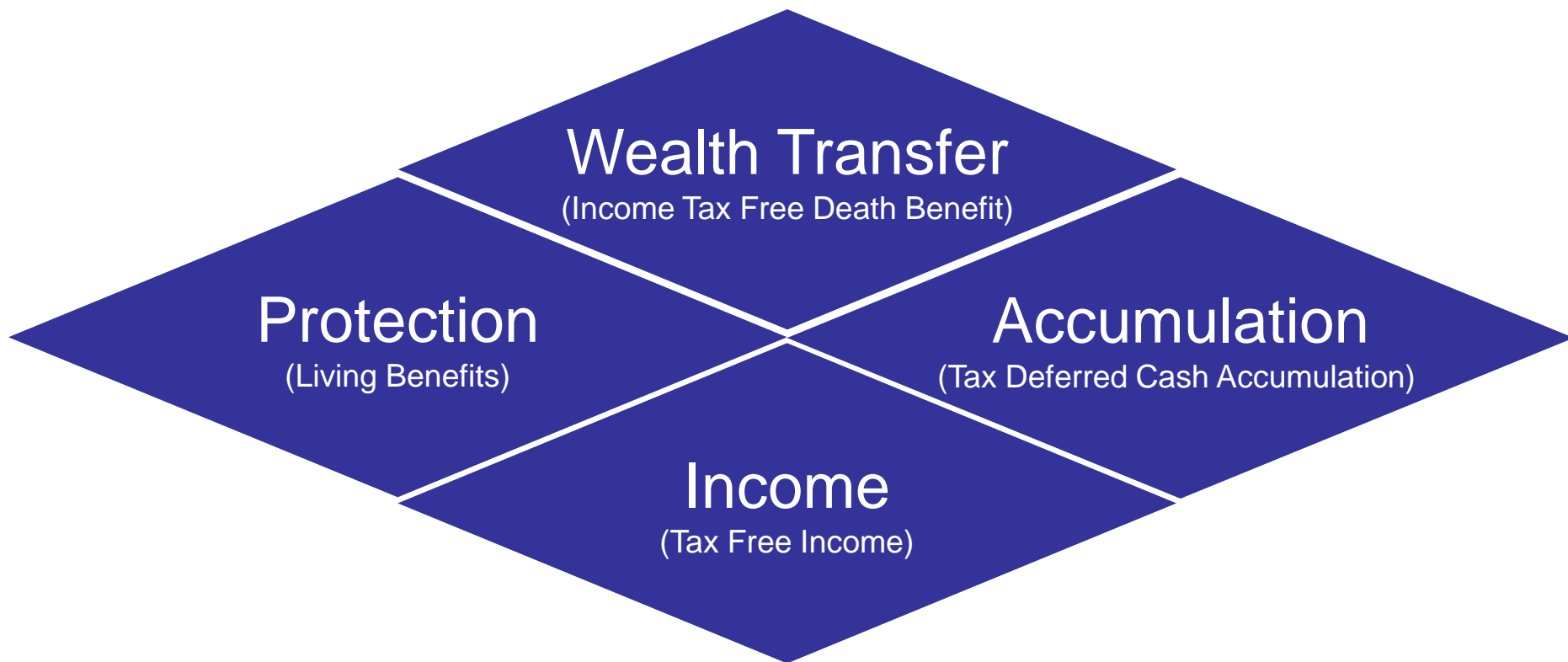
# Why Do People Buy Indexed UL?



- Because people need:
  - strong cash value accumulation potential for tax efficient retirement income planning
  - built-in product flexibility to accommodate changing market conditions
  - the opportunity for higher potential market gains tied to index returns
  - do not like the volatility and risks associated with security and/or variable investments
  - want the security of knowing they will earn a return even in times of a down market

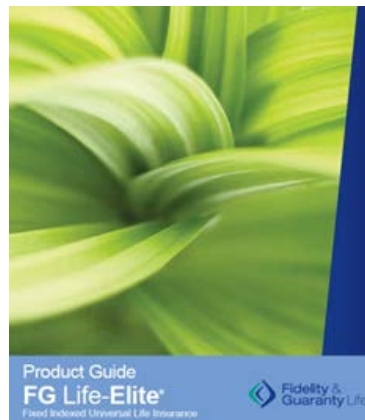


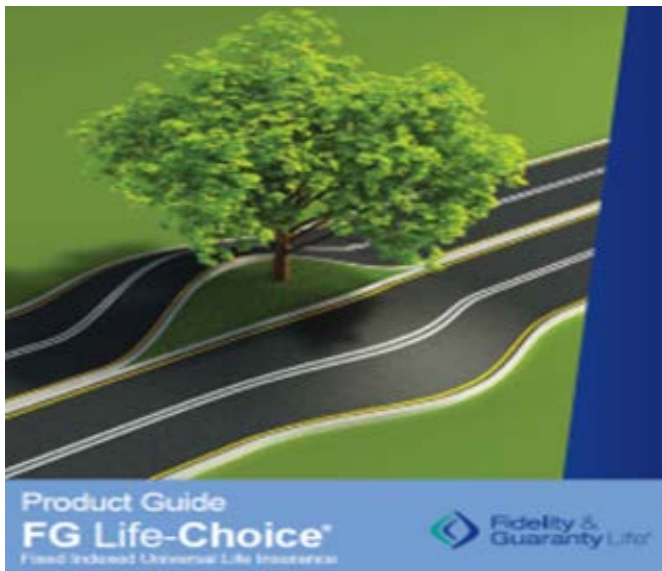
# Uses & Benefits of FIUL

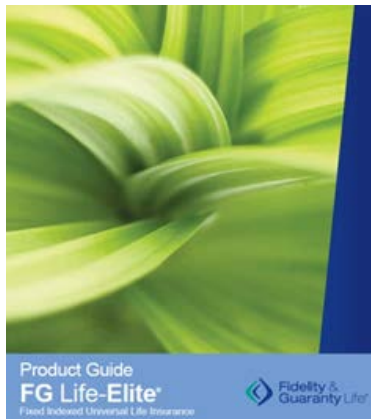


## Wealth Transfer

(Income Tax Free Death Benefit)







**Income**  
(Tax Free Income)



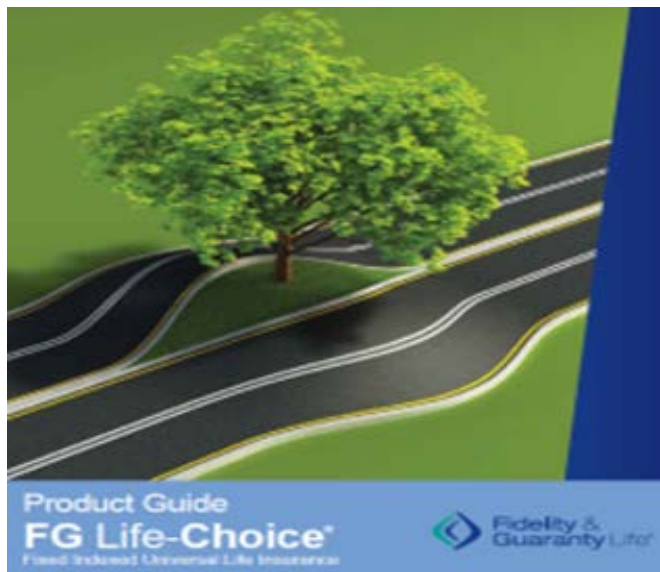
Protection  
(Living Benefits)






# FIUL Products: FG Life-Choice and FG Life-Elite

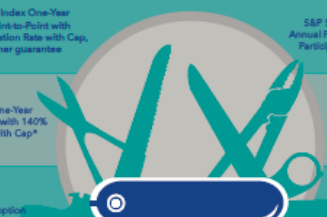




**The FG Life-Choice** is strongest in the death benefit sale and used as a term alternative with strong cash value accumulation potential offering **NO EXTRA PER THOUSAND CHARGES**; offers competitive caps, and two years to collect first-year commissions on less than target premium sales.


FG LIFE-CHOICE<sup>®</sup>

## FG LIFE-CHOICE<sup>®</sup> | TOOLS YOU NEED TO SUCCEED



**NEW OPTION!**

S&P 500<sup>®</sup> Index One-Year Annual Point-to-Point with 100% Participation Rate with Cap, with higher guarantee

S&P 500<sup>®</sup> Index One-Year Annual Point-to-Point with 100% Participation Rate with Cap\*

S&P 500<sup>®</sup> Index One-Year Annual Point-to-Point with 140% Participation Rate with Cap\*

S&P 500<sup>®</sup> Index One-Year Monthly Point-to-Point with Cap\*

A Reth account option      Allocate the account value between combination of accounts

\*2% minimum guaranteed interest rate. Caps are subject to change.

### YOUR CLIENTS NEED CHOICES

Fidelity & Guaranty Life's FG Life-Choice<sup>®</sup> now gives them even more.






Effective 10/31/14 we are adding an additional interest crediting option for greater flexibility. The new option is an S&P 500<sup>®</sup> Index One-Year Annual Point-to-Point with 100% Participation with a Cap of 6% and higher guarantee of 3%. Your clients now have the choice of allocating all of their account value to the new index, or they can allocate it between all five interest crediting options.

FG Life-Choice<sup>®</sup> also offers

- Two Years to Collect First Year Target Commissions
- No Extra For Thousand Charges for maximum cash value accumulation potential
- 5% Guaranteed Maximum Variable Loan Rate
- Critical and Terminal Illness Riders\*\*
- Surrender Charge Waiver on Excess Premium
- Overloan Protection Rider

\*\*May not be available in all states.

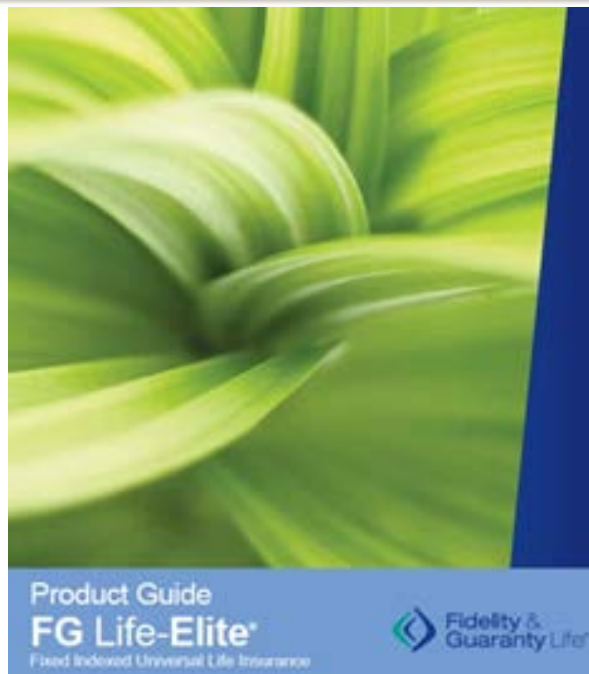
For more information or questions about FG Life-Choice<sup>®</sup>, please contact us at [salesdesk@fglife.com](mailto:salesdesk@fglife.com).

Fidelity & Guaranty Life 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. Fidelity & Guaranty Life Insurance Company, Des Moines, IA, www.fglife.com

\*S&P 500<sup>®</sup> is a trademark of The McGraw-Hill Companies, Inc. and has been licensed for use by Fidelity & Guaranty Life Insurance Company. Standard & Poor's does not sponsor, endorse, promote, or make any representation regarding the advisability of purchasing the contract.

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**The FG Life-Elite** is a strong tax-free income product with a maximum guaranteed variable loan rate of 4.5%, higher caps (14.75% on the 100% PAR Annual Point-to-Point option), and high target premiums.

- **Minimum Face Amount:** \$100,000
- **Issue Ages:** 0-80 (age last birthday)
- **Living Benefit Riders:** Accelerated Benefit for Critical and Terminal Illness
- **Maximum Guaranteed Variable Loan Rates:** 4.5% FG Life-Elite, 5% FG Life-Choice
- **Fixed Loan Option:** 2% years 1-10, 0% years 10+
- **Surrender Charge Waiver on Excess Premium on FG Life-Choice**
- **No extra Per Thousand Charges on FG Life-Choice**
- **Two Years to Collect first year commissions on FG Life-Choice**
- **.25% Persistency Bonus starting in the 11<sup>th</sup> Policy Year**

- **Accelerated Benefit for Critical Illness** – Up to 100% of the death benefit of the insured if the insured suffers a critical condition (heart attack, stroke, cancer etc)\*
- **Accelerated Benefit for Terminal Illness** – Up to 100% of the death benefit if the insured is diagnosed with a terminal illness and has an expected life expectancy of less than 24 months\*
- **Over Loan Protection Rider** – Prevents the life insurance contract from lapsing as a result of outstanding loans
- **Waiver of Monthly Deduction Rider** – Keeps policy in force by waiving the monthly charges should the insured become totally disabled for longer than 6 months

## Current Illustrative Interest Rates for FG Life-Choice

- 6.80% on 100% Participation Rate Strategy (10% Cap)
- 5.56% on 140% Participation Rate Strategy (7.5% Cap)
- 6.22% on the Monthly PT-to-PT Strategy (3.25% Cap)
- 5.21% on 100% Participation Rate with Higher Guarantee (6% Cap, 3% Floor)
- 4% on Fixed Option

## Current Illustrative Interest Rates for FG Life-Elite

- 8.81% on 100% Participation Rate Strategy (14.75% Cap)
- 6.56% on 140% Participation Rate Strategy (9% Cap)
- 7.70% on the Monthly PT-to-PT Strategy (4% Cap)
- 4.5% on Fixed Option

**Minimum Guaranteed Interest Rate – .25%  
on all indexed interest crediting options**



# Sales Concepts

Fidelity & Guaranty Life Insurance Company

## FG Life-Choice

### Flexible Premium Life Insurance Illustration with Indexed Interest Option Tabular Detail

New Client  
Male Age 35 Preferred Nontobacco  
Riders: None

Annual Premium: \$800.00  
Death Benefit Option: Option A  
Initial Face Amount: \$250,000

Age	Year	Planned Premium Outlay	Withdrawals/Loans	Guaranteed Assumptions Guaranteed Interest of 0.25% End of Year			Non-Guaranteed Assumptions Current Interest of 7.05% End of Year		
				Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit
36	1	900	0	436	0	250,000	437	0	250,000
37	2	900	0	860	0	250,000	903	0	250,000
38	3	900	0	1,285	0	250,000	1,393	0	250,000
39	4	900	0	1,635	0	250,000	1,927	0	250,000
40	5	900	0	2,024	0	250,000	2,491	0	250,000
41	6	900	0	2,367	0	250,000	3,092	0	250,000
42	7	900	0	2,679	0	250,000	3,733	0	250,000
43	8	900	0	2,955	0	250,000	4,413	155	250,000
44	9	900	0	3,182	0	250,000	5,149	972	250,000
45	10	900	0	3,359	0	250,000	5,930	1,859	250,000
				<b>9,000</b>	<b>0</b>				
46	11	900	0	3,481	0	250,000	6,781	2,798	250,000
47	12	900	0	3,546	6	250,000	7,693	4,153	250,000
48	13	900	0	3,565	910	250,000	8,670	6,015	250,000
49	14	900	0	3,547	1,777	250,000	9,717	7,947	250,000
50	15	900	0	3,482	2,397	250,000	10,840	9,955	250,000
51	16	900	0	3,355	3,355	250,000	12,043	12,043	250,000
52	17	900	0	3,148	3,148	250,000	13,334	13,334	250,000
53	18	900	0	2,844	2,844	250,000	14,715	14,715	250,000
54	19	900	0	2,426	2,426	250,000	16,169	16,169	250,000
55	20	900	0	1,863	1,863	250,000	17,729	17,729	250,000
				<b>18,000</b>	<b>0</b>				
56	21	900	0	1,137	1,137	250,000	19,403	19,403	250,000
57	22	900	0	240	240	250,000	21,172	21,172	250,000
58	23	900	0	0	0	0	23,036	23,036	250,000
59	24	900	0	0	0	0	25,002	25,002	250,000
60	25	900	0	0	0	0	27,076	27,076	250,000
61	26	900	0	0	0	0	29,255	29,255	250,000
62	27	900	0	0	0	0	31,503	31,503	250,000
63	28	900	0	0	0	0	33,873	33,873	250,000
64	29	900	0	0	0	0	36,348	36,348	250,000
65	30	900	0	0	0	0	38,935	38,935	250,000
				<b>27,000</b>	<b>0</b>				
66	31	0*	27,000	0	0	0	11,780	11,780	222,975
67	32	0*	0	0	0	0	11,561	11,561	222,975
68	33	0*	0	0	0	0	11,342	11,342	222,975
69	34	0*	0	0	0	0	10,814	10,814	222,975
70	35	0*	0	0	0	0	10,268	10,268	222,975
71	36	0*	0	0	0	0	9,572	9,572	222,975
72	37	0*	0	0	0	0	8,701	8,701	222,975
73	38	0*	0	0	0	0	7,601	7,601	222,975
74	39	0*	0	0	0	0	6,245	6,245	222,975
75	40	0*	0	0	0	0	4,605	4,605	222,975
				<b>27,000</b>	<b>27,000</b>				

Fidelity & Guaranty Life Insurance Company

## FG Life-Choice

### Flexible Premium Life Insurance Illustration with Indexed Interest Option Tabular Detail

New Client  
Male Age 35 Preferred Nontobacco  
Riders: None

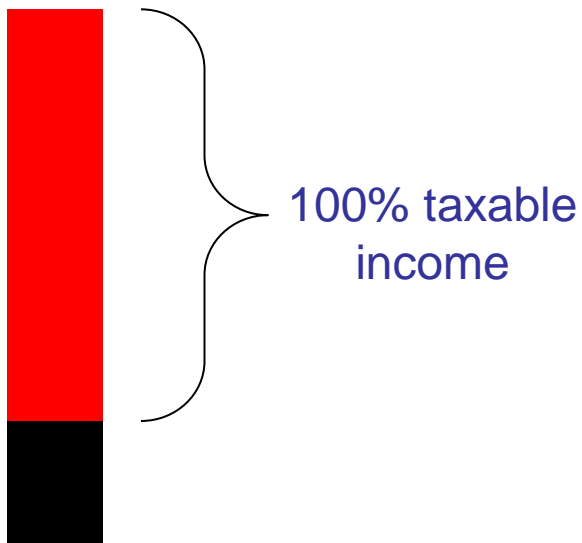
Annual Premium: \$900.00  
Death Benefit Option: Option A  
Initial Face Amount: \$250,000

Age	Year	Planned Premium Outlay	Withdrawals/Loans	Guaranteed Assumptions Guaranteed Interest of 0.25% End of Year			Non-Guaranteed Assumptions Current Interest of 7.05% End of Year		
				Account Value	Surrender Value	Net Death Benefit	Account Value	Surrender Value	Net Death Benefit
76	41	0*	0	0	0	0	2,639	2,639	222,975
77	42	0*	0	0	0	0	302	302	222,975
78	43	0*	0	0	0	0	0	0	222,975
				<b>27,000</b>	<b>27,000</b>				

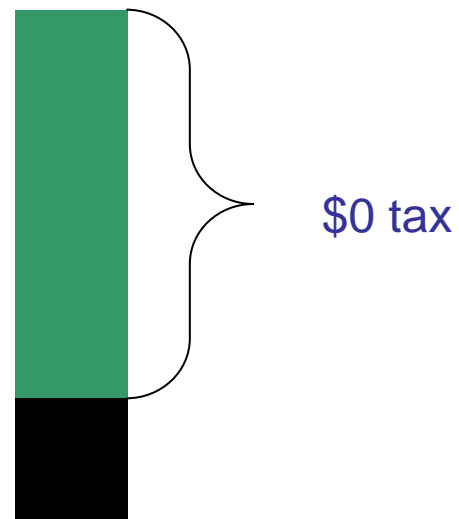


1. Free money
2. Tax-free money
3. Tax-deferred money
4. Taxable money

## Tax-Deferred



## Tax-Free





# Past Performance of FGL FIUL Products



# Past Quarterly Index Values on 1980 CSO Master Choice APTP 100 Par since November 2003

<u>Period</u>	<u>S&amp;P Performance</u>	<u>Index Int. Credit</u>	<u>Duration (years)</u>
Feb 04 - 13	7.07%	6.93%	10
May 04 - 14	7.46%	7.85%	10
Aug 04 - 13	5.82%	7.91%	9
Nov 03 - 13	7.73%	7.74%	10
<b>Weighted Average</b>	<b>7.05%</b>	<b>7.60%</b>	



# Past Monthly Index Values on the new FG Life Elite since November 2012

## Since the introduction of the new FG Life-Elite product in November 2012, there has been 9 monthly index allocation

Month	Period	S&P 500 Performance	Index Int Credit	Duration (years)
1	Jan 13 - 14	23.36%	19.61%	1
2	Feb 13 - 14	19.72%	15.97%	1
3	Mar 13 - 14	18.01%	14.26%	1
4	Apr 13 - 14	17.70%	13.94%	1
5	May 13 - 14	12.35%	10.96%	1
6	Jun 13 - 14	17.12%	15.72%	1
7	Jul 13 - 14	16.30%	14.90%	1
11	Nov 12 - 13	29.17%	24.23%	1
12	Dec 12 - 13	22.83%	19.08%	1

Weighted Average	19.62%	16.52%
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- Decisions Made
  - 79% as applied for
  - 10% other than applied for
  - 6% decline
  - 4% withdrawn
  - 1% postpone
- Und Time Service
  - 17 days- New Business
  - 70% less than 20 days
- Requirements
  - APS 13%
  - Phone Interviews 18%



# WHY FIDELITY & GUARANTY LIFE

## Did You Know That ... Fidelity & Guaranty Life:

- Has 2 top Fixed Indexed Universal Life products in the marketplace with the, FG Life-Choice, FG Life-Elite!
- Recently introduced in December 2013 the FG Life-Heritage a new Single Premium Indexed Universal Life Product.
- Brand new IUL iPad App, and Annuity iPad App! With e-app capability currently being tested
- Has an average underwriting time service of 7-10 days on In Good Order life applications!!
- Has a dedicated Case Management Unit that works directly with producers to help get cases through the system!!
- Has a Platinum Life Case Unit to handle large premium cases and very competitive Foreign National Underwriting Guidelines!!
- Power Producer Program – offering agents a deferred compensation plan.

***THE POWER PRODUCER PROGRAM  
BUILD YOUR SUPPLEMENTAL  
RETIREMENT NEST EGG***

*“This program is tantamount to F&G providing a private pension plan, a rare commodity in the world of an independent advisor.”*

**- Jim B.  
New Jersey**

Year	Qualification Level	Credit Amount
2009	120,000	2,000
2010	120,000	2,000
2011	90,000	2,000
2012	80,000	2,000
2013	90,000	2,000
2014	1.5M Points	TBD

# Life Power Producer Program



MEET YOUR  
FIDELITY & GUARANTY LIFE  
**LIFE TEAM**

*Your organization has access to a team of professionals dedicated to helping you grow your business. This team represents Fidelity & Guaranty Life's commitment to providing the support your staff needs to focus on doing what they do best: selling.*

 <p><b>Dennis Sudac, CLU, FLMI</b> Vice President - Brokerage Life &amp; Key Accounts Phone: 214-783-3914 Email: <a href="mailto:dennis.sudac@fglife.com">dennis.sudac@fglife.com</a></p>	<p><b>New Business/ Underwriting</b></p> <p>Case Management Phone: 800-445-6788, prompts 2, 1 Available M-F 7 a.m. - 6 p.m. CST</p> <p>Platinum Case Unit Phone: 866-343-0665 Email: <a href="mailto:largecaseund@hooperholmes.com">largecaseund@hooperholmes.com</a></p>	
<p><b>Cindy McGarity</b> Commissions, Contracting, Licensing Vice President - Agency Services Phone: 410-895-0119 Email: <a href="mailto:cindy.mcgarity@fglife.com">cindy.mcgarity@fglife.com</a></p>		<p><b>General</b></p> <p>Field Support Phone: 800-513-8797 <a href="mailto:salesdesk@fglife.com">salesdesk@fglife.com</a></p> <p>SalesLink Helpdesk Email: <a href="mailto:saleslinkhelpdesk@fglife.com">saleslinkhelpdesk@fglife.com</a></p>
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<p><b>Linnea Stockwell</b> Life Operations Manager Phone: 515-346-3615 Email: <a href="mailto:linnea.stockwell@fglife.com">linnea.stockwell@fglife.com</a></p>		<p><b>SalesLink</b> <a href="http://www.fglife.com">www.fglife.com</a></p> <p><b>Visit us at:</b></p> <p><a href="#">YouTube</a>   <a href="#">LinkedIn</a> <a href="#">Facebook</a>   <a href="#">Twitter</a> <a href="#">Google+</a></p>
 <p><b>Ryan Parker, FLMI</b> National Accounts Manager - Life Phone: 410-895-0122 Cell: 443-280-4762 Email: <a href="mailto:ryan.parker@fglife.com">ryan.parker@fglife.com</a></p>		

Policies issued by Fidelity & Guaranty Life Insurance Company, Baltimore, MD.

Fidelity & Guaranty Life 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 Insurance Company, is solely responsible for its contractual commitments

Optional provisions and riders may have limitations, restrictions and additional charges. Subject to state availability. Certain restrictions may apply.

This document is not a legal contract. For the exact terms and conditions, please refer to the life insurance policy.

Information provided regarding tax or estate planning should not be considered tax or legal advice. Clients should consult their own tax professional or attorney regarding their unique situation.

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Indexed interest rates are subject to a cap. Caps are subject to change at the discretion of Fidelity & Guaranty Life Insurance Company.

Issuance of the life insurance policy depends on answers to health questions in the application.

Surrender charges may apply to partial and full surrenders. Surrenders may be taxable and may be subject to penalties prior to age 59½.

Surrenders and loans may reduce available death benefit. Surrenders beyond basis may be taxable income. Excessive and unpaid loans may reduce policy value and may cause the policy to lapse.

The Power Agent Program is a deferred bonus compensation plan for eligible appointed agents of Fidelity & Guaranty Life Insurance Company. Terms are stated in the Power Agent plan document, which Fidelity & Guaranty Life may amend, limit or terminate at any time.