

Access & Performance SPDA Rates Explained

SPDA
SINGLE-PREMIUM
DEFERRED ANNUITY

United Life's current Access and Performance SPDA contracts have been sold since 2004. At inception, the most recent National Association of Insurance Commissioners (NAIC) Annuity Standard Non-Forfeiture Regulation (ASNFR) was just coming into play, which allowed for a more flexible Guaranteed Minimum Interest Rate (GMIR). This helped minimize the future impact on company solvency.

Our **Conditional Guaranteed Rate** is the rate guaranteed to be credited to the contract throughout the surrender charge period, which is when the BIR redetermination occurs.

We have traditionally used the term **Basic Interest Rate (BIR)** when talking about the Guaranteed Minimum Interest Rate (GMIR). On page one (1) of the SPDA Disclosure, and on page three (3) of the SPDA contract, it states that the BIR is the GMIR, and that it changes at one redetermination point, but would never be less than 1% or more than 3%. Details of how the BIR is calculated are on page six (6) of the contract.

Like the Conditional Guaranteed Rate, the BIR (GMIR) at issue applies until the end of the surrender charge period, which is when the BIR redetermination occurs. During the surrender charge period:



If the contract's annuity fund value drops below the conditional minimum, but remains at or above \$5,000, we would credit the Basic Interest Rate (BIR) rate at time of issue. The BIR would be redetermined after the surrender charge period.



If the fund value drops below \$5,000 during the surrender period, the BIR would be redetermined right away and we would use the BIR applicable for new policies issued on that same date. The BIR would not change again at the end of the surrender period.

Once the BIR is redetermined, it applies for the life of the contract.

At the end of the surrender charge period the consumer may move the money to another carrier or renew it for a new guaranteed term with United Life. The annuity could also be cashed out, though it would be a taxable event.

Benefits are only generally described here. Product and rider availability may vary by state. Read the policy for exact details on benefits and exclusions. If there is a discrepancy between the product as described here and the policy issued to you, the provisions of the policy will prevail.

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