

## Senior General Agent Contract

### CONTENTS

1. Checklist for Completion
2. Senior General Agent Agreement
3. Senior General Agent Commissions
4. Personal Data Sheet
5. Agent Direct Deposit Instructions
6. IRS Form W-9 – Request for Taxpayer Identification Number and Certification
7. Business Guidelines
8. Business Guidelines Certification

Note – If viewing this document package as a PDF file,

- Place cursor on desired CONTENTS document name above and
- Click mouse to open that document.

## Checklist for Completion

Thank you for choosing to become a part of Guggenheim Life and Annuity. We believe that Guggenheim Life can deliver exceptional results for our clients by exceeding expectations – at every point of interaction. Congratulations on your first step in joining Guggenheim’s proud and distinguished tradition of success.

Please fill out all required forms completely and legibly. To help with this, please use the following CHECKLIST FOR COMPLETION that lists all documents required to become appointed.

We will process your appointment upon receiving all completed paperwork and supporting documents as defined in our Business Guidelines.

CHECKLIST FOR COMPLETION (Checklist must be submitted with contracting paperwork.)

### PRODUCERS

Producer Name \_\_\_\_\_

#### PLEASE PROVIDE THE FOLLOWING

- Completed Checklist
- Personal Data Sheet
- Producer Agreement (Please return all pages.)
- Direct Deposit Authorization Form
- W-9
- Preserve MYGA Training Course Certificate
- If Massachusetts, Appendix D – Certification of Compliance - Massachusetts Security Regulation – 201 CMR 17.00 from Business Guidelines herein

#### SUPPLEMENTAL DOCUMENTS TO PROVIDE

- Copy of E&O Certificate
- Copy of State Insurance License(s)
- Copy of AML Certificate
- Copy of Business Guidelines Certification

### INDEPENDENT MARKETING ORGANIZATION

IMO Name \_\_\_\_\_ IMO # \_\_\_\_\_

### VERIFYING INFORMATION

- Please verify all information is complete and correct prior to submission.
- Appointment level \_\_\_\_\_
- Upline information \_\_\_\_\_

### PROVIDE ADDRESS BELOW IF

- Licensed Only; or
- You do not want correspondence to go directly to the agent.

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

### SUBMIT THIS CHECKLIST AND OTHER DOCUMENTS VIA ONE OF THE FOLLOWING

Email [MARKETING@GUGGENHEIMINSURANCE.COM](mailto:MARKETING@GUGGENHEIMINSURANCE.COM)

Fax 317 574 6253

Mail Guggenheim Life and Annuity Company | 10689 North Pennsylvania Street | Suite 200 | Indianapolis, IN 46280

## Senior General Agent Agreement

THIS AGREEMENT ("Agreement") is made on the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, between Guggenheim Life and Annuity Company ("Guggenheim" or the "Company") and \_\_\_\_\_, ("SGA"), its Senior General Agent.

### SECTION 1. APPOINTMENT

Guggenheim hereby appoints SGA as an independent general agent, solely for the purposes of soliciting and procuring applications for life insurance and annuity policies written by Guggenheim.

### SECTION 2. RELATIONSHIP

Nothing contained in this Agreement shall be construed to create the relationship of employer-employee, partners, joint venturers, or (except as expressly provided herein) principal and agent, between Guggenheim, on the one hand, and SGA or SGA's employees, on the other hand. SGA's relationship to Guggenheim shall be only as an independent contractor. SGA shall be free to exercise independent judgment as to the time and manner of the performance of the acts authorized under this Agreement. SGA is responsible for withholding and reporting any and all taxes on its commissions as well as those of its employees. The relationship between SGA and Guggenheim set forth in this Agreement is non-exclusive and nothing herein shall prevent Guggenheim from authorizing other senior general agents or producers in any area or market or otherwise.

### SECTION 3. LIMITATION OF AUTHORITY

SGA shall have no authority other than as specified in this Agreement. Specifically, and without limitation:

- a) SGA shall have no authority to bind Guggenheim with respect to any annuity or insurance product or otherwise. Guggenheim makes no representation that any application submitted by SGA will result in the issuance of an annuity or insurance policy by Guggenheim. Guggenheim may reject, in its sole discretion, any application.
- b) SGA shall not make or alter any policy or contract forms or alter any conditions contained therein or waive any of the provisions or conditions thereof;
- c) SGA shall not modify, alter or waive any of Guggenheim's contractual rates or waive any forfeiture;
- d) SGA shall not incur any debt or liability for or against Guggenheim;
- e) SGA shall not perform any act other than as expressly provided herein, except as specifically authorized in writing by the Chief Marketing Officer or President of Guggenheim;
- f) SGA shall not interpret or render opinions in any way, including, without limitation, offering tax or legal advice on any of Guggenheim's insurance policies, or Guggenheim's practices or procedures under any circumstances; and
- g) SGA shall be subject to such written rules and regulations as may be issued by Guggenheim, including without limitation, its Business Guidelines as may be amended from time to time. Notice of any amendment to the Business Guidelines will be provided to SGA. The Business Guidelines are available upon an electronic website which has been made accessible to the insurance producers and marketing organizations contracted with and appointed by Guggenheim and are specifically incorporated herein by reference.

### SECTION 4. GENERAL PROVISIONS

- a) SGA shall at all times keep itself and all employees, if any, suitably licensed with all requisite government agencies at its own expense, including maintaining an active license in any and all states in which SGA solicits applications for annuity

and/or insurance products for Guggenheim. Upon request, SGA shall submit a current copy of each such license to Guggenheim. SGA shall notify Guggenheim immediately of any termination, suspension or expiration of any such license.

- b) SGA shall fully comply with all written rules and regulations as may be issued by Guggenheim, including without limitation, its Business Guidelines.
- c) All initial premiums tendered along with a contract application shall be paid by check made payable directly to Guggenheim and shall be transmitted to Guggenheim together with the application. SGA is not authorized to endorse or cash checks, drafts, money orders or other financial instruments made payable to Guggenheim, or which are otherwise intended by the policy applicant or policyholder to be paid to Guggenheim. If, notwithstanding the foregoing, premium funds come into the possession of SGA, they shall constitute trust funds, shall not be commingled by SGA with its own assets and shall not be subject to any use by SGA.
- d) SGA shall not, directly or indirectly, pay or allow any rebate of SGA commissions on any policy issued or proposed to be issued hereunder, nor offer any unlawful inducement to the sale or issuance of a policy.
- e) SGA shall not be entitled to compensation with respect to any policy or contract which is rescinded or canceled by Guggenheim for any reason including, without limitation, suitability, misrepresentation or misunderstanding. Any compensation paid to SGA on such policy or contract shall be immediately refunded to Guggenheim. This Section 4(c) shall not apply to policies surrendered according to their terms except as provided in Section 13(b).
- f) In case of impounding or holding in abeyance of premiums as a result of any court order or rule of any State Insurance Department or other lawful authority, SGA's compensation shall remain in abeyance in the same manner and to the same extent as the premiums upon which such compensation is payable.
- g) SGA shall not deliver any policy or contract without securing a signed delivery receipt for same from the applicant and promptly (within five (5) business days of delivery) remitting such delivery receipt to Guggenheim.
- h) SGA shall immediately deliver to Guggenheim such proofs of loss or other evidence of any claim or complaint made or filed by an applicant, insured, beneficiary or any other claimant.
- i) SGA agrees to give its full and complete cooperation in responding to any customer or regulatory complaint or inquiry and will promptly respond in writing directly to Guggenheim upon its request.
- j) SGA shall keep a true and correct record and keep books or accounts on all transactions arising out of this Agreement and shall preserve and hold all documents, correspondence and records of SGA in accordance with prudent record keeping practices and in compliance with all federal and state privacy and security standards and with the Business Guidelines. SGA shall cooperate and assist Guggenheim in making any examination or inquiry with respect to such transactions. Guggenheim shall have the right to obtain copies or inspect all such records, documents or correspondence maintained by SGA, the copying expenses for which are at SGA's cost.
- k) In the event of termination of this Agreement (and at any other time upon demand of Guggenheim), all Guggenheim property in the custody of SGA shall be immediately returned to Guggenheim.
- l) All expenses, of whatever character, of SGA concerning SGA's performance hereunder shall be borne and paid for by SGA exclusively, without recourse to Guggenheim.

## SECTION 5. ADVERTISING

SGA shall comply in all respects with the provisions of Guggenheim's Business Guidelines as respects any and all circulars, advertising material, or literature which it utilizes to sell or promote Guggenheim's business or products, regardless of how or

where, or by whom, such advertising material is generated or produced. All advertisements that reference Guggenheim's products or services must be approved by Guggenheim prior to use.

#### SECTION 6. SGA COVENANTS

- a) SGA shall endeavor to promote the business and interests of Guggenheim as contemplated by this Agreement and shall so conduct itself as not to affect adversely the business, good standing or reputation of Guggenheim.
- b) Guggenheim has the sole authority to prescribe the policies and premium rates for which applications may be solicited.
- c) During the life of this Agreement and for a period of two years following the termination of this Agreement, whether such termination is by SGA or Guggenheim:
  - (i) SGA or any employee of SGA will not solicit, recruit, hire, employ, engage or attempt to hire, employ or engage any person who is an employee of Guggenheim or one of its insurance related affiliates; assist any person or entity in the recruitment, hiring or engagement of any person who is an employee of Guggenheim or one of its insurance related affiliates; or urge, induce or seek to induce any person to terminate his/her employment or other relationship with Guggenheim or one of its insurance related affiliates. This subsection (i) shall not apply if SGA or any employee of SGA is first contacted by an employee or independent agent of Guggenheim or one of its insurance related affiliates without any prior solicitation or recruitment from SGA or any employee of SGA. Provided, however, that the foregoing does not prohibit:
    - (a) soliciting employees through general job advertisements or similar notices that are not targeted specifically at the employees of Guggenheim or its insurance related affiliates;
    - (b) engaging any recruiting firm or similar organization to identify or solicit persons for employment on SGA's behalf, or soliciting any employee who is identified by any such recruiting firm or organization, as long as such recruiting firm or organization is not instructed to target any employees of Guggenheim or its insurance related affiliates; or
    - (c) soliciting or hiring employees whose employment has been terminated by Guggenheim or its insurance related affiliates.
  - (ii) Neither SGA nor any employee of SGA shall make disparaging or false statements regarding Guggenheim or one of its affiliates to any individual or entity.
- d) SGA shall indemnify and hold Guggenheim harmless from any and all expenses, including attorney fees and costs, and damages resulting from a breach of this Agreement and/or unauthorized acts or transactions by it, its employees, or other persons under its supervision.
- e) In the event of breach of this Agreement by SGA or its employees, Guggenheim shall be entitled, in addition to any claim for damages:
  - (i) to obtain specific enforcement by way of injunctions (including temporary restraining orders, preliminary injunctions and/or a permanent injunction without first posting a bond); and
  - (ii) to terminate SGA's entitlement to any future compensation.
- f) SGA acknowledges that in the course of its duties it will receive and utilize confidential, proprietary and trade secret information regarding Guggenheim and its business operations. Such information gives Guggenheim a competitive advantage in the marketplace by not being generally known by the public and insurance industry and includes but is not limited to policyholder identities and lists, agent identities and lists, pricing and cost information, override schedules and

any documents or computer stored information containing such information. SGA agrees that all such information shall be kept confidential and shall not be disclosed or utilized apart from the performance of SGA's duties under this Agreement, both during the life of and subsequent to the termination of this Agreement.

- g) The provisions of this Section 6 shall survive any termination of the Agreement.

#### SECTION 7. PAYMENT AND OFFSET

- a) SGA agrees to repay immediately upon request, all amounts that may from time to time be due to Guggenheim from SGA or its employees, whether arising hereunder or in any other way. SGA shall be liable for all such amounts, and Guggenheim shall charge interest on any such amounts past due up to one percent (1%) per month or the maximum amount permitted by law, whichever is lower.
- b) Guggenheim may in its sole discretion offset against any commissions or other compensation due SGA, whether before or after the termination hereof, any amounts owed to Guggenheim by SGA whether arising hereunder or in any other way.
- c) SGA acknowledges that any amounts advanced by Guggenheim to SGA constitute indebtedness for which SGA is solely responsible. Guggenheim is not limited to offsetting any commissions or other compensation due SGA to satisfy such amounts owed to Guggenheim and may utilize any legally available means to enforce repayment of any amounts advanced to SGA or otherwise due Guggenheim from SGA.
- d) The provisions of this Section 7 shall survive any termination of the Agreement.

#### SECTION 8. ASSIGNMENT

No assignment of this Agreement or of any commission payable hereunder by SGA shall be valid without the prior written consent of Guggenheim. Every assignment shall state that it shall be subject and subordinate to any indebtedness and obligation of SGA that may be due or become due to Guggenheim, and that the assignee and its principals shall assume all of SGA's obligations to Guggenheim hereunder. Unless otherwise stated and agreed to by Guggenheim, an assignment does not relieve SGA of any indebtedness or obligation to Guggenheim. Guggenheim retains the right to assign this Agreement and shall give notice to SGA within thirty (30) days after any such assignment.

#### SECTION 9. TERM AND TERMINATION

The term of this Agreement shall commence on the date signed by the parties and shall continue until terminated pursuant to the terms of this Agreement. This Agreement may be terminated:

- a) By either party upon fifteen (15) days prior written notice to the other party, without any cause whatsoever.
- b) Immediately at the option of Guggenheim:
- i. if SGA, or one of the partners, equity owners, or principal officers of SGA, should become bankrupt or insolvent, or if Guggenheim reasonably believes that a declaration of bankruptcy or insolvency of any of the foregoing is imminent;
  - ii. if SGA, or one of the partners, equity owners or principal officers of SGA, liquidates or dissolves, or begins the court process of liquidation or dissolution;
  - iii. if SGA, any of SGA's employees or one of the partners, equity owners or principal officers of SGA fail to comply with or perform any of the material terms or covenants of the Agreement or of the Business Guidelines, and such failure is not cured within five (5) days of SGA's receipt of written notice by Guggenheim;
  - iv. upon the following conduct by SGA, any of SGA's employees, or one of the partners, equity owners or principal officers of SGA: misappropriation of funds; malfeasance, fraud, violation of any criminal or insurance laws; failure to

comply with any oral or written production requirements; failure to timely remit payment for any amount due and owing to Guggenheim upon demand; or such conduct as would tend to degrade or disgrace Guggenheim;

- v. in the event SGA, any of SGA's employees, or one of the partners, equity owners or principal officers of SGA actively engage in a scheme or process to replace the policies or contracts of Guggenheim with policies or contracts issued by another insurance company or otherwise breaches any of the provisions of Section 6(c) of this Agreement;
- vi. upon the failure of SGA, any of SGA's employees, or one of the partners, equity owners or principal officers of SGA to be licensed to sell insurance in any jurisdiction for which it/he/she has solicited applications for Guggenheim; or
- vii. upon the death of SGA (if a natural person) or any event legally or contractually causing the legal dissolution or wrapping-up of SGA's operations, or corporate or partnership existence (if a non-natural person or entity).

In the event of the death or dissolution of SGA, Guggenheim may continue to rely on this Agreement as continuing in-force until such date as it receives formal written notice of such death or dissolution. The termination remedies available to Guggenheim in this Section 9 are not exclusive. Without limiting the foregoing, Guggenheim expressly reserves the right to seek any other remedies that are available to it at law or in equity, including, but not limited to, seeking an award of money damages, temporary restraining orders, permanent injunctions or remedies pursuant to Section 22 hereof in arbitration, in the event of any breach or threatened breach by SGA, any of SGA's employees, or one of the partners, equity owners or principal officers of SGA, of any of the provisions of this Agreement.

#### **SECTION 10. GOVERNING LAW; CONSENT TO JURISDICTION**

SGA shall abide by all of the laws, rules, regulations, ordinances or decisions of any federal, state and local government, department or bureau having jurisdiction or supervision over insurance and the conduct of its business, including but not limited to the insurance laws and regulations of any jurisdiction in which SGA is duly licensed to do business as an insurance broker or producer and/or is appointed as such by Guggenheim.

This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana, without giving effect to the principles of conflicts of laws thereof. Subject to the provisions of Section 22 regarding arbitration proceedings, the parties hereto irrevocably consent to the jurisdiction of, and venue in, any federal or state court of competent jurisdiction located in Indianapolis, Indiana, in connection with any dispute based on or arising out of or in connection with this Agreement.

#### **SECTION 11. NO WAIVER OR ESTOPPEL**

Forbearance, failure or neglect on the part of Guggenheim to enforce any or all of the provisions of this Agreement shall not be construed as a waiver or estoppel of any of the rights or privileges of Guggenheim. A waiver of past acts or circumstances shall not constitute or be deemed a course of conduct or waiver of subsequent acts or circumstances.

#### **SECTION 12. ENTIRE AGREEMENT, PREVIOUS AGREEMENTS AND AMENDMENTS**

This Agreement, which includes by reference the Business Guidelines, the Personal Data Sheet and the Commission Schedule, contains all of the terms and conditions agreed upon by the parties. Any and all prior agreements, oral or in writing, with respect to Guggenheim or any products issued or assumed by Guggenheim are terminated and superseded by this Agreement. Guggenheim may at any time amend this Agreement by sending written notice of such amendment to SGA. This Agreement cannot be changed by any verbal promise or statement by whomsoever made, and no written modification or change to this Agreement will bind Guggenheim unless it is signed by the President, Chief Operating Officer, Secretary or Assistant Secretary of Guggenheim or other appropriately authorized officer.

**SECTION 13. COMMISSIONS**

- a) Guggenheim shall pay SGA commissions at the rate shown in Guggenheim's SGA Commission Schedule in force as of the date of each sale of Guggenheim's products by SGA, as full compensation for SGA's services and expenses. Guggenheim's Commission Schedule may be amended by Guggenheim at any time at its sole option, which amendments shall be effective immediately upon written (including electronic) notice of such changes to SGA. This notice is deemed to have been provided to SGA upon the posting by Guggenheim of any such amendments to the Commission Schedule upon an electronic website which has been made accessible to the insurance producers and marketing organizations contracted with and appointed by Guggenheim. Any amendment to the Commission Schedule shall apply only to applications written after the effective date of the amendment. Commissions shall be paid with respect to premiums received in cash by Guggenheim on applications procured by SGA.
- b) If a policyholder timely exercises his/her "RIGHT TO EXAMINE AND RETURN PROVISION", and commissions have been paid to SGA for selling the returned policy, all such commissions will be returned to Guggenheim immediately. SGA agrees that upon such an occurrence, it will become immediately liable to repay to Guggenheim such commissions and that Guggenheim has the right to pursue any legal action to recover any such commissions from SGA. SGA agrees to reimburse Guggenheim for costs Guggenheim incurs, including reasonable attorney's fees, in any action by Guggenheim to enforce SGA's obligations under this Agreement.
- c) Guggenheim reserves the right, in its sole discretion, to prescribe commissions differing from the above on changes of plan, replacements, reinstatements, or any new policy where a policy issued by Guggenheim on the same life has been terminated or surrendered within one (1) year prior to the date of the application for the new policy.
- d) Guggenheim will cease paying trailer commissions, if any, upon the death or dissolution of SGA.

**SECTION 14. COMPENSATION FORFEITURE**

If at any time SGA induces or attempts to induce an independent agent of Guggenheim to discontinue his/her contract with Guggenheim, or induces or attempts to induce any of Guggenheim's policyholders to cancel, transfer, or otherwise relinquish any of Guggenheim's policies, products, and/or services, SGA shall forfeit any and all compensation that SGA might otherwise have received under any and all contracts with Guggenheim. In the event of such compensation forfeiture, Guggenheim preserves any and all additional claims it may have against SGA. The provisions of this Section 15 shall survive any termination of the Agreement.

**SECTION 15. DISCONTINUANCE**

Without any liability to SGA or its employees, Guggenheim may, at its sole discretion, at any time discontinue writing business, or discontinue and/or withdraw any annuity contract or life insurance policy form or rider, in any or all states.

**SECTION 16. PRIVACY NOTICE**

SGA agrees to keep the financial or other personal information concerning policyholders confidential in accordance with all state and federal privacy laws and Guggenheim's Business Guidelines. SGA shall not use such information to obtain any financial benefit or award, including for the purpose of inducing said policyholder to discontinue his/her annuity contract or insurance policy with Guggenheim or to otherwise replace said policy with a product from another company. The provisions of this Section 16 shall survive any termination of the Agreement.

**SECTION 17. SUITABILITY**

In recommending a Guggenheim product to any applicant or prospective consumer, including senior consumers (defined as persons age 65 or older), SGA shall have reasonable grounds to believe that the Guggenheim product offered to said applicant/consumer is suitable to his/her insurance or financial needs, based upon the facts disclosed to SGA by the applicant/consumer. Prior to the execution of an application by the applicant/consumer as may be recommended by the SGA,



SGA shall make all reasonable efforts to obtain, document and retain documentation of information concerning the applicant's/consumer's: (1) financial status; (2) tax status; (3) financial or investment objectives; and (4) such other information as is reasonably considered by the SGA in making any annuity recommendation to the applicant/consumer. In the event that the applicant/consumer refuses to provide such relevant information to SGA, fails to provide accurate information to SGA or otherwise decides to enter into a transaction that is not recommended by SGA, SGA agrees to document such circumstances in writing and provide said documentation to Guggenheim along with the application.

#### SECTION 18. EMAIL ADDRESS AND FACSIMILE NUMBER

By signing this Agreement, SGA hereby authorizes Guggenheim to send unlimited emails and faxes to its accounts, which email addresses and fax telephone numbers are specified in the Personal Data Sheet attached to this Agreement and incorporated herein by reference. Said emails and faxes shall be for promotional purposes as well as to provide SGA with necessary information regarding its contractual relationship with Guggenheim and regarding the accounts of individuals SGA has solicited on behalf of Guggenheim.

#### SECTION 19. SEVERABILITY

Any term or provision of this Agreement which is invalid or unenforceable in a jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, that provision shall be interpreted to be only as broad as is enforceable.

#### SECTION 20. HEADINGS/CONSTRUCTION

The headings in this Agreement are for reference only, and shall not affect in any way the meaning or interpretation of this Agreement. The terms of this Agreement have been mutually negotiated at arm's length between the parties hereto, and no potential ambiguity in this Agreement shall be construed against the drafter.

#### SECTION 21. ARBITRATION

**In the event of any dispute arising out of or relating to this Agreement for which the sole, exclusive, and appropriate remedy sought by the party is an award of money damages, the same shall be arbitrated in accordance with the Commercial Arbitration Rules of the American Arbitration Association and the Federal Arbitration Act. Arbitration may not be initiated unless the party requesting the arbitration has given the other party at least thirty (30) days prior written notice of its intent to initiate arbitration and a detailed description of the basis of the dispute. A single arbitrator (or, in any matter in which the amount in controversy exceeds \$100,000, a panel of three arbitrators) shall interpret this contract in accordance with Indiana law. Any punitive damages awarded by the arbitrator(s) shall not exceed two times compensatory damages awarded. Any award of the arbitrator shall be deemed final and binding upon the parties and judgment upon such award may be entered and enforced in the Federal District Court for the Southern District of Indiana. All arbitration proceedings shall be held in Indianapolis, Indiana.**

Nothing in this Section 22 shall require arbitration or prejudice the rights of either party to seek a judgment at law in a court of appropriate jurisdiction with respect to any dispute arising out of or relating to this Agreement for which an equitable remedy is sought or for which the appropriate remedy sought cannot be paid as money damages, such as a temporary or permanent injunction, a declaratory judgment, or similar injunctive remedy.

The provisions of this Section 22 shall survive any termination of the Agreement.

**SECTION 22. INSURANCE**

SGA shall maintain during the term of this Agreement, at SGA's expense, insurance covering errors and omissions with minimum limits of one million dollars (\$1,000,000). SGA shall annually supply to Guggenheim proof that such coverage is in effect. In the event such coverage is terminated, SGA shall notify Guggenheim within ten (10) business days.

**SECTION 23. NOTICES**

Notices under this Agreement shall be in writing and shall be deemed received as follows:

- a) on the date of service if served personally on the party to whom notice is to be given;
- b) on the date a party sends an electronic notice with an automatic receipt verification to the party's correct email address;
- c) on the date of delivery if sent via overnight courier to the party whom notice is to be given and properly address; or
- d) on the fifth (5th) day following the date deposited in the mail if sent by United States mail, postage prepaid, and properly addressed. The correct addresses for notices are as follows:

**Guggenheim Life and Annuity**

Agency Services Division  
10689 North Pennsylvania Street, Suite 200  
Indianapolis, IN 46280  
Agency@guggenheiminsurance.com

**A copy of any notice shall also be sent to:**

Chief Legal Officer, Insurance  
10689 North Pennsylvania Street, Suite 200  
Indianapolis, IN 46280

**SGA:** As stated in accompanying Personal Data Sheet.

This section does not apply to a notice of a change to the Business Guidelines as stated in Section 3 or the Commission Schedule as stated in Section 13.

**SECTION 24. TRADEMARKS AND SERVICE MARKS**

Each party reserves the right to control the use of its name and all symbols, trademarks, or service marks presently existing or later established.

**SECTION 25. CREDIT REPORT NOTICE**

As part of Guggenheim's agent selection procedure, it may request that a report be made by a consumer credit agency, which may supply Guggenheim with information about SGA from its files, from public records and from credit investigations. Guggenheim will provide additional detailed information concerning the investigation, if one is made, to SGA after receiving a written request from SGA and/or in compliance with applicable state law. Should a report have an adverse effect on Guggenheim's appointment decision, the Company will notify SGA in writing and identify the reporting agency with which SGA may discuss the matter.

**SENIOR GENERAL AGENT SIGNATURE**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Printed Name of Senior General Agent \_\_\_\_\_

Signature of Senior General Agent \_\_\_\_\_

**REGIONAL GENERAL AGENT CERTIFICATION**

I hereby certify that I have investigated the character, insurance license record, business standing of the applicant identified in this Agreement. I have also examined the application submitted by the applicant to Guggenheim. I have satisfied myself that he/she is qualified to act in the capacity as my Appointee and will uphold the Business Guidelines of Guggenheim.

Regional General Agent Signature (if applicable) \_\_\_\_\_

Name of Organization \_\_\_\_\_

Date \_\_\_\_\_ Assigned Agent Number \_\_\_\_\_

**GUGGENHEIM LIFE APPOINTMENT**

Date Accepted for Appointment \_\_\_\_\_

Guggenheim Officer Name and Title \_\_\_\_\_

Assigned Agent Number \_\_\_\_\_

Note: Guggenheim Life and Annuity Company; DBA Guggenheim Life and Annuity Insurance Company in California.

## Senior General Agent – Commissions

### Preserve Multi-Year Guaranteed Annuity

Product	Ages	Commissions	Renewal
3-YEAR	0-80	1.00%	0.50%
	81-85	0.75%	0.38%
	86-90	0.50%	0.25%
4-YEAR	0-80	1.75%	0.88%
	81-85	1.31%	0.66%
	86-90	0.88%	0.44%
5-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
6-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
7-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
8-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
9-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
10-YEAR	0-80	3.00%	1.50%
	81-85	2.25%	1.13%
	86-90	1.50%	0.75%

\*Chargeback - 100% on death, surrender, and withdrawals, in excess of monthly interest, within 1<sup>st</sup> contract year. RMD's allowed in all years (with chargebacks in Year 1).

### ProOption Multi-Year Guaranteed Annuity

Product	Ages	Commissions	Renewal
5-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
7-YEAR	0-80	2.50%	1.25%
	81-85	1.88%	0.94%
	86-90	1.25%	0.63%
10-YEAR	0-80	3.00%	1.50%
	81-85	2.25%	1.13%
	86-90	1.50%	0.75%

\*Chargeback – 100% on any withdrawal or death within 1<sup>st</sup> contract year, and 50% on withdrawals in the 2<sup>nd</sup> year. RMD's allowed in all years (with chargebacks in Year 1).

For Agent Information Only. Not Intended For Solicitation Or Advertising To The Public

Reduced Commission in the Following States: DE, MO, OR, PA, & WA. Please Refer to Non MVA States Commission Schedule

Note: Doing business as Guggenheim Life and Annuity Insurance Company in California

**Preserve Plus Deferred Annuity**

**Senior General Agent Commissions**

Product	Ages	SGA	Renewal <i>(Not available in DE, FL, MN, MO, OR, PA, WA)</i>
3-YEAR	0-80	1.50%	0.75%
5-YEAR	0-80	2.50%	1.25%
7-YEAR	0-80	3.00%	1.50%

**Senior General Agent Renewal Commissions *(Not available DE, FL, MN, MO, OR, PA, WA)***

Product	Ages	SGA
3-Year	81-85	0.60%
	86-90	0.60%
5-Year	81-85	0.60%
	86-90	0.60%
7-Year	81-85	0.60%
	86-90	0.60%

**Senior General Agent Non-MVA State Commissions *(MN, MO, OR, PA, WA)***

Product	Ages	SGA
3-YEAR	0-80	1.00%
5-YEAR	0-80	2.00%
7-YEAR	0-80	2.50%

\*Chargeback - 100% on death, surrender, and withdrawals, in excess of monthly interest, within 1<sup>st</sup> contract year.  
 RMD's allowed in all years (with chargebacks in Year 1).

For Agent Information Only. Not Intended For Solicitation Or Advertising To The Public

**Provider Single Premium Immediate Annuity**

**Senior General Agent Commissions**

<b>PAYOUT</b>	<b>COMMISSION</b>
5 - YEAR CERTAIN	2.50%
6 - 20 YEAR CERTAIN	3.00%
LIFE CONTINGENT	3.00%

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Note: Doing business as Guggenheim Life and Annuity Insurance Company in California

## Senior General Agent – Commissions

Preserve Multi-Year Guaranteed Annuity *Non-MVA States DE, MO, OR, PA, & WA*

Product	Ages	Commissions	Renewal
3-YEAR	0-80	1.00%	N/A
	81-85	0.75%	N/A
	86-90	0.50%	N/A
4-YEAR	0-80	1.50%	N/A
	81-85	1.15%	N/A
	86-90	0.75%	N/A
5-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
6-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
7-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
8-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
9-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
10-YEAR	0-80	2.50%	N/A
	81-85	1.90%	N/A
	86-90	1.25%	N/A

\*Chargeback - 100% on death, surrender, and withdrawals, in excess of monthly interest, within 1<sup>st</sup> contract year. RMD's allowed in all years (with chargebacks in Year 1).

ProOption Multi-Year Guaranteed Annuity *Non-MVA States DE, MO, OR, PA, & WA*

Product	Ages	Commissions	Renewal
5-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
7-YEAR	0-80	2.00%	N/A
	81-85	1.50%	N/A
	86-90	1.00%	N/A
10-YEAR	0-80	2.50%	N/A
	81-85	1.90%	N/A
	86-90	1.25%	N/A

\*Chargeback – 100% on any withdrawal or death within 1<sup>st</sup> contract year, and 50% on withdrawals in the 2<sup>nd</sup> year. RMD's allowed in all years (with chargebacks in Year 1).

For Agent Information Only. Not Intended For Solicitation Or Advertising To The Public

Note: Doing business as Guggenheim Life and Annuity Insurance Company in California

## Personal Data Sheet

### APPLICATION FOR BECOMING CONTRACTED WITH GUGGENHEIM LIFE AND ANNUITY

1. Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ Gender \_\_\_\_\_  
As it appears on your driver's license
2. Business Name \_\_\_\_\_ Email Address \_\_\_\_\_
3. Business Address Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
4. Residence Address Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
5. Business Phone \_\_\_\_\_ Residence Phone \_\_\_\_\_ Fax \_\_\_\_\_
6. County of residence \_\_\_\_\_ County of business \_\_\_\_\_
7. Tax I.D. No. \_\_\_\_\_ Social Security No. \_\_\_\_\_
8. How long at present address? \_\_\_\_\_
9. Previous address, if less than 3 years: Street \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
10. Companies that you currently represent \_\_\_\_\_
11. License No. \_\_\_\_\_ Resident State \_\_\_\_\_ (include copy)
12. Non-Resident License Number(s) and State(s) Number: No. \_\_\_\_\_ State \_\_\_\_\_  
No. \_\_\_\_\_ State \_\_\_\_\_ No. \_\_\_\_\_ State \_\_\_\_\_
13. License you currently hold: ( ) Life Only ( ) Life & Disability ( ) P & C ( ) FINRA  
Have you ever had a license under another Name? ( ) No ( ) Yes If Yes, Name \_\_\_\_\_
14. Doing business as: ( ) Individual ( ) Partnership ( ) Corporation ( ) Limited Liability Company  
If Corporation, Partnership or Limited Liability Company, list full name and Social Security number (SSN) of each individual authorized to sign applications:  
Name 1 \_\_\_\_\_ SSN \_\_\_\_\_



Name 2 \_\_\_\_\_ SSN \_\_\_\_\_

Name 3 \_\_\_\_\_ SSN \_\_\_\_\_

15. Have you ever filed bankruptcy? ( ) No ( ) Yes If Yes, provide full details below or on separate document \_\_\_\_\_

\_\_\_\_\_

16. Involved in any current or past litigation? ( ) No ( ) Yes If Yes, provide full details below or on separate document \_\_\_\_\_

\_\_\_\_\_

17. Have you ever received or do you anticipate receiving any disciplinary action from any insurance department; had a complaint filed, had any regulatory action taken against you; or participated in business related litigation?

( ) No ( ) Yes If Yes, explain below or on separate document \_\_\_\_\_

\_\_\_\_\_

18. Have you completed training on Suitability and Annuity sales? ( ) Yes ( ) No

If Yes, Provider of Training \_\_\_\_\_ Date \_\_\_\_\_

Attach copy of Certification

19. Have you completed training on the Anti-Money Laundering Act? ( ) Yes ( ) No

If Yes, Provider of Training \_\_\_\_\_ Date \_\_\_\_\_

Attach copy of Certification of AML training.

20. Provide carrier of Errors & Omissions coverage \_\_\_\_\_

Attach copy of Certification

**AGENT'S DECLARATION AND AUTHORIZATION**

I hereby certify that all my answers to these questions are true. I understand that this application will serve as an application to become contracted with Guggenheim Life and Annuity Company ("Guggenheim Life") and the information is to the best of my knowledge an accurate statement of fact. I further understand that if any material information given in the application is found to be incorrect or incomplete, it will be grounds for contract termination for cause at the sole discretion of Guggenheim Life.

I understand that the Fair Credit Reporting Act requires Guggenheim Life to notify me that, as a routine part of processing my contract application, a consumer report may be obtained which may include information bearing on my credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living. I authorize Guggenheim Life to obtain a consumer report and Vector One report in connection with the contract application. I further authorize Guggenheim Life to release information about any debit balance I may incur to Vector One, its successors or any organization designated to replace Vector One.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature of IMO Principal \_\_\_\_\_ Date \_\_\_\_\_

## Agent Direct Deposit Instructions

I (We) hereby authorize credit entries to my (our) checking/saving account in the "Depository Institution" named below, and I (we) authorize the depository institution to accept and to credit the amount of such entries to my (our) account. If funds that I am (we are) not entitled are deposited to my (our) account, I (we) authorize you to direct the bank to return said funds.

Depository Institution \_\_\_\_\_

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Please specify account type below.

**CHECKING ACCOUNT** (PLEASE INCLUDE A VOIDED CHECK)

Name on Account \_\_\_\_\_

Routing Number (Bank) \_\_\_\_\_

Account Number \_\_\_\_\_

**SAVINGS ACCOUNT** (PLEASE INCLUDE A VOIDED SAVINGS DEPOSIT SLIP)

Name on Account \_\_\_\_\_

Routing Number (Bank) \_\_\_\_\_

Account Number \_\_\_\_\_

### AUTHORIZATION

This authorization is to remain in full force and effect until written notification is received from me of its termination in such time and manner as to afford the Company a reasonable opportunity to act on it.

Name (please print) \_\_\_\_\_

Social Security Number \_\_\_\_\_

Agent Writing Number \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

*Remember to attach a voided check.*

Guggenheim Life and Annuity Company  
10689 North Pennsylvania Street, Suite 200  
Indianapolis, IN 46280  
800 767 7749 Phone  
317 574 6253 Facsimile

Note: DBA Guggenheim Life and Annuity Insurance Company in California

## Request for Taxpayer Identification Number and Certification

**Give Form to the  
 requester. Do not  
 send to the IRS.**

<b>Print or type See Specific Instructions on page 2.</b>	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____  <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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### General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

#### Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

#### **Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

### **Updating Your Information**

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

### **Penalties**

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

### **Specific Instructions**

#### **Name**

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

**Partnership, C Corporation, or S Corporation.** Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

**Disregarded entity.** Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

**Note.** Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

**Limited Liability Company (LLC).** If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

## Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
  2. The United States or any of its agencies or instrumentalities,
  3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
  4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
  5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
  7. A foreign central bank of issue,
  8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
  9. A futures commission merchant registered with the Commodity Futures Trading Commission,
  10. A real estate investment trust,
  11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
  12. A common trust fund operated by a bank under section 584(a),
  13. A financial institution,
  14. A middleman known in the investment community as a nominee or custodian, or
  15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 7 <sup>2</sup>

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [IRS.gov](http://IRS.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

**Signature requirements.** Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

\*Note. Grantor also must provide a Form W-9 to trustee of trust.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records from Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.**

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 1-877-IDTHEFT (1-877-438-4338).

Visit [IRS.gov](http://IRS.gov) to learn more about identity theft and how to reduce your risk.

**Privacy Act Notice**

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

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## Business Guidelines

### TO OUR VALUED AGENTS...

As a representative of Guggenheim Life and Annuity Company (the “Company” or “Guggenheim”), it is important that you understand our Company’s guidelines on market conduct. This guide is designed to give you an overview of those guidelines. Agents, and the companies they represent, are held by the public and insurance regulators to a very high standard. The use of the term “agent” in these guidelines includes “registered representatives”.

Please read this guide in its entirety. **By accepting appointment with our Company, you are agreeing to be bound by the provisions of the guidelines which have been adopted by our Company.** If you should have any questions about any of the material included in this guide, please feel free to call the Compliance Department at 800 767 7749.

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TABLE OF CONTENTS

1. **Our Marketing Philosophy** ..... 1

2. **Advertising** ..... 1

3. **Position on Replacement**..... 5

4. **General Rules of Compliance**..... 8

5. **Federal and State ‘Do Not Call’ Rules** ..... 10

6. **CAN-SPAM Act**..... 10

7. **Agent Appointment Selection Criteria** ..... 11

8. **Violation of Federal Crime Act** ..... 12

9. **Delivery Receipt Requirements**..... 12

10. **Commission-hold Policy on Large Cases**..... 12

11. **Policy on Joint Ownership of Fixed Annuity Contracts** ..... 13

12. **Policy on Selling Across State Lines** ..... 13

13. **Original Signature Requirements** ..... 14

14. **Annuity Suitability** ..... 14

15. **Life and Annuity Transfers** ..... 15

16. **Tax Withholding for Withdrawal/Surrenders Cannot be Reversed** ..... 15

17. **Privacy Policy** ..... 16

18. **Breach of Security** ..... 18

19. **Complaint, Fraud or Suspected Fraud Policy** ..... 19

20. **Fair Competition Guidelines**..... 20

21. **Living Trusts and Estate Planning** ..... 21

22. **Money Laundering and Terrorist Financing** ..... 22

23. **Records Retention**..... 23

24. **Important Phone Numbers** ..... 24

**Appendix A – Suitability Form** ..... 25

**Appendix B – Minnesota Disclosures** ..... 28

**Appendix C - California Disclosures** ..... 30

**Appendix D – Privacy and Security of Resident of Massachusetts and Forms** ..... 36

IMPORTANT: THESE GUIDELINES CONTAIN IMPORTANT INFORMATION ON POLICIES AND PROGRAMS THAT AFFECT HOW YOU DO BUSINESS WITH OUR COMPANY. PLEASE REVIEW ALL CONTENT CAREFULLY AND COMPLETELY.



## 1. Our Marketing Philosophy

Guggenheim Life and Annuity Company values its relationships with agents and clients. We believe the financial strength, reputation, culture, and tradition of our Company will attract a high-quality sales force that will develop long-term relationships of trust with our Company. Furthermore, we are committed to developing strong relationships of trust with our clients for whom we expect all transactions to be conducted honestly and ethically.

Therefore, all appointed agents are expected to exemplify the highest standards of ethical and professional conduct and maintain a record free from compliance and market conduct issues.

In accordance with these guidelines and consistent with your contractual obligations (please refer to your Agent Contract) to do business in conformity with the rules and regulations of the Company, the following standards have been set:

- All agents must comply with all written rules, procedures and policies of the Company.
- Any action or conduct that constitutes fraud, or suspected fraud, or violates any applicable laws or regulations also constitutes a violation of the rules of the Company.
- The Company does not permit any misrepresentation or modification of any of the benefits, rates or conditions of policies or contracts of the Company in any respect.
- The Company does not permit any withholding, misappropriation, conversion or co-mingling of funds.
- Use of the Guggenheim Life and Annuity Company name, the word Guggenheim, the name of any Guggenheim affiliate or product specifics in any advertisement requires prior approval by the Company.
- Use of the Guggenheim Life and Annuity Company name, the word Guggenheim, the name of any Guggenheim affiliate or any logo connected with a Guggenheim company is prohibited on business cards, signage, voice mail or other means of identification.

To maintain the high standards of the Company, you are required to notify an officer of the Company if you become aware of conduct by other agents or representatives of the Company that violates any Company policy.

Any behavior deemed unacceptable by the Company may result in contract termination. The Company is committed to aggressive investigation of any conduct that violates its policies. Proper market conduct is an important component in our continued successful operation. Violation of these standards will not be tolerated and could also result in personal liability and loss of license.

## 2. Advertising

### WHAT IS ADVERTISING?

Material designed to create public interest in life insurance or annuities, or in an insurer, or in an insurance producer; even though a specific product or company is not mentioned; or to induce the public to purchase, increase, modify, reinstate, borrow on, surrender, replace, or retain a contract, is considered advertising.

Advertising includes printed, published, or audio visual materials, including brochures, letters, videos, advertisements, or articles, distributed in any medium, including newspapers, magazines, billboards, mail, direct sales presentations, Internet, business cards, or stationery.

Advertising does not include communications or materials used within an insurer's own organization which are not intended for dissemination to the public. Advertising does not include individualized communications with clients which do not fit the description above.

## ADVERTISING APPLICABILITY

These rules shall apply to any annuity or life insurance advertisement intended for dissemination to the public. All advertisements (including agent advertising) that include the Guggenheim Life and Annuity Company name, the word Guggenheim, the name of any Guggenheim affiliate or refers to Company products must be reviewed and approved by the Company prior to use. Agents and marketing organizations must review, at least once a year, the Advertising Approval Guidelines stated below and available on the Agent Website. These rules apply to the use of social media sites such as Facebook, Twitter and LinkedIn to solicit or induce a person to purchase or inquire about a life insurance or annuity product.

## ADVERTISING APPROVAL GUIDELINES: FORM AND CONTENT RULES

Advertisements shall be truthful and not misleading in fact or by implication. They should be sufficiently complete, balanced and clear so as to avoid deception. Advertisements must include limitations or negative features if positive features are discussed. Insurance terms identifying the extent or nature of the contract must be defined, if not broadly known by the buying public.

All statistics shall be recent and relevant. Source of statistics must be disclosed.

Non-guaranteed elements must be based on insurer's current scale and must contain a statement that they are not guaranteed. (Examples: "Current Company practice" or "Subject to change"). Non-contractual features may not be advertised in some states.

If non-guaranteed elements are illustrated, guaranteed elements must be illustrated in equal prominence.

Use of the following terms is prohibited: "CD Annuity", "certificate of annuity", "deposit", "savings", "savings account", "contributions", "investment", "profit", "profit sharing", "plan", "investment plan", "founder's plan", "charter plan", "expansion plan", "interest plan", "savings plan", "investment department", "insured investment department", "approved by the Insurance Department", "savings annuity plan", "securities annuity plan", "tax savers plan", "units of participation", or any similar terms.

Use of unsubstantiated terms is prohibited, unless supported, such as: "best", "full", "all", "highest", "most", "largest", "free", "safest", "no cost", "without cost", "no additional cost", "no extra cost", "risk free", "guaranteed safe", "no red tape", "special", "limited", "vanishing", or "vanishing premium".

Premium must always be referred to as "premium".

May not refer to "savings" in reference to cash value.

Terms such as "No load" and "no sales charge" must also reference surrender charges.

No person shall advertise capital or assets of the insurer without setting forth the amount of liabilities in same advertisement. (Can use assets under management alone.)

Must not state that purchaser will share in percentage or portion of insurer's general account.

Generic features must not be listed as special or particular to the contract; and must be identified as features generic to all such contracts of that type.

Limitations should not be worded positively to imply a benefit and must be clearly defined.

Material may not compare contracts or policies, benefits or marketing methods of other insurers. Also, material may not disparage other insurers, producers, services or methods of marketing.

Materials may not make comparison with other investment vehicles (SEC controlled).

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**ADVERTISING APPROVAL GUIDELINES: IDENTITY OF INSURER, PRODUCT AND AGENT IN ADVERTISING**

Full legal names of insurers must be used when specific products are advertised. The first reference must use the full company name. Additional references thereafter may use a shortened version.

If the advertising piece references or describes Guggenheim Life and Annuity Company products or services, it must be approved by the Company prior to use and the following guidelines apply:

The agent's or agency's name and their address and/or phone number must appear, if agent or agency is the one advertising.

The name of insurer must be clearly identified.

(Example: Contract issued by Guggenheim Life and Annuity Company, 10689 North Pennsylvania Street, Suite 200, Indianapolis, Indiana 46280-1087 on Form Series GLA.)

This is how to use our company names:

First Reference or Most Prominent Reference:

- Guggenheim Life and Annuity Company

All California References:

- Guggenheim Life and Annuity Insurance Company

All Other References:

- Guggenheim Life

Reputation of the parent or subsidiary may not be used in conjunction with the issuing company.

May not in any way imply that a company other than the insurer has any responsibility for the financial obligations under the contract.

May not in any way imply that the insurer is affiliated with any governmental program or agency, through text or graphics (name, service mark, slogan, symbol or any device).

Non-licensed distributors must not be mentioned and should not appear in advertising.

Must not mention State Insurance Guaranty Association in advertising.

A product name used in marketing must not give the impression of being a company or organization.

Must prominently describe the type of insurance advertised; (example: single premium deferred annuity), at the front or beginning of material.

Must use complete marketing name of product.

If the advertisement is intended for use as an email, the email heading must follow all advertising guidelines.

Insurance producers may use terms: "insurance agent", "insurance specialist", and "insurance professional".

Insurance producers may not use the following terms unless the producer holds a certification from the state and is actually compensated for such services: "Financial Planner", "Financial Consultant", "Financial Counselor", "Investment Advisor", "Retirement Planner", "Pension Specialist", "Retirement Specialist", and "Mortgage Specialist".

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With use of any of these titles, proof of certification is required to be submitted to the Company along with the submission for approval for use. Additionally, several states have disclosure rules when an insurance producer is compensated by a consumer in addition to or in lieu of a commission. Compliance with any compensation disclosure requirements will be the responsibility of the insurance producer.

No "Mortgage Protection" programs or use of the term "in event of disability."

No advertisement should use the "effective annual yield" as this is a securities term that may be confusing to clients.

#### ADVERTISING APPROVAL GUIDELINES: ADVERTISING PROCEDURES

All advertising must comply with the regulations of the state in which the advertising is used. For this reason, your agent contract specifies that all advertising that references the Company's products or services be approved by the Company prior to use. The use of an advertisement without the Company's prior approval can lead to termination of your agent contract. Advertisements submitted to the Company will be reviewed within three (3) business days. Some states require advertisements be filed with its department of insurance before being used in the state. If an advertisement is approved, the Company will notify you of any limitations on when the advertisement may first be used.

All client and agent recruiting materials not produced by the Company must be approved prior to publication or use.

Proposed advertisements must be submitted to the Company by an email addressed to the Vice President of Marketing, whose email address is available on the Company website, or a fax to the Marketing Division at (317) 574-6278 or by mail addressed to Guggenheim Life and Annuity Company, ATTN: Marketing Division, 10689 North Pennsylvania Street, Suite 200, Indianapolis, Indiana 46280-1087. The submission must include the following information:

- Agent/Contact Name;
- Agency/Marketing Organization;
- Telephone number;
- Name of Publication/Medium;
- Quantity of Distribution;
- Audience type;
- States where advertisement will appear;
- Date of Distribution; and
- Final Approval Deadline.

The Company will review your proposed advertisement, recommend any state specific changes, and will assign an advertisement tracking number.

If you have any questions regarding these guidelines or any other questions, call our toll-free number: 800 767 7749.

#### ADVERTISING APPROVAL GUIDELINES: ADDITIONAL REQUIREMENTS OF CERTAIN STATES

See Appendix B – Minnesota - Marketing and Solicitation Statute.

See Appendix C – California – Marketing and Advertising Requirements.

### 3. Position on Replacement

The Company recognizes that in certain instances, replacements are necessary or advantageous to policy or contract owners. However, unnecessary replacements may lead to complaints, regulatory action and litigation. Replacement activity should be considered only if the transaction is in the client's long-term best interest. In order to determine whether replacement involving a Company policy or contract is in the client's best interest, the agent is expected to:

- Comply with applicable state and federal statutes and Company procedures;
- Apply the Company's definition of replacement;
- Analyze each replacement to determine if it is appropriate for the client;
- Provide the information necessary for the client to make an informed decision;
- Disclose on the application or in other written form whether replacement is involved; and
- Comply with the Business Guidelines.

The following is the Company's definition of replacement. This definition applies to individual life policies and annuity contracts – both general account and variable account, internal and external replacements.

#### DEFINITION OF REPLACEMENT

Replacement means any transaction in which new life insurance or a new annuity is to be purchased, and that by reason of such transaction, existing life insurance or an existing annuity has been or is to be:

- Forfeited, surrendered or partially surrendered, assigned to the replacing insurer or otherwise terminated;
- Amended so as to effect either a reduction in benefits or in the term for which coverage would otherwise remain in force or for which benefits would be paid; or
- Reissued with any reduction in cash value.

This definition does **not apply** to transactions involving:

- Application to the existing insurer
- when a contractual change or conversion is being exercised, or
- when the existing policy or contract is being replaced by the same insurer pursuant to a filed and approved program;
- Immediate annuities that are purchased with proceeds from an existing annuity contract. (**NOTE:** Immediate annuities purchased with proceeds of an existing life insurance policy are considered replacements);
- Structured settlement annuities;
- New coverage provided under a life insurance policy or annuity contract where the cost is borne wholly by the insured's employer or by an association of which the insured is a member; or
- Annuity contracts used to fund ERISA pension or welfare benefit plans; employer established or maintained 401(a), 401(k) or 403(b) plans; government or church 414 plans; or government or tax exempt 457 plans are normally exempt unless plan participants may choose from two or more providers and there is direct solicitation of individual employees. (There are exceptions to this rule, please contact the Company for specific information.)

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For applicants who are residents of California and who are age 65 and older, the state of California defines “unnecessary replacement” as

- the sale of an annuity to replace an existing annuity;
- that requires that the owner pay a surrender charge for the annuity being replaced; and
- that does not confer a “substantial benefit” over the life of the contract to the purchaser;
- so that “a reasonable person would believe that the purchase is unnecessary”.

SOME STATES MAY REQUIRE AN AGENT REPLACING A VARIABLE PRODUCT TO BE A REGISTERED REPRESENTATIVE. PLEASE BE SURE TO FAMILIARIZE YOURSELF WITH YOUR STATE’S SPECIFIC REGULATIONS AND LAWS.

#### REPLACEMENT REVIEW

Replacement of existing life insurance or an annuity may or may not be in the best interest of the client. If replacement is contemplated, it is crucial that the agent help the client determine whether replacement is appropriate in light of the client’s goals and objectives. When replacement is considered, the policy or contract owner needs to recognize the potential disadvantages of replacement, any plausible alternatives to replacement and the benefits of replacement. Some suggested benefits, disadvantages and alternatives are listed below.

#### POSSIBLE BENEFITS

- administration support;
- extended maturity;
- premium flexibility versus fixed premium;
- additional features available;
- death benefit flexibility;
- consolidation of policies/contracts;
- avoid loss of death benefit;
- tax efficiency;
- enhanced policy performance;
- cash value benefits;
- interest rates (current and guaranteed); and
- Company ratings.

#### POSSIBLE DISADVANTAGES

- acquisition costs for the new policy or contract;
- extended or greater surrender charges may apply to the new policy or contract as well as the old policy or contract;
- if existing cash values are used to fund the new policy or contract, the existing policy or contract will not accumulate value as originally expected;
- possible adverse tax consequences;

- differences in policy or contract features; and
- interest rates (current and guaranteed).

#### POSSIBLE ALTERNATIVES

- leave the existing policy or contract intact and purchase a new policy or contract.

#### NAIC LIFE INSURANCE AND ANNUITIES REPLACEMENT MODEL REGULATION

In 1998, the National Association of Insurance Commissioners (“NAIC”) revised the Model Replacement Regulation to make sure insurers and insurance producers provide consumers with fair and accurate information about life insurance policies and annuity contracts so consumers can make purchase decisions that are in their best interests. Information on which states have adopted the current version of the Model Regulation is available on the Company’s website.

According to the Model Replacement Regulation, the applicant and the insurance producer must sign a statement along with every application that indicates whether the applicant has existing life insurance or annuity contracts. It is no longer a question of whether the applicant is actually replacing the life insurance or annuity contract but whether there is existing coverage. If there is existing coverage, then the Model Replacement form is required. The Model Replacement form defines what replacement is for the client, so they may make an educated response to the question of whether they are replacing life insurance or annuity business.

If the applicant answers the question on the replacement form that the proposed sale will not replace existing life insurance or annuities, then the insurance producer’s responsibilities with respect to replacement is complete. If the applicant responds on the replacement form that the proposed sale does involve replacement of life insurance or annuities, then the insurance producer is also responsible for the following requirements:

The insurance producer must offer to read the replacement notice aloud to the applicant. If the applicant declines, then the applicant must initial the bottom of the form where indicated.

The insurance producer and applicant must both sign and date the replacement form. A copy of the form must be left with the applicant at the time of application.

Only approved sales materials are to be used in the solicitation of the applicant’s business. A copy of all sales materials used must be left with the applicant at the time of application and also included in the agent’s files.

If you have any questions about the requirements of the Model Regulation please feel free to contact our Sales Support Desk at 800 767 7749. Additionally, watch the agent website for notification of additional state adoptions.

If you have questions about replacements or the NAIC Model Regulation, please feel free to contact our Sales Desk Representatives.

#### UNNECESSARY REPLACEMENTS

Agents and insurers are prohibited from recommending the replacement or conservation of an existing policy or contract by use of a materially inaccurate presentation or comparison of an existing policy or contract’s premium and benefits or dividends and values, if any, or recommending that a senior purchase an unnecessary replacement annuity.

Repeated occurrences of policy or contract owners purchasing replacement policies or contracts from the same agent after indicating on applications that replacement was not involved in the sale, may be treated as a pattern and may constitute a rebuttable presumption of the agent’s knowledge that replacement was intended and that the agent intended to violate this rule.

As an agent, please remember it is your responsibility to ensure that the product meets the financial objectives of the client. It is also important to be aware of your state’s specific replacement regulation and subsequent requirements. Due to the definition of replacement in California, it is necessary for agents to use fact-finding tools to determine if a sale involving

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replacement yields a substantial benefit to the applicant. Documentation of all information used to determine if there is a substantial benefit should be kept in the agent's file.

## 4. General Rules of Compliance

Do use only the most current sales material provided by the Company or materials that have been approved by the Company. You may order materials from our Sales Support Center or download from the Agent Website.

Do accompany replacements with full disclosure of all important information and the appropriate replacement form for the state of issue.

Do use the sales process to determine if a contract or product meets the client's financial objectives and is in the client's long-term best interest. Document this determination in your contract holder's file. Completed suitability forms are required for all annuity sales. Be sure to use only current forms which can be found on the agent website.

Do take applications in person.

Do sell business only in states where you and the Company are properly licensed and appointed. The Agent Website includes the list of the Company's authorized states.

Do promptly deliver policies and contracts and secure a signed delivery receipt from the client for each policy or contract delivered. The signed delivery receipt must be remitted to the Company within five (5) business days.

Do request that clients make checks payable only to Guggenheim Life and Annuity Company. The total amount of the premium should always be remitted to the Company. Cashier's Checks, including Treasurer's Checks, Official Checks and Bank Drafts, may only be used with written permission from the Company.

Do verify that all information on the application is correct. Applications should never provide false or misleading information. Have the Applicant initial any changes or corrections to the application prior to submitting the application to the Company.

Do sign as a witness only if you are actually present at the signing process. You do not need to sign the application to receive a commission. To receive a commission for an application you were not involved in soliciting, the writing agent needs to submit a written request.

Do know and comply with written Company directives and policies including these Business Guidelines.

Do maintain complete client files.

Do document and immediately report any consumer complaint about the Company's policies or products to the Company.

Do educate yourself as an insurance professional about market conduct rules and regulations.

Do keep complete continuing education records.

Do keep all client information confidential unless authorized by the client to release.

Do fully explain the surrender charges and that the renewal rates are set at the discretion of the Company but will not be lower than the guaranteed rate.

Do maintain high standards of integrity, professionalism and excellence in business transactions.

Do engage in active and fair competition.

Do maintain a high level of professional competence by continually improving knowledge and skills.

Do conform and adhere to your state's guidelines regarding approved / appropriate designations.



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Do NOT engage in churning activities. Churning is the practice where values in an existing policy or contract are utilized to purchase another product solely for the purpose of earning additional commissions or other compensation.

Do NOT make a sale to someone who is in a nursing home or hospital, or about to enter a nursing home or hospital.

Do NOT make a sale to an active duty military member on a military base.

Do NOT use white out or highlight information on any insurance application.

Do NOT sign applications from presentations made by other agents. The agent who signs the application should be the agent who made the sales presentation.

Do NOT take an application through the mail.

Do NOT sign documents on behalf of an insured, annuitant, applicant, beneficiary or other person.

Do NOT accept risks of any kind or make, modify, or discharge policies / contracts.

Do NOT extend the time for paying the premium. An agent does not have the authority to waive any of the Company's rights or requirements. Do NOT take any action that could be interpreted by a client as a waiver of any of the Company's rights or requirements.

Do NOT endorse, deposit, cash or otherwise negotiate any check drawn to the Company.

Do NOT have a contract holder, annuitant, applicant, insured, beneficiary or another person sign a blank document.

Do NOT give rebates. Do NOT pay anything of value, directly or indirectly, to applicants, clients, contract holders, agents, or any other party to induce an individual or any legal entity to purchase a new contract or replace, withdraw funds, surrender, or in any other manner change an existing contract.

Do NOT lend money to or borrow money from any client unless the client is a properly licensed financial institution.

Do NOT take on any fiduciary roles with respect to your clients such as acting as a trustee, executor, guardian, conservator or attorney-in-fact under a power of attorney. Nor should you allow yourself to be named a beneficiary on a client's life policy or annuity contract. The exception to this prohibition is where the client is a member of your immediate family, as long as there is an insurable interest in the life of the insured. (i.e., spouse, children, parents or siblings).

**IN FLORIDA, STATE LAW PROVIDES THAT THE AGENT'S FAMILY MEMBERS MAY ALSO NOT BE DESIGNATED AS BENEFICIARIES (UNLESS THERE IS AN INSURABLE INTEREST IN THE LIFE OF THE INSURED) OR PERFORM THE FIDUCIARY TASKS OUTLINED HERE UNLESS SUCH FAMILY MEMBER IS RELATED TO THE OWNER OR INSURED OR IS A BANK OR TRUST COMPANY DULY AUTHORIZED TO ACT AS A FIDUCIARY.**

Do NOT represent the Company in any manner before a state insurance department or any other governmental agency.

Do NOT make a gift of value on the condition of purchasing insurance.

Do NOT affix a label in such a way so as to modify or change the appearance of Company materials.

Do NOT act as notary for Company clients or on Company documents.

Do NOT maintain a joint bank account with a client unless it is a member of your immediate family.

Do NOT use reverse mortgages to fund Company products.

Do NOT accept cash, money orders, credit card checks or traveler's checks. Cashier's checks, including Treasurer's Checks, Official Checks and Bank Drafts, may be used only with written permission from the Company.

Do NOT use personal funds to pay client's premiums.

Do NOT disparage other companies, producers/agents or products.

## 5. Federal and State 'Do Not Call' Rules

Observe the Federal 'Do Not Call' protocols and any state regulations.

Observe any Company 'Do Not Call' restrictions or lists.

Cold calls are generally prohibited; explicit authorization to call must be obtained.

If you call a prospective client, and they request that you place them on your 'Do Not Call' List, you must maintain a list and ensure that the prospect is never called by you or anyone in your office.

If you call a prospective client and they request that you place them on the Company 'Do Not Call' List, you must contact the Company at 800 767 7749 to report the name and phone number to be placed on the Company 'Do Not Call' List.

## 6. CAN-SPAM Act

The CAN-SPAM Act

- establishes requirements for commercial email;
- gives recipients the right to opt-out of commercial email; and
- spells out tough penalties for violations.

Commercial email is defined as any electronic mail message, the primary purpose of which is the commercial advertisement or promotion of a commercial product or service. This includes email that promotes content on commercial websites and makes no exception for business-to-business email. All commercial email must comply with the CAN-SPAM law, as well as applicable state laws. Each separate email that violates the CAN-SPAM Act is subject to penalties of up to several thousand dollars. Here are the main requirements for following this law:

- **Don't use false or misleading header information.** All routing information (from, to and reply-to) must include the originating domain name and email address. Further, it must be accurate and state the sender (person or business) who initiated the message.
- **Don't use deceptive subject lines.** Accurately reflect the content of the message!
- **Identify the message as an advertisement.** You must clearly and conspicuously disclose that your message is an advertisement.
- **Provide your location.** Include your valid physical postal address, which can be a current street address, post office box registered with the U.S. Postal Service or private mailbox as long as it is registered with a commercial mail-receiving agency established under Postal Service regulations.
- **Provide opt out information.** You must include a clear and conspicuous explanation of how the recipient can opt out of getting email from you in the future. The recipient cannot be required to take any step other than sending a reply email or visiting a single page on a website as a condition for opting-out.
- **Promptly honor opt-out requests.** Any opt-out must be honored within 10 business days and you cannot charge a fee or require the recipient to give you any personal information beyond their email address. Also, you cannot sell or transfer

these email addresses, even in the form of a mailing list unless it is simply to transfer information to a company hired to help you comply with the CAN-SPAM Act.

- **Monitor what others are doing on your behalf.** The law clearly states that you are equally responsible for ensuring compliance by any company or person hired by you to handle your email marketing.

## 7. Agent Appointment Selection Criteria

### SELECTION CRITERIA

- Proof of Errors & Omissions Coverage in place (E & O);
- Anti-Money Laundering training / certificate;
- Clear Vector One “Vector” report – No reported outstanding debt owed to other insurance companies;
- No Felonies reported on background check – either past or current.

### COMPANY APPROVAL OF CANDIDATE

- All of the Selection Criteria met (if appointment is made specific to application questions and information provided is later found to be false, termination will occur)
- Appropriate state license(s)
- No bankruptcies or collection items
- No current or historical delinquencies
- Conditions falling outside the listed selection criteria may require additional disclosure and/or written explanation for appointment consideration.

### CONTINUING EDUCATION

- States require continuing education to renew an insurance producer license. Your appointment with the Company is dependent upon your meeting state continuing education requirements.
- Continuing education requirements differ from state to state. To get the most recent information regarding the requirements in your state, we urge you to call or visit the website of your state’s Department of Insurance.

### STATE SPECIFIC CONTINUING EDUCATION REQUIREMENTS

Please note that insurers are required to verify training requirements have been met in accordance with the applicable state laws. Please be sure to consult with your state to ensure you have completed the approved courses and are up-to-date with your state’s requirements. In the event that your state does not provide online confirmation for insurers, Guggenheim Life and Annuity Company will require a copy of your course completion certificate.

### FAIR CREDIT REPORTING ACT REQUIREMENTS

As part of Guggenheim’s agent selection procedure, it may request that a report be made by a consumer credit agency, which may supply the Company with information about the agent from its files, from public records and from credit investigations. Guggenheim will provide additional detailed information concerning the investigation, if one is made, to the agent after receiving a written request from the agent and/or in compliance with applicable state law. Should a report have an adverse effect on Guggenheim’s appointment decision, the Company will notify the agent in writing and identify the reporting agency with which the agent may discuss the matter.

## 8. Violation of Federal Crime Act

Section 18 USC 1033(e)(i)(a) of the Federal Crime Act makes it a felony crime for a person to engage or participate in the business of insurance if that person has ever been convicted of a state or federal felony involving dishonesty or a breach of trust or a crime under 18 USC 1033.

The statute makes it illegal for an insurer, reinsurer, its officers, directors, employees, agents and brokers (or others) to willfully employ a person who has been convicted of a felony crime involving dishonesty or a breach of trust without a waiver from an insurance regulatory official.

Any person appointed by the Company to sell its product has an affirmative duty to report possible violations of the Federal Crime Act to the Company at 800 767 7749.

## 9. Delivery Receipt Requirements

Annuity product delivery receipts are required by state law for all contracts issued in the states of California, Louisiana, Minnesota, New Hampshire, Pennsylvania, South Dakota and West Virginia. The Company requires delivery receipts in all states for **all** issued policies and contracts. The Company requires the return of the signed delivery receipt as the information allows the Company to:

- document the timely delivery of the contract;
- accurately track the free look period; and
- document the date of release for commissions that are held.

Delivery Receipts will be included with every annuity contract issued by the Company. Client-signed Delivery Receipts are **required** in all circumstances for all contracts.

Faxed delivery receipts may be accepted. Please contact the New Business Division for approval.

## 10. Commission-hold Policy on Large Cases

### DELIVERY RECEIPTS WILL BE REQUIRED FOR RELEASE OF HELD COMMISSIONS

Commission will be subject to a hold on any portion over \$25,000. If you have any questions about the commission-hold policy, call Guggenheim Life and Annuity Company Sales Support at 800 767 7749.

The held amount will be released after the client-signed Delivery Receipt has been received by the Company and the 30-day Free-Look period has ended. The time period for the Free-Look period may vary by state, but is 30 days for all Company contracts and policies and it begins on the Contract Delivery Date as stated in the client-signed Delivery Receipt.

### ADDITIONAL INFORMATION

For split cases where the commission is payable to two or more agents, the commission hold will apply to the aggregated commission.

If the commission amount subject to the hold is less than \$500, the excess will NOT be held and the entire commission will be paid upon issuance of the policy or contract.

## 11. Policy on Joint Ownership of Fixed Annuity Contracts

Consumers may request joint ownership of a fixed annuity because they are under the misconception that joint ownership of an annuity is like joint ownership of a bank account. It is not.

With a joint bank account, either of the persons named on the account can make a withdrawal from the account without permission from the other. With joint ownership of an annuity, the signatures of both owners are required to exercise the rights of ownership.

Further, if a withdrawal is taken from a Guggenheim Life and Annuity Company annuity, the primary owner (first listed) will receive an "IRS Form 1099-R - Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc." This means that the primary owner assumes the tax liability for the withdrawal, even if the entire withdrawal was spent by the other joint owner. Any joint owner under age 59 ½ may also be liable for the 10% penalty on any taxable amount of his or her portion of the withdrawal.

If joint ownership by a married couple is desirable and the client wants the right to continue the contract in the event of the death of one, the sole, primary beneficiary should be listed as: "**surviving spouse**".

If someone other than the spouse is named as the designated beneficiary, or if the spouse is named the beneficiary along with another person, then even if the surviving spouse is a joint owner, the spousal exception is lost.

Applicants should consult a qualified tax advisor.

## 12. Policy on Selling Across State Lines

Many agents sell in more than one state. *In order to do business in a particular state, you must have a resident or nonresident license and be appointed with the Company to do business in that state.* Certain states have specific laws or regulations regarding sales to customers outside their resident state ("non-resident sale"), and each specific state's laws and regulations should be checked. In general, the laws and regulations are intended to prevent non-resident sales when the goal is only to obtain a product not available in the state or to make sure that only agents and companies properly licensed in the state are doing business with residents of the state.

For non-resident sales, where the product is available in both the resident state and the non-resident state, the sale will be governed by the state where the solicitation occurs. When a product is not available for sale in the resident state, a resident is only allowed to purchase the product in another state if they provide a valid reason to be in the non-resident state, other than solely to purchase the insurance product. Examples of valid reasons can include: a second home, visiting family or employment. In these circumstances, we recommend that the agent and client document, in writing, the valid reason for the non-resident sale. We may require the agent and client to provide, in writing, the valid reason for the non-resident sale. The entire sales process must occur in the application state, including but not limited to, the sales discussions, application signing and contract delivery. Policies and contracts cannot be mailed to the client's resident state.

Notwithstanding the above, please be aware that if a product is not available for sale in the following states, a resident of that state is not permitted to purchase the product in another state: Alabama, Massachusetts, Minnesota, Oregon, Utah and Washington.

Other state restrictions may exist. For example, when the client is a resident of the state of New York or New Jersey, we will not accept the business. The Company is not currently authorized to engage in the business of insurance in New York or New Jersey.

### 13. Original Signature Requirements

The following is a list of the forms that the Company will accept via fax and the forms that require original signatures and therefore cannot be submitted via fax.

FAXES ACCEPTED:	ORIGINAL SIGNATURES REQUIRED:
Amendments	1035 Exchange or Transfers Out of the Contract
Beneficiary Changes	Product Disclosures
Delivery Receipts	Applications and associated forms
Owner Changes	Death Claims
Partial Withdrawals or RMDs	Full Surrenders
Reallocation/ Rebalancing Changes	Replacement Notices
Service Request Form	
Systematic Withdrawals	
Trustee Certification Forms & Trust Documents	

### 14. Annuity Suitability

**COMPANY GUIDELINES AND POSITION ON ANNUITY SUITABILITY**

See APPENDIX A – Suitability Form.

Our Company also requires that certain information be provided to consumers to assist them in making a decision about purchasing a product. Such information includes:

**Annuity Buyer’s Guide:** This document is sent with each annuity contract delivered to the client to review during his/her free look period.

**Disclosure Statement:** For deferred annuity contracts, the information contained in the disclosure is provided to improve the client’s understanding of the basic features of the product for which they have applied.

This information will also

- assist the client in determining the appropriateness of the product in relation to his/her needs and
- allow the client and/or the agent to evaluate the recommended product against benefits of similar products.

**Delivery Receipt:** Delivery Receipts are obtained at delivery of **all** new contracts. This document is used to confirm delivery and reinforce the client’s understanding of his/her purchase; and

**Other information:** as required by law or deemed appropriate by the Company.

**AGENT RESPONSIBILITIES**

Agents are responsible for knowing and following our guidelines for suitability and complying with all laws and regulations regarding suitability. We believe agents are in the best position to gather information and make recommendations involving our products since they have direct contact with clients. It is the agents’ responsibility to gather and analyze relevant information. The information gathered by the agents and sent to the company is documented on the Suitability Form (APPENDIX A). In addition, the agents should maintain thorough documentation for each sale after the sale is completed.

Our program consists of a front-end suitability analysis review prior to the issuance of each annuity contract. As a result of our suitability review, we may:

- request additional information or clarification;

- work with the agent to revise the recommendation; or
- decline to issue the annuity contract.

#### OUR STANDARDS FOR AGENT TRAINING

We require that our agents be familiar with our products and our business guidelines, including our annuity suitability standards, and require that each agent review these guidelines on an annual basis.

Prior to soliciting the sale of an annuity product, the agent must have adequate knowledge of the product to recommend the sale of the annuity product. Where required by state law or regulation, we will require certification of completion of product-specific training be submitted to us prior to solicitation.

We require that agents complete any and all additional training courses required by state law or regulation and submit proof of completion prior to solicitation.

We will make certain product-specific and other training available on our website or in some other manner, where appropriate. There is no charge for this training. Updates and enhancements in our products may require additional training.

## 15. Life and Annuity Transfers

Before filling out the transfer paperwork, contact the company from which the transfer is occurring (the “Exchanging Company”) for their paperwork requirements.

Verify that policy and contract owners are listed on the Guggenheim Life and Annuity Company Transfer exactly as they appear on the Exchanging Company's policy or contract.

Verify the address of the Exchanging Company. Supply the Company with a physical mailing address rather than P.O. Box for overnight mailing purposes.

Mark only the section on the transfer form pertaining to this exchange (i.e., 1035 Exchange, IRA, NQ transfer). Marking more than one section may result in delays.

Obtain signatures of all owners on the previous policy or contract. If owned by a Trust, supply the Company with a copy of the Trust document, including the signature page.

When requesting multiple transfers, complete a transfer form (and replacement form, if necessary) for each Exchanging Company. Additional forms can be printed from the Company's website.

When calling the Exchanging Company to check the status on pending transfers/1035 exchanges, do NOT claim to be an employee of Guggenheim Life and Annuity Company.

In accordance with IRS guidelines, it is prohibited to conduct a 1035 exchange from an annuity contract into a life insurance contract. The client must surrender the annuity contract, pay taxes on any gain and forward a check for purchase of the life insurance policy.

## 16. Tax Withholding for Withdrawal/Surrenders Cannot be Reversed

For any type of payment, withdrawal or surrender from Company annuities, be certain your clients complete the withholding section of the **Partial Withdrawal/Surrender form**, which can be obtained from the Company's Customer Service Department. The Company is required to withhold taxes in accordance with IRS guidelines. When no withholding instructions are provided by the client, we are obligated to withhold. At the start of a new year, we are unable to recover withholding remitted for a prior year.

If your clients need transactions reversed in a prior year, please inform them that we will reverse the transactions but **cannot reverse withholding**. In order for contract owners to recover withholding, they must report it on their current tax returns, using the “IRS Form 1099-R - Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.” information they receive from the Company. All withholding taken on prior year’s withdrawals and surrenders will be reported to contract holders on 1099s, which are mailed no later than January 31.

## 17. Privacy Policy

The Company takes client privacy very seriously. We share a commitment to protect the privacy and confidentiality of personal and financial information. The three basic points of our Privacy Policy are as follows:

- We collect only the client information necessary to consistently deliver responsive products and services.
- We maintain safeguards designed to ensure information security.
- We limit how, and with whom, we share client information.

You may only collect, store, use, disclose, and destroy customer information by lawful and fair means that are for specified and appropriate purposes in connection with the legitimate business interests of the Company and in compliance with the Privacy Policy. You also agree to implement reasonable safeguards to protect the confidentiality of this information.

A full version of our Privacy Policy is mailed annually to clients and is included with all new contracts and policies for you to deliver. By accepting appointment with our Company, you agree to be bound by the terms of our **Privacy Policy**. We have included the text of the Privacy Policy that we provide to our clients below:

### DISCLOSURE OF PRIVACY POLICIES AND PRACTICES

Guggenheim Life and Annuity Company (“Guggenheim Life”) protects the nonpublic personal information of our customers. We respect your right to privacy and are committed to protecting the privacy of your nonpublic personal information.

This notice lets you know how we collect information about you, the type of information we collect and what we may disclose to our affiliates and nonaffiliated third parties. It also details the steps we take to protect nonpublic personal information:

- Collection of Information
- Sharing and Use of Information
- Protecting the Information
- Consumer Reporting Information
- Review of and Access to Your Information
- Our Continuing Commitment

### COLLECTION OF INFORMATION

We must collect a certain amount of information to provide customer service, offer new products or services, evaluate benefits and claims, administer our products and fulfill legal and regulatory requirements. Specific language and examples may not apply to all customers, and the data we collect varies accordingly.

Examples include information:

- on your application and related forms, such as name, address, date of birth, Social Security number, gender, marital status, driving history, assets, income and investment option elections;



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- about your relationship with us, such as products or services purchased, account balances, payment history and claims history;
  - from a consumer reporting agency, such as consumer's credit worthiness and credit history;
  - from other sources, such as motor vehicle reports, medical information and demographic information; and
  - from visitors to our Web sites, such as that provided through online forms, site visit data and online information-collecting devices known as "cookies." Cookies enable the site to "remember" who you are so you can navigate the site more easily. They also permit you to access secured information and conduct secured transactions. We do not record personal or sensitive information in our cookies.

### SHARING AND USE OF INFORMATION

While protecting customer information is important, we may find it necessary in the course of conducting business to disclose information we collect about you. This would occur in some or all of the following circumstances.

We may share information as permitted or required by law with the following parties:

- our affiliates to enable them to provide customer service or account maintenance, or so they may tell you about other products or services offered that might be useful to you;
- nonaffiliated third parties who are assisting us by performing services or functions on our behalf, such as agents, brokers, brokerage firms, insurance companies, administrators and service providers;
- other financial service companies, such as banks, insurance companies and securities brokers or dealers, with whom we have written joint marketing agreements; and
- nonaffiliated third parties for compliance with a subpoena, fraud prevention or an inquiry from a government agency or regulator.

Personal health information will be shared only with proper written authorization or as required by law. We will not share medical information or motor vehicle reports for marketing purposes.

Information obtained from a report prepared by an insurance-support organization may be retained by that organization and disclosed to others.

### PROTECTING THE INFORMATION

We are committed to maintaining the security of our customers' personal information. To ensure such information is used only in the manner we have described in this policy, we have instituted the following safeguards:

Employees are required to comply with our established privacy policies and procedures, which exist to protect the confidentiality of customer information. Any employee who violates our privacy policies will be subject to a disciplinary process.

Employees access the information only on a business need-to-know basis, such as to pay benefits or claims, underwrite a contract, administer a plan or service a customer request.

We use manual and electronic security procedures to maintain the confidentiality of the information we collect and to guard against its unauthorized access. Such methods include locked files, user authentication and firewall technology.

### CONSUMER REPORTING INFORMATION

If required by law and upon written request, we will inform you as to whether a consumer report was requested, as well as the name and address of the consumer-reporting agency that furnished the report.

If permitted by law, we may share credit-reporting information about you with our affiliates. Under the Fair Credit Reporting Act, you may direct us not to share certain credit information with our affiliates, including some nonpublic personal information you provide in your application or that we obtain from nonaffiliated third parties, such as credit bureaus. If you do not want such credit information shared, you may write to us at the address listed on this page. Please provide your name, address, Social Security number and account number(s). Your request not to share credit information does not include information we are permitted by law to share with our affiliates, such as information related solely to our experiences or transactions with you, including account balance and payment history.

#### REVIEW OF AND ACCESS TO YOUR INFORMATION

If required by law and upon written request, we will make information from your file available for your review. We are unable to provide information collected in connection with, or in anticipation of, any claim or lawsuit or any medical information we have obtained from a health care provider.

If you notify Guggenheim Life and Annuity Company that any information is incorrect, we will review it. If we agree, we will correct our records. If we do not agree, you may submit a short statement of dispute, which will be included in any future disclosure of information.

If you have any questions about the right of access or wish to access your file (as permitted by law), please contact us at the address below and include a copy of your personal identification, such as a driver's license or photo identification.

#### PRIVACY OFFICER

Attention: Privacy Officer  
Guggenheim Life and Annuity Company  
10689 N. Pennsylvania Street, Suite 200  
Indianapolis, IN 46280

#### OUR CONTINUING COMMITMENT

We will continue to provide this notice at the frequency required by law and will notify customers of any changes at least annually.

We will continue to follow the policies set forth in this notice even when a customer relationship no longer exists. However, that party will no longer be entitled to annual notices.

This notice is being provided on behalf of the Guggenheim Life and Annuity Company.

Our privacy commitment to you also extends to those companies with which we affiliate during the next 12 months.

## 18. Breach of Security

Like any industry, our industry faces a threat of loss of assets through criminal activity and through human error. One of our industry's assets subject to this threat is the information we possess. This would include information about our clients and other consumers. This threat is further compounded by the potential for regulatory violations in situations where consumer information is inappropriately accessed, used, disclosed, lost or stolen. Privacy and security regulations require us to take reasonable precautions to safeguard client information from unauthorized access, use and disclosure.

If you have a reasonable belief that Company consumer information has been inappropriately accessed, used, disclosed, lost or stolen, we ask that you immediately notify the Company so that we may assist you in informing the clients accordingly.

#### ADDITIONAL REQUIREMENTS OF CERTAIN STATES

See Appendix D – Massachusetts - Privacy and Security of Residents of Massachusetts.

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## 19. Complaint, Fraud or Suspected Fraud Policy

### COMPLAINT POLICY

The Company is committed to providing fair and expeditious handling of client complaints and disputes.

### DUTY TO REFER COMPLAINTS TO THE COMPANY

Written complaints must be immediately referred to the Compliance Department. If a consumer has a complaint, he/she should be asked to submit the complaint in writing. The complaint will be referred to the Compliance Department.

Report all complaints in writing to:

Guggenheim Life and Annuity Company  
Attn: Compliance Department  
10689 North Pennsylvania Street, Suite 200  
Indianapolis, IN 46280

### DUTY TO RESPOND TO COMPANY INQUIRY ABOUT COMPLAINTS

Once a complaint has been received by the Compliance Department, the agent connected with the sale will immediately be contacted in writing and may be sent a copy of the complaint. The agent is asked to respond promptly and directly to each allegation contained in the complaint. If the complaint was forwarded by a state insurance department or other regulatory agency, there will be a specified time period for the Company to provide a response. Late responses can result in administrative penalties. Therefore, it is very important for the agent to respond to the Company within the time period requested by the Company's Compliance Department. The agent should include any fact-finding or needs-based selling documentation in the file, sales/marketing materials used and a delivery receipt.

### CONSEQUENCES FOR FAILING TO RESPOND TO COMPANY INQUIRY

Failure to respond to a Company complaint inquiry may result in termination of agent's appointment and also may result in a commission chargeback and/or forfeiture of all rights to any further payments under the agent's contract with the Company.

### IMPORTANT NOTICE ON FRAUD

It is the declared and continuing policy of the Company that representatives, including agents or employees, shall not knowingly engage in, or provide assistance to others in, any unfair or deceptive practice that involves dishonesty or a breach of trust. This includes but is not limited to any activity that constitutes fraud or deceit, misappropriation of funds or personal property, forgery, embezzlement, or unauthorized alteration of documents.

Agents have an affirmative duty to report any known fraudulent or suspicious activities. No retaliation will be taken against any third person who provides a report on a possible violation of law, ethics or Company policy - no matter what the report concerns.

If you fail to respond while having knowledge of violations, you will be subject to disciplinary action, including but not limited to termination of agent's contract(s)/appointment, recommendation of license revocation and criminal prosecution, civil litigation and restitution.

The Company will cooperate fully with law enforcement and regulatory agencies in any investigation and reporting of established violations of our policy.

The Company insists upon the highest standards of ethical behavior as it benefits all clients and agents.

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## 20. Fair Competition Guidelines

Our Company is committed to fair and active competition as the most effective and efficient means of providing products and services to insurance buyers. We require our agents to engage in fair competition. Failure to do so could result in the termination of an appointed agent.

Fair competition is based on the elements of price, quality and client service subject to federal and state antitrust laws and state insurance laws and regulations. Focus on fair competition can identify certain negative practices to be eliminated, such as inappropriate replacement and bashing of competitors.

A high standard is set for fair competition. The National Association of Insurance Commissioners (“NAIC”) has developed model acts dealing with unfair trade practices and with advertising requirements. Most jurisdictions have adopted the NAIC model acts or established higher state specific standards. These are intended to assure appropriate market conduct in the business of insurance by addressing unfair methods of competition and unfair and deceptive acts and practices.

Unfair competition is conduct that is unethical, dishonest, false, or fraudulent rivalry in the insurance business, particularly related to improper practices that try to substitute one insurer’s products or services in the market for those of another insurer. The following practices are prohibited:

### MISREPRESENTATION

Making any estimate, illustration, circular or statement, sales presentation, omission or comparison that misrepresents the benefits, advantages, conditions or terms of any contract; or is misleading as to the financial condition of any insurer or to the legal reserve system upon which any Company operates; or using any name or title of any product or class of products misrepresenting the true nature thereof; or any intentional misquote of rates for the purpose of inducing the purchase, lapse, forfeiture, exchange, conversion or surrender of any contract.

### FALSE INFORMATION

Making, publishing, disseminating, circulating or placing before the public an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance which is untrue, deceptive or misleading.

### DEFAMATION

Making, publishing, disseminating or circulating, directly or indirectly, any oral or written statement or any pamphlet, circular, article or literature which is false, or maliciously critical of or derogatory to the financial condition of any insurer, and which is calculated to injure the insurer.

### BOYCOTT, COERCION AND INTIMIDATION

Entering into any agreement to commit, or by any concerted action committing any act of boycott, coercion or intimidation resulting in or tending to result in unreasonable restraint of, or monopoly in, the business of insurance.

### FALSE STATEMENTS AND ENTRIES

Knowingly making any false material statement of fact as to the financial condition of an insurer; and knowingly making a false entry of a material fact in any book, report or statement of any insurer or knowingly omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report or statement of such insurer, or knowingly making any false material statement to any insurance department official.

### UNFAIR DISCRIMINATION

Refusing coverage based on sex, marital status, race, religion or national origin of the individual.

## REBATES

Knowingly permitting or offering to make any agreement to provide any valuable consideration as an incentive to purchase or retain such insurance other than as plainly expressed in the contract issued thereon; or paying or allowing, directly or indirectly, as inducement, any rebate of premiums.

## UNFAIR FINANCIAL PLANNING PRACTICES

Holding himself/herself out, directly or indirectly, to the public as a financial planner, investment advisor, consultant, financial counselor, or any other specialist engaged in the business of giving financial planning or advice relating to investments, insurance, real estate, tax matters, estate or trust matters when such person is in fact engaged only in the sale of life insurance or annuities. This does not preclude persons who hold some form of formal recognized financial planning or consultant certification or designation from using their designation when they are only selling insurance. It does not permit persons to charge an additional fee for services that are customarily associated with solicitation, negotiation or servicing of our contracts or policies.

## BASHING

Bashing is behavior that occurs when, in a sales situation, an insurance company or its agent puts the primary focus on negative attributes, other than relevant and factually accurate information, of a competitor or its representatives rather than on the positive attributes of that company or its products or services.

## DISPARAGING

This term refers to statements, either written or verbal, that are untruthful, deceptive, misleading or otherwise unlawful with regard to competitors. Such statements are usually intended to dissuade a client from doing business with a competitor. Disparaging statements do not include relevant, factually accurate information.

## PRETEXT INTERVIEWS

This term refers to an interview whereby a person, in an attempt to obtain information about a natural person, performs one or more of the following acts:

- pretends to be someone he or she is not;
- pretends to represent a person he or she is not in fact representing;
- misrepresents the true purpose of the interview; and/or
- refuses to identify himself or herself upon request.

If you run into any instances that you believe to be unfair competition, please call our Toll-free Number at 800 767 7749. *Also, please refer to your state laws as they may have more strict definitions or guidelines.*

## 21. Living Trusts and Estate Planning

Agents should be extremely cautious of any involvement with a sales track that connects the use of Living Trusts or other Estate Planning in conjunction with the sale of insurance products. The unauthorized practice of law has been established in a number of states where a non-lawyer performs the following activities:

- Advising and counseling that a specific type of trust agreement would be suitable for their specific estates and should be established.
- Preparation and drafting of trust agreements and the supervision of the execution of those documents.
- Advising and counseling with respect to the laws of the state governing the probate of decedent's estates and the tax laws of that state and the United States.

While it is proper for agents to be conversant in such topics and to alert their clients to the existence of such options, any direct activity such as explanation of the law, preparation or execution of documents must be handled by a private attorney employed by the client. And, of course, it is always important that the prospective client know from the beginning that the agent is selling insurance products.

## 22. Money Laundering and Terrorist Financing

The Company, in compliance with the USA PATRIOT Act (“PATRIOT Act”) and other federal laws related to the prevention of money laundering and terrorist financing, has adopted a policy on money laundering. The Company’s policy is available on the Agent Website. As always, the Company is committed to compliance with the letter and spirit of all legal requirements applicable to our business and to the ethical standards of conduct. We also expect that you, as our agents, will promote these same high standards.

Although this policy will not significantly affect the way you administer business, there are some guidelines to which you must adhere, as well as some procedures that should be followed if you suspect an illegal transaction.

### AGENT TRAINING REQUIRED

The Federal anti-money laundering regulations – mandated by the PATRIOT Act – took effect on May 2, 2006. Prior to writing new business, the regulations require that insurance agents receive training on anti-money laundering procedures. As part of the initial appointment process with the Company, all agents will be required to submit written proof that they have complied with this requirement before they can be contracted with the Company. Anti-money laundering training must be provided through a training program or provider which is reasonably acceptable to Guggenheim Life and Annuity Company.

Registered representatives (securities licensed agents) are exempt from the training requirement as registered representatives are already required to take anti-money laundering training under the regulations applicable to registered products; nonetheless, proof of that training is required.

### IDENTIFICATION

One of the most important methods by which the companies can protect themselves from exposure is to implement a stringent “know your client” policy. We are required to use reasonable efforts to determine and verify the true identity of a client. You must be careful to obtain all of the necessary information on the current application and forms used to change ownership. This information includes name, residence address, business address, date of birth, social security or tax identification number, and telephone number.

We are relying on you to obtain all of this information as well as to review a government-issued photo identification if the client is unknown to you. We believe that most clients will understand that these measures are needed to protect against money laundering, identity theft, and other wrongdoing. Moreover, our clients should be accustomed to presenting government issued identification in air travel, in banks, and other financial services. If a client is unwilling to provide you with such information, explain the basis for our policy and insist on proper identification. If the client continues to resist, it may be an indication that the client is trying to hide something.

### PAYMENT

In addition to identifying our clients, we must have reasonable belief as to the source of the money used in the transaction. The Company will not conduct business involving illegal funds. We must take care to identify the ownership and source of payments we receive.

Therefore, the **only acceptable** forms of payment will be:

- Checks payable only to the Company from the applicant.
- Transfer from trust accounts.

- Payments from insurance companies whose policies/contracts are exchanged for one issued by the Company.
- Transfers from one financial institution to another.

The following forms of payment **will not be accepted**:

- Currency (domestic or foreign)
- Traveler's Checks and credit card checks
- Money orders
- Other cash equivalents
- Wire transfers directly from a foreign financial center
- Checks drawn from agent or agency accounts.

### SUSPICIOUS ACTIVITY

In addition, it is your responsibility to report any suspicious activity that arises during the application process. Failure to report suspicious activity is a Federal offense, and lack of knowledge about suspicious activity is not a defense. Some risk indicators to watch for:

- The applicant is reluctant to provide normal information when applying, provides minimal or fictitious information, or provides information that is difficult or expensive for the institution to verify.
- Transactions that involve an undisclosed party.
- The applicant shows no concern for the performance of the contract but is very concerned about the early cancellation.
- The applicant appears to have contracts or policies with several institutions.
- The applicant purchases contracts or policies in amounts beyond his or her apparent means.
- The applicant is making a single large premium payment, such as buying a single premium annuity and the ownership and source of funds cannot be identified.

This list is not all-inclusive. If you see activity that appears to be suspicious, report it to the Company at 800 767 7749.

## 23. Records Retention

It is important to maintain and make available upon request to the Company a record of client information collected and whether the client elected to purchase a life insurance policy or annuity. Certain documents should always be maintained. These include:

- Original sales proposals;
- A copy of any needs analysis completed during the solicitation;
- A copy of any sales material and advertisements used during the sales process;
- Any written correspondence to or from the applicants/contract owners regarding the solicitations, issuance of the contract or subsequent service of the contract;
- Documentation of phone calls to or from the applicants/contract owner addressing the above issues;

- 
- Notes from meetings with the applicants/contract owner; and
  - A copy of the signed delivery receipt.

State regulations vary regarding the length of time that client files are to be maintained. However, a general rule of thumb is to maintain all active client files indefinitely and all inactive client files for seven (7) years. Records should be maintained in accordance with prudent record keeping practices and in compliance with all federal and state privacy and security standards.

## 24. Important Phone Numbers

Our Marketing, Customer Service, Licensing and Compliance Departments welcome your questions:

**PLEASE CALL: 800 767 7749 FOR:**

- Sales Support
- Product Information
- Illustrations
- General Questions
- Advertising Information
- Anonymous reporting of suspected fraud
- Compliance or Market Conduct questions
- State Approvals

**PLEASE CALL: 800 990 7626 FOR:**

- General Customer Service
- Policy Information
- New Business Support or Inquiry
- General Questions



## Appendix A – Suitability Form

### Annuity Customer Identification & Suitability Confirmation Worksheet

Thank you for your interest in a Guggenheim Life and Annuity Company annuity. Completion of this worksheet is an essential part of the application process. It helps your agent assess your insurance needs and financial objectives and also aids in ensuring compliance with the USA PATRIOT Act.

**NOTE: Joint ownership is available only to those in a spousal relationship. If the joint owner is not spousal, separate worksheets must be completed by each joint owner.**

Non-Natural Owners: For a non-natural owner, such as a trust, the information on the front of this form should be relevant to the entity. On the reverse side, the Identification Verification information should be provided by the person(s) authorized to act on behalf of the entity.

#### Owner Information

1. Name \_\_\_\_\_
2. Occupation \_\_\_\_\_
3. U.S. Citizen  Yes  No
4. Place of Birth \_\_\_\_\_  
Specify City and State (if not United States)
9. Approximate Annual Income \$ \_\_\_\_\_
10. Approximate Net Worth \$ \_\_\_\_\_  
Net Worth equals Total Assets (not including home, jewelry, furnishings and automobile) less Total Debts
11. Source of Income
  - Current Wages  Pension Plan  Social Security
  - Investment income  None
  - Required Minimum Distribution (RMD) or 72 (t)/(q) distributions
  - Other \_\_\_\_\_

#### Joint Owner Information

5. Name \_\_\_\_\_
6. Occupation \_\_\_\_\_
7. U.S. Citizen  Yes  No
8. Place of Birth \_\_\_\_\_  
Specify City, State, Country (if not United States)

<p><b>FOR PRODUCT BEING APPLIED FOR:</b></p> <p>A. Product Name _____</p> <p>B. Premium Amount _____</p> <p>C. Surrender Charge Period _____</p>
--

12. Combined state and federal tax bracket
  - 0%  10%-20%  21%-30%
  - 31%-40%  41%-50%  Other \_\_\_\_\_

13. Why are you purchasing this product? Check all that apply:
  - Income  Potential Growth  Preservation of Capital
  - Tax Deferral  Pass Assets on to Beneficiaries  Flexibility
  - Lifetime Income Payout  Provide guarantees  Other \_\_\_\_\_

14. Do you have sufficient liquid assets available for monthly living expenses and emergencies **other than the money you plan to use to purchase this annuity?**

- Yes, please list amount of liquid assets \$ \_\_\_\_\_  No
- (Examples: checking, savings or money market accounts, short term CDs, bonds, etc.)

15. What is the source of premium for this annuity? Check all that apply:

- |                                  |  |  |
|----------------------------------|--|--|
| <input type="checkbox"/> Annuity | <input type="checkbox"/> Life Insurance    | <input type="checkbox"/> Certificates of Deposit |
| <input type="checkbox"/> 401(k)  | <input type="checkbox"/> Other Investments | <input type="checkbox"/> Reverse Mortgage        |
| <input type="checkbox"/> Other   |  |  |

15a. Are there any surrender charges, penalties or settlement fees of any kind associated with any source(s) of the annuity's premium checked above? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>If 15a is Yes:</b> List the amount of any surrender charges, penalties or settlement fees associated with any source(s) of the annuity's premium. List total amount for each premium source. <u>If multiple sources of premium, list each amount separately.</u>	Source of Premium (Type or Company Name)	Surrender Charge or Penalty
	_____	_____
	_____	_____

16. Do you now own, or have you previously owned, any of the following financial products? (Check all that apply.)

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Certificates of Deposit ___yrs | <input type="checkbox"/> Fixed Annuity ___yrs  | <input type="checkbox"/> Variable Annuity ___yrs |
| <input type="checkbox"/> Stock/Bond/Mutual Funds ___yrs | <input type="checkbox"/> Life Insurance ___yrs | <input type="checkbox"/> None                    |

16a. Were your current investments and insurance products discussed with your agent prior to your decision to purchase this annuity?  Yes  No

17. Do you understand and accept that you could possibly lose some of your principal if you surrender your policy before the end of the surrender charge period (if your cash surrender value is less than your premium)?  
 Yes  No

18. Do you understand and accept that your interest credits may fluctuate depending on the product you are purchasing and, if applicable, the strategy allocation you have selected?  Yes  No

19. How do you anticipate taking money from this annuity? Check all that apply:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Free/Systematic withdrawals                 | <input type="checkbox"/> Free/Lump sum    | <input type="checkbox"/> Income Rider            |
| <input type="checkbox"/> Required minimum distributions              | <input type="checkbox"/> Immediate Income | <input type="checkbox"/> Annuitize in the future |
| <input type="checkbox"/> I don't anticipate taking any distributions |   |  |
| <input type="checkbox"/> Other: Please explain: _____                |   |  |

19a. How long do you plan to take money from this annuity? \_\_\_\_\_

20. Are you or your spouse currently in a nursing home or do you plan to enter a nursing home in the next 6 months?  
 Yes  No

21. Have you been diagnosed with a terminal condition or advised by a physician that you have 24 months or less to live?  Yes  No

22. Do you anticipate a significant increase in living expenses or a significant reduction in income or liquid assets during the term of this annuity?  Yes  No If Yes, please explain: \_\_\_\_\_

**Customer Identification Verification type of Government-issued photo id: choose either a, b, c or d.**

**Owner Verification**

- A. Drivers License (DL) State of Issue \_\_\_\_\_ DL Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- B. Passport Country of Issue \_\_\_\_\_ Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- C. Other State/Country of Issue \_\_\_\_\_ Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- D.  An unexpired government-issued photo ID is not available.

**Joint Owner Verification**

- A. Drivers License (DL) State of Issue \_\_\_\_\_ DL Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- B. Passport Country of Issue \_\_\_\_\_ Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- C. Other State/Country of Issue \_\_\_\_\_ Number \_\_\_\_\_ Expiration Date \_\_\_\_\_
- D.  An unexpired government-issued photo ID is not available.

**Owner's Confirmation**

By signing below, I acknowledge the information I provided on this form, regarding my financial status, tax status, investment objectives, identification information, and any other information requested by my agent is complete and accurate to the best of my knowledge. I further acknowledge that neither the Company nor its representatives offer legal or tax advice and that I have been advised to consult my own personal attorney or tax advisor on any tax matters. I acknowledge that the fixed annuity I am applying for is a long-term contract with substantial penalties for early withdrawals; additionally, I am aware that any withdrawals taken from the annuity may result in a taxable event. I believe the annuity I am applying for is suitable according to my insurance needs and/or financial objectives.

**Was your decision to purchase this annuity based on your agent's recommendation?**  Yes  No

Owner's Signature \_\_\_\_\_ Date \_\_\_\_\_

Joint Owner's Signature \_\_\_\_\_ Date \_\_\_\_\_

**Agent's Confirmation**

By signing below, I acknowledge that I have made a reasonable effort to obtain information from the Owner concerning the Owner(s)' financial status, tax status, investment objectives and other information considered reasonable. It is my belief that based on the information the Owner provided and based on all the circumstances known to me at the time the recommendation was made, the annuity being applied for, based on my recommendation is suitable for the Owner(s)' insurance needs and/or financial objectives. In addition, I have verified the identity of the Owner(s) and believe the information the Owner(s) provided to me regarding his or her identity is true and accurate.

**Was the owner's decision to purchase this annuity based on your recommendation?**  Yes  No

Agent's Signature \_\_\_\_\_ Date \_\_\_\_\_

## Appendix B – Minnesota Disclosures

### Minnesota Marketing and Solicitation Statute and Form

Pursuant to Minnesota State Statute Section 60K.46, unless the client personally knows the identity of the agent and has awareness of their insurance business, or if the client initiated the contact, or if the initial personal contact is made by telephone, or if the attempted sale takes place at the agent's place of business, the agent must provide the following before a personal insurance or annuity solicitation:

- the name of the person that initiated the contact;
- the name of the producer, general agency, or insurer that the agent represents; and
- the fact that the agent, agency, or insurer is in the business of conducting insurance.

The Company provides a form that agents may use for this purpose. A copy of this form is attached to this APPENDIX B and an executed copy of this form must be included along with all annuity applications submitted to the Company from agents soliciting business in Minnesota.

## Disclosure Statement - Minnesota

To: Prospective Minnesota Client (please print)\_\_\_\_\_

From: Agent (please print)\_\_\_\_\_

Name of Producer / General Agency\_\_\_\_\_

Represented by Agent (if applicable)\_\_\_\_\_

Pursuant to Minnesota Statute 60K.46, prior to making any offer to sell you any life insurance or annuity product, I am required to advise you, in writing, that I am an appointed producer with GUGGENHEIM LIFE AND ANNUITY COMPANY. The name of the person who initiated contact with you for the purpose of this sales call is

\_\_\_\_\_

By signing below, I acknowledge receipt of this Disclosure Statement and that I have read and understand its contents.

Signature of Prospective Minnesota Client\_\_\_\_\_ Date\_\_\_\_\_

Signature of Agent / Agent No\_\_\_\_\_ Date\_\_\_\_\_

## Appendix C - California Disclosures

### Marketing and Advertising Requirements of California and Forms

**FOR PRODUCERS MARKETING TO RESIDENTS IN CALIFORNIA:** California Insurance Code Sections 789.8 through 789.10 impose additional requirements on advertising practices that target senior citizens. Unless otherwise noted, California defines senior citizens as persons age 65 and older. The following is a reminder of your responsibilities when marketing to seniors in California.

#### SALES PRESENTATIONS

Any person who meets with a senior in the senior's home, including an agent, broker, producer, or representative who offers life insurance or annuities for sale, or generates leads for sale to senior insureds (aged 65 and older) or prospective insureds in the senior's home, must follow the requirements outlined below.

##### **Requirements Before the Visit:**

You must deliver a Company-approved notice, or one that is "substantially similar," *in writing* to the senior no less than 24 hours prior to the initial meeting in the senior's home. California mandates that the entire form be in 14-point font. It is the agent's responsibility to use either a company-approved notice or one which is "substantially similar" to that required by California law. Please be aware that if agents use a Company name or product on this disclosure form, the entire form must be reviewed and approved as advertising by the Company's home office prior to use.

If the senior has an existing business relationship with an insurance agent and requests a meeting with the agent in his or her home the same day, the notice shall be delivered to the senior prior to the meeting.

Please note that no sale or order for the sale of a life insurance policy, annuity contract or long-term care insurance policy may be made at the residence of a senior, either in person or by telephone, by using any plan, scheme or ruse that misrepresents the true status or mission of the contact.

##### **Requirements During the Visit:**

Upon meeting the senior in his or her home and before making any statement (other than a greeting) or asking the senior any questions, agents, producers or representatives must state:

- 1) That the purpose for the initial visit, or any follow-up visit, is to sell insurance;
- 2) The names and titles of all persons arriving at the senior's home; and
- 3) The name(s) of the insurer(s) represented by the person.

In addition, each person meeting with a senior shall provide him or her with a business card or other written identification that includes a name, business address, telephone number, and an insurance license number, if applicable. Should the senior end the discussion and ask the agent to leave, he or she *must* do so immediately.

#### ADVERTISEMENTS

Any advertisement or other device that is directed toward individuals aged 65 and older, which is designed to produce leads based on a response from a potential insured, shall *prominently* disclose that an agent may contact the applicant if that is the fact.

In addition, the following requirements, previously only applicable to disability insurance, now apply to life, annuity and long-term care insurance product sales to seniors:

No insurer, agent, broker, solicitor, or other person or other entity shall solicit persons aged 65 and older in this state for the purchase of disability insurance, life insurance, or annuities, through the use of a true or fictitious name, which is deceptive or misleading with regard to the status, character, or proprietary or representative capacity of the entity or person, or to the true purpose of the advertisement.

For purposes of this section, an advertisement includes envelopes, stationery, business cards or other materials designed to describe and encourage the purchase of a policy or certificate of disability insurance, life insurance, or an annuity.

Finally, in addition to any other prohibition on untrue, deceptive, or misleading advertisements, no advertisement for an event where insurance products will be offered for sale may use the terms “seminar,” “class,” “informational meeting,” or substantially equivalent terms to characterize the purpose of the public gathering or event unless it includes the words “and insurance sales presentation” immediately following those terms in the same type size and font.

#### **MEDI-CAL ELIGIBILITY**

The sale of an annuity to a senior is prohibited in any of the circumstances listed below:

The senior’s purpose in purchasing the annuity is to affect Medi-Cal eligibility and either of the following is true:

The purchaser’s assets are equal to or less than the community spouse resource allowance established annually by the State Department of Health Services, pursuant to the Medi-Cal Act; or

The senior would otherwise qualify for Medi-Cal.

The senior’s purpose in purchasing the annuity is to affect Medi-Cal eligibility and, after the purchase of the annuity, the senior or the senior’s spouse would not qualify for Medi-Cal.

In the event that a fixed annuity in the circumstances specified above is issued to a senior, the Company shall rescind the contract and refund all premiums, fees, any interest earned under the terms of the contract and costs paid for the annuity to the purchaser. This remedy shall be in addition to any other remedy that may be available.

## Disclosure Statement – California

To: Prospective California Client (please print) \_\_\_\_\_

From: Agent (please print) \_\_\_\_\_

Pursuant to California Insurance Code 789.8, in the event that I offer to sell you any life insurance or annuity product, I am required to advise you, in writing that the sale or liquidation of any stock, bond, IRA, certificate of deposit, mutual fund, annuity, or other asset to fund the purchase of life insurance and/or an annuity, may have tax consequences, early withdrawal penalties, or other costs or penalties as a result of the sale or liquidation.

You, or your duly appointed representative, may wish to consult independent legal and/or financial advice before selling or liquidating any assets and prior to purchasing life insurance and/or an annuity from me.

By signing below, I acknowledge receipt of this Disclosure Statement and that I have read and understand its contents.

Signature of Prospective California Client \_\_\_\_\_ Date \_\_\_\_\_  
(or duly appointed representative)

Signature of Agent \_\_\_\_\_ Date \_\_\_\_\_

Agent's License Number \_\_\_\_\_



## Notice – California Insurance Code 789.10(a)

Any person who meets with a senior (65 years of age or older) in the senior's home is required to deliver a notice in writing to the senior no less than 24 hours prior to that individual's initial meeting in the senior's home. If the senior has an existing insurance relationship with an agent and requests a meeting with the agent in the senior's home the same day, a notice shall be delivered to the senior prior to the meeting.

Appointment Date (mm/dd/yyyy) \_\_\_\_\_ and Time \_\_\_\_\_ AM/PM

1. During this visit or a follow-up visit, you will be given a sales presentation on the following (indicate all that apply):

Life insurance, including annuities

Other insurance products (specify: \_\_\_\_\_)

2. You have the right to have other persons present at the meeting, including family members, financial advisors or attorneys.

3. You have the right to end the meeting at any time.

4. You have the right to contact the Department of Insurance for information, or to file a complaint. The consumer assistance telephone number is 800 927 4357 or 213 897 8921.

5. The following individuals will be coming to your home to talk about insurance, or to gather information for a follow-up visit to sell insurance:

Attendee's Name	Business Address	Telephone No.	CA Agent No. (if applicable)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Agent's Signature \_\_\_\_\_ Date \_\_\_\_\_

By signing this form, I acknowledge that this notice was delivered to me no less than 24 hours prior to the meeting time shown on this form, or was provided to me prior to the meeting if the agent has an existing relationship with me.

Signature of Prospective Client \_\_\_\_\_ Date \_\_\_\_\_

## Notice – Standards for Medi-Cal Eligibility - California

FOR DISTRIBUTION BY INSURERS, AGENTS, AND BROKERS

IF YOU OR YOUR SPOUSE ARE CONSIDERING PURCHASING A FINANCIAL PRODUCT BASED ON ITS TREATMENT UNDER MEDI-CAL PROGRAM, READ THIS IMPORTANT MESSAGE!

You or your spouse do not have to use up all of your savings before applying for Medi-Cal.

### UNMARRIED RESIDENT

An unmarried resident may be eligible for Medi-Cal benefits if he or she has less than \$\_\_\_\_\_ in countable resources. The Medi-Cal recipient is allowed to keep from his or her monthly income a personal allowance of \$ \_\_\_\_\_ plus the amount of any health insurance premiums paid. The remainder of the monthly income is paid to the nursing facility as a monthly share-of-cost.

### MARRIED RESIDENT

**Community Spouse Resource Allowance:** If one spouse lives in a nursing facility, and the other spouse does not live in a facility, the Medi-Cal program will pay some or all of the nursing facility costs as long as the couple together does not have more than \$\_\_\_\_\_.

**Minimum Monthly Maintenance Needs Allowance:** If a spouse is eligible for Medi-Cal payment of nursing facility costs, the spouse living at home is allowed to keep a monthly income of at least his or her individual monthly income or \$\_\_\_\_\_, whichever is greater.

### FAIR HEARINGS AND COURT ORDERS

Under certain circumstances, an at-home spouse can obtain an order from an administrative law judge or court that will allow the at-home spouse to retain additional resources or income. The order may allow the couple to retain more than \$\_\_\_\_\_ in countable resources. The order also may allow the at-home spouse to retain more than \$\_\_\_\_\_ in monthly income.

### REAL AND PERSONAL PROPERTY EXEMPTIONS

Many of your assets may already be exempt. Exempt means that the assets are not counted when determining eligibility for Medi-Cal.

#### REAL PROPERTY EXEMPTIONS

**One principal residence.** One property used as a home is exempt. The home will remain exempt in determining eligibility if the applicant intends to return home someday. The home also continues to be exempt if the applicant's spouse or dependent relative continues to live in it. Money received from the sale of a home can be exempt for up to six months if the money is going to be used for the purchase of another home.

**Real property used in a business or trade.** Real estate used in a trade or business is exempt regardless of its equity value and whether it produces income.

#### PERSONAL PROPERTY AND OTHER EXEMPT ASSETS

- a) IRAs, KEOGHs AND OTHER WORK-RELATED PENSION PLANS. These funds are exempt if the family member whose name it is in does not want Medi-Cal. If held in the name of a person who wants Medi-Cal and payments of principal and interest are being received, the balance is considered unavailable and is not counted. It is not necessary to annuitize, convert to an annuity or otherwise change the form of the assets in order for them to be unavailable.
- b) Personal property used in a business or trade.

- c) One motor vehicle.
- d) Irrevocable burial trusts or irrevocable prepaid burial contracts

*There may be other assets that may be exempt.*

This is only a brief description of the Medi-Cal eligibility rules. For more detailed information, you should call your county welfare department. Also, you are advised to contact a legal services program for seniors or an attorney that is not connected with the sale of this product.

**Please note:** The Federal Government has authorized the State of California, Department of Health Services (DHS) to seek repayment from annuities held by deceased Medi-Cal beneficiaries. The Department may seek from the estate of a deceased Medi-Cal beneficiary the expenses incurred for all premium payments and services received by the beneficiary's **58th** birthday. Premium payments made by the State include, but are not limited to, dental premiums, Medicare premiums, and premium payments made to Medi-Cal managed care plans.

In addition, if you seek Medi-Cal payment for nursing facility services, you may be ineligible for those services if payments from your annuity extend beyond your life expectancy based upon life expectancy tables adopted by the Department of Health Services for this purpose. To find out about these tables you may contact your local county welfare department.

Finally, the Department of Health Services is currently refining its policy regarding the treatment of annuities when determining eligibility for nursing facility services. Any regulatory changes will only impact annuities that are purchased after the effective date of any regulatory amendments.

Different rules apply to annuities that are qualified retirement arrangements established pursuant to Title 26, Internal Revenue Code; Subtitle A, Chapter 1, Subchapter D, Part 1. In some circumstances, Medi-Cal does not count funds held in an IRA, Keogh or other work-related retirement arrangement. To find out if Medi-Cal would count your IRA, Keogh or work-related retirement arrangements, you may contact your local county welfare department.

I have read the above notice and have received a copy.

Purchaser Signature \_\_\_\_\_

Spouse's Signature \_\_\_\_\_

Legal Representative Signature \_\_\_\_\_

## Appendix D – Privacy and Security of Resident of Massachusetts and Forms

### PRIVACY AND SECURITY OF RESIDENTS OF MASSACHUSETTS

In 2010, the Commonwealth of Massachusetts implemented additional security requirements applicable to personal information of residents of the Commonwealth which is received by agents of the Company.

Massachusetts regulation 201 CMR 17.00 requires the following:

Every person that owns or licenses personal information about a resident of the Commonwealth shall develop, implement, and maintain a comprehensive information security program that is written in one or more readily accessible parts and contains administrative, technical and physical safeguards that are appropriate to

- a) the size, scope and type of business of the person obligated to safeguard the personal information under such comprehensive information security program;
- b) the amount of resources available to such person;
- c) the amount of stored data; and
- d) the need for security and confidentiality of both consumer and employee information.

The safeguards contained in such program must be consistent with the safeguards for protection of personal information and information of a similar character set forth in any state or federal regulations by which the person who owns or licenses such information may be regulated.

For your reference, included in this **Appendix D** are the following:

- a) a copy of Massachusetts Regulation 201 CMR 17.00; and
- b) a Certification of Compliance that
  - i. must be signed by all agents writing business in Massachusetts and
  - ii. returned to the Company.

### 201 CMR 17.00:

#### STANDARDS FOR THE PROTECTION OF PERSONAL INFORMATION OF RESIDENTS OF THE COMMONWEALTH

Section:

17.01: Purpose and Scope

17.02: Definitions

17.03: Duty to Protect and Standards for Protecting Personal Information

17.04: Computer System Security Requirements

17.05: Compliance Deadline

## 17.01 PURPOSE AND SCOPE

### (1) Purpose

This regulation implements the provisions of M.G.L. c. 93H relative to the standards to be met by persons who own or license personal information about a resident of the Commonwealth of Massachusetts. This regulation establishes minimum standards to be met in connection with the safeguarding of personal information contained in both paper and electronic records. The objectives of this regulation are to insure the security and confidentiality of customer information in a manner fully consistent with industry standards; protect against anticipated threats or hazards to the security or integrity of such information; and protect against unauthorized access to or use of such information that may result in substantial harm or inconvenience to any consumer.

### (2) Scope

The provisions of this regulation apply to all persons that own or license personal information about a resident of the Commonwealth.

## 17.02: DEFINITIONS

The following words as used herein shall, unless the context requires otherwise, have the following meanings:

**Breach of security**, the unauthorized acquisition or unauthorized use of unencrypted data or, encrypted electronic data and the confidential process or key that is capable of compromising the security, confidentiality, or integrity of personal information, maintained by a person or agency that creates a substantial risk of identity theft or fraud against a resident of the commonwealth. A good faith but unauthorized acquisition of personal information by a person or agency, or employee or agent thereof, for the lawful purposes of such person or agency, is not a breach of security unless the personal information is used in an unauthorized manner or subject to further unauthorized disclosure.

**Electronic**, relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

**Encrypted**, the transformation of data into a form in which meaning cannot be assigned without the use of a confidential process or key.

**Owns or licenses**, receives, stores, maintains, processes, or otherwise has access to personal information in connection with the provision of goods or services or in connection with employment

**Person**, a natural person, corporation, association, partnership or other legal entity, other than an agency, executive office, department, board, commission, bureau, division or authority of the Commonwealth, or any of its branches, or any political subdivision thereof.

**Personal information**, a Massachusetts resident's first name and last name or first initial and last name in combination with any one or more of the following data elements that relate to such resident: (a) Social Security number; (b) driver's license number or state-issued identification card number; or (c) financial account number, or credit or debit card number, with or without any required security code, access code, personal identification number or password, that would permit access to a resident's financial account; provided, however, that "Personal information" shall not include information that is lawfully obtained from publicly available information, or from federal, state or local government records lawfully made available to the general public.

**Record or Records**, any material upon which written, drawn, spoken, visual, or electromagnetic information or images are recorded or preserved, regardless of physical form or characteristics.

**Service provider**, any person that receives, stores, maintains, processes, or otherwise is permitted access to personal information through its provision of services directly to a person that is subject to this regulation.

#### 17.03: DUTY TO PROTECT AND STANDARDS FOR PROTECTING PERSONAL INFORMATION

- (1) Every person that owns or licenses personal information about a resident of the Commonwealth shall develop, implement, and maintain a comprehensive information security program that is written in one or more readily accessible parts and contains administrative, technical, and physical safeguards that are appropriate to
  - a) the size, scope and type of business of the person obligated to safeguard the personal information under such comprehensive information security program;
  - b) the amount of resources available to such person;
  - c) the amount of stored data; and
  - d) the need for security and confidentiality of both consumer and employee information. The safeguards contained in such program must be consistent with the safeguards for protection of personal information and information of a similar character set forth in any state or federal regulations by which the person who owns or licenses such information may be regulated.
- (2) Without limiting the generality of the foregoing, every comprehensive information security program shall include, but shall not be limited to:
  - a) Designating one or more employees to maintain the comprehensive information security program;
  - b) Identifying and assessing reasonably foreseeable internal and external risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing personal information, and evaluating and improving, where necessary, the effectiveness of the current safeguards for limiting such risks, including but not limited to:
    1. ongoing employee (including temporary and contract employee) training;
    2. employee compliance with policies and procedures; and
    3. means for detecting and preventing security system failures.
  - c) Developing security policies for employees relating to the storage, access and transportation of records containing personal information outside of business premises.
  - d) Imposing disciplinary measures for violations of the comprehensive information security program rules.
  - e) Preventing terminated employees from accessing records containing personal information.
  - f) Oversee service providers, by:
    1. Taking reasonable steps to select and retain third-party service providers that are capable of maintaining appropriate security measures to protect such personal information consistent with these regulations and any applicable federal regulations; and

2. Requiring such third-party service providers by contract to implement and maintain such appropriate security measures for personal information; provided, however, that until March 1, 2012, a contract a person has entered into with a third party service provider to perform services for said person or functions on said person's behalf satisfies the provisions of 17.03(2)(f)(2) even if the contract does not include a requirement that the third party service provider maintain such appropriate safeguards, as long as said person entered into the contract no later than March 1, 2010.
- g) Reasonable restrictions upon physical access to records containing personal information, and storage of such records and data in locked facilities, storage areas or containers.
  - h) Regular monitoring to ensure that the comprehensive information security program is operating in a manner reasonably calculated to prevent unauthorized access to or unauthorized use of personal information; and upgrading information safeguards as necessary to limit risks.
  - i) Reviewing the scope of the security measures at least annually or whenever there is a material change in business practices that may reasonably implicate the security or integrity of records containing personal information.
  - j) Documenting responsive actions taken in connection with any incident involving a breach of security, and mandatory post-incident review of events and actions taken, if any, to make changes in business practices relating to protection of personal information.

**17.04: COMPUTER SYSTEM SECURITY REQUIREMENTS**

Every person that owns or licenses personal information about a resident of the Commonwealth and electronically stores or transmits such information shall include in its written, comprehensive information security program the establishment and maintenance of a security system covering its computers, including any wireless system, that, at a minimum, and to the extent technically feasible, shall have the following elements:

**(1) Secure user authentication protocols including:**

- a) Control of user IDs and other identifiers;
- b) A reasonably secure method of assigning and selecting passwords, or use of unique identifier technologies, such as biometrics or token devices;
- c) Control of data security passwords to ensure that such passwords are kept in a location and/or format that does not compromise the security of the data they protect;
- d) Restricting access to active users and active user accounts only; and
- e) Blocking access to user identification after multiple unsuccessful attempts to gain access or the limitation placed on access for the particular system;

**(2) Secure access control measures that:**

- a) Restrict access to records and files containing personal information to those who need such information to perform their job duties; and
- b) Assign unique identifications plus passwords, which are not vendor supplied default passwords, to each person with computer access, that are reasonably designed to maintain the integrity of the security of the access controls;

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- (3) Encryption of all transmitted records and files containing personal information that will travel across public networks, and encryption of all data containing personal information to be transmitted wirelessly.
  - (4) Reasonable monitoring of systems, for unauthorized use of or access to personal information;
  - (5) Encryption of all personal information stored on laptops or other portable devices;
  - (6) For files containing personal information on a system that is connected to the Internet, there must be reasonably up-to-date firewall protection and operating system security patches, reasonably designed to maintain the integrity of the personal information.
  - (7) Reasonably up-to-date versions of system security agent software which must include malware protection and reasonably up-to-date patches and virus definitions, or a version of such software that can still be supported with up-to-date patches and virus definitions, and is set to receive the most current security updates on a regular basis.
  - (8) Education and training of employees on the proper use of the computer security system and the importance of personal information security.

**17.05: COMPLIANCE DEADLINE**

- (1) Every person who owns or licenses personal information about a resident of the Commonwealth shall be in full compliance with 201 CMR 17.00 on or before March 1, 2010.

REGULATORY AUTHORITY

201 CMR 17.00: M.G.L. c. 93H



## Certification of Compliance with Massachusetts Security Regulation – 201 CMR 17.00

I, \_\_\_\_\_ {NAME OF AGENT}, do hereby represent and certify to GUGGENHEIM LIFE AND ANNUITY COMPANY (“Guggenheim Life”), as follows:

- I am a duly appointed producer with Guggenheim Life who has, or intends to, submit business to the company on clients who reside in the Commonwealth of Massachusetts.
- As part of my appointment with Guggenheim Life, I have received, reviewed, a copy of Guggenheim Life’s Business Guidelines and have specifically reviewed Appendix D of that document, concerning Privacy and Security of Residents of Massachusetts, and the complete text of Massachusetts Regulation 201 CMR 17.00 contained therein.
- With respect to all information collected by me or in my possession as part of my business activities on behalf of Guggenheim Life, which qualifies as “Personal Information” about a resident of the Commonwealth of Massachusetts (as such term is defined in 201 CMR 17.00), I hereby certify that I have, in all respects, complied with the requirements of that Regulation in terms of establishing and maintaining a comprehensive information security program, compliant with the standards set forth in Sections 17.03 and 17.04 of that Regulation.

I understand that, by affixing my signature to this document, I am certifying to my compliance in all respects with 201 CMR 17.00 as regards any Personal Information I either own or license on residents of the Commonwealth, and agree that Guggenheim Life may rely on this certification, if required to establish its own responsibility for legal compliance with this Regulation with regard to any Personal Information submitted to Guggenheim Life by me, as its appointed producer.

Signature of Agent/Producer \_\_\_\_\_

Print Name \_\_\_\_\_

Date Signed \_\_\_\_\_

## Business Guidelines Certification

As a representative of Guggenheim Life and Annuity Company (the “Company” or “Guggenheim”), it is important that you understand our Company’s guidelines on sales suitability, regulatory compliance and market conduct. Our Business Guidelines are designed to give you an overview of our guidelines. Agents, and the companies they represent, are being held by the public to a very high standard.

**By accepting appointment with our Company, you are agreeing to be bound by the provisions of the guidelines which have been adopted by our Company.**

If you should have any questions about any of the material included in this guide, please feel free to call the Marketing Department at 800 767 7749.

Please complete the information below and return this certification along with your contracting paperwork and forms.

### AGENT STATEMENT

By signing below, I acknowledge that I have reviewed this document in its entirety and that I agree to be bound by the provisions contained in this document, as a condition of being appointed as an agent of the Company.

Signature of Agent \_\_\_\_\_ Date \_\_\_\_\_

Printed Agent Name \_\_\_\_\_

Marketing Organization Affiliation \_\_\_\_\_



# Guggenheim Life and Annuity Company

## Product Training

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# Contents

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- Annuity Definitions
- Annuity Types
  - MYGA
  - SPIA
- Guggenheim Products
  - The Preserve – (MYGA)
  - SPIA
- Suitability
- Completed Signature Page

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# Annuity Definitions

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## General Definitions:

<b>Account Value</b>	The Account Value is the sum of all Premiums, increased by accumulated interest , less the amount of any gross withdrawals. The Account Value is not necessarily the same as the Surrender Value.
<b>Annuitant</b>	The person or persons on whose life or lives the Annuity is based, primarily for the purpose of Annuitization. The Contract Owner decides who the Annuitant will be. The Contract Owner and Annuitant are often the same person.
<b>Annuitize</b>	The transaction that changes a Deferred Annuity from the Accumulation Phase to the Payout Phase.
<b>Annuity</b>	A contract sold by an insurance company to provide payments to the holder at specified intervals, usually after retirement. Annuities have two phases: Accumulation and Payout.
<b>Beneficiary</b>	The recipient of an Annuity's value on the death of the Contract Owner.

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# Annuity Definitions

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## General Definitions:

<b>Premium</b>	Money paid into an Annuity. For purposes of simplicity, people sometimes talk about "deposits" into an Annuity.
<b>Surrender Value</b>	The amount of money to be received by the Contract Owner if an Annuity is Surrendered. It is usually the Account Value less any Surrender Charges and Market Value Adjustment.
<b>Contract Owner</b>	The person or entity who purchases the Annuity and has rights to the contract. This person names the Annuitant and the Beneficiary, and may exercise the provisions of the Annuity contract.
<b>Cost Basis</b>	Actual Premium or Principal paid to a Non-Qualified Annuity is referred to as the "Cost Basis" of the Annuity contract. Since it is money that has already been subject to Income Tax, it will not be taxed upon withdrawal.
<b>Tax-Deferral</b>	The ability to delay paying Income Tax on earnings until those funds are withdrawn from the Annuity.

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# Annuity Definitions

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## Fixed Definitions:

**Fixed Annuity** An investment vehicle offered by an insurance company that includes a minimum guaranteed interest rate and account value.

**Multi-Year Guarantee Annuity (MYGA)** An Accumulation Phase Annuity which guarantees an interest rate for the full contract period.

**Guarantee Period** The period of time during which interest rates are guaranteed by the insurance company.

**Renewal Interest Rate** The interest rate that will be credited after the initial Guarantee Period.

**Rider** A contract provision which changes the policy's features or rules. Some riders may allow for additional withdrawal or payout options not available in the base contract.

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# Annuity Definitions

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## Key Features:

**Death Benefit**            The payment made to the Beneficiary upon the death of the Owner as described in the contract.

## **Penalty-Free Withdrawal**

A withdrawal that is permitted from an Annuity without the penalty of a Surrender Charge or Market Value Adjustment.

## **Surrender Charge Period**

The period during which Surrender Charges will be subtracted from an Annuity's Account Value if funds are withdrawn from the Annuity.

## **Flexible Premium Annuity**

An annuity that accepts multiple payments of Premium.

## **Free-Look Period**

The period of time after an Annuity contract is delivered when the Contract Owner may cancel the policy without penalty.  
The specifics of the free-look period are set by state regulation.

## **Single Premium Annuity**

An Annuity that accepts either a single payment or a number of payments over a very short period of time.

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# Annuity Definitions

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## Key Features:

### **Market Value Adjustment (MVA)**

An adjustment (positive or negative) that is applied when an account is liquidated early. It is designed to share some of the investment risk associated with the annuity between the contract holder and the company. The way an MVA works is simple. If you make an early liquidation of an annuity that has an MVA, you may have a higher or lower value at the time money is withdrawn.

Generally, if interest rates in the market are higher than when you purchased your annuity, the adjustment may cause your value to be lower. Similarly, if interest rates in the market are lower than when you invested in your annuity, the value may be higher than it would be without the MVA.

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# Types of Annuities

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## SINGLE PREMIUM

An annuity that is started with a single premium payment to the issuing company. No further payments to the plan are required.

## FLEXIBLE PREMIUM

An annuity that is purchased with the ability to continue to add funds to the account. Companies and products will differ in the required minimums that can be added to the plans.

## IMMEDIATE

An annuity that is purchased with a premium up front in exchange for residual payments after purchase.

## DEFERRED

An annuity that will grow tax deferred prior to annuity payments and may be subject to IRS guidelines.

## FIXED

An annuity that allows the premiums to accumulate at a rate set by the issuing company.

## INDEXED

An annuity that offers indexed-based crediting based upon the performance of an external market. The indexed annuity will generally contain a minimum fixed rate of interest to offset poor market performance.

## VARIABLE

An annuity in which the consumer bears the investment risk.

The types of annuities can vary greatly and it is important to ensure that the customer understands all components that their annuity contains. For example explaining the importance of being deferred and indexed since an annuity can provide both options in a single plan.

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# Annuity Suitability

## Increased regulations for suitability

### 4-Hour Annuity Course

Many states are now requiring a 4-hour annuity suitability training course\*

CA, CO, DC, HI, IN, IA, MN, MT, OR, ND, OH, RI, SC, TX, WV, WI

New states are changing their laws to conform to the new NAIC suitability model regulation

\*As of 10/15/2011

### Know the customer

Information to obtain:

Age  
Annual Income  
Financial needs  
Resource of funds  
Financial experience  
Financial objectives  
Intended use  
Time Horizon  
Existing assets  
Liquidity needs  
Net worth  
Risk tolerance  
Tax status

### Know the product

Understanding and educating the consumer is top priority:

Features of the annuity  
Tax benefits  
Tax penalties  
Annuitization options  
Death benefits  
Living benefits  
Liquidity options  
Available riders  
Surrender period  
Surrender charge schedule  
Maturity vs. surrender period  
Expenses and/or fees  
Limitations on returns

### Know the suitability

Key Questions:

Will the consumer benefit from the purchase or exchange?  
Will they incur new surrender fees?  
Will they be subject to a new surrender period?  
Will they lose existing benefits?  
Will they be subject to new charges or fees whether for investment advisory or product enhancements?  
Does the consumer's investment objective match the product's features?  
Have they had an exchange or replacement within the last 36 months?

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# Preserve MYGA

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*Preserve MYGA is a Single Premium Deferred Annuity*

## Single Premium

When submitting multiple exchanges or rollovers, the client should indicate whether to hold money until all funds are received, or issue multiple contracts.

## Duration of Guarantee Rate:

3 – 10 Years

## Issue Ages:

Qualified: 0-90 Non-Qualified: 0-90

## Issue Amounts:

Qualified: \$5,000-\$1,000,000 Non-Qualified: \$10,000-\$1,000,000

## Surrender Charge Period:

<b>YEAR</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>
3-YEAR	7	6	5							
4-YEAR	7	6	5	4						
5-YEAR	7	6	5	4	3					
6-YEAR	7	6	5	4	3	2				
7-YEAR	7	6	5	4	3	2	1			
8-YEAR	7	6	5	4	3	2	1	1		
9-YEAR	7	6	5	4	3	2	1	1	1	
10-YEAR	7	6	5	4	3	2	1	1	1	0.75

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## Preserve MYGA (cont.)

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### Contract Facts

#### Death Benefit:

Contract Value; Surrender Charges and MVA are waived

#### Annuitization:

Contract may be annuitized at any time for a minimum of 10 years or after the Guarantee period for a minimum of 5 years\*

#### § Options include:

- Life with a certain period
- Joint Life
- Joint Life with a certain period
- Certain only (5-20 years)
- COLA – (Cost of Living Adjustment)

\*State variations may apply

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## Preserve MYGA (cont.)

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### Free Withdrawals:

The greater of 10% of the Account Value on the previous contract anniversary or the RMD amount is available each year beginning in Year 2 and will be based on the previous anniversary account value.

RMD's in the first year will also be available without a Surrender Charge, however, the client should take the RMD out prior to transferring funds to Guggenheim. A chargeback of commission will be assessed on any RMD taken in the first Contract Year.

Free Look Period: 30 days in all states

Rate Lock Period: 45 days from the date on the application. For rollovers and exchanges, if the money is received within the rate lock period, we will issue the policy at the greater of the rate on the date the application or the rate on the issue date. If money is received after the rate lock period, the rate as of the issue date will be used.

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## Preserve MYGA (cont.)

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### Nursing Home Care Rider:

Guggenheim Life will provide full liquidity to assist with nursing home care expenses , should the need arise, subject to the rider provisions which are: contract issued prior to age 76 and confinement to a nursing home for 90 consecutive days.

### Terminal Illness Rider:

If the owner of the contract is diagnosed with a critical illness (heart attack, stroke, or life threatening cancer) or is deemed terminally ill by a physician, Guggenheim Life will provide full liquidity to assist with the additional expenses that may arise. Eligibility is subject to rider provisions which are: Terminal Illness; physician must certify that owner's life expectancy is nine months or less; for one of the critical illness conditions to take effect, the contract must have been purchased prior to the owner's age 70.

### Criteria for either rider:

Contract in force for minimum of one year

- No charge or fee associated with either rider
- Availability may vary by state of issue
- A partial or full withdrawal will be available with no surrender charge or MVA

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# SPIA

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*The SPIA is a Single Premium Immediate Annuity*

## Single Premium

When submitting multiple exchanges or rollovers, the client should indicate whether to hold money until all funds are received or issue multiple contracts.

## Issue Ages:

Qualified: 0-90    Non-Qualified: 0-90

## Issue Amounts:

Premium must support a periodic payment of \$100.

Maximum of \$1,000,000 without prior approval.

Free Look Period : 30 days in all states

Rate Lock Period : 45 days. For rollovers and exchanges, if the money is received within the rate lock period, we will issue the policy at the greater of the payout available on the date of the application or the payout available on the issue date. If money is received after the rate lock period, the payout available as of the issue date will be used.

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# SPIA

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## Payouts

- Options include:
  - § Life Only (if age 70 or younger)
  - § Life with a certain period
  - § Joint Life
  - § Joint Life with a certain period
  - § Certain only (5-20 years)

*Life only options are limited to those clients under age 70. Clients over age 70 should choose a Life with Certain Period option.*

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# Course Completion

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Please sign and return the course completion page to us via FAX: (317) 574-6278 or by email to: [Marketing@Guggenheiminsurance.com](mailto:Marketing@Guggenheiminsurance.com)

As a representative of Guggenheim Life and Annuity Company (the “Company” or “Guggenheim”), it is important that you understand our Company’s guidelines on sales suitability, regulatory compliance and market conduct. Our Business Guidelines are designed to give you an overview of our guidelines. Agents, and the companies they represent, are being held by the public to a very high standard.

By accepting appointment with our Company, you are agreeing to be bound by the provisions of the guidelines which have been adopted by our Company. If you should have any questions about any of the material included in the guidelines, please feel free to call the Marketing Department at (800) 767-7749.

**Please complete the information below and return this certification.**

**AGENT STATEMENT: By signing below, I acknowledge that I have reviewed this Agent Training in its entirety.**

\_\_\_\_\_  
Signature of Agent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Agent

\_\_\_\_\_  
Guggenheim Agent Number

\_\_\_\_\_  
Marketing Organization Affiliation

## FAIR CREDIT REPORTING ACT DISCLOSURE

A consumer report may be obtained, and used, by Safe Harbor Financial, Inc. in connection with the consideration of your application. A consumer report is any written, oral or other communication of any information by a consumer reporting agency bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, person characteristics of mode of living.

By signing below, you acknowledge that you have received and understand this Disclosure, and you authorize Safe Harbor Financial, Inc. to obtain consumer reports relating to you.

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Date

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Applicant's Name (Printed or Typed)

---

Social Security Number

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Applicant's Signature