



For Use in Florida Only  
**AGENT GUIDE**

**AMERICO ELITE 5 INDEXED ANNUITY**

Policy Series 318



Reach any Americo Department by calling one number:

**800.231.0801**

Agent Services	<a href="mailto:agent.services@americo.com">agent.services@americo.com</a>
Marketing Support	<a href="mailto:marketing.support@americo.com">marketing.support@americo.com</a>
New Business	<a href="mailto:submit@americo">submit@americo</a> 800.395.9238 (fax)
Customer Service	<a href="mailto:customer.service@americo.com">customer.service@americo.com</a> 800.395.9238 (fax)

### **Mailing Addresses**

General Delivery: PO BOX 410288 Kansas City, MO 64141-0288	Overnight: 300 W. 11th Street Kansas City, MO 64105-1618
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### **Helpful Links**

[www.Americo.com/elites](http://www.Americo.com/elites)  
[www.Americo.com](http://www.Americo.com)  
[www.AgentCafe.com](http://www.AgentCafe.com)  
[SC.Americo.com](http://SC.Americo.com)  
[SCDemo.Americo.com](http://SCDemo.Americo.com)

*The appropriate sale of our products is something that Americo takes seriously. We have adopted nationwide suitability requirements, which are in line with the NAIC Model Regulation on Suitability in Annuity Transactions. As a producer, it is your responsibility to carefully consider the suitability of each sale you make. If you sell annuities, please review Americo's Producer's Guide for Annuity Suitability (13-246-1 (01/21) for information on our Suitability and Replacement processes.*

# Product Features

The Amerigo Elite 5 is a competitive indexed single-premium deferred annuity.

## Highlights

- 10 index options available, each based on the combination of one of 5 indices.
- Declared Interest Account
- Full Accumulation Value death benefit
- Accumulation Value Adjustment on the 5th anniversary: If there have been no prior partial surrenders, the accumulation value is guaranteed to be no less than the single premium accumulated for five years at 0.25%.
- Waiver of Surrender Charge Upon Nursing Home or Hospital Confinement Endorsement (Series 4139)

## Issue Ages:

0-90

## Minimum Premium:

\$10,000

Minimum allocation to any one Index Interest Option or the Declared Account is \$50.

## Maximum Premium:

\$1,000,000 without prior Home Office approval.

## Markets

- Non-qualified
- Qualified (IRA and SEP)

## Indexes

There are 5 individual Index Options available for clients to choose from. Each of these Indices can be tied to either of the following two Indexing Methods:

- Point-to-Point with Participation Rate with a 1-year Index Period
- Final Average with Participation Rate with a 5-year Index Period

## Available Indices

*Ticker symbols shown in parentheses*

**Health Care Select Sector Index (IXV)** - includes S&P 500 Select Sector Index companies from the following industries: pharmaceuticals; health care equipment and supplies; health care providers and services; biotechnology; life sciences tools and services; and health care technology.

**Technology Select Sector Index (IXT)** - includes S&P 500 Select Sector Index companies from the following industries: IT Services; software; communications equipment; technology hardware, storage and peripherals; electronic equipment, instruments and components; semiconductors and semiconductor equipment.

**NASDAQ Biotechnology Index (NBI)** - contains securities of NASDAQ-listed companies classified according to the Industry Classification Benchmark as either Biotechnology or Pharmaceuticals which also meet other eligibility criteria.

**Dow Jones US Real Estate Index (DJUSRE)** - The Dow Jones U.S. Real Estate Index represents the performance of real estate investment trusts (REITs) and other companies that invest directly or indirectly in real estate through development, management, or ownership, including property agencies.

**S&P 500 (SPX)** - a market-capitalization-weighted index of the 500 largest publicly traded companies in the U.S.

**Ten indexed interest crediting options will be available. The policyowner can elect any number from one to all ten by choosing from the 5 available Index Sectors and the two Crediting Methods.**

## Indexing Methods

The Index Credited Amount depends in part upon the Indexing Method. In applying the Indexing Method, a Participation Rate may apply. The Participation Rate may change each Index Period, but will never be less favorable than the guaranteed minimums.

**Point-to-Point Indexing Method with Participation Rate** - the Index Credited Amount under a Point-to-Point Indexing Method is calculated based upon the percentage change of the Index Value from the beginning of an Index Period to the end of the Index Period, the Index Rate. If the Index Rate is positive, the Net Index Rate will equal the Index Rate, multiplied by the Participation Rate. If the Index Rate is negative or zero, there is no Index Credited Amount.

### **Example: Favorable Index Performance**

Beginning Index Value: 1,000  
Ending Index Value: 1,200  
Participation Rate: 60.0%

In this example, the Index Rate is 20%  $(1,200 / 1,000) - 1$ . Because there is a 60% Participation Rate, the Net Index Rate is 12%  $(20\% \times 60\%)$ .

### **Example: Unfavorable Index Performance**

Beginning Index Value: 1,000  
Ending Index Value: 930  
Participation Rate: 60.0%

In this example, the Index Rate is -7%  $(930 / 1,000) - 1$ . Because the Index Rate is negative, the Participation Rate does not apply, and the Net Index Rate will be zero.

**Final Average Indexing Method with Participation Rate** - The Index Credited Amount under the Final Average with Participation Rate Index Option is calculated Amount based upon the percentage change of the Index Value from the beginning to the end of an Index Period, where the ending value is a 30-day average. This percentage change is the Index Rate. If the Index Rate is positive, the Net Index Rate will equal the Index Rate multiplied by the Participation Rate. If the Index Rate is negative or zero, there is no Index Credited Amount. This Crediting Option is only available at issue or at the beginning of the 6th contract year.

### **Example: Favorable Index Performance**

Beginning Index Value: 500  
Ending Index Value: 595  
Participation Rate: 55.0%

In this example, the Index Rate is 19%  $(595 / 500) - 1$ . Because there is a 55% Participation Rate, the Net Index Rate is 10.45%  $(19\% \times 55\%)$ .

### **Example: Unfavorable Index Performance**

Beginning Index Value: 500  
Ending Index Value: 463  
Participation Rate: 55.0%

In this example, the Index Rate is -7.40%  $(463 / 500) - 1$ . Because the percentage change is negative, the Participation Rate does not apply, and the Net Index Rate will be zero.

*All options may not always be available.*

## Point-to-Point

Point-to-Point is the method used to determine the Index Rate. The closing values of the Index at the beginning and end of the year are compared  $[(\text{ending value} - \text{beginning value}) / \text{beginning value}]$ . The annual indexed crediting rate applied to the Participation Account will be determined by adjusting this index rate by the current Participation Rate.

## Final Average

The Index Credited Amount under the Final Average with Participation Rate Index Option is a calculated Amount based upon the percentage change of the Index Value from the beginning to the end of an Index Period, where the ending value is a 30-day average. This percentage change is the Index Rate. If the Index Rate is positive, the Net Index Rate will equal the Index Rate multiplied by the Participation Rate. If the Index Rate is negative or zero, there is no Index Credited Amount.

## Participation Rate

The Participation Rate is declared in advance of each year-long index period or 5-year index period (depending on which indexes are chosen) and will be guaranteed for the 1-year or 5-year index period. The Participation Rate is the percentage of the index rate that will be used in determining the indexed crediting rate.

## Declared Interest Account

Under the Declared Interest Option, interest is credited on a daily basis at a declared rate that is set in advance by Americo. This declared rate is guaranteed for one contract year (Term Period). Americo reserves the right to change the interest rate at any time for future allocations. We guarantee the declared rate will never be lower than 0.25%.

## Current & Guaranteed Rates

Rates can be found on Americo.com or by contacting Americo Agent Services at 800.231.0801.

## Transfers

At least 15 days before the end of an annual crediting period, the owner can notify Americo that they want all or a portion of the values in the Participation Account transferred to another Index Crediting Option or to a Declared Interest Account. Transfers from a Participation Account will only occur at the end of the crediting period. Transfers from a Declared Interest Account to an Index Crediting Option will only occur at the end of the one-year declared interest rate period.

Transfers into 5-year options are only allowed every 5th contract anniversary at the beginning of a new renewal period. Transfers on non-renewal contract anniversaries may only be between one-year indexed or declared interest options.

A letter will be sent to the policyowner and the agent 45 days prior to the anniversary date of the initial deposit. This letter will provide notification that they may transfer funds between index accounts at the index anniversary.

The minimum transfer is \$500, and the remaining value of any one participation account, if any, must be at least \$500.

## Expense Charges

None.

## Accumulation Value

The Accumulation Value is the sum of all:

- Participation Accounts
- Declared Interest Accounts
- Premium and interest not yet allocated to Participation Accounts or Declared Interest Accounts.

## Accumulation Value Adjustment

We guarantee that on the fifth contract anniversary, if there have been no prior partial surrenders, the accumulation value after any interest credits have been applied is guaranteed to be no less than the single premium accumulated for five years at 0.25%.

## Guaranteed Minimum Value

The Guaranteed Minimum Value is equal to 87.5% of the single premium received, less any Partial Surrenders and any applicable Premium Tax, all accumulated at the nonforfeiture interest rate.

The nonforfeiture interest rate will be based on the daily five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of December 1 immediately prior to the calendar year of issue. In no event will the rate be less than 1% or greater than 3%.

## Withdrawals

Each year after the first year, 10% of the Accumulation Value may be withdrawn penalty-free. The minimum withdrawal is \$500. The minimum remaining surrender value can be no less than \$2,000.

After the end of the 5th contract year, owner has 30 days to request a penalty-free full or partial surrender of the contract.

By company practice, multiple penalty-free withdrawals are allowed so long as the total is below the maximum of 10%. Subsequent withdrawals after the first year are based on the accumulation value at the time of the withdrawal.

Withdrawals will be taken from the Declared Interest Account on a “last-in first-out” (LIFO) basis. Any additional amounts needed will be taken from index options on a LIFO basis. Systematic monthly interest income is available after 30 days from the Declared Interest Account as a current company practice.

Surrender charges will be assessed on Required Minimum Distributions in excess of the penalty-free amount.

### Cash Surrender Value

The Cash Surrender Value is the greater of the:

- ▶ Accumulation Value less Surrender Charges and any applicable Premium Tax, or
- ▶ Guaranteed Minimum Value

Premium Tax is a tax on gross premiums levied by a few states. The percentage amount varies by state, and when applicable, will be reflected on the client's statement.

### Death Benefit

Payable on death of any Owner; unless 1) the designated beneficiary is the surviving spouse of the Owner and elects to continue the Contract OR 2) the Owner is not an individual in which case the Death Benefit is payable on the death of the primary annuitant.

Death benefit equal to greater of 1) fund value less any premium tax, 2) Guaranteed Minimum Value, or 3) the single premium less any gross withdrawals. Partial-period index credits will be given. The index value on the date we receive all proof of death requirements will be used to determine final index credits to the fund value.

### Annuitization

Annuitant is the measuring life. If the Annuitant should die before payments commence, then the Owner shall become the Annuitant unless otherwise requested by the owner.

### Loan Provisions

A loan provision is included by endorsement to the contract when it is issued as part of a qualified plan. Subject to restrictions, including those imposed by Internal Revenue Code, the owner may borrow from the Cash Surrender Value subject to a minimum of \$250 and a maximum of 50 percent of the Accumulation Value not to exceed \$50,000. The loan must be repaid within five years unless its purpose is to acquire the main residence of the owner. Even when the owner borrows against the policy, the entire accumulation account, including the amount borrowed, continues to grow according to the indexed rate. A loan processing

charge of \$25 is deducted from the Accumulation Value for each loan taken. Loans may be taken at any time while the contract is in force. Loans reduce any proceeds payable upon surrender or death.

### Annual Statements

An annual statement will be mailed to the client 30 to 45 days following the contract anniversary.

### Surrender Charge Percentage of Accumulation Value or Guaranteed Minimum Value

There is a 10-year Surrender Charge Period.

Year	1	2	3	4	5	6	7	8	9	10	11+
Surrender Charge	9.2%	9%	8%	7%	6%	5%	4%	3%	2%	1%	0%

#### Example:

Assume that after two years, the value of the annuity is \$10,000. The policyholder wants to withdraw \$1,100 from the annuity in the 3rd year. Since \$1,100 is more than 10% of the annuity's Accumulation Value (\$10,000 X 10% = \$1,000), the Surrender Charge is (\$1,100 - \$1,000) x 0.08 or \$8.00.

### Waiver of Surrender Charge Upon Nursing Home or Hospital Confinement Endorsement (Endorsement Series AAA4139 (05/06))

After contract issue, if the Owner is confined for at least 90 consecutive days in a qualified nursing home or hospital, all surrender charges will be waived. The surrender request plus proof of confinement must be received in the Home Office no later than 30 days after discharge. This Rider is automatically added to every contract issued at no additional cost.



# Annuity Training

**Prior to the sale of Elite 5 Annuity, we require that you take product specific training. We will not accept applications unless this training has been completed.**

Under the 2010 NAIC model regulation, agents are required to complete both product-specific training and general annuity training. We require product-specific training for all states and general training where required.

## Product-specific Training

On-line training through LIMRA is fast and easy. The steps are as follows:

- Go to LIMRA: <https://naic.pinpointglobal.com/Americo/apps/default.aspx>
- Log In: Select either First Time Visitors, or Returning User.
- First Time Visitor Registration: You will be asked for your name and address. You will also be asked for your NPN (National Producer Number). If you do not know it, there is a link in this section to obtain this number. You will be asked for either your Social Security number or Insurance License number.
- Select My Product Training on the right hand menu.
- Select either Indexed Annuity Training.
- The system will walk you through the full training presentation. You will be asked to acknowledge that you have read and understood every page of the training.

After you click “Yes,” your Acknowledgement of Completion will automatically be sent to Americo within 48 hours.

If you have technical questions on the LIMRA training website, please call 888.577.5522.

**LOCATED AT**

300 W. 11th Street  
Kansas City, MO 64105

**CONTACT US AT**

800.231.0801  
agent.services@americo.com

**FIND US AT**

[www.americo.com](http://www.americo.com)



For over 100 years, Amerigo Life, Inc.'s family of insurance companies has been committed to providing the life insurance and annuity products you need to protect your mortgage, family, and future.<sup>1</sup> We listen to what you want from an insurance policy or annuity and do our best to provide a proper solution for your individual situation.

Innovative thinking and sound investment decisions have helped us build a strong financial foundation for our business. Today, Amerigo Financial Life and Annuity Insurance Company is the lead company in one of the largest independent, privately held insurance groups in the United States<sup>2</sup>, with \$7.9 billion in assets for year-end 2020.<sup>3</sup>

<sup>1</sup> Amerigo Life, Inc. is a holding company and is not responsible for the financial condition or contractual obligations of its affiliate insurance companies.

<sup>2</sup> "Admitted Assets, Top Life Writers-2020," A.M. Best Co., as of September 2020.

<sup>3</sup> Information is as of year end 2020 on a consolidated basis for Amerigo Financial Life and Annuity Insurance Company and the other life insurance subsidiaries of Amerigo Life, Inc., unless otherwise indicated. Information is prepared on the basis of generally accepted accounting principles (GAAP).

## Important Information

Amerigo Financial Life and Annuity Insurance Company is authorized to conduct business in the District of Columbia and all states except NY.

Amerigo Elite 5 Annuity (Policy Series AFL318) is underwritten by Amerigo Financial Life and Annuity Insurance Company (Amerigo), Kansas City, MO, and may vary in accordance with state laws. Some products and benefits may not be available in all states. Some riders are optional and available for an additional cost. Certain restrictions and variations apply. Consult policy and riders for all limitations and exclusions. For exact terms and conditions, please refer to the policy.

Neither Amerigo Financial Life and Annuity Insurance Company nor any agent representing Amerigo Financial Life and Annuity Insurance Company is authorized to give legal or tax advice. Please consult a qualified professional regarding the information and concepts contained in this material.

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