



Pinnacle MYGA® A Multi-Year Guaranteed Annuity

# New Business Instructions

Issued by Delaware Life Insurance Company

**Please use the following checklist as a guide to ensure business is submitted properly.**

- All cross-outs or alterations made to any form submitted must be initialed by the applicant(s).

- |  |   |
|--|---|
| <input type="checkbox"/> Application <ul style="list-style-type: none"><li>• A Guarantee Period must be selected</li><li>• Must be signed by all owners</li><li>• The Death Benefit is payable upon the death of any Owner. If you wish to have the death benefit paid to the surviving spouse, "Surviving Spouse" should be listed as Sole Primary Beneficiary.</li><li>• Must be signed by selling agent</li></ul> | <input type="checkbox"/> Notice Regarding Standards for Medi-Cal Eligibility (CA Only) <ul style="list-style-type: none"><li>• Must be signed by all owners</li><li>• Must be signed by selling agent</li></ul>   |
| <input type="checkbox"/> Delivery of Buyer's Guide, if applicable <ul style="list-style-type: none"><li>• Must be delivered at or before time of application</li></ul>   | <input type="checkbox"/> Comparison of Annuity Contracts (CA Only)  |
| <input type="checkbox"/> Replacement Form <ul style="list-style-type: none"><li>• Complete the necessary Form A or state-specific replacement form, based on the requirements of the state in which the application is signed.</li></ul>   | <input type="checkbox"/> Make check payable to:<br>Delaware Life Insurance Company <ul style="list-style-type: none"><li>• Please ensure that the owner's name is referenced on the check</li></ul>   |
| <input type="checkbox"/> Transfer Forms <ul style="list-style-type: none"><li>• If the owner is transferring funds from another company to purchase this annuity, please complete the Qualified Transfer/1035 Exchange Form.<br/><b>Note:</b> To complete a transfer/1035 exchange, the Owner(s)/Annuitant(s) on the existing contract must be identical to the new contract.</li></ul>                              | <input type="checkbox"/> Mail application and forms, together with the check or transfer form to:<br><br>Regular Mail: Delaware Life<br>P.O. Box 758580<br>Topeka, KS 66675-8580<br><br>Overnight address: Delaware Life<br>Mail Zone 581<br>5801 SW 6th Avenue<br>Topeka, KS 66636 |
| <input type="checkbox"/> Disclosure Statement <ul style="list-style-type: none"><li>• Must be signed by all owners</li><li>• Must be signed by selling agent</li></ul>   | <input type="checkbox"/> Certain account registrations may require additional forms to be completed by your client. Please contact our customer service center at 877-253-2323 with any questions.  |
|  | <input type="checkbox"/> Keep a copy of the documents for your files.   |



# Application – Pinnacle MYGA®

A Multi-Year Guaranteed Annuity  
Individual Single Premium Deferred Annuity (SPDA)

Issued by Delaware Life Insurance Company, P.O. Box 758581, Topeka, KS 66675-8581 (the “Company”)

## A Product Selection (select one)

Product

Choices

Pinnacle MYGA®

☐

3-Year

☐

5-Year

☐

7-Year

☐

10-Year

## B Owner

**Owner Information**  
(If trust, include Trust Certification Form)

Complete Name (First-Middle-Last)		
Residential Address (No PO Box)		
City	State	Zip Code
Social Security Number or TIN	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/> Entity	
Date of Birth or Trust Date (mm/dd/year)	Phone Number	

**Joint Owner Information**  
(Not available for Individual Retirement Annuities)

Complete Name (First-Middle-Last)		
Residential Address (No PO Box)		
City	State	Zip Code
Social Security Number or TIN	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Birth (mm/dd/year)
Phone Number	Relationship to Owner	

## C Annuitant

**Annuitant Information**  
(Complete only if Annuitant is different from Owner)

Complete Name (First-Middle-Last)		
Residential Address (No PO Box)		
City	State	Zip Code
Social Security Number	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	
Date of Birth (mm/dd/year)	Phone Number	

**Joint Annuitant Information**  
(Not available for Individual Retirement Annuities)

Complete Name (First-Middle-Last)		
Residential Address (No PO Box)		
City	State	Zip Code
Social Security Number	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	
Date of Birth (mm/dd/year)	Phone Number	

**D Tax Qualification****Plan Type (check one)**

☐ Non-Qualified    ☐ Traditional IRA    ☐ Roth IRA  
☐ SEP IRA

**Please complete if applicable**

If Traditional IRA Contribution – Tax Year \_\_\_\_\_

If Roth IRA Contribution – Tax Year \_\_\_\_\_

If Roth IRA – Inception Date \_\_\_\_\_

**E Premium Amount**

Source	Amount
Check with Application	\$
Estimated 1035 Exchange Amount	\$
Estimated Qualified Transfer / Rollover Amount	\$
Estimated Non-Qualified Amount (i.e. liquidation of mutual fund, money market)	\$

**F Beneficiaries (If Spousal Joint Ownership, “surviving spouse” is normally listed as primary beneficiary)**

*Per stirpes designations not accepted.*

Primary Beneficiary Full Name	Date of Birth	Social Security Number or TIN	Relationship to Owner	Percentage

Contingent Beneficiary Full Name	Date of Birth	Social Security Number or TIN	Relationship to Owner	Percentage

☐ Please check here if you are attaching additional Beneficiary information.

## G Existing Coverages/Replacement

Please answer the following questions:

- a. Do you have any other life insurance policies or annuity contracts? ..... ☐ Yes ☐ No  
If "Yes," and required by your state, complete the necessary Replacement Notice.
- b. Is the Contract applied for replacing or intended to replace or change any existing  
life insurance or annuity contracts?..... ☐ Yes ☐ No  
If "Yes," and required by your state, complete the necessary Replacement Notice.

## H Certification Required by the Internal Revenue Service and Signature Section

The assets in your contract are subject to state unclaimed property laws which provide that if no activity occurs in your contract within the time period specified by the particular state law after the contract's maturity date or date that the death benefit is due and payable, your assets must be transferred to the appropriate state. We are required by law to advise you that your assets may be transferred to an appropriate state in compliance with these state laws.

Under penalty of perjury, I certify that (1) the Social Security or taxpayer identification number shown on this form is my correct Social Security or taxpayer identification number, and (2) I am not subject to backup withholding as a result of either being exempt from backup withholding, not being notified by the IRS of a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, (3) I am a U.S. person (including a U.S. resident alien), and (4) I am exempt from FATCA reporting. *(Cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding due to a failure to report all interest and dividends.)*

**The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.**

I agree to all terms and conditions as shown, and have read and understand all the statements made above. I represent that all statements made in this application are true, to the best of my knowledge and belief. I understand that amounts payable under the Contract may be subject to a Market Value Adjustment.

I believe this to be a suitable purchase for my financial status. Any applicable Surrender Charge and Market Value Adjustment provisions have been explained to me.

Signed at: City, State, Zip

Signature of Owner

X

Date (mm/dd/year)

Signature of Joint Owner (if applicable)

X

Date (mm/dd/year)

## I Agent Signature(s)

1. Will this plan replace any existing life insurance or annuity? ..... ☐ Yes ☐ No

If "Yes," please explain

For any replacement, indicate the type of coverage proposed to be replaced:

☐ Term Life ☐ Whole Life ☐ Variable Life ☐ Fixed Annuity ☐ Variable Annuity  
☐ Other \_\_\_\_\_

2. Advertising materials:

- I certify that I used only insurer-approved sales material with this Application and that an original or a copy of all sales material was left with the proposed owner.
- I certify that a printed copy of any electronically presented sales material was/will be presented to the proposed owner no later than the date the Contract is delivered.

3. I certify that this Application is in accordance with the Delaware Life Insurance Company's Business Guidelines with respect to the acceptability of replacements.

4. **By signing below, I hereby certify, to the best of my knowledge and belief, that all information in this application is true. I also certify that I have explained any applicable Surrender Charges, Early Withdrawal and Market Value Adjustment provisions contained in this Contract, and I certify that this annuity is suitable for the proposed owner, based upon the proposed owner's disclosure.**

*If you haven't received your Agent number please indicate "PENDING"*

Agent Name (Print Legibly)		Email Address
Office Phone Number	Agent Number	Split %

Agent Name (Print Legibly)		Email Address
Office Phone Number	Agent Number	Split %

Signature of Agent	Date (mm/dd/year)
X	
Signature of Agent (If Joint Case)	Date (mm/dd/year)
X	

**Fraud Notice: Any person, who knowingly and with intent to defraud any insurance company or other person, files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.**

Delaware Life Insurance Company is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico and the U.S. Virgin Islands and is a member of Group One Thousand One.

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## **Introduction**

The Kentucky Department of Insurance is pleased to offer this “Annuity Buyer’s Guide” as an aid to assist you in determining your insurance needs and the products that will fill those needs. This guide contains only a brief description of various annuity products. For specific information about a particular type of annuity, you should consult an agent. This guide is not meant to offer legal, financial or tax advice. You may want to consult independent advisors for those specific questions. This guide does not endorse any company, agent or policy type.

### **What is an Annuity?**

An annuity is a contract where an insurance company promises to make payments to an annuitant over a specified period of time or for life. One of the purposes for an annuity is to make sure a person does not outlive his income. An annuity is a type of insurance to protect against the risk of financial hardship during retirement.

There are three participants in an annuity contract: the owner, the annuitant and the beneficiary. Most of the time, the annuitant and the owner are the same person, but it is not required. The owner is the purchaser of the annuity, pays the premiums and has the right to surrender the annuity. The owner also is responsible for any taxes due upon surrender or payout and is usually the person who names the beneficiary of the contract. The annuitant is the person whose age and life expectancy is going to be used to calculate the benefits of the annuity and who will receive the annuity payments. The beneficiary receives the death benefit upon death of the annuitant or the owner.

### **Various Types of Annuities**

**Fixed annuity** – This type of annuity accumulates interest on the funds deposited into the annuity on a fixed rate basis. Every fixed annuity has a current interest rate and a minimum guaranteed interest rate. The current interest rate will always be equal to or higher than the minimum guaranteed interest rate. Although this varies from company to company and contract to contract, the current interest rate is declared on an annual basis, usually after an initial guarantee period. With a fixed annuity, the insurance company assumes the risk of paying at least the minimum guaranteed interest rate.

**Variable annuity** – Different than a fixed annuity, a variable annuity pays varying rates of interest on the funds placed inside the annuity based upon the investment options chosen by the annuity owner. If the investment choices do well, the annuity will do well. If the investment choices do poorly, the annuity will not grow as well or even could lose value. Because the growth of a variable annuity is not guaranteed by the insurance company, the contract holder assumes the risk.

The Annuity Buyer’s Guide  
July 2011

**Immediate annuity** – This type of annuity begins paying a benefit very soon, usually within 30 days to one year after it is purchased, and usually requires a lump sum payment.

**Indexed annuity** – This is a fairly new product in the annuity market. Indexed annuities pay an interest rate that is tied to the performance of a common or well-known index such as the S&P 500, the Russell 1000 or the S&P 100. The growth of an indexed annuity is based upon the participation rate of the index it is tied to. For example, if an indexed annuity has a defined participation rate of 70 percent and the index it follows goes up by 10 percent, the annuity's accumulation value will increase by 7 percent (10 percent increase times the 70 percent participation rate). On the downside, most indexed annuities specify a "floor" that the annuity growth rate cannot go below or offer a minimum interest rate. Typically this minimum rate is 1 percent to 3 percent.

## **Things Common to all Annuities**

There are two distinct phases to an annuity - the accumulation phase and the payout phase. The accumulation phase is the first phase where all the premiums are paid into the annuity and the money grows tax-deferred. The second phase is the payout phase, which is when the annuity actually starts to pay the benefits to the annuitant. There are several payout options; a few of these options will be discussed in the following section. Make sure your agent goes over each option with you thoroughly so that you choose the one most appropriate for your needs. It is very important to understand that once a payout option is chosen and you start receiving payments, that option cannot be changed.

## **Examples of Payout Options (Settlement Options)**

- Life income (no refund) – Pays an income as long as the annuitant is alive. Payments stop when the annuitant dies.
- Life income with period certain (10, 15 or 20 years) – Pays an income as long as the annuitant is alive. If the annuitant dies before the period certain has expired, payments are made to the beneficiary for the balance of the period.
- Life income with installments (refund) – This option provides a monthly annuity payment during the lifetime of the annuitant with a guarantee that payments will be made for a certain number of months (not necessarily for the annuitant's full lifetime). The number of months is determined by dividing the accumulated amount of the annuity by the amount of the first monthly annuity payment. Only the number of months is guaranteed so there is no guarantee of a full refund.

The following payout options assume there are two individuals that will be receiving benefits from the annuity

- Joint and full to survivor (no refund) – This option pays an income as long as one or more annuitant is living. Payments stop when both annuitants are deceased.
- Joint and 2/3 to survivor (no refund) – This option pays an income while both annuitants are alive. When one dies, 2/3 income payments continue during the survivor's lifetime. Payments stop when the second annuitant dies.
- Joint and full to survivor with period certain (10, 15 or 20 years) – Pays an income while at least one annuitant is alive. If both annuitants die before the specified period expires, payments of the balance of the period certain continue to the beneficiary.
- Joint and full to survivor with installments (refund) – This option pays a monthly payment during the lifetime of the annuitant with a guarantee that payments will be made for a certain number of months. The number of months is determined by dividing the accumulated amount of the annuity by the amount of the first monthly annuity payment. Only the number of months is guaranteed so there is no guarantee of a full refund.
- Joint and 2/3 to survivor with period certain (10, 15 or 20 years) – Pays an income while both annuitants are living. When one dies, 2/3 of the income payment continues during the survivor's lifetime. If the second annuitant dies before the period certain expires, the 2/3 payment amount continues to the beneficiary for the balance of the period.

## Guaranteed Living Benefits

Guaranteed living benefits may be found as a provision in an annuity contract or added by rider endorsement or amendment to an annuity contract. There are 3 different types and can be very complicated. One important thing to consider is whether or not the particular contract you are considering purchasing allows these benefits to be assignable or not. Be sure to read your contract carefully before purchasing. These different guarantees provide a downside protection to an annuity contract. They are tools to aid in the management of risk by transferring different risks from the buyer to the insurer. There are different types of guarantees defined as follows:

1. **Guaranteed Minimum Withdrawal Benefits (GMWB)** – guarantees the return of at least the owner's investment, or that investment plus an interest component (the benefit base) through periodic partial withdrawals of a certain percent or less of the benefit base, even if the annuity cash value falls to zero. There is usually no waiting period.
2. **Guaranteed Minimum Income Benefit (GMIB)** – guarantees that, regardless of actual policy performance, the buyer is assured a certain minimum future income, but only in the form of a regular annuity payout. It does not guarantee a lump sum.
3. **Guaranteed Minimum Accumulation Benefit (GMAB)** – unlike the other guarantees the GMAB guarantees a minimum lump sum at the end.

The Annuity Buyer's Guide  
July 2011



## **Will You be Penalized if You Withdraw Money From Your Annuity?**

In most cases “Yes.” However, some annuities have a provision that permits you to withdraw a certain amount each year, usually 10 percent of the annuity value, without having to pay a surrender charge. Please remember, even though you may not have to pay a surrender charge, there may be taxes to be paid on some or all of the money you withdraw. It is recommended that you consult a tax advisor or your annuity insurance company regarding the tax consequences before you make the withdrawal.

## **Important Things to Consider**

1. Review your own insurance needs and circumstances. Choose the kind of contract that has benefits that most closely fit your needs. Ask an agent or company to help you.
2. Be sure that you can handle the premium payments. Ask about any possible increases in premium amounts and what may cause an increase.
3. Don't sign an application until you review it carefully to be sure all the answers are complete and accurate.
4. Don't drop one contract and buy another without a thorough study of the new contract and the one you have now. Replacing your insurance may be costly.
5. Read your policy carefully. Ask your agent or company about anything that is not clear to you.
6. Periodically review your insurance program with your agent or company to keep up with changes in your income and your needs.
7. Do not buy a contract until you have a good understanding of how it works.

## **Are You Considering Dropping or Replacing an Existing Annuity Contract?**

If you are thinking about dropping or replacing an annuity contract, here are some things you should consider:

- If you decide to replace your contract, do not cancel your old contract until you have received the new one. You usually will have a minimum of 30 days to review your new contract to decide if it is what you want.
- It may be costly to replace a contract. There may be substantial surrender charges that you will incur. Remember that if you have held your existing contract long enough and no longer have to pay surrender charges, purchasing a new contract may start a new period of surrender charges.
- Consider consulting a tax advisor to see if dropping your contract could affect your income taxes.
- You may have valuable rights and benefits in your existing contract that are not in the new contract.
- If the annuity contract you have now no longer meets your needs, you may not have to replace it. You might be able to adjust your existing contract or purchase an additional contract to get the coverage or benefits you now need

The Annuity Buyer's Guide  
July 2011

- In all cases, if you are thinking of buying a new contract to replace your existing one, check with the agent or company that issued your existing contract. Before replacing, ask your agent or company for an updated illustration (in-force illustration). Check to see how the contract has performed and what you should expect in the future based on the guarantees.

## **How Can You Find Missing Contracts?**

If the deceased's estate went through probate, there is a chance that the contract might have been listed as an asset.

Begin by contacting insurance companies. Try to narrow your search as much as possible. For example, start with those companies most prominent where the deceased lived or worked. Contact the benefits coordinator at the deceased's place of employment. Remember, unless you are the beneficiary, the company is not required to offer any information. Try to provide as much information as possible, including the deceased's name and any aliases, Social Security number, date of birth, etc.

Ask the estate's executor to request copies of all bank statements and other records. If a check has been written or an automatic payment has been made to an insurance company, this might provide a lead.

Contact the deceased's insurance agent for homeowners, renters, or auto insurance. Although he may not have sold your friend or relative an annuity contract, many agents keep records of their client's insurance purchases.

## **Final Points to Consider**

Remember to read your annuity contract carefully when you receive it. Ask your agent or insurance company to explain anything you don't understand. If you have a specific complaint or can't get the answers you need from the agent or company, contact your state insurance department.

## Insurer Rating Organizations

Other sources of information related to the financial strengths of companies are insurance rating organizations. Some of these are A.M. Best, Fitch Ratings, Moody's Investors Service, Standard and Poor's, and Weiss Ratings Inc. You can use these sources to help you research and determine which companies you would like to contact about your insurance needs. The Kentucky Department of Insurance can provide you with ratings from A.M. Best or you can contact the companies directly to get information about their ratings.

A.M. Best  
www.ambest.com  
Telephone: 908-439-2200

Standard and Poor's  
www.standardandpoors.com  
Telephone: 212-438-2000

Fitch Ratings  
www.fitchratings.com  
Telephone: 800-893-4824

Weiss Ratings LLC  
www.weissratings.com  
Telephone: 877-934-7778

Moody's Investors Service  
www.moody's.com  
Telephone: 212-553-0377

## Other Important Terms

**Amendment, Endorsement or Rider** – forms that are used to effect contract changes requested by an owner to an individual annuity contract.

**Annuitize** - This is a term used when the owner elects to convert the lump sum of the accumulated value of the annuity contract to begin receiving a series of payments.

**Assignment** – transfer of rights under an annuity contract to another person or business in exchange for partial or total ownership rights to the contract.

**Guaranteed Living Benefits** - a contract provision or added to a contract by rider. These different guarantees provide a downside guarantee to an annuity contract. They are tools to aid in the management of risk by transferring risk from the owner to the insurer. There are different types of guarantees, as follows:

1. **Guaranteed Minimum Withdrawal Benefit (GMWB)** – the benefit guarantees the return of at least the owner’s investment, or that investment plus an interest component (the benefit base) through periodic partial withdrawals of a certain percent or less of the benefit base, even if the annuity cash value falls to zero. There is usually no waiting period.
2. **Guaranteed Minimum Income Benefit (GMIB)** – the benefit guarantees that, regardless of actual contract performance, the owner is assured a certain minimum future income, but only in the form of a regular annuity payout. It does not guarantee a lump sum.
3. **Guaranteed Minimum Accumulation Benefit (GMAB)** – unlike the other guarantees the GMAB guarantees a minimum lump sum at the end.

**Long-Term Care Riders** - a provision which may or may not require an extra premium that allows for the reduction of the annuity value based upon long term care expenses without applying surrender charges. A benefit above the value of the annuity also may be purchased for an additional cost.

**Market Value Adjustment** – increase or decrease in the surrender charge of the annuity contract depending on the current financial markets. The cash value is adjusted upward if the policy interest rate is greater than the current interest rate on new money and thus, if interest rates decline after the date the annuity contract is purchased, the surrender charge decreases. However, if the cash value is adjusted downward if the policy interest rate is less than the current interest rate on new money and thus, if interest rates rise after the purchase date of the annuity contract, the surrender charge increases.

**Tax-Free Exchange (1035 Exchange)** – under Section 1035 of the Internal Revenue Code stipulations that the exchange of one life insurance policy for another life insurance policy generally will not result in a recognized gain for the purposes of federal income tax purposes to the policy owner. The insured must be the same on both policies. Life policies can be exchanged for life policies, life policies can be exchanged for annuities and annuities can be exchanged for annuities. Annuities cannot be exchanged for life policies. With annuities, the annuitant must be the same on both contracts.

**Ten Day Free Look** – a contract provision notifying purchasers of new insurance that they have ten days after delivery of the annuity contract to inspect it and if not satisfied, return it to the agent or company for a full refund of all premiums paid.

# Producer's Guide to Suitability

For Fixed and Fixed Index Annuities

## Summary

### Why is the suitability analysis important?

State regulations, and your obligations to your client, require that you gather enough information to make a recommendation of a product that is suitable. Collecting information from your client involves understanding their lifestyle, recent or upcoming life events, financial experience, income needs, risk tolerance, time horizon, and availability of funds for emergencies. This information will assist you in completing the suitability analysis and ultimately help you and your client determine if this annuity is the right one for them.

### What is suitability all about?

Suitability means that your client buys this annuity for all the right reasons, with a complete understanding of how it works – the benefits as well as any conditions, limitations and/or restrictions. Suitability requires your professional analysis and judgment based on the specific needs and circumstances of your client.

### What types of records are you required to keep?

The Delaware Life *Suitability Questionnaire* was designed to help capture your suitability analysis. When making your recommendation, all of the information you collect on these forms will provide a detailed summary as to why the annuity was determined to be suitable. In addition, you should keep notes of all conversations, information discussed and presented, and every item you considered during your analysis. All materials used during your review are required to be maintained as part of your customer file and you may be asked to provide this documentation to Delaware Life. State regulations require producers to retain written documentation for each customer for each recommended transaction. Please refer to the recordkeeping rules in your jurisdiction to learn how long you must retain documentation.

### What are your responsibilities?

You are responsible for having reasonable grounds for believing that this annuity is suitable for your client. To do that, you must:

- Make every effort to obtain your client's suitability information
- Have adequate knowledge of the Delaware Life annuity product you are recommending

- Assess the various features of the annuity against your client's suitability information to make your recommendation
- Record all information you collect and keep copies of everything you present
- Cooperate with our efforts to review your recommendations, including providing follow-up information as we may require in any review of your transactions

### What are Delaware Life's responsibilities?

Delaware Life is responsible for ensuring your compliance with state insurance suitability requirements. This means that we will not issue an annuity unless there is a reasonable basis for believing the annuity is suitable based on your client's circumstances. In addition, we must:

- Inform you of your responsibilities, which is the purpose of this Guide
- Provide training materials, including Product Specific Training, which explain the material features of our annuity products
- Maintain a procedure for reviewing the suitability information for each of your recommendations
- Maintain reasonable procedures to detect recommendations that are not suitable

### What happens if your client chooses to "opt-out" of providing the information Delaware Life requires?

If an applicant chooses not to provide the required information, we will be unable to issue an annuity contract. We do not allow applicants to opt-out of completing the entire Delaware Life *Suitability Questionnaire*. The suitability disclosure details are necessary to understand both your recommendations and your client's need for a specific annuity product. Completed forms clearly document the discussion you had with your client and helps demonstrate their understanding.

If privacy is a concern, please assure your client that we protect all personal information and restrict access to personal information by maintaining physical, electronic, and procedural safeguards. We allow access only to persons who must use the information to provide insurance products and services.

### What information must be obtained?

Before you make a recommendation to your client, you must understand their circumstances. To do that, you must obtain information from your client to aid you in assessing their financial needs and objectives, as well as their reasons for purchasing the annuity. At a minimum, the following must be collected and recorded:

- Age
- Annual income
- Existing assets, including investment, annuity, and life insurance holdings,
- Financial experience
- Financial objectives
- Financial situation and needs, including the financial resources used for the funding of this annuity
- Financial time horizon
- Intended use of the annuity
- Liquid net worth
- Liquidity needs
- Risk tolerance
- Tax status

### How can you determine if an annuity is suitable?

In addition to collecting and understanding your client's suitability information, you must have a general understanding of annuities and have knowledge of the annuity you are considering for recommendation. Product knowledge is necessary for you to assess the features of the annuity, which include the conditions, limitations, and restrictions on the annuity benefits.

When making the suitability determination, using your professional analysis and judgment, your understanding of your client's suitability information, and the annuity being considered, assess whether:

- The annuity meets your client's insurance needs as well as their financial needs and objectives at the time of review
- The annuity offers substantial benefits
- Your client will be able to satisfy the conditions, limitations, or restrictions required to receive the benefits of the annuity

Generally, an annuity is suitable for applicants who:

- Understand that annuities are designed to meet long-term retirement needs
- Have no immediate need for liquidity from the annuity and expect to hold the annuity for at least the length of the surrender charge period
- Have sufficient funds and assets available to cover living expenses, emergencies, and changes in income, liquid assets and health care needs

### When might an annuity not be suitable?

Examples of situations not considered suitable:

- A surrender charge schedule that exceeds the applicant's life expectancy
- An annuity purchase that ties up too much of an applicant's liquid assets
- An annuity purchased with proceeds from a reverse mortgage or home equity loan
- Lack of understanding by the applicant of all benefits, features and limitations of the annuity
- Replacement where both products have the same features and benefits
- Replacement where the surrender charges, fees, and/or market value adjustment of the old annuity outweigh the benefits of the new annuity

### Delaware Life Suitability Review

Upon receipt of a *Suitability Questionnaire*, Delaware Life will:

- Review for completeness and to ensure all requested and required information is provided. If any information is missing or requires clarification, the suitability review will be delayed.
- Apply a screening system to the transaction to ensure all responses are within pre-determined parameters
- Identify recommendations that may require additional follow-up

In the event we require additional information from you, we will contact you. We may also contact the applicant directly, but will make every effort to clear any outstanding issues with you first.

### What if an application is reviewed and/or declined for suitability issues?

Prior to declining any application for suitability-related issues, Delaware Life will contact you to confirm details we might be questioning and to afford you the opportunity to supplement any information already presented. Once we have all of the facts and our decision is made, it will be final.

### What if the applicant wants the annuity even after it was declined for suitability issues?

Our review process allows opportunity for a thorough evaluation of all information. Our decision to decline a case is final.

# A Guide to Completing the Suitability Questionnaire

## Applicant & Joint-Applicant Information

**What if two applications are being written – one for each spouse... is a Delaware Life *Suitability Questionnaire* required with each application – even when most of the information is the same?**

We require one completed *Suitability Questionnaire* for each application presented.

**What if the applicant is not the annuitant?**

Complete the *Suitability Questionnaire* based on the applicant's information. In general, the *Suitability Questionnaire* should be completed based upon the person paying the annuity premium.

**What if the applicant is a non-natural person?**

- Revocable Trust – complete the *Suitability Questionnaire* based upon the trust grantor's information
- Irrevocable Trust – complete the *Suitability Questionnaire* based upon the trust's information
- Corporation – complete the *Suitability Questionnaire* based upon the corporation's financial information
- UTMA/UGMA – complete the *Suitability Questionnaire* based upon the financial information of the person funding the annuity

## Financial Information & Experience

To locate information concerning federal income tax bracket and tax filing status: [www.irs.gov](http://www.irs.gov)

**How is net worth calculated?**

Net worth equals total assets minus total liabilities (Net Worth = Total Assets – Total Liabilities)

**Why is the applicant's primary residence excluded from the net worth calculation?**

A home, while valuable, is not liquid and should not be factored into net worth for purposes of annuity suitability. Delaware Life **will not** accept premium from reverse mortgages or home equity loans.

**What are some examples of liquid assets, non-liquid assets, and liabilities?**

**Liquid Assets:**

- 401(k) Plan if the applicant is over age 59½, Mutual Funds
- Brokerage Accounts, Money Markets, Stocks, Bonds, Options
- Bank CDs, Checking/Savings Accounts
- Deferred Annuities

**Non-liquid Assets:**

- Rental or Investment Property
- Immediate Annuities

**Liabilities:**

- Rental or Investment Property Mortgage
- Credit Card Debt, Loans

## Important

**Please ensure that all questions are answered.** If information is missing or requires alteration, we will require that that all modifications be signed and dated by the applicant.

The *Financial Inventory* form should be used to help you record the information required for this section. This form does not need to be submitted with the application package, but you should maintain a copy in your files. If additional information is needed, we will request this form.

# Financial Inventory

This worksheet is **not** required to be submitted with the application package. We recommend that you complete this document and maintain it in your file, as **we may request it if additional information or clarification is required.**

Applicant Information
Applicant Name

## Annual Household\* Income & Living Expenses

Income		Living Expenses	
Salary/ Wages	\$	Rent/ Mortgage Payment	\$
Social Security Payments	\$	Utilities	\$
Pension/Retirement Benefits	\$	Debt Repayment	\$
Interest/Dividend Income**	\$	Transportation	\$
Rental Income/Other	\$	Food	\$
<b>TOTAL</b>	<b>\$</b>	Health Care	\$
<b>Annual Disposable Income</b>		Taxes <i>includes property, income &amp; FICA taxes</i>	\$
Total Income	\$	Insurance	\$
<b>Minus</b> Total Expenses	\$	Support for Dependents	\$
<b>DISPOSABLE INCOME</b>	<b>\$</b>	Charitable Donations	\$
		Travel	\$
		Other	\$
		<b>TOTAL EXPENSES</b>	<b>\$</b>

\*"Household" includes the applicant and, if a member of their household, the applicant's spouse/partner.  
 \*\* other than income received on money used to purchase this annuity



## Annual Household Net Worth & Liquid Assets

Net Worth	
Checking Accounts	\$
Savings Accounts/ CDs	\$
Securities (non-retirement accounts)	\$
Annuities (non-retirement accounts)	\$
Retirement Account Balances	\$
Real Estate (exclude primary residence)	\$
Value of Business	\$
<b>Total Assets</b>	\$
<b>Minus</b> Total Liabilities (exclude mortgage on primary residence)	\$
<b>NET WORTH</b>	\$

Liquid Assets	
Checking Accounts	\$
Savings Accounts	\$
Securities (include mutual funds without deferred sales charges)	\$
Current Year Free Annuity Withdrawals (other than on the annuity being purchased)	\$
Other	\$
<b>TOTAL LIQUID ASSETS</b> (exclude liquid assets used to fund this annuity)	\$

## Notes

This worksheet is **not** required to be submitted with the application package.

We recommend that you complete this document and maintain it in your file, as **we may request it if additional information or clarification is required.**

# Suitability Questionnaire

## Fixed and Fixed Index Annuities

### Instructions

Thank you for your interest in this annuity offered by Delaware Life Insurance Company (“Delaware Life” or “the Company”). The purpose of this questionnaire is to help ensure that the annuity you are purchasing is appropriate based on your insurance needs and financial objectives. Before submitting your application, you should be satisfied that the product meets your needs and objectives, and that you have the knowledge necessary to make an informed decision. At the end of this questionnaire, you will be asked to affirm that the annuity is suitable and appropriate for your retirement income needs. Delaware Life reserves the right to deny an application if the Company determines that the product may not be suitable.

Further, if the purchase of this annuity involves the replacement of an existing annuity contract or life insurance policy, you should be educated on the advantages and disadvantages of a replacement, and complete replacement forms as required by state regulations. Your privacy is a high priority to us and your information will be treated with the highest degree of confidentiality. A copy of Delaware Life’s Privacy Policy can be found at [delawarelife.com](http://delawarelife.com).

Please read the questions on this Suitability Questionnaire carefully and provide a response for each one. **Note that this Suitability Questionnaire must be completed in full, signed, and dated. We will otherwise be unable to consider your annuity application.**

### Applicant’s Personal Information

Name	Social Security Number	Age
Employment Status <input type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Retired		
Occupation (Previous Occupation if Retired or Unemployed)		
Where do you currently reside? <input type="checkbox"/> Personal Residence <input type="checkbox"/> Nursing Home <input type="checkbox"/> Family Member’s Residence <input type="checkbox"/> Assisted Living Facility		

### Joint Applicant’s Personal Information (if applicable)

Name	Social Security Number	Age
Employment Status <input type="checkbox"/> Employed <input type="checkbox"/> Unemployed <input type="checkbox"/> Retired		
Occupation (Previous Occupation if Retired or Unemployed)		

## Non-Natural Owner Information (to be completed by Beneficial Owner)

Entity

Beneficial Owner

## Delaware Life Account Information

Product Name

Premium Amount

\$

Contract Term/Surrender Charge Period

☐ 3YR ☐ 5YR ☐ 7YR ☐ 10YR

## Your Household\* Financial Information & Experience

- 1 What is your annual income? \$ \_\_\_\_\_
- 2 What is the income source? \_\_\_\_\_
- 3 What are your annual living expenses? \$ \_\_\_\_\_
- 4 What is your annual disposable income? (#1 minus #3) \$ \_\_\_\_\_
- 5 What is your approximate net worth? *[exclude home & personal property]* \$ \_\_\_\_\_
- 6 What is the amount of your liquid assets?  
*[checking account, savings account, CDs, stocks, bonds, mutual funds]* \$ \_\_\_\_\_
- 7 What is your federal income tax bracket?  
☐ less than 15% ☐ 15-28% ☐ greater than 28% ☐ N/A (corporate applicants only)
- 8 What is your tax filing status?  
☐ Single ☐ Head of Household ☐ Widowed ☐ Married Filing Jointly ☐ Married Filing Separately  
☐ N/A (corporate applicants only)
- 9 What other financial products do you currently own or have you previously owned? If you currently own any of these products, please select all that apply and include a current account value for each. If you previously owned any, but do not now, please select all that apply, and insert \$0.00 for each.

<input type="checkbox"/> None		<input type="checkbox"/> Certificate of Deposit	\$ _____
<input type="checkbox"/> Variable Annuity(ies)	\$ _____	<input type="checkbox"/> Stocks/Bonds/Mutual Funds	\$ _____
<input type="checkbox"/> Fixed/Fixed Index Annuity(ies)	\$ _____	<input type="checkbox"/> Money Market Account	\$ _____
<input type="checkbox"/> Variable Life Insurance	\$ _____	<input type="checkbox"/> Reverse Mortgage	\$ _____

\* "Household" includes the applicant and, if a member of their household, the applicant's spouse/partner.

## Your Household Financial Information & Experience (continued)

- 10** Do you anticipate a significant increase in living expenses (i.e., medical) or a decrease in annual income or liquid assets during the surrender charge period of the annuity?..... ☐ Yes ☐ No

If "Yes," please explain.

- 11** Other than the premium in this annuity, do you have sufficient funds or other assets available to you, without penalty, for living expenses and in case of emergencies? ..... ☐ Yes ☐ No

If "No," please explain.

- 12** What are your financial objectives in purchasing this annuity? Select all that apply.

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Income Now              | <input type="checkbox"/> Guaranteed Interest Rate | <input type="checkbox"/> Pass to Beneficiary(ies) |
| <input type="checkbox"/> Preservation of Capital | <input type="checkbox"/> Avoid Probate            | <input type="checkbox"/> Growth                   |
| <input type="checkbox"/> Tax Deferral            | <input type="checkbox"/> Lifetime Income          | <input type="checkbox"/> Other _____              |

- 13** What is the premium source for this annuity? Select all that apply.

- |  |   |                                      |  |
|--|---|--------------------------------------|--|
| <input type="checkbox"/> Fixed Annuity   | <input type="checkbox"/> Life Insurance                     | <input type="checkbox"/> CD          | <input type="checkbox"/> Checking/Savings                  |
| <input type="checkbox"/> Variable Annuity  | <input type="checkbox"/> Family Member                      | <input type="checkbox"/> Mutual Fund | <input type="checkbox"/> Reverse Mortgage/Home Equity Loan |
| <input type="checkbox"/> Fixed Index Annuity   | <input type="checkbox"/> Death Benefit Proceeds/Inheritance |                                      |  |
| <input type="checkbox"/> Non-Family Member (if so, please provide an explanation on a separate document) |   |                                      |  |
| <input type="checkbox"/> Other (please explain) _____  |   |                                      |  |

- 14** What is your risk tolerance?

- |                                       |  |                                   |  |                                     |
|---------------------------------------|--|-----------------------------------|--|-------------------------------------|
| <input type="checkbox"/> Conservative | <input type="checkbox"/> Moderately Conservative | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderately Aggressive | <input type="checkbox"/> Aggressive |
|---------------------------------------|--|-----------------------------------|--|-------------------------------------|

- 15** Aside from required distributions or other partial withdrawals, do you plan to keep the annuity open and in-force until the end of the surrender charge period?..... ☐ Yes ☐ No

continued on next page

## Your Household Financial Information & Experience (continued)

**16** Does your purchase involve the replacement of one or more life policies or annuity contracts? ..... ☐ Yes ☐ No

If "Yes," please provide the information requested below in 16a-e.

If "No," proceed to Question 17.

**16a** Is any life policy or annuity contract being replaced subject to surrender charges?..... ☐ Yes ☐ No

**16b** If "Yes," Applicant must complete the following for each life policy or annuity contract being replaced.  
Add an extra sheet if more space is needed.

Current Carrier #1	_____
Transfer Amount (prior to any surrender charges)	\$ _____
Amount of surrender charges, fees, bonus recaptures or other penalties	\$ _____
Current Carrier #2	_____
Transfer Amount (prior to any surrender charges)	\$ _____
Amount of surrender charges, fees, bonus recaptures or other penalties	\$ _____
Current Carrier #3	_____
Transfer Amount (prior to any surrender charges)	\$ _____
Amount of surrender charges, fees, bonus recaptures or other penalties	\$ _____

**16c** Do you understand that surrender charges incurred by replacing a life policy or annuity contract may offset the benefits of the Delaware Life annuity for which you are applying?..... ☐ Yes ☐ No

**16d** Have you fully considered these charges with your producer as part of your assessment that the Delaware Life annuity being applied for will meet your financial needs? ..... ☐ Yes ☐ No

**16e** Have you exchanged or replaced any other life insurance policy or annuity contract within the last 36 months? (In California or Minnesota within the last 60 months?) ..... ☐ Yes ☐ No

If "Yes" to question 16e above, please explain.

**17** How do you anticipate taking distributions from this annuity? Please select all that may apply.

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Annuitize                                | <input type="checkbox"/> Lump Sum                      | <input type="checkbox"/> Leave to Beneficiary(ies) |
| <input type="checkbox"/> Systematic Withdrawal                    | <input type="checkbox"/> Free Withdrawals              | <input type="checkbox"/> No plans to access        |
| <input type="checkbox"/> Withdrawals greater than the free amount | <input type="checkbox"/> Required Minimum Distribution |  |

**18** Do you understand that this annuity may have significant withdrawal, Market Value Adjustment and/or other charges, for withdrawals in excess of the free amount?..... ☐ Yes ☐ No

### 19 California Applicants Only

Subsequent to the purchase of this annuity, do you intend to apply for means-tested benefits, including but not limited to Medi-Cal or the veterans' aid and attendance benefit? ..... ☐ Yes ☐ No

If "Yes," please explain.

## Affirmations

### Applicant Statement

This Suitability Questionnaire is designed to help you determine if purchasing a Delaware Life annuity contract meets your financial needs.

By signing below, you agree and understand that:

- The Delaware Life annuity contract is not a mutual fund, savings account, certificate of deposit, bond, security or similar financial product;
- The Delaware Life annuity contract is not a short-term investment. Any withdrawal of funds prior to the last day of the surrender and withdrawal charge period, as described in the annuity contract, may be subject to a charge as described in the annuity contract;
- Capital gains, loss of existing benefits, withdrawal or surrender charges, and/or tax liability may be incurred as a result of liquidating or withdrawing funds from any existing investment for the purpose of purchasing the Delaware Life annuity contract;
- The purchase of this annuity from Delaware Life is suitable and appropriate for my needs;
- The producer reviewed with me the Disclosure Statement for the annuity I have applied for and provided me with a copy;
- I acknowledge that all questions were answered truthfully; and
- I have read and understand the above statements.

### California Applicants Only

The purchase of the Delaware Life annuity is not intended to affect the applicant's Medi-Cal eligibility under any circumstances.

Applicant Signature X	Date (mm/dd/yyyy)
Joint Applicant Signature X	Date (mm/dd/yyyy)

*continued on next page*

## Affirmations (continued)

### Producer Statement

This Suitability Questionnaire is designed to help you determine if recommending the purchase of a Delaware Life annuity contract meets the financial needs of the Applicant(s).

By signing below, you agree to following:

- I have made no representation that differs from Delaware Life-approved sales materials;
- I have reviewed the Applicant's financial objectives; financial information; health and age information along with all information provide above and agree that recommendation of this annuity is suitable;
- The Applicant's decision to purchase this annuity is based on my recommendation;
- I have reviewed the Disclosure Statement for the annuity applied for and provided a copy to the Applicant(s); and
- I do not believe the Applicant(s) has a diminished capacity with regard to making financial decisions on his/her own behalf.

### California Applicants Only

The purchase of the Delaware Life annuity is not intended to affect the applicant's Medi-Cal eligibility under any circumstances.

### Massachusetts Applications Only

Have you sold other life policies or annuity contracts to the Applicant(s) which will remain in force when the annuity contract being applied for is issued? If so, please list the policies/contracts below (attach an additional sheet if necessary):

Contract/Policy Type	Contract/Policy Carrier	Contract/Policy Issue Date	Contract/Policy Current Value

☐ Check here if additional policies/contracts are listed on an attached sheet.

Producer Signature

X

Date (mm/dd/yyyy)



Pinnacle MYGA® A Multi-Year Guaranteed Annuity

# Disclosure Statement

Delaware Life Insurance Company, Waltham, MA (the "Company")

This document reviews important points to think about before you purchase a Pinnacle MYGA® fixed annuity with a Market Value Adjustment (MVA) feature. Pinnacle MYGA® is a single-premium, deferred fixed annuity, which means you buy it with an initial single premium (payment). It is a fixed annuity, which means it earns a specified interest rate during the guaranteed interest rate period. This annuity is tax deferred, which means you don't pay taxes on the interest earnings until the money is paid to you.

You can use an annuity to save money for retirement and to receive retirement income for life. It is not meant to be used to meet short-term financial goals.

If you decide to purchase this annuity, please read the following information carefully, sign, and return the Signature Page of this Disclosure Statement. If you have questions about this annuity, ask your agent, broker or advisor or contact Us at **877-253-2323**.

**Note:** References to financial advisors, producers, representatives, and agents will all be noted as "financial advisor" in this Disclosure Statement.

## ■ The Annuity Contract

### How will the value of my annuity grow?

Your annuity earns tax-deferred interest at a guaranteed rate for the period you select, subject to availability. The guaranteed rate depends on the period you choose and on current interest rates. Interest is credited daily. The interest rate is the effective annual interest rate that will be credited when daily interest credits have been compounded for a full year. After your selected period ends, a new interest rate will be declared for each succeeding guaranteed interest rate period. The new interest rate will be greater than or equal to a minimum guaranteed interest rate, which is set at contract issue and effective for the life of your policy. Note that for contracts issued in Delaware and Florida, the guaranteed interest rate period does not automatically renew at the end of the selected term. Please review with your financial advisor to see how this may affect you.

### Who are the parties of the Annuity Contract?

Parties of the Contract are Owner(s), Annuitant(s), and Beneficiary(ies). Contract owner(s) designate the annuitant(s) and beneficiary(ies).

### Is it important to choose carefully when selecting the parties in my Contract?

Yes. Carefully consider who you select as Owner(s), Annuitant(s), and Beneficiary(ies). These parties are critical in the operation of your annuity and they impact when and to whom death benefits are paid out.



## ■ Benefits

### How can I access money from my annuity?

You may take withdrawals or fully surrender your contract. Additionally, you can receive income (payouts) by electing a Settlement Option. You should consider the effect of surrender charges and MVA when accessing money.

### How do I get income (payouts) from my annuity?

Your contract contains several Settlement Options that can be utilized after the first contract year. The Settlement Option payout amount during the first 5 contract years is equal to your contract's Surrender Value at the time of your election; therefore, Surrender Charges and any applicable MVA may be applied when calculating your payout. If one of the Settlement Options below is elected following the fifth contract year, surrender charges and MVA will not be assessed.

Your choices include the following:

- **Life Annuity:** Guarantees income for as long as you live.
- **Life Annuity with Period Certain:** Guarantees income for as long as you live. If you die within the "period certain", it pays income to your beneficiary for the rest of the period.
- **Joint and Last Survivor Annuity:** Guarantees income for as long as you or your joint annuitant (usually a spouse) lives.

### What happens when I die?

If you die before we start to pay you income from your annuity, we pay the full Account Value to your beneficiary. If you die after we start paying you income from your annuity, we pay the remaining value in the annuity, if any, to your beneficiary, depending on the type of payout you choose.

In the case of joint owners, the death benefit is paid on the death of the first owner.

## ■ Fees, Expenses, and Other Charges

### What happens if I take out some or all of the money from my annuity?

You may withdraw a portion of your money from your annuity without incurring a surrender charge or MVA starting after the first contract anniversary. The free withdrawal amount is the greater of (a) 10% of the contract value as of the most recent contract anniversary, or (b) any annual IRS required minimum distribution applicable to the annuity. Any withdrawals in excess of the free withdrawal amount will be subject to a withdrawal charge.

Refer to the table below for withdrawal and surrender charges by guarantee periods, subject to availability. The charges for your Contract correspond to each contract year, beginning with year one and continuing until the end of the Contract's guarantee period. For example, the charges for a 3-year guarantee period are 7% in year one, 6% in year two, and 5% in year three.

Withdrawal and Surrender Charges by Guarantee Period Year*										
Guaranteed Period Year	1	2	3	4	5	6	7	8	9	10
Withdrawal Charge	7%	6%	5%	4%	3%	2%	1%	1%	1%	0.75%

\*Subject to availability

## ■ Fees, Expenses, and Other Charges (continued)

Withdrawals made in excess of the free withdrawal amount may also be subject to a positive or negative MVA based on changes to interest rates. The MVA is equal to the amount withdrawn, less any available Free Withdrawal Amount, times the Market Value Adjustment Factor. An example has also been provided below.

The Market Value Adjustment Factor is:  $(I - (J + .25\%)) \times N$ . Where:

I = The Guaranteed Interest Rate being credited to the Account Value;

J = The renewal Guaranteed Interest Rate currently offered for a duration equal to Your Guaranteed Interest Rate Period;

N = The number of complete months from the date of surrender or withdrawal to the end of Guaranteed Interest Rate Period divided by 12.

### Examples of how Withdrawal and Surrender Charges and MVA are calculated:

These examples use the following assumptions:

Contract issue date:	June 1, 2014
Guaranteed Interest Rate Period:	5 Year
Guaranteed Interest Rate:	4%
Withdrawal Date:	August 25, 2015

### Withdrawal and Surrender Charges

For the examples, we assume the amount withdrawn of \$16,000 is greater than the available free withdrawal amount of \$15,000. Surrender charge will be applied to the excess above the free amount (\$16,000 - \$15,000 = \$1,000). This charge is \$60, which is the \$1,000 in excess of the free amount multiplied by 6% (Withdrawal and Surrender Charge for year two that can be found on the chart above). In addition, the \$1,000 that is subject to surrender charges may also be assessed a positive or negative MVA depending on changes to interest rates. Several examples of that calculation assuming interest rates increase or decrease can be found below.

### Market Value Adjustment (MVA)

#### Example 1: Decreasing Interest Rates

Renewal Guaranteed Interest Rate for a 5 Year Period = 3.1% or 0.031

N (number of months remaining in the term) = 45

MVA Factor =  $(.04 - (0.031 + 0.0025)) \times (45 / 12) = 0.024375 = 2.4375\%$

$\$1,000 \times 2.4375\% = \$24.38$

\$24.38 would be added to the amount withdrawn.

#### Example 2: Increasing Interest Rates

Renewal Guaranteed Interest Rate for a 5 Year Period = 5.0% or 0.05

N (number of months remaining in the term) = 45

MVA Factor =  $(.04 - (0.05 + 0.0025)) \times (45 / 12) = -0.04688 = -4.688\%$

$\$1,000 \times -4.688\% = \$-46.88$

\$46.88 would be deducted from the amount withdrawn.

## Taxes

### How will payouts and withdrawals from my annuity be taxed?

This annuity is tax deferred, which means you don't pay taxes on the interest earnings until the money is paid to you. When you take payouts or make a withdrawal, you pay ordinary income taxes on the taxable amount, including any interest earned. You may also incur a 10% federal income tax penalty on earnings you withdraw before age 59½. If your state imposes a premium tax, it will be deducted from the money you receive.

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may pay a surrender charge if you make the exchange during the surrender charge period. Also, you may pay a surrender charge if you take withdrawals from the new annuity during the first years you own it.

### Does buying an annuity in a retirement plan provide extra tax benefits?

Buying an annuity within an IRA, or other tax-deferred retirement plan doesn't give you any extra tax benefits. Choose your annuity based on its features and benefits as well as its risks and costs, not its tax benefits.

## Other Information

### What else do I need to know?

- This is a summary of the provisions of your annuity contract, but it is not a part of your contract. Please review your annuity contract for complete details and defined terms.
- The sale or liquidation of any stock, bond, IRA, certificate of deposit, mutual fund, annuity, or other asset to fund the purchase of this product may have tax consequences, early withdrawal penalties, or other cost or penalties as a result of the sale or liquidation. You may wish to consult independent legal or financial advice before selling or liquidating any asset and prior to the purchase of any life insurance or annuity products being solicited, offered for sale, or sold (Notice to Elders is a requirement in CA).
- We may change your annuity contract from time to time to conform to federal or state laws and regulations. If we do, we'll inform you about the changes in writing.
- We may pay the financial advisor or firm for selling the annuity to you.
- Many states have laws that give you a set number of days to review an annuity contract after you buy it. If you decide during that time that you don't want it, you can return the annuity contract and receive all of your money back. Please refer to page 1 of your contract to learn about your "free look" period.
- Any illustrated values shown to you, other than guaranteed minimum values, are not guarantees, promises or warranties.

All contractual guarantees are backed by the claims-paying ability of Delaware Life Insurance Company, located at 1601 Trapelo Road, Suite 30, Waltham, MA 02451.

### What should I know about the insurance company?

This annuity is issued by Delaware Life Insurance Company, a member of Group One Thousand One.

## Contact Information

You can contact Delaware Life by phone at **877-253-2323**, by mail at Delaware Life Insurance Company, P.O. Box 758581, Topeka, KS 66675-8581, or on the web at [delawarelife.com](http://delawarelife.com).

## Pinnacle MYGA® Disclosure Statement Signatures

By signing below, I acknowledge that I have read, or have been read, this document and I understand that I am applying for a single-premium, deferred annuity. I also acknowledge that this annuity meets my financial objectives. I have received a copy of the entire Disclosure Statement, as well as any advertisement that was used in connection with the sale of this annuity. I understand that other than the Minimum Guaranteed Contract Values, there are no guarantees, promises or warranties.

Proposed Owner Name (please print)	Signed at (City, State)	
Proposed Owner Signature X		Date
Proposed Joint Owner Name (please print)	Signed at (City, State)	
Proposed Joint Owner Signature X		Date

**Note: If this form is not completed and signed, we cannot consider Your application.**

**Financial Advisor's Certification:** I certify that I have given the Proposed Owner(s) a signed copy of this Disclosure Statement. I have made no statements to the Proposed Owner(s) that differ in any significant manner from this Disclosure Statement, nor did I make any changes to the Disclosure Statement itself. I have not made any promises or guarantees about the future value of any nonguaranteed elements of the annuity contract.

I also certify that I have only used Company approved marketing materials, and that I have provided a Buyer's Guide (if required by the state).

Financial Advisor Signature X	Date
----------------------------------	------

Delaware Life Insurance Company (Waltham, MA) is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico and the U.S. Virgin Islands and is a member of Group One Thousand One.

Delaware Life policies and contracts are issued by Delaware Life Insurance Company (Waltham, MA) in all states except New York. Certain product features may vary or not be available in all states. This summary is provided for clarification of the benefits which may be included in the contract when it is issued. It is for informational purposes only. In the event of any ambiguity or conflict of terms between this summary and the annuity contract, the terms of the annuity contract shall be controlling.

This communication is for informational purposes only. It is not intended to provide, and should not be interpreted as individualized investment, legal or tax advice. To obtain such advice, please consult with your investment, legal or tax professional.

**NOT FDIC INSURED | MAY LOSE VALUE | NO BANK OR CREDIT UNION GUARANTEE  
NOT A DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY OR NCUA/NCUSIF**

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# Transfer In/1035 Exchange Form

Throughout this form, "the Company" refers to the issuing company.<sup>1</sup>

## 1 Registration Information

Owner(s) and Annuitants(s) must be exactly the same as the Owner(s) and Annuitant(s) on the existing contract with the Surrendering Company.

Owner	Social Security Number
Co-Owner (if applicable)	Social Security Number
Annuitant	Social Security Number
Co-Annuitant (if applicable)	Social Security Number

## 2 Registration Information

Existing Account Provider		
Provider Street Address (required)		
City	State	Zip Code
Existing Account Number	Provider Phone	Provider Fax (if available)

Send paperwork: ☐ By mail ☐ By fax ☐ Agent pursuing funds; do not mail form

If no selection is made, the transfer will be initiated immediately.

☐ Initiate transfer/rollover/exchange: ☐ Immediately upon receipt OR  
☐ After this date: \_\_\_\_\_ (must be within 30 days)

Apply proceeds to: ☐ A new contract/certificate OR  
☐ An existing contract/certificate\* (No. \_\_\_\_\_) (write contract number here)

\* Payments to an existing contract/certificate will be placed into the Fixed Account until the Contract Anniversary. At that point the funds will be exchanged into the Investment Strategy selected by the contract owner.



### 3 Required Minimum Distribution (Qualified Contract Only)

If you currently own a qualified contract and are aged 70½ this year, you may not transfer or rollover Required Minimum Distribution amounts.

- ☐ No RMD is required for the current year.
- ☐ I have already taken my full RMD for the current year.
- ☐ I direct the provider of my existing account to distribute the RMD to me before the exchange/rollover/transfer.

### 4 Surrendered Account Type

- ☐ Variable Annuity\* ☐ Fixed Annuity\* ☐ Fixed Index Annuity\* ☐ Life Insurance\*
- ☐ Brokerage Account/Mutual Funds/Certificate of Deposit (CD) – I authorize the Surrendering Company listed above to liquidate my account and send the proceeds to the Company.

\* Additional state-specific replacement form or NAIC Model Regulation (Form A) replacement form may be required.

### 5 Source of Transfer/Exchange

- Type of transfer/exchange ☐ Initiate full transfer/exchange \$\_\_\_\_\_ (estimated amount)
- ☐ I have enclosed the contract. OR
- ☐ I certify that the contract has been lost or destroyed.
- ☐ Initiate partial transfer/exchange \$\_\_\_\_\_ (exact amount)

#### Plan type

#### FROM:

- ☐ Non-qualified ☐ Simple IRA
- ☐ IRA ☐ 401(k)
- ☐ Roth IRA ☐ 403(b) to IRA
- ☐ SEP IRA ☐ Other \_\_\_\_\_

#### TO:

- ☐ Non-qualified
- ☐ IRA
- ☐ Roth IRA
- ☐ SEP IRA

### 6 Acceptance by Contract Owner/Participant

If you are signing this form as a fiduciary (power of attorney, trustee, guardian, custodian, etc.) for the contract owner, please sign in your fiduciary capacity. We will need your authorizing documents to process this request. If we do not have them on file, please attach them to this form.

**For transfers/rollovers of qualified funds:** I intend that this transfer be accomplished as a trustee-to-trustee transfer in a nontaxable manner in accordance with IRS rulings and not constitute actual or constructive receipt by me for federal income tax purposes. I hereby request and direct the transfer of the net proceeds of the account listed on the previous page.

I understand that I am purchasing this annuity in an Individual Retirement Account or other tax-qualified plan as identified in Section 3 of this form. Since Individual Retirement Accounts and other tax-qualified plans are already afforded tax-deferred status, there is no additional tax deferral benefit in this annuity. I am purchasing this annuity because I value other features, such as lifetime income payments, principal protection, or death benefit protection, and I am willing to pay any additional cost associated with such features.

I understand that the proposed transfer may have important tax consequences and/or surrender or withdrawal penalties. I acknowledge that the Company assumes no responsibility or liability for any tax treatment on this transfer under the Internal Revenue Code or otherwise.

## 6 Acceptance by Contract Owner/Participant (continued)

**Transfers from 403(b) rollovers only:** I acknowledge and agree that I have sole responsibility (1) for compliance with the Internal Revenue Service's Section 403(b) Regulations and my employer's or former employer's 403(b) plan, if applicable, and (2) in determining and notifying the Company as to whether the requested distribution is an eligible rollover distribution.

**For 1035 exchange of non-qualified funds:** I hereby assign and transfer the specified portion of my right, title, and interest in the above Contract ("the Contract") to the Company. I irrevocably waive all rights, claims, and demands under the Contract or specified portion thereof. The purpose of this transfer is to effect a direct nontaxable exchange of contracts pursuant to Section 1035 of the Internal Revenue Code. I understand and agree that the cost basis in the contract issued by the Company shall be determined based on the cost basis information provided by the above-referenced company ("Surrendering Company"). I further understand and agree that the Company assumes no responsibility in obtaining or verifying the cost basis of the new contract issued by it. I acknowledge and agree that if the Company does not receive cost basis information acceptable to it, the cost basis will be recorded by the Company as zero.

I hereby declare that the Contract is not subject to any assignment, pledge, collateral assignment, or other lien and that no proceedings in bankruptcy or insolvency, voluntary or involuntary, have been instituted by or against me and that I am not under guardianship or any legal disability.

I understand and agree that the Company will request that the Surrendering Company totally or partially surrender the original Contract and that the Company assumes no responsibility for any delay by the Surrendering Company in paying the surrender proceeds or for any changes in the amount. I understand that the proposed transaction may have important tax consequences and/or surrender or withdrawal penalties, and I represent and agree that the Company is furnishing this form and participating in this transaction at my request. I understand and agree that the Company makes no representations concerning my tax treatment under Section 1035 of the Internal Revenue Code or otherwise and that the Company has no responsibility or liability for the validity of this assignment.

Owner's Signature X	Date (mm/dd/yyyy)	Co-Owner's Signature (if applicable) X	Date (mm/dd/yyyy)
Please Print Name Below		Please Print Name Below	
Signature Guarantee (if required by Surrendering Company)		Signature Guarantee (if required by Surrendering Company)	

## Contact Us

### By mail

Delaware Life  
P.O. Box 758580  
Topeka, KS 66675-8580

### By express mail

Delaware Life  
Mail Zone 581  
5801 SW 6th Avenue  
Topeka, KS 66636

### By fax

785-286-6118

### Online

[delawarelife.com](http://delawarelife.com)

### By phone

Customer Service **877-253-2323** M-F 7:30 a.m.-5:00 p.m., CT





# Important Notice: Replacement of Life Insurance or Annuities

**This document must be signed by the applicant and producer, if there is one, and a copy left with the applicant.**

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy, to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interest. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?.....

☐ Yes ☐ No
2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?.....

☐ Yes ☐ No

If you answered “yes” to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured, and the contract number if available) and whether each policy will be replaced or used as a source of financing:

Insurer Name	Contract or Policy #	Insured	Replaced (R) or Financing (F)

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. [If you request one, an in-force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer.] Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because:



I certify that the responses herein are, to the best of my knowledge, accurate:

Applicant's Signature X	Date (mm/dd/yyyy)	Printed Name
Joint Owner's Signature X	Date (mm/dd/yyyy)	Printed Name
Producer's Signature X	Date (mm/dd/yyyy)	Printed Name

I do not want this notice read aloud to me. \_\_\_\_\_ (Applicants must initial only if they do not want the notice read aloud.)

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

**Premiums:**

- Are they affordable?
- Could they change?
- You're older—are premiums higher for the proposed new policy?
- How long will you have to pay premiums on the new policy? On the old policy?

**Policy Values:**

- New policies usually take longer to build cash values and to pay dividends.
- Acquisition costs for the old policy may have been paid; you will incur costs for the new one.
- What surrender charges do the policies have?
- What expense and sales charges will you pay on the new policy?
- Does the new policy provide more insurance coverage?

**Insurability:**

- If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down.
- You may need a medical exam for a new policy.
- [Claims on most new policies for up to the first two years can be denied based on inaccurate statements. Suicide limitations may begin anew on the new coverage.]

**If You Are Keeping the Old Policy as well as the New Policy:**

- How are premiums for both policies being paid?
- How will the premiums on your existing policy be affected?
- Will a loan be deducted from death benefits?
- What values from the old policy are being used to pay premiums?

**If You Are Surrendering an Annuity or Interest Sensitive Life Product:**

- Will you pay surrender charges on your old contract?
- What are the interest rate guarantees for the new contract?
- Have you compared the contract charges or other policy expenses?

**Other Issues to Consider for All Transactions:**

- What are the tax consequences of buying the new policy?
- Is this a tax-free exchange? (See your tax advisor.)
- Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
- Will the existing insurer be willing to modify the old policy?
- How does the quality and financial stability of the new company compare with your existing company?

## Contact Us

**By mail**

Delaware Life, P.O. Box 758581, Topeka, KS 66675-0497

**By phone**

Service Center: 1-877-253-2323

**Online**

delawarelife.com