

upstream

LIFE | Est 1912

Producer Guide

Secure Legacy

MYGA Series

For Agent Use Only

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CONTACT INFORMATION

Website:

www.UpstreamLife.us

MARKETING and SALES CONTACT INFORMATION

Marketing Phone:

833-850-8198

Marketing Email:

marketing@upstreamlife.us

Marketing Mailing:

PO Box 2940
Oxford, MS 38655-2771

CONTRACTING and ADMINISTRATION CONTACT INFORMATION

Administration Phone:

866-658-2845

Administration Fax:

336-464-2308 (Customer Service)
336-464-2343 (New Business/Licensing)
336-464-2913 (Claims)

Administration Email:

UpstreamCustomerService@atmanre.com
UpstreamNewBusiness@actmanre.com
UpstreamClaims@actmanre.com

Administration Mailing:

PO Box 17039
Winston-Salem, NC
27116

Hours:

8:00 AM – 5:00 PM
(EST) Monday - Friday

ADMINISTRATIVE PROCEDURES

- Policies are reviewed and issued daily
- Policies will be sent to the producer via the email address you provide us
- Policies are effective the day premium is received
- Commissions are paid weekly by direct deposit

PRODUCER REQUIREMENTS

- Current AML certification
- E&O coverage
- Product specific training
- State specific training
- Training as required by NAIC Suitability in Annuity Transactions Model Regulation

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PRODUCT DESCRIPTIONS

SECURE LEGACY

The Upstream Life Secure Legacy MYGA is an industry leading single premium fixed annuity, offering a multi-year guaranteed interest period. This annuity accrues compound interest in a tax deferred manner and offers income and death friendly features and riders.

PRODUCT SPECIFICATIONS

Initial Guarantee Periods:

3, 5, 7, 10 & 15 Year

Markets:

Qualified and Non-qualified

Issue Ages:

0 – 80 81 + *

*Death Benefit Rider required

Minimum Contract Value:

\$10,000

Maximum Contract Value:

\$1,000,000*

*without Home Office approval

Death Benefit:

Cash Surrender Value

Death Benefit Rider available

FREE WITHDRAWAL OPTIONS

Accumulated Interest:

- After 30 days
- Accumulated interest
- Minimum withdrawal \$100
- Lump sum or equal monthly or quarterly payments

Required Minimum Distribution:

- After 30 days
- Minimum withdrawal \$100
- Current year's RMD should be taken prior to transfer/rollover

10% FREE WITHDRAWAL RIDER:

- Beginning second contract year
- Up to 10% of contract value at most recent anniversary date
- Costs 15-basis point reduction in crediting interest rate
- Minimum withdrawal \$100
- Lump sum or equal monthly or quarterly payments

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WITHDRAWAL CHARGES

SURRENDER CHARGE

Initial Guarantee Period	Surrender Charges for Policy Year														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
10-Year	10%	9%	8%	7%	6%	5%	5%	5%	5%	5%					
15-Year	10%	9%	8%	7%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%

- For issue ages 55+, the 15-year Guarantee Period will have surrender charges reduced to 0% in years 11+.
- During all Renewal Guarantee Periods, the Surrender Charge is 5% during the Renewal Guarantee Period.

MARKET VALUE ADJUSTMENT

The MVA is the factor by which We adjust Your Account Value, and is based on the Constant Maturity Treasury Rate (CMT) appropriate for any Guarantee Period as follows:

$$MVA \text{ Factor} = \left(\frac{1 + r_0 - 0.25\%}{1 + r_1} \right)^t$$

Where:

r_0 = CMT Rate on market day immediately prior to the current Guarantee Period less 0.25%

r_1 = CMT Rate on market day immediately prior to the calculation of the MVA factor

t = number of years, including partial years, remaining in the current Guarantee Period and is calculated by using the number of days until the end of the current Guarantee Period divided by 365. During the 30 days following the end of the Initial Guarantee Period or a Renewal Guarantee Period and when the Contract is not in the Initial Guarantee Period or a Renewal Guarantee Period, $t = 0.083$.

The MVA can be positive or negative and will never cause the Cash Surrender Value to be greater than the Account Value or less than the Minimum Guarantee Value. In addition, any limitation imposed by the Account Value and Minimum Guarantee Value limits will result in an equal dollar amount limit in the opposite direction. The MVA applies through the life of the contract; if the annuity is renewed new MVA rates will be determined using the renewal date and the Renewal Guarantee Period.

Initial Guarantee Period	Appropriate CMT Rate
2 Years	2-Year Constant Maturity Treasury Rate
3 Years	3-Year Constant Maturity Treasury Rate
4 or 5 Years	5-Year Constant Maturity Treasury Rate
6 or 7 Years	7-Year Constant Maturity Treasury Rate
8, 9 or 10 Years	10-Year Constant Maturity Treasury Rate
15 or 20 Years	20-Year Constant Maturity Treasury Rate

DEATH BENEFIT RIDER:

- Death Benefit equal to Contract Value
- Costs 25-basis point reduction in crediting interest rate
- Rider required for issue ages 81+

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APPLICATION PROCESS

- Applications will be submitted digitally through the agent portal. Paper apps may be submitted as well.
- Use only one submission method
- The current year's RMD should be taken prior to transfer/rollover
- Submit applications and forms to your upline, if required
- PDF applications are currently available upon request from marketing@upstreamlife.us
- Delivery receipts required for all annuities prior to payment of commissions in states where delivery receipts are required by statute
 - Delivery Receipts will be sent via the policy packet and can be returned via email to UpstreamCustomerService@actmanre.com

SUBMITTING APPLICATIONS IN GOOD ORDER

The following forms are required for all applications:

- Application
- Annuity Suitability Questionnaire
- W-9
- Additional forms appropriate to the application

TRUSTEE CERTIFICATION OF TRUST:

If the Owner or Beneficiary is a Trust, please complete a Trustee Certification of Trust form and include a copy of the following pages from the Trust documents with the application:

- Page indicating Name of Trust
- Signature page of Trust document
- TIN (tax identification number) for the Trust
- Application must be signed with a designation after each signature
- In addition to the Trustee Certification, please complete a Trust and Other Non-Natural Owner form

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OWNER/BENEFICIARY AS A CORPORATION, NON-PROFIT ORGANIZATION OR ENTITY:

If the Owner or Beneficiary is a Corporation/Entity, please include a copy of the following with the application:

- Certificate of Existence/Certificate of Good Standing
- TIN (tax identification number)
- Application must be signed with a designation after each signature
- In addition to the Certification of Existence/Certificate of Good Standing, please complete a Trust and Other Non-Natural Owner form

INTEREST RATE CHANGES

Upstream Life Insurance Company will notify producers of crediting rate changes.

Interest Rate can be locked in for 45 days from the application signature date by meeting these requirements:

- Application received “in good order”
- All paperwork received in administrative office within 10 business days of the application signature date
- All funds, including transfers from another carrier, received in the administrative office within 60 days of the application signature date

COMMISSION CHARGEBACKS

Commission chargebacks as specified in your Independent Producer Contract:

Chargebacks to commissions for withdrawals during the first year:

Surrender:

Months 1-6: 100%
Months 7-12: 50%

RMDs on Qualified Annuities:

Months 1-6: 0%
Months 7-12: 0%

Death:

Months 1-6: 100%
Months 7-12: 50%

Accumulated Interest:

Months 1-6: 0%
Months 7-12: 0%

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ISSUE AGE USED FOR COMMISSION AND POLICY

- If joint ownership, age of younger of the two joint owners
- In non-natural owner, age of youngest annuitant
- Joint owners/annuitants: 50/50 ownership assumed for tax purposes
- Joint ownership only allowed for non-qualified annuities

RENEWALS

During the thirty (30) days immediately following the end of any Interest Guarantee Period, the Owner may choose one of the following options, to take effect on Your next Contract Anniversary:

- (1) Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications:
 - a. continue Your Contract for a Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period; or
 - b. make a Partial Withdrawal, with no Surrender Charge or Market Value Adjustment, and apply the remaining Contract Value to continue Your Contract for a Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period.
- (2) Renewal Guarantee Period of 5 Years:
 - a. continue Your Contract for a Renewal Guarantee Period of 5 Years, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period; or
 - b. make a Partial Withdrawal, with no Surrender Charge or Market Value Adjustment, and apply the remaining Contract Value to continue Your Contract for a Renewal Guarantee Period of 5 Years, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period.
- (3) Make a Full Surrender of the Contract with no Surrender Charge or Market Value Adjustment.

We will mail a notice at least 15 days but not more than 45 days prior to the beginning of the application period where the owner can apply for the contract value on an unadjusted basis (no MVA).

Unless You select one of the options shown above, Your Contract will continue automatically for another Renewal Guarantee Period of 5 Years at a new Renewal Guaranteed Interest Rate. The new Interest Guarantee Period will not extend beyond the Maturity Date. If Your Contract is continued for another Renewal Guarantee Period, the Surrender Charges and Surrender Charge Period shown in Contract Specifications apply to the new Renewal Guarantee Period.

Producer Commissions of 50% of the base commission in the initial guarantee period are paid upon renewal.

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SETTLEMENT OPTIONS

We pay Settlement Option Proceeds as a life annuity with a five-year certain period, unless You make a Written Request for an Alternative Settlement Option that may be available from the Company at that time. Settlement option values will be determined using the 2012 IAR table and applicable minimum interest rate.

The settlement annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single premium immediate annuity contract at purchase rates offered by the company at the time to the same class of annuitants.

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DEATH SCENARIOS

What happens if a party to the contract dies during a <u>Guarantee Period</u> ?		
Ownership Arrangement	Who Dies	Result
Annuitant and Owner are the same	Annuitant / Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are the same and there are Joint Owners and Annuitants	One of the Joint Annuitants / Owners	Contract will continue until death of second Annuitant or second Owner
Annuitant and Owner are different individuals	Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals	Annuitant	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there is joint ownership of the policy	One of the Joint Owners	Contract will continue until death of Annuitant or second Owner
Annuitant and Owner are different individuals and there is joint ownership of the policy	Annuitant	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there are Joint Annuitants	Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there are Joint Annuitants	One of the Joint Annuitants	Contract will continue until death of second Annuitant or Owner
Annuitant and Owner are different and the Owner is not a	Annuitant	Death benefit is paid to the Beneficiary

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What happens if a party to the contract dies during a <u>Pay-Out Period</u> ?		
Ownership Arrangement	Who Dies	Result
Annuitant and Owner are the same	Annuitant / Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are the same and there are Joint Owners and Annuitants	One of the Joint Annuitants / Owners	Any remaining payments will continue to the Owner/Owners, until the death of the second Annuitant or second Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals	Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals	Annuitant	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there is joint ownership of the policy	One of the Joint Owners	Any remaining payments will continue to the Owner, until the death of the Annuitant or second Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there is joint ownership of the policy	Annuitant	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there are Joint Annuitants	Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there are Joint Annuitants	One of the Joint Annuitants	Any remaining payments will continue to the Owner, until the death of the second Annuitant or Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different and the Owner is not a Natural Person (trust, corporation, etc.)	Annuitant	Any remaining payments will continue to the Beneficiary

Upstream Life Insurance Company

Annuity Product Training

Certification & Acknowledgement Form

I hereby acknowledge I have received the appropriate product training and understand the benefits and provisions of the Upstream Life annuity products currently being offered. I completed these requirements on the date shown below.

Agent's Name

Production #

Completion Date

NOTE: This product training does not fulfill the state 4 hour training requirement.

Please return this form to Upstream Life via one of the options below:

Email or Fax to Upstream Life Business Office

- > Fax: 336.464.2308
- > Email: UpstreamCustomerService@actmanre.com

Mail Upstream Life Business Office

- > Mail to
Attn: Upstream Life Insurance Company
P.O. Box 17039
Winston-Salem, NC 27116

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