ANNUITIES & LIFE

Experience the Power of Collaborative Thinking

Fixed Indexed **ANNUITY**

FG Retirement Pro®

& YOU

Lifetime income and death benefits to provide a legacy, with no fee.

FG Retirement Pro helps you:

- **Maximize retirement income** with guaranteed payments for life
- **Preserve and grow** your savings
- **Leave a financial legacy** with death benefits for peace of mind

FG Retirement Pro, a modified single premium, indexed deferred annuity.

Who is F&G?

Since 1959, F&G has been the silent, unseen enabler of the hopes and dreams of millions of Americans.

Today, we provide annuities and life insurance for over 700,000 people across the United States.

The people who hold our policies were introduced to us by someone they know—their financial or insurance professional. We collaborate with them to be partners in prosperity with you and the people you care about most.

Working together we become something greater; we become agents of possibility, agents of empowerment, agents of stability and security in a volatile world.

We work together, think together, succeed together.
We collaborate to help you prosper.

What is an annuity?

An annuity is a long-term retirement tool that can be a cornerstone of your financial security and success.

You pay a premium (think of it as your principal) to F&G and F&G provides an annuity contract with unique benefits to you.

An annuity protects and potentially builds your savings, with the option of converting them into scheduled income payments for retirement.

If you're interested in long term, market-based potential growth of a base used to calculate a future guaranteed income stream, a **MODIFIED SINGLE PREMIUM INDEXED DEFERRED ANNUITY**, like FG Retirement Pro, may be a good choice for you.

This quick reference guide is intended to provide a helpful overview of FG Retirement Pro. It is coupled with the Statement of Understanding (which will be referred to as the SOU) that explains this annuity in detail. The SOU contains product information that is important and specific to you, to give you an understanding of this annuity. If you decide to complete an application, your financial or insurance professional will ask you to sign an acknowledgement to confirm you've received and read the SOU. In the event of any conflict between this guide and the SOU, the SOU prevails.

Your financial or insurance professional is able to explain the benefits and restrictions that apply in your state.

Read on and learn how FG Retirement Pro can play an important part in your financial security.

Is FG Retirement Pro a good option for you?

You'll have the opportunity to build the base of your future income by potentially earning interest linked to a market index—without participating in the market. This annuity has important features:

- **A unique structure** that tracks two values: your **Benefit Base** (used to calculate a future guaranteed income stream; not an amount that may be surrendered or withdrawn) and your **account value** (available for withdrawals).
- **We give you a bonus to your account.** It is added immediately to your Benefit Base and vests over 12 years in your account value.
- You can choose from several options for earning interest on your Benefit Base; one fixed interest option (with a guaranteed rate) and additional options tied to a market index.
- Your account value grows with a rate of interest that F&G guarantees at the outset of each contract year. A standout **Breakthrough** feature gives you potential for greater growth of your account value in the long term.
- Any growth of your savings is tax-deferred (you pay taxes only when you make withdrawals or receive income in the future).
- You have the option of guaranteed income for life.
- You'll have full access to your account value for unexpected health care costs, namely qualifying nursing or home health care, or in the event of terminal illness. This benefit applies to conditions that arise one year or more after the contract begins.
- From day one you have death benefits for peace of mind.
- You may withdraw your money at any time. Withdrawals in year one, or withdrawals in year 2-12 of over 10% of your vested account value, will incur withdrawal charges.
- No fees.

GROWTH POTENTIAL

The premium you pay grows with a vesting bonus

Premium may be paid only during the first contract year.

F&G adds a bonus of 7% of your premium to your Benefit Base immediately. This bonus vests over 12 years in your account value.

Growth of your account value

Your account value consists of:

- the premium paid in your first contract year,
- the vesting bonus as it vests over time,
- growth at a fixed interest rate F&G sets at the beginning of each contract year, and
- any Breakthrough Credits you may earn.

How you may earn Breakthrough Credits: Each contract anniversary, F&G determines if you have earned Breakthrough Credits by comparing your Benefit Base with the Breakthrough Value. The Breakthrough Value is defined as 160% of the premium you paid plus the bonus F&G added.

If the Benefit Base reaches Breakthrough Value, you will earn Breakthrough Credits, in the following contract year. Breakthrough Credits are applied to your account value and to any unvested bonus.

Your account value is reduced by prior withdrawals and withdrawal charges, and is the amount that may be surrendered or withdrawn.

Growth of your Benefit Base

Your Benefit Base value consists of the premium paid, plus 100% of your vesting bonus. It potentially grows with your choice of crediting options:

- A fixed interest option (we guarantee the rate for 12 years, then set it annually)
- Several options tied to the S&P 500® Index

Each index option is subject to caps, participation rates and/or spreads.

The index options are linked to the S&P 500 Index, but you are not investing directly in the stock market or any index. We protect you from downside risk, and you are guaranteed not to lose Benefit Base value due to market declines.

At the end of each crediting period, any gains to the Benefit Base are locked in.

The index options are not available in all states, so please check with your financial or insurance professional.

Your Benefit Base is used in the calculation of the key benefits of FG Retirement Pro: guaranteed income and death benefits paid over time. It is not a value that can be withdrawn or surrendered

Prior withdrawals and withdrawal charges reduce your Benefit Base.

KEY BENEFITS...

Guaranteed income

At any time after the first contract year, if you are at least 50 years old, you have the option to receive guaranteed withdrawal payments. If you haven't made excess withdrawals in any year, payments will never run out, no matter how long you live, even if your account value is depleted. The time to start is up to you, and you may stop income payments, and restart them later.

The payment amount is determined by the Benefit Base value when you begin withdrawal payments. The method of calculating the payment amounts is explained in the SOU.

Your guaranteed income payments may increase if you become impaired to the extent you are unable to perform at least two out of six activities of daily living. These are defined terms, and may vary from state to state. Increased payments will continue until your account value is depleted or the impairment no longer qualifies you for the benefit. Payments then revert to the original guaranteed income payment.

Prior withdrawals reduce guaranteed withdrawal amounts.

Death benefits

The death benefit may be paid as a lump sum or payments over time.

Prior withdrawals reduce death benefit amounts.

...AND PEACE OF MIND

Access for unexpected health care costs

If you need home health or nursing home care, or in the event of terminal illness, you may access your account value with no surrender charges or Market Value Adjustment (MVA). The diagnosis of terminal illness, or the beginning of home health or nursing home care, must occur at least one year after the contract is issued. These are defined conditions, and this benefit may vary from state to state.

Ability to withdraw

You may withdraw your money at any time. We know you may have unexpected opportunities or expenses.

You'll have penalty-free access to 10% of the account value in years 2-12. Any other withdrawals may incur withdrawal charges. These consist of surrender charges and MVA. The surrender charge in contract year one is 12% of the withdrawal, and this percentage decreases over 12 years.

What is a Market Value Adjustment? Any time a withdrawal incurs a surrender charge, an MVA will be made. The MVA is based on a formula that takes into account changes in the U.S. Treasury yields since the contract was issued. Generally, if treasury yields have risen, the MVA will decrease the surrender value; if they have fallen, the MVA will increase the surrender value.

The MVA does not apply in MO.

Annuitization

You don't have to worry about outliving your assets – you always have the option of annuitizing your contract on its maturity date, which means turning your annuity into scheduled payments for life. The maturity date of your FG Retirement Pro contract is set when the contract is issued.

TAX INFORMATION

The annuity is tax-deferred which means you don't pay taxes on the interest as it's earned, only when you withdraw it

Tax deferral may not be available if the annuity owner is an entity, such as a business.

Withdrawals are treated as coming from earnings first (taxable) and then as a return of your premium. If you withdraw money before age 59 ½, you may also pay a 10% penalty to the IRS.

Please keep in mind that buying an annuity in an IRA or other tax-qualified retirement account offers no additional tax benefit, since the retirement account is already tax-deferred. If your annuity contract is within a tax-qualified plan, you may be required to take minimum distributions beginning at age 70 ½.

You may exchange one tax-deferred annuity for another without paying tax 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 on the annuity you are exchanging, and you may start a new surrender charge period with the new annuity.

F&G does not offer tax or legal advice. Consult a tax professional regarding your specific situation.

This document is not a legal contract. For the exact terms and conditions, refer to the annuity contract, which is issued by Fidelity & Guaranty Life Insurance Company, Des Moines, IA.

Fidelity & Guaranty Life Insurance Company offers a diverse portfolio of fixed and fixed indexed deferred annuities, immediate annuities and optional additional features. Annuities are long-term vehicles to help with retirement income needs. Before purchasing, consider your financial situation and alternatives available to you. Visit us at **fglife.com** for more information, and consult a financial or insurance professional who can help you determine the alternatives for your goals and needs.

Form Numbers: API-1074 (01-15), FGL NH 1 (2003), FGL TI 1 (2003), ARI-1006 (02-11), ARI-1056 (06-13), ICC16-1085, ARI-1085.1, et al.

This product is a modified single premium, indexed deferred annuity that provides a minimum guaranteed surrender value. You should understand how the minimum guaranteed surrender value is determined before purchasing an annuity contract.

Even though contract values may be affected by external indexes, the annuity is not an investment in the stock market and does not participate in any stock, bond, or equity investments. Benefit Base crediting rates are subject to caps and participation rates, which may change at the discretion of F&G.

Interest rates are subject to change.

The provisions, riders and optional additional features of this product have limitations and restrictions, may have additional charges, and are subject to change. Contracts are subject to state availability, and certain restrictions may apply. See the SOU for details. .

F&G may change your annuity contract from time to time, to follow federal and state laws and regulations. If this happens, we'll tell you about the changes in writing.

This product is offered on a group or individual basis, subject to state approval. For group contracts, the group certificate and master contract provide the terms and conditions, which are subject to the laws of the issuing state.

Surrender charges and an MVA may apply to withdrawals. An MVA may increase or decrease the surrender value. Withdrawals may be taxable and may be subject to penalties prior to age 59 ½. Withdrawals will reduce the available death benefit.

Annuities that offer a vesting bonus may have higher fees, longer surrender charge periods, lower interest-crediting rates, lower participation rates, lower cap rates and higher spreads than annuities without vesting bonuses.

The "S&P 500 Index" is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates ("SPDJI") and has been licensed for use by Fidelity & Guaranty Life Insurance Company. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Fidelity & Guaranty Life Insurance Company. These annuity products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

It is important to note that when the declared participation rate is greater than 100% and the index change percentage at the end of the index term period is 0 or negative, no index interest credits will be applied to the account value. Please see the SOU for a detailed explanation.

Please contact us at 888.513.8797 or visit us at fglife.com for more information.

No bank guarantee.	**Not FDIC/NCUA/NCUSIF insured.**	**May lose value if surrendered early.**

888.513.8797 fglife.com

Your annuity values are guaranteed by Fidelity & Guaranty Life Insurance Company, Des Moines, IA.

F&G offers our series of focused life insurance and annuity products through a network of independent marketing organizations (IMOs) and financial or insurance professionals. We pay the IMO, financial or insurance professional, or firm for selling the annuity to you, and factor that into our contract pricing. Their compensation isn't deducted from your premium.

Insurance products are offered through Fidelity & Guaranty Life Insurance Company in every state, other than New York, as well as the District of Columbia and Puerto Rico. In New York, products are offered through a wholly owned subsidiary, Fidelity & Guaranty Life Insurance Company of New York. Each company is solely responsible for its contractual obligations.

As a legal reserve company, we're required by state regulation to maintain reserves equal to or greater than guaranteed surrender values.

Ask your financial or insurance professional today about F&G and let's get to work ensuring you have a bright tomorrow.

ANNUITIES & LIFE

Experience the Power of Collaborative Thinking

FG Retirement Pro – Statement of Understanding

INSURER: FIDELITY & GUARANTY LIFE INSURANCE COMPANY

Thank You for Your interest in the FG Retirement Pro annuity from Fidelity & Guaranty Life Insurance Company (the "Company"). It is important that You understand the benefits, features, and limitations of this annuity before making your purchasing decision. You/Your/I refers to the owner unless stated otherwise. Please read the following information and sign the last page of this disclosure document to acknowledge Your understanding of the annuity policy ("Policy") for which You are applying. This document is intended to provide You with a summary of the Policy, including benefits and limitations. To the extent the consumer product brochure conflicts with any information in this document, this document controls. To the extent this document conflicts with any provision of the Policy, the Policy controls. When You receive Your Policy, read it carefully.

What is the FG Retirement Pro annuity?

FG Retirement Pro is a Modified Single Premium Indexed Deferred Annuity with a Guaranteed Minimum Withdrawal Benefit ("GMWB") which is primarily intended for customers seeking a long-term retirement savings vehicle that has a lifetime withdrawal feature. You may deposit Premium (the amount of money You pay into the Policy) at any time prior to the end of the first policy year. Your Initial Premium (the amount of money You initially pay) must be at least $10,000 and any Additional Premium (the amount of money You may add during the first policy year) must be at least $2,000 and the sum of all Premiums paid cannot exceed $1,000,000.

When will my annuity be issued?

Annuities are issued with an effective date of the 1st, 8th, 15th or 22nd of the month. Premiums are held without interest until the next available effective date. Special rules apply if one of these dates falls on a weekend or holiday. If you withdraw money from an indexed interest crediting option on any day other than an interest crediting option anniversary you will not earn indexed interest, if any, on the amount you withdraw.

What if I decide I do not want my Policy after it is delivered?

After receipt of the annuity Policy, it may be returned within the free look period for an unconditional refund of the Premium. The free look period is the amount of time You have to request a refund. The actual free look period is stated on the cover page of Your Policy.

How much interest will be credited to my Policy?

- **Account Value**

Your Policy has an Account Value which equals the Premium, plus any vested Premium Bonus (explained below), plus interest thereon; less withdrawals of any type, less Surrender Charges (explained below) thereon and, plus/minus Market Value Adjustment as applicable.

The Account Value grows based on the Fixed Interest Method and may potentially grow based on Breakthrough Interest Credits (explained below).

- **Fixed Interest Method**

We will declare an initial fixed interest rate and renewal fixed interest rates that primarily will determine the interest credited to Your Account Value. These rates are guaranteed never to be less than the Guaranteed Minimum Effective Annual Interest Rate of 0.25%. The initial fixed interest rate is guaranteed for the first policy year only. At the end of the first policy year and any subsequent policy year, we will declare a renewal fixed interest rate that will be guaranteed for one policy year only. Fixed Interest credits are credited daily.

Does my Policy have a vesting Premium Bonus?

Yes, FG Retirement Pro will give You a Premium Bonus of 7.00% of Your first year premiums, which is subject to the following Premium Bonus Vesting Schedule.

Premium Bonus Vesting Schedule

End of Policy Year	1	2	3	4	5	6	7	8	9	10	11	12
Percentage	1%	2%	3%	4%	5%	10%	15%	20%	25%	50%	75%	100%

The Premium Bonus Vesting Schedule is the number of years over which the Premium Bonus and any interest thereon vests and the percentage of the Premium Bonus and interest thereon that vests on the Vesting Dates (policy anniversaries) each year during that period. Once any portion of the Premium Bonus and any interest thereon vests, it becomes part of the Account Value available for surrender or withdrawal. Any unvested Premium Bonus and any interest thereon are not available for surrender or withdrawal and are not part of the Surrender Value (explained below).

Bonus annuities may include higher surrender charges, longer surrender periods, lower caps, higher spreads, or other restrictions that are not included in similar annuities that don't offer a bonus.

Do I have access to the Account Value before the Maturity Date (the date the Policy starts annuity payments)?

Yes, FG Retirement Pro provides access to the value of Your Policy in several ways. However, any values accessed during the first twelve policy years may also be subject to a Surrender Charge, a Market Value Adjustment, and the Premium Bonus Vesting Schedule.

- **Free Withdrawal**

Surrender Charges and Market Value Adjustments will not apply to any Free Withdrawal amounts or any payments received under the Terminal Illness Rider, Nursing Home Rider and Home Health Care Rider (each described below).

In the first policy year, all withdrawals will be subject to a Surrender Charge and Market Value Adjustment.

After the first policy year, and prior to the Withdrawal Period under the GMWB feature (explained below) 10.00% of the Account Value as of the policy anniversary on the first day of that policy year is available, without a Surrender Charge and Market Value Adjustment. If You withdraw less than the Free Withdrawal amount in any policy year, Your Free Withdrawal amount in future policy years will not be increased. As explained later in this document, the Guaranteed Withdrawal Payment and Enhanced Guaranteed Withdrawal Payment, if applicable, under the GMWB feature is also a part of the Free Withdrawal amount and not in addition to it. Any unused portion of the Guaranteed Withdrawal Payment or Enhanced Guaranteed Withdrawal Payment, if applicable, also cannot be carried over to any subsequent policy year.

Any required minimum distribution under the Internal Revenue Code attributable to Your policy is part of and is not in addition to the Free Withdrawal amount. Please refer to the IRA Disclosure Statement for additional information.

- **Free Withdrawal benefits under the Terminal Illness Rider**

If You (or the annuitant if the owner is a non-natural person) meet all the conditions stated below and become Terminally Ill (an illness or physical condition that results in having a life expectancy of 12 months or less), You may withdraw all or part of Your Account Value without application of a Surrender Charge and Market Value Adjustment. If on full surrender, the Minimum Guaranteed Surrender Value is greater than the Account Value, the Minimum Guaranteed Surrender Value will be paid.

You (or the annuitant if the owner is a non-natural person) qualify for this benefit if:

- the Terminal Illness is diagnosed at least 1 year after the Policy's date of issue; and
- written proof of the Terminal Illness is received at our home office. This proof must include, but is not limited to, certification by a physician who provides medical care in connection with Your Terminal Illness. We reserve the right to obtain a second medical certification, at our expense, from a physician selected by us.

There is no additional charge for this benefit.

- **Free Withdrawal benefits under the Nursing Home Rider**

If You (or the annuitant if the owner is a non-natural person) meet all the conditions stated below and become confined to a Nursing Home (a state-licensed, nursing long-term care facility that provides skilled, continuous nursing care or services under the supervision of a licensed nurse or physician), You may withdraw all or part of Your Account Value without application of a Surrender Charge and Market Value Adjustment. If on full surrender, the Minimum Guaranteed Surrender Value is greater than the Account Value, the Minimum Guaranteed Surrender Value will be paid.

You (or the annuitant if the owner is a non-natural person) qualify for this benefit if:

- confinement to such Nursing Home first begins at least 1 year after the Policy's date of issue;
- confinement has continued for at least 60 consecutive days;
- the surrender/withdrawal is made while You are confined; and
- written proof of confinement is received at our home office.

There is no additional charge for this benefit.

- **Free Withdrawal benefits under the Home Health Care Rider**

If any annuitant meets all the conditions stated below and a physician certifies that he/she has an Impairment (cannot perform without the physical assistance of another person; or the presence of another person within arm's reach to prevent, by physical intervention, injury to the annuitant while performing at least 2 out of 6 Activities of Daily Living as defined below) that requires need for Home Health Care Services (defined below), You may withdraw all or part of Your Account Value without application of a Surrender Charge and Market Value Adjustment. If on full surrender, the Minimum Guaranteed Surrender Value is greater than the Account Value, the Minimum Guaranteed Surrender Value will be paid.

The 6 Activities of Daily Living are:

- Bathing: washing oneself by sponge bath or in either a tub or shower, including the tasks of getting into or out of the shower;
- Dressing: putting on and taking off all items of clothing and any required braces, fasteners, or artificial limbs;
- Transferring: moving into and out of a bed, chair or wheelchair;
- Toileting: getting to and from the toilet, getting on and off the toilet and performing related personal hygiene;
- Continence: ability to maintain control of bowel or bladder function or, when not able to maintain control of bowel or bladder function, ability to perform related personal hygiene (including caring for catheter or colostomy bag);
- Eating; feeding oneself by getting food into the body from a receptacle (such as a cup, plate, or table) or by feeding tube or intravenously.

Home Health Care Services means nursing care received in the annuitant's residence from a licensed Home Health Care Agency. Home Health Care Services includes, but is not limited to, part-time and intermittent skilled nursing services, home health aid services, physical therapy, occupational therapy, or speech therapy and audiology services, and medical social services by a social worker. Home Health Care Services must be required due to Impairment in at least 2 of the 6 Activities of Daily Living.

The annuitant qualifies for the benefit if:

- Home Health Care Services begin at least 1 year after the Policy's date of issue;
- Impairment in at least 2 of the 6 Activities of Daily Living has continued for at least 60 consecutive days;
- the surrender/withdrawal is made while the annuitant is receiving Home Health Care Services;
- satisfactory written proof is received, at our Home Office, that the annuitant is unable to perform, at least 2 of the 6 Activities of Daily Living and that the annuitant's impairment requires the need for Home Health Care Services; and
- Impairment is expected to last 90 days from the date of request.

There is no additional charge for this benefit. The Home Health Care Rider is not available in FL and ID.

What happens on the Policy's Maturity Date?

On the Policy's Maturity Date, You will receive the entire value of Your Policy in the form of annuity payments. There are a number of payout options from which to select. Regardless of the payout option selected, once the amount of the payments is determined, Your payments can never be changed. You should review the available payout options with Your tax advisor to select the most appropriate one based on Your financial situation. Upon annuitization the Enhanced Death Benefit will terminate.

Payment Options Offered

- Income for a Fixed Period
- Life Income with a Guaranteed Period
- Life Income
- Joint and Contingent Life Income
- Joint and Survivor Life Income with a Guaranteed Period
- Joint and Survivor Life Income
- Life Income With a Lump Sum Refund at Death

You may elect one of the Payment Options to begin to receive payments of contract proceeds over a fixed period, in a fixed amount, or over the lifetimes of the designated persons.

For options with a guaranteed period, the minimum payout period is five years and the maximum is the lesser of 25 years or the life expectancy of the annuitant(s). The minimum payment rate for a Joint and Contingent/Survivor annuitant is 25%. For all settlement options, the annuitization amount is based on the surrender value at that time, less surrender charges. All of these payment options, except income for a fixed period, provide a guaranteed income you cannot outlive.

What if I decide to surrender my Policy prior to the Maturity Date?

Prior to the Maturity Date, You may decide to surrender Your Policy. If You elect to do this, the Company will pay You the Policy's Surrender Value. The Surrender Value is equal to the greater of the following values:

- the Account Value, less any applicable Surrender Charges, plus/minus any applicable Market Value Adjustments; or
- the Minimum Guaranteed Surrender Value.

The Minimum Guaranteed Surrender Value equals A - B where:
- A is 87.5% of the Premium accumulated at the MGSV Accumulation Interest Rate, and
- B is any amounts previously deducted from the Minimum Guaranteed Surrender Value accumulated at the MGSV Accumulation Interest Rate.

The MGSV Accumulation Interest Rate is between 1 and 3%. The actual MGSV Accumulation Interest Rate will be shown in Your Policy.

<u>If You surrender the Policy before the end of the 12th policy year, You may receive less than Your Premium.</u>

What is a Surrender Charge?
A Surrender Charge is the cost You incur if the Policy is surrendered or if any amount withdrawn exceeds the Free Withdrawal amount during the period the Surrender Charge Schedule is in effect. The Surrender Charge on these amounts is applied at the time of the surrender or withdrawal. Any amount withdrawn above the Free Withdrawal amount will be multiplied by the applicable percentages below, which determines the amount of the Surrender Charge.

Surrender Charge Schedule

Policy Year	1	2	3	4	5	6	7	8	9	10	11	12	13+
Percentage	12%	11%	10%	9%	8%	7%	6%	5%	4%	3%	2%	1%	0%

What is a Market Value Adjustment?

A Market Value Adjustment (MVA) is an adjustment made during the time the Surrender Charge Schedule is in effect to the portion of the Account Value withdrawn that exceeds the Free Withdrawal amount. The MVA is in addition to the applicable Surrender Charge amount. The MVA may increase or decrease the amount of the withdrawal or the Surrender Value depending on the change in interest rates since You purchased Your annuity. Generally, if interest rates have risen since You purchased Your annuity, the MVA will decrease Your Surrender Value; and if interest rates have fallen, the MVA will increase Your Surrender Value. The net total of all MVA and Surrender Charges will not reduce the

Surrender Value to an amount which is less than the Minimum Guaranteed Surrender Value. If the MVA results in an increase to the Surrender Value, the amount of the increase will not be greater than the amount of the remaining Surrender Charge.

The MVA is based on a formula that takes into account changes in yields of the U.S. Treasury Constant Maturity Series between the date of Policy issue and the date of the withdrawal. We multiply the amount of the Account Value withdrawn or applied to an annuity option that is subject to the MVA by the Market Value Adjustment Factor. The Market Value Adjustment Factor is equal to:

$$1-\left(\frac{1+A}{1+B+.0025}\right)^{N/12}, \text{ where:}$$

* A and B are index rates based on the Treasury Constant Maturity Series published by the Federal Reserve with time to maturity equal to the Surrender Charge Schedule;
* A is the index rate determined as of the Policy date of issue;
* B is the index rate determined as of the date we process the surrender or annuitization request; and
* N is the number of months remaining to the end of the Surrender Charge Schedule, rounded up to the next higher number of months.

Straight line interpolation utilizing the Treasury Constant Maturity Series 10 year and 20 year maturities is used to determine the index rate for A and B. Interpolation is a mathematical means of determining the applicable index rate (A or B) based on the values of two surrounding rates (in this case the rates for the 10 and 20 year Treasury Constant Maturity Series). Straight line interpolation assumes a linear relationship between these two rates; it essentially means a weighted averaging of the two surrounding rates.

A positive MVA will decrease the Surrender Value, and a negative MVA will increase the Surrender Value.

Examples of Market Value Adjustments:

Example A – falling interest rates

Assume the 10-Year Treasury Constant Maturity Rate and the 20-Year Treasury Constant Maturity Rate are 2.00% and 2.50% at issue, respectively. The rate used in the Market Value Adjustment Factor calculation is based on a 12-Year duration – the length of the surrender charge schedule. Using straight line interpolation, the 12-Year rate at issue equals 2.10%. (The interpolation calculation is as follows: 80% x 10-Years + 20% x 20-Years = 12-Years, so the 12-Year rate is calculated as 80% x 2.00% + 20% x 2.50%, or 2.10%.)

Assume You take a withdrawal on the third (3rd) policy anniversary and the 10-Year Treasury Constant Maturity Rate and 20-Year Constant Maturity Rate are 1.75% and 2.00% at that time, respectively. The interpolated 12-Year rate is then 1.80%.

The Market Value Adjustment Factor is equal to:

$$1-\left(\frac{1+\mathrm{A}}{1+\mathrm{B}+.0025}\right)^{\mathrm{N}/12}$$

where A is equal to 2.10% and B is equal to 1.80%, as calculated above. On the third (3rd) policy anniversary, there are 9 years, or 108 months, remaining in the surrender charge schedule; therefore N is equal to 108. The Market Value Adjustment Factor is equal to -0.004418.

The Market Value Adjustment Factor is multiplied by the amount withdrawn in excess of any free withdrawal amount (i.e. not subject to surrender charges) to determine the applicable Market Value Adjustment. A negative Market Value Adjustment will increase the Surrender Value, subject to the limitations in Your Policy.

Example B – rising interest rates

Similar to the above example, assume the 10-Year Treasury Constant Maturity Rate and the 20-Year Treasury Constant Maturity Rate are 2.00% and 2.50% at issue, respectively. The interpolated 12-Year rate is then 2.10%.

Assume You take a withdrawal on the tenth (10th) policy anniversary and the 10-Year Treasury Constant Maturity Rate and 20-Year Constant Maturity Rate are 4.00% and 6.00% at that time, respectively. The interpolated 12-Year rate is then 4.40%.The Market Value Adjustment Factor is equal to:

$$1-\left(\frac{1+\mathrm{A}}{1+\mathrm{B}+.0025}\right)^{\mathrm{N}/12}$$

where A is equal to 2.10% and B is equal to 4.40%, as calculated above. On the tenth (10th) policy anniversary, there are 2 years, or 24 months, remaining in the surrender charge schedule; therefore N is equal to 24. The Market Value Adjustment Factor is equal to 0.048140.

The Market Value Adjustment Factor is multiplied by the amount withdrawn in excess of any free withdrawal amount (i.e. not subject to surrender charges) to determine the applicable Market Value Adjustment. A positive Market Value Adjustment will decrease the Surrender Value, subject to the limitations in Your Policy.

What happens if an Owner/Annuitant dies before the Maturity Date?

Prior to the Maturity Date and assuming Spousal Continuation (explained below) is not elected or applicable, if any owner/annuitant dies, the Company will pay the Beneficiary(ies) the Death Benefit which equals the greater of:

- The Account Value plus any unvested Premium Bonus and any interest thereon not reduced for any applicable Surrender Charges and no Market Value Adjustment will apply; or
- The Minimum Guaranteed Surrender Value.

The entire interest in the Policy must be distributed in accordance with the requirements of 72(s) of the Internal Revenue Code.

Surrender Charges, Market Value Adjustments, and the Premium Bonus Vesting Schedule will continue to be applicable if the spouse of the first owner to die elects to continue the Policy.

There is also an Enhanced Death Benefit available in which the Death Benefit is payable in equal installments over a specified number of years (explained below).

Does the Policy have a Guaranteed Minimum Withdrawal Benefit (GMWB) feature?

FG Retirement Pro automatically includes a Guaranteed Minimum Withdrawal Benefit feature at no extra charge.

Subject to certain limitations and conditions, this GMWB feature provides You with the ability to receive guaranteed withdrawal benefits for Your life (or the lives of You and Your spouse) or where the owner is a non-natural person, the life of the annuitant (or joint annuitants who must be spouses). This benefit is called the Guaranteed Withdrawal Payment.

What are the two periods under the GMWB feature?

The two periods under the GMWB feature are:

- **Accumulation Period**

The Accumulation Period is the period of time prior to the first Guaranteed Withdrawal Payment. The Accumulation Period begins on the Policy's issue date and ends the date Guaranteed Withdrawal Payments commence.

During the Accumulation Period, You may elect to start receiving Guaranteed Withdrawal Payments at any time after the Withdrawal Waiting Period of 1 policy year has elapsed and the Annuitant's age on which the Guaranteed Withdrawal Payments are based have reached the Minimum Withdrawal Age of 50.

- **Withdrawal Period**

The Withdrawal Period starts when You begin taking Guaranteed Withdrawal Payments. If during the Withdrawal Period an Excess Withdrawal (explained below) reduces Your Account Value to zero, the Policy will terminate.

What is the Benefit Base?

The Benefit Base is used to determine the Guaranteed Withdrawal Payment, to determine if the Breakthrough Value (explained below) has been achieved, and to determine the Enhanced Death Benefit subject to certain limitations (explained below). The Benefit Base is not part of the Policy's Account Value and is not used to determine the Policy's Surrender Value. **The Benefit Base is not a value that can be surrendered or withdrawn**.

How does the value of the Benefit Base potentially grow?

On the date Your Policy is issued, the Benefit Base is equal to the Initial Premium plus the applicable Premium Bonus thereon. You have the opportunity to grow the Benefit Base through the below Benefit Base Crediting Options. The Benefit Base will potentially grow until the earlier of the maturity date or the date the Account Value is depleted. **It is important to note that the Benefit Base will be reduced proportionally for withdrawals of any type.** This is explained further below.

After the Initial Premium, any Additional Premium and Premium Bonus amount that counts towards the Benefit Base value will be automatically allocated to the Benefit Base Fixed Interest Option. You may only reallocate values among Benefit Base Crediting Options once a policy year effective for the beginning of the next policy year. You must notify us of any reallocation at least 30 days prior to the end of the policy year.

What are the Benefit Base Crediting Options?

The following definitions apply to certain Benefit Base Crediting Options described below:

- **Index**

The Index is the applicable market index which is used in the calculation to determine any potential Index Interest Credit.

- **Index Crediting Period**

The Index Crediting Period is the period over which the performance of the Index is assessed to determine any potential Index Interest Credit. An Index Crediting Period begins on a policy anniversary.

- **Index Crediting Date**

The Index Crediting Date is the date on which we calculate and credit any Index Interest Credit. This date is at the end of the Index Crediting Period and falls on a policy anniversary**. This means that no Index Interest Credits are calculated or credited between Index Crediting Dates for any of the applicable Benefit Base Crediting Options. Accordingly, to the extent the Benefit Base value is used in any calculation for Policy benefits at any point in time between Index Crediting Dates that Benefit Base value will not reflect or participate in any Index Interest Credit during that Index Crediting Period.**

- **Index Value**

The Index Value on any specified date is the closing value of the applicable Index at the close of business on that date.

- **Your Premium**

You decide how to allocate your premium. If you elect to allocate your premium to an index option, keep in mind that your premium is not invested directly in the external index. Linking your premiums to an external index only means that the underlying index will be used to determine your credited interest. The investment performance of the interest crediting option does not directly pass through to you as an investment. You will not receive dividends off the index.

- **Cap Rate**

The Cap Rate is the maximum percentage rate that is applied at the end of the Index Crediting Period on the Index Crediting Date as part of the total calculation for Adjusted Index Change. Any applicable Cap

Rate is declared by the Company at the beginning of the Index Crediting Period and is guaranteed for that Index Crediting Period.

- **Monthly Cap Rate**

The Monthly Cap Rate is the maximum percentage rate that is applied to the Monthly Index Change as part of the total calculation for the Adjusted Index Change for the Monthly Point-to-Point Indexed Interest Option. Any applicable Monthly Cap Rate is declared by the Company at the beginning of the Index Crediting Period and is guaranteed for that Index Crediting Period.

- **Capped Monthly Index Change**

The Capped Monthly Index Change is the Monthly Index Change reduced, if necessary, to be no greater than the Monthly Cap Rate.

- **Participation Rate**

The Participation Rate determines how much of any increase in the Index will be used to calculate any Index Interest Credits. The Index Change for the Index Crediting Period is multiplied by any applicable Participation Rate. Any applicable Participation Rate is declared by the Company at the beginning of the Index Crediting Period and is guaranteed for that Index Crediting Period.

- **Index Change**

The Index Change is calculated on each Index Crediting Date and is used to calculate the Adjusted Index Change. Any Index Change is calculated and applied based on the formula described in each Benefit Base Crediting Option.

- **Monthly Index Change**

The Monthly Index Change is calculated on each monthly anniversary and is used to calculate the Adjusted Index Change in the Monthly Point-to-Point Fixed Indexed Interest Option.

- **Adjusted Index Change**

The Adjusted Index Change is each Benefit Base Crediting Option's Index Change, modified by its applicable adjustments. If an option is not issued with a Participation Rate or Cap Rate, then they are not part of that Adjusted Index Change calculation. The Adjusted Index Change is then multiplied by the applicable Benefit Base value allocated to that option to determine the Index Interest Credit for that Index Interest Crediting Period. The Index Interest Credit will never be less than zero.

The following Benefit Base Crediting Options are currently available but are subject to change after Your Policy is issued:

- **Benefit Base Fixed Interest Option**

The Benefit Base Fixed Interest Option grows the Benefit Base by the Initial Annual Interest Rate of 4.50% and is guaranteed from the Policy's date of issue through the Benefit Base Fixed Interest Rate Guarantee Term, which is 12 policy years. After the Benefit Base Fixed Interest Rate Guarantee Term, we may, at our discretion, annually declare a current interest rate at or in excess of the Benefit Base

Minimum Fixed Interest Rate, which is 2.00%. Interest credits for this Benefit Base Fixed Interest Option are credited daily in accordance with the applicable effective annual rate.

- **Point-to-Point Indexed Interest Option**

The Index Change for the Point-to-Point Indexed Interest Option is calculated by using a formula that takes into account the beginning and ending values of an Index. An Index Value is captured on each Index Crediting Date at the end of the applicable Index Crediting Period and is compared to the Index Value from the prior Index Crediting Date (or Date of Issue as applicable to calculations done on the first Index Crediting Date) to determine the Index Change for the Point-to-Point Indexed Interest Option. The Index Change equals the Index Value at the end of the Index Crediting Period minus the Index Value at the beginning of the Index Crediting Period, divided by the Index Value at the beginning of the Index Crediting Period. The Adjusted Index Change for the Point-to-Point Indexed Interest Option equals the Index Change multiplied by any applicable Participation Rate, and the result is subject to any applicable Cap Rate. The Adjusted Index Change is then multiplied by the Benefit Base Value allocated to this option to determine the Index Interest Credit for that Index Crediting Period. The Information page shows the applicable Index Crediting Period. The Cap Rate will never be less than 3.00% for the Point-to-Point Indexed Interest Option. The Participation Rate for the Point-to-Point Indexed Interest Option will never be less than 50%. The Adjusted Index Change for the Point-to-Point Indexed Interest Option is calculated on the Index Crediting Date and the Index Interest Credit will never be less than zero.

- **Monthly Point-to-Point Indexed Interest Option**

The Monthly Index Change for the Monthly Point-to-Point Indexed Interest Option is calculated by using a formula that takes into account the monthly beginning and ending values of an Index. The Monthly Index Change is calculated on each monthly anniversary during the applicable Index Crediting Period. The Monthly Index Change equals the Index Value of the current monthly anniversary divided by the Index Value on the prior monthly anniversary; minus one. A positive Monthly Index Change will be subject to a Monthly Cap Rate. A negative Monthly Index Change will not be subject to a Monthly Cap Rate. A negative Monthly Index Change also will not be subject to any floor. A Capped Monthly Index Change is captured for each month in the Indexing Period. The Adjusted Index Change for the Monthly Point-to-Point Indexed Interest Option equals: the sum of the Capped Monthly Index Changes during the applicable Index Crediting Period multiplied by any applicable Participation Rate. The Information page shows the applicable Index Crediting Period. The Adjusted Index Change is then multiplied by the Benefit Base Value allocated to this option to determine the Index Interest Credit for that Index Crediting Period. The Monthly Cap Rate will never be less than 1.00%. The Participation Rate for the Monthly Point-to-Point Indexed Interest Option will never be less than 50%. The Adjusted Index Change for the Monthly Point-to-Point Indexed Interest Option is calculated on the Index Crediting Date and the Index Interest Credit will never be less than zero.

- **Monthly Average Indexed Interest Option**

The Index Change for the Monthly Average Indexed Interest Option is calculated by using a formula that takes into account the average of the monthly values of an Index. The Index Values are captured at one month intervals, from the end of the first month of the Index Crediting Period to the end of the last month of the Index Crediting Period. The Index Monthly Average is the sum of these monthly Index Values divided by the number of months in the Index Crediting Period. The Index Change equals the Index Monthly Average minus the Index Value on the first day of the Index Crediting Period (or Date of Issue for the first Index Crediting Period), divided by the Index Value on the first day of the Index Crediting Period (or Date of Issue for the first Index Crediting Period). The Adjusted Index Change for the Monthly Average Indexed Interest Option equals the Index Change for the Monthly Average Indexed Interest Option multiplied by any applicable Participation Rate, and the result is subject to any applicable Cap Rate. The Adjusted Index Change is then multiplied by the Benefit Base Value allocated to this option to determine the Index Interest Credit for that Index Crediting Period. The Cap Rate for the Monthly Average Indexed Interest Option will never be less than 3.00%. The Participation Rate for the Monthly Average Indexed Interest Option will never be less than 50%. The Adjusted Index Change for the Monthly Average Indexed Interest Option is calculated on the Index Crediting Date and the Index Interest Credit will never be less than zero.

How is the Benefit Base reduced for withdrawals?

The Benefit Base during the Accumulation and Withdrawal Periods will be reduced for any withdrawals. The Benefit Base after a withdrawal will equal the Benefit Base immediately before the withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value immediately after the withdrawal to the Account Value immediately before the withdrawal.

If during the Accumulation Period the Account Value equals zero, the Benefit Base will also equal zero, and this Policy will terminate. If during the Withdrawal Period the Account Value is reduced to zero due to an Excess Withdrawal (explained below), the Guaranteed Withdrawal Payment will also be reduced to zero and the Policy will terminate.

How is the Guaranteed Withdrawal Payment calculated?

At the beginning of the Withdrawal Period, the Guaranteed Withdrawal Payment is equal to the applicable (Single Withdrawal Payments or Joint Withdrawal Payments) Guaranteed Withdrawal Percentage multiplied by the greatest of (i) the Benefit Base, (ii) the Minimum Benefit Value (explained below), or (iii) the Account Value. The applicable Guaranteed Withdrawal Percentages are shown in the tables below. Withdrawal Payments may be stopped and then restarted again at any time during the Withdrawal Period. Any unused portion of the Guaranteed Withdrawal Payment amount in a policy year cannot be carried over to any subsequent policy year. The Guaranteed Withdrawal Payment is guaranteed to be paid for the applicable lifetime(s) provided no Excess Withdrawal is taken and a life only annuity payout option or the GMWB Annuity Payment option (the amount of the Guaranteed Withdrawal Payment for life) is elected at maturity.

The Minimum Benefit Value is used only on the first day of the Withdrawal Period to determine the Guaranteed Withdrawal Payment, if the Minimum Benefit Value is greater than the Benefit Base or Account Value on that date. The Minimum Benefit Value is equal to the Premium plus any applicable Premium Bonus thereon growing 3.50% until the earlier of the end of 12 policy years or the date the Withdrawal Period begins. The Minimum Benefit Value will be reduced for any withdrawals. The Minimum Benefit Value after a withdrawal will equal the Minimum Benefit Value immediately before the withdrawal multiplied by the Minimum Benefit Value Adjustment. The Minimum Benefit Value Adjustment equals the ratio of the Account Value immediately after the withdrawal to the Account Value immediately before the withdrawal.

What are the Guaranteed Withdrawal Percentages?

Single Annuitant	
Annuitant Age	Guaranteed Withdrawal Percentage
50	3.50%
51	3.60%
52	3.70%
53	3.80%
54	3.90%
55	4.00%
56	4.10%
57	4.20%
58	4.30%
59	4.40%
60	4.50%
61	4.60%
62	4.70%
63	4.80%
64	4.90%
65	5.00%
66	5.10%
67	5.20%
68	5.30%
69	5.40%
70	5.50%

Single Annuitant	
Annuitant Age	Guaranteed Withdrawal Percentage
71	5.60%
72	5.70%
73	5.80%
74	5.90%
75	6.00%
76	6.10%
77	6.20%
78	6.30%
79	6.40%
80	6.50%
81	6.60%
82	6.70%
83	6.80%
84	6.90%
85	7.00%
86	7.10%
87	7.20%
88	7.30%
89	7.40%
90+	7.50%

Joint Annuitant	
Annuitant Age	Guaranteed Withdrawal Percentage
50	3.00%
51	3.10%
52	3.20%
53	3.30%
54	3.40%
55	3.50%
56	3.60%
57	3.70%
58	3.80%
59	3.90%
60	4.00%
61	4.10%
62	4.20%
63	4.30%
64	4.40%
65	4.50%
66	4.60%

Joint Annuitant	
Annuitant Age	Guaranteed Withdrawal Percentage
71	5.10%
72	5.20%
73	5.30%
74	5.40%
75	5.50%
76	5.60%
77	5.70%
78	5.80%
79	5.90%
80	6.00%
81	6.10%
82	6.20%
83	6.30%
84	6.40%
85	6.50%
86	6.60%
87	6.70%

67	4.70%
68	4.80%
69	4.90%
70	5.00%

88	6.80%
89	6.90%
90+	7.00%

Will my Guaranteed Withdrawal Payment ever increase after it is established?

The Guaranteed Withdrawal Payment will never increase after it is established except in accordance with the Enhanced Guaranteed Withdrawal Payment provisions (explained below).

Will my Guaranteed Withdrawal Payment ever decrease after it is established?

Yes, if either of the following events occur:

- an Excess Withdrawal is taken; or

the Guaranteed Withdrawal Payment was increased under the Enhanced Guaranteed Withdrawal provision and qualifications for this provision are no longer met or the Account Value is depleted.

What is an Excess Withdrawal and what happens if I take an Excess Withdrawal?

During the Withdrawal Period, an Excess Withdrawal is any amount withdrawn over the Guaranteed Withdrawal Payment or the Enhanced Guaranteed Withdrawal Payment, if applicable, available for that policy year.

The Guaranteed Withdrawal Payment or the Enhanced Guaranteed Withdrawal Payment, if applicable, is reduced due to Excess Withdrawals. The reduced Guaranteed Withdrawal Payment or Enhanced Guaranteed Withdrawal Payment will equal the Guaranteed Withdrawal Payment or Enhanced Guaranteed Withdrawal Payment, if applicable, multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value immediately after the Excess Withdrawal to the Account Value immediately before the Excess Withdrawal. Additionally, an Excess Withdrawal will reduce the Benefit Base in the same manner.

<u>If an Excess Withdrawal reduces the Account Value to zero, the Guaranteed Withdrawal Payment and the Benefit Base will also be reduced to zero and the Policy will terminate.</u>

Examples of Excess Withdrawals:

Example A – Withdrawal during the Accumulation Period

Assume the Account Value is $100,000, the Benefit Base is $150,000, and $50,000 is withdrawn from the policy. The Account Value is reduced to $50,000. The Benefit Base is also reduced for withdrawals during the Accumulation Period.

The Benefit Base after the withdrawal is equal to the Benefit Base immediately before the withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value after the withdrawal to the Account Value before the withdrawal, or $50,000/$100,000 = 50%. The resulting Benefit Base is 50% x $150,000 = $75,000.

Assume that the policyholder then decides to begin the Withdrawal Period and the applicable Guaranteed Withdrawal Percentage at that time is 5%. The resulting Guaranteed Withdrawal Payment is equal to 5% multiplied by the remaining Benefit Base of $75,000, or $3,750.

Conversely, if the policyholder had not taken the $50,000 withdrawal, the Guaranteed Withdrawal Payment would have been equal to 5% multiplied by $150,000, or $7,500.

Example B – Excess Withdrawal during the Withdrawal Period

Assume the Account Value has declined to $20,000, the Guaranteed Withdrawal Payment is $7,500, and the Benefit Base has declined to $30,000. Assume the policyholder then decides to withdraw $17,500; this withdrawal consists first of the Guaranteed Withdrawal Payment of $7,500 for that policy year and then an Excess Withdrawal of $10,000.

The Account Value after the Withdrawal is $20,000 - $17,500 = $2,500. The Benefit Base is also reduced for withdrawals during the Withdrawal Period.

The Benefit Base after the Guaranteed Withdrawal Payment is equal to the Benefit Base immediately before the Guaranteed Withdrawal Payment multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value after the Guaranteed Withdrawal Payment to the Account Value before the Guaranteed Withdrawal Payment, or $12,500/$20,000 = 62.5%. The resulting Benefit Base is $30,000 x 62.5% = $18,750.

The Benefit Base after the Excess Withdrawal is equal to the Benefit Base immediately before the Excess Withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value after the Excess Withdrawal to the Account Value before the Excess Withdrawal, or $2,500/$12,500 = 20.0%. The resulting Benefit Base is $18,750 x 20.0% = $3,750.

The Guaranteed Withdrawal Payment is reduced for any Excess Withdrawals during the Withdrawal Period. The Guaranteed Withdrawal Payment after an Excess Withdrawal equals the Guaranteed Withdrawal Payment before the Excess Withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment used to calculate the new Guaranteed Withdrawal Payment equals the ratio of the Account Value after the Excess Withdrawal to the Account Value before the Excess Withdrawal. The new Guaranteed Withdrawal Payment is $7,500 x ($2,500 / $12,500) = $1,500.

Example C – Excess Withdrawal during the Withdrawal Period which depletes the Account Value

Assume the Account Value has declined to $50,000, the Guaranteed Withdrawal Payment is $10,000, and the Benefit Base has declined to $100,000. Assume the policyholder then decides to withdraw $50,000; this withdrawal consists of the Guaranteed Withdrawal Payment of $10,000 for that policy year and an Excess Withdrawal of $40,000.

The Account Value after the Withdrawal is $50,000 - $50,000 = $0. The Benefit Base is also reduced for withdrawals during the Withdrawal Period.

The Benefit Base after the withdrawal is equal to the Benefit Base immediately before the withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment equals the ratio of the Account Value after the withdrawal to the Account Value before the withdrawal, or $0/$50,000 = 0%. The resulting Benefit Base is $100,000 x 0% = $0.

The Guaranteed Withdrawal Payment is reduced for any Excess Withdrawals during the Withdrawal Period. The Guaranteed Withdrawal Payment after an Excess Withdrawal equals the Guaranteed Withdrawal Payment before the Excess Withdrawal multiplied by the Withdrawal Adjustment. The Withdrawal Adjustment used to calculate the new Guaranteed Withdrawal Payment equals the ratio of the Account Value after the Excess Withdrawal to the Account Value before the Excess Withdrawal. The new Guaranteed Withdrawal Payment is $10,000 x ($0 / $40,000) = $0.

As shown, if an Excess Withdrawal reduces the Account Value to zero, the Guaranteed Withdrawal Payment and Benefit Base will also be reduced to zero. When this occurs, the policy will terminate.

What is the Enhanced Guaranteed Withdrawal Payment?

During the Withdrawal Period, if all of the eligibility requirements listed below are met, the Guaranteed Withdrawal Payment will be increased by the GMWB Multiplier of 2.0 for Single Withdrawal Payments or 1.5 for Joint Withdrawal Payments. This means Your Guaranteed Withdrawal Payment amount will increase by this multiplier while You qualify for this benefit.

The Enhanced Guaranteed Withdrawal Payment is established at the time of approval of Impairment (defined above under the heading "Free Withdrawal benefits under the Home Health Care Rider") and will only decrease if there are Excess Withdrawals, if the applicable life is no longer impaired or if Your Account Value is equal to zero.

What are the eligibility requirements to receive Enhanced Guaranteed Withdrawal Payments?

All of the following criteria must be met to trigger Enhanced Guaranteed Withdrawal Payments:

- any of the lives on which Guaranteed Withdrawal Payments are based must become Impaired at least 1 year after the Policy Date of Issue;
- the Policy must have been in force for 3 years and the person with the Impairment must have attained age 60;
- no Premium or Additional Premiums may have been paid into the Policy for at least 3 years prior to the request for the Enhanced Guaranteed Withdrawal Payment Benefit;
- the person with the Impairment must be a legal U.S. resident on the date we approve the benefit; satisfactory written proof must be received at our home office that the person with the Impairment is unable to perform, at least 2 of the 6 Activities of Daily Living (defined above under the heading "Free Withdrawal benefits under the Home Health Care Rider") and Impairment requires an appropriately licensed professional to provide care related to the Impairment; and
- the Impairment is expected to be permanent.

What if I no longer meet the eligibility requirements of the Enhanced Guaranteed Withdrawal Payment?

If the applicable life is no longer Impaired or if Your Account Value is equal to zero not as a result of an Excess Withdrawal, the Enhanced Guaranteed Withdrawal Payment amount will revert to the Guaranteed Withdrawal Payment amount.

We reserve the right to request documentation, as least annually, from the Impaired person's attending physician regarding the continued inability to perform at least 2 of 6 Activities of Daily Living.

What is the Breakthrough feature of my Policy?

Your Policy has a feature that may potentially grow Your Account Value and unvested Premium Bonus based on Breakthrough Interest Credits. **This feature applies only if the Breakthrough Value is achieved on a policy anniversary.**

On each policy anniversary, we will determine whether the Benefit Base meets or exceeds the Breakthrough Value. If the Breakthrough Value is met or exceeded by the Benefit Base on a policy anniversary, then on the following policy anniversary, Breakthrough Interest Credits, if any, will be thereafter calculated and credited to the Account Value and the unvested Premium Bonus on each policy anniversary until the earlier of the Maturity Date or the point at which the Account Value equals zero. If the Breakthrough Value is never met or exceeded by the Benefit Base value, then Breakthrough Credits will not be calculated or credited to the Policy. If the Benefit Base meets or exceeds the Breakthrough Value during a policy year but does not meet or exceed the Breakthrough Value on the ensuing policy anniversary due to a withdrawal of any type, the requirement for this feature is not considered to be met and Breakthrough Interest Credits will not be credited to the Account Value on the subsequent policy anniversary.

- **How is the Breakthrough Value determined?**

The Breakthrough Value is determined by multiplying the Premium plus any applicable Premium Bonus by the Breakthrough Factor of 160%. The Breakthrough Value will be determined on the first policy anniversary.

- **How are Breakthrough Interest Credits, if any, calculated?**

The Breakthrough Interest Credits equal the Breakthrough Accumulation Rate minus the interest rate attributed to the Fixed Interest Method for that policy anniversary multiplied by the Account Value and the unvested Premium Bonus.

The Breakthrough Accumulation Rate is the sum of the Benefit Base Crediting Option's credited rates on the applicable policy anniversary multiplied by the applicable Benefit Base Crediting Option's allocation percentages for the applicable calculation period.

Does the Policy have an Enhanced Death Benefit Feature?

FG Retirement Pro automatically includes an Alternative Death Benefit rider at no extra charge. The Alternative Death Benefit rider is referred to as the Enhanced Death Benefit feature for marketing purposes only.

Subject to certain limitations and conditions, this Enhanced Death Benefit feature may be elected by the beneficiary in lieu of the Death Benefit under the Base Annuity Death Benefit provision. It is payable in equal installments for a defined number of years.

The rider provides an Enhanced Death Benefit during the accumulation period of the Base Contract. Once the GMWB Withdrawal Period begins or upon annuitization this rider terminates without value.

The Enhanced Death Benefit is available to Beneficiaries upon death of the owner (or Annuitant if the Owner is a Non-natural Person) in lieu of the Death Benefit under the Base Annuity Death Benefit provision. Both will not be paid.

The Alternative Death Benefit Waiting Period is one year. It is available after the first policy year.

The Enhanced Death Benefit will not exceed the Alternative Death Benefit Maximum Limit. The Alternative Death Benefit Maximum Limit is the lesser of:

- The Alternative Death Benefit Factor (200%) multiplied by Net Premium. No interest applies to this amount; or
- Net Premium accumulated at the Alternative Death Benefit Maximum Annual Growth Rate. For purposes of calculating this value, interest is credited daily to reflect the timing of premium and withdrawal payments. The daily interest rate used is the daily equivalent to the annual effective rate, 10%.

Net Premium for purposes of calculating the Alternative Death Benefit Maximum Limit is defined as Premiums paid less withdrawals taken. This limit is applied after the Enhanced Death Benefit is calculated, as described below.

Subject to the Alternative Death Benefit Maximum Limit the Enhanced Death Benefit is equal to:

- Before the Policy Anniversary on which the (oldest) owner has reached the Alternative Death Benefit Maximum Increase Age 85:
  - GMWB Benefit Base.
- On or after the Policy Anniversary on which the (oldest) owner has reached the Alternative Death Benefit Maximum Increase Age 85:
  - GMWB Benefit Base on the Policy Anniversary immediately following reaching the Alternative Death Benefit Maximum Increase Age 85 reduced proportionally for all withdrawals taken after that Policy Anniversary.
  - When a withdrawal is taken, the Enhanced Death Benefit is reduced in the same proportion that the Account Value is reduced.

The Enhanced Death Benefit is payable over a number of years in equal payments. The payout period is the lesser of the payout period as defined in the chart below, or the Beneficiary's (oldest Beneficiary if there are multiple Beneficiaries) life expectancy. However, the payout period will never be less than 5 years.

Oldest Owner's Issue Age	Alternative Death Benefit Payout Period
0-70	5 years
71-80	10 years

The rider terminates on the earliest of:

- Policy terminates for any reason; or
- Election of the Death Benefit under Base Annuity Death Benefit provision; or
- Beginning of the Withdrawal Period; or
- Annuitization occurs; or
- Spouse elects to continue the Policy pursuant to the Spousal Continuation provision; or
- Change in ownership or upon assignment unless such change in ownership or assignment meets the conditions specified in the Ownership Rights section of Change of Owner section as applicable in the Ownership provision.

Can my spouse continue this Policy?

If the surviving spouse of the deceased owner (or the deceased annuitant if the owner is a non-natural person) becomes the sole owner and the sole annuitant and elects to continue the Policy, the GMWB provisions will also continue and the following will apply:

- if the Policy is in the Accumulation Period at the time of the spousal continuation, the Policy will continue in the Accumulation Period. If the Policy then later enters the Withdrawal Period, the Guaranteed Withdrawal Payments will be based on the life of the surviving spouse.
- if the Policy was in the Withdrawal Period at or prior to the time of spousal continuation, the surviving spouse will continue to receive Withdrawal Payments if they were based, in part, on the life of the surviving spouse. If the Withdrawal Payments were based solely on the life of the deceased spouse then the GMWB provisions will terminate and the Base Annuity Death Benefit provision will apply.

If the surviving spouse elects to continue the contract, the Enhanced Death Benefit Rider will terminate; the Death Benefit under the Base Annuity Death Benefit provision will continue to apply for the duration of the policy and be available upon death of the surviving spouse.

Spousal continuation can only apply once. It cannot apply a second time if the surviving spouse continues the Policy, remarries and then dies.

Are there any tax consequences if I take withdrawals from my Policy?

Income tax on interest credited to an annuity is deferred until withdrawals are taken. When You surrender, take a withdrawal from Your Policy, or take a Guaranteed Withdrawal Payment from Your Policy, You may be subject to federal and state income tax on a portion or the entire amount withdrawn. In addition to income tax, You may be subject to a 10% federal penalty tax if You surrender, take withdrawals, or take a Guaranteed Withdrawal Payment from Your annuity before age 59 ½. When annuity payments are elected, a portion of each payment will be taxable and a portion will be treated as a non-taxable return of the Policy's cost basis. Distributions from a qualified annuity (e.g. IRA, 401(k), etc.) may also be taxable. You should consult with a tax advisor or attorney regarding the applicability of this information to Your own situation.

How is the insurance producer compensated?

The insurance producer earns a commission from the Company for each Policy sold. In addition to the commission paid to the insurance producer, override commissions or compensation will also be paid to agencies and/or independent marketing organizations (IMOs), which assist in the recruiting and training of selling producers. All commission or compensation will be paid by the Company, agency and/or IMO and will not be deducted from the premium paid for the Policy. In addition to such compensation and commissions, the Company, agency and/or IMO may provide education, training or other services including but not limited to meals and entertainment events, as non-cash compensation to the insurance producer. The Company may also provide the same to the agency or IMO. Additionally, if your agent meets certain sales production goals, your agent may qualify to participate in a deferred compensation or retirement saving program as well as receive errors and omission coverage through the Company. With respect to sales of annuity products that are not tax-qualified only, in the event certain sales volumes levels are met, insurance producers will receive additional compensation, as well as non-cash compensation including but not limited to prizes, trips and entertainment events from the Company, agency and/or IMO as a reward for achieving those sales volumes. If an agency or IMO meets certain sales production goals, it may receive additional compensation from the Company. With respect to sales of annuity products that are not tax-qualified only, in the event certain sales volumes levels are met, agencies or IMOs will receive additional non-cash compensation including but not limited to prizes, trips and entertainment events from the Company as a reward for achieving those sales volumes. Commissions and other compensation items impact pricing, including interest rates, cap rates and premium bonuses and may place limitations on access to your funds, such as surrender charges (including the premium bonus vesting schedule, if applicable).

What other important information should I know about my Policy?

- The guarantees provided by annuities are subject to the stability and claims paying ability of Fidelity & Guaranty Life Insurance Company and are NOT FDIC insured, are subject to investment risks, including interest-rate risk, and may experience loss of principal.
- If this annuity is being purchased to replace an existing life insurance policy or annuity contract, You should compare the two products carefully. You should consider any surrender charges and/or market value adjustments that may be incurred on the surrender of the existing policy or contract.
- Tax-deferral offers no additional value if the annuity is used to fund a qualified plan, such as an IRA or 401k and may not be available if the owner of the annuity is not a natural person such as a corporation or certain types of trusts.
- It is within the Company's sole discretion to set the interest rates, Cap Rates and Participation Rates for this annuity, subject to any minimum or maximum guarantees contained in the Policy.
- Withdrawals in excess of the Free Withdrawal amount may be subject to Surrender Charges and Market Value Adjustments.
- Past performance of a market index is not an indication of future performance.
- The Company's insurance producer may not make any statements that differ from what is stated in this disclosure form or the applicable product brochure. No promises or assurances have been made about the future values of any non-guaranteed elements of the annuity.
- This Policy may be returned within the free look period (of no less than 20 days) for an unconditional refund if You are dissatisfied with the Policy for any reason.

TERMS OF YOUR ANNUITY POLICY

- **<u>Premium Bonus:</u> Your annuity will receive a vesting Premium Bonus. The Premium Bonus is described in Your annuity Policy and summarized above under the heading "Does my Policy have a vesting Premium Bonus?"**
- **<u>Minimum Annual Interest Rate:</u> For the Fixed Interest Method, the interest rate can change each year and is guaranteed never to be less than 0.25%. The amount of Breakthrough Interest Credits, if any, depend on a number of factors; but are guaranteed to never be less than zero.**
- **<u>Surrender Charge:</u> Your annuity is subject to a Surrender Charge during the first 12 policy years. A Surrender Charge is the cost You incur on an amount surrendered or withdrawn that exceeds the Free Withdrawal amount available under Your annuity. The Surrender Charge is described in Your annuity and summarized above under the heading "What if I decide to surrender (cancel) my Policy?" The Surrender Charge is applied at the time of the surrender or withdrawal and is calculated by multiplying the applicable percentage shown in the table in the Surrender Charge section by the amount withdrawn in excess of the Free Withdrawal amount.**
- **<u>Enhanced Death Benefit feature</u>: This is the marketing name for the Alternative Death Benefit rider, described in your annuity policy.**
- **<u>Market Value Adjustment:</u> Your annuity is subject to a Market Value Adjustment during the first 12 policy years. The Market Value Adjustment is applied on an amount surrendered or withdrawn that exceeds the Free Withdrawal amount. The Market Value Adjustment is described in Your annuity and summarized above under the heading "What is a Market Value Adjustment?" The Market Value Adjustment may be positive or negative.**

Disclosures:

Fidelity & Guaranty Life Insurance Company offers a diverse portfolio of fixed and indexed interest annuities and optional additional features. Before purchasing, please consider your financial situation and alternatives available to you. For more information, you can contact Fidelity & Guaranty Life Insurance Company at 1.888.513.8797 / www.fglife.com.

The "S&P 500 Index" is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates ("SPDJI") and has been licensed for use by Fidelity & Guaranty Life Insurance Company. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); These trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Fidelity & Guaranty Life Insurance Company. These Annuity products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Applicant Acknowledgement Form Instructions:

Please complete both Acknowledgements attached.

The entire Statement of Understanding and one copy of the Acknowledgement are to be retained by the Applicant.

The second copy of the Acknowledgement is to be sent with the application.

Applicant Acknowledgement

By signing below, I acknowledge that I have read, or have been read this disclosure form and understand its contents. I have also received and reviewed the information contained in the FG Retirement Pro product brochure, and product, rider and strategy inserts. I further understand that I have applied for a Flexible Premium Fixed Indexed Deferred Annuity. In doing so, I have discussed my financial status, tax status, current insurance products and investments (including my financial objectives) with my agent and believe this annuity will assist me in meeting my current financial needs and objectives. I also confirm that I have not been diagnosed with a Terminal Illness.

PLEASE CHECK TO INDICATE one of these 2 statements:

☐ I currently reside in a nursing home facility or ☐ I currently DO NOT reside in a nursing home facility

Owner(s)/Applicant(s) Name (Please print)____

Owner(s)/Applicant(s) Signature(s)____

Date______________________ Age[1]__________ Sex[1]________

Joint Owner(s)/Applicant(s) Name (Please print)____

Joint Owner(s)/Applicant(s) Signature(s)____

Date______________________ Age[1]__________ Sex[1]________

Producer Confirmation

By signing below, I acknowledge that I have reviewed this disclosure form and the FG Retirement Pro product brochure, and product, rider and strategy inserts with the applicant. I certify that a copy of this disclosure form, the FG Retirement Pro product brochure, the Buyer's Guide, as well as any advertisements, all of which were approved by the Company, used in connection with the sale of this annuity, have been provided to the applicant. I have not made any statements that differ from what is stated in this disclosure form or the brochure and no promises or assurances have been made about the future value of any non-guaranteed elements of the annuity. I acknowledge that I have carefully read and have complied with the FG Retirement Pro Product Training and understand the indexed annuity features and limitations.

Producer Name (Please print)________________________________ Producer Number_____________

Producer Signature____

Business Address____ City, State, Zip_______________________

[1] Only required in the issue state of New Hampshire

Applicant Acknowledgement

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☐ I currently reside in a nursing home facility or ☐ I currently DO NOT reside in a nursing home facility

Owner(s)/Applicant(s) Name (Please print)____

Owner(s)/Applicant(s) Signature(s)____

Date__________________ Age[1]_________ Sex[1]_______

Joint Owner(s)/Applicant(s) Name (Please print)___________________________________

Joint Owner(s)/Applicant(s) Signature(s)_______________________________________

Date__________________ Age[1]_________ Sex[1]_______

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Producer Name (Please print)____________________________ Producer Number___________

Producer Signature____________________________________

Business Address______________________________________ City, State, Zip____________________

[1] Only required in the issue state of New Hampshire