

7-Year Flexible Annuities	Year 1 = 9%	Year 2 = 8%	Year 3 = 7%
	Year 4 = 6%	Year 5 = 5%	Year 6 = 4%
	Year 7 = 3%	Year 8 = 0%	

8-Year Flexible Annuities	Year 1 = 9%	Year 2 = 8%	Year 3 = 7%
	Year 4 = 6%	Year 5 = 5%	Year 6 = 4%
	Year 7 = 3%	Year 8 = 2%	Year 9 = 0%

- In any certificate year a 10% free withdrawal will be permitted during the certificate year without a surrender charge penalty.

A CHARGE WILL NOT BE DEDUCTED

- from a withdrawal of the required minimum distribution

SURRENDER CHARGE WAIVER PROVISIONS

This provision waives the surrender charge on partial withdrawals up to varying percentages of the Account Value for the occurrence of the following event associated with the annuitant:

1. confinement to a nursing home (up to 50% after confinement for at least 90 days)
2. unemployment (up to 50%)
3. the occurrence of a heart attack (up to 25%)
4. the diagnosis of internal cancer (up to 25%)

This provision only applies in certificate years 2 and later and is limited to a single episode of one of the above eligible events. The nursing home waiver is only available for **issue** ages 80 and younger. The unemployment waiver is only available for **attained** ages 64 and younger.

DEATH BENEFITS DURING DEFERRAL PERIOD FOR ALL PLANS

A death benefit will be payable if the Owner dies before the Annuity Date and while the certificate is in force. The death benefit will be payable upon receipt of: proof of death, one of our society’s death claim forms, W4-P for each beneficiary, and the certificate (if available). We will also need to receive information about the method of payment chosen by the beneficiary.

The death benefit amount is equal to the net certificate value as of the date we receive proof of death. It may be reduced by any applicable taxes that are due.

MATURITY DATES

- The maturity date has no binding effect on the Annuitant. The maturity date is attained age 100. Alternate maturity dates may be elected by the certificate holder but cannot be prior to the 10th certificate anniversary. The maturity, account and cash values and the death benefit will be determined as provided in this certificate. Interest credits will continue as provided in this certificate.
- The annuitant can receive full net proceeds, without penalty, any time after the surrender charge period has expired for the FPDA.
- The annuitant is not obligated to begin payments on the maturity date and can defer the start date to any date he selects without notice to WCU.
- The purpose of the WCU treatment is to maximize benefits to the client.

SUITABILITY REQUIREMENTS

- Needs Based Selling and Suitability Guidelines:

Performing a needs analysis helps to ensure that your clients get the product and amount of coverage that comes closest to meeting their objectives.

Determining the suitability of a particular insurance or annuity product for a particular client is one of the most important services you can provide; it is a critical element of every sale. A purchase recommendation is “suitable” when it is appropriate for your client’s insurable needs, financial objectives and affordability.

Some states have adopted suitability regulations governing individual insurance and annuity certificates. The regulations generally require that you must have reasonable grounds for believing the policy or annuity certificate you recommend is suitable for the client based upon the information supplied to you.

To address your client’s needs and meet suitability compliance standards for annuities:

1. Educate clients. Make certain that clients know how the policy or certificate operates, including any premium payments, fees, penalties, interest rates and potential risks. Emphasize that annuities are long-term purchases and explain the potential risks. Emphasize that annuities are long-term purchases and explain the difference between “tax free” and “tax deferred”.
 2. Do complete fact-finding, which includes reasonable efforts to obtain your client’s age, occupation, educational background, financial status, tax status, investment objectives, retirement and financial plans and other information you need to make a purchase recommendation.
 3. Helps clients select the right product based on their purchase needs, risk tolerance and financial means.
 4. Use the state-required suitability forms provided. Completion of the form will assist you in obtaining the key information needed about the annuity.
 5. Provide a balanced presentation of the features, benefits and restrictions for products that you recommend. Avoid overemphasizing any one benefit, such as tax-favored advantages for annuity interest or life insurance proceeds.
 6. Follow up with your client on the first anniversary.
- State of Missouri requires that you complete a Suitability Form on all annuity applicants.
 - Protection in Annuity Transactions:

Over the past several years, the NAIC established model regulations to better protect annuity consumers from unsuitable sales and abusive sales and marketing practices. These model regulations initially set forth standards and procedures for making recommendations to senior consumers that result in a transaction involving annuity products. The model regulations later evolved to cover all consumers.

The standards and procedures help assure that an insurance producer appropriately addresses the insurance needs and financial objectives of consumers at the time of the transaction. Specifically in Annuity Transactions, was adopted by the NAIC on December 21, 2009 to:

1. Hold insurers responsible for ensuring that annuity transactions are suitable by establishing a system to supervise agents’ recommendations to consumers.
2. Require that agents be trained on the provisions of the annuities in general and the specific products you are selling.

Western Catholic Union reviews each application and suitability form to make certain that it is to the best interest of the applicant. Based on the facts entered on the suitability form by the applicant as to their financial situation, needs, investments and other products, the insurance producer and insurer must have reasonable grounds for believing that the annuity recommendation is suitable for the consumer.

- Obligations of Insurance Producers and Insurers to Determine Suitability:

Prior to recommending a particular annuity to a consumer, an insurer or producer must obtain the consumer’s suitability information.

Suitability Information means information that is reasonably appropriate to determine the suitability of a

recommendation, including the following:

- a. Age of annuitant.
- b. Annual income of the annuitant.
- c. Financial situation and needs, including the financial resources used for the funding of the annuity.
- d. Financial experience of the annuitant.
- e. Financial objectives of the annuitant.
- f. Intended use of the annuity.
- g. Financial time horizon of the annuity (maximum value).
- h. Existing assets, including investments and life insurance holdings.
- i. Liquidity needs.
- j. Liquid net worth.
- k. Risk tolerance.
- l. Tax Status.

By having the annuitant complete the Suitability Form, the annuitant and you agree that the proposed annuity is suitable for the financial needs and objectives of your client.

Request any other information that may apply in relation to the annuity purchase or exchange. Explain the advantages and disadvantages of a consumer purchasing or exchanging an annuity.

Follow the laws of the state where you write business and if you have questions regarding the suitability of annuity transactions, please contact the Sales Department, at 877-928-1877.

SINGLE PREMIUM IMMEDIATE ANNUITIES
(CONTRACT FORM: ICC22 WCU ANNUITY APP FD)

A Single Premium Immediate Annuity is an annuity Certificate that allows withdrawal of payments immediately. It is purchased with a single premium and is used where income is required and protection of principal is needed.

1. No additional premiums are allowed.
2. The first payment to the client is usually made 30 days after the issuance of the certificate.
3. Minimum monthly payment is \$50 per month.
4. Interest rates are determined at time of issue.

If you are annuitizing an existing annuity certificate, you can do so as long as the SPIA will be equal to the remaining duration of the original certificate but not less than 5 years. A surrender charge may not be applied but commission charge backs are possible. A new application must be completed to issue a new SPIA certificate.

OPTIONS AVAILABLE:

- Life Only Annuity – The monthly income will be paid for as long as the annuitant lives. Upon death of the annuitant, the certificate ceases without value.
- Life Only Joint Annuity – The monthly income will be paid while both annuitants are alive. While the primary annuitant is the sole survivor, the annuity payment will be reduced to the amount shown. While the joint annuitant is the sole survivor, the annuity payment will be reduced to the amount shown. Upon death of both annuitants, the certificate ceases without value.
- Fixed Benefit Period Annuity – The monthly income will be paid for as long as the annuitant lives up to the fixed period. If the annuitant dies before the fixed period terminates, the beneficiary will continue to receive the modal payments through the fixed period.
- Certain & Life Annuity – The monthly income will be paid for as long as the annuitant live, even beyond the certain Period. If the annuitant dies before the certain period terminates, the beneficiary will continue to receive the modal payments through the certain period.
- Certain & Life Joint Annuity – The monthly income will be paid during and after the certain period while both annuitants are alive. While the primary annuitant is the sole survivor, the annuity payment will be reduced to the amount shown. While the joint annuitant is the sole survivor, the annuity payment will be

reduced the amount shown. Upon death of both annuitants prior to the end of the certain period m the beneficiary will continue to receive the modal payment through the certain period.

RIGHT TO CANCEL FOR ALL ANNUITY PLANS

- The owner may cancel the certificate before midnight of the 30th day from the date of its receipt.
- Cancellation shall be by delivering or mailing a written notice to us at the address shown above or our authorized agent.
- Return of the certificate is required. The giving of notice or return of this certificate by mail is effective on being postmarked, properly address, with prepaid postage. The money will be returned within 10 days from the date of receipt.

MAINTENANCE OF SOLVENCY

- Western Catholic Union is a Fraternal Benefit Society organized under the laws of the State of Illinois. All Fraternal Benefit Societies in the United States have the Maintenance of Solvency provision in their certificates.
- The MAINTENANCE OF SOLVENCY CLAUSE as it appears in the certificates states “The provision for the single or flexible premiums and the benefits provided by this certificate are not subject to change. In the event a deficiency, which will impair our solvency, occurs, we will determine an equitable share of the deficiency, if any, for this certificate in accordance with applicable law. The owner will not be personally responsible for the share; the share will be apportioned to this certificate. The owner may pay the share in cash. If not paid, the share will stand as a lien against this certificate and bear compound interest at a rate of not more than 5.0% per year. The lien will be deducted from any benefit payable. In lieu of or in combination with the lien, the owner may request a reduction in benefits proportionate to the lien amount.

PLEASE COMPLETE THE FOLLOWING PAGE



WCU FINANCIAL

ESTABLISHED IN 1877
FAITH | STRENGTH | SECURITY

Western Catholic Union
A Fraternal Benefit Society
510 Maine St, Quincy, IL 62301
217-223-9721 • Fax: 217-223-9726
www.wculife.org

**WCU ANNUITY PRODUCT SPECIFIC TRAINING
(IL, IA, MD, MO, PA, TX, WV, & WI)**

REVISED 11-2021

As an insurance agent, duly licensed to write annuities in the State of _____ I understand and acknowledge that:

- I have/may have been required under the State of _____ to obtain four (4) continuing education credits by a state approved vendor offering an Annuity Products Course (APC).
- I must provide proof of my completion of an Annuity Products Course (APC) for Western Catholic Union’s records prior to submitting an annuity application to them.
- Western Catholic Union has provided me with their Product Specific Training (PST) regarding their annuity products,
- The Product Specific Training is unrelated to the Annuity Products Course also required by the state and, in fact, is specifically related to the fixed annuities that I may sell only as an agent for Western Catholic Union.
- Western Catholic Union requires written acknowledgement of my understanding of these rules and I have received and reviewed the aforementioned Product Specific Training.

Therefore, I hereby certify that I have obtained and reviewed the required Product Specific Training from Western Catholic Union as provided personally by their Marketing Department as provided to me electronically.

Please attach proof of the completion of the Annuity Products Course and sign and complete the signature area below.

Producer’s Printed Name _____

Producer’s Signature _____

Producer’s Agent Code _____ Date _____

SIGN AND RETURN THIS PAGE ONLY TO WCU.

FAX: 217-223-9726 EMAIL: SALES@WCULIFE.ORG MAIL: 510 MAINE ST, QUINCY IL 62301