



## **Heartland National Life Insurance Company Annuity Agent Field Guide**

For Agent Use Only. Product Availability May Vary by State.



## Heartland National Life Insurance Company (HNL) Annuity Agent Field Guide

This guide is intended to assist HNL Agents in the sale of HNL Annuities. Important contact information and administrative information can be found in this guide. While it is not all encompassing, the guide is intended to help answer common questions and serve as a resource to the sale of HNL Annuities. You must ensure that you correctly represent, to a customer and prospect, the product features, and riders for your state.

**For producer use only:** This document is intended for producer use only and should not be disclosed to the public. The information contained in this guide is general in nature and is subject to the applicable annuity and rider language.

### Important Contact Information

#### Administrative Office

PO Box 11466  
Winston-Salem, NC 27116

#### Home Office

4200 Little Blue Parkway, Suite 400  
Independence, MO 64057

#### Overnight Mailing Address

4964 University Parkway, Suite 203  
Winston-Salem, NC 27106

**Agent Portal:** [www.hnlicagent.com](http://www.hnlicagent.com)

**Website:** [www.heartlandnationallife.com](http://www.heartlandnationallife.com)

#### New Business

#### Policyowner Services

#### Commissions and Licensing

[heartlandnb@actmanre.com](mailto:heartlandnb@actmanre.com)

[heartlandannuity@actmanre.com](mailto:heartlandannuity@actmanre.com)

[agency@hnlic.com](mailto:agency@hnlic.com)

#### Agent Support

833-964-4555

#### Policyowner Services

888-616-0015

#### Annuity New Business Fax:

336-579-2461

#### Policyowner Service Fax:

336-738-3446

#### Agent Support:

8am – 5pm CST Monday – Thursday

8am – 1:30pm CST Friday

#### New Business/Policyowner Services

8am – 5pm EST

## Secure Rate Multi-Year Guarantee Annuity

The Secure Rate Annuity (MYGA) is an individual single premium deferred annuity with renewable multi-year interest rate guarantees of your choice from 3-, 5-, 7-, or 10-year periods. The Secure Rate Annuity is thoughtfully designed to provide flexibility, incorporating a range of features and optional riders to cater to the unique requirements of your clients.

### Secure Rate Annuity Details

Issue Ages	0-90																																																																		
Minimum Single Premium	\$5,000 Qualified and Non-Qualified																																																																		
Maximum Single Premium	\$1,000,000 (Larger amounts will be considered with Home Office Approval)																																																																		
Guaranteed Period	3, 5, 7, or 10 Years																																																																		
Interest Crediting	A competitive initial compound interest rate is guaranteed for the Guarantee Period selected.																																																																		
Renewal Period	When a Guarantee Period ends, the annuity will enter a 30-day renewal period ("30-Day Window"). We will mail a notice to you within 45 days of the end of the current Guarantee Period outlining all available renewal options. Beyond the 30-Day Window, surrender charges and MVA will continue until the renewal Guarantee Period expires. This renewal process will continue until full surrender, annuitization or death.																																																																		
Renewal Options	Up to the end of the 30-Day Window, you may:  1. Renew contract for another Guarantee Period that is the same as the current; 2. Surrender the contract without penalty; 3. Take a partial withdrawal without penalty; or 4. Apply the Accumulation Value to a Payment Option  • If one of the available options is not elected by the end of the 30-Day Window, the contract will automatically renew for another multi-year interest rate guarantee period at the same duration as the initial multi-year interest rate guarantee period.																																																																		
Annual Free Withdrawals	During a Multi-Year Interest Guarantee Period, the Accumulated Interest earned in any year may be withdrawn without any Surrender Charges or Market Value Adjustment being applied in that year. * Available upon the end of the 30-day right to examine.																																																																		
Death Benefit	The death benefit will equal the Accumulation Value on the date of death. The death benefit will not be reduced by any negative Market Value Adjustment nor increased by any positive Market Value.																																																																		
Surrender Charges	Surrender Charges apply to full or partial surrenders in excess of the Free Partial Surrender Amount during a Multi-Year Interest Rate Guarantee Period. <table><tr><th colspan="11">IMPORTANT: SURRENDER CHARGES</th></tr><tr><th>Year</th><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th>6</th><th>7</th><th>8</th><th>9</th><th>10</th></tr><tr><td>Secure Rate 3</td><td>9.0%</td><td>8.0%</td><td>7.0%</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Secure Rate 5</td><td>9.0%</td><td>8.0%</td><td>7.0%</td><td>6.0%</td><td>5.0%</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Secure Rate 7</td><td>9.0%</td><td>8.0%</td><td>7.0%</td><td>6.0%</td><td>5.0%</td><td>4.0%</td><td>3.0%</td><td></td><td></td><td></td></tr><tr><td>Secure Rate 10</td><td>9.0%</td><td>8.0%</td><td>7.0%</td><td>6.0%</td><td>5.0%</td><td>4.0%</td><td>3.0%</td><td>2.5%</td><td>1.5%</td><td>0.9%</td></tr></table> Surrender Charges vary based on the amount of time that has elapsed since the beginning of the current Interest Rate Guarantee Period.	IMPORTANT: SURRENDER CHARGES											Year	1	2	3	4	5	6	7	8	9	10	Secure Rate 3	9.0%	8.0%	7.0%								Secure Rate 5	9.0%	8.0%	7.0%	6.0%	5.0%						Secure Rate 7	9.0%	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%				Secure Rate 10	9.0%	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%	2.5%	1.5%	0.9%
IMPORTANT: SURRENDER CHARGES																																																																			
Year	1	2	3	4	5	6	7	8	9	10																																																									
Secure Rate 3	9.0%	8.0%	7.0%																																																																
Secure Rate 5	9.0%	8.0%	7.0%	6.0%	5.0%																																																														
Secure Rate 7	9.0%	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%																																																												
Secure Rate 10	9.0%	8.0%	7.0%	6.0%	5.0%	4.0%	3.0%	2.5%	1.5%	0.9%																																																									
Market Value Adjustment (MVA)	An MVA applies to full or partial surrenders in excess of the Free Partial Surrender Amount during a Multi-Year Interest Rate Guarantee Period. The MVA may increase or decrease the Cash Surrender Value or Withdrawal amount.																																																																		

### Optional Riders Available

<b>5% Free Withdrawal Rider*</b>	During any Multi Year Interest Rate Guarantee Period, this rider waives any Surrender Charges and Market Value Adjustments on the first withdrawal in a contract up to an amount that does not exceed the greater of: <ol style="list-style-type: none"> <li>1. 5% of the Accumulation Value as of the last Contract Anniversary; or</li> <li>2. The Required Minimum Distribution</li> </ol> <p><i>*If the 5% Fee Withdrawal Rider is elected, the Accumulated Interest Withdrawal provision will cease to exist and not apply to the Contract. The 5% Free Withdrawal Rider will replace the Free Partial Surrender provision in full in this Contract.</i></p>
<b>Enhanced Benefit Rider*</b>	This rider lets you withdraw up to 100% of the Accumulation Value for one of the following conditions. <ol style="list-style-type: none"> <li>1. Terminal illness diagnosis, defined as a medical condition that results in an expected life span of 12 months or less.</li> <li>2. Qualified nursing care facility confinement, including a hospital or hospice, intermediate or skilled nursing facilities.</li> </ol> <p><i>*This rider is subject to a one-year benefit ineligibility period and will terminate upon a change of ownership except for spousal continuation following the death of an owner.</i></p>

## Agent Requirements

### Contracting and Licensing

- Agent must be contracted with HNL and hold the applicable state license to submit new business application.
- Agents are required to have E&O Coverage with a minimum of \$1 million per claim and \$1 million in aggregate.
- Agent must be appointed in all states where he or she is writing business. HNL offers just-in-time appointments for all states except FL, OK, PA and UT, where appointments are required prior to writing an application.
- To add new appointments, please email [agency@hnllic.com](mailto:agency@hnllic.com)
- For contracting questions or appointment questions, please call Agent Support 833-964-4555 or email [agency@hnllic.com](mailto:agency@hnllic.com)

### Training Requirements

All agents are required to complete AML Training, NAIC Suitability in Annuity Transactions Model Regulation Training, and HNL's Product Specific Training for the Secure Rates Series prior to the solicitation of an application.

- AML Training (required every three years)
- Training as required by NAIC Suitability in Annuity Transactions
- HNL mandates that all agents must undergo product-specific training, in accordance with the NAIC Suitability Model Act.

## State Premium Taxes

HNL offers the sale of annuities in the following states that have tax considerations.

### States Requiring Premium Taxes

State	Qualified	Non-Qualified
Colorado	0.00%	2.00%
Nevada	0.00%	3.50%
South Dakota	0.00%	1.25% on the first \$500,000, 0.08% on the portion of premium above \$500,000.
Texas	0.04%	0.04%
Wyoming	0.00%	1.00%

Exception: Although Florida imposes a 1% premium tax on both qualified and non-qualified annuities; however, the state grants exemption from the tax if the insurer can show that the savings from the exemption are passed on to Florida policy owners. HNL will pass on the premium tax savings to Florida policy owners so no premium taxes will be withheld.

## Procedures – Colorado, Nevada, South Dakota, & Wyoming

HNL will pay premium taxes on the above states on a ‘front-end’ basis as required by each state Departments of Insurance. The premium considerations will be reported at the time they are paid for the purchase of our Secure Rate Annuity and will be deducted from the policy owner’s account. The full initial premium deposit will be reflected in the contract delivered to the policy owner and the premium tax payment will be reported to the policy owner when the first annual contract summary is delivered. Please ensure the policy owner is aware of the premium tax liability at the point of sale.

## Procedures – Texas

Premium taxes will be charged on a ‘back-end’ basis.

## Policies

MYGA contracts are issued Monday through Friday. HNL processes and approves applications, pays commissions, prints, and mails annuity contracts daily. Policies will be sent to the agent.

## Crediting Rate Changes

HNL will notify all agents prior to any rate change and provide an effective date via email of when the change will occur. All applications must be received in the Administrative Office or postmarked before the effective date of the rate change. Once received, the funds for that application must be received within 45 calendar days regardless of funding type. If the above conditions are true, then the applicant will receive the better of the annuity rates in effect before or after the rate change.

## Application Submission

Please be sure to include all required application pages and any other applicable forms.

If faxed or emailed, mail the original check, Attn: New Business, with a cover sheet clearly stating to which application the check should be matched.

Electronic Application	Submitted through our Agent Portal or Firelight via eApplication
Email	<a href="mailto:heartlandnb@actmanre.com">heartlandnb@actmanre.com</a>
Fax	Attn: New Business, 336-579-2461
Mail	Heartland National Life Insurance Company PO Box 11466 Winston-Salem, NC 27116
Overnight Mail	Heartland National Life Insurance Company Attn: New Business 4964 University Parkway, Suite 203 Winston-Salem, NC 27106

## Commissions

Please see your upline for your commission schedule and any details in reference to your commission.

- Commission is based on the owner's age on the date the application was signed, and the annuity product/term selected.
- In cases of joint ownership, the older of the owner and joint owner will determine the commission payout.
- For entity ownership, the commission is calculated using the annuitant's age.
- Commissions are based on the owner's age at the time the application is signed.

## Agent Splits

- The split % must equal 100%
- The splitting agent's name, writing number, and split percentage must be indicated on the annuity application.
- All agents must be contracted with HNL prior to submitting an application.

## Chargebacks

- Within the first 12 months: 100% commission chargeback in the event of death (other than accidental death), cancellation, full or partial withdrawal, or recession.
- Within months 13-24: 50% commission chargeback in the event of death (other than accidental death), cancellation, full or partial withdrawal, or rescission.

## Additional Notes

- Applications without sufficient funds will be canceled after 90 days of no response.
- Applications with missing requirements will be canceled if there is no response after 90 days and must be resubmitted.
- All applications are considered on an individual basis. Heartland National Life Insurance Company reserves the right to limit or reject any application based on the suitability of each client.

## Suitability

HNL Insurance Company is committed to meeting the needs of its clients through suitable annuity sales. All recommendations for purchasing or exchanging an annuity product should be in the client's best interest. The Agent must obtain all relevant information from the client, including their insurance needs and financial objectives, without placing the Agent or the insurer's financial interest ahead of the client.

Suitability is based on the producer recommendation and Heartland National Life Insurance Company's assessment of suitability which includes but is not limited to:

- |                                |                         |
|--------------------------------|-------------------------|
| ·Age                           | ·Financial time horizon |
| ·Annual income                 | ·Existing assets        |
| ·Financial situation and needs | ·Liquidity needs        |

- Financial objectives
- Intended use of annuity

- Liquid net worth
- Risk tolerance

For more information, please refer to our Suitability Guidelines that are posted on the Agent Portal.

## Types of Funds

Accounts that may be registered with Heartland National Life are Roth IRA, Traditional IRA, SEP IRA, and Non-Qualified.

### Qualified Funds Accepted

- Roth IRA
- Roth 401k
- SEP IRA
- 403(a)
- Roth 403b
- Traditional 401k
- Traditional IRA
- 403(b)
- Transfers or Rollovers from Simple IRA\*

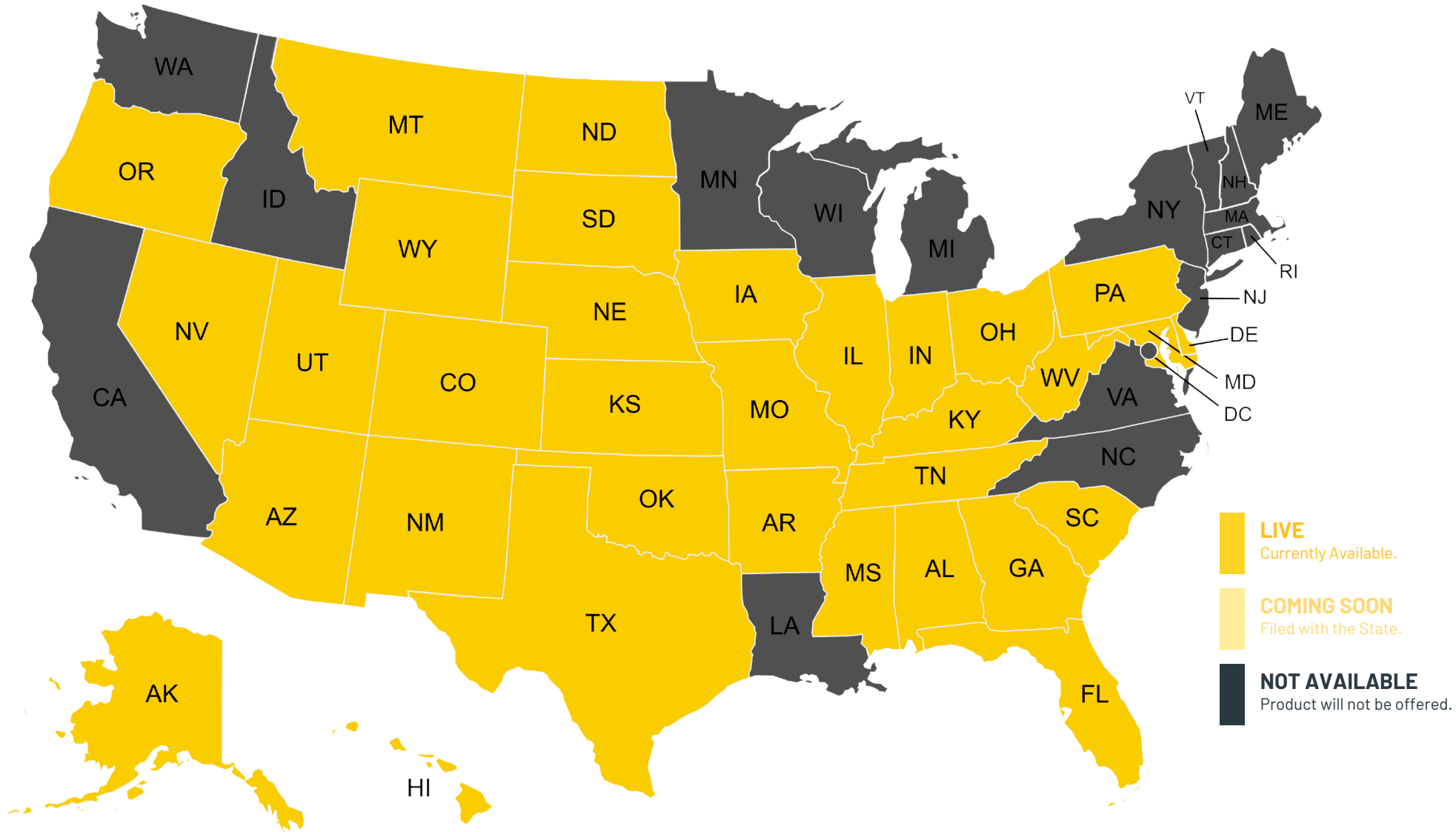
\*Transfers or rollovers from SIMPLE IRA's are accepted following a 2-year vesting period. HNL will issue the policy as a Traditional IRA annuity. HNL does not issue SIMPLE IRAs.

### Non-Qualified Funds Accepted

- New Money
- Cashier Check
- Life Insurance
- Brokerage Accounts
- Mutual Fund/Money Markets
- Certificate of Deposit (CD)

# STATE AVAILABILITY

MULTI-YEAR GUARANTEED ANNUITY



**AVAILABLE STATES:** AL, AK, AZ, AR, CO, DE, FL, GA, HI, IL, IN, IA, KS, KY, MD, MS, MO, MT, NE, NV, NM, ND, OH, OK, OR, PA, SC, SD, TN, TX, UT, WV, WY