



GCU



# AQUILA X

FIXED INDEXED ANNUITY

# WHY GCU?

GCU focuses on **protecting families** and **strengthening communities** since **1892**, with over **\$2.3 billion in assets**.



An insurance company that focuses on giving back to its members.

Simply owning a policy makes you a member of the GCU family.



Investing in the Goodness  
of Community

# Why Consider a Fixed Deferred Annuity?

Fixed deferred annuities offer principal protection and principal growth.

Fixed annuities are insurance products designed to INSURE that you will never lose your money and offer the ability to create an income stream that you cannot outlive.

## Tax-Deferred Growth

The money in your annuity grows tax-deferred, which means you will not pay taxes until you start taking your money. Therefore, it may help your savings accumulate faster.

## Lifetime Income

There are several income options once you are ready to receive your retirement income. You can receive income as a single payment, as a series of regular payments over a specific period or as income for life, even when the value of the annuity is zero.

## Avoids Probate

You have the capability of naming beneficiaries to receive the death benefit upon your death. Your beneficiaries will receive a death benefit equal to the account value if you die before receiving income payment. If you are receiving income payments, your beneficiaries may still be able to get the remaining payments, depending on the type of income stream you choose.

## Valuable Guarantees

If you need access to your money, you may surrender your contract and will receive at least a guaranteed minimum value as defined in your policy.



## Fixed Indexed Offer Additional Benefits

A fixed index annuity has the ability to credit interest based on changes within a market index. Fixed annuities credit interest calculated at a fixed rate based on the insurance company's assets.

A market index can vary and is not predictable, therefore the interest credited through a fixed index annuity could be more or less than the interest from a traditional fixed annuity.

## You control where your money is allocated!

Most fixed indexed annuities allow you to allocate your premium, between index strategies or even to a traditional fixed interest strategy. No matter how you choose to allocate your premium, (fixed interest, indexed interest or a combination of both), this benefit can make it a valuable part of your overall retirement strategy.



# GROWTH POTENTIAL OF THE AQUILA X

**YOU** choose where your money is allocated between any of the interest crediting strategies!

## The Aquila X annuity earns interest in two ways:

1. A fixed rate that is guaranteed for the first year. The fixed rate is guaranteed to be at least 1.0% while the annuity is in effect. And the rate will be declared at the beginning of each contract year.
2. The Barclays Zorya index is measured based on the returns over a 1-year period or a 2-year period. The value of this annuity also may grow through indexed returns. The amount of the index-linked interest depends on how the Barclays Zorya Index performs. Each index period is measured independently, so you get the advantage of resetting to the current index values each time. The Barclays Zorya Index creates a diversified portfolio by combining US Equities and Fixed Income. The Index seeks to enhance return and manage risk exposure by adjusting the portfolio's assets allocation on a monthly basis. The Index aims to maintain its annual volatility level at or below 5%.

## How is the index interest credited to your account?

This is based on the participation rate applied to the Barclays Zorya Index returns. The participation rate determines how much of the gain will be credited to the index interest strategy. The participation rates that are set will affect the account value only if there is a positive change in the Barclays Zorya Index from one year to the next. We apply the participation rate only if there are positive returns at the end of each contract year. The participation rate could change each year. GCU guarantees the participation rate will never be less than 100% during the contract surrender charge period. Interest earnings credited will never be less than zero, even if the index returns are negative. At the end of each crediting period, any gains are locked in and can never be taken away.

## Can you make additional deposits?

The Aquila X annuity allows for additional deposits up to the annuity's 1<sup>st</sup> anniversary date.

## Here is how the participation rate works:

### *Hypothetical Example*

Participation rate: 115%    Barclays Zorya beginning value is: 100    Barclays Zorya ending value is: 107

**Formula: Increase in Index = (Ending Zorya Value – Beginning Zorya Value) / Beginning Zorya Value)**

Increase in Index =  $(107-100) / 100 = 7\%$

**Interest credited = (Increase in Index) x (Participation Rate)**

Interest Credited =  $7\% \times 115\% = 8.05\%$

ACCESS  
TO YOUR  
MONEY

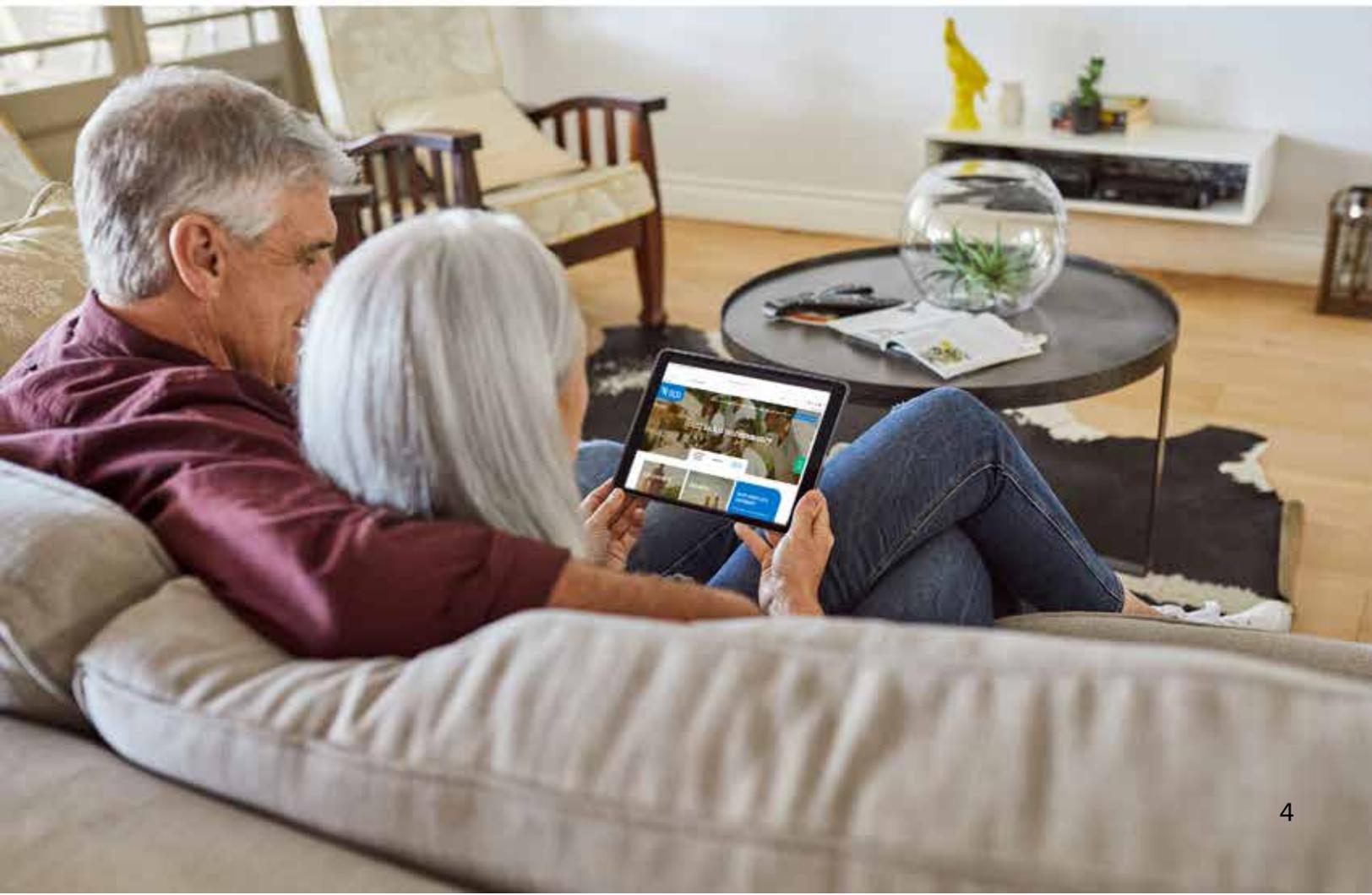
PENALTY FREE  
WITHDRAWALS

Starting in Year TWO (2) of the contract, and continuing through year TEN (10), you may withdraw money from your annuity once a contract year without paying a surrender charge. The most you can withdraw each year during this period without paying a surrender charge is 10% of the total account value. The minimum withdrawal amount you can take is \$500 and you must maintain at least \$2,000 in the annuity to keep your annuity in-force. After the completion of year TEN (10) of the contract, any withdrawals taken will not be subject to surrender charges

The **Cumulative Withdrawal Rider** features the ability to defer the 10% penalty free withdrawal to the next policy year. The maximum deferral or penalty-free withdrawal is capped at 30%. In any policy year where any withdrawal is taken, regardless of the amount, the maximum withdrawal resets back to 10% for the following policy year.

Required Minimum Distributions (RMDs) are available to be taken in the GCU Aquila X starting in Year TWO (2) of the contract. A Required Minimum Distribution from an IRA is mandated by the IRS for anyone over the age of 72 for tax qualified money each calendar year. Such withdrawals are considered part of your penalty free withdrawal and will not be subject to a surrender charge or the bonus recapture.

***NOTE:*** *If you have more than one IRA, you must calculate the RMD for **each** IRA separately each year. However, you may aggregate your RMD amounts for all your IRAs and withdraw the total from one IRA or a portion from each of your IRAs. **You do not have to take a separate RMD from each IRA.***



# Living benefit riders help you when you need access to your money

**Terminal Illness Rider** will allow you, at any time after the first policy year, to receive up to 100% of the account value when diagnosed with a terminal illness resulting in a life expectancy of twelve months or less.

**Nursing Home Rider** will allow you, at any time after first policy year plus 90 days of continual confinement, to receive up to 100% of the account value. We would require annual written proof of confinement.

**Wellness Benefit Enhancement Rider\*** At any time after reaching the Minimum Lifetime Withdrawal Election Age (and after the GLWB Waiting Period and the Wellness Waiting Period), the annuitant may elect to receive Wellness Withdrawals by meeting ALL of the following criteria:

1. Home Health Care Services begin after this Rider's effective date;
2. The current Account Value is greater than zero; and
3. Written proof from a qualified Physician of inability to perform at least two (2) of the six (6) Activities of Daily Living (ADL's).

\*PLEASE NOTE: This rider will be offered only if the annuitant is an owner. If the base contract has JOINT owners, GCU will attach this rider only if the JOINT owners are spouses.

## **Guaranteed Income for your life, to ensure that you will never out live your money.**

**Income Elevate:** is a revocable lifetime income benefit that is calculated by taking an income factor times the account value to determine the lifetime annual payment. This income rider benefit is automatically attached to your annuity free of charge. (See rider disclosure for full explanation of this benefit).

## **Optional Enhanced Lifetime Withdrawal Benefit Riders**

**Income Pro:** is an optional revocable lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

**Income Elite:** is an optional revocable lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. An additional benefit you receive with this rider is the ELITE Premium Bonus, which is based on the first-year premiums in your Aquila X. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

The ELITE Premium Bonus is determined by each applicant's Issue Age.

The Bonus percentages are as follows:

- Bonus = **10%** when issue age is **75 or lower**
- Bonus = **7.5%** when issue age is **76-80**
- Bonus = **5%** when issue age is **81+**

**ELITE Premium Bonus:** is only available when the Income Elite rider is chosen.

- This bonus receives the same interest credits that the rest of your policy receives.
- Applies to both your account value as well as your income benefit base.

Contract Year	1	2	3	4	5	6	7	8	9	10
Recapture Percentage	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%

## **How the Guaranteed Lifetime Withdrawal Benefit Works:**

The Income Benefit Base is determined by which Income option you choose. This value is determined by the account value plus interest credits plus bonus (if selected Income Elite) The Income Elevate applies 1x interest credits to determine the Benefit Base. Income Pro and Income Elite contain a 2x multiplier of interest credits during the 10-year surrender charge period.

## **How It Works:**

Income Benefit Base x Income Factor = Lifetime Annual Income Benefit

Income factors are based on your attained age. The factors increase each year that you wait to begin receiving income payments. Once you start receiving your guaranteed income, it will remain level for your lifetime regardless if your account has reached a zero balance.

# ELEVATE LIFETIME INCOME FACTORS

Single Life			
Attained Age	Income Factor	Attained Age	Income Factor
55	3.50%	68	4.80%
56	3.60%	69	4.90%
57	3.70%	70	5.00%
58	3.80%	71	5.10%
59	3.90%	72	5.20%
60	4.00%	73	5.30%
61	4.10%	74	5.40%
62	4.20%	75	5.50%
63	4.30%	76	5.60%
64	4.40%	77	5.70%
65	4.50%	78	5.80%
66	4.60%	79	5.90%
67	4.70%	80+	6.00%

Joint Life			
Attained Age	Income Factor	Attained Age	Income Factor
55	3.00%	68	4.30%
56	3.10%	69	4.40%
57	3.20%	70	4.50%
58	3.30%	71	4.60%
59	3.40%	72	4.70%
60	3.50%	73	4.80%
61	3.60%	74	4.90%
62	3.70%	75	5.00%
63	3.80%	76	5.10%
64	3.90%	77	5.20%
65	4.00%	78	5.30%
66	4.10%	79	5.40%
67	4.20%	80+	5.50%

## Death Benefit

If you die before we start to pay you income from your annuity, your beneficiary can choose to get the accumulation value of your annuity as one payment or as a series of payouts over time. If you die after payouts start, depending on the type of payout you chose, we pay the remaining value in the annuity, if any, to your beneficiary.





## FEES & OTHER CHARGES

When you take money from your annuity, you may lose some or all your credited interest. If you take out all (a full surrender) or part (a partial surrender) of the money, you also may have to pay a surrender charge. The amount of the charge depends on how long you have had the annuity and how much you withdraw.

Here is the surrender charge schedule:

Contract year	1	2	3	4	5	6	7	8	9	10
Surrender charge	9%	8%	7%	6%	5%	4%	3%	2%	1%	0.50%

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- oversight of any third party index calculation agent;
- acting as approvals body for index lifecycle events (index launch, change and retirement); and
- resolving unforeseen index calculation issues where discretion or interpretation may be required (for example: upon the occurrence of market disruption events).

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