

# VEGA

A SILAC FIXED INDEX ANNUITY SERIES

**A GALAXY OF RETIREMENT OPPORTUNITIES.**

# DO YOU FEEL PREPARED FOR RETIREMENT?



## DO YOU FEEL PREPARED FOR RETIREMENT?

It's almost *impossible* to feel ready when there are so many unknowns.

**80%** of Americans are not confident they'll have enough income in retirement.<sup>1</sup>

## DO YOU HAVE AN INCOME STREAM THAT YOU CAN'T OUTLIVE?

Most don't.

**90%** of workers want non-Social Security income guaranteed for life.<sup>2</sup>

## DO YOU FEEL READY FOR LIFE'S SURPRISES?

It's ok if you aren't. We are here to help!

**67%** don't feel they'll have enough for long-term care expenses,<sup>2</sup> and **71%** are concerned about the risk of a financial surprise.<sup>1</sup>

**SILAC VEGA** IS A COMPREHENSIVE FIXED INDEXED ANNUITY ("FIA") SERIES FOCUSED ON THE ACCUMULATION OF RETIREMENT BENEFITS.

**Vega** offers multiple income options, growth & an enhanced wealth transfer benefit, providing

## A GALAXY OF RETIREMENT OPPORTUNITIES.

<sup>1</sup> <https://insurancenewsnet.com/inarticle/80-of-americans-nervous-about-retirement-nest-egg-study>

<sup>2</sup> [https://www.myirionline.org/docs/default-source/default-document-library/iri-retirement-readiness-2021\\_fullreport.pdf](https://www.myirionline.org/docs/default-source/default-document-library/iri-retirement-readiness-2021_fullreport.pdf)

# THE SILAC VEGA FIA SERIES

## MAY BE A GOOD FIT IF YOU ARE LOOKING FOR:

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### GUARANTEES

You can choose the certainty of a fixed interest rate that is annually declared and subject to minimum guarantees. Your annuity also has a Minimum Guaranteed Value.

### GROWTH POTENTIAL

You also have the choice of interest based on the performance of an external market Index.

### PROTECTION OF PRINCIPAL\*

Your savings are always protected from market fluctuations and are 100% principal protected. There is no direct downside market risk to your funds.

### TAX DEFERRAL

Save more for retirement with tax-deferred growth. The Vega FIA Series allows you to keep more of your retirement savings working for you by deferring taxes until you choose to access the funds in your annuity.

### INCOME THAT CAN'T BE OUTLIVED

A lifetime withdrawal benefit is automatically included and ensures that you can generate a lifetime income that will last for your life.

### HIGHER INCOME IN A TIME OF NEED

To help prepare for the unexpected, the Vega FIA Series can offer higher withdrawals for a period of time if certain health conditions are met.

### ACCELERATED INCOME

An accelerated withdrawal benefit is automatically included and provides enhanced withdrawals for a period of time.

### ACCESS TO FUNDS

Multiple liquidity options are available to help you when life throws a curveball. After the withdrawal charge term, you can always access the full account value of your annuity.

### WEALTH TRANSFER

Leave a legacy for your loved ones and avoid probate. The full account value is available after your death. Alternatively, an enhanced wealth transfer benefit is also available.

\*Restrictions apply. Please see the Certificate of Disclosure for details.

# GET STARTED IN TWO EASY STEPS:

## 1. CHOOSE THE LENGTH OF YOUR PRODUCT.

You can select the withdrawal charge period that best suits your financial goals. The longer the period, the higher the benefit accumulation.

Withdrawal charge periods offered with the Vega FIA Series include 7-, 10- and 14-years.

## 2. DECIDE HOW YOU'D LIKE YOUR MONEY TO GROW.

The Vega FIA Series offers you flexibility to place your money in different crediting strategies tied to different external market indexes. By placing your money in multiple interest crediting strategies or indexes, you can have diversification within your annuity.



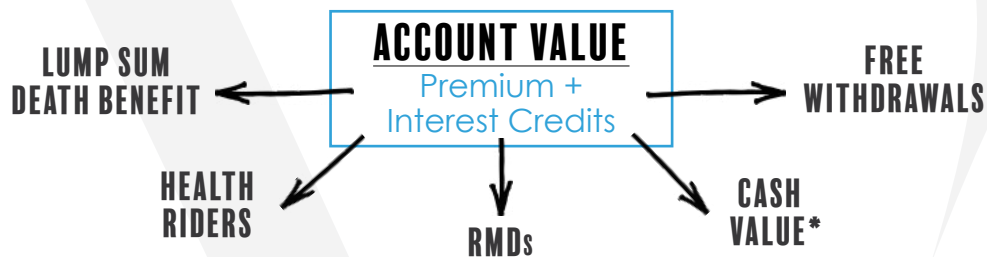
SELECT FROM THE SEVERAL FIXED & INDEXED  
CREDITING STRATEGIES THAT BEST SUIT YOU.

# ACCOUNT VALUE & BENEFIT VALUE

VEGA HAS TWO KEY ACCOUNTS:

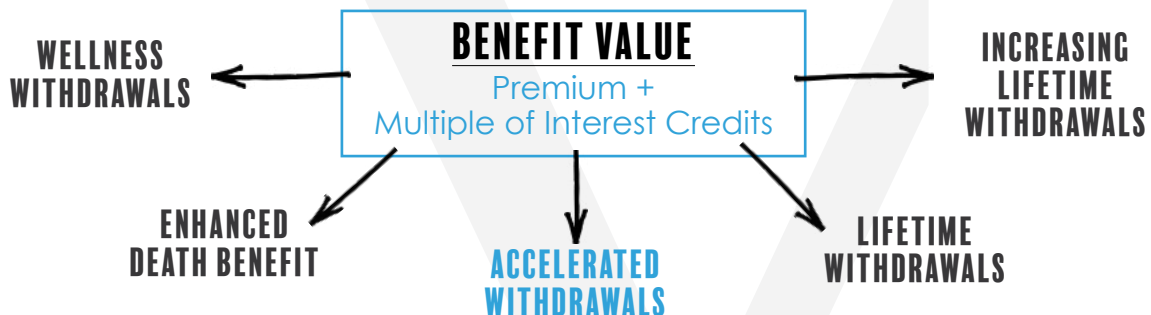
## 1. THE ACCOUNT VALUE & 2. THE BENEFIT VALUE

The below graphic shows the benefits tied to the **ACCOUNT VALUE**:



\*SEE PAGE 11 FOR DESCRIPTION OF CASH VALUE

And here are the benefits tied to the **BENEFIT VALUE**:



# A GALAXY OF OPPORTUNITY

## HOW WILL MY ANNUITY GROW?

Multiple crediting strategies are available for you to choose from. The crediting strategies are used to determine how much interest, if any, will be credited to your annuity. You can allocate your funds among one or more of the available crediting strategies. You can reallocate at the end of each crediting strategy term. *Take comfort in knowing your money is working for you and is protected from market losses.*

The Vega FIA Series' crediting strategies provide the following benefits:

**1. Annual floor protection of 0%**

No matter what happens with the underlying index, you will never earn an interest credit less than 0%.

**2. Interest credit lock-in**

Once interest has been credited, it is locked in and cannot be lost due to future market changes.

**3. Choices**

You have multiple crediting strategies to choose from, and can change your mind each strategy term.

### FIXED INTEREST STRATEGY

The fixed interest strategy provides a guaranteed rate of interest. Interest is credited daily, and the fixed interest rate will be declared annually.

### INDEXED CREDITING STRATEGIES

Indexed crediting strategies provide interest credits that are tied to the performance of an external market index. Interest is credited at the end of the crediting strategy's term. You are guaranteed to never earn less than 0% interest for the strategy term – even during market downturns. This is one of the key features of a fixed indexed annuity.

In order to provide the annual floor protection of 0%, indexed crediting strategies limit the total interest you can receive. This limit is in the form of an adjustment – a cap, participation rate or spread. Next year's adjustments will be declared at the end of each crediting strategy's term.



# HOW WILL MY BENEFITS GROW?

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*Enhanced withdrawal and wealth transfer benefits automatically come with the Vega FIA Series.*

These benefits are tied to your Benefit Value. The main components of the benefit value include:

**1. Benefit Credits**

The benefit value increases with benefit credits. Benefit credits are a multiple of account value interest credits and continue until your policy is terminated – even once enhanced withdrawal benefits begin.

**2. Interest Credit Lock-in**

The benefit value decreases proportionally with any withdrawal.

Your benefit value has no cash value and cannot be withdrawn as a lump sum.

# A GALAXY OF OPPORTUNITIES FOR YOUR RETIREMENT

The Vega FIA Series allows you to create your own stream of income.

Choose one of three Enhanced Withdrawal Benefits. All three have the following waiting period:

	7-YEAR	10-YEAR	14-YEAR
WAITING PERIOD	7 years	10 years	10 years

## 1. INCREASING LIFETIME WITHDRAWALS

— or —

## 2. LEVEL LIFETIME WITHDRAWALS

Increasing lifetime withdrawals have the opportunity to increase over time with future interest credits. Increasing lifetime withdrawals tend to begin lower than level lifetime withdrawals.

Level lifetime withdrawals don't have the opportunity to increase. Level lifetime withdrawals tend to begin higher than increasing lifetime withdrawals.

### LIFETIME GUARANTEE

Lifetime Withdrawal amounts are guaranteed for life as long as you don't take any excess withdrawals – even if your account value falls to zero. An excess withdrawal will lead to a recalculation of the Lifetime Withdrawal.

### COVERAGE AVAILABLE FOR YOU & YOUR SPOUSE

When you begin lifetime withdrawals, you can decide if the withdrawals will last for your life (single) or as long as you or your spouse is alive (joint). Withdrawals can be taken monthly, quarterly, semi-annually or annually.

### PROTECTION WHEN YOU NEED IT MOST\*

Wellness Withdrawals are automatically built into your annuity. After the waiting period, you can receive a wellness withdrawal if you cannot perform two of six Activities of Daily Living and elected Lifetime Withdrawals. If you elected single Lifetime Withdrawals, then the Wellness Withdrawal will be double the amount of the Lifetime Withdrawal. Wellness Withdrawals can last for five years.

Wellness Withdrawals are only available if Lifetime Withdrawals are elected.

*Lifetime Withdrawals are not available if Accelerated Withdrawals have been elected.*

*\*Wellness Withdrawals not available in Kansas.*

UNIQUE TO VEGA +  
THE FIRST OF ITS KIND!

## 3. ACCELERATED WITHDRAWALS

**Accelerated Withdrawals** are unique to the Vega FIA Series and are the first electable income benefit directly tied to your benefit value. That means you can choose to receive your benefit value over a specified period of time, and you don't have to receive payments over a lifetime.

*Accelerated Withdrawals are not available if Lifetime Withdrawals were elected.*



# HOW VEGA MAY WORK FOR YOU

**We'd like to introduce you to Richard, Nancy & Erica:**  
three hypothetical clients - all with unique needs and at different stages in life.



## **RICHARD: AGE 50**

### *Active Lifestyle with Inflation Concerns*

Richard is 50 years old and would like to retire at age 60. He would like to accumulate retirement benefits for the next ten years, and then have an income stream that can't be outlived to keep up with inflation and his active lifestyle.

Richard's financial professional recommended that he elect **Increasing Lifetime Withdrawals** after ten years. Increasing Lifetime Withdrawals will increase with each future interest credit, providing some inflation protection. Richard can also allocate to the fixed account, providing guaranteed lifetime withdrawal increases. If Richard cannot do two Activities of Daily Living in the future, then Richard can use Wellness Withdrawals to provide more income during a time of need.

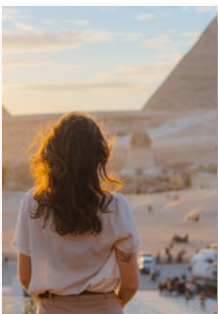


## **NANCY: AGE 65**

### *Steady and Predictable*

Nancy is 65 years old. Nancy is already receiving Social Security and would like to supplement it with lifetime withdrawals at age 75 when her medical expenses are rising. She wants to know the exact lifetime withdrawal amount that she will receive each year.

Nancy's financial professional recommended that she elect **Level Lifetime Withdrawals** at age 75. Level Lifetime Withdrawals will stay consistent every year and will start a little higher than Increasing Lifetime Withdrawals. If Nancy cannot complete two Activities of Daily Living in the future, then she can use Wellness Withdrawals to provide more income during her time of need.



## **ERICA: AGE 40**

### *Income Boost during Active Retirement Years*

Erica is 40 years old and is looking forward to retiring at age 60. She is a planner and has 20 years to grow her nest egg. Once she retires, she plans to travel and start some hobbies that she's never had time to do before. Erica already has lifetime income from her employer and does not need a supplemental lifetime income stream, but she would like to maintain her current lifestyle.

Erica's financial professional recommended that she elect **Accelerated Withdrawals** at age 60. Accelerated Withdrawals will provide Erica with the entire Benefit Value paid out over a period of time, giving Erica some additional funds for her active lifestyle.

Richard, Nancy and Erica's beneficiaries **all** have wealth transfer choices when their loved ones pass away. They can choose to receive the remaining account value as a lump sum or the remaining Benefit Value paid out over five years.

**VEGA IS ABLE TO PROVIDE UNIQUE SOLUTIONS TAILORED TO EACH OF THESE CLIENTS.**

# ACCESSING YOUR SAVINGS

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## FREE WITHDRAWALS

Each year after the first policy year, you may withdraw up to 5% of your account value (as of the most recent policy anniversary). Free withdrawals will not be subject to withdrawal charges, market value adjustments or interest recovery percentages, if applicable.

## REQUIRED MINIMUM DISTRIBUTIONS

Required minimum distributions (RMDs) are mandatory withdrawals from qualified contracts. RMDs can begin immediately and are considered a free withdrawal, even if they exceed 5% of the account value.

## OTHER BENEFITS

In the event your health declines after you purchase your annuity, you may withdraw funds without being assessed a withdrawal charge, market value adjustment or interest recovery, if applicable. These riders are provided at no additional cost:

### *Nursing Home Benefit\**

After the first policy year, you can withdraw up to 100% of your annuity's account value if you become confined to a qualified care facility for at least 90 consecutive days and meet the eligibility requirements. There is a waiting period of 1 year after policy issue date, and you cannot be confined at the time the policy is issued.

### *Terminal Illness Benefit*

After the first policy year, you can withdraw up to 100% of your annuity's account value if you are diagnosed with a terminal illness that results in a life expectancy of 12 months or less and you meet the eligibility requirements. Your terminal illness must be diagnosed after the policy is issued.

### *Home Health Benefit\**

After the first policy year, you can withdraw up to 20% of your annuity's account value each year for 5 years if you need home health care services and meet the eligibility requirements.

*\*Not available in South Dakota.*

# WEALTH TRANSFER

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The Vega FIA Series automatically includes a death benefit to help leave a legacy for your loved ones. Your beneficiary(ies) will have two options to choose from:

1. The annuity's full account value as a lump sum, or
2. The entire benefit value paid over 5 policy years.

Your loved ones will avoid the delays and hassle of probate. The death benefit will be paid as long as an annuitization option has not been elected.

## SPOUSAL CONTINUATION

If your spouse is an owner or beneficiary, then he or she can always choose to continue the policy. Spousal Continuation is not available if Accelerated withdrawals have been elected.

# IMPORTANT CONSIDERATIONS

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The Vega FIA Series is designed to help meet your long-term retirement savings needs. It includes a withdrawal charge period. If you withdraw more than the free amount allowed during the withdrawal charge period, a withdrawal charge, interest recovery and market value adjustment, if applicable, will be applied.

These charges do not apply to lifetime withdrawals, wellness withdrawals, accelerated withdrawals, free withdrawals, RMDs, nursing home withdrawals, terminal illness withdrawals, home health care withdrawals, income payments or death benefits. For more information, please see your Certificate of Disclosure.

## WITHDRAWAL CHARGES

If you withdraw an amount that exceeds the free withdrawal amount during the withdrawal charge period, you will incur a withdrawal charge. Withdrawal charges do not apply after the withdrawal charge period ends. In part, withdrawal charges allow us to invest your money on a long-term basis and generally credit higher interest than possible with a similar annuity of shorter term.

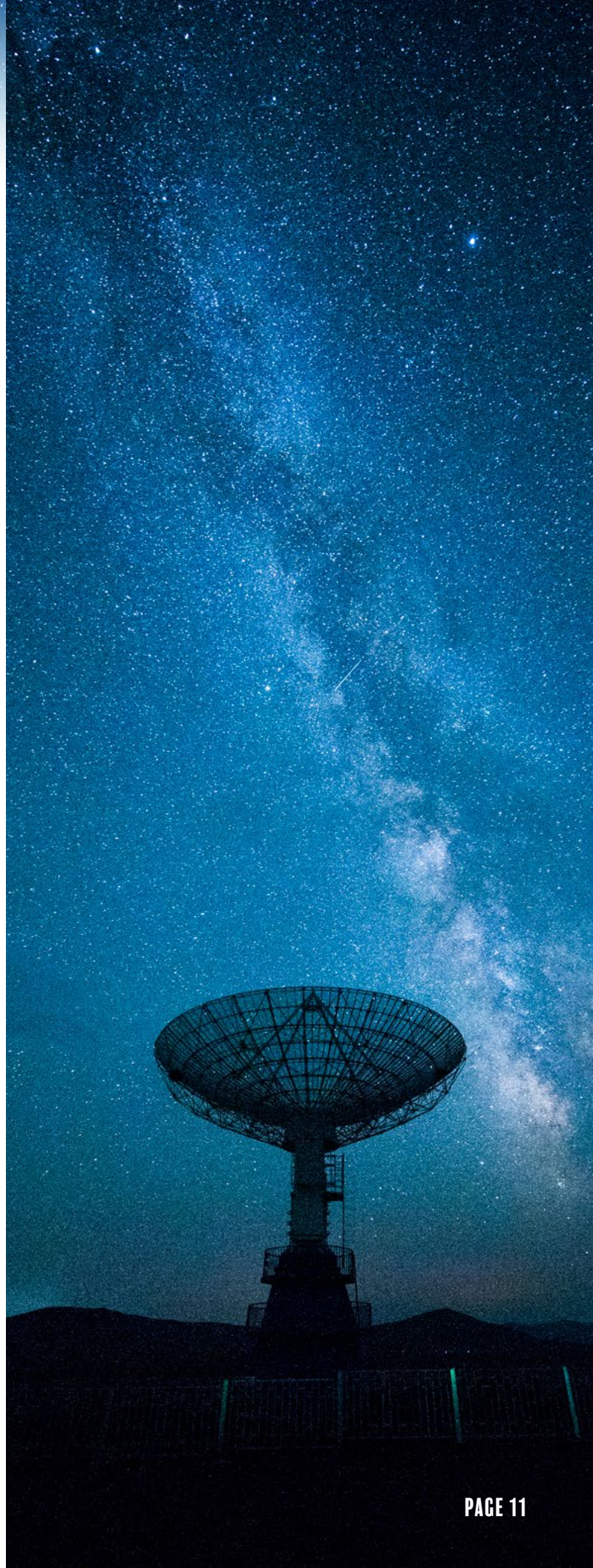
## INTEREST RECOVERY

Interest recovery will apply to any withdrawal to which a withdrawal charge applies. The interest recovery schedule is a percentage of the interest credited to the annuity. Interest recovery percentages decline with time, meaning that less of the interest is recovered over the annuity's withdrawal charge period. It does not apply after the withdrawal charge period ends.

In part, interest recovery allows us to credit higher interest than would have been possible otherwise and offer enhanced withdrawal and wealth transfer benefits.

## MARKET VALUE ADJUSTMENT

A Market Value Adjustment (MVA) applies to any withdrawal to which a withdrawal charge applies. It can either increase or decrease the amount you'll receive. It does not apply after the withdrawal charge period ends.

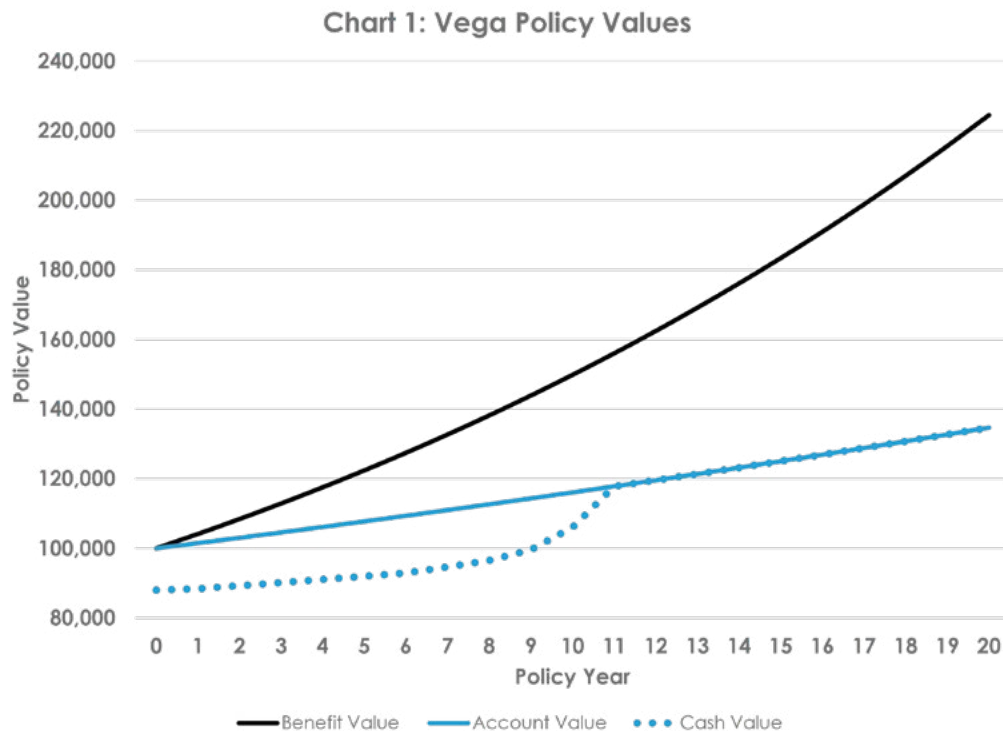


# IMPORTANT CONSIDERATIONS: CASH VALUES



**Chart 1** shows the impact of withdrawal charges and interest recovery on the cash value of a sample **Vega 10** product.

The cash value is the amount available if you were to terminate your policy. During the withdrawal charge period, the withdrawal charges and interest recovery reduce the cash value to be less than the account value. However, the cash value will never be less than the minimum value required. After the withdrawal charge period ends, the account value and cash value are identical. Please note that cash value benefits are not tied to the benefit value.



**Chart 2** compares the cash value of the sample **Vega 10** policy to a traditional accumulation-focused indexed annuity and to an indexed annuity that offers a guaranteed lifetime withdrawal benefit (GLWB) for a fee.

A few things to note:

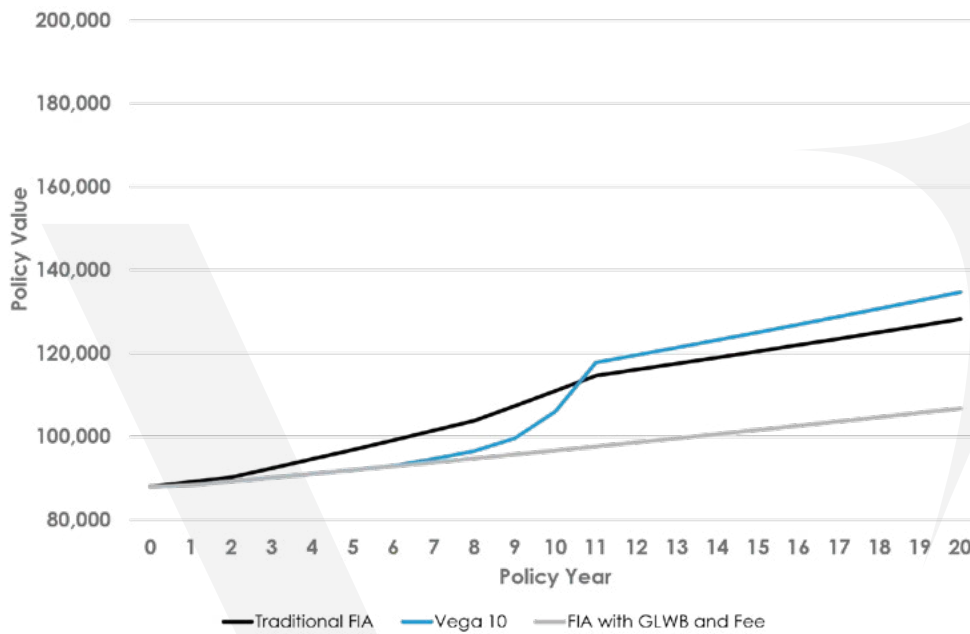
**VEGA 10 vs. TRADITIONAL FIA**

- Vega 10 has a lower cash value during the withdrawal charge period and higher cash value thereafter.
- The lower cash value during the withdrawal charge period allows us to offer stronger interest credits as well as enhanced withdrawal and wealth transfer benefits.

**VEGA 10 vs. FIA WITH GLWB & FEE**

- Many indexed annuities on the market offer a lifetime withdrawal benefit for a charge. This charge leads to lower cash values in almost every policy year than what Vega provides.
- The FIA with GLWB & Fee offers lower interest credits than what Vega can provide.

**Chart 2: Cash Value Comparison**



It is important to remember that annuities are intended to be **LONG-TERM RETIREMENT VEHICLES.** Consider the information in this brochure before deciding to purchase one.

# THE BASICS

	7-YEAR	10-YEAR	14-YEAR
Minimum Issue Age	0	0	0
Maximum Issue Age	90	85	80*
Minimum Premium	\$10,000		
Additional Premiums	Allowed first 12 months		
Maximum Total Premium**	\$1,000,000		

\*Max Issue age in Florida is 64

# PUTTING IT ALL TOGETHER

	VEGA 7, 10 & 14
Fixed Interest	✓
Indexed Interest	✓
Annual Floor Protection	✓
Annual Lock-in of Interest	✓
Increasing Lifetime Withdrawals	✓
Level Lifetime Withdrawals	✓
Wellness Withdrawals***	✓
Accelerated Withdrawals	✓
Free Withdrawals Years 2+	✓
Required Minimum Distributions Years 1+	✓
Nursing Home Benefit*	✓
Terminal Illness Benefit	✓
Home Health Care Benefit*	✓
Annuitization Income Options	✓
Full Account Value Death Benefit	✓
Optional Enhanced Death Benefit	✓
Spousal Continuation at Death	✓

\*Not available in South Dakota.  
 \*\*Without home office approval.  
 \*\*\*Not available in Kansas.



INSURANCE COMPANY

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# SILAC<sup>®</sup> INSURANCE COMPANY A COMMITMENT TO CARING SINCE 1935.

During the Great Depression, we went on a mission to help people; and with a borrowed \$20 bill, our great company was formed. Those humble beginnings - and our initial mission of helping people - have remained at the forefront ever since. Our company has a national reputation for caring, but it's our SILAC family that truly sets us apart. At SILAC, we have relatives, mentors, best friends, and above all, good, quality people who care about succeeding together and making a difference.



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PROVIDE SAFETY & SECURITY  
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CONTINUOUSLY EXPANDING OUR  
PRODUCT PLATFORM



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**WE'RE INVESTED IN SECURING YOUR LEGACY & OURS.**

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# SILAC

INSURANCE COMPANY

*EXPERIENCE, EXCELLENCE & INNOVATION  
TO HELP RAISE YOUR RETIREMENT EXPECTATIONS.*