

Sage Choice Single Premium Deferred Annuity

MONTHLY INTEREST OPTION INFORMATION

Contract forms and riders may vary by state and may not be available in all states. Contract Form: 3005



MONTHLY INTEREST OPTION

The Monthly Interest Option (MIO) can provide the contract owner with immediate access to all or a portion of the interest credited to his/her annuity. If the contract owner elects this option when the annuity is purchased, he/she may begin receiving payments as early as one month after the 30-day free look period for accounts with a minimum value of \$25,000. If not elected at purchase, the option then becomes available after the first contract anniversary date.

The contract owner will choose whether he/she would like to receive:

1. A fixed monthly payment amount that is less than the actual monthly credited interest; or
2. An amount equal to the actual monthly credited interest.

QUESTIONS AND ANSWERS

Are there any requirements in order for the contract owner to receive monthly payments?

Yes, there are some requirements.

- The initial value of the contract owner's annuity must be \$25,000 or more.
- Monthly payments must be automatically deposited into the contract owner's bank account.
- The MIO must be elected when submitting the application or the contract owner will have to wait until their 1st contract anniversary date.

If the contract owner chooses the MIO, can he/she still exercise the remaining penalty-free withdrawal?

Yes, although the following will apply:

- The contract owner's MIO payments will stop and the 10% penalty-free amount will be reduced by the amount of the MIO payments since the last contract anniversary.
- The contract owner's MIO payments may be restarted anytime after his/her next contract anniversary upon his/her written request.

Will the contract owner incur any Surrender Charges if he/she elects to receive MIO payments?

No. Neither Surrender Charges nor Market Value Adjustments (MVA) apply to MIO payments, subject to the maximum penalty free amount. However, Surrender Charges and MVA's may be applied to a full surrender or any partial withdrawals in excess of the penalty free withdrawal taken during the Surrender Charge Period.

Will the amount the contract owner receives under the MIO be taxable*?

Yes, MIO payments are fully taxable as income. A 1099R will be sent to the contract owner each year to report the total taxable payments for the year.

The MIO payments, if made prior to age 59 1/2, may also be subject to a 10% IRS penalty.

*Neither Sagicor Life Insurance Company nor its agents provide tax, legal or accounting advice. Please consult with your tax and/or legal advisor for information specific to your situation.

If the contract owner does not choose the MIO when he/she purchases his/her annuity, can he/she do so at a later date?

Yes, after the first contract anniversary, by simply completing a Monthly Interest Withdrawal Authorization form.

Can MIO payments be stopped?

Yes, the contract owner may stop his/her MIO payments at any time by sending a written request to the home office. Payments may begin again on the next anniversary upon written request to the home office.

NOTE: This contract has a MVA. The MVA can impact the value of the contract positively or negatively. MVA not applicable in MN, MO and PA. Complete a Monthly Interest Withdrawal Authorization form to elect this option.

Sagicor Life Insurance Company

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