



# DIAMOND HEAD

Multi-Year Guaranteed Annuity

**Agent Training**

# ***Diamond Head MYGA Agent Training***

## **For Producer Use Only**

This training material is designed for producer use only and is not intended for the public.

The information contained in this training material is general in nature and is subject to the applicable annuity and rider language for each state.

Products and features vary by state.

# ***Pacific Guardian Life Insurance Company, Ltd.***

## **Who is Pacific Guardian Life?**

- Pacific Guardian Life Insurance Company, Ltd. (PGL) has been serving families and businesses since 1961 from its Home Office located in Honolulu, Hawai'i.
- In 2019, PGL expanded its national footprint and is now licensed in 46 states (except for Florida, Connecticut, New Jersey and New York) as well as the District of Columbia, American Samoa, Guam and the Commonwealth of the Northern Marianas.
- PGL is also a wholly owned subsidiary of Meiji Yasuda Life Insurance Company, one of the top five life insurers in Japan.

# Pacific Guardian Life Insurance Company, Ltd.

## Who is Pacific Guardian Life?

- PGL is a financially strong company with robust capital levels and capital ratios. PGL has consistently achieved strong ratings from AM Best and Standard & Poor's.



**A Excellent**  
Rating Outlook - Stable

According to A.M. Best, "The ratings of Pacific Guardian Life reflect its balance sheet strength, which AM Best categorizes as strongest, as well as adequate operating performance, limited business profile and appropriate ERM."



**A**  
Rating Outlook - Stable

According to Standard & Poor's, "The stable outlook reflects expectations that the Company will maintain a satisfactory business risk profile and moderately strong financial risk profile, while meeting company-specific assumptions. We also expect it to maintain capital adequacy at the 'AAA' confidence level, per our risk-based capital model."

# ***Multi-Year Guaranteed Annuity***

## **What is a Multi-Year Guaranteed Annuity (MYGA)?**

- A MYGA is a specific type of annuity that offers a guaranteed fixed interest rate for a specific period of time selected by the Owner.
- The interest earned in a MYGA is not taxed until withdrawn, and the principal is guaranteed\*.

*\* Principal is guaranteed only when the funds remain in the MYGA until the end of the guarantee period, or when withdrawals do not exceed the penalty fee amount.*

# ***Multi-Year Guaranteed Annuity***

## **Benefits of a MYGA**

- Principal Protection
- Guaranteed Return
- Tax Deferred Growth
- Death Benefits for Beneficiaries
- Spousal Continuation Option
- Some Liquidity with Penalty-Free Withdrawals
- Flexible Annuitization and Settlement Options
- Simple and Easy to Understand

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# ***Multi-Year Guaranteed Annuity***

## **Who's right for MYGA?**

- Key points to help you determine if a MYGA is suitable for your clients:
  - Planning for, or are in retirement and have funds set aside with a longer-term horizon in mind that could range from 3 – 10 years
  - Seeking to preserve those funds with protection from market volatility
  - Anticipating limited liquidity needs while seeking an interest rate higher than those currently provided by traditional savings instruments
  - Strong desire for tax deferred growth
  - Considering guaranteed retirement income options

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# ***Diamond Head MYGA***

## **Diamond Head MYGA Features**

- Issue Ages: 18 – 85 years old
- Guarantee Period: 3 - 10 years
- Premium Mode: Single Premium Only
- Minimum Deposit: \$10,000
- Maximum Deposit: \$1,000,000\*
- Free Look Period: 30 days

*\*Amounts greater than \$1,000,000 require prior Home Office approval*

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# ***Diamond Head MYGA***

## **Contract Types Permitted**

- Non-Qualified funds
- Qualified funds
  - Traditional IRA
  - SEP IRA
  - Roth IRA

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# ***Diamond Head MYGA***

## **Interest Rates**

- Interest rates are guaranteed for the entirety of the selected guarantee period.
- During the guarantee period, interest is credited and compounded daily.
- Interest rates are quoted as annual effective yields.

# ***Diamond Head MYGA***

## **Renewal Guarantee Periods**

- At the end of the guarantee period, the owner of the annuity has the option to:
  - Renew into the same guarantee period as originally selected
  - Renew into any guarantee period offered at the time of renewal
  - Withdraw a portion of the annuity contract value and apply the balance into any guarantee period offered at the time of renewal
  - Convert all or part of the contract to a settlement option
  - Surrender the contract
  - If no option is selected the contract will automatically renew for the same guarantee period at the new guaranteed interest rate.

# ***Diamond Head MYGA***

## **Penalty Free Withdrawals**

- Withdrawals of up to 10% of the account value each year (including the first year) without a surrender charge. The minimum withdrawal amount is \$500.
- Systematic withdrawals may be specified by a dollar amount or by a percentage of account value, with the Owner's choice of payout frequency as specified in your contract. The minimum systematic withdrawal is \$100.
- A Life Events Rider is available and offers an additional withdrawal of up to 10% of your account value without incurring a surrender charge. This Rider is available at no additional charge, may be exercised at any time after the first policy year, for any reason, however, it can only be exercised once during the life of the contract.

# ***Diamond Head MYGA***

## **Death Benefit**

- If the Owner's death occurs during the accumulation phase, the beneficiary(ies) will receive the full account value amount of the MYGA without incurring any surrender charges.
- If the sole Beneficiary is the surviving spouse of the Owner, the spouse may elect to continue this Policy as the new Owner.

# ***Diamond Head MYGA***

## **Required Minimum Distribution**

- For a Qualified Diamond Head MYGA, the annual Required Minimum Distribution (RMD) for the current year should be taken prior to qualified funds transfer to Pacific Guardian Life.
- RMDs in any policy year are free of Surrender Charges.
- RMD amounts will be counted towards that policy year's Penalty-Free Withdrawal limit.

# ***Diamond Head MYGA***

## **Surrender Charges**

- A surrender charge applies to withdrawal amounts in excess of the penalty-free withdrawal limit. Each contract guarantee period has its own surrender charge period.
- If the annuity renews for a new guarantee period, the surrender charge schedule will reset and start over.
- Surrender charges can be avoided by:
  - Holding the contract until the end of the guarantee period.
  - Not taking more than the free withdrawal amount during any given contract year, including the one-time Life Events Rider.
  - Annuitizing the contract through one of the standard annuity options offered in the account
- Surrender charges are waived after the policy anniversary following the Owner's 95th birthday (or, in the event of a non-natural owner, the Annuitant's 95th birthday)
- The Diamond Head MYGA does not have a Market Value Adjustment

# Diamond Head MYGA

## Surrender Charge Table

Guarantee Period	Surrender Charge In Year of Guarantee Period									
	1	2	3	4	5	6	7	8	9	10
3	10%	9%	8%							
4	10%	9%	8%	7%						
5	10%	9%	8%	7%	6%					
6	10%	9%	8%	7%	6%	5%				
7	10%	9%	8%	7%	6%	5%	4%			
8	10%	9%	8%	7%	6%	5%	4%	3%		
9	10%	9%	8%	7%	6%	5%	4%	3%	2%	
10	10%	9%	8%	7%	6%	5%	4%	3%	2%	1%

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# Contact Information

CONTACT INFORMATION		
<b>Company Directory</b> <i>(Call this number M-F between 8a–2p ET)</i>	Telephone	1-800-367-5354 (Toll Free)
<b>Producer Services</b> ✓ Appointments ✓ Commissions ✓ Licensing ✓ Sales & Agent Support	Telephone	(808) 942-1230
	Fax	(808) 942-1264
	Email	<a href="mailto:ProducerServices@PacificGuardian.com">ProducerServices@PacificGuardian.com</a>
<b>New Business</b> ✓ Applications ✓ New Business ✓ Suitability	Telephone	(808) 942-6553
	Fax	(808) 942-1235
	Email	<a href="mailto:MYGA@PacificGuardian.com">MYGA@PacificGuardian.com</a>
<b>Policyholder Service</b> ✓ Withdrawals ✓ Contract Changes ✓ Customer Questions	Telephone	(808) 942-1212
	Fax	(808) 942-1295
	Email	<a href="mailto:ClientRelations@PacificGuardian.com">ClientRelations@PacificGuardian.com</a>
<b>Death Claim</b> ✓ Claim ✓ Spousal Continuation	Telephone	(808) 942-1384
	Fax	(808) 942-1295
	Email	<a href="mailto:Claims@PacificGuardian.com">Claims@PacificGuardian.com</a>
<b>Company Address</b>	Pacific Guardian Life Insurance Company 1440 Kapiolani Blvd., Suite 1700 Honolulu, Hawaii 96814	

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## CERTIFICATION

By signing this attestation form:

I have completed and understand the provisions of the Pacific Guardian Life Diamond Head MYGA product-specific training.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed name \_\_\_\_\_ Agent NPN \_\_\_\_\_

Please sign this certification form and include with your Producer Onboarding Packet.  
Return your packet to:

Pacific Guardian Life  
Attn: Producer Services  
1440 Kapiolani Boulevard, Suite 1700  
Honolulu, Hawaii 96814  
producerservices@pacificguardian.com