

Annuities

AGENT’S GUIDE TO ANNUITIES

Portfolio Edge Deferred Annuities and Single Premium Immediate Annuities

Contract Forms CLI-151, CLI-152 and CLI-118



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ANNUITIES*

Protect your client’s nest egg by offering stable, proven ways to save for retirement using Portfolio Edge Deferred Annuities and Single Premium Immediate Annuities from The Cincinnati Life Insurance Company.

With the **return of premium feature** of the Portfolio Edge FPDA and SPDA, there is no risk of losing the initial premium. The contract may be surrendered at any time prior to the maturity date, and we guarantee a cash surrender value not less than the total of annuity premiums paid minus any amounts previously withdrawn and related surrender charges.

Annuity Advantages

Why should your clients consider annuities when planning their financial futures? Annuities provide several advantages that some other long-term investment opportunities may not:

- Tax-deferred growth
- Guaranteed minimum interest rate
- Flexible premium (FPDA only)
- Optional annual withdrawals of up to 10% of account value with no surrender charge
- Proceeds to beneficiary, not probate
- Guaranteed lifetime option

*Available in most states.



PORTFOLIO DEFERRED ANNUITIES

Product features

Issue ages: 0-80 years

Maturity age: 85

Premium type: Qualified and Non-qualified

Minimum premium: FPDA –
\$10,000 initial premium,
\$25 monthly premium thereafter
SPDA – \$10,000

Maximum premium: FPDA and SPDA –
\$1,000,000

Guaranteed minimum interest rate for the life of contract:

Determined annually for newly issued contracts. The minimum rate is established in the contract and will not change while the contract is in force. Rates can range from 1%-3%.

Surrender charges are based on the contract date, not the payment date.

FPDA		SPDA	
Year	Percentage	Year	Percentage
1	9	1	7
2	8	2	6
3	7	3	5
4	6	4	4
5	5	5	3
6	4	6	2
7	3	7	1
8	2	8	0
9	1	9	0
10	0	10	0

Beneficiaries face no surrender charges or IRS penalties in the event of the annuity owner's death. For Portfolio Edge FPDA and SPDA, surrenders made prior to age 59½ normally are subject to a 10% federal income tax penalty, unless due to death or disability.

Parties to Cincinnati Life's annuity contracts include the owner, annuitant and beneficiary. Portfolio Edge Deferred Annuities are owner-driven. This means that the death of the contract owner or joint owner (however the account is specified) triggers payout of the death benefit to the designated beneficiary.

Additional features for Portfolio Edge FPDA and SPDA

- Current interest rate is guaranteed for the first full contract year
- **Optional maturity date** provision allows your client to extend the maturity age of 85 indefinitely in 10-year increments, thereby continuing the tax deferral
- Client pays no up-front sales charges or fees – 100% of the premium earns interest

Optional rider for Portfolio Edge FPDA and SPDA* Long Term Care Facility and Terminal Illness Benefit Rider (CLI-667)**

- Available upon request at no charge
- Waives surrender charges normally assessed for full or partial surrender during the surrender charge period if the owner is diagnosed with a terminal illness, confined to a hospital for at least 30 consecutive days or confined to a long-term care facility for at least 90 consecutive days.

Guaranteed lifetime income options

Your client may choose guaranteed income for life with settlement options such as:

- Life income with payments guaranteed for fixed period – Payments continue for the annuitant's lifetime or the period selected, whichever is greater
- Joint and one-half to survivor life income – Payouts are based on two lives
- Income for fixed period (minimum period 10 years) – Payments continue for a selected period of time
- Income of fixed amount (minimum period 10 years) – Payments continue at a selected amount until funds are exhausted

Funding options

Cincinnati Life accepts both qualified and nonqualified money, including funds from 401(k), 403(b) and some pension plans. Portfolio Edge Deferred Annuities may be used to fund:

- Traditional IRA
- Roth IRA
- SEP retirement plans

Portfolio Edge Deferred Annuities may not be used to fund:

- Coverdell Education Savings Accounts
- Sec. 529 College Savings Plans
- SIMPLE IRA plans
- Trusteed plans
- 401(k) plans
- 403(b) plans
- 412(i) plans

* Available in most states.

** Referred to as Waiver of Surrender Charge Rider in some states.

SINGLE PREMIUM IMMEDIATE ANNUITIES

Product Features

Issue ages: 0–80 (0–64 for life-only payout)

Premium type: Qualified and Non-qualified

Minimum premium: \$10,000

Maximum premium: \$1,000,000

The Single Premium Immediate Annuity allows your clients to design contracts that provide a guaranteed stream of income to suit their long-term retirement needs. They may choose to annuitize using single or joint annuitant options.

Single Annuitant Payout Options

Single annuitant payouts are based on the life of one individual. With Cincinnati Life, available options fall into one of three main categories:

- **Period certain**
 - Payments are made to the annuitant until the end of the period certain payout period.
 - Remaining payments are made to the beneficiary if the annuitant dies during the specified period.
- **Life only**
 - Payments are made to the annuitant for the entirety of his or her life.
 - No payments are made to the beneficiary following the annuitant's death.
- **Period certain and life**
 - Payments are made to the annuitant for the entirety of his or her life.
 - Remaining payments are made to the beneficiary if the annuitant dies during the specified period.

Period Certain Options	Life Options
	Life only (no period certain)
10 years certain	10 years certain and life
15 years certain	15 years certain and life
20 years certain	20 years certain and life

Joint Annuitant Payout Options:

Joint annuity payouts are based on the lives of two individuals, thus providing added flexibility and minimizing uncertainty in the financial planning process.

- **Joint and full to survivor** - Upon death of one annuitant, the living annuitant continues to receive full annuity payments of the same amount.
- **Joint and ½ to survivor** - Upon death of one annuitant, the living annuitant will receive payments equal to ½ of the amount being received while both annuitants were alive.
- **Joint and ⅓ to survivor** - Upon death of one annuitant, the living annuitant will receive payments equal to ⅓ of the amount being received while both annuitants were alive.



Everything Insurance Should Be®

Neither The Cincinnati Life Insurance Company nor its affiliates or representatives offer tax or legal advice. Consult with your tax adviser or attorney about your specific situation.

This is not a policy. For a complete statement of the coverages and exclusions, please see the policy contract. Products and riders available in most states.

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