

Upstream

REQUIRED CARRIER SPECIFIC TRAINING (CST) INSTRUCTIONS

Annuity Carrier Specific Product Training and state mandated **NAIC Annuity Training** (see STATE ANNUITY SUITABILITY TRAINING REQUIREMENT for regulation) must be completed prior to soliciting business. Failure to do so will result in rejected business.

Please carefully review the information below and provide a copy of the training certificate to ECA Marketing (licensing@ecamarketing.com) once complete.

If you will not be participating in solicitation of annuity products with this carrier, you can bypass the CST requirements. **Life** producers are required to abide by the rules set in place by the carrier for any additional training requirements. Review **ADDITIONAL REQUIRED TRAINING** before proceeding.

Annuity Carrier Specific Product Training

Who should complete the product training?

All agents, regardless of state, are required to take the product training.

When can the product training be taken?

The product training can be completed at any time by reading the provided literature and signing the Acknowledgement. Signing and dating of the product training Acknowledgement can be done the same day that business is solicited and/or signed.

Product Training Directions: The product training literature is included in the agent contract (see following pages)

1. Review the PRODUCT TRAINING SECURE FOUNDATION & SECURE LEGACY MYGA SERIES document
2. Sign the Acknowledgement and date (pg. 11)
3. Email Acknowledgement to licensing@ecamarketing.com or include with agent contract

Additional Required Training

Anti-Money Laundering Training (AML):

Upstream's preferred AML vendor is LIMRA, however, they will accept AML from any accredited provider. If taken anywhere other than LIMRA, please provide a copy of the certificate. Issuing of business will be withheld until the AML requirement has been satisfied.

upstream

LIFE | Est 1912

Producer Training
Secure Foundation & Secure Legacy
MYGA Series

SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES

Table of Contents

CONTACT INFORMATION.....	2
MARKETING and SALES CONTACT INFORMATION.....	2
CONTRACTING and ADMINISTRATION CONTACT INFORMATION.....	2
ADMINISTRATIVE PROCEDURES.....	2
PRODUCER REQUIREMENTS.....	2
PRODUCT DESCRIPTIONS.....	3
SECURE FOUNDATION.....	3
SECURE LEGACY.....	3
PRODUCT SPECIFICATIONS.....	3
FREE WITHDRAWAL OPTIONS.....	3
10% FREE WITHDRAWAL RIDER.....	3
WITHDRAWAL CHARGES.....	4
SURRENDER CHARGE.....	4
MARKET VALUE ADJUSTMENT.....	4
MINIMUM GUARANTEED SURRENDER VALUE.....	5
MINIMUM VALUES.....	5
DEATH BENEFIT RIDER.....	5
SUITABILITY.....	5
APPLICATION PROCESS.....	6
SUBMITTING APPLICATIONS IN GOOD ORDER.....	6
INTEREST RATE CHANGES.....	7
COMMISSION CHARGEBACKS.....	7
ISSUE AGE USED FOR COMMISSION AND POLICY.....	7
RENEWALS.....	7
SETTLEMENT OPTIONS.....	8
DEATH SCENARIOS.....	9
TRAINING COMPLETION ACKNOWLEDGEMENT.....	11

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

CONTACT INFORMATION

Website:

www.UpstreamLife.us

MARKETING and SALES CONTACT INFORMATION

Marketing Phone:

833-850-8198

Marketing Email:

marketing@upstreamlife.us

Marketing Mailing:

PO Box 15027
Lenexa, KS 66285

CONTRACTING and ADMINISTRATION CONTACT INFORMATION

Administration Phone:

877-346-1607

Administration Fax:

888-272-9502

Administration Email:

administration@upstreamlife.us

Administration Mailing:

PO Box 813
Brownwood, TX 76804

Hours:

8:00 am – 5:00 pm (CST)
Monday – Friday

Contracting Email:

contracting@upstreamlife.us

ADMINISTRATIVE PROCEDURES

- Policies are reviewed and issued daily
- Policies will be sent to the producer by the US Postal Service
- Policies are effective the day premium is received
- Commissions are paid weekly by direct deposit

PRODUCER REQUIREMENTS

- Current AML certification
- E&O coverage
- Product specific training
- State specific training
- Training as required by NAIC Suitability in Annuity Transactions Model Regulation

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

PRODUCT DESCRIPTIONS

SECURE FOUNDATION

The Upstream Life Secure Foundation MYGA is an industry leading single premium fixed annuity, offering a multi-year guaranteed interest period. This annuity accrues simple interest in a tax deferred manner and offers income and death friendly features and riders.

SECURE LEGACY

The Upstream Life Secure Legacy MYGA is an industry leading single premium fixed annuity, offering a multi-year guaranteed interest period. This annuity accrues compound interest in a tax deferred manner and offers income and death friendly features and riders.

PRODUCT SPECIFICATIONS

Initial Guarantee Periods:

3-Year 5-Year
7-Year 10-Year
15-Year 20-Year

Markets:

Qualified and Non-qualified

Issue Ages:

0 – 80 81 – 90*
*Death Benefit Rider required

Minimum Contract Value:

\$10,000

Maximum Contract Value:

\$1,000,000*
*without Home Office approval

Death Benefit:

Cash Surrender Value
Death Benefit Rider available

FREE WITHDRAWAL OPTIONS

Accumulated Interest:

- After 30 days
- Accumulated interest
- Minimum withdrawal \$100
- Lump sum or equal monthly or quarterly payments

Required Minimum Distribution:

- After 30 days
- Minimum withdrawal \$100
- Current year's RMD should be taken prior to transfer/rollover

10% FREE WITHDRAWAL RIDER

10% Free Withdrawal Rider:

- Beginning second contract year
- Up to 10% of contract value
- Costs 15-basis point reduction in crediting interest rate
- Minimum withdrawal \$100
- Lump sum or equal monthly or quarterly payments

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

WITHDRAWAL CHARGES

SURRENDER CHARGE

Initial Guarantee Period	Surrender Charges for Policy Year															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16-20
3-Year	10%	9%	8%													
5-Year	10%	9%	8%	7%	6%											
7-Year	10%	9%	8%	7%	6%	5%	5%									
10-Year	10%	9%	8%	7%	6%	5%	5%	5%	5%	5%						
15-Year	10%	9%	8%	7%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
20-Year	10%	9%	8%	7%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%

- For issue ages 55+, the 15-year and 20-Year Guarantee Period will have surrender charges reduced to 0% in years 11+.
- During all Renewal Guarantee Periods, the Surrender Charge is 5% during the Renewal Guarantee Period.

MARKET VALUE ADJUSTMENT

The Market Value Adjustment is the factor by which We adjust Your Contract Value and/or withdrawal amounts during any Guarantee Period, and is based on the Constant Maturity Treasury Rate (CMT) appropriate for the Guarantee Period as follows:

$$MVA = \left(\frac{A}{B}\right)^t$$

Where:

A is {1 + (the Constant Maturity Treasury Rate at the beginning of the current guarantee period)} less 0.25%

B is {1 + (the Constant Maturity Treasury Rate on the day before the date of Surrender or withdrawal)}

t is time remaining in the current guarantee period

Guarantee Period	Appropriate CMT Rate
3 Years	3-Year Constant Maturity Treasury Rate
5 Years	5-Year Constant Maturity Treasury Rate
7 Years	7-Year Constant Maturity Treasury Rate
10 Years	10-Year Constant Maturity Treasury Rate
15 Years	20-Year Constant Maturity Treasury Rate
20 Years	20-Year Constant Maturity Treasury Rate

The MVA can be positive or negative and will never cause the Cash Surrender Value to be greater than the Contract Value or less than the Minimum Guaranteed Surrender Value. The MVA applies through the life of the contract; if the annuity is renewed new MVA rates will be determined using the renewal date and the new Guarantee Period.

SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES

MINIMUM GUARANTEED SURRENDER VALUE

(1) 87.5% of Purchase Premium; less (2) Any Withdrawal amount; (3) accumulated at Minimum Guaranteed Interest Rate shown in Contract Specifications, compounded annually, and will in no event be less than the present value, at time of surrender, of the Accumulation Value then guaranteed on the later of the 10th Contract Anniversary or the anniversary next following the Annuitant's 70th birthday. The present value will be calculated on the basis of an interest rate 1% higher than the interest rate which was used to accumulate the Accumulation Value from the date of Surrender to the later of the 10th Contract Anniversary or the anniversary next following the Annuitant's 70th birthday.

MINIMUM VALUES

To be maintained, Your Contract must contain at least the Minimum Contract Value Allowed as shown in Contract Specifications. If through withdrawals You reduce Your Contract Value to less than the Minimum Contract Value Allowed, Your Contract will automatically Terminate. We will pay-out any remaining funds without applying the MVA or any Surrender Charges.

Paid-up annuity, cash surrender values or death benefits are not less than the minimum benefits required by the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities, model #805.

DEATH BENEFIT RIDER

Death Benefit Rider:

- Death Benefit equal to Contract Value
- Costs 25-basis point reduction in crediting interest rate
- Rider required for issue ages 81+

SUITABILITY

Producers are required to complete a Suitability Questionnaire and review the Disclosure form with each applicant. Suitability is based on the producer's recommendation and Upstream Life Insurance Company's assessment of suitability which includes:

Age	Annual Income and Expenses
Financial Situation and Objectives	Financial Experience
Financial Time Horizon	Existing Assets
Liquidity Needs	Liquid Net Worth
Risk Tolerance	Tax Status / Filing Status

SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES

APPLICATION PROCESS

- Applications may be submitted by fax, agent portal, US Postal Service or other post-delivery. Applications will not be accepted by any means not considered to be secure (ex. Email).
 - Fax: 888-272-9502
 - USPS: PO Box 813, Brownwood, TX 76804
 - UPS/FedEx/Other Delivery: 5750 County Road 225, Brownwood, TX 76801
- Use only one submission method
- The current year's RMD should be taken prior to transfer/rollover
- Submit applications and forms to your upline, if required
- PDF applications are currently available
- Delivery receipts required for all annuities prior to payment of commissions in states where delivery receipts are required by statute

SUBMITTING APPLICATIONS IN GOOD ORDER

The following forms are required for all applications:

- Application
- Annuity Suitability Questionnaire
- W-9
- Additional forms appropriate to the application

TRUSTEE CERTIFICATION OF TRUST:

If the Owner or Beneficiary is a Trust, please complete a Trustee Certification of Trust form and include a copy of the following pages from the Trust documents with the application:

- Page indicating Name of Trust
- Signature page of Trust document
- TIN (tax identification number) for the Trust
- Application must be signed with a designation after each signature
- In addition to the Trustee Certification, please complete a Trust and Other Non-Natural Owner form

OWNER/BENEFICIARY AS A CORPORATION, NON-PROFIT ORGANIZATION OR ENTITY:

If the Owner or Beneficiary is a Corporation/Entity, please include a copy of the following with the application:

- Certificate of Existence/Certificate of Good Standing
- TIN (tax identification number)
- Application must be signed with a designation after each signature
- In addition to the Certification of Existence/Certificate of Good Standing, please complete a Trust and Other Non-Natural Owner form

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

INTEREST RATE CHANGES

Upstream Life Insurance Company will notify producers of crediting rate changes.

Interest Rate can be locked in for 45 days from the application signature date by meeting these requirements:

- Application received “in good order”
- All paperwork received in administrative office within 10 business days of the application signature date
- All funds, including transfers from another carrier, received in the administrative office within 60 days of the application signature date

COMMISSION CHARGEBACKS

Commission chargebacks as specified in your Independent Producer Contract: 100%

Chargebacks to commissions for withdrawals during the first year:

Surrender:

Months 1-6: 100%

Months 7-12: 50%

RMDs on Qualified Annuities:

Months 1-6: 0%

Months 7-12: 0%

Death:

Months 1-6: 100%

Months 7-12: 50%

Accumulated Interest:

Months 1-6: 0%

Months 7-12: 0%

ISSUE AGE USED FOR COMMISSION AND POLICY

- If joint ownership, age of older of the two joint owners
- In non-natural owner, age of oldest annuitant
- Joint owners/annuitants: 50/50 ownership assumed for tax purposes
- Joint ownership only allowed for non-qualified annuities

RENEWALS

During the last thirty (30) days before the end of any Interest Guarantee Period, the Owner may choose one of the following options, to take effect on Your next Contract Anniversary:

(1) Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications:

- a. continue Your Contract for a Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period; or

SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES

- b. make a Partial Withdrawal, with no Surrender Charge or Market Value Adjustment, and apply the remaining Contract Value to continue Your Contract for a Renewal Guarantee Period equivalent to the Initial Guarantee Period as shown in Contract Specifications, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period.

(2) Renewal Guarantee Period of 5 Years:

- a. continue Your Contract for a Renewal Guarantee Period of 5 Years, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period;
or
- b. make a Partial Withdrawal, with no Surrender Charge or Market Value Adjustment, and apply the remaining Contract Value to continue Your Contract for a Renewal Guarantee Period of 5 Years, at an Interest Rate that may be different from the Interest Rate in the preceding Interest Guarantee Period.

(3) Make a Full Surrender of the Contract with no Surrender Charge or Market Value Adjustment.

We will mail a notice at least 15 days but not more than 45 days prior to the beginning of the application period where the owner has the ability to apply for the contract value on an unadjusted basis (no MVA).

Unless You select one of the options shown above, Your Contract will continue automatically for another Renewal Guarantee Period of 5 Years at a new Renewal Guaranteed Interest Rate. The new Interest Guarantee Period will not extend beyond the Maturity Date. If Your Contract is continued for another Renewal Guarantee Period, the Surrender Charges and Surrender Charge Period shown in Contract Specifications apply to the new Renewal Guarantee Period.

Producer Commissions of 50% of the base commission in the initial guarantee period are paid upon renewal.

SETTLEMENT OPTIONS

We pay Settlement Option Proceeds as a life annuity with a five-year certain period, unless You make a Written Request for an Alternative Settlement Option that may be available from the Company at that time. Settlement option values will be determined using the 2012 IAM Basic table and 3% interest.

The settlement annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the cash surrender value to purchase a single premium immediate annuity contract at purchase rates offered by the company at the time to the same class of annuitants.

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

DEATH SCENARIOS

What happens if a party to the contract dies during a <u>Guarantee Period</u>?		
Ownership Arrangement	Who Dies	Result
Annuitant and Owner are the same	Annuitant / Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are the same and there are Joint Owners and Annuitants	One of the Joint Annuitants / Owners	Contract will continue until death of second Annuitant or second Owner
Annuitant and Owner are different individuals	Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals	Annuitant	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there is joint ownership of the policy	One of the Joint Owners	Contract will continue until death of Annuitant or second Owner
Annuitant and Owner are different individuals and there is joint ownership of the policy	Annuitant	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there are Joint Annuitants	Owner	Death benefit is paid to the Beneficiary unless the designated Beneficiary is a Natural Person and the Owner's spouse, in which case they may continue the contract in his or her name as the new Owner and Annuitant
Annuitant and Owner are different individuals and there are Joint Annuitants	One of the Joint Annuitants	Contract will continue until death of second Annuitant or Owner
Annuitant and Owner are different and the Owner is not a Natural Person (trust, corporation, etc.)	Annuitant	Death benefit is paid to the Beneficiary

**SECURE FOUNDATION
SECURE LEGACY
MYGA SERIES**

What happens if a party to the contract dies during a <u>Pay-Out Period</u>?		
Ownership Arrangement	Who Dies	Result
Annuitant and Owner are the same	Annuitant / Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are the same and there are Joint Owners and Annuitants	One of the Joint Annuitants / Owners	Any remaining payments will continue to the Owner/Owners, until the death of the second Annuitant or second Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals	Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals	Annuitant	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there is joint ownership of the policy	One of the Joint Owners	Any remaining payments will continue to the Owner, until the death of the Annuitant or second Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there is joint ownership of the policy	Annuitant	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there are Joint Annuitants	Owner	Any remaining payments will continue to the Beneficiary
Annuitant and Owner are different individuals and there are Joint Annuitants	One of the Joint Annuitants	Any remaining payments will continue to the Owner, until the death of the second Annuitant or Owner, at which point any remaining payments will continue to the Beneficiary
Annuitant and Owner are different and the Owner is not a Natural Person (trust, corporation, etc.)	Annuitant	Any remaining payments will continue to the Beneficiary

Mandatory 4-Hour Annuity CE:

ALABAMA	HAWAII	MARYLAND	NEW JERSEY	TENNESSEE
ALASKA	IDAHO	MASSACHUSETTS	NORTH DAKOTA	*TEXAS
ARIZONA	ILLINOIS	MICHIGAN	OHIO	VIRGINIA
*CALIFORNIA	INDIANA	MINNESOTA	OKLAHOMA	WASHINGTON
COLORADO	*IOWA	MISSISSIPPI	OREGON	WEST VIRGINIA
CONNECTICUT	KANSAS	MISSOURI	PENNSYLVANIA	WISCONSIN
DELAWARE	KENTUCKY	MONTANA	RHODE ISLAND	WYOMING
DIST. OF COLUMBIA	LOUISIANA	NEBRASKA	SOUTH CAROLINA	
GEORGIA	MAINE	NEW HAMPSHIRE	SOUTH DAKOTA	

Mandatory – Requirement Varies:

Interpretation of the state ruling can vary by insurer

*CALIFORNIA	Resident and non-resident agents soliciting annuities in CA must complete an initial 8-hour CA state specific course along with a 4-hour refresher course every two years prior to license renewal. CA does not allow reciprocity for the annuity training between states.
FLORIDA	Resident and non-resident agents are not required to take any version of the 4-Hour NAIC Annuity Training to sell annuities in FL. The 5-hour “Law and Ethics Update” course covers the senior suitability requirement. FL resident agents soliciting cross border sales will be required to take a one-time 4-hour annuity training course in states that have implemented the NAIC guidelines. Insurers are responsible for providing product-specific training.
*IOWA	In addition to a 4-Hour NAIC Annuity Training course, agents selling indexed annuities in IA must take a one-time 4-hour course specific to indexed annuity products.
NEW YORK	Effective 8/1/19 for Annuities and 2/1/20 for Life, NY has amended Regulation 187 (Suitability and Best Interests) to include agent training. NY has not instituted an hourly CE requirement, however, resident and non-resident agents are required by the insurer to take an undefined hourly vendor training specific to “Suitability & Best Practices in Life Insurance & Annuity Transactions” prior to soliciting new business or servicing in-force policies originally issued in NY.
*TEXAS	Resident and non-resident agents must complete a one-time 4-hour annuity CE course. In addition, resident agents must take 8 hours of ongoing CE specifically relating to annuities each license period. Licensees that are exempt from CE are not exempt from the initial 4-hour annuity training. Exemptions apply to the ongoing 8 hours of CE required each license period. TX will accept most annuity CE courses taken in other states.
UTAH	No specific hourly requirements have been implemented. Solicitation of annuity products in the state of UT will not be allowed until the agent has taken a product specific training provided by the insurer.

No Requirement – States exempt from Annuity CE requirement:

Agents may be subject to insurer provided product specific training

ARKANSAS	NEVADA	VERMONT
NEW MEXICO	NORTH CAROLINA	