



*Provide security, growth,
and guarantees for your
clients' retirement*

Elite Provider

Indexed Annuity Solution



■ ANNUITY

Agent's Guide

AMERICO

Americo Financial Life
and Annuity Insurance Company

07-091-1 © Americo

For Agent Use Only. Not For Public Use.

Policy Series 255

Elite Provider

Agent's Guide

Product Highlights

Elite Provider is an indexed, flexible premium deferred annuity with multiple crediting options based on the performance of the S&P 500 Index[®] and a declared interest rate account option. Clients may benefit by having upside potential and downside protection.

- Monthly Averaging and Point-to-Point options based on the performance of the S&P 500 Index[®] available with annual reset
- Full Account Value Death Benefit
- 5x5 annuitization option (keep your annuity in force for five years and annuitize for at least five years with no surrender charges) (not available in all states)
- Systematic monthly interest income after 30 days, available on funds in declared interest accounts
- Loans available on qualified plans (non-IRAs)

Product Specifications

Policy Series 255

Issue Ages

0-85, age last birthday (0-56 in WA)

Markets

Non-Qualified & Qualified (IRA, Keogh, SEP, TSA)

Maturity Date

Later of age 95 or 25 years from issue (in TX, later of age 70 or 25 years, in PA later of age 70 or 15 years).

Minimum Premium

<u>Annuity type</u>	<u>Minimum size</u>
Non-qualified	\$5,000
Qualified	\$2,000
403(b)	\$1,000 or \$83.33 monthly

\$1,000 minimum additional premiums allowed after initial payment.

Maximum Premium

\$1,000,000 total without prior Home Office approval.

Index

Standard & Poor's 500[®] Composite Stock Price Index without dividends.

Indexed Crediting Rate Options

Elite Provider offers your clients the option of choosing from up to four different indexed crediting rate options or a declared interest rate option.

These options include:

- S&P 500 Index[®] with Point-to-Point and No Cap
- S&P 500 Index[®] with Point-to-Point with a Cap
- S&P 500 Index[®] with Monthly Averaging with a Cap
- S&P 500 Index[®] with Monthly Averaging and No Cap

Your client(s) may select the indexed crediting rate option that best suits their situation and preference.

Monthly Averaging

One of the benefits of the Elite Provider annuity is that interest crediting rates are based on the performance of the S&P 500 Index[®]. Monthly averaging is one method used to determine the indexed rate. To determine this rate, the average of the twelve monthly S&P 500 Index[®] closing values over the year will be calculated and compared to the beginning value $[(\text{average value} - \text{beginning value}) / \text{beginning value}]$. The annual indexed crediting rate will be determined by adjusting this index rate by the current Participation Rate, Spread and Cap, if any.

Point-to-Point

Point-to-Point is another method used for determining the index rate. The closing values of the S&P 500 Index[®] at the beginning and end of the year are compared $[(\text{ending value} - \text{beginning value}) / \text{beginning value}]$. The annual indexed crediting rate applied to the participation account will be determined by adjusting this index rate by the current Participation Rate, Spread and Cap, if any.

Indexed Crediting Method

Monthly Averaging and Point-to-Point are each unique ways to determine the index rate. The indexed crediting rate applied to your Participation Account is the index rate multiplied by a declared participation rate less a declared spread and limited by a cap, if applicable. The resulting percentage is the interest rate used to credit interest to your participation account at the end of the year-long crediting period. Both methods, Monthly Averaging and Point-to-Point, utilize an annual reset feature, which means that yearly gains are locked in and subsequent index values are recalculated each year.

Participation Account

Each premium allocation creates a Participation Account which earns an annual interest rate based on the indexed crediting option you select. Premiums are transferred to the Participation Account on the index date immediately following the date your premium is received or the issue date of the contract, whichever is later. Index dates are the 7th, 14th, 21st and 28th of each month.

Participation Rate

The Participation Rate is declared in advance of each year-long index period and will be guaranteed for the year-long index period. The Participation Rate is the percentage of the index rate that will be used in determining the indexed crediting rate.

Spread

The Spread will also be declared in advance of each year-long index period. A Spread is a percentage amount that is subtracted from the calculated indexed rate before the rate is credited to the Participation Account.

Cap

A Cap is the maximum percentage of interest credited to a participation account during any year-long interest period.

Declared Interest Account

Americo will declare the interest rate for one year for new money transferred to the declared interest account but reserves the right to change the declared interest rate at any time for subsequent deposits. Money will be moved to this account on the 7th, 14th, 21st and 28th of each month. The initial interest rate is guaranteed for one year. Thereafter, the interest rate is guaranteed to be no lower than 1%. State variations do apply.

Transfers

At least 15 days before the end of an annual crediting period, the owner can notify Americo that he or she wants all or a portion of the values in a participation account transferred to another indexed crediting option or to a declared interest account. Transfers from a participation account will only occur at the end of the crediting period. Transfers from a declared interest account to an indexed crediting option will only occur at the end of the one-year declared interest rate period.

A letter will be sent to the policyowner and the agent 45 days prior to the index date of the initial deposit. This letter will provide notification that they may transfer funds between index accounts at the index anniversary.

The minimum transfer is \$50, and the remaining value of any one participation account, if any, must be at least \$50.

Expense Charges

None

Accumulation Value

The accumulation value is the sum of:

1. all participation accounts
2. all declared interest accounts, and
3. all premiums not yet allocated to a participation account or declared interest account, including interest thereon.

Guaranteed Minimum Value

The guaranteed minimum value for funds in declared interest options or indexed options equals 87.5% of premiums, less any partial surrenders, accumulated at the guaranteed interest rate, and less any premium tax.

The interest rate for the guaranteed minimum value is 3% for policies issued in 2007. It is guaranteed to never be less than 1%.

Withdrawals

Each year after the first policy year, 10% of the accumulation value may be withdrawn penalty-free. The minimum withdrawal is \$500. The minimum remaining surrender value can be no less than \$2,000. Withdrawals will be taken from the declared interest account on a "last-in first-out" (LIFO) basis. Any additional amounts needed will be taken from index options on a LIFO basis.

Systematic monthly interest income is available after 30 days from the declared interest account as a current company practice.

Cash Surrender Value

The cash surrender value is equal to the greater of:

- a. The accumulation value less the surrender charge, or
- b. The guaranteed minimum value,

less any applicable premium taxes. Premium tax is a tax on gross premiums levied by a few states. The percentage amount varies by state, and when applicable, will be reflected on the client's statement.

Loan Provisions

A loan provision is included by endorsement to the contract when it is issued as part of a qualified plan. Subject to restrictions, including those imposed by Internal Revenue Code, the owner may borrow from the cash surrender value subject to a minimum of \$250 and a maximum of 50 percent of the accumulation value not to exceed \$50,000. The loan must be repaid within five years unless its purpose is to acquire the main residence of the owner. Even when the owner borrows against the policy, the entire accumulation account, including the amount borrowed, continues to grow. A loan processing charge of \$25 is deducted from the accumulation value for each loan taken. Loans may be taken at any time while the policy is in force.

Death Benefit

The death benefit is equal to the greater of the guaranteed minimum value or the accumulation value at the death of the owner. Interest will be credited based on the date Amerigo receives all proof-of-death requirements. The spread will be equal to a pro-rata portion of the total crediting period spread in the calculation of interest at the time of death.

Waiver of Surrender Charge Upon Nursing Home or Hospital Confinement Endorsement

Endorsement Series 4139

After contract issue, if the owner is confined for at least 90 consecutive days in a qualified nursing home or hospital, all surrender charges will be waived. The surrender request plus proof of confinement must be received in the Home Office no later than 30 days after discharge. There is no charge for this Rider, and it is automatically added to every contract issued. (May not be available in all states.)

Income Options

The accumulation value may be converted into a guaranteed income after the 5th policy year. Income must be taken over at least 5 years. (May not be available in all states.) Various income options are available, including single and joint life options:

- ♦Life income only
- ♦Life income with guaranteed fixed period certain
- ♦Fixed period certain only
- ♦Joint and survivor
- ♦Joint and survivor with guaranteed fixed period certain
- ♦Life expectancy guaranteed income
- ♦Life expectancy retirement option

Statements

Annual statements will be mailed to the client after the policy anniversary.

Surrender Charge Percentage of Accumulation Value

YEAR	GENERIC	PA
1	12%	12%
2	11%	11%
3	10%	10%
4	9%	9%
5	8%	8%
6	7%	7%
7	6%	6%
8	5%	5%
9	4%	4%
10	2%	3%
11	0%	2%
12	---	1%
13	---	0%

Americo Contact Information

Agent Café: Access product information, forms, and consumer-friendly information and download illustration software at our agent website, Agent Café, at www.americo.com.

Sales Support: The Sales Support team provides proactive and reactive pre-sales assistance to agents via telephone and email. They are available to assist agents with product questions, illustrations, technical questions about our websites, and any other questions directly related to doing business with Americo. In addition, Sales Support implements proactive calling campaigns that are focused on helping agents do business with Americo. Call 800-231-0801, ext. 8410 Monday – Friday 8:00 a.m. to 5:00 p.m. CST or email at salesupport@americo.com.

Agency Contact Center: The Agency Contact Center assists IMOs and agents when they need information about newly submitted life, annuity, and mortgage applications, licensing or commission related issues. Contact center representatives are trained in all facets of New Business operations with the goal to provide answers to your questions on the first call. You can contact them by phone at 800-634-1180 or by email at pending.business@americo.com. The center's hours are 8:00 a.m. to 5:00 p.m. CST, Monday – Friday.

Supply Orders: Americo supplies can be ordered one of three ways. You can log on to www.americo.com and order supplies online, fax supply orders to 877.281.7950 (use supply requisition form #55121), or email your order to supplies@americo.com.

Submitting the Americo Application: Submit new business applications by faxing the applications with the Faxed Application Transmittal Form (#AFSFAX2002) to 800-395-9261. A maximum of eight applications may be sent per transmittal form; please retain the original application(s) for your files - do not mail.

Underwriting: Have a special situation? Refer to Agent Café or this Field Underwriting Guide. For access to an underwriter, contact Agent Support at 800-634-1180 and a representative will direct you to an available underwriter.

To submit Underwriting and Delivery Requirements, fax to 800.395.9238.

Claims: Phone: 800-231-0801
Fax: 816-391-2784

Customer Service: Life Insurance

Email: dlcustomer.service@americo.com
Phone: 800-231-0801
Fax: 800-395-9238

Annuities and Qualified Products

Email: kccustomer.service@americo.com
Phone: 800-634-1181
Fax: 800-395-9238

Mailing Addresses:

General Delivery
P.O. Box 410288
Kansas City, MO 64141-0288

Overnight
300 W. 11th Street
Kansas City, MO 64105-1618

About Amerigo

For over 100 years, Amerigo Life, Inc., and its family of insurance companies have been committed to providing the life insurance and annuity products you need to protect your mortgage, family, and future.* We listen to what you want from an insurance policy or annuity and do our best to provide a proper solution for your situation.

Innovative thinking has helped us build a strong financial foundation for our business. Today, Amerigo Financial Life and Annuity Insurance Company is the lead company in one of the largest independent, privately held insurance groups in the United States**, with nearly eight hundred thousand policies, over \$38 billion of life insurance in force, and over \$5 billion in assets in force for year-end 2006.***

**Amerigo Life, Inc., is a holding company and is not responsible for the financial condition or contractual obligations of its affiliate insurance companies.*

***"Admitted Assets, Top Life Writers-2005," A.M. Best Co., as of July 2006.*

****Information is as of end of year 2006 on a consolidated basis for Amerigo Financial Life and Annuity Insurance Company and the other life insurance subsidiaries of Amerigo Life, Inc., unless otherwise indicated. Information is prepared on the basis of generally accepted accounting principles (GAAP).*

Important Information

This annuity is intended to be a long-term retirement instrument. If your client keeps this annuity only a few years, contract values may be less than the total contributions due to surrender charges, income tax and IRS penalties.

Any illustrations of future values used in a sales presentation are provided only for illustrative purposes. Any such illustration must not be regarded as guaranteed or as estimated future performance unless it is based solely on the minimum guaranteed interest rates.

Products are underwritten by Amerigo Financial Life and Annuity Insurance Company, Kansas City, MO and may vary in accordance with state laws. Some products and benefits may not be available in all states. Certain restrictions apply. Consult contract and rider for all limitations and exclusions.

The contract does not directly participate in any stock or equity investments.

Neither Amerigo Financial Life and Annuity Insurance Company nor any agent representing Amerigo Financial Life and Annuity Insurance Company is authorized to give legal or tax advice. Please consult a qualified, professional legal or tax advisor regarding the information and concepts contained in this material.

"Standard & Poor's®", "S&P 500®" and "Standard & Poor's 500®" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by Amerigo Financial Life and Annuity Insurance Company. This product is not sponsored, endorsed, sold or promoted by Standard & Poor's® and Standard & Poor's® makes no representations regarding the advisability of purchasing this product.

The S&P 500 Index® is a market-valued weighted price index which reflects capital growth only and does not include dividends paid on stocks.

Comparison of indexed annuities on any single factor may be misleading.



Amerigo Financial Life and Annuity Insurance Company
Home Office: Dallas, Texas
Administrative Office: P.O. Box 410288, Kansas City, Missouri 64141-0288