

# MEMBERS<sup>®</sup> Future Income Annuity

GUARANTEED INCOME FOR LIFE



**CUNA MUTUAL GROUP**

*CMFG Life Insurance Company*

• NOT FDIC/NCUA/NCUSIF INSURED • NOT BANK OR CREDIT UNION GUARANTEED  
• MAY LOSE VALUE • NOT A DEPOSIT OF ANY FINANCIAL INSTITUTION



## ❖ ❖ A financial services company serving financial institutions and their clients worldwide.

**It is important to know that you have financial strength and professional experience behind your annuity.**

MEMBERS<sup>®</sup> Future Income Annuity is underwritten by CMFG Life Insurance Company (CMFG Life), a leading provider of financial services to financial institutions and their valued customers worldwide. With more than 80 years of true market commitment, the CMFG Life vision is unwavering: to be a trusted business partner who delivers service excellence with customer-focused, best-in-class products and market-driven innovation. As of December 31, 2017, financial records of CMFG Life, a Fortune 1000 company, indicated \$18.08 billion in assets, \$15.97 billion in liabilities and \$2.11 billion in policyowner surplus.

CMFG Life Insurance Company is rated A (Excellent), third-highest rating out of 16 for financial strength, by A.M. Best as of January 2018. In addition, Moody's Investors Service provided financial strength ratings of A2 to CMFG Life. The A2 financial strength rating ranks sixth-highest out of 21 ratings. In addition, Standard & Poor's Ratings Services provided a financial strength rating of A to CMFG Life. The A rating ranks sixth-highest out of 21 ratings.

## There are guarantees in life.

Whether you are planning for or already enjoying retirement, you have important decisions to make. Perhaps your retirement means continuing to work part-time, or maybe you're looking forward to complete freedom from the daily "9 to 5." Either way, you need to decide now how to build your retirement savings for the future.

### Like a personal pension plan

In the past, most retirees received lifetime income through a traditional pension plan, along with Social Security. But things have changed. Today you can't rely on an employer for retirement security, and the future of Social Security remains uncertain. More than ever, planning for retirement income is up to you.

The Future Income Annuity can help provide the answer. Like a pension plan, an income annuity delivers a monthly "retirement paycheck" you cannot outlive. The money you've saved now guarantees a future stream of income.<sup>1</sup> And thanks to the old saying "time is money," the longer you wait to begin your guaranteed income, the higher your monthly payments will be throughout your life.

### Lifetime income without market risk

The Future Income Annuity is an insurance contract that protects your retirement income and guarantees it will be there as long as you need it. You receive lifetime income without the worry of market risk. No matter what happens to stocks and bonds, your income remains secure.

You can use a portion of your retirement savings to purchase a future income stream, and you have a range of options to customize your annuity payments. You receive future income to match your needs, without recurring fees or charges. Whether it's worries about rising health care costs, increasing life expectancies, inflation or simply fluctuating investment returns, a future income annuity can help you reach your ultimate retirement goal - to make sure your assets last as long as you do.

### Determining your income need

Defining this amount - called the **replacement ratio** - can help you target a monthly payment for the future. With the replacement ratio as a guide, you can set your retirement income goal. Then subtract guaranteed income you expect to receive from Social Security or other sources. The resulting income gap is a good place to start your future income planning.

<b>Your Retirement Income Goal</b>		\$
<b>Guaranteed Income Sources</b>	-	\$
<b>Your Income Gap</b>	=	\$

Heather works for an employer that does not offer a pension plan. Lately, she's been hearing questions about the stability of Social Security, and recent market volatility is adding to her concern. As she nears retirement, she wants to be sure she can count on a steady income from her savings. Heather uses a portion of her nest egg to purchase a Future Income Annuity that will fund her basic expenses in retirement.



<sup>1</sup> All guarantees are based on the claims-paying ability of CMFG Life Insurance Company.

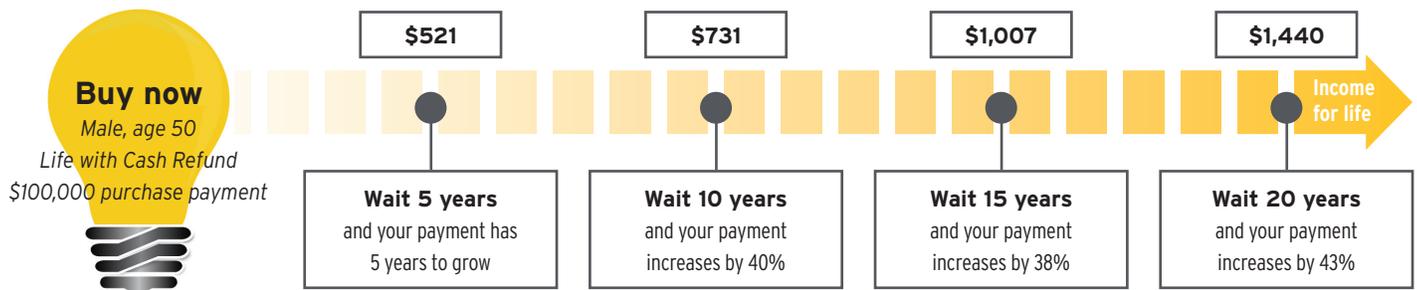
## What is a future income annuity?

The Future Income Annuity is a contract between you and the insurance company in which you convert a lump sum of money into an income stream for the future. By purchasing now, you put time on your side and defer the start of income until a future date. This allows your future income to grow.<sup>1</sup> Like a traditional pension plan, a future income annuity can offer these valuable guarantees in part because it does not allow withdrawals. That's why it's important to always maintain an emergency fund.

### The power of deferral

You choose the date to begin receiving income payments. The longer you wait (up to 20 years, subject to the maximum start date), the higher your monthly check will be for as long as you live. Planning today to guarantee steady income for the future is a bright idea.

### Monthly income for life



The information above is for example purposes only and is current as of May 23, 2018. Current rates may be changed any time prior to the issue date of your contract. Your actual income payment amount will be based on the date the application is received, the exact age at issue, the actual purchase amount and the date all funds are received.

### Design your income

You decide on the strength of your guaranteed future income. You can choose to guarantee income for your lifetime or the lifetime of you and your spouse.<sup>2</sup> Whatever your situation, your future income annuity can be structured to meet your specific needs. This chart explains basic annuity payment types and their benefits.

Payment option <sup>3</sup>	Strength of guarantee	Value of benefits
<b>SINGLE LIFE FIXED INCOME</b>	Payments are fixed and guaranteed for your lifetime.	Designed to provide the peace of mind of lifetime payments and the highest income of all the options.
<b>SINGLE LIFE INCOME WITH COST-OF-LIVING ADJUSTMENT</b>	Payments are guaranteed for your lifetime and increase annually to help keep up with rising costs.	Gives you assurance your retirement income will grow over your lifetime to help maintain your purchasing power.
<b>JOINT LIFE FIXED INCOME</b>	Payments are fixed and guaranteed for the lifetime of both you and your spouse.	Provides lifetime income for both you and your spouse so you can enjoy retirement to the fullest.
<b>JOINT LIFE INCOME WITH COST-OF-LIVING ADJUSTMENT</b>	Payments are guaranteed for two lifetimes and increase annually to help keep up with rising costs.	Gives you and your spouse assurance your retirement income will grow to help maintain purchasing power for both your lives.

<sup>1</sup> All guarantees are based on the claims-paying ability of CMFG Life Insurance Company.

<sup>2</sup> References to "you" and "your" refer to the person receiving income, often labeled the "annuitant." References to spouse may include civil union partners, registered domestic partners or other similar relationships as recognized by your state. For residents of Oregon and New Jersey any reference to spouse also includes your legal partner (domestic partner in Oregon or civil union partner in New Jersey). Please contact a qualified tax advisor prior to purchase to discuss how these relationships will be recognized for tax purposes.

<sup>3</sup> Certain payment options may not be available in all states or with all plan types.

Steve and Kathy are enjoying retirement, even though both still consult occasionally in their respective fields. While working full-time, they invested heavily in equities to build their savings. Now they've shifted to more conservative investments, but wish they had greater growth potential. Using a portion of their retirement funds, they purchase a Future Income Annuity with a start date in 5 years. The confidence of a guaranteed income stream ready to begin once they fully retire allows them to invest remaining savings for additional growth.



## Meet your retirement income goals.

Which type of annuity is right for you? Design your future income by asking yourself the following questions:<sup>1</sup>

<p><b>Do you want income to start at a certain date or a certain age?</b>  <i>You can typically start income any time between 13 months and 20 years after issue, but certain age limits may apply.</i></p>	<input type="text"/> Date <input type="text"/> Age	<b>START</b>
<p><b>Are you looking for guaranteed income for yourself or for both you and your spouse?</b> <i>Income to a survivor can deliver valuable peace of mind.</i></p>	<input type="checkbox"/> Income for you (Single Life) <input type="checkbox"/> Income for you and your spouse <sup>2</sup> (Joint Life)	<b>LIFE</b>
<p><b>Do you want to make sure your beneficiaries are protected in case of an early death?</b> <i>Knowing you have provided for loved ones can offer additional comfort.</i></p>	<input type="checkbox"/> Yes (Cash Refund or Guarantee Period) <input type="checkbox"/> No (Life Only)	<b>PROTECT</b>
<p><b>Do you want the assurance your income will increase each year to help keep pace with rising costs?</b> <i>Once income begins, an annual increase can help you maintain purchasing power.</i></p>	<input type="checkbox"/> Yes (Cost-of-Living Adjustment) <input type="checkbox"/> No (Fixed)	<b>COLA</b>
<p><b>What will be the tax treatment of your purchase payment?</b> <i>The status of your purchase determines how future monthly income payments will be taxed.</i></p>	<input type="checkbox"/> Tax-qualified (Traditional IRA, Roth IRA or 457(b) plan) <input type="checkbox"/> Non-qualified	<b>TAX</b>

<sup>1</sup> Certain payment options may not be available in all states or with all plan types.

<sup>2</sup> References to spouse may include civil union partners, registered domestic partners or other similar relationships as recognized by your state. For residents of Oregon and New Jersey any reference to spouse also includes your legal partner (domestic partner in Oregon or civil union partner in New Jersey). Please contact a qualified tax advisor prior to purchase to discuss how these relationships will be recognized for tax purposes.



Over their working lives, Jeff and Barb have seen prices for everyday items climb. Now that they're nearing retirement, they are concerned the dollars they currently spend for the "basics" won't be enough down the road. Using a portion of their savings, they purchase a Joint Life Income contract with a 2% cost-of-living adjustment (COLA). Their Future Income Annuity will provide lifetime payments that increase each year to help keep up with rising costs.

## 🔗 Plan for the future with a cost-of-living adjustment.<sup>1</sup>

Are you concerned your annuity income won't keep up with inflation? Even if inflation averages a modest 3% over the next 20 years, the purchasing power of a fixed, never-changing payment declines by almost 50%.<sup>2</sup>

The Future Income Annuity can help by allowing you to add an annual cost-of-living adjustment (COLA) to your payment. You can choose an increase of 1%, 2% or 3%, and your selected percentage is applied annually once payments begin. (COLA options are not available in Florida.) For Single Life options, the increase is guaranteed for your lifetime; for Joint Life, the increase is guaranteed for the lifetime of both you and your spouse.<sup>3</sup>

### The power of compounding

A COLA provides the confidence of knowing your future income will steadily grow over time, helping you maintain purchasing power. For example, let's assume you purchase monthly income of \$1,000 and add a 2% COLA. At the end of the first year of income, your monthly payment would increase to \$1,020. After 5 years your payment would be \$1,104; after 10 years it would be \$1,219. Each year your increase is applied to the prior amount to provide powerful compounding, and COLA increases continue for life.

Choosing to add a cost-of-living adjustment to your future income results in a lower payment when compared to an annuity without COLA protection. But a COLA payment increases steadily over time. So for those who live long lives, this option may be ideal.

- You select an annual compound increase of 1%, 2% or 3%.
- Increases begin one year after the start of your future income payments, and are added each anniversary.
- COLA options are available for the life of one (Single Life) or two (Joint Life) individuals.
- Be aware if you add a COLA, you may not change the income start date after issue.

<sup>1</sup> A COLA must be elected at issue and cannot be changed once the contract is in force. May not be available in all states or with all plan types.

<sup>2</sup> Future value of \$1.00 at 3% inflation rate over 20 years compounded annually; CUNA Mutual Group, 2018.

<sup>3</sup> All guarantees are based on the claims-paying ability of the issuer.

## Protect your beneficiaries.

You've worked hard to build financial security. Your Future Income Annuity also has options<sup>1</sup> to help protect your family if you should die early. These guarantees<sup>2</sup> can provide additional security for your beneficiaries.

### Life with Cash Refund

Payments are guaranteed for life. In the case of death before your income start date, your beneficiary receives the net purchase payment(s). After income begins, if death occurs and the total of all income payments made is less than your net purchase payment(s), the difference is paid in a lump sum to your beneficiary.

### Life with Guarantee Period

Payments last for life. If death occurs before your income start date, your beneficiary receives the net purchase payment(s). If you die after income starts but before the end of the guarantee period – 5, 10, 15 or 20 years – your beneficiary receives payments until the guarantee period ends. Your guarantee period plus your age (or your spouse's age for Joint Life) on the income start date cannot exceed 95. (Life with Guarantee Period is not available in Florida.)

### Life Only

While payments last for life, no payments are made to your beneficiary upon death. That means if you die before income starts, no death benefit is paid. This option often provides the highest guaranteed payment, but does not protect your loved ones. Life Only is available only if you select Single Life income. (Life Only is not available in Connecticut.)

### Spousal Continuation

If Joint Life is elected, your spouse must be named as sole beneficiary. This will ensure your spouse can continue the contract if you die prior to the income start date.<sup>3</sup>

**At age 55, Tom is just starting to plan for retirement in 10 years. His family has a history of longevity and he expects to enjoy retirement for many years. However, he'd like to leave a legacy for his family should he die early. Tom purchases the Future Income Annuity and selects a Single Life with Cash Refund option. At his death, if the total of income payments received is less than his net purchase payments, the difference will be paid in a lump sum to his children.**



<sup>1</sup> Certain payment options may not be available in all states or with all plan types.

<sup>2</sup> All guarantees are based on the claims-paying ability of the issuer.

<sup>3</sup> In New Jersey and Oregon, a legal partner may postpone payment of the death proceeds by continuing the contract for up to 5 years. No income payments will be payable, and the death benefit will be paid automatically at the end of the 5-year period.



## 🔗 Choose your income start date.

You probably have a good idea of when you want to retire and when you'll need retirement income. Maybe you're ready to quit working as soon as you turn 65. Maybe you're targeting January 1 a few years from now. Perhaps you're already retired and looking for extra income in your 80s. With the Future Income Annuity, you choose the date to begin receiving income payments according to your schedule. You can start income any time between 13 months and 20 years after issue, subject to certain age limits.

### Income start date flexibility<sup>1</sup>

Whatever your start date, we all know the best-laid plans can change. A job change might force you to retire sooner than expected. Or perhaps you decide to take advantage of good health and work longer.

After your annuity's first anniversary, you have a one-time option to change your income start date during the deferral period, by up to 5 years and subject to minimum and maximum start date limits. (Not available in New York. In Florida, you may accelerate your start date more than 5 years.) Your monthly income amount is updated based on your new income start date. This is available only with the Life with Cash Refund option and only if COLA is not selected.

### Payment acceleration<sup>2</sup>

We all know life can throw us a curve ball, and your annuity can also help out should unexpected expenses arise once income begins. If you need accelerated income, you can choose to receive up to 6 months of payments in a lump sum. Regular monthly payments are suspended for the selected months following the lump sum payout, and begin again after the acceleration period has passed. No proof of hardship is required, and you can use the acceleration option twice over the life of your contract.

## 🔗 Give yourself a pay raise.

After the contract has been in force one year and during the deferral period, you may make additional purchase payments.<sup>3</sup> (Not available in New York.) Each new payment buys additional retirement income beginning on your income start date under your selected payment option. Additional payments are applied based on current rates at time of purchase, and cannot be made in the 13 months prior to your income start date. By adding money to your contract, you give yourself a retirement pay raise and build your total future income.

<sup>1</sup> Income start date flexibility may not be available in all states or with all plan types.

<sup>2</sup> Payment acceleration may not be available in all states. Only available with non-qualified plan types.

<sup>3</sup> Additional purchase payments may not be available in all states. CMFG Life reserves the right to refuse additional purchase payments. Our refusal will be administered in a non-discriminatory manner.

## Choose income for your future.

In today's world, a guarantee of future income can help in many situations.<sup>1</sup> The Future Income Annuity may be an ideal way to utilize a portion of your retirement savings to ensure income you cannot outlive.

- **Design a personal plan similar to a pension** – Social Security often replaces a smaller percentage of pre-retirement income than people realize. And if you're like many Americans, you don't have a pension plan from your employer. An income annuity allows you to take control and establish your own retirement plan.
- **Use 401(k) dollars to buy a lifetime of retirement income** – You've saved for retirement in your 401(k), yet most plans don't provide the ability to convert that money into guaranteed income for life. Rolling dollars into an income annuity can offer peace of mind for the future.
- **Protect your lifestyle over a lifetime** – Rising health care costs, fluctuating market returns, longer lifespans ... each brings with it the risk that you'll need to lower your standard of living over time. Guaranteed income helps ensure you'll enjoy retirement year after year.
- **Build confidence** – Maybe you're just starting to get serious about retirement planning, and realize you haven't set aside as much as you had hoped. By purchasing an annuity and letting your income grow for a few years, you could help make the most of your retirement savings.
- **Contribute over time to grow your income<sup>2</sup>** – By making regular contributions to your annuity during the deferral period you build retirement income. Each payment helps your future stream of lifetime income grow.

### Designing your income

With the Future Income Annuity, you choose the start date and payment option that fits your unique needs. Your representative can assist you by providing recommendations in line with your risk tolerance and retirement goals.

As you might expect, as you compare a Life Only option to one that provides stronger lifetime guarantees, those guarantees cost more. That means your future monthly income will be lower for the same purchase payment.

Below you'll find a general idea of how your selected option<sup>3</sup> determines your guaranteed income amount. All of the income payment options in the example are Life with Cash Refund. You may choose Life Only or Life with Guarantee Period and monthly payments will vary from the examples shown.

#### COMPARISON OF PAYMENT OPTIONS AND INCOME START DATES LIFE WITH CASH REFUND MONTHLY INCOME FOR \$100,000 PURCHASE PAYMENT

<b>SINGLE LIFE FIXED INCOME</b> <i>Male, Age 55</i>	Defer 5 years	\$564
	Defer 10 years	\$810
	Defer 15 years	\$1,154
<b>SINGLE LIFE FIXED INCOME</b> <i>Female, Age 55</i>	Defer 5 years	\$546
	Defer 10 years	\$776
	Defer 15 years	\$1,093
<b>JOINT LIFE FIXED INCOME</b> <i>Male &amp; Female, Both Age 55</i>	Defer 5 years	\$504
	Defer 10 years	\$701
	Defer 15 years	\$960

The information above is for example purposes only and is current as of May 23, 2018. Current rates may be changed any time prior to the issue date of your contract. Your actual income payment amount will be based on the date the application is received, the exact age at issue, the actual purchase amount and the date all funds are received.

<sup>1</sup> All guarantees are based on the claims-paying ability of CMFG Life Insurance Company.

<sup>2</sup> Additional payments may not be available in all states.

<sup>3</sup> Certain payment options may not be available in all states or with all plan types. Check with your representative for information on current rates at time of purchase.



## Commonly asked questions.

### How can I purchase the Future Income Annuity?

Your annuity can be established as a Traditional IRA, Roth IRA, 457(b) deferred compensation plan (not available in New York) or with after-tax dollars (non-qualified).<sup>1</sup>

### What is the minimum and maximum issue age?

For non-qualified or Roth IRA contracts, the owner and annuitant(s) may be between the ages of 40 and 83 on their last birthday, at the time of purchase. For Traditional IRAs and 457(b) plans, the owner and annuitant(s) may be between ages 40 and 68.

### What is the minimum purchase payment?

The Future Income Annuity requires a payment of \$10,000 to issue the contract.

### Is there a maximum?

Without prior Company approval, the maximum purchase payment is \$999,999.

### Can I add money to my Future Income Annuity?

Yes. You can send in additional purchase payments any time after your first contract anniversary and at least 13 months before your income start date.<sup>2</sup> (Not available in New York.) Additional purchase payments are credited at the current purchase rates and increase your future income payments. The minimum additional purchase payment is \$5,000.

### Is there a minimum payment amount for the income option I select?

There is a minimum payment of \$50 per payee.

<sup>1</sup> Plan types may not be available in all states.

<sup>2</sup> Additional payments may not be available in all states. CMFG Life reserves the right to refuse additional purchase payments. Our refusal will be administered in a non-discriminatory manner.

<sup>3</sup> Payment acceleration may not be available with all states. Only available with non-qualified plan types.

### **How often will I receive payments?**

Like a typical pension plan, lifetime income is paid to you monthly.

### **How soon can I receive my first payment?**

You must wait at least 13 months after issue (or after any subsequent purchase payment) to begin receiving lifetime income.

### **How long can I wait before starting lifetime income?**

For non-qualified or Roth IRA contracts, you can delay the start of income up to 20 years from the issue date or to the date the oldest annuitant turns age 85, whichever is earlier. For Traditional IRA and 457(b) plans subject to required minimum distributions (RMDs), you must begin lifetime income payments no later than the year you turn age 70½.

### **Can I change my income start date once I've set it?**

Yes. After your first anniversary, you have a one-time option to change your income start date during the deferral period. (Not available in New York.) You can shift your income start date as much as 5 years (subject to minimum and maximum start date limits), and your payment will be adjusted accordingly. This is available only with the Life with Cash Refund option and only if COLA is not selected. (In Florida, you may accelerate your start date more than 5 years.)

### **Can I withdraw money from my contract?**

No. Like pension plans, income annuities can offer guaranteed lifetime payments in part because they do not allow withdrawals. That's why it's always important to maintain cash for emergencies.

### **Can I accelerate my income?**

In the case of unplanned expenses any time after your income start date, you can accelerate up to 6 months of income payments and receive those in a lump sum.<sup>3</sup> Regular monthly payments begin again after your acceleration period.

### **Is there a rate lock for applications received without money?**

Yes. Often an annuity is purchased with funds to be transferred from another contract or financial institution. These applications received without money may benefit from the 60-day rate lock feature of the Future Income Annuity. The 60-day rate lock consists of two parts – 15 days for the application to be received in the home office and an additional 45 days for funds to arrive. With the rate lock, if purchase rates decrease after we receive your application, the higher purchase rates in place when you applied stay in effect until your money arrives. Your signed quote and all appropriate transfer paperwork must accompany the application to begin the rate lock.

### **What is the administrative charge?**

There are no administrative fees associated with the Future Income Annuity.

### **Are there any annual fees or charges?**

No. There are no annual charges or ongoing administrative fees on your Future Income Annuity.

**For help creating guaranteed income for life with the  
Future Income Annuity, talk to your representative today.**

## **CUNA MUTUAL GROUP**

### *CMFG Life Insurance Company*

CMFG Life Insurance Company  
2000 Heritage Way  
Waverly, IA 50677  
[www.members.cunamutual.com](http://www.members.cunamutual.com)

**All guarantees are backed by the claims-paying ability of the issuer. This material is informational only and is not investment advice. If you need advice regarding your financial goals and investment needs, contact a financial advisor.**

Withdrawals of taxable amounts are subject to ordinary income tax, and if taken before age 59½ may be subject to a 10% federal tax penalty. If you are considering purchasing an annuity as an IRA or other tax-qualified plan, you should consider benefits other than tax deferral since those plans already provide tax-deferred status. The company does not provide tax or legal advice. Contact a licensed professional.

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Annuities are issued by CMFG Life Insurance Company (CMFG Life) and MEMBERS Life Insurance Company (MEMBERS Life) and distributed by their affiliate, CUNA Brokerage Services, Inc., member FINRA/SIPC, a registered broker/dealer and investment advisor, 2000 Heritage Way, Waverly, IA, 50677. CMFG Life and MEMBERS Life are stock insurance companies. MEMBERS® is a registered trademark of CMFG Life Insurance Company. **Investment and insurance products are not federally insured, may involve investment risk, may lose value and are not obligations of or guaranteed by any depository or lending institution.** All contracts and forms may vary by state, and may not be available in all states or through all broker/dealers. Base Policy Forms ICC13-DIA, ICC13-DIA(B) and 2013-DIA. Base Endorsement Forms: ICC14-ISDCHNG, 2013-ISDCHNG, ICC13-ACCEL, ICC13-ACCEL(B) and 2013-ACCEL.