

HERITAGE

GROWTH ADVANTAGE

CONSUMER GUIDE



INVESTORS HERITAGE[®]

Your Future. Our Life's Work.

HGA-CG-12-2023

YOUR RETIREMENT ADVANTAGE

THE FIA EXPLAINED

A Fixed Indexed Annuity (FIA) is a tax-deferred savings vehicle designed to grow your retirement savings and provide protection from market downturns. Because it is tax-deferred, all of your funds are working to grow your retirement savings. They are not subject to taxation until withdrawal.

“Fixed Indexed” refers to the options available for growth. You can distribute funds among the different account types: the Fixed Account which uses a set interest rate, the Indexed Accounts which credit interest based on a portion of the upward movement of several market indexes, or a combination strategy using both types of accounts.

An FIA is protected from market downturns because it is an insurance contract – not a direct investment in the stock market. Unlike a direct investment, an FIA provides guarantees. And the Heritage Growth Advantage (HGA) includes additional rate guarantees.

YOUR RETIREMENT ADVANTAGE COMES WITH GUARANTEES

There are many FIAs available – so why choose the HGA? With the HGA you have additional guarantees not often found in an FIA. Not only are you guaranteed not to lose principal because of market downturns, but your indexed rates and Fixed Account rate are guaranteed during the entire Surrender Charge Period. This means, we will not lower those rates during the Surrender Charge Period¹ – when a fee would apply to withdraw your funds.

We'll explain more about the product features and details here. Your financial professional can answer any questions and show how the Heritage Growth Advantage can fit into your personal retirement plan.

YOUR ADVANTAGE STARTS HERE

The Heritage Growth Advantage is a single premium FIA, meaning you purchase the annuity with one payment. It can be purchased for as little as \$25,000 up to \$1,000,000². It is available for both Qualified and Non-Qualified Accounts, for ages 18 to 80 and is available for Single or Joint Ownership. A state premium tax may apply at purchase or at annuitization.

FLEXIBILITY WHEN YOU NEED IT

An FIA is designed to be part of a retirement plan and purchased with funds not needed for daily living during the Surrender Charge Period. But we know that unexpected expenses happen and distributions are required at certain ages. So the HGA includes options to access a portion of your funds without penalty. You can also choose the Surrender Charge Period that best suits your planning needs: 7-year or 10-year in most states and 7-year or 9-year in California.

¹The Fixed Account rate is guaranteed for the Surrender Charge Period in most states and for 1 year in California.

²Premiums over \$1M and up to \$2M will be considered. Home Office approval is required.

INTEREST CREDITING STRATEGIES

With the Heritage Growth Advantage, you have various index crediting options and the Fixed Account to diversify and grow your retirement income. You are not invested directly in any securities or stocks and are therefore protected from market downturns. Your Account Value can grow based on the interest earned from the Fixed Account option, the performance of the other indexes, or a combination strategy. You may allocate to one or multiple index accounts and can reallocate your funds during the reallocation period before and after each contract anniversary.

FIXED ACCOUNT: GUARANTEED GROWTH

Your funds grow at a fixed rate of compound interest. Interest is credited to the Fixed Account daily. The rate at issue is guaranteed for the entire Surrender Charge Period in all states except California where it is guaranteed for one year. Interest is credited to the indexed accounts on the policy Anniversary Date at the end of the 1-year or 2-year crediting term. Index availability may vary by state.

INDEXED ACCOUNTS: GROWTH POTENTIAL AND DOWNTURN PROTECTION

The index options give you the flexibility to allocate to indexed accounts with guaranteed participation rates or guaranteed cap rates. These rates are determined at contract issue and are guaranteed for the entire Surrender Charge Period. With any of the crediting strategy choices, you are guaranteed to never receive a negative credit. See HGA-Index-Info for currently available index options and work with your advisor to determine the strategy appropriate for your retirement goals.

CAP AND PARTICIPATION RATE EXPLAINED

With a cap rate option, crediting is earned up to the cap rate percentage if the index performance is positive during the crediting term. For example, if your cap rate is 5% and the index return is 12%, your account would be credited 5%. If the index return was 4%, you would be credited 4%.

With a participation rate, crediting is based on a percentage of the total index's performance during the crediting term. For example if your participation rate is 50% and your chosen index had a 30% return - your account would be credited 15%.

With both options, interest earned is credited at the end of the 1-year or 2-year Crediting Term. Plus you have additional guarantees. You will never receive a negative credit - even if index performance is negative. And your cap and participation rates are guaranteed not to be lowered during your Surrender Charge Period.

POINT-TO-POINT

The Indexed Accounts have participation and cap rates that are calculated using the Point-to-Point method - meaning the index performance is calculated based on two points – the beginning and end of the Index Crediting Period. The interest is then credited to your contract based on the change in the index during that period using the participation or cap rate.

HOW TO ACCESS YOUR FUNDS

An FIA is purchased as a part of your retirement strategy but offers flexibility should you need access to your funds sooner than you expected or to satisfy Required Minimum Distributions (RMD). The HGA includes options to access your funds without penalty.

FREE WITHDRAWALS

10% OF THE BEGINNING OF YEAR ACCOUNT VALUE IS AVAILABLE PENALTY-FREE AFTER THE FIRST CONTRACT YEAR.

Your Free Withdrawal amount can be taken as a one-time payment or as automatic installments paid annually, semi-annually, quarterly, or monthly. There is a \$100 minimum for withdrawals and they must be paid by electronic transfer. May be subject to additional terms.

Free withdrawals are taken from the Fixed Account, unless otherwise specified by the owner. If any withdrawal is not fully paid from the Fixed Account, the unpaid portion will be deducted pro-rata from the Account Value held in all Index Accounts with the same term, starting with the shortest-term Index Accounts. Withdrawals over 10% during the Surrender Charge Period are subject to Withdrawal Charges and Market Value Adjustment (MVA).

REQUIRED MINIMUM DISTRIBUTIONS (RMD)

RMDs CAN BE TAKEN PENALTY-FREE AFTER THE FIRST 6 MONTHS.

The HGA is "RMD friendly." The amount the IRS requires you to withdraw annually after reaching RMD age is available after the first six months, without fee, even if it exceeds your annual Free Withdrawal amount. This applies to qualified accounts only. RMDs may be scheduled for systematic withdrawal to be taken automatically on an annual, semi-annual, quarterly or monthly basis. There is a \$100 minimum for withdrawals and they must be paid by electronic transfer.

NURSING HOME WAIVER

UP TO 50% OF ACCOUNT VALUE IS AVAILABLE PENALTY-FREE AFTER THE FIRST CONTRACT YEAR.

If on a physician's written recommendation, you are confined to a nursing home for 90 consecutive days or more after the first contract year, you can withdraw up to 50% of your Account Value without any fees. This benefit is not available if the Annuitant was confined to a nursing home when the policy was issued. See contract for additional Nursing Home Waiver requirements. The Nursing Home Waiver is not available in SD. See California Supplemental Information form for state specific waiver information.

CASH VALUE

You may surrender your contract at any time. Withdrawal Charges and MVA will apply during the Surrender Charge Period. State premium tax may also apply. The amount payable is the greater of the Account Value less any applicable charges or the Minimum Guaranteed Cash Value.

ANNUITIZATION OPTIONS

The full Account Value can be annuitized without Withdrawal Charges or MVA after the first contract year if: the settlement option chosen is for at least ten years or the lifetime of the annuitant and the annuitant is not older than 80 years. Contract Cash Value, net of Withdrawal Charges, and MVA can be applied to an annuitization option at any time.

Several annuitization options are available: Payments for a Fixed Period, Life Income, Life Income Plus Fixed Period Payments of Fixed Amounts, Joint Life Income. See contract for details.

SURRENDER CHARGE PERIOD

The HGA has a choice of Surrender Charge Periods to suit your retirement planning needs: 7-year or 10-year in most states and 7-year or 9-year in California. The term is chosen at the time of application. During the Surrender Charge period, the participation and cap rates are guaranteed to not be lowered. The Fixed account rate is guaranteed for the Surrender Charge Period in all states, except California where it is guaranteed for one year. The following charges may apply during the Surrender Charge Period.

WITHDRAWAL CHARGES

During the Surrender Charge Period, the Withdrawal Charge will be applied to any amount withdrawn from the account in excess of the free allowed amounts. The charge decreases or stays level each year the contract is in force. See California Supplemental Information form for state specific Withdrawal Charges.

YEAR	7-Year							10-Year		
	1	2	3	4	5	6	7	8	9	10
MOST STATES	9.30%	9.30%	8.30%	7.30%	6.30%	5.30%	4.20%	3.20%	2.10%	1.00%

MARKET VALUE ADJUSTMENT

A Market Value Adjustment may apply to withdrawals over the free allowed amounts options during the first ten policy years and to certain annuitization options. The MVA is based on the change in the leading bond index yield from the close of business on the day prior to your contract being issued and the close of business the day prior to your withdrawal. The MVA may be a credit, increasing your withdrawal amount, or a fee, decreasing your withdrawal amount. Due to the mechanics of an MVA, Surrender Values generally decrease as the index yield rises or remains constant. When the index yield decreases enough over time, the Surrender Values generally increase. Even with a negative MVA, you will never receive less than the Guaranteed Minimum Cash Value.

DEATH BENEFIT

The Death Benefit is payable to the beneficiary in one lump sum upon the death of an Annuitant or Owner. The Death Benefit is equal to the greater of the Account Value or the Minimum Guaranteed Cash Surrender Value. The spouse will have the option to continue the contract if the annuity is Single Owned and the spouse is the sole primary beneficiary or if the annuity has Spousal Joint Owners.

This material is intended for use with the general public to provide educational information about the features of a fixed indexed annuity. This material is not and should not be considered personalized financial advice. Investors Heritage Life Insurance Company (Investors Heritage) is not an investment adviser and is not registered as such with the SEC or any state securities regulatory authority. Investors Heritage is not acting in a fiduciary capacity with respect to any contract and/or investment. Please consult your financial professional for more information, including recommendations or advice specific to your needs.

The Heritage Growth Advantage Series of products are single premium, deferred, fixed indexed annuities (FIA) issued by Investors Heritage. An FIA is intended to be an insurance product for retirement or other long-term needs for a person who has sufficient cash or other liquid assets available for living expenses and unexpected emergencies, such as medical expenses. An FIA is not a registered security or stock market investment and does not participate directly in any stock or equity investments or index.

The Heritage Growth Advantage Series of products are issued by Investors Heritage Life Insurance Company, 200 Capital Avenue, Frankfort, Kentucky. The products are available on the following form numbers in most states. State variations apply. Contract form number ICC20-FIA2, Nursing Home Waiver Rider ICC20-NHR-1, Waiver of Withdrawal Charges NHR-CA, Premium Bonus Rider ICC20-PBR-2, Market Value Adjustment Rider ICC20-MVA2, S&P Marc 5 Annual Point to Point with Participation ICC22-SPM5PAR1-G, S&P Marc 5 2-Year Point to Point with Participation ICC22-SPM5PAR2-G, Soc Gen Annual Point to Point with Participation ICC22-SGA6PAR1-G, Soc Gen 2-Year Point to Point with Participation ICC22-SGA6PAR2-G, Morgan Stanley Dynamic US Equities Annual Point to Point with Participation ICC22-MSDUSEPAR1-G, Morgan Stanley Dynamic US Equities 2-Year Point to Point with Participation ICC22-MSDUSEPAR2-G, S&P 500 Dynamic Intraday TCA Index Annual Point to Point with Cap ICC23-SPDCAP1-G. Product features and availability vary by state. See policy form for actual contract terms and conditions.

Guarantees and claims paying ability are backed by the financial strength of Investors Heritage. Annuities are not FDIC or NCUA/NCUSIF insured, are not obligations or deposits, are not guaranteed or underwritten by any bank, savings and loan or credit union and are not a condition of the provision or term of any banking service or activity. Taxable distributions (including certain deemed distributions) are subject to ordinary income taxes and may also be subject to a 10% federal income tax penalty, if taken prior to age 59 ½. Normal rules surrounding the taxation of IRA payments apply. Early Withdrawal Charges may also apply. Guaranteed amounts may be reduced if withdrawals exceed the free withdrawal amounts. Investors Heritage does not provide tax, legal or accounting advice. Please consult a qualified advisor for such advice.

Indices are not available for direct investment.



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We started Investors Heritage back when deals were sealed with a handshake. We firmly believed that people deserved respect, commitment and follow-through. We still believe that today. Some people may call that old-fashioned, we don't disagree. We're putting old-fashion values where they belong — in the future. So we've always been looking ahead, investing in new technologies and new products to bring security, comfort and dependability to our customers.

For over 60 years, we've backed our commitment to policyholders with a track record of financial strength and exceptional service. Each of our retirement and savings products is supported by a team of professionals working to protect and grow your savings and give you peace of mind knowing that your future needs are met.