

Date: August 02, 2022

Re: Interest Rate Setting Policy

## **RATE SETTING POLICY**

United of Omaha uses the following procedures to assign the crediting rate for each annuity policy issued.

- **Rate Lock Period**
  - o Begins on the date the application is signed
  - o Lasts 7 days for cash with app
  - o Lasts 60 days for transfers
  - o Ends on the **Policy Issue Date** if prior to the end of the rate lock window period described above
- **Policy Issue Date** is the date the funds are received, not when the policy is actually issued on our administration system.
  - o Interest is credited from the day the funds are received, which then becomes the Policy Issue Date. So, the funds earn interest during any pending period between the Policy Issue Date and actual issue of the policy.
- If initial funds are received within the Rate Lock Period, the date the funds are received becomes the Policy Issue Date and the rate lock ends. The policy will receive the best interest rate offered from when the application was signed until the Policy Issue Date. This means the client will get the rate they applied for or better (never less). If rates increase after the Policy Issue Date but within the original Rate Lock Period, the client does not get that higher rate.
- If the Policy Issue Date falls after the Rate Lock Period expires, the client will get the current interest rate offered at the Policy Issue Date (which again is the date the funds are received).
- Any rate actions taken by United of Omaha after the Policy Issue Date will have no effect on the crediting rate assigned to the policy.
- United of Omaha will not honor any requests to change the Policy Issue Date after the application has been submitted and funds have been received. The Policy Issue Date will remain the date that the funds are received. Policies will not be held in order to have them issued with a higher rate if the declared new money rate has increased after the Policy Issue Date.