Finding the Perfect Match

A Financial Professional’s Guide for Client Suitability

Driven to do more:™

This material is provided by Athene Annuity and Life Company headquartered in West Des Moines, Iowa, which issues annuities in 49 states and D.C., and Athene Annuity & Life Assurance Company of New York headquartered in Pearl River, New York, which issues annuities only in New York. Products not available in all states.

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(05/18)
When it comes to annuities, “one size does not fit all.”

Since no two clients are alike and no two retirement goals are the same, Athene is committed to helping you match your clients with an annuity solution that will help them reach their own unique financial objectives.

An annuity can be a valuable addition to a client's overall portfolio. But it isn’t right for everyone. Because it is necessary that your recommendations for the purchase or exchange of an annuity product be suitable for each individual client’s circumstances, it is your duty to uncover to the best of your ability any relevant information pertaining to the sale.

Athene provides a Customer Identification and Suitability Confirmation Worksheet (form 17341) to assist you with fact finding. This worksheet, available for download on Athene Connect, must be filled out completely and accompany all Athene annuity applications.

This guide will take you step by step through the worksheet in order to help you obtain the most accurate depiction of your clients’ financial situation, lifestyle and objectives.

Client satisfaction is our priority. Providing as much detailed information as possible will help make the best possible recommendation for your client and ultimately lead to suitable annuity sales and satisfied customers who have found their “perfect match”.

The state of Florida requires its own suitability form and product comparison worksheet for applications written in Florida. Please remember that it is your obligation to provide a signed and completed copy to each customer by the time of contract delivery.
Customer Identification and Suitability Confirmation Worksheet

It is important to get a complete picture of your client’s financial situation. If additional space is needed, you may attach additional sheets or provide a cover letter of explanation to the worksheet (form 17341 found on Athene Connect.)

**SECTION 1: FINANCIAL STATUS**

**Question 1-2** Make sure to include all owner names and social security numbers. If a joint owner is not a spouse, you must complete separate worksheets for each owner. If the owner is a Trust, the Trust information and tax ID must be listed.

**Question 3a** Anticipated issuing premium

**Question 3b** Enter the corresponding surrender charge period (in years) for the product being purchased.

**Question 3c** Total Accumulated Value of all active Athene annuities.

**Question 4 – 5** Answer to the best of your knowledge. Total income and total expenses are required for all owners. “Household” information includes the financial information of the owner(s) and their spouse/partner if they would like to be considered.

**Question 6** The amount should equal the difference between #4 and #5.

**Question 8** Information needed for all owners.

**Question 9** Be sure to include any item of value, such as pensions, 401(k), life insurance cash value, other securities and the money being used as premium for this annuity.

Exclude your client’s primary residence, automobile or personal belongings. Then subtract any liability, including credit card debt, student loans and mortgages on other properties.

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**FINANCIAL STATUS**

<table>
<thead>
<tr>
<th></th>
<th>Owner Name</th>
<th>Owner SSN</th>
<th>Date of Birth</th>
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<tbody>
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<td>1.</td>
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<td>3.</td>
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<td>4.</td>
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<td>5.</td>
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<td>6.</td>
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<td>7.</td>
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<td>8.</td>
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<tr>
<td>9.</td>
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</tbody>
</table>

**Monthly income is less than $2,000 per month**

**Zero or negative amount**

**Proposed annuity is greater than 50% of the client’s net worth.**

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**Monthly Household Gross Income**: $________

For example: salary, Social Security payments, pension/retirement benefits, investment and rental income (excludes income currently earned on the money to be used to purchase the annuity).

**Monthly Household Living Expenses**: $________

For example: housing, transportation, insurance, food, health care and property taxes.

**Monthly Household Disposable Income**: $________

*should equal #4 minus #5*

**Source of Income**: 
- [ ] Current Wages 
- [ ] Pension Plan 
- [ ] Social Security 
- [ ] Investment Income 

(required if any) 
- [ ] Required Minimum Distribution (RMD) or 72 (t/q) distributions 
- [ ] Other, please explain:

**Federal Income Tax Bracket**: 
- [ ] 10% 
- [ ] 12% 
- [ ] 22% 
- [ ] 24% 
- [ ] 32% 
- [ ] 35% 
- [ ] 37%

**Approximate Household Net Worth**:

* Approximate net worth = total assets less total debts (not including home and automobile)
**Question 10** “Available Liquid Assets” are assets, net of premiums, that can be easily converted to cash without penalty or surrender charges. Penalty free annuity distributions or annuity premiums are NOT liquid assets.

**Please note:** We expect the client to have liquid assets of at least six months of approximate monthly household expenses. If not, you may be asked to provide supporting documentation or additional information.

**Question 11a** If the owner intends to use a portion of their liquid assets to purchase this annuity, please indicate the percentage.

10. Available Liquid Assets after annuity purchase (Net of premiums): $ ____________________
    Examples: checking, savings, short term CDs, bonds, stocks, mutual funds, etc.

11. ☐ Y ☐ N Are your existing liquid assets being used to purchase this annuity?
11a. If YES, what percentage will be used? ____________% 

12. ☐ Y ☐ N Do you have sufficient liquid assets available for emergencies, not including funds from this annuity?
13. ☐ Y ☐ N Do you anticipate any significant changes in your household’s monthly income, monthly living expenses or liquid assets during the surrender charge period of the annuity being purchased?
   (For example, do you expect a reduction in income caused by retirement or pension changes or by an increase in expenses such as medical, housing, nursing home, assisted living or travel expenses?)
   If Yes, please explain: __________________________________________________________

*Household means the applicant, and if a member of the applicant’s household, the applicant’s spouse.

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**SECTION 2: FINANCIAL OBJECTIVES**

**Question 14b** Owning a reverse mortgage does not keep a client from purchasing an Athene annuity. However, Athene does not allow financed purchases, including reverse mortgages or home equity loans, to be used as premium to purchase annuities.

**FINANCIAL OBJECTIVES**

14. Indicate in years, how long you have owned or have previously owned each of the following products:
   - Certificates of Deposit _______ years.  Fixed Annuity _______ years.  Variable Annuity _______ years.
   - Stock/Bond/Mutual Funds _______ years.  Life Insurance _______ years.  ☐ None
   - Other _______ years, please explain

14a. ☐ Y ☐ N Do you have a reverse mortgage?
14b. ☐ Y ☐ N If yes, is any of the premium intended for this annuity proceeds from a reverse mortgage?
Question 17: Mark all that apply. Each “use” selected should be consistent with the type and features of the contract being purchased.

Question 18: If the product has a built in income rider or the contract owner has chosen to add an optional income rider, this answer should be “yes.”

Question 19: Check all that apply. All choices should indicate when the first withdrawal/distribution is anticipated to take place. The method and timing should be consistent with the type and features of the contract being purchased.

Please note: If the contract owner includes an income rider and is unsure when or how they will use the rider, the most likely choice or the furthest time frame must be selected - N/A will not be accepted.

Question 20: The timeframe chosen should match the product chosen as well as correlate with the answers to question 19.

Years selected do not match or exceed the contract’s surrender charge period.

Question 21: If the purchase of this annuity is tied to the establishment or creation of a trust, please provide a letter of explanation.

<table>
<thead>
<tr>
<th>TYPE</th>
<th>Less than 1 year</th>
<th>1 to 5 years</th>
<th>6 to 9 years</th>
<th>10 or more years</th>
<th>Not Planning to Utilize</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free/Systematic withdrawals</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Free/Lump Sum</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Income Rider</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Required Minimum Distribution</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Immediate Income</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Annuitize in the future</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>Other:</td>
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<td>☐</td>
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</table>

INCOME RIDER
Is the Athene contract being purchased with an Income Rider and will it be replacing a product with an Annuitization payout or Income Rider? ☐ Y ☐ N *If the Income Rider is not planning to be utilized, additional information will be required. Age income will begin ____ (Attach copy of Athene illustration. Income start age must match). Replaced company’s GUARANTEED annual income at age listed above $____________
If multiple replacements, please attach a cover letter.

20. How long do you plan to keep this annuity? ☐ 0-3 years ☐ 4-7 years ☐ 8-10 years ☐ 10 or more years
21. ☐ Y ☐ N Is the purchase of this annuity in any way related to the establishment of a trust or based in any way on information provided during the establishment of a trust?
If yes, please explain: ____________________________
SECTION 3: SOURCE OF FUNDS

Question 22  Indicate all that apply. If “other” is selected, please describe indicating the true source of funds.

Please note: Any transaction in which values are used from an existing annuity contract or life insurance policy four months prior to, or 13 months after, the purchase of a new annuity contract is presumptively treated as replacement.

Question 22b  When the annuity involves the replacement of an existing contract, Athene will review the transaction to determine if the replacement is appropriate based on our Suitability Guidelines (form 52264 found on Athene Connect). In order to keep this process as smooth as possible, it is important to provide accurate information about the existing contract, including penalties (Example: Changes in the owner(s) financial objectives).

<table>
<thead>
<tr>
<th>SOURCE OF FUNDS</th>
<th>Penalty Dollar Amount</th>
<th>Penalty Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Funds</td>
<td>$_____________</td>
<td>%</td>
</tr>
<tr>
<td>Source of Funds</td>
<td>$_____________</td>
<td>%</td>
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</tbody>
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SECTION 4: CUSTOMER IDENTIFICATION VERIFICATION

This section is required and must be completed fully as part of Athene’s Know Your Customer Requirements found in the Doing Business with Athene financial professional guide (form 19608 found on Athene Connect.)

Please note: Contract owners are required to have a permanent residence and bank account in the United States. For minors or non-natural owners, this section should be based upon and filled out by the signor.

<table>
<thead>
<tr>
<th>CUSTOMER IDENTIFICATION VERIFICATION</th>
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<tbody>
<tr>
<td>Owner Verification US Citizen: ☐ Yes ☐ No</td>
</tr>
<tr>
<td>Occupation: __________________________</td>
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<tr>
<td>Place of Birth: ______________________</td>
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<tr>
<td>(If in U.S., list City and State)</td>
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<tr>
<td>Type of Government Issued Photo ID: ☐ Driver’s License</td>
</tr>
<tr>
<td>☐ Passport ☐ Other:</td>
</tr>
<tr>
<td>ID Number: __________________________</td>
</tr>
<tr>
<td>State or Country of Issue _______ Exp. Date <em><strong>/</strong></em>/___ OR ☐ Unexpired Government issued photo ID not available.</td>
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SECTION 5: FINANCIAL PROFESSIONAL’S CONFIRMATION

**Question A**  A minimum of one advantage must be listed along with an explanation of how that advantage meets the needs or objective of the applicant.

**Question B**  A minimum of one disadvantage must be listed.

Financial professional must sign and date.

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**PRODUCER’S CONFIRMATION**

**A.** Please describe how the annuity you recommended will assist the applicant in meeting his or her needs and objectives.

**B.** Please describe the disadvantages you discussed with your client in selecting this annuity. (n/a or none are not acceptable)

**C.** How long have you known the proposed contract owner:

- [ ] Less than 1 year
- [ ] 1-3 years
- [ ] 4-7 years
- [ ] 8-10 years
- [ ] 10 or more years

**D.** [ ] Y [ ] N Have you sold this owner any existing (active) insurance or other financial products? If so, please provide the following information.

<table>
<thead>
<tr>
<th>Type of Product</th>
<th>Company</th>
<th>Policy Number/Account Number</th>
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By signing below, I acknowledge that:

- I have made a reasonable effort to obtain information from the owner concerning the owner(s)’ financial status, tax status, financial objectives and other information considered reasonable.
- It is my belief that based on the information the owner provided and based on all the circumstances known to me at the time the recommendation was made, the annuity being applied for, based on my recommendation is suitable for the owner(s)’ insurance needs and/or financial objectives.
- In addition, I have verified the identity of the owner(s) and believe the information the owner(s) provided to me regarding his or her identity is true and accurate.
- I considered the risk associated with the amount of the annuity premium and the coverage limits provided by the applicable state life and health guaranty association.
- I attest that the owner’s decision to purchase this annuity was based on my recommendation. I further attest I have considered discussed the advantages and disadvantages with the owner.

Producer’s Signature ____________________________ Date ___________
SECTION 6: OWNER’S CONFIRMATION
This section must be completed, signed and dated by the contract owner(s).

<table>
<thead>
<tr>
<th>OWNER’S CONFIRMATION</th>
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<tbody>
<tr>
<td>A. Please describe how the annuity will assist you in meeting your needs and objectives.</td>
</tr>
<tr>
<td>B. Please describe the disadvantages you discussed with your producer in selecting this annuity. (n/a or none are not acceptable)</td>
</tr>
</tbody>
</table>

☐ Y ☐ N Do you intend to apply for means-tested government benefits, including, but not limited to, Medi-Cal or the Veterans Aid and Attendance benefit? *(Required for California residents or applications signed in California.)*

☐ Y ☐ N If yes, are you purchasing this annuity in order to qualify for means-tested government benefits? *(Required for California residents or applications signed in California.)*

By signing below, I acknowledge that:

- I reviewed the Customer Identification Notice (form number 10200) and agree with the terms of the notice.
- The information I provided on pages 1 through 3, regarding my financial status, tax status, financial objectives, identification information and any other information requested by my producer is complete and accurate to the best of my knowledge.
- Neither the Company nor its representatives offer legal or tax advice and that I have been advised to consult my own personal attorney or tax advisor on any tax matters. I am aware that any withdrawals taken from the annuity may result in a taxable event.
- I believe the annuity I am applying for is suitable according to my insurance needs and/or financial objectives.
- I attest that my decision to purchase this annuity was based on my producer’s recommendation. I further attest I have discussed and considered the advantages and disadvantages of this annuity.

New Jersey Residents: Please be advised that the sale and suitability of annuities is regulated by the Department of Banking and Insurance and that consumers may obtain assistance from the Department by contacting 609-292-7272 or 1-800-446-7467, or by visiting the Department’s website at www.state.nj.us/dobi.

Owner’s Signature  Date

Joint Owner’s Signature  Date
Athene specializes in innovative high-value fixed annuities that help meet your clients’ long-term financial goals. We see every day as an opportunity to set the bar even higher by providing training and sales support you can count on to grow your business.

A decision to recommend the purchase or exchange of an annuity should be based on a careful analysis of the information gathered from your client. By making sure your clients understand the features, benefits, risks and costs associated with the annuity, you can help ensure customer satisfaction and protect your business.

If you have questions regarding the suitability of an Athene product, please visit Athene Connect where you can find helpful information and additional tools under the Legal and Compliance tab.

You may also contact your Athene sales partners. While we cannot make a suitability determination over the phone, we are happy to discuss each individual case and let you know of any questions or concerns we may have based on the information you share.

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The term “financial professional” is not intended to imply engagement in an advisory business with compensation unrelated to sales. Financial professionals will be paid a commission on the sale of an Athene annuity.

ATHENE ANNUITIES ARE A PRODUCT OF THE INSURANCE INDUSTRY AND NOT GUARANTEED BY ANY BANK NOR INSURED BY FDIC OR NCUA/NCUSIF. MAY LOSE VALUE. NO BANK/CREDIT UNION GUARANTEE. NOT A DEPOSIT. NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY. MAY ONLY BE OFFERED BY A LICENSED INSURANCE AGENT.