

IMPORTANT NOTICE

Annuity Contracting Requests Temporarily Suspended

“We’re back!” has, no doubt, been the 2012 Fidelity & Guaranty Life theme. Our 2012 sales are strong thanks in no small part to our distribution partnerships. We’ve been through a lot and have much to be thankful for, including a very bright future together. One of the challenges with such success, however, is that sales can be too strong. We manage to a capital plan that limits the volume of sales, and early indications are that we’re on pace to far exceed our sales plan. If we meet or exceed sales plan early, it can mean a number of unfriendly actions, including suspending sales.

I’ve come to understand sales suspension as a very aggressive action toward IMOs. It can be less than respectful toward the time, money, and investment IMOs make in finding top quality agents. We’re also committed to putting the best product we can on your shelf, giving you a strong Fidelity & Guaranty Life value proposition that is and will be in demand from your agents.

With that said and in the spirit of partnership, collaboration, and transparency with you, we will be suspending new annuity agent contracting effective April 13, 2012. We’re hoping this will dampen sales enough to avoid more aggressive sale’s actions. However, and more importantly, it preserves the investment you’ve made in your recruiting efforts to date and is a fair and equal action toward all partner IMOs. Essentially, we’re asking you to work with who you have for a period of time. Eventually we will accept new annuity agent contracting.

I am hoping you see this action as respectful toward the value you offer Fidelity & Guaranty Life in recruiting, training, motivating, and supporting quality agents. We see growth years ahead of us and this to be a temporary restraint. If you have questions or comments, please feel free to call me at 843-715-9317 or email me at brian.grigg@fglife.com.

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