

Monthly Point-to-Point (MPTP) Option Limitations

Old Mutual currently **LIMITS** the allocation of Monthly Point to Point (combined 1, 2, and 3 year resets) to **40% of the total**. Submission of applications with more than 40% will delay issue. (Old Mutual will require an addendum signed by the applicant in all such situations.)

Program Rules:

On or after May 1st, any application received with 40% or **LESS** allocated to MPTP will be processed and issued.

On or after May 1st, any application received with **MORE** than 40% allocation to MPTP will not be issued. An addendum with an MPTP allocation of 40% or less, signed by the client, will be necessary to issue the contract.

New Business will attempt to reach the writing agent by phone to facilitate having the addendum signed. Please note that transfers will not be processed until the signed addendum is received.

If the signed addendum is not received by the Service Center within 14 calendar days, the application will be returned with instructions to obtain a new approach indicating no more than 40% of the premium is allocated to MPTP.

Why We have Implemented this Change:

Old Mutual has a long history of offering competitive Monthly Point-to-Point rates and our intention is to continue doing so. However, recent volatility in option costs that back up the interest crediting method create additional investment risk to Old Mutual. Although contractholders do not directly absorb the risk due to contract guarantees, ultimately contractholders pay for it in the form of lower new business and renewal caps.

Limiting the percent allocated to any Monthly Point-to-Point method significantly helps reduce this investment risk to Old Mutual. We believe that by limiting the percent to MPTP, we will be able to, in fact, maintain or improve MPTP caps.

Limitations are rarely perceived as a good thing. However, we're hoping that you will see the value of this limitation – in the form of reduced risk to Old Mutual, potentially higher caps, and a better opportunity for your clients to receive the potential of a fixed indexed annuity with Old Mutual.

This limitation will be in effect until further notice. Download OMCO 6808 via SalesLink for a “fillable” marketing piece on Indexed Crediting Options.