United American insurance company

Reserve Fund Annuity

Policy Form USFMS[1]

Reserve Fund Annuity

United American Insurance Company has developed a Reserve Fund Annuity *(policy form* ***USFMS****)*, a flexible premium deferred annuity, to assist Medicare Supplement policyholders with accumulating funds needed to meet their Medicare deductibles, coinsurance, or Part B excess charges (i.e., "out-of-pocket cost sharing"). The Reserve Fund Annuity is available with ProCare Medicare Supplement Plans A, B, D, G, HDF, HDG, K, L, and N (where state approved).

Consider these features:

- Issue ages 65–90 (65–86 in OK).
- No-load annuity – you keep the full amount you deposit (less state annuity premium taxes, where applicable[2]).
- No fees or penalty charges for withdrawal of funds.
- Interest rate is guaranteed to never be less than 3%.

You choose how to use your Reserve Fund Annuity. Use it as a traditional savings vehicle, or use it as a way to fund the payment of your out-of-pocket cost sharing.

This is a non-qualified annuity.

How Does This Work?

You can deposit money into your Reserve Fund Annuity as a lump sum and/or through monthly deposits ($50 monthly minimum) when you send your insurance premium payments.

You can elect to have us automatically withdraw funds from your Reserve Fund Annuity contract to pay a healthcare provider's claim for your out-of-pocket cost sharing of a Medicare Approved charge. If you make this election, we will automatically withdraw available funds from your Reserve Fund Annuity to pay your healthcare provider's claim. If the account balance in the Reserve Fund Annuity is not sufficient to pay the full amount owed to the healthcare provider, you will still be responsible for paying any remaining balance of the claim directly to the healthcare provider.

Each quarter you will receive a statement of your Reserve Fund Annuity account balance. There are no fees associated with withdrawals paid from your Reserve Fund Annuity. Interest withdrawn from your Reserve Fund Annuity will be reported on Form 1099 each year.

[1]USFMS-R in Michigan

[2]State insurance premium taxes are applicable in: CA, ME, NV, SD, WV, and WY.

Are There Restrictions?

Funds must have been on deposit in the Reserve Fund Annuity for at least 14 days prior to being available for disbursement.

The Reserve Fund Annuity must maintain a minimum amount on deposit of ten dollars ($10) in order to keep the contract active ("Minimum Deposit Requirement").

There is a maximum initial deposit and annual calendar year limit amount of $5,000. $20,000 is the maximum that may be deposited over the life of the annuity.

If your Reserve Fund Annuity has a balance at the end of a calendar year, the balance can be left on deposit for the next calendar year or withdrawn by you, subject to the Minimum Deposit Requirement. Annuity contracts in CA, ME, NV, SD, WV, and WY are subject to a charge for state annuity premium tax.

The maturity date of the annuity must not have passed.

How Do I Enroll?

Simply complete the ***USFMS-AP*** enrollment form, including how you will deposit funds into the Reserve Fund Annuity. This form also provides your authorization for us to automatically withdraw amounts from your Reserve Fund Annuity to pay your Medicare cost sharing on your behalf.

A $50 minimum initial deposit is required.

The Company

The ***USFMS Reserve Fund Annuity*** is offered by ***United American Insurance Company***.

For more than 45 consecutive years, United American has earned the A (Excellent) or higher Financial Strength Rating from A.M. Best Company (as of 8/22)[3]. We are also rated AA- (Very Strong) for Financial Strength by Standard & Poor's (as of 11/22)[3]. The Company's high ratings reflect the financial strength of United American and its ability to maintain adequate reserves to meet all contingencies[3].

[3] The financial strength ratings are not a recommendation of the specific policy provisions, rates, or practices of the insurance company.

The USFMS Reserve Fund Annuity issued by United American Insurance Company is not a product or deposit of, nor guaranteed by, any financial institution. It is not insured by the FDIC or any other federal agency, and may be subject to investment risks and possible loss of principal. Early withdrawals or surrenders may be subject to taxes and/or tax penalties and withdrawal charges. Please consult a tax advisor for further details.

This is a solicitation for insurance and you will be contacted by an agent representing United American Insurance Company.

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