

**The Western and Southern Life Insurance Company.**  
**IMPORTANT DISCLOSURES**  
**CURRENT AS OF February 1, 2024**

The Western and Southern Life Insurance Company (“WSLIC”) is providing You with this Important Disclosures document (“Disclosure”) to describe certain material facts We have identified with respect to the scope and terms of Our relationship with You, fees and costs associated with the products We sell, limitations on Our product offerings, and related conflicts of interest with respect to the recommendations We make to you. This Disclosure does not seek to impose any additional contractual obligations, restrictions, liabilities or additional costs on You.

This document is updated when material changes to its content are necessary. Please refer to the most recent version of this document. For the most recent version, visit <https://www.westernsouthern.com/wslife/important-disclosures/wsl-disclosures>.

**Definitions.** “We,” “Us,” “Our,” and “Firm” mean WSLIC and any employee, contractor, agent, representative, or affiliated entity under common control with WSLIC. These terms also include an entity or individual in which any of those entities and individuals have an interest that may affect Our best judgment. “You” or “Your” means you, the individual(s) purchasing or holding an annuity contract, and “Product” means the qualified fixed annuity(ies) about which We are making a recommendation.

A “conflict” of interest is defined to mean an interest that might induce Us or a natural person who is an associated person of the Firm – consciously or unconsciously – to make a recommendation that is not disinterested. For this purpose, conflict of interest describes a situation in which the Firm or a representative of the Firm could be incentivized to place their own interests ahead of a client’s interests.

**Material Facts Relating to the Scope and Terms of Our Relationship.** Your representative is an insurance agent with WSLIC, and Western & Southern Agency, Inc., a life insurance agency. Through this relationship, they are able to sell products of Integrity Life Insurance Company (“ILIC”), Columbus Life Insurance Company (“CLIC”), and The Lafayette Life Insurance Company (“LLIC”). WSLIC, ILIC, CLIC, and LLIC are subsidiaries of Western & Southern Financial Group, Inc. (“WSFG”). WSFG owns, directly or indirectly, 100% of these subsidiaries that provide insurance related products in the United States. In this capacity, Your representative may only recommend non-securities related services or products, such as fixed annuities and life insurance. Your representative cannot recommend securities products (such as mutual funds and variable annuities) or fixed indexed annuities. This disclosure is limited to Products sold as or in a retirement account (e.g. an IRA). Other products, including life insurance and indexed universal life insurance, are not covered by this Disclosure. WSLIC and its affiliates may receive compensation associated with sales of Products, including fees and commissions. WSLIC has a financial interest in our clients’ transactions and the recommendations We make to clients to buy or sell these products. WSFG also wholly owns, directly or indirectly, the following insurance companies that provide insurance related products in the United States: National Integrity Life Insurance Company, a New York company; Western-Southern Life Assurance Company (“WSLAC”), an Ohio company; and Gerber Life Insurance Company, a New York company.

WSFG also wholly owns, directly or indirectly, the following insurance agencies that perform insurance related activities in the United States: Western & Southern Agency, Inc., LLIA, Inc., Gerber Life Agency, LLC, and W&S Financial Group Distributors, Inc.

Western & Southern Life is the marketing name for WSLIC and its wholly owned subsidiary WSLAC. Each company is financially responsible for its own products and services and offer life insurance, interest-sensitive life insurance, and fixed annuities.<sup>1</sup>

In addition to insurance company and agency affiliations, WSFG also owns Fort Washington Investment Advisors, Inc. (“Fort Washington”), an SEC registered investment adviser and the sub-adviser to the W&S Wealth Solutions® investment advisory accounts; Touchstone Advisors, Inc., an SEC registered investment adviser and the investment adviser to the affiliated Touchstone Mutual Funds; the Touchstone Mutual Funds, which are SEC registered investment companies, and are entirely sub-advised by other investment advisers, some of which are affiliated with WSFG, including Fort Washington; and Touchstone Securities, Inc., an SEC registered broker-dealer and member of FINRA, which serves as the underwriter and distributor of the Touchstone Mutual Funds and variable annuities. WSFG also owns W&S Brokerage Services, Inc. (“W&SBS”), which is a retail broker-dealer offering mutual funds (affiliated and unaffiliated), affiliated variable annuities, and affiliated fixed indexed annuities. Your representative is not associated with W&SBS and cannot recommend these products.

#### **Material Fees and Costs.<sup>2</sup>**

- **Fixed Annuities.** You will pay several fees and expenses when You purchase a fixed annuity. The following are types of fees charged:
  - **Surrender charge.** If You withdraw money from a fixed annuity within a certain period after purchase, You will incur a surrender charge by the insurance company. Generally, the surrender charge is a percentage of the amount withdrawn.
  - **Administrative fees.** These fees compensate the insurance company for record keeping and administrative expenses.

**Product Offerings and Scope of Services Offered.** The Firm limits its Product offerings to proprietary fixed annuities. Our representatives may only make recommendations from this limited Product shelf and are only licensed to offer fixed annuities and life insurance. Annuities manufactured by other insurance companies unaffiliated with WSFG cannot be recommended. Other representatives employed by WSLIC or affiliated with W&SBS can offer additional products, including certain securities.

**Risk Considerations.** The Products We recommend come with various types of risk that You should carefully consider and understand before purchasing or investing. It is important that you understand these risks before You make an investment decision.

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<sup>1</sup> WSLIC operates in DC and all states except AK, ME, MA, and NY. WSLAC, ILIC, CLIC, and LLIC each operate in DC and all states except NY.

<sup>2</sup> Commissions on all annuities do not decrease the amount of the contract, but are paid separately by the issuing insurance company.

- **Fixed Annuities.** Guarantees are based on the claims-paying ability of the issuing insurance company. Fixed annuities are not insured by the FDIC, the National Credit Union Share Insurance Fund, or any other federal government agency. Because payments in a fixed annuity typically do not have cost-of-living adjustments to keep pace with inflation, the value of the money You receive in your payments may decline over time.

**Conflicts of Interest.** Our compensation can, and typically does, vary depending on the choices You make about purchasing, making additional deposits to, and taking distributions from Your annuity contracts. These compensation arrangements and their variations, which are described below, are Conflicts of Interest. We identified the following as material conflicts of interest, and developed policies and procedures designed to mitigate them:

1. **New Account Conflict.** We will not receive any compensation unless a customer chooses to open a new account; or purchase, transfer, rollover or exchange a Product through Us. Representatives are incentivized to recommend that You open accounts and purchase multiple Products.
2. **Differential Compensation.** We offer various Products to meet the individual needs of customers. We receive higher compensation on some Products than on others. Products with higher compensation generally require additional training, expertise and time.
3. **Proprietary Products.** All of the Products We recommend are proprietary Products, which means the Products are managed, issued or sponsored by Our affiliated companies. In addition to the compensation received by WSLIC and its agents, when these proprietary Products are recommended to and purchased by customers, Our affiliated insurance companies will receive separate fees and compensation in their roles as Product providers. As a result, our representatives are incentivized to recommend proprietary Products.

The sale of proprietary Products increases revenue to Our companies. Additionally, Our agents receive certain non-cash compensation from Our companies, such as medical and other employee benefits, and awards and recognition, which may incentivize agents to recommend proprietary Products.

4. **Limited Product Offerings – Non-Registered Representatives.** Your representative may only offer non-securities products. Other representatives affiliated with Western & Southern Life and W&SBS may offer additional products, including mutual funds and variable annuities, and other services. Your representative may offer certain proprietary fixed annuities but he/she is not trained on other products and services. As a result, our representatives are incentivized to recommend proprietary Products.
5. **Commissions – Our Representatives.** Our representatives receive commissions when they sell a Product. Representatives can receive first-year commissions based on the amounts contributed in the first year of the annuity contract. Representatives can also receive certain commissions in subsequent years of an annuity/life insurance contract. These commissions, both first-year and subsequent-year commissions, typically vary depending on the Product type and, in some instances, vary within a Product type. In some instances, first-year commissions decrease based on the age of the annuitant. Depending on the age of the customer, a representative can receive more compensation from the sale

of certain Products. A representative's first-year commission rate for each quarter is determined based on the representative's total sales over the prior year and applies prospectively only. This means the commission rate for the representative may increase or decrease for his or her future sales, but not prior sales. As a result, a representative is incentivized at certain times of the year to increase his or her sales in order to increase (or avoid a decrease) in commission rate for the next period.

6. **Non-Cash Compensation – Our Representatives.** WSLIC sponsors a variety of programs that provide non-cash benefits to qualifying representatives based on sales of both proprietary and non-proprietary Products. These non-cash benefits include medical and other employee benefits and awards and recognition. Our awards and recognition are summarized below. Generally, these incentives encourage increased sales of Products at specific times of the year and promotion of Products with higher first year commissions. All incentives are based on overall production, not based on the sale of a specific Product.
- Leaders Sales Meeting – Incentive trip that includes travel, accommodations, and entertainment at a resort for the representative and his or her guest. Representatives qualify for this incentive based upon overall production during a 13 month qualifying period with December counting twice. This means representatives have increased incentive to make sales in the month of December. One wholesaler can qualify for this incentive based upon having the highest overall production among wholesalers during the calendar year, while meeting a specific level of production.
  - President's Trophy – Award presented to the “best” Western & Southern Life office. Offices qualify for this incentive based upon a number of factors, including overall annual sales and client retention, and life insurance sales and persistency.
  - Agency Leadership Conference – Dinner with WSLIC senior management provided to the management of agencies that excelled in the Legion campaign (see below) or in retaining employees during the Agency Leadership Conference, an annual business meeting for WSLIC management. This incentive is based on a number of factors, including sales, over an eight week period in September and October. None of the factors include sales of specific Products or specific types of securities.
  - Majors – WSLIC managers receive recognition and an article of high end clothing. Incentive is based on sales during two sales campaigns, President's Month and Legion.
    - President's Month – Recognizes “top” WSLIC managers and offices based on sales during an eight week period in February and March (but not based on sales of specific Products or specific types of securities).
    - Legion - Recognizes “top” WSLIC managers based on sales during an eight week period in August and September (but not based on sales of a specific Products or specific types of securities).
  - Local Sales Contests – Throughout the year, individual WSLIC branch office or division management may offer production based incentives to representatives. All

local sales contests are pre-approved to ensure they are not based on the sale of specific Products or specific types of securities.

7. **Sales Thresholds – Our Representatives.** Our representatives are required to meet certain sales thresholds to maintain their employment with Us. When agents sell Products with higher first-year commissions, they are able to reach these thresholds more quickly. To meet these thresholds, representatives may focus on selling Products at specific times of the year and in specific amounts.
8. **Performance Incentive – Our Representatives.** In their first two years of service, Our representatives can be awarded additional flat weekly payments for the next quarter based on the achievement of certain first year commission goals for the prior quarter. Through the two-year period, first year commission requirements increase and payment amounts decrease. To receive these payments, representatives may focus on selling Products towards the end of a quarter.
9. **Override Commissions and Sales Incentives– Our Managers.** Our managers receive commissions when the representatives they manage sell a Product. These commissions are commonly referred to as “override commissions.” Some of Our managers receive quarterly (agency managers) or annual (division vice presidents) incentives based on total contracts sold and total sales amounts by the representatives they manage. Additionally, each manager’s salary is reset annually based upon the office’s total production. All Products are included in these incentives, but they may cause managers to focus on the promotion of Product sales at specific times and in specific amounts, as well as those Products with higher first year commissions.

We appreciate Your business and look forward to continuing to help You pursue Your financial goals. If You have any questions about this information, please contact Us at 855-497-5433 or by email at [Compliance@wslife.com](mailto:Compliance@wslife.com).