Contract Number: PPMY0029022-RC
Contract State: ND
Contract Process Date: 08/14/24 3:23:54 AM

PO Box 80428
Indianapolis, IN 46280

TEST_AGENT_01 COMMONWEALTH FINANCIAL NETWORK
3506 INDIAN SUMMER LANE
ARLINGTON, TX 76016

Policy Documents Contained Within

- ☐ Address Driver
- ☐ Delivery Receipt
- ☐ Welcome Letter
- ☐ Policy Form Cover
- ☐ Policy Spec Pages
- ☐ Policy Form
- ☐ Terminal Illness Waiver
- ☐ ND Guaranty Notice
- ☐ IRA Endorsement
- ☐ IRA Disclosure
- ☐ Privacy Notice

Delaware Life Insurance Company
P.O. Box 80428
Indianapolis, IN 46280-0428
P: (800)-374-3714

CERTIFICATE/CONTRACT RECEIPT

Delaware Life Insurance Company

P.O. Box 80428

Indianapolis, IN 46280-0428

Certificate/Contract # PPMY0029022-RC

Owner(s)/Participant(s) STEVE AUSTIN

I hereby acknowledge receipt of the above described certificate/contract, issued by Delaware Life Insurance Company.

______________________ 20__________
Date

____
Signature of Certificate/Contract Owner

Please use the enclosed envelope and return the signed and dated form to Delaware Life. Additionally, the form can also be emailed to AnnuityForms@delawarelife.com or it can be faxed to 800-883-9165
Thank you.

Delaware Life Insurance Company
P.O. Box 80428
Indianapolis, IN 46280-0428
P: (800)-374-3714

Welcome to Delaware Life Insurance Company!

Thank you for making Pinnacle Plus MYGA℠ Fixed Index Annuity a part of your retirement plan. At Delaware Life, we use innovation to empower our customers to achieve financial security.

We are focused on delivering pure value to our clients and providing you with a seamless experience. With Pinnacle Plus MYGA℠ your retirement savings has advantages, including:

- Multiple interest crediting strategies based on a diversified selection of indexes
- Protection of your principal while your assets accumulate
- Tax-deferred growth

This package includes your Pinnacle Plus MYGA℠ contract. Please take some time to review your contract and retain it with your important financial documents. Your beneficiary information is included on the following page.

For your convenience, your account details are available on our web portal, including the current values, account transactions, account documents, and more. You will receive instructions for registering for online account access under separate cover. The letter will include a code that is unique to you.

If you have any questions about your contract or its features, please contact your agent or our Customer Service team. Our service representatives are available **Monday through Friday from 8:30 a.m. to 5:00 p.m. Eastern Time** at 800-374-3714.

On behalf of the entire Delaware Life team, thank you again for placing your trust and confidence in us.

Regards,

Daniel Towriss
President and CEO
Delaware Life

Delaware Life Insurance Company
P.O. Box 80428
Indianapolis, IN 46280-0428
P: (800)-374-3714

We would like to take this opportunity to confirm your beneficiary designations.

PRIMARY BENEFICIARY:

NAME:	DESIGNATION %:
BRIAN PILLMAN	100%

Please notify us immediately if any corrections are required. You may complete this change on our website at www.delawarelife.com.

DELAWARE LIFE INSURANCE COMPANY

Service Address
P.O. Box 80428
Indianapolis, IN 46280-0428
1-800-374-3714
www.delawarelife.com

Delaware Life Insurance Company, a stock Company, agrees to pay the proceeds of this contract in accordance with the terms of this contract.

Signed for Delaware Life Insurance Company, effective as of the Contract Date at its office in **Zionsville, IN**.

Michael S. Bloom	**Daniel J. Towriss**
Secretary	President

30-DAY RIGHT TO EXAMINE CONTRACT

Within 30 days after You first receive this contract (or, if this contract is a replacement, any longer period as may be required by applicable law), You may cancel it for any reason by delivering or mailing it to the agent through whom it was purchased or to Us at the Service Address given above. Upon cancellation the Company will return the premium paid, less any proceeds already paid by the Company.

Any inquiries/complaints about this contract may be sent to the Service Address given above.

THIS IS A LEGAL CONTRACT – READ YOUR CONTRACT CAREFULLY

THIS CONTRACT CONTAINS A MARKET VALUE ADJUSTMENT WHICH MAY RESULT IN BOTH UPWARD AND DOWNWARD ADJUSTMENTS TO WITHDRAWALS OR SURRENDERS

THIS CONTRACT CONTAINS CONDITIONS UNDER WHICH SURRENDER CHARGES MAY BE WAIVED.

SINGLE PREMIUM DEFERRED ANNUITY
WITH MONTHLY INCOME AT MATURITY
DEATH BENEFIT PRIOR TO ANNUITY DATE
NON-PARTICIPATING

THE INTEREST RATE IS GUARANTEED ONLY FOR THE GUARANTEED INTEREST RATE PERIOD

TABLE OF CONTENTS

SPECIFICATIONS PAGES

CONTRACT NUMBER: PPMY0029022-RC

OWNER: STEVE AUSTIN
ISSUE AGE: 84
DATE OF BIRTH: 03/03/1940

ANNUITANT: STEVE AUSTIN
ISSUE AGE: 84
DATE OF BIRTH: 03/03/1940

CONTRACT DATE: 08/01/2024 **CONTRACT TYPE:** ROTH IRA

SINGLE PREMIUM: $250,000.00

INSURANCE DEPARTMENT CONTACT INFORMATION:

North Dakota Insurance Department
(701) 328-2440

INITIAL GUARANTEED INTEREST RATE PERIOD DETAILS:
INITIAL GUARANTEED INTEREST RATE PERIOD: 7 Years
INITIAL GUARANTEED INTEREST RATE: 6.15%

MINIMUM GUARANTEED INTEREST RATE: 1.00%
MINIMUM ACCOUNT VALUE: $5,000.00

WITHDRAWAL AND SURRENDER CHARGES:

Withdrawal and Surrender Charges by Guaranteed Period Year										
Guaranteed Interest Rate Period	1	2	3	4	5	6	7	8	9	10
3 Year	8%	7%	6%							
5 Year	8%	7%	6%	5%	4%					
7 Year	8%	7%	6%	5%	4%	3%	2%			
10 Year	8%	7%	6%	5%	4%	3%	2%	1%	1%	0.5%

REFERENCE INDEX:	*Moody's Bond Indices -- Corporate Average*

The elements used in determining the market value adjustment are not guaranteed and can be changed by the company, subject to the guarantees in the Market Value Adjustment provision, and any such changes can affect the benefits available under the Contract.

FREE WITHDRAWAL PERCENTAGE:	10%
FREE WITHDRAWAL AVAILABILITY DATE:	08/01/2025
MINIMUM WITHDRAWAL AMOUNT:	$250
MINIMUM MODAL ANNUITY PAYMENT:	$100
NONFORFEITURE PREMIUM PERCENTAGE:	87.50%
NONFORFEITURE INTEREST RATE:	3.00%
MATURITY DATE:	09/01/2035

RIDERS/ENDORSEMENTS:

TRADITIONAL/ROTH/INDIVIDUAL RETIREMENT ANNUITY ENDORSEMENT

TERMINAL ILLNESS WAIVER ENDORSEMENT

TERMINAL ILLNESS WAIVER ENDORSEMENT ELIGIBILITY DATE: 08/01/2025

SECTION I

DEFINITIONS

Annuitant – The natural person(s) upon whose lifetime(s) the annuity payments may be based, as stated on the Specifications Pages.

Annuity Date – The Date on which annuity payments begin under a Settlement Option. It may never be earlier than one year after the Contract Date or later than the Maturity Date.

Beneficiary – Prior to the Annuity Date, the Beneficiary is the person entitled to receive a Death Benefit payable under this contract. On and after the Annuity Date, the Beneficiary is the person entitled to receive the remaining payments, if any, following the death of an Owner. The Beneficiary will be the first among the following who is alive or in existence on the date of an Owner's death: surviving Owner, if any, including any Owner that is a Non-Natural Person, primary Beneficiary, contingent Beneficiary or, if none of them is alive, the Owner's estate.

Code – The Internal Revenue Code of 1986, as amended.

Contract Date – The date this contract becomes effective.

Contract Year, Contract Anniversary – We compute Contract Years and Anniversaries from the Contract Date. Example: If the Contract Date is May 15, 2022, the first Contract Year ends on May 14, 2023, and the first Contract Anniversary falls on May 15, 2023.

Death Benefit Date - The date on which the Company receives Due Proof of Death. If there are multiple Beneficiaries, the Death Benefit Date will be the first date on which we receive Due Proof of Death from at least one Beneficiary.

Due Proof of Death - An original or an originally certified copy of an official death certificate, or an original certified copy of a decree of a court of competent jurisdiction as to the finding of death, and, in respect of each Beneficiary, our claim form, properly completed, and any other information or documents required to make a death benefit payment.

Free Withdrawal Amount – The amount available for withdrawal which is not subject to Withdrawal Assessments.

Guaranteed Interest Rate – The interest rate that will be credited to Your contract during each Guaranteed Interest Rate Period. The initial Guaranteed Interest Rate is shown on the Specifications Pages and will be credited to the Account Value for the initial Guaranteed Interest Rate Period. Renewal Guaranteed Interest Rates will be established by Us prior to the expiration of any Guaranteed Interest Rate Period.

Guaranteed Interest Rate Period – The term during which a Guaranteed Interest Rate applies. The initial Guaranteed Interest Rate Period is shown on the Specifications Pages.

Guaranteed Period Year – We compute Guaranteed Period Years from the first day of the Guaranteed Interest Rate Period. Example: If the first day of a Guaranteed Interest Rate Period is May 15, 2022, the first Guaranteed Period Year ends on May 14, 2023.

Market Value Adjustment - An adjustment made to Your Account Value that may increase or decrease the amount You receive upon a withdrawal or surrender of Your contract.

Maturity Date – The date shown on the Specifications Pages when annuity payments must begin. This is the latest possible Annuity Date. The Maturity Date is based on the age of the youngest Annuitant on the

Contract Date and cannot be changed.

Net Premium – The Premium less any applicable state premium tax, if charged by Your state.

Non-Natural Person – This is not a living person but an entity such as a trust.

Period Certain – The time period for which annuity payments are guaranteed to be made even if the Annuitant dies prior to the end of the stated period.

Premium – The amount paid by You effective as of the Contract Date.

Service Address – The address to which all correspondence concerning Your contract should be sent. The Service Address is shown on the cover page of this contract unless subsequently changed.

Settlement Option – An annuity payment option described in Section IV or subsequently made available under Your contract.

We, Our, Us, Company – Delaware Life Insurance Company.

Withdrawal and Surrender Charges – The charges set forth on the Specifications Pages which will be applied in the event that You make a withdrawal from Your contract or surrender Your contract if a withdrawal or surrender is made prior to the end of a Guaranteed Interest Rate Period. The Withdrawal and Surrender Charges do not apply to any Free Withdrawal Amount or in any case where Withdrawal Assessments are waived under the terms specified in this contract.

Withdrawal Assessments **–** The deduction for Withdrawal and Surrender Charges together with any positive or negative Market Value Adjustment that may apply in the event that a withdrawal or surrender is made from this contract prior to the end of a Guaranteed Interest Rate Period.

Written Request – A request in writing signed by You, in a form satisfactory to Us, and received in good order at the Service Address or at such other location (and by any such means) we identify as acceptable to Us. We may also require that Your contract be submitted with Your Written Request.

You, Your, Owner – The Owner(s) of this contract shown on the Specifications Pages unless subsequently changed as provided for in this contract. The Owner(s) may be someone other than the Annuitant(s). The Owner(s) may exercise all ownership rights under the contract, subject to the rights of any assignee.

SECTION II

CONTRACT VALUES

PREMIUM

After the initial Premium, subsequent premiums are not allowed.

ACCOUNT VALUE

The Account Value of this contract is the Net Premium, less withdrawals including any Withdrawal Assessments, increased by accumulated interest.

SURRENDER VALUE

The Surrender Value of this contract on and prior to the Annuity Date shall be equal to the Account Value adjusted by any Withdrawal Assessments.

At no time shall the Surrender Value be less than the Minimum Guaranteed Contract Value.

MINIMUM GUARANTEED CONTRACT VALUE

The Minimum Guaranteed Contract Value on any date equals the Nonforfeiture Premium Percentage shown on the Specifications Pages, multiplied by the Net Premium, less any withdrawals, accumulated at the Nonforfeiture Interest Rate shown on the Specifications Pages. For the purpose of calculating the Minimum Guaranteed Contract Value, withdrawals would not include any Withdrawal Assessments.

The paid-up annuity, Surrender Value, or Death Benefit available under this contract will not be less than the minimum benefits required by the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities, model #805.

INTEREST

The initial Guaranteed Interest Rate for the initial Guaranteed Interest Rate Period is specified on the Specifications Pages. Interest is credited daily on the Account Value at the applicable interest rate.

Each time You elect (or are defaulted into) a new Guaranteed Interest Rate Period, as explained below, interest will be credited daily at the renewal Guaranteed Interest Rate declared by Us for the applicable Guaranteed Interest Rate Period. The renewal Guaranteed Interest Rate will be at least equal to the Minimum Guaranteed Interest Rate shown on the Specifications Pages.

GUARANTEED INTEREST RATE PERIODS

At least 45 days, but not more than 75 days, prior to the end of the Guaranteed Interest Rate Period, We will notify You at Your last known address of the options available to You at the end of the Guaranteed Interest Rate Period. During the 30 days prior to the end of each Guaranteed Interest Rate Period, You may provide Us with a Written Request to allocate Your Account Value among one of the following options:

Option (1): Apply any or all of Your Account Value to one of the available Guaranteed Interest Rate Period(s) at the applicable renewal Guaranteed Interest Rate. No Withdrawal Assessments will apply during the last 30 days of a Guaranteed Interest Rate Period; however, Withdrawal Assessments will be applicable to any withdrawals or surrenders during any subsequent Guaranteed Interest Rate Period with a term of more than one year. Subsequent Guaranteed Interest Rate Periods are limited so as not to extend past the Maturity Date; or

Option (2): Apply Your entire Account Value, less any applicable premium tax, to one of the Settlement Options then offered by the Company, without any Withdrawal Assessments; or

Option (3): Surrender or withdraw any of Your Account Value without any Withdrawal Assessments.

In any case the sum of amounts applied to Options (1), (2), and (3) must equal 100% of Your Account Value.

You must provide Us with a Written Request to allocate Your Account Value among these options before the end of the current Guaranteed Interest Rate Period. If You do not provide a Written Request to so allocate, then Your Account Value will renew into a Guaranteed Interest Rate Period of the same term as Your prior Guaranteed Interest Rate Period, unless this same term is not available or would extend beyond the Maturity Date. If the same duration of the prior Guaranteed Interest Rate Period is not available or would extend beyond the Maturity Date, Your Account Value will renew into the next shortest Guaranteed Interest Rate Period available that does not extend beyond the Maturity Date.

SECTION III

PAYMENT OF PROCEEDS

WITHDRAWALS AND SURRENDERS

At any time on and prior to the Annuity Date, You may make withdrawals from the Account Value of this contract by Written Request. No withdrawal may be in an amount less than the Minimum Withdrawal Amount shown on the Specifications Pages. Withdrawals may be subject to Withdrawal and Surrender Charges and Market Value Adjustment as described below.

If a withdrawal is requested that would leave the Account Value lower than the Minimum Account Value shown in the Specifications Pages, then the Company will treat such withdrawal as a surrender and terminate the contract.

At any time on and prior to the Annuity Date, You may surrender this contract for its Surrender Value by Written Request. We may require that this contract accompany the Written Request for a surrender.

We reserve the right to defer payment for a period of six (6) months after receiving a Written Request for a withdrawal or surrender, provided that We have obtained written approval to defer payments from the chief insurance regulator of Our state of domicile.

WITHDRAWAL AND SURRENDER CHARGES

In the case of a withdrawal or surrender prior to the last 30 days of a Guaranteed Interest Rate Period, Withdrawal and Surrender Charges shall apply. The applicable charges shall be computed by applying the Withdrawal and Surrender Charges, as shown on the Specifications Pages, to the amount withdrawn or surrendered less the Free Withdrawal Amount.

Withdrawal and Surrender Charges are not applied to the Free Withdrawal Amount, to the Death Benefit, to any amount applied to a Settlement Option on the Annuity Date, or in any case where Withdrawal Assessments are waived.

MARKET VALUE ADJUSTMENT PROVISION

The amount payable on withdrawals or surrenders may be adjusted up or down by the application of the Market Value Adjustment.

The Market Value Adjustment is equal to the amount withdrawn, less any available Free Withdrawal Amount, times the Market Value Adjustment Factor.

The Market Value Adjustment Factor is:

$(I - J) \times N$. where:

I = The interest rate of the Reference Index as of the first day of the current Guaranteed Interest Rate Period;

J =The interest rate of the Reference Index as of the date of Your withdrawal or surrender;

N = The number of complete months from the date of surrender or withdrawal to the end of the Guaranteed Interest Rate Period divided by 12.

The Reference Index is the index named in the Specifications Pages of Your contract. If: (i) the Reference Index is discontinued; (ii) We are unable to use the Reference Index; or (iii) the calculation of the Reference Index is changed substantially, We may substitute a suitable alternative index approved, if necessary, by the department of insurance of the state where this contract was issued. We will notify You and any assignee of any such substitution of the Reference Index.

The interest rate of the Reference Index on any day is the reported interest rate of the Reference Index as of the close of trading on the New York Stock Exchange. For any day when the interest rate of the Reference Index is not reported, We will use the most recent prior reported interest rate of the Reference Index.

The Market Value Adjustment will be determined such that the Surrender Value cannot be decreased below the Minimum Guaranteed Contract Value. If the Market Value Adjustment results in an increase, the increase cannot exceed the maximum Market Value Adjustment that could have been deducted if the Market Value Adjustment had resulted in a decrease, as limited in the preceding sentence.

The Market Value Adjustment is not applied to the Free Withdrawal Amount, to any amount withdrawn or surrendered from a Guaranteed Interest Rate Period during the 30 days prior to its expiration, to the Death Benefit on death of the Owner, to any amount applied to a Settlement Option on the Annuity Date, or in any case where Withdrawal Assessments are waived.

FREE WITHDRAWAL AMOUNT

The Free Withdrawal Amount is equal to the greater of:

1. The Free Withdrawal Percentage shown on the Specifications Pages multiplied by the Account Value (calculated as of the last Contract Anniversary prior to withdrawal), in any Contract Year after the Free Withdrawal Availability Date; and

2. If Your contract was issued in connection with certain Individual Retirement Accounts or Annuities ("IRAs"), or other tax qualified plans, the annual Required Minimum Distribution for Your contract as may be required and as calculated by Us under the Code Section 401(a)(9) (or any successor Code section) and the regulations thereunder. Only one tax year's Required Minimum Distribution can be taken free of charges during any one Contract Year.

If Your contract is a Non-Qualified Contract or a Qualified Contract from which no Required Minimum Distribution is currently due, there is no Free Withdrawal Amount until the Free Withdrawal Availability Date shown on the Specifications Pages.

The Free Withdrawal Amount will be reduced by any prior withdrawals, except prior withdrawals that are not otherwise subject to Withdrawal and Surrender Charges, taken during the same Contract Year. Any portion of the Free Withdrawal Amount that is not used during a Contract Year will not be available for use in future Contract Years.

ANNUITY PROVISION

You may select Your Annuity Date and commence annuity payments under a Settlement Option at any time after the first Contract Year as described in more detail in Section IV.

PROVISIONS IN THE EVENT OF A DEATH

This contract is intended to comply with the laws and corresponding regulations of the Code including, without limitation, Section 72(s) of the Code, as applicable, and to qualify as an annuity contract for U.S. federal tax purposes. As such, the terms of this contract will be interpreted to maintain such compliance and qualification, notwithstanding any language to the contrary. In all cases, no Owner or Beneficiary will be entitled to exercise any rights that would adversely affect the treatment of Your contract as an annuity contract under the Code and regulations thereunder.

Death of Any Owner Prior to the Annuity Date

Death Benefit

Except as provided below, if any Owner dies before the Annuity Date, We will pay the Death Benefit to the Beneficiary upon receipt of Due Proof of Death from that Beneficiary. If any Owner is a Non-Natural Person, then the death of any Annuitant is considered the death of an Owner for purposes of these Provisions in the Event of a Death. No Annuitant can be changed, except as permitted below in the Payment of Death Benefit section or Death of Any Annuitant Prior to the Annuity Date section. If any Owner is a Non-Natural Person, no Annuitant can be changed.

The amount of the Death Benefit will be equal to the Account Value on the Death Benefit Date, reduced by any applicable premium tax or similar tax. No Withdrawal Assessments will apply. Each Beneficiary's share of the Death Benefit will remain in the Guaranteed Interest Rate Period until the date on which we receive Due Proof of Death from that Beneficiary. The Death Benefit will include any interest as required by North Dakota law.

Payment of Death Benefit

If any Owner dies before the Annuity Date, the Death Benefit must be paid within five years of the Owner's death. However, each Beneficiary that is a natural person may elect by Written Request to receive their portion of the Death Benefit in equal payments over the life of such Beneficiary or over a period not extending beyond the life expectancy of such Beneficiary, provided such payments begin within one year of the Owner's death.

If the sole Beneficiary is the Owner's surviving spouse (within the meaning of U.S. federal tax law), the Beneficiary may elect to continue the contract in force as the sole Owner and, if there is no living Annuitant, the Annuitant. In this instance the Provisions in the Event of a Death will not be applicable until the spouse's subsequent death.

Death of Any Owner On or After the Annuity Date

If any Owner dies on or after the Annuity Date, the remaining value, if any, will be distributed at least as rapidly as under the Settlement Option in effect on the date of death.

Death of Any Annuitant Prior to the Annuity Date

Prior to the Annuity Date, the rules above in the Death of Any Owner Prior to the Annuity Date section apply upon death of an Annuitant if the Owner is a Non-Natural Person, or if the deceased Annuitant is an Owner, by treating the Annuitant's death as the death of an Owner. Otherwise, if an Annuitant dies, and such person is not an Owner, then the Owner(s) may name a new Annuitant except when there is a living Annuitant. If no Annuitant is so named, the Owner(s) will become the Annuitant(s).

Death of Any Annuitant On or After the Annuity Date

If any Annuitant dies on or after the Annuity Date, the remaining value, if any, will be distributed at least as rapidly as under the Settlement Option in effect on the date of death.

SECTION IV

GENERAL SETTLEMENT OPTIONS

ELECTION

Prior to the Annuity Date, the Owner may elect:

1. to have payments made to the Owner, or any person designated at any time by the Owner, under any one of the Settlement Options listed in this contract, or any other Settlement Option then offered by Us; and
2. that settlement with a Beneficiary be made under any one of the Settlement Options consistent with the Death of Any Owner Prior to the Annuity Date section above and the Code and regulations thereunder.

If Your contract is still in force on the Maturity Date shown on the Specifications Pages, and no Settlement Option has been elected, the Account Value, less any applicable premium tax, will be applied under Settlement Option Two to provide a Life Annuity with 10-Year Period Certain. In this event, if there are Joint Annuitants, the Annuitant whose life is to be referenced in determining the payments will be the youngest Annuitant.

If any Owner dies on or after the Annuity Date, the remaining payments, if any, will be paid to the Beneficiary.

AVAILABILITY OF OPTIONS

A Settlement Option may be elected only if:

1. the contract has been in effect for at least one year after the Contract Date; and
2. the contract has not yet reached the Maturity Date.

On the Annuity Date, the Account Value of Your contract, less any applicable premium tax, may be applied under one Settlement Options subject to the Minimum Modal Annuity Payment amount shown on the Specifications Page.

Monthly, quarterly, semi-annual or annual payments may be elected subject to the Minimum Modal Annuity Payment. The amount of such payments will be calculated and provided upon request. The application of proceeds to a Settlement Option is an irrevocable election.

SETTLEMENT OPTIONS

The following Settlement Options are available:

OPTION ONE - LIFE ANNUITY

Payments will be made during the lifetime of the Annuitant. All payments of any kind will cease with the last payment due prior to the death of the Annuitant. The amount of each payment will be determined by Us at the time the Settlement Option is elected. If there are Joint Annuitants, the Written Request electing this Settlement Option must specify the Annuitant whose life is to be referenced in determining the payments under this Settlement Option.

OPTION TWO - LIFE ANNUITY WITH PERIOD CERTAIN

Payments will be made for the Period Certain of ten (10) years and thereafter for the lifetime of the Annuitant. The amount of each payment will be determined by Us at the time this Settlement Option is elected. If there are Joint Annuitants, the Written Request electing this Settlement Option must specify the Annuitant whose life is to be referenced in determining the payments under this Settlement Option.

OPTION THREE - JOINT AND LAST SURVIVOR ANNUITY

Payments will be made during the joint lifetime of the Annuitant and a designated joint Annuitant and, after the death of one, during the remaining lifetime of the survivor. Payments under this Settlement Option depend on the age and sex of the Annuitant and the designated joint Annuitant on the Annuity Date. The amount of each payment will be determined by Us at the time this Settlement Option is elected.

INTEREST RATES AND MORTALITY TABLE

The mortality table used in determining the guaranteed minimum annuity payment rates for Settlement Options One, Two and Three is the Annuity 2000 Mortality Table projected for mortality improvements using Projection Scale G. The interest rate used is 1%.

An Adjusted Age is used to determine the applicable guaranteed minimum annuity payment rate. The Adjusted Age equals the actual age(s) of the Annuitant(s), in completed years and months, as of the Annuity Date, less an age setback. The age setback is one year for each ten year period beginning with the years 2020-2029. The age setback is one year for Annuity Dates occurring during the years 2020-2029, the age setback is two years for Annuity Dates occurring during the years 2030-2039, and so on.

The annuity payments at the time of their commencement will not be less than those that would be provided by applying the Surrender Value to purchase a single premium immediate annuity contract at purchase rates offered by the Company at that time to the same class of annuitants.

ADMINISTRATIVE PROVISIONS

Payments may also be made under any other Settlement Options then being offered by Us. The first income payment under any Settlement Option shall be made on the Annuity Date unless otherwise provided in the election. In all events the first payment must be made within one payment interval from the date the amount is applied to the Settlement Option. Proof of age may be required before the first payment is made. Proof that the Annuitant is living may be required before any payment is made under any option.

SECTION V

GENERAL PROVISIONS

THE CONTRACT

This contract is issued in consideration of the application and receipt of the Premium.

This contract and any amendments or endorsements hereto are the entire contract.

No change or waiver of any of the provisions of this contract will be valid unless made in writing by Us and signed by Our Chief Executive Officer, President, Vice President or Secretary. No other person has the authority to change or waive any provision of Your contract.

We reserve the right to amend this contract and will provide the Owner with notice of such amendment, if necessary to ensure that the contract remains in compliance with the Code and regulations thereunder.

INCONTESTABILITY

This contract will not be contested.

MISSTATEMENT OF AGE OR SEX

If the age or sex of any Annuitant, Beneficiary or Owner has been misstated, the amount payable by Us will be that which would be due if the true age or sex had been stated. If We make or have made any overpayments or underpayments due to the misstatement, the excess amount and interest at a rate not to exceed 6.00% per annum will be charged against, or added to, the payments coming due after the adjustment.

THE BENEFICIARY

The Beneficiary designation contained in the application will remain in effect unless changed by Written Request.

Subject to the rights of an irrevocable Beneficiary, the Owner may change the designation of Beneficiary. The change or revocation will not be binding upon Us until We receive Your Written Request. The change or revocation will take effect as of the date on which the Beneficiary designation or revocation was signed, unless otherwise specified by the Owner. If an irrevocable Beneficiary has been named, the Beneficiary cannot be changed without the consent of the irrevocable Beneficiary. Any change or revocation will be without prejudice to Us on account of any payment made or any action taken by Us before We receive the Written Request. We have no liability under any change for Our actions or omissions made in good faith.

CHANGE OF ANNUITANT

The Annuitant(s) may not be changed except as permitted in the Payment of Death Benefit section or the Death of Any Annuitant Prior to the Annuity Date section.

NON-PARTICIPATING

The contract is non-participating; it does not share in the profits or surplus of the Company.

CONFORMITY WITH LAWS

This contract is subject to the laws of the state where it was issued.

OWNERSHIP

This contract shall belong to the Owner named in the application (who may or may not be the Annuitant) or to the Owner's transferee. All ownership rights may be exercised by the Owner, subject to the rights of any assignee of record with Us.

Ownership of this contract may be changed by Written Request, unless such change is restricted by endorsement to this contract. The Company will not be considered to have received a request to change ownership of this contract until the Company receives the Written Request at the Service Address. The change will then take effect as of the date the Written Request was signed, unless otherwise specified by the Owner. The change will be without prejudice to Us based on any payment made or action taken by Us prior to receipt and acknowledgment of the Written Request.

ASSIGNMENT

You may request to assign an interest in this contract by Written Request. The Company will not be considered to have received a request to assign an interest in this contract until the Company receives the Written Request. The assignment will then take effect as of the date the Written Request was signed, unless otherwise specified by the Owner. In no event will the Company be responsible for the validity of the assignment. The assignment will be without prejudice to Us based on any payment made or action taken by Us prior to receipt and acknowledgment of the Written Request. We have no liability under any change for Our actions or omissions made in good faith.

STATEMENTS

We will provide You with a written statement at least once each Contract Year that reports the following information:

- the beginning and end dates of the current report period;
- the Account Value, prior to the application of any Market Value Adjustment, at the beginning of the current report period and at the end of the current report period;
- amounts that have been credited or debited to the Account Value during the current report period, identified by type;
- the Surrender Value at the end of the current report period, along with the Market Value Adjustment amount or the Market Value Adjustment formula used to determine the final cash surrender value; and
- the amount of the death benefit at the end of the current report period.

The report shall be accurate as of a date not more than four months prior to the date of mailing. The Owner may request additional reports by Written Request. A charge may be assessed for each additional report, not to exceed $25.

DELAWARE LIFE INSURANCE COMPANY

Service Address
P.O. Box 80428
Indianapolis, IN 46280-0428
1-800-374-3714
www.delawarelife.com

SINGLE PREMIUM DEFERRED ANNUITY
WITH MONTHLY INCOME AT MATURITY
DEATH BENEFIT PRIOR TO ANNUITY DATE
NON-PARTICIPATING

DELAWARE LIFE INSURANCE COMPANY
P.O. Box 80428
Indianapolis, IN 46280
1-800-374-3714

TERMINAL ILLNESS WAIVER ENDORSEMENT

This Endorsement is attached to and made a part of Your contract as of the Contract Date. The provisions of this Endorsement apply in lieu of any contract provisions to the contrary. Subject to the provisions of this Endorsement and Your contract, We will provide the benefits described below.

There is no separate charge for this Endorsement. Waiver under this Endorsement is available on or after the first Contract Anniversary.

A Terminal Illness is any medical condition which a licensed physician certifies has reduced the Owner's expected life span to one year or less.

If the Owner shown in the Specifications Pages on the Contract Date develops a Terminal Illness, We will waive the Withdrawal Assessments in accordance with the conditions set out in this Endorsement. The withdrawal or surrender request must be made by Written Request and in a minimum amount of $1,000.

At the time of the withdrawal or surrender request, You must provide proof of such Terminal Illness which shall include, but not be limited to, certification by a licensed physician who: (i) has examined You and is qualified to provide such certification, and (ii) is neither the Owner, the Annuitant or a family member of the Owner or the Annuitant. The term "licensed physician" means a person authorized or licensed to practice medicine in a state. The term "family member" means the Owner's spouse, spouse's parents, sons and daughters and their spouses, parents and their spouses, brothers and sisters and their spouses, grandparents and grandchildren and their spouses, domestic partners and their parents (including domestic partners of the Owner's sons and daughters, parents, brothers and sisters, grandparents and grandchildren), and any individual related to the Owner by blood or affinity whose close association with the Owner is the equivalent of a family relationship.

We will provide You with a written claim form within 10 working days after We receive Your Written Request for a withdrawal or surrender. If We do not provide a claim form within 10 working days, You will be deemed to have complied with the claim requirements if You submit written proof covering the occurrence, the character and the extent of the Terminal Illness for which the claim is made.

We reserve the right to require a second opinion and to have the Owner examined by a licensed physician of Our choosing and at Our expense. In the event the second opinion conflicts with the first, the second opinion controls.

If the Company finds proof of the Owner's Terminal Illness to be insufficient, the Owner will be notified of the denial and provided with the opportunity to accept or reject the withdrawal or surrender proceeds, subject to any applicable Withdrawal Assessments.

If the Owner is a Non-Natural person, the Annuitant will be considered the Owner for purposes of this Endorsement.

This Endorsement is subject to all the exclusions, definitions and provisions of Your contract which are not inconsistent herewith. It will terminate upon written request from the Owner or termination of Your contract. A termination of the Endorsement will not prejudice the waiver of any Withdrawal Assessments that occurred while the Endorsement was in force.

Signed for Delaware Life Insurance Company at its office in Zionsville, IN.

Michael S. Bloom
Secretary

Daniel J. Towriss
President

NOTICE OF PROTECTION PROVIDED BY THE
NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a brief summary of the North Dakota Life and Health Insurance Guaranty Association ("the Association") and the protection it provides for policyholders. This safety net was created under North Dakota law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity, or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with North Dakota law, with funding from assessments paid by other insurance companies. (For purposes of this notice, the terms "insurance company" and "insurer" include health maintenance organizations (HMOs).)

The protections provided by the Association are based on contract obligations up to the following amounts:

- Life Insurance
  - $300,000 in death benefits
  - $100,000 in cash surrender or withdrawal values
- Health Insurance
  - $500,000 for health benefit plans (see definition below)
  - $300,000 in disability income insurance benefits
  - $300,000 in long-term care insurance benefits
  - $100,000 in other types of health insurance benefits
- Annuities
  - $250,000 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values

The maximum amount of protection for each individual, regardless of type of coverage is $300,000; however, may be up to $500,000 with regard to health benefit plans.

"Health benefit plan" is defined in North Dakota Century Code Section 26.1-38.1-02(10) and generally includes hospital or medical expense policies, contracts or certificates, or HMO subscriber contracts that provide comprehensive forms of coverage for hospitalization or medical services, but excludes policies that provide coverages for limited benefits (such as dental-only or vision-only insurance), Medicare Supplement insurance, disability income insurance, and long-term care insurance (LTCI). Benefits provided by a long-term care (LTC) rider to a life insurance policy of annuity contract shall be considered the same type of benefits as the base life insurance policy or annuity contract to which it relates.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. If coverage is available, it will be subject to substantial limitations. There are also various residency requirements and other limitations under North Dakota law. To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ndlifega.org. or contact:

North Dakota Life & Health Insurance Guaranty Association	*North Dakota Insurance Department*
PO Box 2422 Fargo, North Dakota 58108	600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505

COMPLAINTS AND COMPANY FINANCIAL INFORMATION

A written complaint to allege a violation of any provision of the Life and Health Insurance Guaranty Association Act must be filed with: North Dakota Insurance Department, 600 East Boulevard Avenue, Department 401, Bismarck, North Dakota 58505 Telephone (701) 328- 2440. Financia l information for an insurance company, if the information is not proprietary, is available at the same address and telephone number and on the Insurance Department website at www.nd.gov/ndins

Insurance companies and agents are not allowed by North Dakota law to use the existence of the Association or its coverage to sell, solicit or induce you to purchase any form of insurance or HMO coverage. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and North Dakota law, then North Dakota law will control.

DELAWARE LIFE INSURANCE COMPANY
TRADITIONAL/ROTH INDIVIDUAL RETIREMENT ANNUITY ENDORSEMENT

ARTICLE I - INTRODUCTION

1.01 *Purpose of the Endorsement:* The purpose of this Endorsement, which is attached to and made a part of the annuity Contract issued by the Issuer, is to qualify the Contract as a Traditional individual retirement annuity (IRA) under Code Section 408(b) or a Roth IRA under Code Sections 408A and 408(b), as indicated on the Application, to provide for the IRA Owner's retirement and for the support of his or her Beneficiary(ies) after death. The Contract is established for the exclusive benefit of the IRA Owner and his or her Beneficiary(ies). If this is an inherited IRA within the meaning of Code Section 408(d)(3)(C) maintained for the benefit of a Designated Beneficiary of a deceased individual, references in this document to the "IRA Owner" are to the deceased individual. If any provisions of the Contract conflict with this Endorsement, the provisions of this Endorsement will apply. In no event will this Endorsement operate as both a Traditional IRA and a Roth IRA.

1.02 *Ownership Provisions:* The IRA Owner's interest in the Contract is nonforfeitable and nontransferable and the IRA Owner may exercise all rights under the Contract during his or her lifetime. In addition, the Contract may not be sold, assigned, discounted, or pledged as collateral or as security for the performance of an obligation or for any other purpose.

1.03 *For More Information:* To obtain more information concerning the rules governing this Endorsement, contact the Issuer listed on the Application.

ARTICLE II – DEFINITIONS

The following words and phrases, when used in this Endorsement with initial capital letters, shall, for the purpose of this Endorsement, have the meanings set forth below unless the context indicates that other meanings are intended.

2.01 *Application:* Means the document executed by the IRA Owner through which the IRA Owner adopts this Endorsement and thereby agrees to be bound by all terms and conditions of this Endorsement.

2.02 *Beneficiary:* Means the individual(s) or entity(ies) properly named to receive any remaining IRA benefits upon the death of the IRA Owner.

2.03 *Code:* Means the Internal Revenue Code of 1986, as amended from time to time.

2.04 *Compensation:* For purposes of sections 3.01 and 4.01 of this Endorsement, Compensation means wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered (including, but not limited to commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, and bonuses) and includes earned income, as defined in Code Section 401(c)(2) (reduced by the deduction the self-employed Roth IRA Owner takes for contributions made to a self-employed retirement plan). For purposes of this definition, Code Section 401(c)(2) shall be applied as if the term trade or business for purposes of Code Section 1402 included service described in Code Section 1402(c)(6). The term compensation shall include any amount includible in the Roth IRA Owner's gross income under Code Section 71 with respect to a divorce or separation instrument described in Code Section 71(b)(2)(A). Compensation also includes any differential wage payments as defined in Code Section 3401(h)(2).

Compensation does not include amounts derived from or received as earnings or profits from property (including but not limited to interest and dividends) or amounts not includible in gross income (determined without regard to Code Section 112). Compensation also does not include any amount received as a pension or annuity or as deferred compensation. In the case of a married individual filing a joint return, the greater compensation of his or her spouse is treated as his or her own compensation, but only to the extent that such spouse's compensation is not being used for purposes of the spouse making a Roth IRA Premium.

2.05 *Contract:* Means the annuity contract or certificate used in conjunction with this Endorsement and which is available on both an individual and group basis. Accordingly, references to Contract shall encompass both a contract issued on an individual basis and a contract issued as a group contract, together with the certificates evidencing interests in such group contract issued to participating individuals (referred to as "Participant") under the group arrangement.

2.06 *Conversion Premium:* Means a contribution described in Code Section 408A(e) from a Traditional or SIMPLE IRA to a Roth IRA.

2.07 *Designated Beneficiary:* Means the Beneficiary named as of the date of the IRA Owner's death who remains a Beneficiary as of September 30 of the year following the year of the IRA Owner's death.

2.08 *Endorsement:* Means this IRA Endorsement.

2.09 *IRA:* Means either a Traditional IRA or Roth IRA unless otherwise indicated.

2.10 *IRA Owner:* Means the individual who participates in this IRA, thereby owning the Contract. In the case of an individual Contract, this is the person to whom such Contract was issued and, in the case of a group Contract, this is the Participant thereunder, unless otherwise expressly indicated.

2.11 *Issuer:* Means Delaware Life Insurance Company

2.12 *Premium:* Means any payments made to the IRA and is generally called a "purchase payment" in the Contract.

2.13 *Regulations:* Means the U.S. Department of the Treasury regulations.

2.14 *Roth IRA:* Means an IRA as defined in Code Sections 408A and 408(b).

2.15 *SIMPLE IRA:* Means an IRA which satisfies the requirements of Code Sections 408(b) and 408(p).

2.16 *Traditional IRA:* Means an IRA as defined in Code Section 408(b).

ARTICLE III – PROVISIONS GOVERNING TRADITIONAL IRAS

This Article III shall only apply if this IRA has been designated by the IRA Owner on the Application as a Traditional IRA.

3.01 *Maximum Permissible Premiums.* The Issuer may accept Premiums on behalf of the Traditional IRA Owner for a tax year of the Traditional IRA Owner.

A. **Regular Premiums.** Except in the case of a rollover Premium (as permitted by Code Sections 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), and 457(e)(16)) or a Premium made in accordance with the terms of a simplified employee pension (SEP) plan as described in Code Section 408(k), no Premiums will be accepted unless they are in cash, and the total of such Premiums shall not exceed the lesser of 100 percent of the Traditional IRA Owner's Compensation, or $5,000 for any taxable year beginning in 2008 and years thereafter.
After 2008, the Premium limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of $500. There have been no such adjustments for taxable years 2009-2011.

If the Traditional IRA Owner makes regular Premiums to both Traditional and Roth IRAs for a taxable year, the maximum regular Premium that can be made to all the IRA Owner's Traditional IRAs for that taxable year is reduced by the regular Premiums made to the IRA Owner's Roth IRAs for the taxable year.

B. **Catch-Up Premiums.** In the case of a Traditional IRA Owner who is age 50 or older by the close of the taxable year, the annual Premium is increased by $1,000 for any taxable year beginning in 2006 and years thereafter.

C. **Additional Premiums.** In addition to the amounts described in Sections 3.01(A) and (B) of this Endorsement, a Traditional IRA Owner may make additional Premiums specifically authorized by statute such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster, and certain amounts received in connection with the Exxon Valdez litigation.

D. **Employees of Certain Bankrupt Employers.** In addition to the amounts described in Section 3.01(A) and (B) of this Endorsement, a Traditional IRA Owner who was a participant in a Code Section 401(k) plan of a certain employer in bankruptcy described in Code Section 219(b)(5)(C) may contribute up to $3,000 for taxable years beginning after 2006 and before 2010 only. A Traditional IRA Owner who makes Premiums under this section may not also make catch-up Premiums.

E. **SIMPLE IRA.** No Premiums will be accepted under a SIMPLE IRA plan established by an employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to Premiums made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, a SIMPLE IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two-year period beginning on the date the employee first participated in that employer's SIMPLE IRA plan.

F. **Inherited IRA**. If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C), no Premiums will be accepted.

3.02 Distribution Requirements

A. **IRA Owner Distributions.** Notwithstanding any provision of this Traditional IRA to the contrary, the distribution of the IRA Owner's interest in the Traditional IRA shall be made in accordance with the requirements of Code Section 408(b)(3) and the Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are not made in the form of an annuity on an irrevocable basis (except for acceleration), then distribution of the interest in the Traditional IRA (as determined under Section 3.02(A)(4) of this Endorsement) must satisfy the requirements of Code Section 408(a)(6) and the Regulations thereunder, rather than Section 3.02(A)(1), (2), and (3) and Section 3.02(B) of this Endorsement.

1. The entire interest of the Traditional IRA Owner for whose benefit the Traditional IRA is maintained will commence to be distributed no later than the first day of April following the calendar year in which such Traditional IRA Owner attains age 701/2 (the "required beginning date") over

a. the Traditional IRA Owner's life or the lives of such Traditional IRA Owner and his or her Designated Beneficiary(ies), or
b. a period certain not extending beyond the Traditional IRA Owner's life expectancy or the joint and last survivor expectancy of such Traditional IRA Owner and his or her Designated Beneficiary(ies).

Distributions must be made in periodic payments at intervals of no longer than one year and must be either nonincreasing or they may increase only as provided in Q&As-1 and -4 of Regulations Section 1.401(a)(9)-6. In addition, any distribution must satisfy the incidental benefit requirements specified in Q&A-2 of 1.401(a)(9)-6. If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C), this paragraph and Section 3.02(A)(2) and (A)(3) of this Endorsement do not apply.

2. The distribution periods described in Section 3.02(A)(1) of this Endorsement cannot exceed the periods specified in Regulations Section 1.401(a)(9)-6.

3. The first required distribution can be made as late as the required beginning date and must be the distribution that is required for one payment interval. The second distribution need not be made until the end of the next payment interval.

4. The "interest" in the Traditional IRA for purposes of this Section is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers, and recharacterizations- under Q&As-7 and -8 of Regulations Section 1.408-8 and the actuarial value of any other benefits provided under the Traditional IRA, such as guaranteed death benefits, under Q&A-12 of 1.401(a)(9)-6.

5. If the Traditional IRA Owner fails to elect a method of distribution by his or her required beginning date the Issuer shall have complete and sole discretion to do any one of the following:

- make no distribution until the Traditional IRA Owner provides a proper withdrawal request;
- distribute the Traditional IRA Owner's entire interest in a single sum payment;
- distribute the Traditional IRA Owner's entire interest over a period certain not extending beyond the Traditional IRA Owner's life expectancy or the life expectancy of the Traditional IRA Owner and his or her Beneficiary; or
- annuitize the Traditional IRA within the parameters described in this Section.

The Issuer will not be liable for any penalties or taxes related to the Traditional IRA Owner's failure to take a required minimum distribution.

B. **Beneficiary Rights.** If the Traditional IRA Owner dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows.

1. Death on or After Required Beginning Date. If the Traditional IRA Owner dies on or after required distributions commence, the remaining portion of such Traditional IRA Owner's interest will continue to be distributed under the Contract option chosen.

2. Death Before Required Beginning Date. If the Traditional IRA Owner dies before required distributions commence, such IRA Owner's entire interest will be distributed at least as rapidly as follows.

a. If the Designated Beneficiary is someone other than the Traditional IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Traditional IRA Owner's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Beneficiary as of his or her birthday in the year following the year of the Traditional IRA Owner's death, or, if elected, in accordance with Section 3.02(B)(2)(c) of this Endorsement. If this is an inherited Traditional IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a nonspouse Designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the nonspouse Designated Beneficiary may elect to have distributions made under this Section if the transfer is made no later than the end of the year following the year of death.

b. If the Traditional IRA Owner's sole Designated Beneficiary is the Traditional IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Traditional IRA Owner's death (or by the end of the calendar year in which the Traditional IRA Owner would have attained age 701/2, if later), over such spouse's life expectancy, or, if elected, in accordance with Section 3.02(B)(2)(c) of this Endorsement. If the surviving spouse dies before required distributions are required to begin, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with Section 3.02(B)(2)(c) of this Endorsement. If the surviving spouse dies after required distributions commence to him or her, any remaining interest will continue to be distributed under the contract option chosen.

c. If there is no Designated Beneficiary, or, if applicable by operation of Section 3.02(B)(2)(a) or (b) of this Endorsement, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Traditional IRA Owner's death (or the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Section 4.02(B)(2) of this Endorsement).

d. Life expectancy is determined using the Single Life Table in Q&A-1 of Regulations Section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Beneficiary's age in the year specified in Section 3.02(B)(2)(a) or (b) of this Endorsement and reduced by one for each subsequent year.

3. The "interest" in the Traditional IRA for purposes of Section 3.02 of this Endorsement is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers, and recharacterizations under Q&As-7 and -8 of Regulations Section 1.408-8 and the actuarial value of any other benefits provided under the Traditional IRA, such as guaranteed death benefits.

4. For purposes of Sections 3.02(B)(1) and (2) of this Endorsement, required distributions are considered to commence on the Traditional IRA Owner's required beginning date, or, if applicable, on the date distributions are required to begin to the surviving spouse under Section 3.02(B)(2)(b) of this Endorsement. However, if distributions start prior to the applicable date in the preceding sentence, on an irrevocable basis (except for acceleration) under an annuity contract meeting the requirements of Regulations Section 1.401(a)(9)-6, the required distributions are considered to commence on the annuity starting date.

5. If the Designated Beneficiary is the Traditional IRA Owner's surviving spouse, the spouse may elect to treat the Traditional IRA as his or her own Traditional IRA. This election will be deemed to have been made if such surviving spouse, who is the sole Beneficiary of the Traditional IRA, makes a Premium to the Traditional IRA or fails to take required distributions as a Beneficiary.

6. The required minimum distributions payable to a Designated Beneficiary from this Traditional IRA may be withdrawn from another Traditional IRA the beneficiary holds from the same deceased IRA Owner in accordance with Q&A-9 of Regulations Section 1.408-8.

7. If the Beneficiary payment election described in Section 3.02(B) is not made by December 31 of the year following the year the Traditional IRA Owner dies, the Issuer reserves the right to elect, in its complete and sole discretion, to do any one of the following:

- make no distribution until the Beneficiary(ies) provides a proper withdrawal request;
- distribute the entire Traditional IRA to the Beneficiary(ies) in a single sum payment; or
- distribute the entire remaining interest to the Beneficiary(ies) pursuant to the applicable option in Sections 3.02(B)(1) or (2) of this Endorsement.

The Issuer will not be liable for any penalties or taxes related to the Beneficiary's failure to take a required minimum distribution.

ARTICLE IV – PROVISIONS GOVERNING ROTH IRAS

This Article IV shall apply if this IRA has been designated by the IRA Owner on the Application as a Roth IRA.

4.01 Premium Limits

A. **Maximum Permissible Amount.** Except in the case of a qualified rollover (as described in Section 4.01(G) of this Endorsement) or a recharacterization (as described in Section 4.01(F) of this Endorsement), no Premium will be accepted unless it is in cash, and the total of such Premiums to all the Roth IRA Owner's Roth IRAs for a taxable year does not exceed the applicable amount (as defined in Section 4.02(B) of this Endorsement), or the Roth IRA Owner's Compensation (as defined in Section 2.04 of this Endorsement), if less, for that taxable year. The Premium described in the previous sentence that may not exceed the lesser of the applicable amount of the Roth IRA Owner's Compensation is referred to as a regular Premium. However, notwithstanding the preceding limits on Premiums, a Roth IRA Owner may make additional Premiums specifically authorized by statute – such as repayments of qualified reservist distributions, repayments of certain plan distributions made on account of a federally declared disaster, and certain amounts received in connection with the Exxon Valdez litigation. Premiums may be limited under Sections 4.01(C), (D), and (E) of this Endorsement.

B. **Applicable Amount.** The applicable amount is determined below:

1. If the Roth IRA Owner is under age 50, the applicable amount is $5,000 for any taxable year beginning in 2008 and years thereafter. After 2008, the applicable Premium limit may be adjusted by the Secretary of the Treasury for costof- living increases under Code Section 219(b)(5)(D). Such adjustments will be in multiples of $500. There have been no such adjustments for taxable years 2009-2011.

2. If the Roth IRA Owner is 50 or older, the applicable amount under Section 4.01(B)(1) of this Endorsement is increased by $1,000 for any taxable year beginning in 2006 and years thereafter.

3. If the Roth IRA Owner was a participant in a Code Section 401(k) plan of a certain employer in bankruptcy described in Code Section 219(b)(5)(C), then the applicable amount under Section 3.02(A) of this Endorsement is increased by
$3,000 for taxable years beginning after 2006 and before 2010 only. A Roth IRA Owner who makes Premiums under this Section 4.01(B)(3) may not also make Premiums under Section 4.01(B)(2).

C. **Regular Premium Limit.** The maximum regular Premium that can be made to all the Roth IRA Owner's Roth IRAs for a taxable year is the smaller amount determined under (1) or (2) below.

1. If a Roth IRA Owner's modified adjusted gross income (MAGI) falls within certain limits, as described in the following table, the maximum regular Premium that can be made to all the Roth IRA Owner's IRAs for a taxable year is phased out ratably in accordance with the following table for taxable year 2006:

Filing Status	Full Premium	Phase-Out Range MAGI	No Premium
Single or Head of Household	$95,000 or less	Between $95,000 and $110,000	$110,000 or more
Joint Return or Qualifying Widow(er)	$150,000 or less	Between $150,000 and $160,000	$160,000 or more
Married – Separate Return	$0	Between $0 and $10,000	$10,000 or more

A Roth IRA Owner's MAGI for a taxable year is defined in Code Section 408A(c)(3) and does not include any amount included in adjusted gross income as a result of a qualified rollover Premium. If the Roth IRA Owner's MAGI for a taxable year is in the phase-out range, the maximum regular Premium determined under this table for that taxable year is rounded up to the next multiple of $10 and is not reduced below $200. After 2006, the MAGI limits above will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code Section 408A(c)(3). Such adjustments will be in multiples of $1,000. There have been such adjustments beginning with taxable year 2007 and the following table updates the earlier table for taxable year 2011:

Filing Status	Full Premium	Phase-Out Range MAGI	No Premium
Single or Head of Household	$107,000 or less	Between $107,000 and $122,000	$122,000 or more
Joint Return or Qualifying Widow(er)	$169,000 or less	Between $169,000 and $179,000	$179,000 or more
Married – Separate Return	$0	Between $0 and $10,000	$10,000 or more

2. If the Roth IRA Owner makes regular Premiums to both Roth and Traditional IRAs for a taxable year, the maximum regular Premium that can be made to all the Roth IRA Owner's IRAs for that taxable year is reduced by the regular Premiums made to the Roth IRA Owner's Traditional IRAs for the taxable year.

D. SIMPLE IRA Limits. No Premiums will be accepted under a SIMPLE IRA plan established by any employer pursuant to Code Section 408(p). Also, no transfer or rollover of funds attributable to contributions made by a particular employer under its SIMPLE IRA plan will be accepted from a SIMPLE IRA, that is, an IRA used in conjunction with a SIMPLE IRA plan, prior to the expiration of the two-year period beginning on the date the employee first participated in that employer's SIMPLE IRA plan.

E. Inherited Roth IRA. If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C), no regular Roth IRA Premiums will be accepted.

F. Recharacterization. A regular Premium to a Traditional IRA may be recharacterized pursuant to the rules in Regulations Section 1.408A-5 as a regular Premium to this Roth IRA, subject to the limits in Section 4.01(C) of this Endorsement.

G. Qualified Rollover Premium. A qualified rollover Premium is a rollover of a distribution from an eligible retirement plan described in Code Section 402(c)(8)(B). If the distribution is from a Roth IRA, the rollover must meet the requirements of Code Section 408(d)(3), except the one-rollover-per-year rule of Code Section 408(d)(3)(B) does not apply if the distribution is from a Traditional or SIMPLE IRA. If the distribution is from an eligible retirement plan other than an IRA, the rollover must meet the requirements of Code Section 402(c), 402(e)(6), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), or 457(e)(16), as applicable. A qualified rollover Premium also includes Sections 4.01(G)(1) and (2) below.

1. All or part of a military death gratuity or servicemembers' group life insurance (SGLI) payment may be contributed if the Premium is made within one year of receiving the gratuity or payment. Such Premiums are disregarded for purposes of the one-rollover-per-year rule under Code Section 408(d)(3)(B).

2. All or part of an airline payment (as defined in Section 125 of the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), Pub. L. 110-458) received by certain airline employees may be contributed if the Premium is made within 180 days of receiving the payment.

4.02 Distribution Requirements

A. Roth IRA Owner Distributions. No amount is required to be distributed from the Contract prior to the death of the Roth IRA Owner for whose benefit the Contract was originally established. If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C), this Section does not apply.

B. Beneficiary Rights. If the Roth IRA Owner dies before his or her entire interest is distributed to him or her, the entire remaining interest will be distributed as follows.

1. Notwithstanding any provision of this Roth IRA to the contrary, the distribution of the Roth IRA Owner's interest in the Roth IRA shall be made in accordance with the requirements of Code Section 408(b)(3), as modified by Code Section 408A(c)(5), and the Regulations thereunder, the provisions of which are herein incorporated by reference. If distributions are not made in the form of an annuity on an irrevocable basis (except for acceleration), then distribution of the interest in the Roth IRA (as determined under Section 4.02(B)(3) of this Endorsement) must satisfy the requirements of Code Section 408(a)(6), as modified by Code Section 408A(c)(5), and the Regulations thereunder, rather than the distribution rules in Sections 4.02(B)(2), (3), (4), and (5) of this Endorsement.

2. Upon the death of the Roth IRA Owner, his or her entire interest will be distributed at least as rapidly as follows:

   a. If the Designated Beneficiary is someone other than the Roth IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Roth IRA Owner's death, over the remaining life expectancy of the Designated Beneficiary, with such life expectancy determined using the age of the Designated Beneficiary as of his or her birthday in the year following the year of the Roth IRA Owner's death, or, if elected, in accordance with Section 4.02(B)(2)(c) of this Endorsement. If this is an inherited Roth IRA within the meaning of Code Section 408(d)(3)(C) established for the benefit of a nonspouse Designated Beneficiary by a direct trustee-to-trustee transfer from a retirement plan of a deceased individual under Code Section 402(c)(11), then, notwithstanding any election made by the deceased individual pursuant to the preceding sentence, the nonspouse Designated Beneficiary may elect to have distributions made under this Section if the transfer is made no later than the end of the year following the year of death.

   b. If the Roth IRA Owner's Designated Beneficiary is the Roth IRA Owner's surviving spouse, the entire interest will be distributed, starting by the end of the calendar year following the calendar year of the Roth IRA Owner's death (or by the end of the calendar year in which the Roth IRA Owner would have attained age 701/2, if later), over such spouse's life expectancy, or, if elected, in accordance with Section 4.02(B)(2)(c) of this Endorsement. If the surviving spouse dies before required distributions commence to him or her, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's Designated Beneficiary's remaining life expectancy determined using such Beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed in accordance with Section 4.02(B)(2)(c) of this Endorsement.

      If the surviving spouse dies after required distributions commence to him or her, any remaining interest will continue to be distributed under the Contract option chosen.

   c. If there is no Designated Beneficiary, or if applicable by operation of Section 4.02(B)(2)(a) or (b) of this Endorsement, the entire interest will be distributed by the end of the calendar year containing the fifth anniversary of the Roth IRA Owner's death (or of the spouse's death in the case of the surviving spouse's death before distributions are required to begin under Section 4.02(B)(2)(b) of this Endorsement).

   d. Life expectancy is determined using the Single Life Table in Q&A-1 of Regulations Section 1.401(a)(9)-9. If distributions are being made to a surviving spouse as the sole Designated Beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in the year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the Designated Beneficiary's age in the year specified in Section 4.02(B)(2)(a) or (b) of this Endorsement, and reduced by one for each subsequent year.

3. The "interest" in the Roth IRA for purposes of Section 4.02 of this Endorsement is the prior December 31 balance adjusted to include the amount of any outstanding rollovers, transfers, and recharacterizations under Q&As-7 and -8 of Regulations Section 1.408-8 and the actuarial value of any other benefits provided under the Roth IRA, such as guaranteed death benefits, under Q&A-12 of 1.409(a)(9)-6.

4. For purposes of Section 4.02(B)(2)(b) of this Endorsement, required distributions are considered to commence on the date distributions are required to begin to the surviving spouse under such section. However, if distributions start prior to the applicable date in the preceding sentence, on an irrevocable basis (except for acceleration) under an annuity contract meeting the requirements of Regulations Section 1.401(a)(9)-6, then required distributions are considered to commence on the annuity starting date.

5. If the sole Designated Beneficiary is the Roth IRA Owner's surviving spouse, the spouse may elect to treat the Roth IRA as his or her own Roth IRA. This election will be deemed to have been made if such surviving spouse, who is the sole Beneficiary of the Roth IRA, makes a Premium to the Roth IRA or fails to take required distributions as a Beneficiary.

6. The required minimum distributions payable to a Designated Beneficiary from this Roth IRA may be withdrawn from another Roth IRA the Beneficiary holds from the same decedent in accordance with Q&A-9 of Regulations Section 1- 408-8.

7. If the Beneficiary payment election described above is not made by December 31 of the year following the year the Roth IRA Owner dies, the Issuer reserves the right to elect, in its complete and sole discretion, to do any one of the following:

- make no distribution until the Beneficiary(ies) provides a proper withdrawal request;
- distribute the entire Roth IRA to the Beneficiary(ies) in a single sum payment; or

• distribute the entire remaining interest to the Beneficiary(ies) pursuant to the applicable option in Section 4.02(B)(2) of this Endorsement.

The Issuer will not be liable for any penalties or taxes related to the Beneficiary's failure to take a required minimum distribution.

ARTICLE V – PROVISIONS GOVERNING BOTH TRADITIONAL AND ROTH IRAS

5.01 Premium Payments

A. Excess Premium. Any refund of Premiums (other than those attributable to excess Premiums) will be applied, before the close of the calendar year following the year of the refund, toward the payment of future Premiums or the purchase of additional benefits.

B. Contract Requirements. The Contract does not require that any Premium be paid other than the initial Premium.

5.02 *Reporting:* The IRA Owner agrees to provide the Issuer with information necessary for the Issuer to prepare any report required under the Code and related Regulations including Code Sections 408(i) and 408A(d)(3)(D) (pertaining to Roth IRAs), Regulations Sections 1.408-5 and 1.408-6, and under guidance published by the Internal Revenue Service (IRS).

The Issuer shall furnish annual calendar year reports concerning the status of the annuity and such information concerning required minimum distributions as is prescribed by the IRS.

5.03 *Amendments:* Any amendment made for the purpose of complying with provisions of the Code and related Regulations may be made without the consent of the IRA Owner. The IRA Owner will be deemed to have consented to any other IRA amendment unless the IRA Owner notifies the Issuer that he or she does not consent within 30 days from the date the Issuer mails the amendment to the IRA Owner.

5.04 Responsibility of the Parties: The Issuer shall not be responsible for any penalties, taxes, judgments, or expenses incurred by the IRA Owner in connection with this IRA and shall have no duty to determine whether any Premiums to or distributions from this IRA comply with the Code, Regulations, rulings, or this Endorsement.

5.05 *Settlement Provisions:* The settlement provisions under the Contract are amended as follows. Any payments under an annuity option with lifetime payments based on one life shall be measured only by the life of the IRA Owner or, if payments first begin after the IRA Owner's death, the life of the Designated Beneficiary, and, if the lifetime annuity option also provides for a minimum number of payments certain (the "guarantee period"), the guarantee period selected cannot extend beyond the life expectancy of the IRA Owner and that of the Designated Beneficiary or, if payments first begin after the IRA Owner's death, the life expectancy of the Designated Beneficiary. Any payments under an annuity option with lifetime payments based on two lives shall be measured only by the life of the IRA Owner and, upon his or her death, by the life of the Designated Beneficiary, and, if the annuity option also provides for a guarantee period, the guarantee period selected cannot extend beyond the life expectancy of the IRA Owner and that of the Designated Beneficiary. For any payments under an annuity option with non- lifetime payments for a specified period certain, the period certain selected cannot extend beyond the life expectancy of the IRA Owner and that of the Designated Beneficiary, or, if payments first begin after the IRA Owner's death, the life expectancy of the Designated Beneficiary.

DELAWARE LIFE INSURANCE COMPANY
TRADITIONAL/ROTH INDIVIDUAL RETIREMENT ANNUITY DISCLOSURE STATEMENT

This Disclosure Statement explains some of the rules governing the type of Individual Retirement Annuity (IRA) you designated on the Application. The term IRA will be used in this Disclosure Statement to refer to a Traditional IRA (under Internal Revenue Code Section (IRC Sec.) 408(b)) or a Roth IRA (under IRC Sec. 408A) unless specified otherwise. The information in this Disclosure Statement is being provided to you in accordance with the requirements of the Code and Regulations thereunder. The information pertains to IRAs generally. Certain information may not apply to your situation because of IRA Contractual limitations. This Disclosure Statement should be read in conjunction with the IRA application and its related individual contract or group certificate (collectively "the IRA Contract") and, if applicable, the prospectus for the IRA Contract. The provisions of the IRA Contract and any prospectus will prevail over this Disclosure Statement in any instance where this Disclosure Statement is incomplete, unclear or inconsistent with those documents.

RIGHT TO REVOKE YOUR IRA

You have the right to revoke your IRA within seven days of the receipt of the Disclosure Statement. If revoked, you are entitled to a full return of the Premiums you made to your IRA. The amount returned to you would not include a negative adjustment for such items as sales commissions, administrative expenses, or fluctuation in market value. You may make this revocation only by mailing or delivering a written notice to us at:

Delaware Life
P.O. Box 80428
Indianapolis, IN 46280-0428

If you send your notice by first class mail, your revocation will be deemed mailed as of the postmark date.

If you have any questions about the procedure for revoking your IRA, please call us at 1-800-374-3714 .

REQUIREMENTS OF AN IRA

A. **Cash Premiums –** Your Premium (which might be referred to in the IRA Contract as "Purchase Payment") must be in cash, unless it is a rollover or conversion premium.

B. **Maximum Traditional IRA Premium –** The total amount you may contribute to your Traditional IRA for any taxable year cannot exceed the lesser of 100 percent of your Compensation or $6,000 for 2019 and 2020, with possible cost-of-living adjustments each year thereafter. If you also maintain a Roth IRA (i.e., an IRA subject to the limits of IRC Sec. 408A), the maximum Premium to your Traditional IRAs is reduced by any Premiums you make to your Roth IRAs. Your total annual Premiums to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your Compensation.

C. **Maximum Roth IRA Premium –** The total amount you may contribute to your Roth IRA for any taxable year cannot exceed the lesser of 100 percent of your Compensation or $6,000 for 2019 and 2020, with possible cost-of-living adjustments each year thereafter. If you also maintain a Traditional IRA (i.e., an IRA subject to the limits of IRC Secs. 408(a) or 408(b)) the maximum Premium to your Roth IRA is reduced by any Premiums you make to your Traditional IRA. Your total annual Premiums to all Traditional IRAs and Roth IRAs cannot exceed the lesser of the dollar amounts described above or 100 percent of your Compensation.

   Your Roth IRA Premium is further limited if your modified adjusted gross income (MAGI) equals or exceeds $193,000 (for 2019) or $196,000 (for 2020) if you are a married individual filing a joint income tax return, or equals or exceeds $122,000 (for 2019) or $124,000 (for 2020) if you are a single individual. Married individuals filing a joint income tax return with MAGI equaling or exceeding $203,000 (for 2019) or $206,000 (for 2020) may not fund a Roth IRA. Single individuals with MAGI equaling or exceeding $137,000 (for 2019) or $139,000 (for 2020) may not fund a Roth IRA. Married individuals filing a separate income tax return with MAGI equaling or exceeding $10,000 may not fund a Roth IRA. The MAGI limits described above are subject to cost-of-living increases for tax years beginning after 2020.

   If you are married filing a joint income tax return and your MAGI is between the applicable MAGI phase-out range for the year, your maximum Roth IRA Premium is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable Premium for the year, including catch-up Premiums if you are age 50 or older. For example, if you are age 30 and your MAGI is $201,000, your maximum Roth IRA Premium for 2020 is $3,000. This amount is determined as follows: [($206,000 minus $201,000) divided by $10,000] multiplied by $6,000.

   If you are single and your MAGI is between the applicable MAGI phase-out for the year, your maximum Roth IRA Premium is determined as follows: (1) Begin with the appropriate MAGI phase-out maximum for the applicable year and subtract your MAGI from it; (2) divide the result by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable Premium for the year, including catch-up Premiums if you are age 50 or older. For example, if you are age 30 and your MAGI is $127,000, your maximum Roth IRA Premium for 2020 is $4,800 ([$139,000 minus $127,000] divided by $15,000 and multiplied by $6,000).

D. **Traditional IRA Premium Eligibility –** For tax years beginning before 2020, you are eligible to make a regular Premium to your Traditional IRA if you have Compensation and have not attained age 70½ by the end of the taxable year for which the Premium is made. For 2020 and later tax years, you may make a regular Premium to your IRA at any age if you have Compensation.

E. **Roth IRA Premium Eligibility –** You are eligible to make a regular Premium to your Roth IRA, regardless of your age, if you have Compensation and your MAGI is below the maximum threshold. Your Roth IRA Premium is not limited by your participation in a retirement plan, other than a Traditional IRA.

F. **Catch-up Premiums –** If you are age 50 or older by the close of the taxable year, you may make an additional Premium to your IRA. The maximum additional Premium is $1,000 per year.

G. **Nonforfeitability –** Your interest in your IRA is nonforfeitable.

H. **Commingling Assets –** The assets of your IRA cannot be commingled with other property except in a common trust fund or common investment fund.

I. **Life Insurance –** No portion of your IRA may be invested in life insurance contracts.

J. **Refund of Premiums –** Any refund of Premiums must be applied before the close of the calendar year following the year of the refund toward the payment of future Premiums or the purchase of additional benefits.

K. **Collectibles –** You may not invest the assets of your IRA in collectibles (within the meaning of IRC Sec. 408(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the Internal Revenue Service (IRS). However, specially minted United States gold and silver coins and certain state-issued coins are permissible investments. Platinum coins and certain gold, silver, platinum, or palladium bullion (as described in IRC Sec. 408(m)(3)) are also permitted as IRA investments.

L. **Required Minimum Distributions and Beneficiary Options for Traditional IRAs –** You are required to take minimum distributions from your

Traditional IRA at certain times in accordance with Treasury Regulation 1.408-8. Below is a summary of the Traditional IRA distribution rules.

1. If you were born before July 1, 1949, you are required to take a minimum distribution from your Traditional IRA for the year in which you reach age 70½ and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 70½. If you were born on or after July 1, 1949, you are required to take a minimum distribution from your IRA for the year in which you reach age 72 and for each year thereafter. You must take your first distribution by your required beginning date, which is April 1 of the year following the year you attain age 72. Minimum distributions may be taken by annuitizing your contract to receive a series of periodic distributions made at intervals not longer than one year. The first distribution that must be made must be the distribution that is required for one payment interval. Payment intervals are the periods for which distributions are made to you (e.g., monthly, quarterly, etc.). The second distribution need not be made until the end of the next payment interval.

   The size of your distributions will depend on the rate of return, your age (and the ages of your Beneficiaries, the amount of Premiums you have made to your Traditional IRA, and your distribution option. Your distributions must be made at intervals not longer than one year, over your life or the life of you and your Beneficiary. Distributions may also be made over a period certain not longer than your life expectancy or the life expectancy of you and your Beneficiary determined using the Uniform Lifetime Table provided by the IRS.

2. If you do not annuitize your Traditional IRA, the minimum distribution for any taxable year is equal to the amount obtained by dividing the account balance at the end of the prior year by the applicable divisor.

   The applicable divisor is generally determined using the Uniform Lifetime Table provided by the IRS. The table assumes a Beneficiary exactly 10 years younger than you, regardless of who is named as your Beneficiary, if any. If your spouse is your sole Beneficiary, and is more than 10 years younger than you, the required minimum distribution is determined each year using the actual joint life expectancy of you and your spouse, obtained from the Joint Life Expectancy Table provided by the IRS, rather than the life expectancy divisor from the Uniform Lifetime Table.

3. We reserve the right to do any one of the following by your required beginning date:

   (a) Make no distribution until you give us a proper withdrawal request

   (b) Distribute your entire Traditional IRA to you in a single sum payment

   (c) Determine your required minimum distribution each year based on your life expectancy, calculated using the Uniform Lifetime Table, and pay those distributions to you until you direct otherwise, or

   (d) Annuitize your Traditional IRA.

   If you fail to remove a required minimum distribution, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

M. Traditional IRA Beneficiary Distributions – Upon your death, your beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulations. These requirements are described below.

1. **Death of IRA Owner Before January 1, 2020 –** Your Designated Beneficiary is determined based on the Beneficiaries designated as of the date of your death, who remain your Beneficiaries as of September 30 of the year following the year of your death.

   If you die on or after your required beginning date, distributions must be made to your Beneficiaries over the contract option chosen. If distributions are not made in the form of an annuitized payment, distributions must be made over the longer of the single life expectancy of your Designated Beneficiaries, or your remaining life expectancy. If a Beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no Designated Beneficiary of your Traditional IRA for purposes of determining the distribution period. If there is no Designated Beneficiary of your Traditional IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

   If you die before your required beginning date, the entire amount remaining in your Traditional IRA will, at the election of your Designated Beneficiaries, either

   (a) be distributed by December 31 of the year containing the fifth anniversary of your death, or

   (b) be distributed over the remaining life expectancy of your Designated Beneficiaries.

   If your spouse is your sole Designated Beneficiary, he or she must elect either option (a) or (b) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year life expectancy payments would be required to begin. Your Designated Beneficiaries, other than a spouse who is the sole Designated Beneficiary, must elect either option (a) or (b) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (b). In the case of distributions under option (b), distributions must commence by December 31 of the year following the year of your death. Generally, if your spouse is the Designated Beneficiary, distributions need not commence until December 31 of the year you would have attained age 72 (age 70½ if you would have attained age 70½ before 2020), if later. If a Beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no Designated Beneficiary of your IRA for purposes of determining the distribution period. If there is no Designated Beneficiary of your Traditional IRA, the entire Traditional IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

2. **Death of IRA Owner On or After January 1, 2020.** The following requirements will not apply to a qualified annuity that is a binding annuity contract in effect as of December 20, 2019 and at all times thereafter (instead, such annuity will be subject to the requirements in part 1 of this section, above). A qualified annuity means, with respect to the IRA owner, an annuity

   (a) which is a commercial annuity (as defined in IRC Sec. 3405(e)(6))

   (b) under which the annuity payments are made over the life of the IRA owner or over the joint lives of the IRA owner and a Designated Beneficiary (or over a period not extending beyond the life expectancy of the IRA owner or the joint life expectancy of the IRA owner and a Designated Beneficiary), in accordance with the regulations described in IRC Sec. 401(a)(9)(A)(ii) (as in effect before the SECURE Act amendments to the Beneficiary payment requirements) and which meets the other requirements of IRC Sec. 401(a)(9) with respect to such payments, and

   (c) with respect to which
      i) annuity payments have begun to the IRA owner before December 20, 2019, and the IRA owner has made an irrevocable election before such date as to the method and amount of the annuity payments to the IRA owner or any Designated Beneficiaries, or

      ii) if payments have not begun, the IRA owner has made an irrevocable election before December 20, 2019, as to the method and amount of the annuity payments to the IRA owner or any Designated Beneficiaries.

The entire amount remaining in your IRA will generally be distributed by December 31 of the year containing the tenth anniversary of your death unless you have an eligible Designated Beneficiary or you have no Designated Beneficiary for purposes of determining a distribution period. This requirement applies to Beneficiaries regardless of whether you die before, on, or after your required beginning date.

If your Beneficiary is an eligible Designated Beneficiary, the entire amount remaining in your IRA may be distributed (in accordance with the Treasury Regulations) over the remaining life expectancy of your eligible Designated Beneficiary (or over a period not extending beyond the life expectancy of such Beneficiary).

An eligible Designated Beneficiary is any Designated Beneficiary who is

- your surviving spouse,
- your child who has not reached the age of majority,
- disabled (A physician must determine that the impairment can be expected to result in death or to be of long, continued, and indefinite duration.),
- an individual who is not more than 10 years younger than you, or
- chronically ill (A chronically ill individual is someone who (1) is unable to perform (without substantial assistance from another individual) at least two activities of daily living for an indefinite period due to a loss of functional capacity, (2) has a level of disability similar to the level of disability described above requiring assistance with daily living based on loss of functional capacity, or (3) requires substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment.)

Note that certain trust Beneficiaries (e.g., certain trusts for disabled and chronically ill individuals) may take distribution of the entire amount remaining in your account over the remaining life expectancy of the trust Beneficiary.

Generally, life expectancy distributions to an eligible Designated Beneficiary must commence by December 31 of the year following the year of your death. However, if your spouse is the eligible Designated Beneficiary, distributions need not commence until December 31 of the year you would have attained age 72, if later. If your eligible Designated Beneficiary is your minor child, life expectancy payments must begin by December 31 of the year following the year of your death and continue until the child reaches the age of majority. Once the age of majority is reached, the Beneficiary will have 10 years to deplete the account.

If a Beneficiary other than a person (e.g., your estate, a charity, or a certain type of trust) is named, you will be treated as having no Designated Beneficiary of your IRA for purposes of determining the distribution period. If you die before your required beginning date and there is no Designated Beneficiary of your IRA, the entire IRA must be distributed by December 31 of the year containing the fifth anniversary of your death. If you die on or after your required beginning date and there is no Designated Beneficiary of your IRA, distributions will commence using your single life expectancy, reduced by one in each subsequent year.

A spouse who is the sole Designated Beneficiary of your entire Traditional IRA will be deemed to elect to treat your Traditional IRA as his or her own by either (1) making Premiums to your Traditional IRA or (2) failing to timely remove a required minimum distribution from your Traditional IRA. Regardless of whether or not the spouse is the sole Designated Beneficiary of your Traditional IRA, a spouse Beneficiary may roll over his or her share of the assets to his or her own Traditional IRA.

If your Beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. Your Beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

N. **Required Minimum Distributions for Roth IRAs –** You are not required to take distributions from your Roth IRA during your lifetime (as required for Traditional IRAs). However, your Beneficiaries generally are required to take distributions from your Roth IRA after your death. See the section titled *Roth IRA Beneficiary Distributions* in this Disclosure Statement regarding Beneficiaries' required minimum distributions.

O. **Qualifying Longevity Annuity Contracts and RMDs for Traditional IRAs –** A qualifying longevity annuity contract (QLAC) is a deferred annuity contract that, among other requirements, must guarantee lifetime income starting no later than age 85. The total premiums paid to QLACs in your Traditional and SIMPLE IRAs must not exceed 25 percent (up to $125,000) of the combined value of your IRAs (excluding Roth IRAs). The $125,000 limit is subject to cost-of-living adjustments each year.

When calculating your RMD, you may reduce the prior year end account value by the value of QLACs that your Traditional IRA holds as investments.

For more information on QLACs, you may wish to refer to the IRS website at www.irs.gov.

P. **Roth IRA Beneficiary Distributions** - Upon your death, your Beneficiaries are required to take distributions according to IRC Sec. 401(a)(9) and Treasury Regulation 1.408-8. These requirements are described below.

1. **Death of Roth IRA Owner Before January 1, 2020** – Your Designated Beneficiary is determined based on the Beneficiaries designated as of the date of your death who remains your Beneficiaries as of September 30 of the year following the year of your death. If you die,

   (a) on or after your distributions have irrevocably commenced due to the annuitization of the Contract, distributions must be made to your Beneficiaries according to the distribution option you chose.

   (b) before your distributions have irrevocably commenced, distributions will, at the election of your Beneficiaries, either

   (i) be distributed by December 31 of the year containing the fifth anniversary of your death, or

   (ii) be distributed over the remaining life expectancy of your Designated Beneficiaries.

   If your spouse is your sole Designated Beneficiary, he or she must elect either option (i) or (ii) by the earlier of December 31 of the year containing the fifth anniversary of your death, or December 31 of the year life expectancy payments would be required to begin. Your Designated Beneficiaries, other than a spouse who is the sole Designated Beneficiary, must elect either option (i) or (ii) by December 31 of the year following the year of your death. If no election is made, distribution will be calculated in accordance with option (ii). In the case of a distribution under option (ii), distributions must commence by December 31 of the year following the year of your death. Generally, if your spouse is the Designated Beneficiary, distributions need not commence until December 31 of the year you would have attained age 72 (70½ if you would have attained 70½ before 2020), if later. If a Beneficiary other than a person or qualified trust as defined in the Treasury Regulations is named, you will be treated as having no Designated Beneficiary of your Roth IRA for purposes of determining the distribution period. If there is no Designated Beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

2. **Death of IRA Owner On or After January 1, 2020 –** The following requirements will not apply to a qualified annuity that is a binding annuity contract in effect as of December 20, 2019 and at all times thereafter (instead, such annuities will be subject to the requirements in part 1 of this section, above). A qualified annuity means, with respect to the Roth IRA owner, an annuity

   (a) which is a commercial annuity (as defined in IRC Sec. 3405(e)(6))

   (b) under which the annuity payments are made over the life of the Roth IRA owner or over the joint lives of the Roth IRA owner and a

Designated Beneficiary (or over a period not extending beyond the life expectancy of the Roth IRA owner or the joint life expectancy of the Roth IRA owner and a Designated Beneficiary), in accordance with the regulations described in IRC Sec. 401(a)(9)(A)(ii) (as in effect before the SECURE Act amendments to the Beneficiary payment requirements) and which meets the other requirements of IRC Sec. 401(a)(9) with respect to such payments, and

(c) with respect to which

(i) annuity payments have begun to the Roth IRA owner before December 20, 2019, and the Roth IRA owner has made an irrevocable election before such date as to the method and amount of the annuity payments to the Roth IRA owner or any Designated Beneficiaries, or

(ii) if payments have not begun, the Roth IRA owner has made an irrevocable election before December 20, 2019, as to the method and amount of the annuity payment to the Roth IRA owner or any Designated Beneficiaries.

The entire amount remaining in your Roth IRA will generally be distributed by December 31 of the year containing the tenth anniversary of your death unless you have an eligible Designated Beneficiary or you have no Designated Beneficiary for purposes of determining a distribution period. This requirement applies to Beneficiaries regardless of whether you die before, on, or after your required beginning date.

If your Beneficiary is an eligible Designated Beneficiary, the entire amount remaining in your Roth IRA may be distributed (in accordance with the Treasury Regulations) over the remaining life expectancy of your eligible Designated Beneficiary (or over a period not extending beyond the life expectancy of such Beneficiary).

An eligible Designated Beneficiary is any Designated Beneficiary who is

- your surviving spouse,
- your child who has not reached the age of majority,
- disabled (A physician must determine that the impairment can be expected to result in death or to be of long, continued, and indefinite duration.),
- an individual who is not more than 10 years younger than you, or
- chronically ill (A chronically ill individual is someone who (1) is unable to perform (without substantial assistance from another individual) at least two activities of daily living for an indefinite period due to a loss of functional capacity, (2) has a level of disability similar to the level of disability described above requiring assistance with daily living based on loss of functional capacity, or (3) requires substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment.)

Note that certain trust Beneficiaries (e.g., certain trusts for disabled and chronically ill individuals) may take distribution of the entire amount remaining in your account over the remaining life expectancy of the trust Beneficiary.

Generally, life expectancy distributions to an eligible Designated Beneficiary must commence by December 31 of the year following the year of your death. However, if your spouse is the eligible Designated Beneficiary, distributions need not commence until December 31 of the year you would have attained age 72, if later. If your eligible Designated Beneficiary is your minor child, life expectancy payments must begin by December 31 of the year following the year of your death and continue until the child reaches the age of majority. Once the age of majority is reached, the Beneficiary will have 10 years to deplete the account.

If a Beneficiary other than a person (e.g., your estate, a charity, or a certain type of trust) is named, you will be treated as having no Designated Beneficiary of your IRA for purposes of determining the distribution period. If there is no Designated Beneficiary of your Roth IRA, the entire Roth IRA must be distributed by December 31 of the year containing the fifth anniversary of your death.

A spouse who is the sole Designated Beneficiary of your entire Roth IRA will be deemed to elect to treat your Roth IRA as his or her own by either (1) making Premiums to your Roth IRA or (2) failing to timely remove a required minimum distribution from your Roth IRA. Regardless of whether or not the spouse is the sole Designated Beneficiary of your Roth IRA, a spouse Beneficiary may roll over his or her share of the assets to his or her own Roth IRA.

If your Beneficiary fails to remove a required minimum distribution after your death, an additional penalty tax of 50 percent is imposed on the amount of the required minimum distribution that should have been taken but was not. Your Beneficiary must file IRS Form 5329 along with his or her income tax return to report and remit any additional taxes to the IRS.

Q. **Waiver of 2020 RMD –** In spite of the general rules described above, if you are a Traditional IRA owner age 70½ or older, you are not required to remove an RMD for calendar year 2020. This RMD waiver also applies to Traditional IRA owners who attained age 70½ in 2019 but did not take their first RMD before January 1, 2020. In addition, no Traditional or Roth IRA beneficiary life expectancy payments are required for calendar year 2020. If the five-year rule applies to an IRA with respect to any decedent, the five-year period is determined without regard to calendar year 2020. For example, if an IRA owner died in 2017, the beneficiary's five-year period ends in 2023 instead of 2022.

INCOME TAX CONSEQUENCES OF ESTABLISHING AN IRA

A. **Premium Deductibility for Traditional IRAs –** If you are eligible to make Premiums to your IRA, the amount of the Premium for which you may take a tax deduction will depend upon whether you (or, in some cases, your spouse) are an active participant in an employer-sponsored retirement plan. If you (and your spouse, if married) are not an active participant, your entire IRA Premium will be deductible. If you are an active participant (or are married to an active participant), the deductibility of your IRA Premium will depend on your modified adjusted gross income (MAGI) and your tax filing status for the tax year for which the Premium was made. MAGI is determined on your income tax return using your adjusted gross income but disregarding any deductible IRA Premium and certain other deductions and exclusions.

Definition of Active Participant – Generally, you will be an active participant if you are covered by one or more of the following employer-sponsored retirement plans:

1. Qualified pension, profit sharing, 401(k), or stock bonus plan;
2. Qualified annuity plan of an employer;
3. Simplified employee pension (SEP) plan;
4. Retirement plan established by the federal government, a state, or a political subdivision (except certain unfunded deferred compensation plans under IRC Sec. 457);
5. Tax-sheltered annuity for employees of certain tax-exempt organizations or public schools;
6. Plan meeting the requirements of IRC Sec. 501(c)(18); and
7. Savings incentive match plan for employees of small employers (SIMPLE) IRA plan or a SIMPLE 401(k) plan.

If you do not know whether your employer maintains one of these plans, or whether you are an active participant in a plan, check with your employer or your tax advisor. Also, the IRS Form W-2, *Wage and Tax Statement*, that you receive at the end of the year from your employer will indicate whether you are an active participant.

If you are an active participant, are single, and have MAGI within the applicable phase-out range listed below, the deductible amount of your Premium is determined as follows. (1) Begin with the appropriate phase-out range maximum for the applicable year (specified below) and subtract your MAGI; (2) divide this total by the difference between the phase-out maximum and minimum; and (3) multiply this number by the maximum allowable Premium for the applicable year, including catch-up Premiums if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of

$66,000 in 2020, your maximum deductible Premium is $5,400 (the 2020 phase-out range maximum of $75,000 minus your MAGI of $66,000, divided by the difference between the maximum and minimum phase-out range limits of $10,000, and multiplied by the Premium limit of $6,000).

If you are an active participant, are married to an active participant and you file a joint income tax return, and have MAGI within the applicable phase-out range listed below, the deductible amount of your Premium is determined as follows. (1) Begin with the appropriate phase-out maximum for the applicable year (specified below) and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable Premium for the applicable year, including catch-up Premiums if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take. For example, if you are age 30 with MAGI of $107,000 in 2020, your maximum deductible Premium is $5,100 (the 2020 phase-out maximum of $124,000 minus your MAGI of $107,000, divided by the difference between the maximum and minimum phase-out limits of $20,000, and multiplied by the Premium limit of $6,000).

If you are an active participant, are married and you file a separate income tax return, your MAGI phase-out range is generally $0–$10,000. However, if you lived apart for the entire tax year, you are treated as a single filer.

Tax Year	Joint Filers Phase-Out Range*	Single Taxpayers Phase-Out Range*
	(minimum)(maximum)	*(minimum)(maximum)*
2013	$95,000–115,000	$59,000–69,000
2014	$96,000–116,000	$60,000–70,000
2015	$98,000–118,000	$61,000–71,000
2016	$98,000–118,000	$61,000–71,000
2017	$99,000–119,000	$62,000–72,000
2018	$101,000–121,000	$63,000–73,000
2019	$103,000–123,000	$64,000–74,000
2020	$104,000–124,000	$65,000–75,000

*MAGI limits are subject to cost-of-living adjustments each year.

The MAGI phase-out range for an individual that is not an active participant, but is married to an active participant, is $193,000–$203,000 (for 2019) and $196,000–$206,000 (for 2020). This limit is also subject to cost-of-living increases for tax years after 2020. If you are not an active participant in an employer-sponsored retirement plan, are married to someone who is an active participant, and you file a joint income tax return with MAGI between the applicable phase-out range for the year, your maximum deductible Premium is determined as follows. (1) Begin with the appropriate MAGI phase-out maximum for the year and subtract your MAGI; (2) divide this total by the difference between the phase-out range maximum and minimum; and (3) multiply this number by the maximum allowable Premium for the applicable year, including catch-up Premiums if you are age 50 or older. The resulting figure will be the maximum IRA deduction you may take.

You must round the resulting deduction to the next highest $10 if the number is not a multiple of 10. If your resulting deduction is between $0 and $200, you may round up to $200.

B. **Premium Deductibility for Roth IRAs –** No deduction is allowed for Roth IRA Premiums, including transfers, rollovers, and conversion Premiums.

C. **Premium Deadline –** The deadline for making an IRA Premium is your tax return due date (not including extensions). You may designate a Premium as a Premium for the preceding taxable year in a manner acceptable to us. For example, if you are a calendar year taxpayer, and you make your IRA Premium on or before your tax filing deadline, your Premium is considered to have been made for the previous tax year if you designate it as such.

If you are a member of the Armed Forces serving in a combat zone, hazardous duty area, or contingency operation, you may have an extended Premium deadline of 180 days after the last day served in the area. In addition, your Premium deadline for a particular tax year is also extended by the number of days that remained to file that year's tax return as of the date you entered the combat zone. This additional extension to make your Roth IRA Premium cannot exceed the number of days between January 1 and your tax filing deadline, not including extensions.

D. **Tax Credit for Premiums –** You may be eligible to receive a tax credit for your Traditional or Roth IRA Premiums. This credit will be allowed in addition to any tax deduction that may apply, and may not exceed $1,000 in a given year. You may be eligible for this tax credit if you are

- age 18 or older as of the close of the taxable year,
- not a dependent of another taxpayer, and
- not a full-time student.

The credit is based upon your income (see chart below) and will range from 0 to 50 percent of eligible Premiums. In order to determine the amount of your Premiums, add all of the Premiums made to your Traditional or Roth IRAs and reduce these Premiums by any distributions that you have taken during the testing period. The testing period begins two years prior to the year for which the credit is sought and ends on the tax return due date (including extensions) for the year for which the credit is sought. In order to determine your tax credit, multiply the applicable percentage from the chart below by the amount of your Premiums that do not exceed $2,000.

2019 Adjusted Gross Income*			Applicable Percentage
Joint Return	Head of a Household	All Other Cases	
$1–38,500	$1–28,875	$1–19,250	50
$38,501–41,500	$28,876–31,125	$19,251–20,750	20
$41,501–64,000	$31,126–48,000	$20,751–32,000	10
Over $64,000	Over $48,000	Over $32,000	0

2020 Adjusted Gross Income*			Applicable Percentage
Joint Return	Head of a Household	All Other Cases	
$1–39,000	$1–29,250	$1–19,500	50
$39,001–42,500	$29,251–31,875	$19,501–21,250	20
$42,501–65,000	$31,876–48,750	$21,251–32,500	10
Over $65,000	Over $48,750	Over $32,500	0

*Adjusted gross income (AGI) includes foreign earned income and income from Guam, America Samoa, North Mariana Islands, and Puerto Rico. AGI limits are subject to cost-of-living adjustments each year.

E. **Excess Premiums –** An excess Premium is any amount that is contributed to your IRA that exceeds the amount that you are eligible to contribute. If the excess is not corrected timely, an additional penalty tax of six percent will be imposed upon the excess amount. The procedure for correcting an excess is determined by the timeliness of the correction as identified below.

1. **Removal Before Your Tax Filing Deadline.** An excess Premium may be corrected by withdrawing the excess amount, along with the earnings attributable to the excess, before your tax filing deadline, including extensions, for the year for which the excess Premium was made. An excess withdrawn under this method is not taxable to you, but you must include the earnings attributable to the excess in your taxable income in the year in which the Premium was made. The six percent excess contribution penalty tax will be avoided.

2. **Removal After Your Tax Filing Deadline.** If you are correcting an excess Premium after your tax filing deadline, including extensions, remove only the amount of the excess Premium. The six percent excess contribution penalty tax will be imposed on the excess Premium for each year it remains in the IRA. An excess withdrawal under this method will only be taxable to you if the total Premiums made in the year of the excess exceed the annual applicable Premium limit.

3. **Carry Forward to a Subsequent Year.** If you do not withdraw the excess Premium, you may carry forward the Premium for a subsequent tax year. To do so, you under-contribute for that tax year and carry the excess Premium amount forward to that year on your tax return. The six percent excess contribution penalty tax will be imposed on the

excess amount for each year that it remains as an excess Premium at the end of the year.

You must file IRS Form 5329 along with your income tax return to report and remit any additional taxes to the IRS.

F. **Tax-Deferred Earnings –** The investment earnings of your IRA are not subject to federal income tax as they accumulate in your IRA. Investment earnings distributed from your Traditional IRA will be taxed when the distribution is made. Distributions of your Roth IRA investment earnings will be free from federal income tax if you take a qualified distribution, as defined in the *Taxation of Roth IRA Distributions* section of this Disclosure Statement.

G. **Nondeductible Premiums –** You may make nondeductible Premiums to your Traditional IRA to the extent that deductible Premiums are not allowed. The sum of your deductible and nondeductible IRA Premiums cannot exceed your Premium limit (the lesser of the allowable Premium limit described previously, or 100 percent of Compensation). You may elect to treat deductible Traditional IRA Premiums as nondeductible Premiums.

If you make nondeductible Premiums for a particular tax year, you must report the amount of the nondeductible Premium along with your income tax return using IRS Form 8606. Failure to file IRS Form 8606 will result in a $50 per failure penalty.

If you overstate the amount of designated nondeductible Premiums for any taxable year, you are subject to a $100 penalty unless reasonable cause for the overstatement can be shown.

H. **Taxation of Traditional IRA Distributions –** The taxation of Traditional IRA distributions depends on whether or not you have ever made nondeductible Traditional IRA Premiums. If you have only made deductible Premiums, all Traditional IRA distribution amounts will be included in income.

If you have ever made nondeductible Premiums to any Traditional IRA, the following formula must be used to determine the amount of any Traditional IRA distribution excluded from income.

$$\frac{\text{(Aggregate Nondeductible Premiums)} \times \text{(Amount Withdrawn)}}{\text{Aggregate IRA Balance}} = \text{Amount Excluded From Income}$$

NOTE: Aggregate nondeductible Premiums include all nondeductible Premiums made by you through the end of the year of the distribution that have not previously been withdrawn and excluded from income. Also note that the aggregate IRA balance includes the total balance of all of your Traditional and SIMPLE IRAs as of the end of the year of distribution, plus any distributions occurring during the year.

I. **Taxation of Roth IRA Distributions –** The taxation of Roth IRA distributions depends on whether the distribution is a qualified distribution or a nonqualified distribution.

1. **Qualified Distributions** – Qualified distributions from your Roth IRA (both the Premiums and earnings) are not included in your income. A qualified distribution is a distribution that is made after the expiration of the five-year period beginning January 1 of the first year for which you made a Premium to any Roth IRA (including a conversion from a Traditional IRA or a rollover from an employer-sponsored retirement plan), and is made on account of one of the following events:

   - Attainment of age 59½
   - Disability
   - First-time homebuyer purchase
   - Death

   For example, if you made a Premium payment to your Roth IRA for 2015, the five-year period for determining whether a distribution is a qualified distribution is satisfied as of January 1, 2020.

2. **Nonqualified Distributions** – If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under age 59½, may be subject to an early distribution penalty tax. However, when you take a distribution, the Premiums you deposited annually to any Roth IRA and any military death gratuity or Servicemembers' Group Life Insurance (SGLI) payments that you rolled over to a Roth IRA, will be deemed to be removed first, followed by conversion and employer-sponsored retirement plan rollover Premiums made to any Roth IRA on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual Premiums, military death gratuity or SGLI payments and your conversions and employer-sponsored retirement plan rollovers.

J. **Income Tax Withholding –** Any withdrawal from your Traditional IRA and any nonqualified withdrawal of earnings from your Roth IRA is subject to federal income tax withholding. You may, however, elect not to have withholding apply to your IRA withdrawal. If withholding is applied to your withdrawal, not less than 10 percent of the amount withdrawn must be withheld.

K. **Early Distribution Penalty Tax –** If you receive a Traditional IRA distribution or a nonqualified Roth IRA distribution before you attain age 59½, an additional early distribution penalty tax of 10 percent generally will apply to the taxable amount of the distribution unless one of the following exceptions apply. **1) Death.** After your death, payments made to your Beneficiary are not subject to the 10 percent early distribution penalty tax. **2) Disability.** If you are disabled at the time of distribution, you are not subject to the additional 10 percent early distribution penalty tax. In order to be disabled, a physician must determine that your impairment can be expected to result in death or to be of long, continued, and indefinite duration. **3) Substantially equal periodic payments.** You are not subject to the additional 10 percent early distribution penalty tax if you are taking a series of substantially equal periodic payments (at least annual payments) over your life expectancy or the joint life expectancy of you and your Beneficiary. You must continue these payments for the longer of five years or until you reach age 59½. **4) Unreimbursed medical expenses.** If you take payments to pay for unreimbursed medical expenses that exceed a specified percentage of your adjusted gross income, you will not be subject to the 10 percent early distribution penalty tax. For further detailed information and effective dates you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS. The medical expenses may be for you, your spouse, or any dependent listed on your tax return. **5) Health insurance premiums.** If you are unemployed and have received unemployment compensation for 12 consecutive weeks under a federal or state program, you may take payments from your IRA to pay for health insurance premiums without incurring the 10 percent early distribution penalty tax. **6) Higher education expenses.** Payments taken for certain qualified higher education expenses for you, your spouse, or the children or grandchildren of you or your spouse, will not be subject to the 10 percent early distribution penalty tax. **7) First-time homebuyer.** You may take payments from your IRA to use toward qualified acquisition costs of buying or building a principal residence. The amount you may take for this reason may not exceed a lifetime maximum of $10,000. The payment must be used for qualified acquisition costs within 120 days of receiving the distribution. **8) IRS levy.** Payments from your IRA made to the U.S. government in response to a federal tax levy are not subject to the 10 percent early distribution penalty tax. **9) Qualified reservist distributions.** If you are a qualified reservist member called to active duty for more than 179 days or an indefinite period, the payments you take from your IRA during the active duty period are not subject to the 10 percent early distribution penalty tax. **10) Qualified birth or adoption.** Payments from your IRA for the birth of your child or the adoption of an eligible adoptee will not be subject to the 10 percent early distribution penalty tax if the distribution is taken during the one-year period beginning on the date of birth of your child or the date on which your legal adoption of an eligible adoptee is finalized. An eligible adoptee means any individual (other than your spouse's child) who has not attained age 18 or is physically or mentally incapable of self-support. The aggregate amount you may take for this reason may not exceed $5,000 for each birth or adoption.

You must file IRS Form 5329 along with your income tax return to the IRS to report and remit any additional taxes or to claim a penalty tax exception.

L. **Rollovers and Conversions –** Your IRA may be rolled over to an IRA of yours, or may receive rollover Premiums. Your Traditional IRA or SIMPLE IRA may be converted to a Roth IRA, provided that all of the applicable rollover and conversion rules are followed. Rollover is a term used to describe a movement of cash or other property to your IRA from another IRA of the same type, or from your employer's qualified retirement plan, 403(a) annuity plan, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan. Conversion is a term used to describe the movement of Traditional or SIMPLE IRA assets to a Roth IRA. A conversion is generally a taxable event. The general rollover and conversion rules are summarized below. These transactions are often complex. If you have any questions regarding a rollover or conversion, please see a competent tax advisor.

1. **Traditional IRA-to-Traditional IRA Rollovers.** Assets distributed from your Traditional IRA may be rolled over to the same Traditional IRA or another Traditional IRA of yours if the requirements of IRC Sec. 408(d)(3) are met. A proper IRA-to-IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days.

   You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

2. **SIMPLE IRA-to-Traditional IRA Rollovers.** Assets distributed from your SIMPLE IRA may be rolled over to your Traditional IRA without IRS penalty tax provided two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. As with Traditional IRA to Traditional IRA rollovers, the requirements of IRC Sec. 408(d)(3) must be met. A proper SIMPLE IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received.

   You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

3. **Roth IRA-to-Roth IRA Rollovers.** Assets distributed from your Roth IRA may be rolled over to the same Roth IRA or another Roth IRA of yours if the requirements of IRC Sec. 408(d)(3) are met. A proper Roth IRA-to-Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days. Roth IRA assets may not be rolled over to other types of IRAs (e.g., Traditional IRA, SIMPLE IRA), or employer-sponsored retirement plans.

   You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

4. **Employer-Sponsored Retirement Plan-to-Traditional IRA Rollovers.** You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan (other than distributions to nonspouse beneficiaries), or federal Thrift Savings Plan unless it is part of a certain series of substantially equal periodic payments, a required minimum distribution, a hardship distribution, or a distribution of Roth elective deferrals from a 401(k), 403(b), governmental 457(b), or federal Thrift Savings Plan.

   If you elect to receive your rollover distribution prior to placing it in an IRA, thereby conducting an indirect rollover, your plan administrator generally will be required to withhold 20 percent of your distribution as a payment of income taxes. When completing the rollover, you may make up out of pocket the amount withheld, and roll over the full amount distributed from your employer-sponsored retirement plan. To qualify as a rollover, your eligible rollover distribution generally must be rolled over to your IRA not later than 60 days after you receive the distribution. In the case of a plan loan offset due to plan termination or severance from employment, the deadline for completing the rollover is your tax return due date (including extensions) for the year in which the offset occurs. Alternatively, you may claim the withheld amount as income, and pay the applicable income tax, and if you are under age 59½, the 10 percent early distribution penalty tax (unless an exception to the penalty applies).

   As an alternative to the indirect rollover, your employer generally must give you the option to directly roll over your employer-sponsored retirement plan balance to an IRA. If you elect the direct rollover option, your eligible rollover distribution will be paid directly to the IRA (or other eligible employer-sponsored retirement plan) that you designate. The 20 percent withholding requirements do not apply to direct rollovers.

5. **Traditional IRA-to-SIMPLE IRA Rollovers.** Assets distributed from your Traditional IRA may be rolled over to a SIMPLE IRA if the requirements of IRC Sec. 408(d)(3) are met and two years have passed since you first participated in a SIMPLE IRA plan sponsored by your employer. A proper Traditional IRA-to-SIMPLE IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. In the case of a distribution for a first-time homebuyer where there was a delay or cancellation of the purchase, the 60-day rollover period may be extended to 120 days.

   You are permitted to roll over only one distribution from an IRA (Traditional, Roth, or SIMPLE) in a 12-month period, regardless of the number of IRAs you own. A distribution may be rolled over to the same IRA or to another IRA that is eligible to receive the rollover. For more information on rollover limitations, you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

6. **Traditional IRA-to-Employer-Sponsored Retirement Plans.** You may roll over, directly or indirectly, any taxable eligible rollover distribution from a Traditional IRA to your qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) eligible governmental deferred compensation plan as long as the employer-sponsored retirement plan accepts such rollover contributions. An eligible rollover distribution is defined as any taxable distribution from a Traditional IRA that is not a part of a required minimum distribution.

7. **Rollovers of Roth Elective Deferrals.** Roth elective deferrals distributed from a 401(k) cash or deferred arrangement, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan, may only be rolled into your Roth IRA.

8. **Traditional IRA or SIMPLE IRA-to-Roth IRA Conversions.** You are eligible to convert all or any portion of your existing Traditional IRA(s) into your Roth IRA(s). You may also convert your SIMPLE IRA to your Roth IRA provided two years have passed since you first participated

in a SIMPLE IRA plan sponsored by your Employer. The amount of the conversion from your Traditional IRA or SIMPLE IRA to your Roth IRA shall be treated as a distribution for income tax purposes, and is includible in your gross income (except for any nondeductible Premiums). Although the conversion amount is generally included in income, the 10 percent early distribution penalty tax shall not apply to conversions from a Traditional IRA or SIMPLE IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent penalty tax. If you are age required to take a required minimum distribution for the year, you must remove your required minimum distribution prior to converting your Traditional IRA or SIMPLE IRA.

9. **Employer-Sponsored Retirement Plan-to-Roth IRA Rollovers.** You may roll over, directly or indirectly, any eligible rollover distribution from an eligible employer-sponsored retirement plan to your Roth IRA. An eligible rollover distribution is defined generally as any distribution from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or federal Thrift Savings Plan unless it is a required minimum distribution, hardship distribution, part of a certain series of substantially equal periodic payments, corrective distributions of excess contributions, excess deferrals, excess annual additions and any income allocable to the excess, deemed loan distribution, dividends on employer securities, or the cost of life insurance coverage.

   If you are conducting an indirect rollover, your eligible rollover distribution generally must be rolled over to your Roth IRA not later than 60 days after you receive the distribution. In the case of a plan loan offset due to plan termination or severance from employment, the deadline for completing the rollover is your tax return due date (including extensions) for the year in which the offset occurs.

   Although the rollover amount generally is included in income, the 10 percent early distribution penalty tax will not apply to rollovers from eligible employer-sponsored retirement plans to a Roth IRA or inherited Roth IRA, regardless of whether you qualify for any exceptions to the 10 percent early distribution penalty tax.

10. **Beneficiary Rollovers from Employer-Sponsored Retirement Plans.** If you are a spouse or nonspouse Beneficiary of a deceased employer-sponsored retirement plan participant, or the trustee of an eligible type of trust named as Beneficiary of such participant, you may directly roll over inherited assets from a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, or 457(b) governmental deferred compensation plan to an inherited IRA. The IRA must be maintained as an inherited IRA, subject to the Beneficiary distribution requirements.

11. **Beneficiary Rollovers From 401(k), 403(b), or 457(b) Eligible Governmental Plans Containing Roth Elective Deferrals.** If you are a spouse Beneficiary, nonspouse Beneficiary, or the trustee of an eligible type of trust named as Beneficiary of a deceased 401(k), 403(b), or 457(b) eligible governmental deferred compensation plan participant who had made Roth elective deferrals to the plan, you may directly roll over the Roth elective deferrals and their earnings to an inherited Roth IRA, subject to the Beneficiary distribution requirements.

12. **Rollover of Military Death Benefits.** If you receive or have received a military death gratuity or a payment from the Servicemembers' Group Life Insurance (SGLI) program, you may be able to roll over the proceeds to your Roth IRA. The rollover Premium amount is limited to the sum of the death benefits or SGLI payment received, less any such amount that was rolled over to a Coverdell education savings account. Proceeds must be rolled over within one year of receipt of the gratuity or SGLI payment for deaths occurring on or after June 17, 2008. Any amount that is rolled over under this provision is considered nontaxable basis in your Roth IRA.

13. **Qualified HSA Funding Distribution.** If you are eligible to contribute to a health savings account (HSA), you may be eligible to take a one-time tax-free HSA funding distribution from your IRA and directly deposit it to your HSA. The amount of the qualified HSA funding distribution may not exceed the maximum HSA contribution limit in effect for the type of high deductible health plan coverage (i.e., single or family coverage) that you have at the time of the deposit, and counts toward your HSA contribution limit for that year. For further detailed information, you may wish to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*.

14. **Rollovers of Settlement Payments From Bankrupt Airlines.** If you are a qualified airline employee who has received a qualified airline settlement payment from a commercial airline carrier under the approval of an order of a federal bankruptcy court in a case filed after September 11, 2001, and before January 1, 2007, you are allowed to roll over any portion of the proceeds into your Roth IRA, or up to 90 percent of the proceeds to your Traditional IRA, within 180 days after receipt of such amount, or by a later date if extended by federal law. If you make such a rollover Premium, you may exclude the amount rolled over from your gross income in the taxable year in which the airline settlement payment was paid to you. For further detailed information and effective dates you may obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs),* from the IRS website at www.irs.gov.

15. **Rollover of Exxon Valdez Settlement Payments.** If you receive a qualified settlement payment from Exxon Valdez litigation, you may roll over the amount of the settlement, up to $100,000, reduced by the amount of any qualified Exxon Valdez settlement income previously contributed to an IRA or eligible retirement plan in prior taxable years. You will have until your tax return due date (not including tax extensions) for the year in which the qualified settlement income is received to make the rollover Premium. To obtain more information on this type of rollover, you may wish to visit the IRS website at www.irs.gov.

16. **Rollover of IRS Levy.** If you receive a refund of eligible retirement plan assets that had been wrongfully levied, you may roll over the amount returned up until your tax return due date (not including extensions) for the year in which the money was returned.

17. **Repayment of Qualified Birth or Adoption Distribution.** If you have taken a qualified birth or adoption distribution, you may generally repay all or a portion of the aggregate amount of such distribution to an IRA, as permitted by the IRS. For further information, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs),* by visiting www.irs.gov on the Internet.

18. **Written Election.** At the time you make a rollover to an IRA, or conversion to a Roth IRA, you must designate in writing to the Issuer your election to treat that Premium as a rollover or conversion. Once made, the election is irrevocable.

M. **Transfer Due to Divorce –** If all or any part of your IRA is awarded to your spouse or former spouse in a divorce or legal separation proceeding, the amount so awarded will be treated as the spouse's IRA (and may be transferred pursuant to a court-approved divorce decree or written legal separation agreement to another IRA of the same type, of your spouse), and will not be considered a taxable distribution to you. A transfer is a tax-free direct movement of cash and/or property from one Traditional IRA to another or from one Roth IRA to another.

N. **Recharacterizations –** If you make a Premium to a Traditional IRA and later recharacterize either all or a portion of the original Premium to a Roth IRA along with net income attributable, you may elect to treat the original Premium as having been made to the Roth IRA. The same methodology applies when recharacterizing a Premium from a Roth IRA to a Traditional IRA. The deadline for completing a recharacterization is your tax filing deadline (including any extensions) for the year for which the original Premium was made. You may not recharacterize a Roth IRA conversion or an employer-sponsored retirement plan rollover.

LIMITATIONS AND RESTRICTIONS

A. **SEP Plans –** Under a simplified employee pension (SEP) plan that meets the requirements of IRC Sec. 408(k), your employer may make Premiums to your Traditional IRA. Your employer is required to provide you with information that describes the terms of your employer's SEP Plan. No SEP plan contributions may be made to a Roth IRA.

B. **Spousal IRA –** For Premiums made for tax years beginning before 2020, if you are married and have Compensation, you may make Premiums to a Traditional IRA established for the benefit of your spouse for any year prior to the year your spouse turns age 70½, regardless of whether or not your spouse has Compensation. For Premiums made for 2020 and later tax years, you may make Premiums to an IRA established for the benefit of your spouse regardless of your spouse's age, if you are married and have Compensation. You may make these spousal Premiums even if you are age 70½ or older. You must file a joint income tax return for the year for which the Premium is made.

If you are married and have Compensation, you may make Premiums to a Roth IRA established for the benefit of your spouse, regardless of whether or not your spouse has Compensation, and regardless of your spouse's age. The Roth IRA Premium may be further limited if your MAGI falls within the minimum and maximum thresholds for eligibility. You must file a joint income tax return for the year for which the contribution is made.

The amount of the Premiums you may make to your IRA and your spouse's IRA is the lesser of 100 percent of your combined Compensation or $12,000 for 2019 and 2020. This amount may be increased with cost-of-living adjustments each year. However, you may not contribute more than the individual Premium limit to each IRA.

If your spouse is age 50 or older by the close of the taxable year, and is otherwise eligible, you may make an additional Premium to your spouse's IRA. The maximum additional Premium is $1,000 per year.

C. **Deduction of Rollovers, Transfers, and Conversions –** A deduction is not allowed for rollover, transfer, or conversion Premiums to your IRA.

D. **Gift Tax –** Transfers of your IRA assets to a Beneficiary made during your life and at your request may be subject to federal gift tax under IRC Sec. 2501.

E. **Special Tax Treatment –** Capital gains treatment and 10-year income averaging authorized by IRC Sec. 402 do not apply to IRA distributions.

F. **Prohibited Transactions –** If you or your Beneficiary engage in a prohibited transaction with your IRA, as described in IRC Sec. 4975, your IRA will lose its tax-deferred status. For Traditional IRAs, you must include the value of your account in your gross income for the taxable year you engage in the prohibited transaction. For Roth IRAs, you must generally include the value of the earnings in your account in your gross income for that taxable year. The following transactions are examples of prohibited transactions with your IRA. (1) Taking a loan from your IRA (2) Buying property for personal use (present or future) with IRA funds (3) Receiving certain bonuses or premiums because of your IRA.

G. **Pledging –** If you pledge any portion of your Traditional IRA as collateral for a loan, the entire balance of the IRA as of January 1 will be deemed distributed and will be included in your gross income for the taxable year in which you pledge the assets. If you pledge your Roth IRA, the entire balance will be deemed distributed and may be included in income if it represents a taxable portion of the Roth IRA (i.e., earnings).

OTHER

A. **IRS Plan Approval –** The Endorsement used to establish this IRA has been approved by the IRS. The IRS approval is a determination only as to form. It is not an endorsement of the plan in operation or of the investments offered.

B. **Additional Information –** For further information on IRAs, you may wish to obtain IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, or Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, by calling 1-800-TAX-FORM or by visiting www.irs.gov on the Internet.

C. **Advice –** Although we may provide general information about your IRA Contract, we do not provide tax, or other financial, legal or technical advice. You are urged to contact your own advisor for such guidance.

D. **Important Information About Procedures for Opening a New Annuity –** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial organizations to obtain, verify, and record information that identifies each person who opens an annuity. Therefore, when you open an annuity, you are required to provide your name, residential address, date of birth, and identification number. We may require other information that will allow us to identify you.

E. **Qualified Reservist Distributions –** If you are an eligible qualified reservist who has taken penalty-free qualified reservist distributions from your Roth IRA or retirement plan, you may recontribute those amounts to a Roth IRA generally within a two-year period from your date of return.

F. **Qualified Charitable Distributions –** If you are age 70½ or older, you may be eligible to take tax-free IRA distributions of up to $100,000 per year and have these distributions paid directly to certain charitable organizations. Special tax rules may apply. For further detailed information and effective dates you may obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

G. **Disaster Related Relief –** If you qualify (for example, you sustained an economic loss due to, or are otherwise considered affected by, certain disasters designated by Congress), you may be eligible for favorable tax treatment on distributions, rollovers, and other transactions involving your IRA. Qualified disaster relief may include penalty-tax free early distributions made during specified timeframes for each disaster, the ability to include distributions in your gross income ratably over multiple years, the ability to roll over distributions to an eligible retirement plan without regard to the 60-day rollover rule, and more. For additional information on specific disasters, including a complete listing of disaster areas, qualification requirements for relief, and allowable disaster-related IRA transactions, you may wish to obtain IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*, from the IRS or refer to the IRS website at www.irs.gov.

H. **Coronavirus-Related Distributions (CRDs) –** If you qualify, you may withdraw up to $100,000 in aggregate from your IRAs and eligible retirement plans as a CRD, without paying the 10 percent early distribution penalty tax. You are a qualified individual if you (or your spouse or dependent) is diagnosed with the COVID-19 disease or the SARS-CoV-2 virus in an approved test; or if you have experienced adverse financial consequences as a result of being quarantined, being furloughed or laid off or having work hours reduced due to such virus or disease, being unable to work due to lack of child care due to such virus or disease, closing or reduced hours of a business owned or operated by you due to such virus or disease, or other factors as determined by the IRS. A CRD must be made on or after January 1, 2020, and before December 31, 2020.

CRDs will be taxed ratably over a three-year period, unless you elect otherwise, and may be repaid over three years beginning with the day following the day a CRD is made. Repayments may be made to an eligible retirement plan or IRA.

An eligible retirement plan is defined as a qualified retirement plan, 403(a) annuity, 403(b) tax-sheltered annuity, 457(b) eligible governmental deferred compensation plan, or an IRA.

Privacy Policy

Introduction

At Delaware Life, protecting your privacy is important to us. Whether you are an existing customer or considering a relationship with us, we recognize that you have an interest in how we may collect, use and share information about you.

We understand and appreciate the trust and confidence you place in us, and we take seriously our obligation to maintain the confidentiality and security of your personal information.

We invite you to review this Privacy Policy which outlines how we use and protect that information.

Collection of Nonpublic Personal Information by Delaware Life

Collecting personal information from you is essential to our ability to offer you high-quality investment, retirement and insurance products. When you apply for a product or service from us, we need to obtain information from you to determine whether we can provide it to you. As part of that process, we may collect information about you, known as nonpublic personal information, from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number and date of birth;
- Information about your transactions with us, our affiliates or others, such as other life insurance policies or annuities that you may own; and
- Information we receive from a consumer reporting agency, such as a credit report.

Limited Use and Sharing of Nonpublic Personal Information by Delaware Life

We use the nonpublic personal information we collect to help us provide the products and services you have requested and to maintain and service your accounts. Once we obtain nonpublic personal information from you, we do not disclose it to any third party except as permitted or required by law.

We may share your nonpublic personal information within Delaware Life to help us develop innovative financial products and services. Delaware Life provides a wide variety of financial products and services including individual life insurance, and individual fixed and variable annuities.

We also may disclose your nonpublic personal information to companies that help in conducting our business or perform services on our behalf. Delaware Life is highly selective in choosing these companies, and we require them to comply with strict standards regarding the security and confidentiality of our customers' nonpublic personal information. These companies may use and disclose the information provided to them only for the purpose for which it is provided, as permitted by law.

There also may be times when Delaware Life is required to disclose its customers' nonpublic personal information, such as when complying with federal, state or local laws, when responding to a subpoena, or when complying with an inquiry by a governmental agency or regulator.

Companies that share your information with third parties for marketing purposes must offer their customers an opt-out program. Because we do not share your information with third parties for such purposes or for any reason not allowed by law, an opt-out program is not needed nor required.

Our Treatment of Information about Former Customers

Our protection of your nonpublic personal information extends beyond the period of your customer relationship with us. If your customer relationship with us ends, we will not disclose your information to non-affiliated third parties other than as permitted or required by law.

Security of Your Nonpublic Personal Information

We maintain physical, electronic and procedural safeguards that comply with federal and state regulations to safeguard your nonpublic personal information from unauthorized use or improper access.

Employee Access to Your Nonpublic Personal Information

We restrict access to your nonpublic personal information to those employees who have a business need to know that information in order to provide products or services to you or to maintain your accounts. Our employees are governed by a strict code of conduct and are required to maintain the confidentiality of customer information.

Questions

If you have questions about our privacy practices and policy please contact the Privacy Officer at **Privacy@delawarelife.com**.

All concerns will be handled discreetly and confidentially.

delawarelife.com

Delaware Life Insurance Company (Zionsville, IN) is authorized to transact business in all states (except New York), the District of Columbia, Puerto Rico and the U.S. Virgin Islands and is a member of Group 1001. www.delawarelife.com