

GROUP ANNUITY CONTRACT

Principal Life Insurance Company
711 High Street
Des Moines, Iowa 50392-0001
(515) 247-5111

in consideration of the application for this contract made by

Sun Trust Bank, Trustee of National Employers Retirement Trust

(the Contractholder)

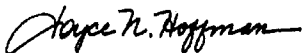
and payment of all Contributions and Annuity Premiums provided for in this contract, agrees to make payments to the person or persons entitled to them subject to the provisions of this contract.

This contract is delivered in District of Columbia.

Contributions directed into a Separate Fund are not guaranteed as to the dollar amount. They will increase or decrease in dollar amount, depending on the investment performance of such Separate Fund, as set out in this contract.

This contract is issued and accepted subject to all the terms set out in it.

This contract is executed by Principal Life Insurance Company at its Corporate Center to take effect as of the 1st day of June, 2004, which is the Contract Date.



Senior Vice President and
Corporate Secretary



President and
Chief Executive Officer

Registrar

Date _____

GROUP ANNUITY CONTRACT NO. GA 7-6203

**Flexible Investment Annuity Group Contract-1
With Full Crediting Rates
and Pooled Separate Funds**

REMOVAL OF DIVIDEND SECTION RIDER

This rider is made part of the group annuity contract to which it is attached. Such group annuity contract is issued by us to you. All terms defined in this contract have the same meaning where used in this rider.

The effective date of this rider is the latest of (i) July 1, 1998 or (ii) the date the rider was approved for use in the state of issue of this contract.

This rider modifies the contract by striking SECTION 3--DIVIDENDS from the General Provisions article of the contract and by renumbering all of the sections thereafter to reflect the change.

PRINCIPAL LIFE INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "Jay Zimbleman". The signature is written in a cursive, flowing style.

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

SCHEDULE OF SPECIFICATIONS

GA: 7-6203

This Schedule is a part of the contract to which it is attached. Terms defined in the contract have the same meaning where used in this Schedule.

This is Schedule number 1, effective June 1, 2004. It replaces all previous Schedules.

Plan Name: National Employers Retirement Trust

Deposit Year:

The initial Deposit Year begins on the Contract Date and ends on December 31, 2004
Subsequent Deposit Years begin on January 1 and the same day of each following year.

Options Available:

Guaranteed Interest Investments
Separate Account Investments

If Separate Account Investments are available under this contract, a Separate Account Investment Rider will be attached. All Separate Accounts available under the contract are listed in the rider or riders attached.

Riders and Special Attachments:

Separate Account Investment Rider -- Premier - GP R 48917-3
Separate Account Investment Rider - GP R 40120-7
District of Columbia Guaranty Association Notice - GP 31597 DC-2
Flexible Investment Annuity Endorsement Rider - GP R 45042
Removal of Dividend Section Rider - GP 44609

Notations:

FLEXIBLE INVESTMENT ANNUITY ENDORSEMENT RIDER

This rider is made a part of the Group Annuity Contract to which it is attached. This contract is issued to you, the Contractholder, by us. All terms defined in the contract have the same meaning where used in this rider.

The purpose of this rider is to clarify certain terms and language in this contract.

The effective date of this rider will be the latest of the Contract Date, the date of the amendment adding this rider to the contract, or the date this rider is approved for use by the state of issue.

1. This rider adds the following definition in ARTICLE I, SECTION 2--OTHER DEFINED TERMS:

Applicable U.S. Treasury Rate means the yield associated with the average of accepted bids for the U.S. bonds, notes, or bills which will mature on the date the Guaranteed Interest Investment would have matured. This yield will be those provided by the Wall Street Journal, or a similar publication, or by an agency that provides similar information.

Rates for terms of less than twelve months will not be used. The twelve month Treasury rate will be used for any such transaction.

If the publication or agency does not provide a rate for the date of payment or application, this rate will be determined using linear interpolation between the rates for the maturities closest to the date the Investment would have matured.

2. This rider deletes the definitions of Guaranteed Interest Rate and Guarantee Period found in ARTICLE I, SECTION 2--OTHER DEFINED TERMS, and replaces them with the following:

Guaranteed Interest Rate means the annual rates of interest determined and made available by us in advance for Guaranteed Interest Investments under contracts of this class from time to time, which, when credited and compounded daily, produce the effective annual interest rates. Each Guaranteed Interest Investment will be credited with the effective annual Guaranteed Interest Rate in effect for it.

Guarantee Period means, for each Guaranteed Interest Investment, the period or periods which we make available under contracts of this class issued under the same or similar circumstances. We reserve the right, in our sole discretion, to change at any time the Guarantee Periods available for new Guaranteed Interest Investments; provided, however, we will always offer at least one Guarantee Period of at least two years. You must provide us with Notification selecting the Guarantee Period for each Guaranteed Interest Investment established under this contract.

Once established, the Guarantee Period for a Guaranteed Interest Investment will not be changed by us. If a certain Guarantee Period will become unavailable for future Contributions, we will notify you at least 60 days before the date the use of such Guarantee Period will no longer be available.

3. This rider deletes the first paragraph of ARTICLE II, SECTION 1--CONTRIBUTIONS, and replaces it with the following:

Contributions may be accepted under this contract on any Business Day on or after the Contract Date, subject to the limitations of the last paragraph of this Section and Article VII, Section 13. Contributions may be any amount determined or allowed by the Plan. Contributions in excess of those determined or allowed by the Plan for the current Plan year may be paid to us only with our consent.

4. This rider deletes **ARTICLE II, SECTION 6--TRANSFERS BETWEEN INVESTMENTS**, and replaces it with the following:

In general, all or a portion of an Investment may be transferred to another Investment as of any date requested subject to the following:

- a) All requests to transfer must be received by us at least 7 Business Days before the date such transfer is to occur.

We must receive Notification to transfer from you. The Notification will specify the amount or percentage to be transferred and the Investments involved. If a requested transfer from the Guaranteed Interest Investments does not specify the Guaranteed Interest Investment or Investments to be transferred, the Order of Application will determine the Investments to be transferred.

- b) A transfer from a Guaranteed Interest Investment to a Separate Fund Investment may occur only on a Valuation Date of such Separate Fund Investment.

- c) Except as provided in Section 7 of this Article, all transfers from a Guaranteed Interest Investment are subject to the charge contained in Article VI, Section 3. All transfers are subject to the limitations contained in Article VI, Section 4 and the Separate Account Investment Rider.

- d) All Separate Fund Investment transfers are subject to the provisions of the Separate Account Investment Rider.

- e) We may limit the number of transfers permitted from each Investment by giving you written notice of such limitation at least 30 days before the restriction begins. At least one transfer from each Investment during a Deposit Year will be permitted, however.

Any transfer under this Section will be an application from the Investment as of the date of transfer.

5. This rider deletes **ARTICLE II, SECTION 8--INVESTMENT MANAGER**, and replaces it with the following:

As set out in Sections 2 and 6 of this Article, the right to direct the split of Contributions between Guaranteed Interest Investments and Separate Fund Investments and to direct any transfer between these Investments is reserved to you.

Application for and issuance of this contract constitutes appointment of and acceptance and affirmation by us that (i) we are an "investment manager" as described under the Employee Retirement Income Security Act of 1974 (ERISA) solely with respect to Plan assets held in Separate Accounts under this contract, except for the right reserved in the preceding paragraph and (ii) we are qualified to accept such appointment and acknowledge that by virtue of such appointment we are a fiduciary of the plan for this purpose, within the meaning of ERISA with respect to our responsibilities as investment manager.

The Guaranteed Interest Investments are guaranteed benefit policies, as defined in ERISA. We are not an investment manager nor are we any kind of ERISA fiduciary with regard to any amounts held under the Guaranteed Interest Investments.

6. This rider deletes **ARTICLE V, SECTION 1--WITHDRAWAL BENEFITS, Subsection (c)**, and replaces it with the following:

- c) We reserve the right to limit the number of withdrawals and the right to charge for processing such withdrawals; provided, however, that two (2) withdrawals will always be available each Deposit Year and provided further that any increase in such processing charge will not apply to total withdrawals made during or at the end of the Guarantee Periods for the applicable Guaranteed Interest Investments.

7. This rider deletes the portion of **ARTICLE VI, SECTION 3--CHARGES FOR EARLY SURRENDER OF A GUARANTEED INTEREST INVESTMENT**, which follows Subsection (c), and replaces it with the following:

If all or a portion of a Guaranteed Interest Investment is surrendered early, such amount or amounts will be in accordance with the following:

- d) The interest rate to be used for comparison in e) and f) below will be the Applicable U.S. Treasury Rate on the date of surrender plus .50%.
- e) If the interest rate determined in accordance with d) above is equal to or less than the Guaranteed Interest Rate for the Guaranteed Interest Investment, there is no charge.
- f) If the interest rate determined in accordance with d) above is greater than the Guaranteed Interest Rate for the Guaranteed Interest Investment, such charge is equal to:
- 1) the difference between such interest rate on the date of surrender and the Guaranteed Interest Rate multiplied by
 - 2) the number of years (including fractional parts of a year) remaining in the Guarantee Period for such Guaranteed Interest Investment multiplied by
 - 3) the amount being surrendered.

If the payment or transfer under this Subsection results in the application of all of the Investment, the amount paid or transferred will be equal to such Investment reduced by the amount determined under f) above.

If the entire Guaranteed Interest Investment is surrendered, the Guaranteed Interest Investment will be reduced on the date of surrender and the remainder will be paid or transferred.

If a portion of the Guaranteed Interest Investment is surrendered, the Guaranteed Interest Investment will be reduced by the amount being surrendered plus the surrender charge, if any.

8. This rider deletes **ARTICLE VII, SECTION 6--CONTRACT AMENDMENTS, Subsection (c)**, and replaces it with the following:

- c) As of any date after the Contract Date and subject to the notice provisions of (f) of this Section, we may amend or change the length of the Guarantee Period; the Order of Application; the provisions for transferring values between accounts; the percentage contained in Article VI, Section 3; and the items included in the Operating Expenses for Separate Accounts under the Separate Account Investment Rider (if such rider is attached to this contract). We will give you 60 days written notice of any such change.

9. By adding the following Section 6A to ARTICLE VII--GENERAL PROVISIONS:

SECTION 6A--EXPENSE GUARANTEES.

We charge expenses in accordance with Article III, but subject to Section 6(g)(iii) of this Article. If you choose not to accept an expense change, as provided in Section 6(g)(iii), the following will occur:

- a) Cessation of Contributions will occur on the date specified in your Notification; provided, however, such date must be before or within the 90 day period following the date we receive such Notification.
- b) Separate Fund Investments will be transferred to you, if you are a trustee, or to the Funding Agent you tell us to, when you request such transfer, but in no event more than 90 days after the date the new expenses would otherwise take effect for this contract.

If you have not designated the Funding Agent to whom funds are to be transferred within the 90 days after the date expenses changed, we will pay these funds to you, if you are a trustee of the Plan. If you are not Plan trustee, you must designate the Funding Agent to whom these amounts are to be transferred. Failure to designate an alternate Funding Agent within the time allowed by this Section will be deemed to be acceptance of the changed expenses for this contract.

- c) You are not required to transfer any Guaranteed Interest Investments during their respective Guarantee Periods. You may choose to have Guaranteed Interest Investments mature under this contract before transferring any of such amount to another Funding Agent. All such amounts must be transferred to another Funding Agent or used to purchase annuities hereunder at the end of the Guarantee Period of each. The expense rate used to calculate expenses on each Guaranteed Interest Investment will remain the same as before Notification.

10. This rider deletes the paragraph under ARTICLE VII, SECTION 14--TERM AND TERMINATIONS., and replaces it with the following:

Except as provided in Section 13 of this Article, or by any amendment to this contract, this contract will continue in force as long as we hold Investments under the contract or we are making annuity payments. If you transfer all of the Investments under this contract not associated with any annuity payments to a Funding Agent, our obligations under this contract will cease, except to the extent that we are making annuity payments. However, if we discover that we underpaid the Funding Agent, we will have the obligation to pay the appropriate amount to the Funding Agent.

11. This rider deletes the second paragraph under ARTICLE VII, SECTION 15--QUALIFICATION OF PLANS., and replaces it with the following:

Notwithstanding any other provision in this contract or in any other agreement between you and us, if the Internal Revenue Service or a court makes a final determination that the Plan no longer qualifies as a Qualified Plan, we may require that you transfer all Investments invested under this contract to another Funding Agent. If we decide that you must transfer Investments from this contract, we will send you a written notice describing your options. If we do not receive an acceptable response Notice from you within five Business Days, we will return the Investments held under this contract to you, or if appropriate, to a Plan trustee. We will not accept any Notice under this Section unless the Notice clearly specifies the Funding Agent to receive the Investments.

PRINCIPAL LIFE INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "Jay Zimbleman". The signature is fluid and cursive, with the first name "Jay" written in a larger, more prominent script than the last name "Zimbleman".

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

SCHEDULE OF SPECIFICATIONS

RIDERS TO THE CONTRACT

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ARTICLE 1--DEFINITIONS

SECTION 1--PARTIES TO THIS CONTRACT

This contract is between the Contractholder and Principal Life Insurance Company.

Contractholder means the holder of this contract named on the face page and will be referred to in this contract as you or your.

Principal Life Insurance Company will be referred to in this contract as **we, us, or our**.

SECTION 2--OTHER DEFINED TERMS.

Annuity Premium means the amount applied to purchase an annuity for a Member.

Annuity Purchase Date means the date on which an Annuity Premium is applied to purchase an annuity benefit for a Member.

Annuity Start Date means the beginning date for annuity benefits to a Member.

Associated Contract(s) means this contract and any other group annuity contract(s) issued by us which we have agreed in writing to treat as Associated Contracts.

Benefit Event means, depending upon Plan provisions, termination of employment, Retirement Date, disability (as defined in the Plan) or death. We may require any proof of a Benefit Event we deem necessary.

Business Day means a day on which both we and the New York Stock Exchange are open for business, or any other day which we agree will be a Business Day. If you request a list of our Business Days for any calendar year, we will provide you with the list.

Code means the Internal Revenue Code of 1986, as amended, and the regulations thereunder. Reference to the Code means such Internal Revenue Code or the corresponding provisions of any subsequent revenue code and any regulations thereunder.

Composite Guaranteed Rate means, on any date, the rate determined for each of the Guaranteed Interest Investment which is based on the Guaranteed Interest Rate in effect on the date we accept the Contribution or transfer. If more than one Contribution or transfer is accepted during a Deposit Year, the Composite Guaranteed Rate for such Investment will be determined based on the amount and timing of Contributions or transfers and the amount of any payment or application on or before the end of the Deposit Year in which the Contributions or transfers were accepted. At the end of Deposit Year, that year's Guaranteed Interest Investments close. Each Guaranteed Interest Investment then earns the Composite Guaranteed Rate determined for it, compounded annually, until the end of the Guarantee Period.

Contract Date means the date this contract is effective, as shown on the face page.

Contributions means funds we receive and accept under Article, II, Section 1. The types of Contributions are those allowed by the Plan.

Corporate Center means our offices at 711 High Street, Des Moines, Iowa, 50392, or any other office or address to which we direct you to send Contributions.

Deposit Year means the period (not to exceed 12 months) selected for the crediting of interest to Guaranteed Interest Investments established under this contract, as shown on the Schedule.

Employer means the corporation(s) or firm(s) named as employer in the Plan and any successor by change of name, merger, purchase of stock, or purchase of assets.

ERISA means the Employee Retirement Income Security Act of 1974, as amended, and the regulations issued by the U.S. Department of Labor.

Fixed Income Fund Manager means a bank, insurance company or other financial institution which holds Plan assets in a fixed income investment. If Plan funds are held in Guaranteed Interest Investments, we are a Fixed Income Fund Manager of the Plan.

Fund means the total of the Guaranteed Interest Investments and Separate Fund Investments.

Funding Agent means an insurance company, trustee or custodian designated by you and authorized to transfer or receive any amount(s) transferred to or from this contract and to apply such amount(s) for the exclusive benefit of Plan Members, without any obligation on our part as to such application. Funding Agent will also mean Principal Life Insurance Company when you direct us to transfer such amounts from this contract to another group annuity contract issued by us.

Guaranteed Interest Investment means the investment established for each Deposit Year as described in Article II, Section 4.

Guaranteed Interest Rate means the annual rate of interest we declare from time to time for contracts of this class for each Contribution to a Guaranteed Interest Investment.

Guarantee Period means the period for which a Guaranteed Interest Investment exists. The period or periods available may be any that we offer to contracts of this class under the same or similar circumstances. Currently, Guarantee Periods of two through seven years are available. We reserve the right to change, at any time, the Guarantee Periods available for new Contributions and transfers, including transfers from existing Guaranteed Interest Investments. We reserve the right to limit the number of Guarantee Periods available under this contract.

You must give us Notification of the Guarantee Periods you select from those available under the contract. Your selection will remain in effect until modified by (b) and (c) below.

Our rights to change and to limit the Guarantee Periods available are subject to the following:

- a) Once established by us, the Guarantee Period for a particular Guaranteed Interest Investment may not be changed by us. However, a different Guarantee Period may apply to amounts maturing from such account.
- b) If a particular Guarantee Period is no longer offered, we will notify you at least 60 days in advance.
- c) For each Deposit Year, you have the right to select Guarantee Periods or to change the selection of Guarantee Periods available by giving us Notification before the beginning of the Deposit Year for which the selection applies. The selections for a Deposit Year cannot be changed after its start.

Investments means the Guaranteed Interest Investments and/or Separate Fund Investments.

Member means a person entitled to benefits under the Plan.

Notification means a form of notice approved by us, including written forms, electronic transmissions, facsimiles or photocopies. We will notify you regarding the acceptable forms of notice we will allow. At our discretion, we may require that a specific form of notice be used in a particular case or that a particular notice be confirmed. Notification will also include the terms Notice, Notify or Notified.

Order of Application means the order in which we will apply the Investments when a partial transfer or withdrawal of a portion of the Fund has been requested and no other order of application has been reported to us. The amount withdrawn or transferred from the Guaranteed Interest Investments, if any, and Separate Fund Investments, if any, will be based on the relative value of each such Investment to the Fund. The amount withdrawn from Guaranteed Interest Investments will be from the current Guaranteed Interest Investment first, then from each preceding Guaranteed Interest Investment, with the oldest Guaranteed Interest Investment being applied last. If more than one Guaranteed Interest Investment was established at the same time, the Guaranteed Interest Investment closest to the end of its Guarantee Period will be applied first. The amount withdrawn from Separate Fund Investments will be based on the relative values of each Separate Fund Investment.

Plan means the Employer's retirement plan in effect on the date this contract is executed and as amended from time to time, which the Employer has designated to us in writing as the plan funded by by this contract. The name of the Plan is shown in the Schedule.

Qualified Domestic Relations Order means a Qualified Domestic Relations Order as defined in Internal Revenue Code Section 414(p)(1)(A).

Qualified Plan means a pension plan qualified under Section 401 of the Code, a governmental plan meeting the requirements of Section 457 of the Code, and any other plans which we determine may appropriately invest money in this contract.

Retirement Date means the Member's early, normal or late retirement date under the Plan.

Schedule of Specifications means the schedule attached to and made part of this contract. The Schedule of Specifications lists pertinent information and will be referred to as the Schedule in this contract.

Separate Account means one or more Separate Accounts described in the Separate Account Investment Rider and listed on the Schedule. If no Separate Account Rider is attached to this contract and no Separate Accounts are listed on the Schedule, this contract may not participate in any Separate Accounts.

Separate Fund Investment means the Separate Fund investment or investments established, as described in Article II, Section 5.

ARTICLE II--CONTRIBUTIONS AND INVESTMENTS

SECTION 1--CONTRIBUTIONS.

Contributions may be accepted by us under this contract on any date on or after the Contract Date, subject to the limitations of the last paragraph of this Section and Article VII, Section 13. Contributions may be any amount determined or allowed by the Plan. Contributions in excess of those determined or allowed by the Plan for the current Plan year may be paid to us only with our consent.

All Contributions are payable directly to us at our Corporate Center. Contributions will be credited to the appropriate Guaranteed Interest Investment or Separate Fund Investment as of the Business Day on which we accept the Contribution, in accordance with our then-established procedure for crediting Contributions under all contracts of this class. We will inform you in writing of our current procedures for crediting Contributions.

We reserve the right to limit or refuse further Contributions under this contract. We will give you written notice at least 60 days before the date after which further Contributions will be limited or refused by us.

SECTION 2--INVESTMENT DIRECTION.

Each Contribution may be directed to a Guaranteed Interest Investments, to any number of the Separate Fund Investments, or to any combination of such Investments. We must have Notification from you for the portion of each Contribution to be held in each Investment. Contributions will be added to each Investment in the amount or percentage specified in the Notification on file with us. By Notification, future Contributions may be directed to different Investments or the amount directed to an Investment may be changed by filing a new Notification with us.

SECTION 3--LIMITATIONS ON INVESTMENT DIRECTION.

Your right to direct Contributions and transfers to the Guaranteed Interest Investments is limited as follows:

- a) Contributions and transfers may be directed to a Guaranteed Interest Investment only if:
 - i) we are the only Fixed Income Fund Manager to which Plan assets can be directed for the current Plan year, or
 - ii) we have agreed in writing to accept Contributions and transfers to the Guaranteed Interest Investment even though there is another Fixed Income Fund Manager or Managers to whom Plan assets may be directed.
- b) You agree to Notify us if the Plan is to have more than one Fixed Income Fund Manager at any time. Such notice must be given to us within 30 days after each such appointment. In addition, you agree to furnish us with such proofs or additional information as in our opinion, is necessary for the administration of this Section.
- c) If at any time Contributions cannot be directed to a Guaranteed Interest Investment because neither of the conditions of (a) are met, all Contributions received during such time will be directed to the Separate Fund Investments you indicate. If we do not have Notification from you for Contributions received during such time, those Contributions will be directed to the Separate Fund Investment invested in Money Market Separate Account. If Separate Fund Investments are not available under this contract, any Contributions made while neither of the conditions of (a) are met will not be accepted by us and will be returned to you, if you are a trustee. Such Contributions will be sent to the Fixed Income Fund Manager you designate if you are not a trustee.

SECTION 4--GUARANTEED INTEREST INVESTMENTS.

A Guaranteed Interest Investment will be established for each Deposit Year for each Guarantee Period chosen. No further Contributions or transfers will be credited to a Guaranteed Interest Investment after the close of the Deposit Year in which it was established.

The value of a Guaranteed Interest Investment at any time during its Guarantee Period will be equal to the sum of all Contributions and transfers to it plus interest less any payments or transfers. Interest will be credited to the Investment daily and compounded annually on the last day of each Deposit Year. The rate of interest credited will be the Composite Guaranteed Rate determined for such Investment.

A Guaranteed Interest Investment will be paid or applied in full at the end of its Guarantee Period as described in Section 7 of this Article.

SECTION 5--SEPARATE ACCOUNT INVESTMENTS.

The Separate Account Investment Rider attached to this contract describes each Separate Account. The Schedule lists the Separate Accounts available under this contract. A Separate Fund Investment will be established for each Separate Account in which this contract participates.

If no Separate Account Investment Rider is attached to the contract and no Separate Accounts are listed on the Schedule, no Separate Fund Investments are available.

SECTION 6--TRANSFERS BETWEEN INVESTMENTS.

In general, all or a portion of an Investment may be transferred to another Investment as of any date requested subject to the following:

- a) We must receive Notification to transfer from you. The Notification will specify the amount or percentage to be transferred and the Investments involved. If a requested transfer from the Guaranteed Interest Investment does not specify the Guaranteed Interest Investment or Investments to be transferred, the Order of Application will determine the Investments to be transferred.
- b) A transfer from a Guaranteed Interest Investment to a Separate Fund Investment may occur only on a Valuation Date of such Separate Fund Investment.
- c) Except as provided in Section 7 of this Article, all transfers from a Guaranteed Interest Investment are subject to charge contained in Article VI, Section 3. All transfers are subject to the limitations contained in Article VI, Section 4 and the Separate Account Investment Rider.
- d) All Separate Fund Investment transfers are subject to the provisions of the Separate Account Investment Rider.
- e) We may limit the number of transfers permitted from each Investment by giving you written notice of such limitation at least 30 days before the restriction begins. At least one transfer from each Investment during a Deposit Year will be permitted, however.

Any transfer under this Section will be an application from the Investment as of the date of transfer.

SECTION 7--MATURING GUARANTEED INTEREST INVESTMENTS.

On the day after the last day of its Guarantee Period, each Guaranteed Interest Investments which has not been paid or transferred in full before the end of its Guarantee Period will be transferred to a current Guaranteed Interest Investment for that Guarantee Period, if available. If that Guarantee Period is no longer available, then, unless otherwise directed by Notification, we will transfer to a current Guaranteed Interest Investment with the shortest Guarantee Period then available under the contract.

In lieu of the transfer described above, we will pay or transfer all or a part of the Investment in accordance with any Notification received before the end of such Guarantee Period.

SECTION 8--INVESTMENT MANAGER.

As set out in Sections 2 and 6 of this Article, the right to direct the split of Contributions between Guaranteed Interest Investments and Separate Fund Investments and to direct any transfer between these Investments is reserved to you.

Your application for and our issuance of this contract constitutes your appointment of and our acceptance and affirmation that:

- a) in discharging our duties under this contract we will act at times as an "investment manager", except for the rights described in the preceding paragraph, and
- b) we meet the qualifications needed to accept that appointment and we acknowledge that by virtue of that appointment we will exercise fiduciary duties with respect to the Plan.

For purposes of this Section, the term "investment manager" has the same meaning as that term has under ERISA. Our role as investment manager and the acceptance of the accompanying fiduciary duties extends only to our management of assets which fall within the term "plan assets" as used in ERISA, and we undertake no other fiduciary responsibilities required to administer or maintain the Plan.

SECTION 9--FUNDS.

We are sole owner of all funds received under this contract. All Guaranteed Interest Investments we receive under this contract are and remain a part of our general account without any duty or requirement of segregation or separate investment on our part. Separate Fund Investments will be held as stated in the rider describing such Separate Fund Investments.

ARTICLE III--EXPENSES

SECTION 1--EXPENSES.

Expense charges will be determined by us periodically, but at least annually, in accordance with the written service agreement we have with you. The amount of such charges will be made up of the following:

- a) Compensation paid or payable by us to the soliciting agent named by you.
- b) A general administration expense charge.
- c) Document charges.
- d) Other charges may be made for services you ask us to do that are not covered by (a) through (c). For example, there will be a charge for preparing unusual material or additional services. We will inform you of the charges for such services before we perform them.

SECTION 2--BILLED EXPENSES.

Expenses will be paid to us directly at our Corporate Center, unless deducted under Section 3 of this Article. We will send you a statement of these charges periodically in accordance with our written service agreement with you. Such charges must be paid within 31 days from the date of the statement. If the expense charges are not paid within 31 days after the statement date, we may deduct all outstanding expenses from the appropriate Investments under this contract. If this automatic deduction of expenses occurs twice in any twenty-four month period, we may deduct expenses from the Investments as described in Section 3 of this Article thereafter until a new written service agreement is completed with us.

SECTION 3--DEDUCTED EXPENSES.

In your written service agreement with us (or as provided in Section 2 of this Article), an election may be made to have some or all of the expense charges (described in Section 1 above) deducted from the appropriate Investments instead of having these charges paid separately.

SECTION 4--ASSOCIATED CONTRACTS.

We may agree to take into account any Associated Contracts for the purpose of determining the expenses charged under such contracts. The charges under an Associated Contract will not be greater than if it were not an Associated Contract.

ARTICLE IV--BENEFIT EVENTS AND OPTIONS

SECTION 1--BENEFIT EVENTS.

We will pay benefits to a Member in the form of an annuity as described in Section 2 of this Article or in a single sum if you Notify us that a Benefit Event has occurred. You must give us Notification of the amount to be applied and form of benefit payable to the Member. You agree to furnish us with any Plan records which, in our opinion, are necessary to administer this provision.

Withdrawal benefits described in Article V, Section 1, may be paid by us to a Member in a single sum at your request, but such payments will not be considered a distribution of benefits under this contract.

SECTION 2--APPLICATION OF FUNDS FOR DISTRIBUTION OF BENEFITS.

The Guaranteed Interest Investments and Separate Fund Investments will be applied as follows to distribute benefits:

- a) Amounts you request to be applied under Article II, Section 7.
- b) Amounts available from the Guaranteed Interest Investments will be determined in accordance with the following. If the Plan does not permit Members to direct the holdings of their Plan values, the amount to be applied from each Guaranteed Interest Investment will be determined by the ratio of (i) the value of each Guaranteed Interest Investment to (ii) the total value of all Plan funds.

If the Plan does permit Members to direct the holding of their Plan values, the amount to be applied from each Guaranteed Interest Investment will be determined by multiplying the portion of the Member's benefit held in guaranteed interest and similar Plan investments by the ratio of (iii) the value of each Guaranteed Interest Investment to (iv) the value of total guaranteed interest and similar Plan investments.

You agree to furnish us with any Plan records which, in our opinion, are necessary to administer this provision.

- c) The amounts available from any Separate Fund Investments. You must give us written Notification for the portion or amount of the fund or funds to be applied.
- d) The amount available from any Plan funds held outside this contract. You must designate such amounts as benefit payments when you send them to us.
- e) If the amounts in (a) through (d) above are not sufficient, we will transfer the remainder of the amount needed from any Separate Fund Investment held. We will transfer such amount from the fund or funds you direct. If no Notification is received from you, we will transfer an equal dollar amount from each such fund held.

We are not liable for the payment of any benefits if the funds we hold are not sufficient to provide such benefits.

SECTION 3--ANNUITY BENEFITS.

If permitted by the Plan, an annuity benefit may be purchased for a Member as long as the annuity benefit complies with Plan provisions and all of the following:

- a) The amounts available to purchase an annuity may be all or part of the amount available under the Plan, as reported by you.
- b) You must give us Notification to provide the annuity.
- c) We will not issue an annuity unless the amount applied to establish the annuity equals or exceeds \$3,500. When determining the \$3,500 amount we will include the current amount used to establish the annuity plus all previous amounts applied to establish an annuity under this contract or any other group annuity contract issued to you. Upon 60 days written notice to you, we may increase the \$3,500 amount. We will not increase the amount above the maximum amount which a Qualified Plan may distribute to a Member or beneficiary without his or her prior consent.
- d) All annuities will be fixed dollar annuities.
- e) The form of benefit and the contingent annuitant named (if any) cannot be changed after the Annuity Purchase Date.
- f) By written agreement with you, we may provide any options permitted by the Plan.

Subsection (1) -- Amount of Annuity Benefit. The amount of annuity purchased under this Article and payable to a Member will be determined by us based on:

- a) the Annuity Premium,
- b) the annuity form chosen,
- c) the age of the Member,
- d) the Annuity Start Date,
- e) the age of the contingent annuitant (if any),
- f) the frequency of payments, and
- g) the annuity purchase rates applicable, as described in Subsection 2 of this Section.

Subsection (2) -- Annuity Purchase Rates. Annuities will be purchased using our then current purchase rates for contracts of this class. Such rates will not be less favorable to the annuitant than the minimum amounts of annuity which may be purchased using rates based on an interest rate of 2 1/2%, a load of 5% and mortality according to the 1983 Female Table a for Individual Annuity Valuation, projected to 1999 by Scale G.

An example of the minimum amount of annuity income that could be provided by \$10,000.00 of Annuity Premium for an immediate, life annuity with installment refund is shown in the following table:

ATTAINED AGE (YEARS AND MONTHS)	AMOUNT OF MONTHLY INCOME
45	\$28.39
50	30.22
55	32.51
60	35.39
65	39.07
70	43.82

Minimum incomes for purchases made within the five-year period beginning January 1, 2000, will be 97% of the incomes purchased under the above basis. Minimum incomes for purchases made within any subsequent five-year period will be 97% of the incomes for the preceding five-year period. The minimum amounts of annuity available at the other ages and for other forms of income will be determined by us based on the same basis as the above. We will make these available to you on request.

Subsection (3)--Cancellation of Annuity. If, under the provisions of the Plan in effect on the Member's Annuity Start Date, you determine and report to us that the annuity purchased for a Member is to be reduced, then the fraction you report will be canceled and the amount of annuity payments paid to the member, the beneficiary or contingent annuitant will be reduced accordingly.

The reserve for any annuity canceled under this Section will be treated as a contribution under Article II, Section 1.

Subsection (4)--Misstatements. If the age or any other relevant fact of any Member or contingent annuitant is found to have been misstated, the amount of annuity payable by us will be that provided by the amount applied to provide such annuity, determined as of the date established by the misstated information and on the basis of the correct information. Any overpayment by us resulting from any misstated information will be deducted from amounts thereafter payable to a Member, the contingent annuitant or the beneficiary. Any underpayment by us resulting from any misstatements will be paid in full with the next payment due the Member, contingent annuitant or beneficiary.

Subsection (5)--Commutation of Payments. If any annuity payments are to be commuted, the commuted value of the payments will be determined by us, using the interest rate which was used as a basis for calculating the amount of the payments at the time the annuity was purchased.

Neither the Member, the contingent annuitant nor any beneficiary who is a natural person taking in his own right has the right to commute any annuity payments under this contract.

SECTION 4--SINGLE SUM PAYMENTS.

All or part of the amounts available to a Member may be paid to the Member in a single sum on or after the Member's termination of employment or retirement under the Plan if:

- a) The Plan allows such payment, and
- b) We receive Notification from you and the Member, if applicable.

You must report the amount to which the Member is entitled and the portion, if any, payable from a Separate Fund Investment. The amount which will be payable from the Guaranteed Interest Investment or Investments will be determined in accordance with Article IV, Section 2.

Any single sum payment to a Member is subject to the delay of payment and limitation provisions of Article VI, Section 4 and the Separate Fund Investment Rider, if any. However, such amount is not subject to the charge in Article VI, Section 3.

SECTION 5--MODIFICATION IN MODE OF PAYMENT OF INCOME.

If, at any time after a Member's Annuity Start Date, the monthly amount of income payable under this contract to such Member or to his beneficiary or contingent annuitant would be less than \$20, we may, at our option, pay such amount less frequently, but not less frequently than annually.

SECTION 6--FACILITY OF PAYMENT.

If any Member, alternate payee, contingent annuitant or beneficiary becomes physically, mentally or legally incapable of accepting any payment and the person has no legal representative or guardian who can accept the payment on the person's behalf, we may, in the absence of Notification from you, at our option, make such payment to the person or persons as have, in our opinion, assumed the care and principal support of the Member, contingent annuitant or beneficiary. However, any payment due a minor will be paid at a rate not exceeding the greater of (i) \$100.00 per month or (ii) the maximum amount permitted by the laws of the state of issue of this contract. In no event will any such payment exceed the maximum amount allowed under applicable law of the state in which this contract is delivered. Any such payment made by us will fully discharge us to the extent of the payment.

SECTION 7--ASSIGNMENT.

Except for an assignment to an alternate payee required by a Qualified Domestic Relations Order, no benefits payable under this contract to any Member, beneficiary or contingent annuitant are assignable, and all such benefits are exempt from the claims of creditors to the maximum extent permitted by law.

ARTICLE V--OTHER BENEFITS

SECTION 1--WITHDRAWAL BENEFITS.

Upon appropriate Notification, we will pay to a Member any portion of the amounts available to the Member under the Plan, subject to the following:

- a) The Plan must allow the Member to receive the withdrawal.
- b) Any amount withdrawn under this Section will be subject to both the delay of payment and limitation provisions of Article VI, Section 4 and the Separate Fund Investment Rider, if any, and the charge of Article VI, Section 3.
- c) We reserve the right to limit the number of withdrawals and the right to charge for processing such withdrawals.

You must Notify us of the amount to be withdrawn. If a portion of the Investments are to be withdrawn, the Notification may specify which Investments are to be applied. If no order is specified, the Order of Application will apply.

Any payment under this Section will be an application of the portion requested from the Fund on the date paid. This payment will be in lieu of any other benefits under this contract for the portions applied.

ARTICLE VI--TRANSFER TO ANOTHER FUNDING AGENT; CESSATION; CHARGES AND LIMITATIONS

SECTION 1--TRANSFER TO ANOTHER FUNDING AGENT.

Upon Notification to us at our Corporate Center, payment of the aggregate of all of the Guaranteed Interest Investments and Separate Fund Investments will be transferred to another Funding Agent. Subject to the charge provided for in Section 3 of this Article, and the limitations provided in Section 4 of this Article and the Separate Account Investment Rider, if any, the amount of any Guaranteed Interest Investments and Separate Fund Investments will be determined and transferred within seven Business Days after the date we receive your Notification. If you request payment as of some later date, the amounts to be paid out will be determined and paid as of that date.

SECTION 2--CESSATION OF CONTRIBUTIONS.

Cessation of Contributions will be effective as of any of the following dates:

- a) On the date you give us written Notification that Contributions will cease.
- b) On the date the Plan terminates.
- c) On or after the date the Internal Revenue Service or a court makes a final determination that the Plan no longer meets the requirements to remain a Qualified Plan, if we have given you written notice that cessation will occur on that date or at some later date.
- d) On the date no Guaranteed Interest Investments or Separate Fund Investments remain under this contract.

Upon cessation of Contributions, no further Contributions will be accepted.

All provisions of this contract will remain effective as to any Guaranteed Interest Investments or Separate Fund Investments which have not been paid or applied in full.

Once all Guaranteed Interest Investments and Separate Fund Investments have been paid or applied in full, we will have no further obligation under this contract as to those Investments.

SECTION 3--CHARGES FOR EARLY SURRENDER OF A GUARANTEED INTEREST INVESTMENT.

If a Guaranteed Interest Investment is withdrawn or transferred before the end of its Guarantee Period, the transfer or withdrawal is a surrender of that amount. Transfer or withdrawal of an Investment refers to transactions from Guaranteed Interest Investments under any of the following contract provisions:

- a) Transfer between Investments, Article II, Section 6.
- b) A withdrawal under Article V, Section 1.
- c) A transfer to another Funding Agent under Article VI, Section 1.

We reserve the right to waive this charge for certain withdrawals. Any such waiver will be applied in a uniform manner to such withdrawals from contracts of this class.

If all or a portion of a Guaranteed Interest Investment is surrendered early and the Guaranteed Interest Rate in effect for contracts of this class for the date of surrender is greater than the Composite Guaranteed Rate for the Investment, the amount available will be reduced by a surrender charge equal to the following:

- d) The difference between such Guaranteed Interest Rate in effect for new Contributions for the date of surrender and the Composite Guaranteed Rate of the Investment being surrendered, multiplied by
- e) The number of years (including fractional parts of a year) remaining in the Guarantee Period for the Guaranteed Interest Investment, multiplied by
- f) The amount being surrendered.

If the entire Guaranteed Interest Investment is surrendered, the Guaranteed Interest Investment will be reduced on the date of surrender and the remainder will be paid or transferred.

If a portion of the Guaranteed Interest Investment is surrendered, the Guaranteed Interest Investment will be reduced by the amount being surrendered plus the surrender charge, if any.

If the Guaranteed Interest Rate in effect for contracts of this class for the date of surrender is equal to or less than the Composite Guaranteed Rate for such account, there is no surrender charge.

SECTION 4--LIMITATIONS ON TRANSFERS AND PAYMENTS FROM GUARANTEED INTEREST INVESTMENTS.

- a) In general, payments and transfers from the Guaranteed Interest Investments will be made in full within seven Business Days after the requested date of payment. However, we reserve the right to defer any payment or transfer under this contract up to 270 days. These delay rights will not apply to payments to the beneficiary named by the Member, payments to a Member due to disability or retirement under the Plan or to purchases of annuity under Article IV, Section 3.

Such deferment will be based on unstable or disorderly market or investment conditions which, in our opinion, do not allow for an orderly investment transfer. This deferment may include, but not be limited to, situations where regular banking has been suspended or when an emergency or other circumstances beyond our control do not allow for the orderly disposal and liquidation of securities or other assets.

- b) We reserve the right to make the portion of the requested payment or transfer in excess of the greater of

- i) 25% of the aggregate Guaranteed Interest Investments under the contract on the date 12 months prior to such determination date, or

- ii) \$25,000,000 in the 12 month period which ends on the date of requested payment or transfer,

in substantially equal monthly installments over a period not to exceed 36 months. For purposes of this limitation, payments and transfers at investment value from our general account from any other contracts or policies we issued in connection with the Plan will be included as a payment or transfer from the Guaranteed Interest Investments under this contract.

If this limitation is imposed by us, we will make the first installment one month after the date of request, or on the date specified in your Notification.

These delay rights will not apply to payments to the beneficiary named by the Member, payments to a Member due to disability or retirement under the Plan or to purchases of annuity under Article IV, Section 3.

If we defer any payment or transfer under this Section, we will determine the amount to be paid or transferred on the actual date of payment or transfer. We will notify you if the deferment will be more than 30 days. During any deferment, requested funds will continue to earn interest at the same rate.

ARTICLE VII--GENERAL PROVISIONS

SECTION 1--CERTIFICATES.

If benefits become payable to a Member under one of the options of Article IV, we will issue an individual certificate setting forth the amount, form and period of payment of the annuity benefits.

SECTION 2--BENEFICIARY.

Before an annuity has been purchased for a Member, the beneficiary is the person or persons designated on your records as being entitled to receive any benefits payable at death. You must notify us of any such benefits payable and the person or person to whom payment should be made.

On and after the Member's Annuity Purchase Date, the beneficiary is the person or persons named by the Member to whom benefits (other than any annuity payable to a contingent annuitant under the provisions of Article IV, Section 2) are payable under this contract upon the death of the Member, subject to the provisions of Article IV, Section 6. A Member will name or change a beneficiary by filing a written beneficiary designation to that effect with us in a form acceptable to us. Any beneficiary designation will not have any effect until we receive it. When we receive the designation, it will be effective as of the date it is executed by the Member, but any payments we made before receipt of the designation will discharge us to the extent of such payments. We reserve the right to require the Member's certificate for endorsement of any change of beneficiary. Unless prohibited by the Plan or by a prior beneficiary designation, any person receiving benefits or payments which might continue beyond that person's life time may designate a beneficiary to receive any remaining payments.

Unless otherwise specified by the Member with our consent,

- a) if any beneficiary dies before the Member, any payment which would have become payable to such beneficiary, if living, will be payable when due to the beneficiary or beneficiaries surviving the Member in the order provided.
- b) if any beneficiary survives the Member but dies before receiving all of the payments which would have been payable to such beneficiary, if living, payment will be paid when due to the surviving beneficiary or beneficiaries in the order provided.
- c) if the last survivor of all named beneficiaries dies after the death of the Member (and the contingent annuitant, if any) and before all payments due the beneficiary have been made, the remaining payments will be commuted and the commuted value paid to the executor or administrator of the estate of such last survivor.

If no named beneficiary survives the Member (and the contingent annuitant, if any), or no beneficiary has been named, any amount which would have become payable to a beneficiary will be commuted and the commuted value paid to the executor or administrator of the estate of the Member (the executor or administrator of the estate of any contingent annuitant, if he survives the Member). If no formal estate is created, we may pay out any benefits in accordance with any state or federal law which permits us to make any payments to specific persons without the creation of a formal estate. If state or federal law requires that we make payments only to a formally established estate, we will make payments in accordance with that law.

If required by the facts surrounding a particular death or deaths, we may use the appropriate state statute dealing with simultaneous or nearly simultaneous deaths to determine who will be treated as a survivor entitled to receive benefits. If no state law applies, then we may rely upon the most current version of the uniform Simultaneous Death Act to make that determination.

If the beneficiary is not a natural person taking in his or her own right (that is, a trust or an estate), any monthly or other periodic payments will be commuted and the commuted value paid to the beneficiary in a single sum. However, if the beneficiary is a trust established for the benefit of a natural person, and if the payment period is at least 24 months and not more than 60 months, monthly or other periodic payments may be continued to such beneficiary for any period which is not prohibited by the Code.

SECTION 3--DIVIDENDS.

Because of the direct crediting of investment return to both Guaranteed Interest Investments and Separate Fund Investments, it is not anticipated that there will be any surplus accruing on this contract from which dividends may be apportioned to this contract. However, if a dividend is declared, any portion of the divisible surplus that we determine to accrue on this contract will be determined annually by us and will be credited to this contract on the first day of each Deposit Year after the Contract Date. Any dividend will be applied as directed by you in accordance with Plan provisions.

SECTION 4--PLAN AND PLAN AMENDMENTS.

You agree to furnish us with a copy of the Plan in effect on the Contract Date and any subsequent amendments to it. No amendment to the Plan or interpretation of the Plan language which affects our duties and obligations will have any effect on the terms of this contract, unless: (i) we have received timely notice of the amendment or interpretation, and (ii) we have not sent you a written notice that we do not accept the amendment or interpretation within 60 days of our receipt of the amendment or interpretation.

SECTION 5--CONTRACT.

This contract and your application are the entire contract between the parties. A copy of your application is attached to this contract. We are obligated only as provided in this contract and are not a party to nor bound by any trust or plan.

SECTION 6--CONTRACT AMENDMENTS.

We reserve the right to amend or change this contract as follows, subject to the limitations of item (g):

- a) Any or all of the contract provisions may be changed at any time, including retroactive changes, to the extent necessary to meet the requirements of any law or regulation issued by any governmental agency to which we are subject. We will give you written notice of any such change.
- b) Any or all of the contract provisions may be changed at any time, including retroactive changes, to the extent necessary to keep the Plan in compliance with the Code or ERISA. We will give you written notice of any such change.
- c) As of any date after the Contract Date and subject to the notice provisions of (h) of this Section, we may amend or change the length of the Guarantee Period; the Order of Application; the provisions for transferring values between accounts; the charge contained in Article VI, Section 3; and the items included in the Operating Expenses for Separate Accounts under the Separate Account Investment Rider (if such a rider is attached to this contract). We will give you 60 days written notice of any such change.
- d) We may amend or change the annuity purchase basis shown in Article IV, Section 2, as of any date which is 5 years after the later of (i) the Contract Date or (ii) the date of the latest amendment or change under this item (d). We will give you 60 days written notice of any such change.

- e) By agreement between you and us, this contract may be amended or changed at any time as to any of its provisions, including those in regard to coverage, benefits and the participation privileges, without the consent of any Member, beneficiary or contingent annuitant. We will propose amendments to the contract to you by written notification which will also indicate how you may agree to the proposed amendment. Generally, we will indicate that you use one or more of the following methods to agree to our proposed amendments:
 - i) By signing the amendment and returning a copy to us.
 - ii) By making Contributions after 60 days have elapsed from the date of our written notice to you.
 - iii) By not declining the amendment in a written Notice to us. We will usually propose the use of this method for procedural amendments or amendments which increase your rights rather than changes which limit your rights under this contract.
 - iv) By any other method allowed by law.
- f) After 60 days notice to you, we may amend or change any term of the contract if such amendment or change increases the options available to you or a Member. Any amendment or change will not become effective if you give us written Notification that you do not accept the amendment.
- g) Any amendment or change under this Section 6 is binding and conclusive on each Member, beneficiary, or contingent annuitant, but is limited by the following:
 - i) No amendment or change will apply to annuities purchased under Article IV before the effective date of the amendment or change except to the extent necessary in making changes in accordance with item (a) or (b) above.
 - ii) No amendment or change under (c) above will affect Guaranteed Interest Investments established prior to the date of the amendment or change.
 - iii) Any change in the general administration expense charge referred to in (b) of Section 1, Article III, will not take effect as to any Guaranteed Interest Investments and Separate Fund Investments to be transferred to another Funding Agent, if, prior to the date the amendment or change is to take effect, we receive Notification from you for payment of all such Guaranteed Interest Investments and Separate Fund Investments to the other Funding Agent in accordance with Article VI, Section 1, and such Notification is not revoked.

SECTION 7--WAIVER AND MODIFICATION.

Only our officers may agree to (i) change any of our obligations or duties under this contract, or (ii) waive any of your obligations or duties under this contract.

SECTION 8--INFORMATION, PROOFS AND DETERMINATION OF FACTS.

You agree to furnish to us evidence of the age of each Member and his contingent annuitant, if any, on or before his earliest Annuity Purchase Date and other records, data, proofs or additional information which, in our opinion, is necessary for the administration of this contract.

For the purposes of this contract, the determination by you as to any facts (except age) relating to any employee is conclusive, except for fraud or willful misstatement of fact.

SECTION 9--RELIANCE ON INSTRUCTIONS.

We are not obligated to question or refuse to follow any apparently valid instructions which we in good faith believe are valid, if we receive such instructions from you, a Plan trustee, a Plan administrator, a Plan fiduciary, or, if the Plan permits, a Member, alternate payee, contingent annuitant or beneficiary. If we follow such instructions, we will have no further obligations with respect to the amounts paid out or the actions taken. If we believe in good faith that the law requires us not to follow an apparently valid instruction, we are not required to act on any instruction.

SECTION 10--SINGLE PAYMENT.

We will make any payment to a Member, contingent annuitant, alternate payee or beneficiary in accordance with any withdrawal or payment option available under the contract only once. Any payment we make in accordance with any withdrawal or payment option will be in lieu of any other benefit or withdrawal option and will extinguish any claim by any Member, contingent annuitant, alternate payee or beneficiary to receive the amount paid out.

SECTION 11--OVERPAYMENT.

In the event that we make an overpayment of any amount payable to a Funding Agent, Member, contingent annuitant, alternate payee or beneficiary, we will have the option to seek reimbursement of that overpayment from the individual receiving the overpayment. If the overpayment resulted from any action by you and we suffered a loss as a result of our good faith reliance upon your action, you will pay us an amount equal to the overpayment.

SECTION 12--OWNERSHIP.

You are the owner of this contract. However, if the Plan is trustee and this contract is issued to the trustee(s), the trustee(s) of the Plan is sole owner of all the payments, rights, options, and privileges herein granted or made payable to any Member, beneficiary, or contingent annuitant under this contract. The trustee(s) of the Plan is entitled to exercise all such rights, options, and privileges and to receive all such payments at the time or times specified in this contract that such payments, rights, options, and privileges are available to a Member. Such exercise by the trustee(s) may be made without the consent or participation of any Member, beneficiary or contingent annuitant.

SECTION 13--TERMINATION AND CASH OUT OF CONTRACT.

We may begin cash out proceedings with regards to the funds held under this contract on or after the date we have announced we will refuse all further Contributions under contracts of this class, subject to the following:

- a) We have announced our intention to refuse further Contributions and that we will no longer write or accept applications for contracts of this class.
- b) Once we determine we wish to cash out contracts of this class, we will cash out all contracts of this class without exception.
- c) Amounts held in any of our Separate Accounts will be available for payment or transfer in accordance with the contract provisions or riders making such Separate Accounts available hereunder.
- d) For funds held in our general account, the following will apply:
 - i) You may choose to transfer such funds to another Funding Agent. No charge will be made under Article VI, Section 3 for any funds so transferred.
 - ii) If no other Notification is received by us, at the end of any such Guarantee Period, we will treat the funds held in our general account as if they are being held under the group annuity contract then offered by us which, in our opinion, most closely parallels the provisions of this contract. Thereafter, the provisions of this contract will no longer apply.
 - iii) There will be no charge made for payment from this contract of single sum amounts at recognized benefit events, even if the group annuity contract described in (d) (ii) above would not permit such pay out without charge.
- e) The annuity purchase rate guarantees in effect under this contract on the day before the provisions of item (d) (ii) of this Section are instituted will remain the purchase rate guarantees for any general account funds handled in accordance with item (d) (ii).

Such purchase rate guarantees will also remain in effect for any Separate Account funds held hereunder until paid or transferred.
- f) We will not change any Composite Guaranteed Rates for amounts held in our general account before the end of the Guarantee Period for such amounts.
- g) Your right to transfer funds held hereunder to another Funding Agent will not be changed.
- h) If we choose to make another group annuity contract available to other contractholders of this type of contract, we will make such a group annuity contract available to you.
- i) We will give you 60 days advance written notice before we will enforce the provisions of this Section.

SECTION 14--TERM AND TERMINATION.

Except as provided in Section 13 of this Article, or by any amendment to this contract, this contract will continue in force as long as we hold assets for you or are making annuity payments. If you transfer all of the assets under this contract not associated with any annuity payments to a Funding Agent, our obligations under this contract will cease, except to the extent that we are making annuity payments. However, if we discover that we underpaid the Funding Agent, we will have the obligation to pay the appropriate amount to the Funding Agent.

SECTION 15--QUALIFICATION OF PLANS.

We assume no responsibility for ensuring that the Plan remains a Qualified Plan or meets any of the requirements of the Code or ERISA. While we will undertake those duties described in this contract or in the service agreement in a manner which should help you to meet the requirements of the Code and ERISA, you agree and acknowledge that we do not have final responsibility for making sure that you take all appropriate steps needed to keep the Plan in compliance with the Code and ERISA.

Notwithstanding any other provision in this contract or in any other agreement between you and us, if the Internal Revenue Service or a court makes a final determination that the Plan no longer qualifies as a Qualified Plan, we may require that you transfer all assets invested in this contract to another Funding Agent. If we decide that you must transfer assets from this contract, we will send you a written notice describing your options. If we do not receive an acceptable response Notice from you within five Business Days, we will return the money held under this contract to you, or if appropriate, to a Plan trustee. We will not accept any Notice under this Section unless the Notice clearly specifies the Funding Agent to receive the assets.

SECTION 16--OUR RELATIONSHIP TO THE PLAN.

Notwithstanding any other provision in this contract or in any other agreement between you and us, with respect to the Plan (i) except as described in Article II, Section 8, we act only as a service provider, and (ii) we do not act as a Plan trustee, Plan fiduciary, or Plan administrator under ERISA or any state law. In addition, we do not practice law and do not give any individual legal advice to you or your Plan.

Nothing in this contract shall amend any provision of the Plan nor shall any provision of the Plan act as an amendment to this contract. Moreover, no provision or option available under this contract shall be available unless that provision or option is permissible under the Plan.