

**OWNER:**  
JAMES J SMALL

**JOINT OWNER:**

**ANNUITANT:**  
JAMES J SMALL

**SPDA Series II**  
**CONTRACT #: 2100277026**





## **IMPORTANT NOTICE TO POLICYHOLDERS**

As our policyholder, your satisfaction is very important to us. If for any reason you need to contact someone about your policy, please contact your agent.

If you have additional questions, you may contact us at the following address and telephone number:

### **INTEGRITY LIFE INSURANCE COMPANY**

**400 Broadway  
Cincinnati, Ohio 45202  
1-800-325-8583**

If you have been unable to contact or obtain satisfaction from Integrity Life Insurance Company, you may contact the CALIFORNIA DEPARTMENT OF INSURANCE at the following address and telephone number:

### **CALIFORNIA DEPARTMENT OF INSURANCE**

**Consumer Communications Bureau  
300 South Spring Street, South Tower  
Los Angeles, California 90013  
In California: (800) 927-HELP  
Outside California: (213) 897-8921**





## SINGLE PREMIUM DEFERRED FIXED ANNUITY CONTRACT

### Non-Participating

**THIS CONTRACT (Contract)** creates a legal agreement between Integrity Life Insurance Company (*Company, we or us*) and the Owner (*you or your*). We have issued this Contract to you in consideration of your single Contribution. As the purchaser of the Contract, you are its *Owner* and *Annuitant*, unless we accept a different arrangement that you have requested.

#### We agree:

**To allocate** 100% of your Contributions received in the first Contract Year to a Guarantee Period, as directed by you.

**To apply** the amounts in this Contract at the Maximum Retirement Date to provide an Annuity Benefit or the Surrender Value if the Annuitant is then living.

**To pay** a Death Benefit to the Annuitant's Beneficiary if the Annuitant dies before the Maximum Retirement Date.

**To waive** Withdrawal Charges in accordance with the provisions outlined in this Contract and on your Schedule Page.

**To provide** you with the other rights and benefits under this Contract.

These agreements are subject to the other provisions of this Contract.

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**PLEASE READ YOUR CONTRACT CAREFULLY. DURING A 10-DAY FREE LOOK PERIOD, YOU HAVE THE RIGHT TO CANCEL THIS CONTRACT. IF YOU ARE NOT SATISFIED, SIMPLY RETURN THE CONTRACT TO US OR THE AGENT WHO SOLD IT, WITHIN 10 DAYS OF RECEIPT. WE WILL PROMPTLY RETURN THE CONTRIBUTION RECEIVED.**

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**WE WANT TO HEAR FROM YOU.** If you have questions, complaints, or need any help with your Contract, please write to us at **400 Broadway, Cincinnati, Ohio 45202** or **P.O. Box 5720, Cincinnati, Ohio 45201-5720** or call us at **1-800-325-8583**. All requested changes to your Contract shall be made in writing in a format and content acceptable to us. A signature guarantee may be required for your protection (*Written Request or Written Notice*).

#### INTEGRITY LIFE INSURANCE COMPANY

A handwritten signature in dark ink, appearing to read "Jill T. McGruder".

Jill T. McGruder  
President

A handwritten signature in dark ink, appearing to read "Edward J. Babbitt".

Edward J. Babbitt  
Secretary

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## ACCOUNT VALUE

**Account Value:** Your *Account Value* shall mean (i) your Contributions made and allocated to a Guarantee Period, *minus* (ii) Previous Partial Withdrawals, *plus* (iii) credited interest. *Previous Partial Withdrawals* means the Account Value already reflects previous withdrawals and associated Company Charges and Taxes, if applicable, which were deducted as a part of the transaction.

**Contributions:** All amounts received within the first Contract Year that we accept shall be considered your single Contribution. 100% of your Contribution will be allocated on the Contract Date to the Initial Guarantee Period you select. We are under no obligation to accept any Contribution if it is less than \$3,000, and we reserve the right from time to time to modify such amounts on a nondiscriminatory basis.

We may refuse to accept your Contribution on a nondiscriminatory basis in the following circumstances:

1. The Contribution exceeds One Million Dollars (\$1,000,000), and the Primary Annuitant's current age last birthday is 75 or less.
2. The Contribution exceeds Two Hundred Fifty Thousand Dollars (\$250,000), and the Primary Annuitant's current age last birthday is 76 - 90.

For purposes of this Contract, a *Contract Year* means each consecutive twelve (12) month period. The first Contract Year begins on the Contract Date. Each subsequent Contract Year begins on a Contract Anniversary. *Contract Anniversary* means any Contract Date anniversary. *Contract Date* means the date from which we measure the Contract Anniversaries. The Contract Date is shown on the Schedule Page and refers to the date we receive your Contribution and apply it according to your instructions.

**Guarantee Period:** A *Guarantee Period* is a period of time elected during which an amount is to be credited with a Guaranteed Interest Rate. Guarantee Periods offered may be from one (1) year or less to ten (10) years and may change from time to time. Guarantee Periods offered are a part of the Company's General Account and are specified on the Schedule Page. We may refer to initially offered Guarantee Periods as *Initial Guarantee Periods* and those declared by us before the Guarantee Period Expiration as *Renewal Guarantee Periods*. We have the right to change, delete or add Guarantee Periods available for election on a nondiscriminatory basis. We will continuously declare a Renewal Guarantee Period with a duration of one (1) year or less.

**Guaranteed Interest Rate:** The *Guaranteed Interest Rate* is the effective annual interest rate established by us for an Initial or Renewal Guarantee Period. This rate may change from time to time for Guarantee Periods elected at different dates. We will declare a Guaranteed Interest Rate with respect to each amount allocated to an Initial Guarantee Period or transferred to a Renewal Guarantee Period. Unless otherwise stated in this Contract, the Guaranteed Interest Rate shall apply for the entire Guarantee Period.



Interest on amounts in a Guarantee Period is credited daily at an effective annual rate equal to the Guaranteed Interest Rate. Interest is allocated as follows:

- (i) at the end of each Contract Year;
- (ii) at the Guarantee Period Expiration;
- (iii) upon Partial Withdrawal;
- (iv) at the time an Annuity Benefit is purchased;
- (v) upon Full Withdrawal; and
- (vi) upon the payment of a Death Benefit.

We reserve the right to declare and credit additional interest based on Contribution, Initial or Renewal Guarantee Periods, Account Value, withdrawal dates, economic conditions or on any other lawful, nondiscriminatory basis.

**Guaranteed Minimum Interest Rate:** The *Guaranteed Minimum Interest Rate* is the lowest Guaranteed Interest Rate we can legally declare for a Renewal Guarantee Period at any time while this Contract is in effect. The Guaranteed Minimum Interest Rate is disclosed on your Schedule Page and is guaranteed for the life of the Contract.

**Guarantee Period Expiration:** The *Guarantee Period Expiration* means the Guarantee Period has ended, and the entire Guarantee Period Value will be automatically transferred to a 1-year Renewal Guarantee Period. The Account Value transferred will receive the Guaranteed Interest Rate declared effective for the Renewal Guarantee Period.

We may change the Renewal Guarantee Period at any time before your Guarantee Period Expiration. Any change will require that we provide you at least 45 days (but not more than 75 days) notice prior to the Guarantee Period Expiration. The notice shall indicate the Renewal Guarantee Period(s) available and election instructions. No Guarantee Period shall extend beyond the Annuitization Date.

**Premium Tax:** A regulatory tax may be assessed on the Company by your state on your Contribution to this Contract (*Taxes*). This tax will be deducted from your Contribution when received, or upon Full or Partial Withdrawal, the payment of an Annuity Benefit or the payment of a Death Benefit.

**Minimum Account Value:** At anytime before the Maximum Retirement Date, if the Contract has been in effect for two (2) years or more, and the Account Value is ever less than the *Minimum Account Value* specified on your Schedule Page, we reserve the right to terminate the Contract and pay you the Account Value. You will be notified sixty (60) days in advance if your balance is below the minimum.

**Contract Minimum Guarantee:** Your *Minimum Guarantee* for Full and Partial Withdrawals, Death Benefits and Annuity Benefits available under this Contract will not be less than the minimum guarantee required by any statute of the state in which the Contract is delivered. Fixed Account Options may carry a higher Minimum Guarantee which shall be described on your Schedule Page.

**Maximum Company Charges:** Company Charges will never exceed any legal limits in the state where the Contract is delivered. Company Charges may be waived or reduced uniformly on all Contracts issued under certain plans or arrangements, which are expected to result in administrative cost savings. No reduction or waiver will be made that is unfairly discriminatory to any person. We may waive any Company Charges attributable to Contracts received during specific periods of time and under conditions and limitations set by the Company.

## WITHDRAWALS AND TRANSFERS

**Withdrawals:** You may make a withdrawal from your Account Value at any time before the Maximum Retirement Date subject to the terms, restrictions and conditions set out in this Contract. You may not make a withdrawal after the Maximum Retirement Date. Upon receipt of your Written Request, you may elect to have the Surrender Value paid in a lump sum, or you may elect to have it all paid out under any available Annuity Benefit. The types of withdrawals available under your Contract are defined below. For purposes of this Contract, *Surrender Value* shall mean the entire Account Value, *adjusted for* Company Charges and Taxes, if applicable, and the Contract is surrendered.

**Partial Withdrawal:** The total amount requested from the Account Value *adjusted for* Company Charges, and Taxes if applicable. As a result, the net amount received is the amount requested. The minimum Partial Withdrawal is \$300 and may be changed from time to time at our discretion.

**Free Withdrawal:** A percentage as stated on the Schedule Page and applied to your Account Value as the *greater of* (i) or (ii) below:

- (i) the Free Withdrawal percentage applied to the Account Value as of the date we process your request for a Full or Partial Withdrawal, *less* Free Withdrawals taken during the current Contract Year; or
- (ii) the Free Withdrawal percentage applied to the Account Value as of the previous Contract Anniversary, *less* any Free Withdrawals taken over the current Contract Year. During the first Contract Year, the Free Withdrawal percentage will be applied to the single Contribution received on the Contract Date *less* any Free Withdrawals taken over the current Contract Year.

The Free Withdrawal is noncumulative and any amount not used in a Contract Year may not be carried forward to future Contract Years.

**Excess Withdrawals:** Partial Withdrawals from the Account Value in excess of a Free Withdrawal, *adjusted for* Company Charges and Taxes, if applicable.

**Systematic Withdrawals:** Pre-authorized scheduled periodic withdrawals are available on a monthly, quarterly, semi-annual or annual basis. In the event the Owner fails to select the frequency, we reserve the right to automatically default to monthly. The minimum Systematic Withdrawal currently is \$100 and may be changed from time to time at our discretion. You may terminate your participation in this administrative program upon prior Written Notice, and we reserve the right to discontinue offering such administrative program upon sending you prior written notice.

We currently offer three (3) types of Systematic Withdrawals:

- (A) a fixed dollar amount determined by you;
- (B) an annual percentage determined by you; or
- (C) the annual Free Withdrawal as determined by us and specified under the Full and Partial Withdrawals section of your Schedule Page.

**Full Withdrawal:** A request received by the Owner to terminate the Contract for the Surrender Value.



**Guarantee Return of Contribution:** We guarantee the return of your Contribution paid into this Contract. If you make a Full Withdrawal at any time, you will receive at least the single Contribution, less any Previous Partial Withdrawals. Any applicable Withdrawal Charges will be waived to the extent that they would conflict with this guarantee. For purposes of this provision, previous interest withdrawals will be considered a return of your Contribution.

**Withdrawal Charge:** The *Withdrawal Charge* is the amount deducted when there is an Excess Withdrawal. The Withdrawal Charge is determined by applying the Withdrawal Charge Percentage to the Excess Withdrawal deducted from the Account Value as part of the transaction. The Withdrawal Charge Percentage is specified under the Company Charges section of your Schedule Page.

**Delay of Payments:** Generally, requests for a Full or Partial Withdrawal or transfer will be made within seven (7) days from receipt in a form satisfactory to us. We may delay payments for up to six (6) months after the requested effective date of the transaction.

**Transfers:** With the exception of transfers made upon the Guarantee Period Expiration, transfer of your Account Value from one Guarantee Period to another is not available under this Contract.

## OWNERSHIP AND DEATH BENEFIT

**Owner:** The Annuitant is the Owner unless we have accepted another designated Owner. During the Annuitant's lifetime, all rights and privileges under this Contract may be exercised solely by the Owner including the election to apply the Death Benefit to any payout option offered by us at the time the election is made. During an Annuitant's lifetime and before the Maximum Retirement Date, we do not allow the Owner to change any Annuitant unless we have given written authorization that such change is accepted. From time to time, we may require proof that an Annuitant is still living.

**Annuitant:** The *Annuitant* must be a natural person named in writing on the Contract Date (*Primary Annuitant*) on whose age and sex the Annuity Benefit and Death Benefit are based.

**Contingent Annuitant:** If a Contingent Annuitant is named on the Contract Date, the Contingent Annuitant will succeed as the Primary Annuitant upon the original Primary Annuitant's death but before the Maximum Retirement Date. At this time, the Contract remains in force, and the Contingent Annuitant will become the Primary Annuitant.

**Joint Owners:** A Joint Owner is usually the Owner's spouse. If a Joint Owner is named, all rights and privileges under this Contract require both Owner and Joint Owner to act together. Unless otherwise specifically set out, wherever Owner is used in this Contract shall be applied to both Owner and Joint Owner and the date of death of the first Owner will be deemed to be the date of death for both. In the event the Owner names a Joint Owner, this will not generally prevent a taxable event to occur on the first Owner's death (*Primary Owner*).

**Annuitant's Beneficiary:** The *Annuitant's Beneficiary* is the person or persons named in writing, originally on the Contract Date or by amendment, to receive the Death Benefit payable upon the Annuitant's death before the Maximum Retirement Date. We may also refer to the Annuitant's Beneficiary as the *Annuitant's Primary Beneficiary*. If you designate an *Annuitant's Contingent Beneficiary*, that person or entity will become the Annuitant's Primary Beneficiary if the named Annuitant's Primary Beneficiary is not living at the time of the Annuitant's death.

The Owner may change such Annuitant's Beneficiary from time to time. Any such change will be made by Written Notice in a form satisfactory to us. A change will, upon receipt at our designated Processing Office, take effect as of the time the Written Notice was signed, whether or not the Annuitant is living on the date of receipt, but without further liability as to any payment or other settlement made by us before receipt of such change.

Unless otherwise specified in writing, originally on the Contract Date or by amendment, if the Owner has named two or more persons as the Annuitant's Beneficiary, the Annuitant's Beneficiary will be the named person or persons who survive the Annuitant. If more than one survives, they will share equally. Any amount that would be payable to an Annuitant's Beneficiary may be applied, at the election of such Annuitant's Beneficiary, to provide an Annuity Benefit, subject to our rules then in effect. Notwithstanding the preceding sentence, if the Owner has elected an irrevocable form of Annuity Benefit with respect to any Annuitant's Beneficiary named, payment will be made in accordance with such election.

Any part of a Death Benefit payable with respect to the Annuitant where no Annuitant's Beneficiary is living at the death of the Annuitant will be payable in a Lump Sum to the Annuitant's estate. If a non-natural Annuitant's Beneficiary is named, the Death Benefit will be paid in a Lump Sum to the non-natural Annuitant's Beneficiary.

**Owner's Beneficiary:** The *Owner's Beneficiary* is the person named in writing, originally on the Contract Date or by amendment, to succeed as Owner in the event the Owner dies before the Maximum Retirement Date. We may also refer to the Owner's Beneficiary as the *Owner's Primary Beneficiary*. If you designate a *Contingent Owner's Beneficiary*, that person or entity will become the Owner's Primary Beneficiary if the named Owner's Primary Beneficiary is not living at the time of the Owner's death.



If the sole Owner's Beneficiary is the spouse of the Owner, we may refer to your spouse as the **Spousal Beneficiary**. If the Owner's Beneficiary is an individual other than the Owner's spouse, we may refer to that individual as a **Nonspousal Beneficiary**.

**Standard Death Benefit:** If the Annuitant dies before the Maximum Retirement Date, we will pay the Death Benefit to the Annuitant's Beneficiary entitled to receive such payment. The Death Benefit payable will be the Account Value on the Death Benefit Date. We do not apply Withdrawal Charges to the Death Benefit payable.

**Owner-Death Distribution Rules - Generally:** This section is intended to satisfy the required provisions of Section 72(s) of the Code (**Owner-Death Distribution Rules**). Terms used in this section can be found in the Code and are defined herein as to their effect on this Contract.

**Owner-Death Distributions Rules - Before the Maximum Retirement Date:** In the event that the Owner (or any Joint Owner) dies before the Maximum Retirement Date:

- (1) If the Owner is the Annuitant, and there is no living Contingent Annuitant,

we will pay the Death Benefit. If a Death Benefit is applied to provide an Annuity Benefit, payments shall not be made over a period, which extends beyond the life or the life expectancy of the Annuitant's Beneficiary. If the Annuitant's Beneficiary is a Spousal Beneficiary, **Spousal Continuation** as defined below will apply. If the Owner has elected an irrevocable form of Annuity Benefit with respect to any Annuitant's Beneficiary named, the Death Benefit will be paid in accordance with such election.

If the Owner has elected an irrevocable form of Annuity Benefit with respect to any Annuitant's Beneficiary named, the Death Benefit will be paid in accordance with such election.

- (2) If the Owner is not the Annuitant, or
- (3) the Owner is the Annuitant and there is a living Contingent Annuitant,

the Owner's Primary Beneficiary, if any, will, if alive at the time of the Owner's death, succeed as the Owner. In this case, the Surrender Value must be distributed in one of the following options:

- (A) **5-Year Distribution.** The Surrender Value shall be distributed no later than December 31 of the calendar year containing the fifth (5th) anniversary of the Owner's death, as (i) Partial Withdrawals, (ii) a Lump Sum (as defined in (C) below), or (iii) scheduled periodic withdrawals;
- (B) **Irrevocable Income Payout Options.** By December 31 of the year after the Owner's death, the Surrender Value shall begin to be distributed as (i) a Life Annuity, or (ii) scheduled periodic withdrawals paid at least annually for a period not longer than the life or the life expectancy of the Owner's Beneficiary; or
- (C) **Lump Sum.** A Lump Sum distribution shall mean the same as a Full Withdrawal as defined previously in this Contract. We will automatically pay this option if we have not received an election by the fifth (5th) anniversary of the Owner's death. Subject to our rules at the time of payment, the Owner's Beneficiary may elect to apply the Lump Sum to a new nonqualified annuity contract to be owned by the Owner's Beneficiary

- (4) If (2) and (3) above are applicable and the Owner's Beneficiary is a Spousal Beneficiary,

then the Spousal Beneficiary may choose to continue the Contract as the new Owner. Alternatively, Options (A), (B) and (C) are available for the Spousal Beneficiary's election to distribute the Surrender Value. If the Contract is continued, the Spousal Beneficiary may exercise all rights and privileges allowed by this Contract as were previously exercised by the original Owner before the Owner's death. Company Charges will continue as applicable under the Contract terms.

- (5) If (2) and (3) are applicable, and the Owner's Beneficiary is not alive or no Owner's Beneficiary has been named,

then the Owner's estate will become the Owner. In this case, only Option (A) or (C) is available for election to distribute the Surrender Value within five (5) years after the Owner's death. The Irrevocable Income Payout Option is not available in this situation.

If the Annuitant dies after the Owner, a Death Benefit shall be payable to the Annuitant's Beneficiary. If an Owner distribution had commenced on account of the Owner predeceasing the Annuitant, we shall cease paying the distribution unless otherwise directed by the Annuitant's Beneficiary. In any event, if the Death Benefit is paid in the form of an Annuity Benefit, the annuity payments shall not be made over a period, which extends beyond the life or the life expectancy of the Annuitant's Beneficiary.

- (6) In the case of Joint Owners, the death of either Owner or Joint Owner will be deemed to be the date of death for both Owner and Joint Owner. In this situation, the Owner-Death Distribution Rules (1) through (5) apply.

**Owner-Death Distribution Rules - Spousal Continuation:** *Spousal Continuation* means the Owner's spouse may choose to continue the Contract in lieu of selecting payment of the Death Benefit in the event of the Owner's death. To accomplish Spousal Continuation, the Contract must be structured as follows:

- (1) Owner and Annuitant must be the same person;
- (2) the Owner's spouse must be named as the sole Owner's and Annuitant's Beneficiary;
- (3) no Contingent Annuitant is named; and
- (4) in the case of Joint Owners, the surviving spouse must be named as the Owner's Beneficiary.

If the Owner's Beneficiary is a Spousal Beneficiary and qualifies for Spousal Continuation, the Spousal Beneficiary may choose Spousal Continuation. The Contract continues in the name of the Spousal Beneficiary as both Owner and Annuitant. The Spousal Beneficiary may exercise all rights and privileges allowed by this Contract as were previously exercised by the original Owner before the Owner's death, including the right to name a new Owner and Annuitant's Beneficiary to receive the Death Benefit upon the Spousal Beneficiary's death.

Once Spousal Continuation is in effect, if the original Spousal Beneficiary remarries and designates the new spouse as the new Owner's Beneficiary, the new spouse will be considered a Nonspousal Beneficiary for distribution purposes. Spousal Continuation is processed when the required election form is received from the Spousal Beneficiary in accordance with our administrative rules then in effect.

**Owner-Death Distribution Rules - Nonspousal Continuation:** *Nonspousal Continuation* means the Owner's Nonspousal Beneficiary may choose to continue the Contract by electing the Death Benefit to be paid out as an Irrevocable Income Payout in lieu of a Lump Sum in the event of the Owner's death. To accomplish Nonspousal Continuation, the Contract must be structured as follows:

- (1) Owner and Annuitant must be the same person;
- (2) the Owner's Nonspousal Beneficiary must be named as the Owner's and Annuitant's Beneficiary; and
- (3) no Contingent Annuitant is named.



If the Owner's Beneficiary is a Spousal Beneficiary but does not qualify for Spousal Continuation, or the Owner's Beneficiary is a Nonspousal Beneficiary and an Irrevocable Income Payout Option is elected in lieu of having the Death Benefit paid as a Lump Sum, the Contract continues in the Nonspousal Beneficiary's name as Owner by reason of being your Owner's Beneficiary. You remain the deceased Annuitant.

If the spouse is named as an Annuitant's Beneficiary to share in the proceeds with a Nonspousal Beneficiary, the spouse will be treated as a Nonspousal Beneficiary, and no Spousal Continuation is allowed.

Unless you direct otherwise, if there is more than one Owner's Nonspousal Beneficiary, each Nonspousal Beneficiary's share will be separately accounted for, and the required election form must be received from each Nonspousal Beneficiary. Additionally, we must receive due proof of death in accordance with our current administrative rules before the first election form received can be processed. Once our processing requirements are satisfied for at least one of the Nonspousal Beneficiaries, we will distribute the Death Benefit into separate shares for each Nonspousal Beneficiary. If we have not received the election form from one or more of the Nonspousal Beneficiaries, their portion of the Death Benefit shall be held in our General Account as "funds on deposit" and earn interest at the minimum rate required by law.

The Nonspousal Beneficiary will have the right to name a new Owner's Beneficiary to receive any Remaining Interest in the Contract upon the Nonspousal Beneficiary's death. The Irrevocable Income Payout Option is processed when the required election form is received from the Nonspousal Beneficiary in accordance with our administrative rules then in effect.

For purposes of this Contract, **Remaining Interest** shall mean the Account Value. Remaining Interest must be distributed **at least as rapidly** as under the method of distribution originally selected by the Owner's Nonspousal Beneficiary before the Owner's death. We will process the Owner's Nonspousal Beneficiary's request when we receive due proof of death and the required election form in accordance with our administrative rules then in effect.

**Owner-Death Distribution Rules - After the Maximum Retirement Date:** If the Owner dies after the Maximum Retirement Date and before the entire Annuity Benefit in the Contract has been distributed, the Annuity Benefit will be distributed **at least as rapidly** as under the method of distribution selected by the Owner before the Owner's death. This section is intended to comply with the **at least as rapidly** requirement under Section 72(s)(1)(A) of the Code.

**Owner-Death Distribution Rules - Non-Natural Beneficiary:** If a non-natural Owner's Beneficiary is named, the 5-Year Distribution is the sole option available to the non-natural Owner's Beneficiary to receive the Surrender Value payable.

**Spousal Continuation Benefit:** If Spousal Continuation is elected (**Continued Contract**), we will calculate the Death Benefit on the Death Benefit Date. The calculated Death Benefit will be the same amount that would have been payable to the Spousal Beneficiary if the Spousal Beneficiary had not elected Spousal Continuation. The calculated Death Benefit will become the new Account Value (**Continuation Contribution**). For tax purposes, any gain will be considered earnings.

The Continuation Contribution will be allocated to the available Guarantee Periods in the same proportion as prior to the Death Benefit Date. The **Continuation Date** is the date we process the Continuation Contribution and will become the new measuring date for Contract Years and Contract Anniversaries. After the Continuation Date, the Spousal Beneficiary, as the new Owner (**Continued Contract Owner**), may exercise the same rights as the deceased Owner under the original Contract before the Continuation Date.

The Continued Contract provides a Death Benefit payable upon the Continued Contract Owner's death. We will treat the Continuation Contribution as the initial Contribution for any Death Benefit calculation made upon the Continued Contract Owner's death. For tax purposes, the original Owner's cost basis will remain.

After the Continuation Date, we reserve the right at any time to make changes to Continued Contracts in a nondiscriminatory manner. We will notify the Continued Contract Owner of any changes made to the Continued Contract. Such changes may include, but not be limited to, the following:

- (A) We may change, add or delete Guarantee Periods available for election.
- (B) We may declare different interest rates associated with the Guarantee Periods.
- (C) We may discontinue offering administrative programs or change the terms thereof.

All other Contract benefits and features will be based on the Continued Contract Owner's attained age on the Continuation Date as if the surviving spouse had purchased the Contract with the Continuation Contribution on the Continuation Date.

**Nonspousal Continuation Benefit:** If Nonspousal Continuation is elected (*Extended Contract*), we will calculate the Death Benefit on the Death Benefit Date and apply that amount to the Irrevocable Income Payout Option selected on the required election form. The calculated Death Benefit will be the same amount that would have been payable to the Nonspousal Beneficiary if the Nonspousal Beneficiary had not elected Nonspousal Continuation. The calculated Death Benefit will become the new Account Value (*Extended Contribution*). For tax purposes, any gain will be considered earnings.

If the Irrevocable Income Payout Option is selected to be paid as scheduled periodic withdrawals, the Extended Contribution will be allocated to the Guarantee Periods in the same proportion as prior to the Death Benefit Date. The *Extension Date* is the date we process the required election form in accordance with our administrative rules then in effect. The Extension Date will become the new measuring date for Contract Years and Contract Anniversaries.

After the Extension Date, the Nonspousal Beneficiary as the new Owner (*Extended Contract Owner*) may exercise the same rights as the deceased Owner under the original Contract before the Extension Date except that no Death Benefit is available for payout at the Extended Contract Owner's death. The Extended Contract Owner's named Owner's Beneficiary will have the right to continue the Irrevocable Income Payout originally selected by the Extended Contract Owner or select a Lump Sum.

After the Extension Date, we reserve the right at any time to make changes to Extended Contracts in a nondiscriminatory manner. We will notify the Extended Contract Owner of any changes made to the Extended Contract. Such changes may include, but not be limited to, the following:

- (A) We may change, add or delete Guarantee Periods available for election.
- (B) We may declare different interest rates associated with the Guarantee Periods.
- (C) We may discontinue offering administrative programs or change the terms thereof.



## ANNUITY BENEFIT

**Annuity Benefit:** If the Annuitant lives to the Maximum Retirement Date, we guarantee monthly annuity payments for the Annuitant's lifetime with a minimum of 10 years payments (*Fixed Annuity Payment Option*). The amount of each payment is based on your last Account Value and all other Contract terms, using the Annuity Payout Interest Rate and the Mortality Table shown on your Schedule Page and the age adjustments specified below. We may offer more favorable rates and other Annuity Benefits.

### Year Life Annuity Form

<u>Payments Begin</u>	<u>Age Setback</u>
2000 - 2009	0
2010 - 2019	1
2020 - 2029	2
2030 - 2039	3
2040 - 2049	4
2050 and later	5

To determine the adjusted age, subtract the Age Setback from the actual age. For example, for a 67 year old person that will begin receiving life annuity payments in 2028, the adjusted age is 65. Use the age 65 factor from the Annuity Table.

At the time the Annuity Benefit becomes payable, if the Contract has been in effect for two (2) years or more, and either (i) the monthly annuity payment would be less than \$20, or (ii) your current Account Value is less than the Minimum Account Value (as specified on your Schedule Page), we have the right to pay that amount in a lump sum.

**Annuity Payments:** Annuity payments are made monthly starting on the Maximum Retirement Date. The annuity payments are guaranteed to be no less than the amount provided by the annuity tables. We may require proof of the Annuitant's age before making payments. From time to time, we may require proof that the Annuitant is living.

**Minimum Annuity Payment:** The Minimum Annuity Payment is specified on your Schedule Page. The number of payments in a year may be adjusted to maintain this minimum.

**Annuity Table:** The Annuity Table disclosed on your Schedule Page shows the guaranteed minimum amount of monthly annuity payment for each \$1,000 of the Account Value for the Fixed Annuity Payment Option. We may, at the time of election of a Fixed Annuity Payment Option, offer more favorable rates in lieu of the guaranteed rate shown in the annuity tables. The amount of each annuity payment will depend on the Annuitant's sex and adjusted age on the birthday prior to the date the first Annuity Payment is due.

We will utilize the Unisex Annuity Table if this Contract is sold as a Qualified Contract (as defined in the Tax Provisions section of this Contract) including a Simplified Employee Pension-Individual Retirement Annuity (*SEP-IRA*) or Tax-Sheltered Annuity (*TSA*), both as defined by the Internal Revenue Code Sections 408(k) and 403(b), but not including Individual Retirement Annuities (*IRAs*) as defined by Internal Revenue Code Sections 408(a) and 408(b)). The amount of each annuity payment is based on the Annuity Payout Interest Rate and the Mortality Table specified on your Schedule Page, which is adjusted to a unisex basis based on a 50/50% split of males and females.

## TAX PROVISIONS

**Contract Maturity:** For purposes of this Contract, the *Maximum Retirement Date* means the Contract's maturity date and the date we must begin making payments under an Annuity Benefit or pay the Surrender Value in a lump sum. The Annuitant's Maximum Retirement Date is specified on your Schedule Page. You may change the Annuitant's Maximum Retirement Date at any time after the Contract Date by providing us with Written Notice. Such change shall not take effect until received by us at our office.

If this Contract is sold as a Qualified Contract (as defined below), distribution provisions of the endorsement attached to this Contract will automatically extend the Maximum Retirement Date beyond the date specified on your Schedule Page.

**Qualified or Non-Qualified Contracts:** Qualified Annuity Contracts are defined under Sections 401(a), 403(b) and 408 of the Code (*Qualified Contract*). Non-Qualified Contracts are any contract other than those described under the sections of the Code listed above (*Non-Qualified Contract*). We reserve the right to, and we shall, administer all Contracts which are Qualified Contracts under applicable sections of the Internal Revenue Code of 1986, as amended, in accordance with all applicable laws and regulations in effect from time to time (all of which are hereby fully incorporated herein by reference and shall govern over any other provisions of the Contract to the contrary), or as otherwise required in our reasonable judgment to maintain such Qualified status or treatment, subject to all applicable legal and regulatory approvals.



## **GENERAL PROVISIONS**

**Entire Contract:** The entire contract consists of this Contract, including any riders or endorsements. Changes to this Contract are not valid unless we make them in writing. They must be signed by one of our Executive Officers. No agent has the authority to change this Contract or to waive any of its provisions.

**Incontestability:** This Contract is incontestable two (2) years from the Contract Date.

**Nonparticipating:** This Contract is nonparticipating. This means we do not pay dividends on it. The Contract will not share in our profits or surplus.

**Protection of Proceeds and Payments:** To the extent permitted by law, neither the proceeds nor any payments under this Contract shall be subject to the claims of creditors or legal process.

**Annual Statement:** At least annually prior to the Maximum Retirement Date, you will receive a statement showing your current Account Value and any other information required by law. We will mail your statement at the address contained in our records.

**Misstatement of Age or Sex:** If the Annuitant's age or sex is misstated, payments will be adjusted to the amount that would have been provided for at the correct age or sex. If payments have already commenced and the misstatement has caused an underpayment, the full amount due will be paid with the next scheduled payment. If the misstatement has caused an overpayment, the amount due will be deducted from one or more future payments.

**Contract Amendment:** We will amend this Contract from time to time in cases where we are acting to comply with applicable state law and/or regulation or with the United States Internal Revenue Code and/or regulations of the United States Treasury Department, or are acting to maintain the tax-deferred status of this Contract, pursuant to those provisions or regulations.

**Assignments:** This Contract may not be assigned as collateral or security for a loan. Otherwise, you may transfer ownership of this Contract before the Maximum Retirement Date, but we will not be bound by an assignment unless it is in writing and we have received it. Your rights and those of any person referred to in this Contract will be subject to the assignment. We assume no responsibility for the validity of any assignment. No amounts payable under this Contract to a payee other than the Owner may be assigned by that payee, nor will they be subject to the claims of creditors or to legal process, except to the extent permitted by law.

