



Retirement Stages 7<sup>®</sup> Fixed Index Annuity

# Disclosure Statement

Delaware Life Insurance Company (Waltham, MA) (the "Company")

Thank you for your interest in a Delaware Life Retirement Stages 7<sup>®</sup> Fixed Index Annuity. This Disclosure Statement provides an important summary of the features and benefits provided by the annuity contract ("Contract"); however, it is not part of the Contract. It is important that You understand the benefit, features, and limitations of this annuity before making your purchasing decision.

You can use an annuity to save money for retirement and to receive retirement income for life. It is not meant to be used to meet short-term goals. You should not buy this annuity if You are looking for a short-term investment or if You may need to withdraw money before the end of the 7-Year withdrawal and surrender charge period. Please refer to the Charges and Adjustments section below for more information.

If you decide to purchase this annuity, please read the following information carefully, sign, and return the Signature Page of this Disclosure Statement. If you have questions about this annuity, ask your financial advisor or contact Us at **877-253-2323**.

**Note:** References to financial advisors, producers, representatives, and agents will all be noted as "financial advisor" in this Disclosure Statement.

## Who are the parties to the Annuity Contract?

Parties to the Annuity Contract are Owner(s), Annuitant(s), and Beneficiary(ies).

- Owner(s) – The person(s) who designate the annuitant(s) and beneficiary(ies).
- Annuitant(s) – The person(s) upon whose lifetime(s) the annuity payments may be based.
- Beneficiary(ies) – The person(s) entitled to receive a Death Benefit payable under this Contract.

## Is it important to choose carefully when selecting the parties in My Contract?

Yes. Carefully consider whom You select as the Owner(s), Annuitant(s), and Beneficiary(ies). These choices are critical in the operation of Your annuity and they affect when and to whom Death Benefits may be paid.

## **What are the main features of my Delaware Life Retirement Stages 7<sup>®</sup> fixed index deferred annuity?**

- You may allocate money to different types of interest crediting strategies for specified periods of time (Term) or to a Fixed Account that earns interest at a fixed rate We declare for the Term.
- Because this is a flexible premium annuity, You purchase the annuity with an initial Premium (minimum \$10,000) and may choose to pay additional premium into the annuity (minimum \$500). The total amount of Premiums You may pay for Your Contract cannot exceed the Maximum Premium Amount shown in Your Contract of \$1 million, unless You have received prior Company approval.
- This annuity is a deferred annuity, which means annuity benefit payments will begin on a future date. You don't pay taxes on the interest Your annuity earns until and unless You make partial withdrawals or fully surrender.
- Tax statuses of Qualified (e.g. IRA) and Non-Qualified are available.

## **What is a Free Look?**

If you are not satisfied with the Contract, You may return it within 30 days for a refund of all premiums paid and any contract fees or other charges.

## **Your Account Values**

### **How is the account value determined?**

The account value is the sum of the Fixed Account Value and Index Account Value. Values are affected by these factors:

- Premiums paid
- Interest earned during the Accumulation Phase of Your Contract
- Withdrawals and/or amounts applied to a Settlement Option
- Rider Fees – If You add an optional rider to Your annuity, We will deduct an annual rider charge from Your account value on each Contract Anniversary.

## **Premium Allocation Options**

### **How are my initial Premium and additional Premiums allocated?**

When You buy this annuity, You choose how much of Your initial Premium to allocate to Your choice of Index Accounts and the Fixed Account. When We receive Your initial Premium, We allocate according to the elections on Your application. Unless You change Your selections before the end of a Term, they will automatically renew for a new Term.

Additional Premium payments are automatically allocated to the Fixed Account where they earn interest until the next Contract Anniversary, at which time you may reallocate all or a portion of the Fixed Account value to one or more Index Accounts.

## **Index and Index Strategy Options**

### **How are my initial Premium and additional Premiums allocated?**

You choose both an Index and an Index Strategy which in combination are known as an Index Account. You can allocate money to one or more Index Accounts as well as to the Fixed Account described in the following sections.

## ■ Indexed Account Options

The Delaware Life Retirement Stages 7<sup>®</sup> Fixed Index Annuity currently offers the following Index Accounts, which may be subject to change at any time:

- **S&P 500<sup>®</sup> 1-Year Point-To-Point with Cap**
- **S&P 500<sup>®</sup> 1-Year Performance Trigger**
- **S&P 500<sup>®</sup> 1-Year Point-To-Point with Participation Rate**

The **Standard & Poor's 500<sup>®</sup> (S&P 500<sup>®</sup>)** is an American stock market Index based on the market capitalizations of 500 large companies having common stock listed on the NYSE or NASDAQ. The S&P 500<sup>®</sup> Index components and their weightings are determined by S&P Dow Jones Indices.

- **CROCI Sectors III USD 5.5% Volatility Control Index 1-Year Point-To-Point with Spread**

The **CROCI Sectors III USD 5.5% Volatility Control Index (CROCI Volatility Control Index)**, sponsored by Deutsche Bank AG, reflects a dynamic allocation strategy which includes an equity component that seeks growth, plus a cash component intended to reduce overall volatility.

- **Morgan Stanley Global Opportunities Index 1-Year Point-To-Point with Participation Rate**

The **Morgan Stanley Global Opportunities Index (MSGO)** is a rules-based multi-asset strategy which uses a trend-following methodology to determine allocations to global equities, interest rates, and commodities. The multi-asset approach provides risk diversification designed to balance exposures to various market risk factors and reduce the portfolio's natural volatility. The index is managed to a 5% target volatility over the long term and may also include a cash allocation to reduce overall volatility. Daily index values are available on the Delaware Life website ([delawarelife.com](http://delawarelife.com)).

### What limits apply to Index Strategies?

We limit the portion of a positive Index change that can be credited to Your account value by applying either an index cap, participation rate, spread or performance trigger to each Index Strategy.

- **Index Cap Rate** – An upper limit to the percentage of gain in the value of the Index. Refer to Appendix B for Index Cap Rate calculation.
- **Index Participation Rate** – A percentage of gain in the value of the Index. Refer to Appendix B for Index Participation Rate calculation.
- **Index Spread** – A percentage calculated by subtracting a fixed annual percentage from the gain in the value of the Index. Refer to Appendix B for Index Spread calculation.
- **PT Interest Rate** – Credits funds at a fixed/declared rate based on a positive return of the index. That rate is fixed regardless of the level of the index's positive return. An index return that is less than or equal to 0% results in a 0% index interest rate.

The Index Cap Rate, Index Participation Rate, Index Spread and PT Interest Rate are all subject to change. We will set the rates before the Term begins. These rates are expressed as percentages, but they are not guaranteed interest rates. For information about current and guaranteed minimum/maximum Index Cap Rates, Index Participation Rates, Index Spreads or PT Interest Rates, ask Your financial advisor or contact Us.

### What guarantees apply to the Index Strategies?

We guarantee that, for each Index Strategy, the Index Interest Rate for a Term will never be lower than 0%. We do not guarantee that amounts allocated to an Index Account will earn interest. If the Index Interest Rate for an Index Strategy is 0%, the Index Account using that Index Strategy earns no interest for that Term.

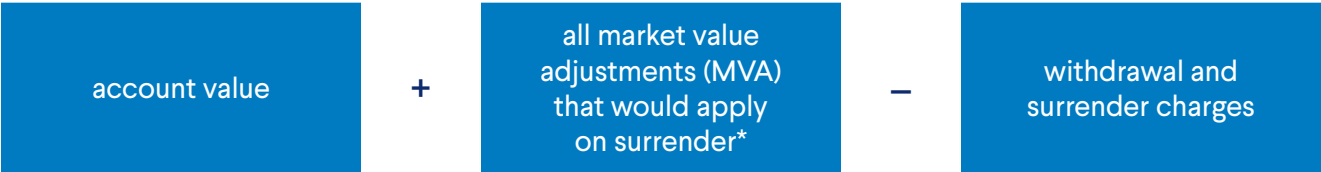
## ■ Fixed Account Option

Amounts You allocate to the fixed rate account earn interest at the fixed rate, which is subject to change. We set the fixed rate for each Term before the Term begins. The fixed rate We declare will never be lower than the specified Guaranteed Minimum Fixed Interest Rate, which is currently 1.65%. Fixed rate interest is credited daily and compounded annually.

## ■ Surrender Value

### How is the surrender value of my annuity calculated?

Here's how We calculate the surrender value of your annuity:



Please refer to the Charges and Adjustments section below for more information about MVA and withdrawal and surrender charges.

\*MVA only applies to Your annuity if issued in a state where MVA is allowed. MVA could result in a positive or negative adjustment to the account value.

## ■ Charges and Adjustments

### What charges and adjustments apply to my annuity?

The charges and adjustments described in this section apply to your annuity including:

- Early withdrawal and surrender charges
- Market Value Adjustment (if applicable)
- Optional Guaranteed Living Withdrawal Benefit (GLWB) Rider charge
- Optional Guaranteed Return of Premium Benefit Rider Benefit Rider (ROPR) charge

There are no other explicit expense charges other than those listed above.

### What are withdrawal and surrender charges?

We take withdrawal and surrender charges when You take withdrawals in excess of the free withdrawal amount during the first 7 Contract Years. The free withdrawal amount is described in the Benefits section below.

The withdrawal and surrender rate depends on how long You own Your annuity. The rate schedule is set out below. The withdrawal charge is equal to the applicable rate multiplied by the amount subject to the charge.

Contract Year	1	2	3	4	5	6	7	+
Charge rate	8.5%	8%	7%	6%	5%	4%	3%	0%

**Example:** If you withdraw \$5,000 in excess of the free withdrawal amount from your annuity in the third contract year, your surrender charge is  $\$5,000 \times 0.07 = \$350$ . If you take out any amount after the 7th contract year, there is no withdrawal and surrender charge.

## ■ Charges and Adjustments (continued)

### **What is a Market Value Adjustment (MVA)?**

Depending on the state in which Your Contract was issued, We may also apply an MVA when You surrender Your annuity or take a withdrawal during the first 7 years that You own Your Contract.

MVA is an increase or decrease to the surrender value in Your annuity. This adjustment depends on changes in interest rates as reflected in the MVA Reference Index, which is described below, since the beginning of the initial Term and the amount of time remaining until the end of Contract Year 7.

- If the value of the reference index as of the Contract Date has gone up since Your Contract was issued, then any market value adjustment that may apply will decrease Your surrender value.
- If the value of the reference index as of the Contract Date has gone down since Your Contract was issued, then any market value adjustment that may apply will increase Your surrender value.

### **How will annuity benefit payments and withdrawals be taxed?**

Your annuity is tax deferred, which means you don't pay taxes on the interest it earns until the money is paid to You.

- You will pay ordinary income taxes on the earned interest when:
  - You receive annuity benefit payments;
  - You surrender Your annuity; or
  - You take a withdrawal.
- If your state imposes a premium tax, it may be deducted from the money you receive.
- In addition, you may pay a 10% federal penalty tax on the taxable amount of any payment that You receive before age 59½. Please consult a tax professional for further information regarding possible exceptions to this penalty.

You may be able to exchange, directly transfer or roll over one tax-qualified annuity to another annuity or tax-qualified account without paying taxes. Before You do, compare the benefits, features and costs of each option. You may pay an early withdrawal charge under the old annuity or account. There is also a sales charge for Your new annuity, as well as other charges described in the Charges and Adjustments section above.

### **Does buying an annuity that is a Qualified Contract provide extra tax benefits?**

Buying an annuity within qualified plans such as Traditional IRA, Roth IRA and SEP IRA doesn't give you extra tax benefits. Choose Your annuity based on its other features and benefits as well as its risks and costs, not its tax benefits. Please consult a tax professional for further information regarding this Contract.

## ■ Benefits

Benefits of Your annuity include free withdrawal amounts, minimum guaranteed surrender value (MGSV), Enhanced Guaranteed Surrender Value (EGSV), Bailout Endorsement, Death Benefit, nursing home and terminal illness waivers, and guaranteed income. An optional Guaranteed Lifetime Withdrawal Benefit Rider and/or Guaranteed Return of Premium Benefit Rider (ROPR) may also be available for You to elect.

### **What is the free withdrawal amount?**

During the first Contract Year, the Free Withdrawal Amount is the Required Minimum Distribution (RMD) as calculated by Delaware Life. In any subsequent Contract Year, the free withdrawal amount is an amount equal to 10% of Your account value as of the most recent Contract Anniversary or RMD amount (if higher) as calculated by Us. You may take only one tax year's RMD amount during any one Contract Year.

### **What is the minimum guaranteed surrender value (MGSV)?**

MGSV is the minimum amount We could credit to Your account for annuity benefit payments, payable as a Death Benefit, or available upon surrender. This is important because We guarantee that the surrender value will never be less than the MGSV.

## ■ Benefits (continued)

### **What is the Enhanced Guaranteed Surrender Value (EGSV)?**

The EGSV applies only when We calculate the amount payable upon surrender, as annuity benefit payments, or as the Death Benefit. The Surrender Value of Your Contract will be the either the MGSV or the EGSV, whichever is greater.

The Enhanced Guaranteed Surrender Value on any date equals:

1. The sum of the Premiums You have paid multiplied by the EGSV Factor of 100%;
2. Minus all withdrawals, including any applicable Withdrawal Assessments, but not including any withdrawals to pay Rider Fees;
3. Plus interest credited daily at the EGSV Rate 1%;
4. Minus any Surrender Charges and MVA applicable upon surrender.

These rates are set when the Contract is issued and are guaranteed for the life of the Contract.

### **What is the Bailout Endorsement?**

The Bailout Endorsement specifies conditions under which You may partially or fully surrender the Contract for the full Account Value and no Withdrawal Assessments (Surrender Charge/MVA).

A Bailout Cap Rate is set at issue and is the threshold for activating the Bailout option. The Bailout is activated if the index cap rate for the Bailout Index Account, currently the S&P 500® 1-Year Point-to-Point with Cap Index Account, at renewal is lower than the Bailout Cap Rate.

If the Bailout is triggered, all applicable withdrawal assessments would be waived if You request a partial or full surrender during the Bailout Window (45 days from the beginning of the term).

The Bailout will only apply the first time the renewal Index Cap Rate is lower than the Bailout Cap Rate. No allocation to the Bailout Index Account is necessary to qualify for the Bailout.

### **What is the Death Benefit?**

The Death Benefit is an amount payable to the designated Beneficiary(ies) upon the death of the Owner or Annuitant, as set out in Your Contract. It is equal to the greater of the account value or surrender value. No Withdrawal Assessments apply to the Death Benefit.

You may make or change a designation of Beneficiary at any time, subject to the limitations set out in Your Contract. Generally, if You don't designate a Beneficiary, the Beneficiary is Your estate.

### **What happens after I die?**

If You die before the Annuity Date, We will pay the Death Benefit to Your Beneficiary(ies). If You die after the Annuity Date, We will continue payments if called for by the Settlement Option You chose.

### **What is Spousal Continuation?**

If You die and Your spouse is the sole Beneficiary, Your surviving spouse may elect to become the successor Owner and Annuitant of the Contract.

This is called Spousal Continuation. Under Spousal Continuation, the Death Benefit provisions will not be applicable until the successor Owner's death.

### **What are the Nursing Home and Terminal Illness Waivers?**

If You are confined to a nursing home and/or diagnosed with a terminal illness and meet the conditions set out in Your Contract, We will waive Withdrawal Assessments for a withdrawal or surrender. To be eligible for the Nursing Home Waiver, you must purchase Your Contract prior to Your 76<sup>th</sup> birthday and it must have been in force for at least one year. All Owners are eligible for the Terminal Illness Waiver on or after the first contract year.



## ■ Income Options

### How do I get income from my annuity?

You can get income from Your annuity through annuity benefit payments that begin on the Annuity Date. When You buy Your annuity, We set the Maturity Date, the latest possible Annuity Date when annuity payments must begin. On the Maturity Date, the account value is used to determine the annuity benefit payments. You may choose a different Annuity Date at any time, subject to the limitations set out in Your Contract.

You choose how the annuity benefit payments will be made – the Settlement Option. Your choices include:

- **Option One – Life Annuity:** Guarantees income for the life of the Annuitant.
- **Option Two – Life Annuity with Period Certain:** Pays income to the Annuitant for the fixed period of time You select. If the Annuitant dies before the end of that fixed period, the annuity pays income to the Beneficiary for the rest of that period.
- **Option Three – Joint and Last Survivor Annuity:** If the Joint Annuitant You designate survives the Annuitant, the annuity then guarantees income for as long as the Joint Annuitant lives.

Delaware Life reserves the right to offer other Settlement Options.

If the state in which Your Contract was issued charges a Premium Tax, this tax may be deducted when You apply an amount to a Settlement Option.

If You do not choose a Settlement Option before the Maturity Date, annuity payments will be made under Option Two, Life Annuity with 10 Year Period Certain.

### What happens if I take money out of my annuity?

Before the Annuity Date, You can take out all of Your account value (surrender) or part of it (withdrawal). A withdrawal and surrender charge and an MVA may apply, as described above. After the Annuity Date, You can't surrender Your annuity or withdraw money from Your annuity. To surrender Your annuity or take a withdrawal, You must complete a withdrawal/surrender form. Ask Your financial advisor for this form or contact Us.

- If You surrender Your annuity, Your Contract terminates.
- If You take a withdrawal, Your account value goes down. You can take a withdrawal as long as the amount You take is at least \$250.
- The amount withdrawn will be deducted proportionately from the Fixed Account and all Index Accounts. Amounts withdrawn from the Index Accounts will receive no interest for the Term in which the withdrawal falls.

## ■ Guaranteed Lifetime Withdrawal Benefit Rider

### What is the optional Guaranteed Lifetime Withdrawal Benefit (GLWB) Rider?

If You elect this rider at issue, the GLWB provides security through a guaranteed income payments every year for the lifetime of the person named as the Income Life if certain conditions are met—even if the account value of Your Contract decreases to zero. Additionally, the Rider may grow that future Guaranteed Annual Lifetime Income before the Income Start Date, which is the date when You elect the guaranteed stream of income payments begins.

A Rider Fee of .95% will be deducted from Your Account Value on each Contract Anniversary while the Account Value is greater than zero and the Rider is in force.

## ■ Guaranteed Lifetime Withdrawal Benefit Rider (continued)

### **What are an Income Life and Joint Income Life?**

The Income Life is the person upon whose life the Guaranteed Annual Lifetime Income amount and duration are based. After the Income Start Date, the Income Life cannot be changed. For the purposes of this Rider, prior to the Income Start Date, You may elect either a single life income based on one person's life or a joint life income based on the lives of two people who are spouses. If joint life income is elected, a Joint Income Life will be introduced but the Guaranteed Annual Lifetime Income amount and duration will be based on the youngest spouse.

When electing joint life income, the Income Life and Joint Income Life must be qualified as spouses under federal tax law. The Contract's registration and beneficiary must also be set up such that the Contract qualifies for spousal continuation under one of the arrangements shown in "What is Spousal Continuation?" above.

### **How and when can I elect my Income Start Date?**

You elect Your Income Start Date when You provide Us with a Written Request to begin receiving Guaranteed Annual Lifetime Income. In this Request, You also specify Your choice of a single life income or joint life income.

You must wait until the later of the first Contract Anniversary or the Income Life attaining the age of 50 to choose an Income Start Date.

### **After the Income Start Date, can my Guaranteed Annual Lifetime Income decrease?**

If You make an Excess Withdrawal in any Contract Year, Your Guaranteed Annual Lifetime Income for each subsequent Contract Year will be reduced in the same proportion that the Account Value was reduced by the Excess Withdrawal.

### **Excess Withdrawals could reduce future benefit payments by more than the dollar amount of the Excess Withdrawals.**

*The Free Withdrawal Amount in the Contract may exceed the Guaranteed Annual Lifetime Income and, if withdrawn following the Income Start Date, a portion of such withdrawal would be treated as an Excess Withdrawal resulting in a reduction to the Guaranteed Annual Lifetime Income.*

*Guaranteed Annual Lifetime Income amounts are not cumulative. If less than the Guaranteed Annual Lifetime Income amount is withdrawn in any one Contract Year, then the unused portion of the Guaranteed Annual Lifetime Income will not be added to the amount of Guaranteed Annual Lifetime Income available for withdrawals made in future Contract Years.*

## ■ Guaranteed Return of Premium Benefit Rider (ROPR)

### **What is the Optional Guaranteed Return of Premium Benefit Rider?**

The Guaranteed Return of Premium Benefit Rider is the Owner's right to surrender the Contract at any time prior to the Annuity Date and receive as surrender proceeds a Return of Premium Value equal to 100% of the Premiums paid for the Contract minus the sum of all prior withdrawals from the Contract, including any applicable Withdrawal Assessments, but not including any withdrawals to pay Rider Fees.

A Rider Fee of .40% will be deducted from Your Account Value on each Contract Anniversary while the Rider is in effect and the Account Value is greater than zero; it is deducted until the earliest of the end of the Surrender Charge Period, the Annuity Date, or termination of Your Contract.

The rider cannot be terminated by You prior to the end of the Surrender Charge Period. As referenced above, the Rider Fee will be deducted until the earliest of the end of the Surrender Charge Period, the Annuity Date, or termination of Your Contract.



## ■ Other Information

### What else do I need to know?

**Replacements.** The sale or liquidation of any stock, bond, IRA, certificate of deposit, mutual fund, annuity, or other asset to fund the purchase of this product may have tax consequences, early withdrawal penalties, or other cost or penalties as a result of the sale or liquidation. You or Your financial advisor may wish to consult independent legal or financial advice before selling or liquidating any asset and prior to the purchase of any life insurance or annuity products being solicited, offered for sale, or sold.

**Tax qualification.** If Your annuity is a Qualified Contract, its particular status is determined by the tax qualification endorsement attached to it. Distributions from certain Qualified Contracts may be restricted as required by tax law.

**Required minimum distributions (RMD).** If Your annuity is a Qualified Contract, it must comply with the RMD rules set out in the tax qualification endorsement. Those rules generally require certain distributions to be made beginning at age 70½. This requirement may be satisfied by starting annuity benefit payments at that time; taking money out of Your annuity as a withdrawal; or in some cases, taking money out of another annuity or tax-qualified account. This requirement doesn't apply during Your life if Your annuity is a Roth IRA.

**Changes to Your Contract.** We may change Your Annuity Contract from time to time to conform to federal or state laws and regulations. If we do, we'll inform You about the changes in writing.

**Compensation.** We may pay the financial advisor or firm for selling the annuity to You.

**Illustrations.** Any illustrated values shown to You, other than guaranteed minimum values, are not guarantees, promises or warranties.

All contractual guarantees are backed by the claims-paying ability of Delaware Life Insurance Company, located at 1601 Trapelo Road, Suite 30, Waltham, MA 02451.

### What should I know about the insurance company?

This annuity is issued by Delaware Life Insurance Company, a member of Group1001.

## ■ Contact Information

You can contact Delaware Life by phone at **877-253-2323**, by mail at Delaware Life Insurance Company, P.O. Box 758581, Topeka, KS 66675-8581, or on the web at [delawarelife.com](http://delawarelife.com).

## ■ Notices

The intent of this document is to summarize the features and benefits provided by the annuity contract ("Contract"); however, it is not part of the Contract. It has been written to support the sale of the annuity. Read the Contract for a complete understanding of the terms of the annuity. To the extent this document conflicts with any provision of the Contract, the Contract controls.

You may require advice specific to your particular circumstances. To obtain such advice, please consult with your investment, legal or tax professional.

Specific product, feature, and benefits state variations can be found in the Addendum on the last page of this document.

## Appendix A – Annuity Contract Definitions

Terms not defined here are defined elsewhere in the Disclosure Statement.

- Annuity Date** – The date on which annuity payments begin under a Settlement Option. The Annuity Date may never be earlier than one year after the Contract Date.
- Contract Date** – The date Your Contract becomes effective.
- Guaranteed Minimum Fixed Interest Rate** – The minimum annual interest rate that may be declared by Us for the Fixed Account. The Guaranteed Minimum Interest Rate is shown in the Specifications Pages of the Contract.
- Index** – An external Index used in the calculation of interest to be credited to an Index Account under the terms of an Index Strategy Endorsement attached to this Contract.
- Index Account** – An account for which interest is credited based on the combination of an Index, an Index Strategy, a Term, and a Term Start Date.
- Maturity Date** – The date shown in the Specifications Pages of Your Contract when annuity payments must begin.
- Term** – The Term is the length of time used in determining the Index Interest Credit.
- We, Our, Us, Company** – Delaware Life Insurance Company.
- Withdrawal Assessments** – The combined deductions for Withdrawal and Surrender Charges that may apply in the event You make a withdrawal from Your Contract, surrender Your Contract, or apply an amount to a Settlement Option during the Surrender Charge Period.
- Written Request** – A request in writing signed by You, in a form acceptable to Us. We may also require that Your Contract be sent in with Your Written Request. The filing or receipt of a Written Request, election or other instrument means filing or receipt in good order at Our office.

## Appendix B – Annuity Calculations

### Index Interest Rate Calculations

#### Term Point-To-Point with Cap

Lesser of:

Growth rate

Index Value on the Term End Date

–

Index Value on the Term Start Date

÷

Index Value on the Term Start Date

or

Index Cap Rate\*

\*The minimum Index Cap Rate is disclosed in Your Contract.

#### Term Point-To-Point with Participation Rate

Index Value on the Term End Date

–

Index Value on the Term Start Date

÷

Index Value on the Term Start Date

X

Index Participation Rate\*

\*The minimum Index Participation Rate is disclosed in Your Contract.

#### Term Point-To-Point with Spread

Index Value on the Term End Date

–

Index Value on the Term Start Date

÷

Index Value on the Term Start Date

–

Index Spread Rate\*

\*The maximum Index Spread Rate is disclosed in Your Contract.

### Term Performance Trigger

If

Index Value on the Term End Date

>

Index Value on the Term Start Date

=

PT Interest Rate

**Note:** We do not guarantee that amounts allocated to an Index Account will earn interest.

## ■ Appendix B – Annuity Calculations (continued)

### MVA Calculation

Here is the calculation for Market Value Adjustment: The Market Value Adjustment is equal to the amount withdrawn, surrendered, or applied to a Settlement Option, less any available Free Withdrawal Amount, times the Market Value Adjustment Factor. The Market Value Adjustment Factor is:  $(I - (J + 0.25\%)) \times N$ . Where: I = The value of the MVA Reference Index as of the Contract Date; J = The value of the MVA Reference Index as of the date of Your withdrawal, surrender, or application to a Settlement Option; and N = The number of complete months from the date of surrender or withdrawal or election of a Settlement Option to the end of the Surrender Charge Period divided by 12.

### What is the MVA Reference Index?

The name of the Index used to calculate the MVA. The reference index is currently Moody's Bond Indices – Corporate Average. Below are hypothetical examples that demonstrate how the MVA is calculated on a full surrender.

### MVA Hypothetical Examples

The hypothetical examples below demonstrate how the MVA is calculated on a full surrender. These examples are not illustrations or predictions of how an actual Contract will perform. The MVA will be determined such that the Surrender Value cannot be decreased below the Minimum Guaranteed Surrender Value. If the MVA results in an increase, the increase cannot exceed the maximum MVA that could have been deducted if the MVA had resulted in a decrease.

#### Hypothetical Assumptions

Account Value: \$120,000  
Free Withdrawal Amount: \$12,000  
MVA Reference Rate on Issue Date: 3.00%  
N (Complete months until the end of the Surrender Charge Period): 38

#### Hypothetical Example 1: Surrender in an increasing MVA Reference Rate environment

J = 4.00%  
MVA factor =  $(3\% - (4\% + .25\%)) \times (38/12) = -0.039583$   
MVA Amount =  $\$108,000 \times -0.039583 = -\$4,275$   
**\$4,275 deducted from the Surrender Value**

#### Hypothetical Example 2: Surrender in a decreasing MVA Reference Rate environment

J = 2.00%  
MVA factor =  $(3\% - (2\% + .25\%)) \times (38/12) = 0.023750$   
MVA Amount =  $\$108,000 \times 0.023750 = \$2,565$   
**\$2,565 added to the Surrender Value**

#### Definitions

Market Value Adjustment Factor:  $(I - (J + 0.25\%)) \times N$   
I = The value of the MVA Reference Index as of the Contract Date;  
J = The value of the MVA Reference Index as of the date of Your withdrawal, surrender, or application to a Settlement Option; and  
N = The number of complete months from the date of surrender or withdrawal or election of a Settlement Option to the end of the Surrender Charge Period divided by 12.  
MVA Reference Index: Moody's Bond Indices – Corporate Average

## ■ Retirement Stages 7<sup>®</sup> Disclosure Statement Signatures

By signing below, I acknowledge that I have read, or have been read, this document and I understand that I am applying for a flexible-premium, fixed index deferred annuity. I also acknowledge that this annuity meets my financial objectives. I have received a copy of the entire Disclosure Statement, as well as any advertisement that was used in connection with the sale of this annuity. I understand that other than the Minimum Guaranteed Contract Values, there are no guarantees, promises or warranties.

Proposed Owner Name (please print)	Signed at (City, State)	
Proposed Owner Signature X		Date
Proposed Joint Owner Name (please print)	Signed at (City, State)	
Proposed Joint Owner Signature X		Date

**Note: If this form is not completed and signed, we cannot consider Your application.**

**Financial Advisor's Certification:** I certify that I have given the Proposed Owner(s) a signed copy of this Disclosure Statement. I have made no statements to the Proposed Owner(s) that differ in any significant manner from this Disclosure Statement, nor did I make any changes to the Disclosure Statement itself. I have not made any promises or guarantees about the future value of any nonguaranteed elements of the annuity contract.

I also certify that I have only used Company approved marketing materials, and that I have provided a Buyer's Guide (if required by the state).

Financial Advisor Signature X	Date
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Delaware Life policies and contracts are issued by Delaware Life Insurance Company (Waltham, MA) in all states except New York. Certain product features may vary or not be available in all states. This summary is provided for clarification of the benefits which may be included in the contract when it is issued. It is for informational purposes only. In the event of any ambiguity or conflict of terms between this summary and the annuity contract, the terms of the annuity contract shall be controlling.

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- The Index has a limited performance history and past performance is no indication of future performance.
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## **CROCI Volatility Index:**

### **Risk Factors**

Before choosing an Index Option, potential purchasers should carefully consider the following selected risk factors regarding the CROCI Volatility Control Index as well as the matters set forth in the Disclosure Statement.

There are risks associated with the CROCI methodology, the CROCI Sectors III Index and the CROCI Sectors III USD 5.5% Volatility Control ("CROCI Sectors 5.5% VC") Index:

- No assurance can be given that the CROCI methodology will be successful at identifying undervalued companies;
- There is no assurance that (i) the three industry sectors chosen will outperform the other industry sectors or (ii) the 30 chosen stocks will outperform the remaining stocks in the component indices;
- Even if the strategy of the CROCI Sectors III Index is successful and it outperforms the component indices, the level of the CROCI Sectors 5.5% VC may decline;
- Because the CROCI Sectors 5.5% VC is subject to a maximum notional exposure of 100% to the CROCI Sectors III Index and will not adjust its exposure to the CROCI Sectors III Index by more than 10% on any day, the CROCI Sectors 5.5% VC may not be able to maintain a fixed target volatility level of 5.5%;
- If the realized volatility of the CROCI Sectors III Index is less than 5.5%, the CROCI Sectors 5.5% VC may have a 100% exposure to the CROCI Sectors III Index, but a target volatility level less than 5.5%;
- Because the CROCI Sectors 5.5% VC's exposure to the CROCI Sectors III Index on each day is calculated based on the historical realized volatility the CROCI Sectors III Index, the realized volatility of the CROCI Sectors 5.5% VC could differ significantly from the target volatility level;
- The CROCI Sectors 5.5% VC is subject to currency exchange rate risk; and
- Deutsche Bank AG, London Branch, as the sponsor and calculation agent of the Index, may adjust the Index and/or its components in a way that affects their respective levels and may have conflicts of interest.

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Additional information (including index description) about the Deutsche Bank Indices is available upon request.

## ■ Addendum – Product & Benefit State Variations

Connecticut – Terminal Illness Waiver and Nursing Home Waiver are not available.

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