



TheStandard®

Standard Insurance Company

Individual Annuities 800.247.6888 Tel 971.321.5742 Fax

Email: annuityservices@standard.com

 1100 SW Sixth Avenue Portland OR 97204-1093 www.standard.com

Individual Deferred Index Annuity Application

Upon written request by the owner, Standard Insurance Company will provide reasonable factual information about the contract benefits and provisions within a reasonable time. The owner may cancel and return the contract for any reason within thirty (30) days after it is received.

1 Purchase

Index Select Annuity	<input type="checkbox"/> ISA 5	<input type="checkbox"/> ISA 7	<input type="checkbox"/> ISA 10
Strategic Choice Annuity	<input type="checkbox"/> SCA 7		
Other	<input type="checkbox"/>		
Send the contract to	<input type="checkbox"/> Broker <input type="checkbox"/> Applicant		

2 Owner(s) Please Print

PRIMARY FULL LEGAL NAME/TRUST NAME		
TRUSTEE NAME (IF APPLICABLE)		
SSN OR TIN	BIRTH DATE/TRUST DATE	
BUSINESS/MAILING ADDRESS		
CITY	STATE	ZIP CODE
RESIDENCE ADDRESS		
CITY	STATE	ZIP CODE
GENDER <input type="checkbox"/> Female <input type="checkbox"/> Male <input type="checkbox"/> Not Applicable	PHONE	
E-MAIL ADDRESS		

Available for Non-Qualified Annuities only.

JOINT FULL LEGAL NAME		
SSN OR TIN	BIRTH DATE	
BUSINESS/MAILING ADDRESS		
CITY	STATE	ZIP CODE
RESIDENCE ADDRESS		
CITY	STATE	ZIP CODE
GENDER <input type="checkbox"/> Female <input type="checkbox"/> Male	PHONE	
E-MAIL ADDRESS		

3 Annuitant(s) (Please Print)

PRIMARY FULL LEGAL NAME		
SSN OR TIN	BIRTH DATE	
BUSINESS/MAILING ADDRESS		
CITY	STATE	ZIP CODE
RESIDENCE ADDRESS		
CITY	STATE	ZIP CODE
GENDER <input type="checkbox"/> Female <input type="checkbox"/> Male	PHONE	
E-MAIL ADDRESS		

JOINT FULL LEGAL NAME		
SSN OR TIN	BIRTH DATE	
BUSINESS/MAILING ADDRESS		
CITY	STATE	ZIP CODE
RESIDENCE ADDRESS		
CITY	STATE	ZIP CODE
GENDER <input type="checkbox"/> Female <input type="checkbox"/> Male	PHONE	
E-MAIL ADDRESS		

4 Premium

AMOUNT ATTACHED (use <u>only</u> if a check is enclosed)	ESTIMATED AMOUNT(S) FORTHCOMING (use for exchanges, transfers, rollovers, and additional premium to be remitted)	TOTAL AMOUNT EXPECTED
PLANNED AMOUNT PREMIUM (IF APPLICABLE)		

5 Allocation Direction: total must equal 100%

INDEX INTEREST ACCOUNT - INDEX RATE CAP	%
INDEX INTEREST ACCOUNT - PARTICIPATION RATE	%
FIXED INTEREST ACCOUNT	%

6 Source of Funds (select as many that apply)

For Transfer, Rollover or 1035 Exchange, include form 12213			
<input type="checkbox"/> New Investment	<input type="checkbox"/> 1035 Exchange	<input type="checkbox"/> Transfer	<input type="checkbox"/> Rollover

7 Contract type (select one)

<input type="checkbox"/> Non-Qualified
<input type="checkbox"/> Inherited IRA (Include form 13668)
<input type="checkbox"/> Traditional IRA
<input type="checkbox"/> Roth IRA
<input type="checkbox"/> Simplified Employee Pension (SEP) IRA
<input type="checkbox"/> Qualified Pension Plan type (select one)
<input type="checkbox"/> Transfer <input type="checkbox"/> Defined Contribution Plan
Plan Year End month/date

8 Beneficiary Designation

<input type="checkbox"/> Primary	<input type="checkbox"/> Contingent	<input type="checkbox"/> Revocable	<input type="checkbox"/> Irrevocable
FULL LEGAL NAME/TRUST NAME			
TRUSTEE NAME			
SSN OR TIN	BIRTH DATE/TRUST DATE		
RELATIONSHIP	PERCENTAGE		
BUSINESS/MAILING ADDRESS			
CITY	STATE	ZIP CODE	
PHONE	E-MAIL ADDRESS		

<input type="checkbox"/> Primary	<input type="checkbox"/> Contingent	<input type="checkbox"/> Revocable	<input type="checkbox"/> Irrevocable
FULL LEGAL NAME/TRUST NAME			
TRUSTEE NAME			
SSN OR TIN	BIRTH DATE/TRUST DATE		
RELATIONSHIP	PERCENTAGE		
BUSINESS/MAILING ADDRESS			
CITY	STATE	ZIP CODE	
PHONE	E-MAIL ADDRESS		

<input type="checkbox"/> Primary	<input type="checkbox"/> Contingent	<input type="checkbox"/> Revocable	<input type="checkbox"/> Irrevocable
FULL LEGAL NAME/TRUST NAME			
TRUSTEE NAME			
SSN OR TIN	BIRTH DATE/TRUST DATE		
RELATIONSHIP	PERCENTAGE		
BUSINESS/MAILING ADDRESS			
CITY	STATE	ZIP CODE	
PHONE	E-MAIL ADDRESS		

<input type="checkbox"/> Primary	<input type="checkbox"/> Contingent	<input type="checkbox"/> Revocable	<input type="checkbox"/> Irrevocable
FULL LEGAL NAME/TRUST NAME			
TRUSTEE NAME			
SSN OR TIN	BIRTH DATE/TRUST DATE		
RELATIONSHIP	PERCENTAGE		
BUSINESS/MAILING ADDRESS			
CITY	STATE	ZIP CODE	
PHONE	E-MAIL ADDRESS		

9 Owner, Annuitant and Broker Remarks (If additional remarks are attached to this application, be sure to sign and date.)

10 Notices and Disclosures

Contract Return

If the contract is returned during the free look period, Standard Insurance Company will: (a) cancel the contract form from the beginning; and (b) promptly refund any premium paid by the owner, less any prior partial withdrawals.

Applies if the annuity is purchased through a bank or credit union.

The annuity is not a deposit. The annuity is not guaranteed by any bank or credit union. The annuity is not insured by the FDIC or by any other governmental agency. The purchase of an annuity is not a provision or condition of bank or credit union activity. Some annuities are subject to investment risk and may go down in value.

Fraud Notice

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Privacy Statement

I understand that, in the course of processing my application, Standard Insurance Company may collect personal information about: (a) me; and (b) others I have identified in this application, e.g. beneficiaries, policy owners and annuitants. I understand that the personal information may include information about my: (a) age; (b) occupation; (c) income; (d) finances; and (e) other insurance. Standard Insurance Company may obtain personal information from: (a) this application; (b) other forms I submit to Standard Insurance Company; (c) an employer; (d) an insurance sales representative; (e) other insurance companies; (f) Standard Insurance Company's web sites; and (g) any other person, organization or institution having records or knowledge of me that are necessary to process this transaction. In the course of processing this transaction there may be circumstances in which Standard Insurance Company discloses to other parties the information collected about me. I authorize Standard Insurance Company to disclose personal information to: (a) an employer (e.g. name, employment status and Social Security number); (b) organizations or persons, including insurance sales representatives that perform services or functions necessary to process this transaction; and (c) other insurance companies. No other disclosure may be made without my further authorization except: (a) to the extent necessary for the conduct of Standard Insurance Company's business; or (b) as permitted or required by law. I understand that failure to sign the authorization may: (a) impair the ability to process my application; and (b) be the basis for denying my application. I understand that this authorization: (a) will automatically expire 24 months following the date of my signature below; (b) may be revoked by me at any time by sending a written request for revocation to Standard Insurance Company at the address above; and (c) such revocation may be the basis for denying my application. I also understand that: (a) I (or my authorized representative) have the right to request a copy of my authorization and to learn the nature and substance of any personal information about me in Standard Insurance Company's file; (b) I (or my authorized representative) have the right to ask Standard Insurance Company to correct or amend such information, if necessary; and (c) Standard Insurance Company will carefully review my request and, where appropriate, make the necessary change. To obtain further information about these rights and information practices, I have been informed that I may request a copy of the Privacy Notice by contacting Standard Insurance Company at the address above.

11. Applicant and Insurance Broker Declarations

The signatories of this application represent that all statements and information contained herein are true and complete to the best of their belief and knowledge. The insurance broker declares that all answers and information in this application have been truly and accurately recorded as provided by the applicant. The insurance broker declares that the identity of the applicant has been verified by reviewing a government-issued photo identification. The insurance broker also declares that with respect to the suitability of this sales recommendation, the applicable state requirements have been met. The signatories of this application also declare that this application was signed by the applicant after all answers and information were recorded herein. Additionally, the signatories of this application declare and certify the following:

- A.** The applicant has existing life insurance policies or annuity contracts.

Insurance Broker: Yes No

Applicant: Yes No

- B.** The contract applied for will replace an existing life insurance policy or annuity contract.

If yes, the insurance broker has left all materials used in the sales presentation with the applicant. The insurance broker has gone through the applicable replacement form with the applicant and it has been completed and enclosed with this application.

Insurance Broker: Yes No

Applicant: Yes No

- C.** The insurance broker has delivered and the applicant has received *The Buyer's Guide to Deferred Annuities*.

Insurance Broker: Yes No

Applicant: Yes No

- D.** The signatories to this application have read through the applicable product disclosure, and the insurance broker has explained and the applicant understands the various product features, including but not limited to: (a) surrenders and withdrawals; (b) surrender charges; (c) surrender charge period; (d) early withdrawal tax penalty; and (e) annuitization.

A signed product disclosure is enclosed with this application.

Insurance Broker: Yes No

Applicant: Yes No

- E.** The applicant is a full-time, active-duty member of the US Armed Forces (includes a reserve unit serving under published orders for training).

If yes, the applicable form has been completed, signed, and enclosed with this application.

Insurance Broker: Yes No

Applicant: Yes No

- F.** The applicant is purchasing an annuity that includes a market value adjustment feature.

If yes, the insurance broker has explained and the applicant understands that during the market value adjustment period: (a) any amount surrendered or used to provide annuity benefit payments may be subject to a market value adjustment; and (b) the adjustment may increase or decrease amounts payable under the contract. The insurance broker has explained and the applicant understands that: (a) if interest rates rise after the contract effective date, the market value adjustment will generally decrease the surrender value; and (b) if interest rates fall after the contract effective date, the market value adjustment will generally increase the surrender value.

Insurance Broker: Yes No

Applicant: Yes No

- G.** The insurance broker has explained and the applicant understands that The Standard does not offer legal, financial, tax, investment or estate-planning advice. The applicant has had the opportunity to seek such advice from the proper sources before purchasing this annuity.

Insurance Broker: Yes No

Applicant: Yes No

- H.** The insurance broker and the applicant agree that the purchase of this annuity is appropriate to the applicant's particular legal, financial, tax, investment, estate-planning goals and other circumstances.

The insurance broker and the applicant have gone through and completed suitability forms, as applicable. The completed and signed original of that form is enclosed with this application, a copy has been left with the applicant, and a copy has been retained and is on file with the insurance broker.

Insurance Broker: Yes No

Applicant: Yes No

INSURANCE BROKER FULL LEGAL NAME

BROKERAGE

PHONE

BUSINESS OR INSTITUTION NAME

COMMISSION PAYMENT OPTION

A B C

BUSINESS/MAILING ADDRESS

CITY

STATE

ZIP CODE

E-MAIL ADDRESS

Owner Signature

Date (MM/DD/YYYY)
Signed at (City, State)

Owner Signing as:

Self Trustee
 Attorney in Fact
(Include certified Power of Attorney and form 14389)
 Other

Joint Owner Signature

Date (MM/DD/YYYY)
Signed at (City, State)

Joint Owner Signing as:

Self Trustee
 Attorney in Fact
(Include certified Power of Attorney and form 14389)
 Other

Annuitant Signature

Date (MM/DD/YYYY)
Signed at (City, State)

Annuitant Signing as:

Self
 Attorney in Fact
(Include certified Power of Attorney and form 14389)
 Other

Joint Annuitant Signature

Date (MM/DD/YYYY)
Signed at (City, State)

Joint Annuitant Signing as:

Self
 Attorney in Fact
(Include certified Power of Attorney and form 14389)
 Other

Insurance Broker Signature

Date (MM/DD/YYYY)
Signed at (City, State)

The Standard Broker No.



This Disclosure summarizes important points for you to consider before you purchase Standard Insurance Company's (The Standard's) Index Select Annuity.

The Index Select Annuity (ISA) is a single-premium deferred indexed annuity. You purchase the annuity with one premium payment, but premiums are accepted during the first 90 contract days to accommodate multiple roll-overs, transfers and exchanges. The ISA is a fixed deferred annuity which means interest is earned during the accumulation phase and annuity payments are deferred until the annuity date or upon annuitization. The ISA is an indexed annuity that offers separate annuity account allocation options: (1) the Fixed Interest Account; and (2) the Index Interest Account. You may allocate premium between the two accounts. The ISA's principal and earnings are not subject to income taxes until funds are withdrawn or distributed. A 10% IRS early-withdrawal penalty may apply to withdrawals or distributions prior to age 59½. Please see your financial or tax professional for any exceptions to this early-withdrawal penalty. The main purpose of a deferred annuity is to save money for retirement and to receive retirement income for life. It is not meant for short-term financial goals.

If you have any questions about the ISA, please ask your broker or financial advisor. You may also contact us at the phone number shown above.

THE ANNUITY CONTRACT *How do I get an annuity started and how will the value of my annuity grow?*

Please check the appropriate box qualified annuity non-qualified annuity

Annuity An annuity allows you to pay a premium for the contract and interest will be earned on a tax-deferred basis. The premium and interest earnings are not subject to income taxes until the funds are withdrawn or distributed.

Annuitant The annuitant is the person on whose life the amount and duration of annuity benefits are based.

Owner The owner is the person or entity who has purchased the contract and to whom the contract is issued.

Issue Age An ISA 5 or 7 will be issued to owners age 18-90 and annuitants age 0-90.

Contract Effective Date The ISA's effective date is the date premium is received in The Standard's home office. The effective date is shown on the contract cover and in the contract's data pages.

Premium An ISA may be established with an initial premium of \$15,000 to \$1,000,000 (or more with prior home-office approval). Additional premium payments may be made during the first 90 days of the contract. This generally allows for multiple roll-overs, transfers and exchanges. Premium is allocated between the Fixed Interest Account and the Index Interest Account as you have indicated on the application.

Interest Rates

Fixed Interest Account. That portion of the premium placed in the Fixed Interest Account will receive the interest rate in effect as of the date the application and premium are received in the home office. It will be credited with interest daily. The initial interest rate is guaranteed for one year. After the initial one-year guarantee period, the premium in the Fixed Interest Account will receive a renewal rate based on the current economic and interest-rate environment.

Index Interest Account. Interest is credited at the end of an annual index term for that portion of premium placed in the Index Interest Account. The interest credited equals: (a) the growth of the S&P 500®¹ index over the annual index term; multiplied by (b) the amount of premium in the Index Interest Account at the end of the annual index term; subject to (c) the participation rate and the index rate cap.

The growth in the S&P 500® index equals: (a) the value of the index as of the end of the annual index term; minus (b) the value of the index as of the beginning of the annual index term; divided by (c) the value of the index as of the beginning of the annual index term.

No interest will be credited if there is no growth in the S&P 500® index. No interest will be deducted if there is a loss in the S&P 500® index.

Participation Rate The participation rate is the maximum percentage of the index change that will be used to calculate the interest to be credited to the funds in the Index Interest Account at the end of each annual index term. The participation rate is guaranteed for the life of the contract.

¹ "Standard & Poor's 500" and "S&P 500®" are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by Standard Insurance Company. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing the product. The S&P 500® index does not reflect dividends paid on the underlying stocks.

Policy: ICC11-SPDA-IA2, SPDA-IA2. Riders: ICC11-R-PTP, ICC11-R-MVA, ICC11-R-DB, ICC11-R-ANN, ICC11-R-TCB, ICC11-R-NHB, ICC11-R-ANNDW, ICC10-R-POF, ICC13-R-GMAB, ICC10-R-ERTSA, ICC10-R-NERTSA, ICC10-R-QPP, ICC11-R-IRA, ICC11-R-Roth IRA, ICC11-R-SEPP, R-ANN, R-DB, R-MVA, R-POF, R-PTP, R-TCB, R-NHB, R-ANNDW, R-GMAB, R-ERTSA, R-NERTSA, R-QPP, R-SEPP-IA

THE ANNUITY CONTRACT *How do I get an annuity started and how will the value of my annuity grow?*

Index Rate Cap The index rate cap is the maximum index change used in determining the interest rate to be credited to funds in the Index Interest Account at the end of each annual index term. The initial index rate cap is guaranteed for the first annual index term. After the initial annual index term, a renewal index rate cap will be declared annually, based on the current economic and interest-rate environment. The index rate cap is guaranteed for each annual index term for which it is declared.

Annuity Fund The annuity fund is the amount available to provide annuity benefits, surrender benefits and death benefits. The value of the annuity fund equals: (a) premium plus credited interest; minus (b) amounts surrendered, surrender charges and associated market value adjustments, and premium tax (if any).

Expense Charges There are no expense charges under the contract, other than surrender charges, market value adjustments, and premium tax in those states that require premium tax.

Safety and Guarantees During the market value adjustment period, The Standard guarantees that the owner will never receive less than 87½% of the total premium payments, net of any withdrawals taken. After the market value adjustment period, The Standard guarantees that the owner or beneficiary will never receive less than 100% of the total premium payments, net of any withdrawals taken.

Guaranteed Minimum Accumulation Benefit. After the end of the market value adjustment period, the annuity fund is guaranteed to include a minimum amount of growth. The annuity fund's guaranteed minimum accumulation value equals: (a) premium paid; minus (b) total amounts withdrawn (including surrender charges); multiplied by (c) a specified percentage. If the annuity fund value is less than the guaranteed minimum accumulation value after the end of the market value adjustment period, we will credit the contract with a one-time payment equal to the difference between the guaranteed minimum accumulation value and the annuity fund value. If the annuity fund value is equal to or greater than the guaranteed minimum accumulation value, no extra credit will be added.

INDEX INTEREST ACCOUNT GROWTH *How is the growth of funds in the Index Interest Account determined?*

Interest is credited at the end of the annual index term for funds in the Index Interest Account. For example purposes, assume:

- The participation rate guaranteed for the life of the contract is 100%
- As of the beginning of the annual index term –
 - A premium of \$20,000 is fully allocated to the Index Interest Account
 - The index rate cap for the annual index term is 7.00%
 - The S&P 500® index is 1103.29
- As of the end of the annual index term, the S&P 500® index is 1186.57

The interest rate used for the annual index term will be: (a) the growth in the S&P 500® index; or (b) the index rate cap; whichever is less.

The growth in the S&P 500® equals: (a) the S&P 500® index at the end of the index term; minus (b) the S&P 500® index at the beginning of the index term; divided by (c) the S&P 500® index at the beginning of the index term.

$$(1186.57 - 1103.29) / 1103.29 = 7.5483\%.$$

The index rate cap is 7.00%. Therefore, the index rate cap of 7.00% is less than the growth in the S&P 500® of 7.5483%.

The \$20,000 premium is credited with interest at a rate of 7.00% (the index rate cap).

$$$20,000 \times 7.00\% = \$1,400.$$

SURRENDER BENEFITS *May I take money out of my annuity and, if so, how?*

You may take money out of your annuity any time before annuity payments begin. You may take out all of your annuity's fund value (**full surrender**) or part of it (**partial surrender**).

Withdrawals must be \$500 or more. At least \$2000 must remain in the account for the contract to remain in force.

A 10% IRS penalty may apply to withdrawals made before age 59½.

A Surrender Charge will be assessed on amounts you withdraw before the end of the Surrender Charge Period, as follows:

ISA5	Year	1	2	3	4	5
	Charge	7%	6%	5%	4%	2%
ISA7	Year	1	2	3	4	5
	Charge	7%	6%	5%	4%	3%
					2%	1%

Example: If you withdrew \$5,000 for an ISA5 during the first contract year, a 7% surrender charge would apply. $\$5,000 \times .07 = \350 . The withdrawal amount paid would be $\$5,000 - \$350 = \$4,650$.

MARKET VALUE ADJUSTMENT How does the market value adjustment work?

Market Value Adjustment During the first 5 contract years for the ISA5 and the first 7 contract years for the ISA7, a market value adjustment will be applied to withdrawals or surrenders. Generally, if interest rates have risen since the purchase, the adjustment will decrease the surrender value. If interest rates have fallen since the purchase, the adjustment will increase the surrender value.

Note: The market value adjustment is waived during the market value adjustment period for any surrender for which surrender charges are waived during the surrender charge period.

Illustrated Effect of Possible Market Value Adjustment Consider the combined charges for an early surrender when market value adjustment index rates increase or decrease. The sample calculation below assumes the index is 3.00% at issue then either rises to 5.00% or drops to 1.00%. The percentages are for illustrative purposes only. Actual results may vary.

COMBINED SURRENDER CHARGE AND MARKET VALUE ADJUSTMENT

End of Contract Year	ISA 5			ISA 7		
	Unchanged at 3.00%	Increased to 5.00%	Decreased to 1.00%	Unchanged at 3.00%	Increased to 5.00%	Decreased to 1.00%
1	7.00%	12.93%	1.07%	7.00%	12.93%	1.07%
2	6.00%	11.41%	0.14%	6.00%	14.75%	-2.84%
3	5.00%	8.73%	1.04%	5.00%	12.17%	-2.92%
4	4.00%	5.98%	1.94%	4.00%	9.53%	-1.98%
5	2.00%	2.16%	1.84%	3.00%	6.81%	-1.04%
6	0.00%	0.00%	0.00%	2.00%	4.02%	-0.10%
7	0.00%	0.00%	0.00%	1.00%	1.16%	0.84%
8	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

VALUES Annuity fund values, surrender values, minimum surrender values – how do these all work together?

We have prepared an example illustration for you that pulls all of the various values together into one table. The following illustrates product performance based on historical S&P 500® index results. For these illustrative purposes, assume:

- The annuity is the ISA5
- The index rate cap is 2.50%
- \$25,000 premium
- Contract effective date is April 18, 2000
- Participation rate is 100%
- All premium has been allocated to the Index Interest Account
- No withdrawals have been made
- The rate used to calculate the guaranteed minimum accumulation value is 105%

Date	MVA Index	S&P 500 Index	Change in S&P 500	Index Rate Cap	Equity Index Credit	GMAB Credit	Account Value	Surrender Charge	Surrender Value Before MVA	MVA	Surrender Value After MVA	Guaranteed Minimum Surrender Value
4/18/2000	7.52%	1441.61				N/A	\$25,000.00					
4/18/2001	6.06%	1238.16	-14.11%	2.50%	0.00%	N/A	\$25,000.00	7%	\$23,388.24	\$856.99	\$24,245.23	\$22,531.25
4/18/2002	5.59%	1124.47	-9.18%	2.50%	0.00%	N/A	\$25,000.00	6%	\$23,991.66	\$784.47	\$24,776.13	\$23,207.19
4/18/2003	3.58%	893.58	-20.53%	2.50%	0.00%	N/A	\$25,000.00	5%	\$24,610.64	\$707.24	\$25,317.88	\$23,903.40
4/18/2004	3.41%	1134.61	26.97%	2.50%	2.50%	N/A	\$25,625.00	4%	\$25,245.60	\$625.09	\$25,870.69	\$24,620.51
4/18/2005	4.56%	1145.98	1.00%	2.50%	1.00%	1.44%	\$26,250.00	2%	\$25,896.93	\$54.20	\$25,951.13	\$25,359.12

Policy: ICC11-SPDA-IA2, SPDA-IA2. Riders: ICC11-R-PTP, ICC11-R-MVA, ICC11-R-DB, ICC11-R-ANN, ICC11-R-TCB, ICC11-R-NHB, ICC11-R-ANNDW, ICC10-R-POF, ICC13-R-GMAB, ICC10-R-ERTSA, ICC10-R-NERTSA, ICC10-R-QPP, ICC11-R-IRA, ICC11-R-Roth IRA, ICC11-R-SEPP, R-ANN, R-DB, R-MVA, R-POF, R-PTP, R-TCB, R-NHB, R-ANNDW, R-GMAB, R-ERTSA, R-NERTSA, R-QPP, R-SEPP-IA

ANNUITY BENEFITS *How do I get income (payouts) from my annuity?*

Annuity Date The annuity date is the contract anniversary nearest the annuitant's 95th birthday or the 10th contract anniversary, whichever is later. The contract will automatically annuitize and begin its payout phase, unless otherwise directed.

Payout Options You may choose from the following payment options:

Life Income – A guaranteed income for as long as the annuitant lives.

Joint & Survivor Life Income – A guaranteed income for as long as both annuitants live.

Certain Period – A guaranteed income for your chosen time period (5, 10, 15 or 20 years).

Life Income with Certain Period – A guaranteed income for your minimum chosen time period. If the annuitant is still living at the end of that period, payments continue as long as the annuitant lives.

Lump Sum – One lump-sum payment of the annuity fund.

If a payment option is not chosen, we will automatically pay under a 10-year certain and life payment option.

Annuitization An ISA may be converted into an income annuity with The Standard at any time. No surrender charges will apply if you choose a Life Income or at least a 5-year Certain Period payout option. If your state imposes a premium tax, it will be deducted from your annuitized payments.

Annuity Benefits The contract may not be surrendered once payment of annuity benefits has begun.

ACCESSING FUNDS *Are there ways to access funds without incurring a surrender charge?*

The ISA offers many ways to access funds without incurring a surrender fee. There are no surrender charges associated with the following options, but an IRS early withdrawal penalty may apply to withdrawals before you reach age 59½.

- Annual withdrawals of up to 10% of the annuity fund (inclusive of all other partial withdrawals)²
- Nursing home confinement.^{2, 3}
- Terminal condition.^{2, 3}
- IRS Required Minimum Distributions.
- Out-of-surrender-charge-period withdrawals.

DEATH BENEFITS *What happens if I die?*

The annuity's value is paid to the beneficiary if the owner dies before the annuity date, with a choice of payment options. However, death benefits must begin within one year of the date of death and may not extend beyond the beneficiary's life expectancy. Under federal law, if the beneficiary is the spouse as defined under federal law, that spouse does not need to have death benefits paid; rather, that spouse may continue the contract as though that spouse were the original owner.

ADVANTAGES OF TAX DEFERRAL *How will payouts and withdrawals from my annuity be taxed?*

The annuity fund under the ISA grows tax-deferred. Taxes will be due only when withdrawals or distributions are paid from the annuity. As a result, interest accumulates on the principal, earnings and on money that otherwise would be paid in income taxes (often referred to as triple-compounding). An IRS early withdrawal penalty may also apply to payouts and withdrawals paid before you reach age 59½. A tax-deferred annuity may be exchanged for another tax-deferred annuity without being assessed income tax on the earnings. There are no additional tax advantages to purchasing an annuity as part of a qualified plan, other than those provided by the qualified plan itself. Please consult your broker or financial advisor.

OTHER INFORMATION *What else do I need to know?*

- You have 30 days to look over the annuity contract. You may return the contract to the agent who sold it or our home office within that 30 days. Any premium paid, including any contract fees or other charges, will be refunded, less any benefits paid, and the contract will be void and considered never in force.
- No additional optional benefit riders are available.
- We pay a commission to the agent, broker or firm for selling you the annuity.

²Waiver of surrender charges available after the first contract year.

³Not available in Connecticut.

OWNER ACKNOWLEDGMENT

I affirm that I am purchasing a Index Select Annuity from Standard Insurance Company. I understand the ISA product features, to the extent summarized in this disclosure. I understand that the contract is intended as a long-term savings vehicle and, as such, may have substantial penalties for early surrenders. I understand and acknowledge that The Standard does not offer legal, financial, tax, investment or estate planning advice. I affirm that I have sought such advice from the proper sources before purchasing this contract. I acknowledge and represent that the purchase of this annuity is suitable given my particular legal, financial, tax, investment, estate planning or other goals or circumstances. I further understand that annuities are not: (a) insured by the FDIC or any federal government agency; (b) deposits of or guaranteed by any bank or credit union; or (c) provisions or conditions of any bank or credit union activity. Some annuities are subject to investment risk and may lose value. I certify that: (a) I have read and understand the ISA product brochure, the application and this disclosure statement; (b) I have retained a copy of all solicitation materials and this disclosure statement used during the course of the sale; and (c) I understand that this disclosure is a summary and not part of the contract.

Owner Name	Annuitant Name If Other Than Owner
Owner Signature	Date
Annuitant Signature If Other Than Owner	Date

BROKER ACKNOWLEDGMENT

I certify that I have read and fully understand the Index Select Annuity Broker Sales Guide and all consumer materials for The Standard's Index Select Annuity. Additionally, I have provided the Owner with the consumer materials used during the course of the sales presentation, the application and the ISA disclosure document. I have informed the Owner of the various features of the ISA and believe the Owner has been reasonably informed of those features. I further certify that I have made no statements, representations or promises about product features or future rate performance that are in any way inconsistent with those materials.

Insurance Broker Name	Standard Insurance Company Identification Number
Insurance Broker Signature	Date

**Return the signed original of this disclosure together with the application and leave a copy with the applicant.
Keep a copy for your records.**



TheStandard®

Index Select Annuity Disclosure

Standard Insurance Company

Individual Annuities 800.247.6888 Tel

1100 SW Sixth Avenue Portland OR 97204-1093 www.standard.com

Please check the appropriate box: Qualified Annuity Non-qualified Annuity

This Disclosure summarizes important points for you to consider before you purchase Standard Insurance Company's (The Standard's) Index Select Annuity.

The Index Select Annuity (ISA) is a single-premium deferred index annuity. You purchase the annuity with one premium payment, but premiums are accepted during the first 90 contract days to accommodate multiple roll-overs, transfers and exchanges. The ISA is an individual fixed deferred index annuity which means interest is earned during the accumulation phase and annuity benefit payments are deferred until the annuity date or upon annuitization. The ISA is an index annuity that offers annuity account allocation options: (a) fixed interest account; and (b) index interest account(s). You may allocate premium among the accounts. Under current tax law: (a) the principal and earnings are not subject to income taxes until funds are withdrawn or distributed; and (b) a 10% IRS early-withdrawal penalty may apply to withdrawals or distributions prior to age 59½. Tax law is subject to change. Please see your financial or tax professional for any exceptions to the early-withdrawal penalty.

The main purposes of a deferred annuity are: (a) to save money for retirement; and (b) to receive retirement income for life. It is not meant for short-term financial goals.

If you have any questions about the ISA, please ask your broker or financial advisor. You may also contact us at the phone number shown above.

THE ANNUITY CONTRACT. *How will the value of my annuity grow?*

Annuity. An annuity allows you to pay a premium for the contract and interest will be earned on a tax-deferred basis. The premium and interest earnings are not subject to income taxes until the funds are withdrawn or distributed.

Owner. The owner is the person or entity who has purchased the contract and to whom the contract is issued.

Annuitant. The annuitant is the person on whose life the amount and duration of annuity benefit payments are based.

Issue Age. An ISA5 will be issued to owners age 18-93 and annuitants age 0-93. (Note: Ages 91-93 must be for transfer of wealth or estate-planning purposes.) The ISA7 will be issued to owners age 18-90 and annuitants age 0-90. The ISA10 will be issued to owners age 18-80 and annuitants age 0-80.

Contract Effective Date. The contract effective date is the date premium is received in The Standard's home office. The effective date is shown on the contract cover.

Premium. An ISA may be established with an initial premium of \$15,000 to \$1,000,000 (or more with prior home-office approval). Additional premium payments may be made during the first 90 days of the contract. This generally allows for multiple roll-overs, transfers and exchanges. Premium is allocated among the fixed interest account and the index interest account(s) as you have indicated on the application. You must allocate a total of at least 15% of your premium to the index account(s), and no less than \$2,000 to any account to which you have allocated premium.

Annuity Fund. The annuity fund is the amount available to provide annuity benefit payments, surrender benefits and death benefits. The value of the annuity fund is: (a) premium plus credited interest; plus (b) the guaranteed minimum accumulation benefit; minus (c) net amounts surrendered, surrender charges and associated market value adjustments; minus (d) premium tax, if any.

Expense Charges. There are no expense charges under the contract. There are surrender charges, market value adjustments and premium tax in those states that require premium tax.

Safety and Guarantees. The Standard guarantees that the owner will never receive less than: (a) 87½% of the total premium payments, net of any withdrawals taken; accumulated at (b) an annual interest rate no less than 1.00%.

Contract: SPDA-IA-DE; SPDA-IA-ND; Riders: R-PTP, R-GMAB-IA, R-MVA-IA, R-TCB-IA, R-NHB-IA, R-TCB/NHB-IA-SD, R-ANN-IA, R-DB-IA, R-ANNDW, R-POF-IA, R-IRA, R-Roth IRA, R-QPP

Interest Rates.

Fixed Interest Account. The portion of the initial premium allocated to the fixed interest account will receive the interest rate in effect as of the date the application and premium are received in the home office. Additional premium allocated to the fixed interest account received during the first 90 days of the contract will receive the interest rate in effect at the time it is received in the home office.

Premium payments are credited with a guaranteed interest rate for 1 year. Thereafter, the credited interest rate on the fixed interest account may change.

Interest compounds daily.

Index Interest Account(s). The portion of initial premium allocated to the index interest account(s) is credited with interest at the end of the applicable index term. The interest credited is based on the index change of the applicable index over the index term, subject to the index account's participation rate and index rate cap for the index term.

No interest will be credited or deducted if the index change is zero or less.

Index Term. An index term is the time period over which an index change is measured to determine the interest to be credited to funds in the index interest account. The initial index term begins on the day funds are first allocated to the index interest account(s). The index term is:

Participation Rate Index Interest Account:	1 year
Index Rate Cap Index Interest Account:	1 year

Participation Rate. The participation rate is the percentage of the index change that will be used to calculate the interest credited at the end of each index term. The interest credited to the fund will never be negative. After each index term a new participation rate will be declared. The participation rate is guaranteed for each index term for which it is declared.

Index Rate Cap. The index rate cap is the maximum interest rate that will be used to calculate the interest credited at the end of each index term. The interest credited to the fund will never be negative. After each index term a new index rate cap will be declared. The index rate cap is guaranteed for each index term for which it is declared.

Guaranteed Minimum Accumulation Benefit. If at the end of the surrender charge period the value of the annuity fund is less than the guaranteed minimum accumulation value, the contract will be credited with a one-time payment of a guaranteed minimum accumulation benefit (GMAB). The GMAB is equal to the difference between the guaranteed minimum accumulation value and the value of the annuity fund. The GMAB will be credited to each account in the proportion each account has to the value of the annuity fund as of the day immediately preceding the guaranteed minimum accumulation benefit eligibility date.

INDEX INTEREST ACCOUNT GROWTH. *How is the growth of funds in the Index Interest Account(s) determined?*

Interest is credited at the end of the index term for funds in the index interest account(s). For example, assume the following:

- The index term is one year.
- The participation rate in the Participation Rate index interest account for the annual index term is 40%.
- The index rate cap in the Index Rate Cap index interest account for the annual index term is 5.00%.

The index growth rate equals: (a) the index at the end of the annual index term; minus (b) the index at the beginning of the annual index term; divided by (c) the index at the beginning of the annual index term. For example, if the index at the beginning of the annual index term is 1000 and the index at the end of the annual index term is 1100, the index growth rate is:

$$(1100 - 1000) / 1000 = 10.00\%.$$

For the Participation Rate index interest account, the index growth rate is multiplied by the participation rate:

$$10.00\% * 40\% = 4.00\%$$

For the Index Rate Cap index interest account, the index growth rate is compared to the index rate cap:

$$\text{The lesser of } 10.00\% \text{ and } 5.00\% = 5.00\%$$

The interest credited to each account will never be less than zero. Assuming each index interest account begins with \$20,000 in premium, the following table shows the percentage and dollar amount of interest credited after one year given various index growth rates:

Index Growth Rate	<u>-5.0%</u>	<u>3.0%</u>	<u>10.0%</u>	<u>20.0%</u>
Participation Rate index interest account	0.00% / \$0	1.2% / \$240	4.0% / \$800	8.0% / \$1,600
Index Rate Cap index interest account	0.00% / \$0	3.0% / \$600	5.0% / \$1,000	5.0% / \$1,000

SURRENDER BENEFITS. *May I take money out of my annuity?*

You may take money out of your annuity any time before annuity benefit payments begin. You may take out all of your annuity's fund value (**full surrender**) or part of it (**partial surrender**). Withdrawals must be \$500 or more. At least \$2,000 must remain in the annuity fund for the contract to remain in force. A 10% IRS penalty may apply to withdrawals made before you reach age 59½.

A surrender charge will be assessed on amounts you withdraw during the surrender charge period, as follows:

ISA 10

Contract Year	1	2	3	4	5	6	7	8	9	10
Surrender Charge	9.4%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%	0.5%

ISA 7

Contract Year	1	2	3	4	5	6	7
Surrender Charge	9.4%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%

ISA 5

Contract Year	1	2	3	4	5
Surrender Charge	9.4%	8.5%	7.5%	6.5%	5.5%

Example: If you withdrew \$5,000 during the first contract year, a 9.4% surrender charge would apply. $\$5,000 \times .094 = \470 . A \$470 surrender charge would be deducted from the \$5,000 withdrawal amount, i.e. $\$5,000 - \$470 = \$4,530$. The resulting \$4,530 is then subject to a market value adjustment.

MARKET VALUE ADJUSTMENT. *How does the market value adjustment work?*

Market Value Adjustment. The Index Select Annuity includes a market value adjustment feature. During the market value adjustment period, any amount surrendered is subject to a market value adjustment (MVA). The MVA may increase or decrease the amounts payable. Generally, if interest rates rise after the beginning of the market value adjustment period, the MVA will decrease the surrender value; and, if interest rates fall, the MVA will increase the surrender value. The MVA is waived for any surrender or benefit payment for which surrender charges are waived.

Market Value Adjustment Period. The Market Value Adjustment Period begins on the date the Surrender Charge Period begins and runs concurrently with the Surrender Charge Period.

Example. Consider the combined charges for an early surrender when the MVA index rates increase or decrease. The examples below assume the index is 3.00% as of the contract effective date, then either rises to 5.00% or drops to 1.00%. This is for example purposes only. Actual results may vary.

ISA 10

End of MVA Period Year	1	2	3	4	5	6	7	8	9	10
Unchanged at 3.00%	9.4%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%	2.5%	1.5%	0.5%
Increased to 5.00%	13.9%	15.3%	16.7%	16.8%	14.3%	11.7%	9.1%	6.3%	3.5%	0.7%
Decreased to 1.00%	4.9%	1.7%	-1.7%	-5.0%	-4.4%	-3.5%	-2.5%	-1.6%	-0.6%	0.3%

ISA 7

End of MVA Period Year	1	2	3	4	5	6	7
Unchanged at 3.00%	9.4%	8.5%	7.5%	6.5%	5.5%	4.5%	3.5%
Increased to 5.00%	13.9%	15.2%	14.5%	11.9%	9.2%	6.5%	3.7%
Decreased to 1.00%	4.9%	1.8%	-0.2%	0.7%	1.6%	2.4%	3.3%

ISA 5

End of MVA Period Year	1	2	3	4	5
Unchanged at 3.00%	9.4%	8.5%	7.5%	6.5%	5.5%
Increased to 5.00%	13.8%	13.8%	11.1%	8.4%	5.7%
Decreased to 1.00%	5.0%	2.8%	3.6%	4.5%	5.3%

ANNUITY BENEFITS. *What payment options are available under my annuity?*

Annuity Date. The annuity date is: (a) the contract anniversary coinciding with or next following the date the (older) annuitant's 115th birthday; or (b) the 10th contract year; whichever is later. The contract will automatically annuitize and begin its payout phase, unless otherwise directed.

Payout Options. You may choose from the following payment options:

Life Income – A guaranteed income for as long as the annuitant lives.

Joint & Survivor Life Income – A guaranteed income for as long as one of the annuitants lives.

Certain Period – A guaranteed income for your chosen time period, e.g. 5, 10, 15 or 20 years.

Life Income with Certain Period – A guaranteed income for your minimum chosen time period. If the annuitant is still living at the end of that period, payments continue as long as the annuitant lives.

Lump Sum – One lump-sum payment of the annuity fund.

If a payment option is not chosen, we will automatically pay under the 10-year certain and life payment option.

Annuitization. The annuity may be converted into an income annuity with The Standard at any time. No surrender charges will apply if you choose a life income or at least a 5-year certain period payment option. If your state imposes a premium tax, it will be deducted from your annuitized payments.

Annuity Benefit Payments. The contract may not be surrendered once annuity benefit payments have begun.

ACCESSING FUNDS. *Are there ways to access funds without incurring a surrender charge?*

Your annuity offers a number of ways to access funds without incurring a surrender charge. There are no surrender fees associated with the following options, but an IRS early-withdrawal penalty may apply to withdrawals before you reach age 59½.

Terminal condition of the owner.

Nursing home confinement of the owner.

Annual withdrawals after the first contract year of up to 10% of the annuity fund (inclusive of all other partial withdrawals).

Annuitization.

Death of Annuitant.

Waiver of Surrender Charge.

IRS Required Minimum Distributions.

Out-of-surrender-charge-period withdrawals.

DEATH BENEFITS. *What happens to my annuity if I die?*

The death benefit is paid to the beneficiary if the owner dies before the annuity date, with a choice of payment options. The death benefit is equal to: (a) the value of the annuity fund as of the date of death; or (b) the minimum nonforfeiture value as of the date of death (the regulatory guaranteed minimum); whichever is greater. The death benefit will be credited with its pro-rata share of interest, subject to any applicable participation rate or index rate cap. Death benefits must begin within one year of the date of death and may not extend beyond the beneficiary's life expectancy. If the surviving beneficiary is the spouse as recognized under federal law, that spouse does not need to have death benefits paid. Rather, that spouse may continue the contract as though that spouse were the original owner.

PARTIAL INDEX INTEREST CREDIT. *Are there instances in which I will get a partial index credit?*

Generally, interest is credited to the index interest account(s) at the end of an index term. However, for surrender benefits associated with nursing home confinement or terminal condition, for death benefits and for annuity benefits, a pro-rata share of interest will be credited to the benefit payment attributable to the index interest account(s). The pro-rata share for each index interest account is subject to any applicable participation rate and index rate cap.

ADVANTAGES OF TAX DEFERRAL UNDER CURRENT TAX LAW. *How will payouts and withdrawals from my annuity be taxed?*

Your annuity grows tax deferred. Taxes will be due only when withdrawals or distributions are paid from the annuity. As a result, interest accumulates on the principal, earnings and on money that otherwise would be paid in income taxes (often referred to as triple-compounding). An IRS early-withdrawal penalty may also apply to payouts and withdrawals paid before you reach age 59½. A tax-deferred annuity may be exchanged for another tax-deferred annuity without being assessed income tax on the earnings. There are no additional tax advantages to purchasing an annuity as part of a qualified plan other than those provided by the qualified plan itself. Please consult your broker or financial advisor.

OTHER INFORMATION. *What else do I need to know about my annuity?*

Free Look. You have 30 days to look over the annuity contract. You may return the contract to the agent who sold it or to our home office within that 30 days. Any premium paid, including any contract fees or other charges, will be refunded, less any benefits paid. The contract will be void and considered never in force.

Commission. We pay a commission to the agent, broker or firm selling you the annuity.

OWNER ACKNOWLEDGEMENT

I affirm that I am purchasing an Index Select Annuity from Standard Insurance Company. I understand the ISA product features to the extent summarized in this disclosure. I understand that the contract is intended as a long-term savings vehicle and, as such, may have substantial penalties for early surrenders. I understand and acknowledge that The Standard does not offer legal, financial, tax, investment or estate planning advice. I affirm that I have sought such advice from the proper sources before purchasing the annuity contract. I acknowledge and represent that the purchase of this annuity is suitable given my particular legal, financial, tax, investment, estate planning or other goals or circumstances. I further understand that annuities are not: (a) insured by the FDIC or any federal government agency; (b) deposits of or guaranteed by any bank or credit union; (c) provision or conditions of any bank or credit union activity. Some annuities are subject to investment risk and may lose value. I certify that: (a) I have read and understand the ISA product brochure, the application and this disclosure statement; (b) I have retained a copy of all solicitation materials and this disclosure used during the course of the sale; and (c) I understand that this disclosure is not part of the contract.

(Owner Signature)

(Owner Printed Name)

Date:

Signed at City, State:

Email Address:

(Joint Owner Signature, if any)

(Joint Owner Printed Name, if any)

Date:

Signed at City, State:

Email Address:

(Annuitant Signature, if other than Owner)

(Annuitant Printed Name, if other than Owner)

Date:

Signed at City, State:

Email Address:

(Joint Annuitant Signature, if any)

(Joint Annuitant Printed Name, if any)

Date:

Signed at City, State:

Email Address:

BROKER ACKNOWLEDGEMENT

I certify that I have read and fully understand the Index Select Annuity Broker Sales Guide and all consumer materials for The Standard's Index Select Annuity. I have provided the applicant(s) with the consumer materials used during the course of the sales presentation, the application and the ISA disclosure document. I have informed the applicant(s) of the various features of the Index Select Annuity and believe the applicant(s) has been reasonably informed of those features. I further certify that I have made no statements, representations or promises about product features and future rate performance that are in any way inconsistent with those materials.

(Insurance Broker Signature)

(Insurance Broker Printed Name)

Date:

Signed at City, State:

Email Address:

Return the signed original of this disclosure together with the application and leave a copy with the applicant.

Keep a copy for your records.

NOTICE CONCERNING POLICYHOLDER RIGHTS IN AN INSOLVENCY UNDER THE MINNESOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION LAW

If the insurer that issued your life, annuity or health insurance policy becomes impaired or insolvent, you are entitled to compensation for your policy from the assets of that insurer. The amount you recover will depend on the financial condition of the insurer.

In addition, residents of Minnesota who purchase life insurance, annuities, or health insurance from insurance companies authorized to do business in Minnesota are protected, SUBJECT TO LIMITS AND EXCLUSIONS, in the event the insurer becomes financially impaired or insolvent. This protection is provided by the Minnesota Life and Health Insurance Guaranty Association.

Minnesota Life & Health Insurance Guaranty Association
4760 White Bear Parkway
Suite 101
White Bear Lake, Minnesota 55110
(651) 407-3149

The maximum amount the Guaranty Association will pay for all policies issued on one life by the same insurer is limited to \$500,000. Subject to this \$500,000 limit, the Guaranty Association will pay up to \$500,000 in life insurance death benefits, \$130,000 in net cash surrender and net cash withdrawal values for life insurance, \$500,000 in health insurance benefits, including any net cash surrender and net cash withdrawal values, \$250,000 in annuity net cash surrender and net cash withdrawal values, \$410,000 in present value of annuity benefits for annuities which are part of a structured settlement or for annuities in regard to which periodic annuity benefits, for a period of not less than the annuitant's lifetime or for a period certain of not less than ten years, have begun to be paid on or before the date of impairment or insolvency, or if no coverage limit has been specified for a covered policy or benefit, the coverage limit shall be \$500,000 in present value. Unallocated annuity contracts issued to retirement plans, other than defined benefit plans, established under section 401, 403(b), or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1992, are covered up to \$250,000 in net cash surrender and net cash withdrawal values, for Minnesota residents covered by the plan provided, however, that the Association shall not be responsible for more than \$10,000,000 in claims from all Minnesota residents covered by the plan. If total claims exceed \$10,000,000, the \$10,000,000 shall be prorated among all claimants. These are the maximum claim amounts. Coverage by the Guaranty Association is also subject to other substantial limitations and exclusions and requires continued residency in Minnesota. If your claim exceeds the Guaranty Association's limits, you may still recover a part or all of that amount from the proceeds of the liquidation of the insolvent insurer, if any exist. Funds to pay claims may not be immediately available. The Guaranty Association assesses insurers licensed to sell life and health insurance in Minnesota after the insolvency occurs. Claims are paid from this assessment.

THE COVERAGE PROVIDED BY THE GUARANTY ASSOCIATION IS NOT A SUBSTITUTE FOR USING CARE IN SELECTING INSURANCE COMPANIES THAT ARE WELL MANAGED AND FINANCIALLY STABLE. IN SELECTING AN INSURANCE COMPANY OR POLICY, YOU SHOULD NOT RELY ON COVERAGE BY THE GUARANTY ASSOCIATION.

THIS NOTICE IS REQUIRED BY MINNESOTA STATE LAW TO ADVISE POLICYHOLDERS OF LIFE, ANNUITY OR HEALTH INSURANCE POLICIES OF THEIR RIGHTS IN THE EVENT THEIR INSURANCE CARRIER BECOMES FINANCIALLY INSOLVENT. THIS NOTICE IN NO WAY IMPLIES THAT THE COMPANY CURRENTLY HAS ANY TYPE OF FINANCIAL PROBLEMS. ALL LIFE, ANNUITY AND HEALTH INSURANCE POLICIES ARE REQUIRED TO PROVIDE THIS NOTICE.

STANDARD INSURANCE COMPANY
P.O. Box 711
Portland, Oregon 97207

Standard Insurance Company

Individual Policy Issue
1100 SW Sixth Avenue Portland OR 97204-1093

**Minnesota Guaranty Association Notice
Delivery Receipt**

Name of Applicant: _____
(please print)

Signature of Applicant: _____ Date: _____

To all producers completing a Minnesota application:

Minnesota law requires documentation of the fact that Minnesota's guaranty association notice is given to the applicant at the time of application. For your convenience, we are providing you with this delivery receipt to assist in your compliance with this law.

Please complete this receipt and forward it with the completed application to the home office.

I, the undersigned producer, declare that I provided a copy of Minnesota's required guaranty association notice at the time of application to the above applicant.

Date

Signature of Producer



The purpose of this profile is to help your insurance broker determine if the annuity product you are purchasing from The Standard is suitable based on your financial situation and goals. You must complete this profile in its entirety and submit it with your application for The Standard to proceed with your purchase.

CHECK HERE IF A MEDICAID SPIA
A. OWNER INFORMATION

Full Legal Name _____	Birth Date _____
Are you actively employed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Anticipated Retirement Age _____

JOINT OWNER INFORMATION

Full Legal Name _____	Birth Date _____
Are you actively employed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Anticipated Retirement Age _____

B. FINANCIAL GOALS AND OBJECTIVES **IMPORTANT ALL QUESTIONS MUST BE ANSWERED**

1. Why are you considering purchasing this annuity?
(check all that apply) Immediate Income Long-Term or Lifetime Income
 Tax Deferral Assets for Beneficiaries
 Estate Planning Retirement
 Safety of Funds Other
2. What is your financial time horizon for achieving this annuity's goals? Less than one year 1-5 years 6-10 years
 Longer than 10 years
3. How long do you plan to keep this annuity? _____ years
4. Which financial products do you own or have you previously owned? *(check all that apply)* Deferred Annuities Immediate Annuities
 Life Insurance Certificates of Deposit
 Stocks/Bonds/Mutual Funds
 Other
5. What sources of funds will be used for the purchase of this annuity? *(check all that apply)* Other Annuities Life Insurance
 Savings/Checking Certificates of Deposit
 Money Market Stocks/Bonds/Mutual Funds
 Loan IRA or Retirement Plan
 Reverse Mortgage Other
6. Is the source of funds a life insurance policy or annuity contract? Yes No

If yes, please answer questions a-f, otherwise proceed to Section C.

- a. Will you incur a surrender charge by exchanging your old policy? Yes No

If yes, what is the surrender charge (including, if applicable, MVA or other adjustments) on each policy being replaced? Policy 1: _____ % Policy 2: _____ %
 Policy 3: _____ % Policy 4: _____ %

If surrender charge exceeds 2%, please explain why this is suitable in Section E.

- b. Will a market value adjustment reduce the value of the replaced contract? Yes No

Submit original with application. Leave copy with applicant. Keep copy in producer file.

Incomplete without all pages and signatures

B. FINANCIAL GOALS AND OBJECTIVES **IMPORTANT ALL QUESTIONS MUST BE ANSWERED**

c. Will you lose existing benefits by surrendering your existing policy? (check all that apply) Yes No
 Death Benefit Living Benefit
 Interest Bonus Persistency Bonus
 Higher Guaranteed Interest Rate
 Other _____

d. By proceeding with the proposed exchange or replacement, will you be subject to increased fees, investment advisory fees, or charges for riders and similar product enhancement? Yes No

e. Have you had another policy exchange or replacement within the past 36 months? Yes No

f. How does this annuity better meet your financial goals? _____

C. FINANCIAL INFORMATION **IMPORTANT ALL QUESTIONS MUST BE ANSWERED**

1. What is your federal income tax bracket? 10% 15% 25% 28% 33% 35%

2. What will be your annual household gross income after this proposed annuity purchase? \$ _____

3. What are your annual household living expenses, including annual debt payments? \$ _____

4. After the purchase of this annuity, will you have sufficient income to meet your expenses? Yes No

5. Do you anticipate significantly higher expenses during the proposed annuity surrender period including medical expenses? Yes No
 If yes, what is the highest level of reoccurring annual expenses expected during the surrender charge period? \$ _____

6. Do you anticipate significantly lower income during the proposed annuity surrender period? Yes No
 If yes, what is the lowest level of reoccurring annual income expected during the surrender charge period? \$ _____

7. What are your total liquid assets before the proposed annuity purchase? \$ _____
 Liquid assets may be:
 • Savings/Checking/CDs • Stocks/Bonds/Mutual Funds
 • Retirement Plan Funds • Life Insurance
 • Cash Value of Annuities

8. What percentage of your liquid assets will the proposed annuity purchase be? (*Annuity purchase amount ÷ Line 7*) _____ %

9. Do you anticipate changes in your out-of-pocket medical expenses during the proposed annuity's surrender period? Yes No

10. Is your income sufficient to cover future changes in your household or medical expenses during the proposed annuity's surrender period? Yes No

Submit original with application. Leave copy with applicant. Keep copy in producer file.

Incomplete without all pages and signatures

C. FINANCIAL INFORMATION **IMPORTANT ALL QUESTIONS MUST BE ANSWERED**

11. Do you have an emergency fund for unexpected expenses? Yes No
12. If you answered yes to questions 5, 6 or 9, or no to questions 4, 10 or 11, please explain. _____
13. Do you intend to apply for means-tested government benefits, including but not limited to, Medi-Cal or the veterans' aid and attendance benefit? Yes No

D. OTHER CONSIDERATIONS **IMPORTANT ALL QUESTIONS MUST BE ANSWERED**

1. Do you anticipate a need to withdraw more than a penalty-free amount from this annuity during the surrender period? Yes No
2. Do you understand that if you withdraw more than a penalty-free amount from this annuity during the surrender period, you will incur a surrender charge? Yes No
3. What distributions do you anticipate from this annuity?
(check all that apply) Annuitization Immediate income
 Substantially Equal Periodic Payments Required minimum distributions Full surrender
 Partial withdrawals Interest-only payments No distributions anticipated
4. When do you anticipate taking your first distribution from this annuity? *(choose one)* 1 year 2-5 years 6-7 years
 8-10 years Longer than 10 years
5. Do you understand that you may incur a 10% federal tax penalty for withdrawals before age 59½? Yes No
6. Does the owner currently reside in a nursing home or assisted living facility? Yes No
7. Describe your risk tolerance:
- Conservative: I want to preserve my initial principal with minimal risk, even if that means the account does not generate significant income or returns and may not keep pace with inflation.
- Moderate: I am willing to accept some risk to my initial principal and tolerate some volatility to seek higher returns, and understand I could lose a portion of money invested.
- Aggressive: I am willing to accept maximum risk to my initial principal to aggressively seek maximum returns, and I understand I could lose most, or all, of the money invested.
8. Which of the following best describes your financial experience?
- Very experienced: Good understanding of financial products, own a broad range of financial products, confident about financial decisions.
- Moderate experience: General understanding of some financial products, own some financial products, willing to make some financial decisions.
- Limited experience: Primary savings in certificates of deposit, savings/checking, money market funds; nervous about financial decisions.
9. What additional information should your insurance producer know before making a final annuity purchase recommendation?
(Examples: expected major life changes, beneficiary needs, etc.)
- _____
- _____

Submit original with application. Leave copy with applicant. Keep copy in producer file.

Incomplete without all pages and signatures

E. INSURANCE BROKER DECLARATIONS AND ACKNOWLEDGMENT

**** IMPORTANT ** THE FOLLOWING SECTION MUST BE COMPLETED BY THE AGENT, INSURER OR MANAGING GENERAL AGENT PROPOSING THIS PURCHASE. IT MAY NOT BE LEFT BLANK OR CONTAIN A RESPONSE CONSISTING OF "NONE" OR "N/A". AN INCOMPLETE RESPONSE WILL RESULT IN A DELAY IN ISSUANCE.**

I have recommended the purchase of this annuity. The basis for my recommendation is:

I declare that I have truly and accurately recorded on this form all of the information provided by the Purchaser(s). I have verified the identity of the Purchaser(s) with government-issued photo identification and I believe the identity information provided to me is true and accurate. I have informed the Purchaser(s) of the various features of the annuity including tax penalties and fees. I believe that the Purchaser(s) will benefit from the annuity's features. Based on the facts disclosed to me by the Purchaser(s) and based on all circumstances known to me at the time the recommendation was made, I declare that this annuity purchase as a whole is suitable to the insurance needs and financial objectives of the Purchaser(s).

Insurance Broker Signature: _____ Date: _____

Insurance License Number: _____

Standard Insurance Company Producer Identification Number: _____

F. OWNER(S) DECLARATIONS AND ACKNOWLEDGMENT

I/we hereby acknowledge:

- Yes No I/we represent that all statements and information provided herein are true and complete to the best of my belief and knowledge.
- Yes No I/we understand that should I provide incomplete or inaccurate information, I will limit protection afforded to me by law regarding the suitability of this purchase.
- Yes No I/we have reviewed the product-specific disclosure with my insurance broker and I understand the costs and features of the annuity I am purchasing.
- Yes No I/we understand and acknowledge that The Standard and its representative do not offer legal, financial, tax, investment or estate-planning advice and I have had the opportunity to seek such advice from the proper sources before purchasing this annuity.
- Yes No I/we believe that the purchase of this annuity is appropriate to my particular legal, financial, tax, investment and estate-planning goals and other insurance needs.

Owner Signature: _____ Date: _____

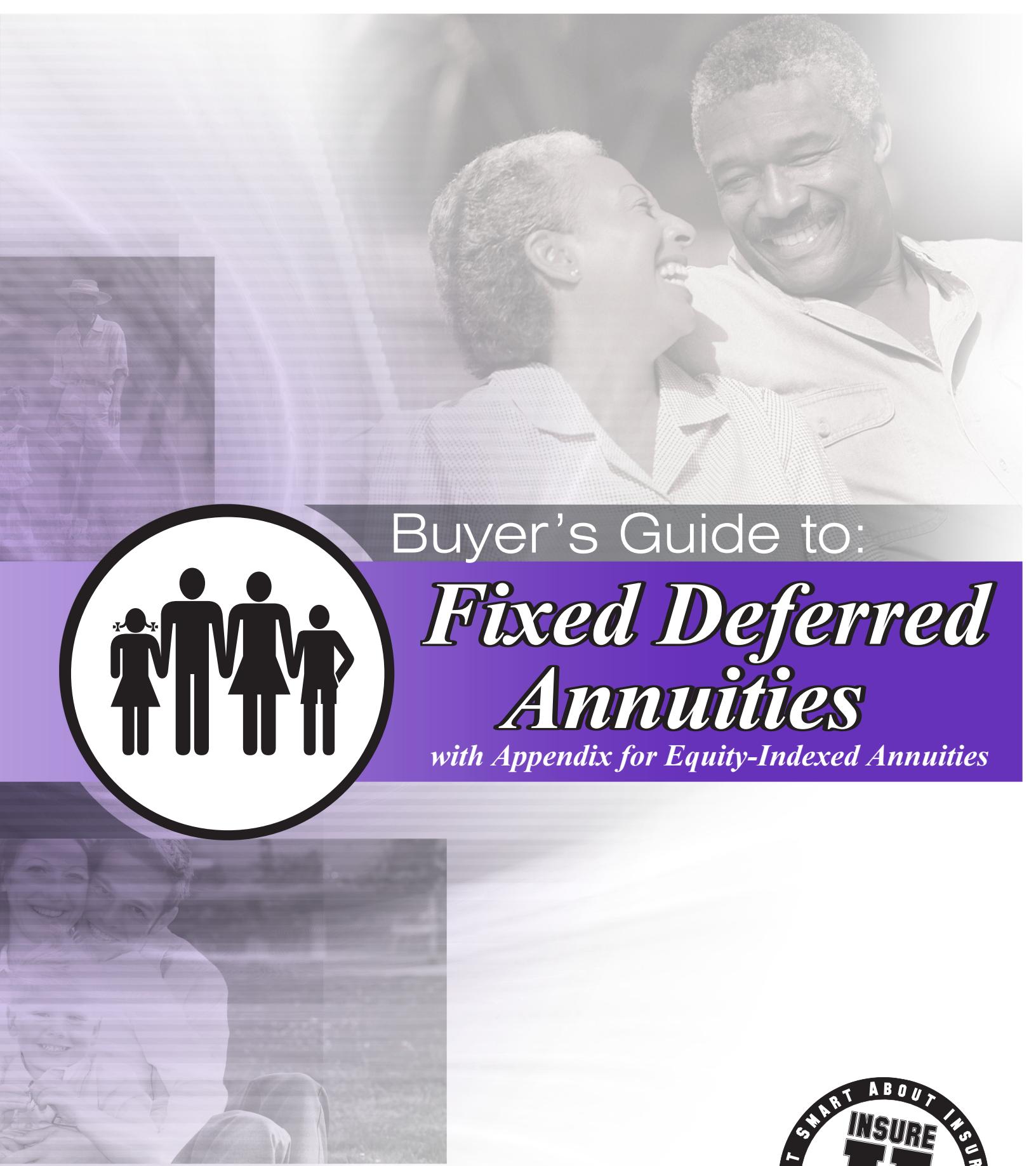
Signed In (City/State): _____

Joint Owner (if applicable): _____ Date: _____

Signed In (City/State): _____

Submit original with application. Leave copy with applicant. Keep copy in producer file.

Incomplete without all pages and signatures



Buyer's Guide to:

Fixed Deferred Annuities

with Appendix for Equity-Indexed Annuities



Prepared by the
NAIC
National Association of Insurance Commissioners

The National Association of Insurance Commissioners is an association of state insurance regulatory officials. This association helps the various insurance departments to coordinate insurance laws for the benefit of all consumers.

This guide does not endorse any company or policy.

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It is Important

that you understand the differences among various annuities so you can choose the kind that best fits your needs. This guide focuses on fixed deferred annuity contracts. There is, however, a brief description of variable annuities. If you're thinking of buying an equity-indexed annuity, an appendix to this guide will give you specific information. This Guide isn't meant to offer legal, financial or tax advice. You may want to consult independent advisors. At the end of this Guide are questions you should ask your agent or the company. Make sure you're satisfied with the answers before you buy.

What is an Annuity?



An annuity is a contract in which an insurance company makes a series of income payments at regular intervals in return for a premium or premiums you have paid. Annuities are most often bought for future retirement income. Only an annuity can pay an income that can be guaranteed to last as long as you live. An annuity is neither a life insurance nor a health insurance policy. It's not a savings account or a savings certificate. You shouldn't buy an annuity to reach short-term financial goals.

Your value in an annuity contract is the premiums you've paid, less any applicable charges, plus interest credited. The insurance company uses the value to figure the amount of most of the benefits that you can choose to receive from an annuity contract. This guide explains how interest is credited as well as some typical charges and benefits of annuity contracts.

A deferred annuity has two parts or periods. During the accumulation period, the money you put into the annuity, less any applicable charges, earns interest. The earnings grow tax-deferred as long as you leave them in the annuity. During the second period, called the payout period, the company pays income to you or to someone you choose.

What Are the Different Kinds of Annuities?

This guide explains major differences in different kinds of annuities to help you understand how each might meet your needs. But look at the specific terms of an individual contract you're considering and the disclosure document you receive. If your annuity is being used to fund or provide benefits under a pension plan, the benefits you get will depend on the terms of the plan. Contact your pension plan administrator for information.

This Buyer's Guide will focus on individual fixed deferred annuities.

Single Premium or Multiple Premium

You pay the insurance company only one payment for a single premium annuity. You make a series of payments for a multiple premium annuity. There are two kinds of multiple premium annuities. One kind is a flexible premium contract. Within set limits, you pay as much premium

What is an Annuity?

Buyer's Guide to Fixed Deferred Annuities...

as you want, whenever you want. In the other kind, a scheduled premium annuity, the contract spells out your payments and how often you'll make them.

Immediate or Deferred

With an immediate annuity, income payments start no later than one year after you pay the premium. You usually pay for an immediate annuity with one payment. The income payments from a deferred annuity often start many years later. Deferred annuities have an accumulation period, which is the time between when you start paying premiums and when income payments start.

Fixed or Variable

- **Fixed**

During the accumulation period of a fixed deferred annuity, your money (less any applicable charges) earns interest at rates set by the insurance company or in a way spelled out in the annuity contract. The company guarantees that it will pay no less than a minimum rate of interest. During the payout period, the amount of each income payment to you is generally set when the payments start and will not change.

- **Variable**

During the accumulation period of a variable annuity, the insurance company puts your premiums (less any applicable charges) into a separate account. You decide how the company will invest those premiums, depending on how much risk you want to take. You may put your premium into a stock, bond or other account, with no guarantees, or into a fixed account, with a minimum guaranteed interest. During the payout period of a variable annuity, the amount of each income payment to you may be fixed (set at the beginning) or variable (changing with the value of the investments in the separate account).

How Are the Interest Rates Set for My Fixed Deferred Annuity?

During the accumulation period, your money (less any applicable charges) earns interest at rates that change from time to time. Usually, what these rates will be is entirely up to the insurance company.

Current Interest Rate

The current rate is the rate the company decides to credit to your contract at a particular time. The company will guarantee it will not change for some time period.

- The initial rate is an interest rate the insurance company may credit for a set period of time after you first buy your annuity. The initial rate in some contracts may be higher than it will be later. This is often called a bonus rate.

- The renewal rate is the rate credited by the company after the end of the set time period. The contract tells how the company will set the renewal rate, which may be tied to an external reference or index.

Minimum Guaranteed Rate

The minimum guaranteed interest rate is the lowest rate your annuity will earn. This rate is stated in the contract.

Multiple Interest Rates

Some annuity contracts apply different interest rates to each premium you pay or to premiums you pay during different time periods. Other annuity contracts may have two or more accumulated values that fund different benefit options. These accumulated values may use different interest rates. You get only one of the accumulated values depending on which benefit you choose.

What Charges May Be Subtracted from My Fixed Deferred Annuity?

Most annuities have charges related to the cost of selling or servicing it. These charges may be subtracted directly from the contract value. Ask your agent or the company to describe the charges that apply to your annuity. Some examples of charges, fees and taxes are:



Surrender or Withdrawal Charges

If you need access to your money, you may be able to take all or part of the value out of your annuity at any time during the accumulation period. If you take out part of the value, you may pay a withdrawal charge. If you take out all of the value and surrender, or terminate, the annuity, you may pay a surrender charge. In either case, the company may figure the charge as a percentage of the value of the contract, of the premiums you've paid or of the amount you're withdrawing. The company may reduce or even eliminate the surrender charge after you've had the contract for a stated number of years. A company may waive the surrender charge when it pays a death benefit.

Some annuities have stated terms. When the term is up, the contract may automatically expire or renew. You're usually given a short period of time, called a window, to decide if you want to renew or surrender the annuity. If you surrender during the window, you won't have to pay surrender charges. If you renew, the surrender or withdrawal charges may start over.

In some annuities, there is no charge if you surrender your contract when the company's current interest rate falls below a certain level. This may be called a bail-out option.

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In a multiple-premium annuity, the surrender charge may apply to each premium paid for a certain period of time. This may be called a rolling surrender or withdrawal charge.

Some annuity contracts have a market value adjustment feature. If interest rates are different when you surrender your annuity than when you bought it, a market value adjustment may make the cash surrender value higher or lower. Since you and the insurance company share this risk, an annuity with an MVA feature may credit a higher rate than an annuity without the feature.

Be sure to read the Tax Treatment section and ask your tax advisor for information about possible tax penalties on withdrawals.

Free Withdrawal

Your annuity may have a limited free withdrawal feature. That lets you make one or more withdrawals without a charge. The size of the free withdrawal is often limited to a set percentage of your contract value. If you make a larger withdrawal, you may pay withdrawal charges. You may lose any interest above the minimum guaranteed rate on the amount withdrawn. Some annuities waive withdrawal charges in certain situations, such as death, confinement in a nursing home or terminal illness.

Contract Fee

A contract fee is a flat dollar amount charged either once or annually.

Transaction Fee

A transaction fee is a charge per premium payment or other transaction.

Percentage of Premium Charge

A percentage of premium charge is a charge deducted from each premium paid. The percentage may be lower after the contract has been in force for a certain number of years or after total premiums paid have reached a certain amount.

Premium Tax

Some states charge a tax on annuities. The insurance company pays this tax to the state. The company may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments or when it pays a death benefit to your beneficiary.

What Are Some Fixed Deferred Annuity Contract Benefits?

Annuity Income Payments

One of the most important benefits of deferred annuities is your ability to use the value built up during the accumulation period to give you a lump sum payment or to make income payments during the payout period. Income payments are usually made monthly but you may choose to receive them less often. The size of income payments is based on the accumulated value in your annuity and the annuity's benefit rate in effect when income payments start. The benefit rate usually depends on your age and sex, and the annuity payment option you choose. For example, you might choose payments that continue as long as you live, as long as your spouse lives or for a set number of years.

There is a table of guaranteed benefit rates in each annuity contract. Most companies have current benefit rates as well. The company can change the current rates at any time, but the current rates can never be less than the guaranteed benefit rates. When income payments start, the insurance company generally uses the benefit rate in effect at the time to figure the amount of your income payment.

Companies may offer various income payment options. You (the owner) or another person that you name may choose the option. The options are described here as if the payments are made to you.

Life Only

The company pays income for your lifetime. It doesn't make any payments to anyone after you die. This payment option usually pays the highest income possible. You might choose it if you have no dependents, if you have taken care of them through other means or if the dependents have enough income of their own.

Life Annuity with Period Certain

The company pays income for as long as you live and guarantees to make payments for a set number of years even if you die. This period certain is usually 10 or 20 years. If you live longer than the period certain, you'll continue to receive payments until you die. If you die during the period certain, your beneficiary gets regular payments for the rest of that period. If you die after the period certain, your beneficiary doesn't receive any payments from your annuity. Because the "period certain" is an added benefit, each income payment will be smaller than in a life-only option.

Joint and Survivor

The company pays income as long as either you or your beneficiary lives. You may choose to decrease the amount of the payments after the first death. You may also be able to choose to

Buyer's Guide to Fixed Deferred Annuities...

have payments continue for a set length of time. Because the survivor feature is an added benefit, each income payment is smaller than in a life-only option.

Death Benefit

In some annuity contracts, the company may pay a death benefit to your beneficiary if you die before the income payments start. The most common death benefit is the contract value or the premiums paid, whichever is more.

Can My Annuity's Value Be Different Depending on My Choice of Benefit?

While all deferred annuities offer a choice of benefits, some use different accumulated values to pay different benefits. For example, an annuity may use one value if annuity payments are for retirement benefits and a different value if the annuity is surrendered. As another example, an annuity may use one value for long-term care benefits and a different value if the annuity is surrendered. You can't receive more than one benefit at the same time.

What About the Tax Treatment of Annuities?

Below is a general discussion about taxes and annuities. You should consult a professional tax advisor to discuss your individual tax situation.

Under current federal law, annuities receive special tax treatment. Income tax on annuities is deferred, which means you aren't taxed on the interest your money earns while it stays in the annuity. Tax-deferred accumulation isn't the same as tax-free accumulation. An advantage of tax deferral is that the tax bracket you're in when you receive annuity income payments may be lower than the one you're in during the accumulation period. You'll also be earning interest on the amount you would have paid in taxes during the accumulation period. Most states' tax laws on annuities follow the federal law.



Part of the payments you receive from annuity will be considered as a return of the premium you've paid. You won't have to pay taxes on that part. Another part of the payments is considered interest you've earned. You must pay taxes on the part that is considered interest when you withdraw the money. You may also have to pay a 10% tax penalty if you withdraw the accumulation before age 59½. The Internal Revenue Code also has rules about distributions after the death of a contract holder.

Annuities used to fund certain employee pension benefit plans (those under Internal Revenue Code Sections 401(a), 401(k), 403(b), 457 or 414) defer taxes on plan contributions as well as on interest or investment income. Within the limits set by the law, you can use pretax dollars to make payments to the annuity. When you take money out, it will be taxed.

You can also use annuities to fund traditional and Roth IRAs under Internal Revenue Code Section 408. If you buy an annuity to fund an IRA, you'll receive a disclosure statement describing the tax treatment.

What Is a “Free Look” Provision?

Many states have laws which give you a set number of days to look at the annuity contract after you buy it. If you decide during that time that you don't want the annuity, you can return the contract and get all your money back. This is often referred to as a free look or right to return period. The free look period should be prominently stated in your contract. Be sure to read your contract carefully during the free look period.

How Do I Know if a Fixed Deferred Annuity Is Right for Me?

The questions listed below may help you decide which type of annuity, if any, meets your retirement planning and financial needs. You should think about what your goals are for the money you may put into the annuity. You need to think about how much risk you're willing to take with the money. Ask yourself:

- How much retirement income will I need in addition to what I will get from Social Security and my pension?
- Will I need that additional income only for myself or for myself and someone else?
- How long can I leave my money in the annuity?
- When will I need income payments?
- Does the annuity let me get money when I need it?
- Do I want a fixed annuity with a guaranteed interest rate and little or no risk of losing the principal?
- Do I want a variable annuity with the potential for higher earnings that aren't guaranteed and the possibility that I may risk losing principal?
- Or, am I somewhere in between and willing to take some risks with an equity-indexed annuity?

What Questions Should I Ask My Agent or the Company?

- Is this a single premium or multiple premium contract?
- Is this an equity-indexed annuity?
- What is the initial interest rate and how long is it guaranteed?
- Does the initial rate include a bonus rate and how much is the bonus?
- What is the guaranteed minimum interest rate?
- What renewal rate is the company crediting on annuity contracts of the same type that were issued last year?



Buyer's Guide to Fixed Deferred Annuities...

- Are there withdrawal or surrender charges or penalties if I want to end my contract early and take out all of my money? How much are they?
- Can I get a partial withdrawal without paying surrender or other charges or losing interest?
- Does my annuity waive withdrawal charges for reasons such as death, confinement in a nursing home or terminal illness?
- Is there a market value adjustment (MVA) provision in my annuity?
- What other charges, if any, may be deducted from my premium or contract value?
- If I pick a shorter or longer payout period or surrender the annuity, will the accumulated value or the way interest is credited change?
- Is there a death benefit? How is it set? Can it change?
- What income payment options can I choose? Once I choose a payment option, can I change it?

Final Points to Consider

Before you decide to buy an annuity, you should review the contract. Terms and conditions of each annuity contract will vary.

Ask yourself if, depending on your needs or age, this annuity is right for you. Taking money out of an annuity may mean you must pay taxes. Also, while it's sometimes possible to transfer the value of an older annuity into a new annuity, the new annuity may have a new schedule of charges that could mean new expenses you must pay directly or indirectly.

You should understand the long-term nature of your purchase. Be sure you plan to keep an annuity long enough so that the charges don't take too much of the money you put in. Be sure you understand the effect of all charges.

If you're buying an annuity to fund an IRA or other tax-deferred retirement program, be sure that you're eligible. Also, ask if there are any restrictions connected with the program.

Remember that the quality of service that you can expect from the company and the agent is a very important factor in your decision.

When you receive your annuity contract, READ IT CAREFULLY! Ask the agent and company for an explanation of anything you don't understand. Do this before any free look period ends.

Compare information for similar contracts from several companies. Comparing products may help you make a better decision.

If you have a specific question or can't get answers you need from the agent or company, contact your state insurance department.

Appendix I

Equity-Indexed Annuities

This appendix to the Buyer's Guide for Fixed Deferred Annuities will focus on equity-indexed annuities. Like other types of fixed deferred annuities, equity-indexed annuities provide for annuity income payments, death benefits and tax-deferred accumulation. You should read the Buyer's Guide for general information about those features and about provisions such as withdrawal and surrender charges.

What Are Equity-Indexed Annuities?

An equity-indexed annuity is a fixed annuity, either immediate or deferred, that earns interest or provides benefits that are linked to an external equity reference or an equity index. The value of the index might be tied to a stock or other equity index. One of the most commonly used indices is Standard & Poor's 500 Composite Stock Price Index (the S&P 500)¹, which is an equity index. The value of any index varies from day to day and is not predictable. (Note: S&P 500 is a registered trademark of the McGraw-Hill Companies, Inc.; used with permission.)

When you buy an equity-indexed annuity you own an insurance contract. You are not buying shares of any stock or index.

While immediate equity-indexed annuities may be available, this appendix will focus on deferred equity-indexed annuities.

How Are They Different from Other Fixed Annuities?

An equity-indexed annuity is different from other fixed annuities because of the way it credits interest to your annuity's value. Some fixed annuities only credit interest calculated at a rate set in the contract. Other fixed annuities also credit interest at rates set from time to time by the insurance company. Equity-indexed annuities credit interest using a formula based on changes in the index to which the annuity is linked. The formula decides how the additional interest, if any, is calculated and credited. How much additional interest you get and when you get it depends on the features of your particular annuity.

Your equity-indexed annuity, like other fixed annuities, also promises to pay a minimum interest rate. The rate that will be applied will not be less than this minimum guaranteed rate even if the index-linked interest rate is lower. The value of your annuity also will not drop below a guaranteed minimum. For example, many single premium contracts guarantee the minimum value will never be less than 90 percent of the premium paid, plus at least 3% in annual interest (less any partial withdrawals). The guaranteed value is the minimum amount available during a term for withdrawals, as well as for some annuitizations (see "Annuity Income Payments") and death benefits. The insurance company will adjust the value of the annuity at the end of each term to reflect any index increases.

What Are Some Equity-Indexed Annuity Contract Features?

Two features that have the greatest effect on the amount of additional interest that may be credited to an equity-indexed annuity are the indexing method and the participation rate. It is important to understand the features and how they work together. The following describes some other equity-indexed annuity features that affect the index-linked formula.



Indexing Method

The indexing method means the approach used to measure the amount of change, if any, in the index. Some of the most common indexing methods, which are explained more fully later on, include annual reset (ratcheting), high-water mark and point-to-point.

Term

The index term is the period over which index-linked interest is calculated; the interest is credited to your annuity at the end of a term. Terms are generally from one to ten years, with six or seven years being most common. Some annuities offer single terms while others offer multiple, consecutive terms. If your annuity has multiple terms, there will usually be a window at the end of each term, typically 30 days, during which you may withdraw your money without penalty. For installment premium annuities, the payment of each premium may begin a new term for that premium.

Participation Rate

The participation rate decides how much of the increase in the index will be used to calculate index-linked interest. For example, if the calculated change in the index is 9% and the participation rate is 70%, the index-linked interest rate for your annuity will be 6.3% ($9\% \times 70\% = 6.3\%$). A company may set a different participation rate for newly issued annuities as often as each day. Therefore, the initial participation rate in your annuity will depend on when it is issued by the company. The company usually guarantees the participation rate for a specific period (from one year to the entire term). When that period is over, the company sets a new participation rate for the next period. Some annuities guarantee that the participation rate will never be set lower than a specified minimum or higher than a specified maximum.

Cap Rate or Cap

Some annuities may put an upper limit, or cap, on the index-linked interest rate. This is the maximum rate of interest the annuity will earn. In the example given above, if the contract has a 6% cap rate, 6%, and not 6.3%, would be credited. Not all annuities have a cap rate.

Floor on Equity-Indexed Interest

The floor is the minimum index-linked interest rate you will earn. The most common floor is 0%. A 0% floor assures that even if the index decreases in value, the index-linked interest that you earn will be zero and not negative. As in the case of a cap, not all annuities have a stated floor on index-linked interest rates. But in all cases, your fixed annuity will have a minimum guaranteed value.

Averaging

In some annuities, the average of an index's value is used rather than the actual value of the index on a specified date. The index averaging may occur at the beginning, the end, or throughout the entire term of the annuity.

Interest Compounding

Some annuities pay simple interest during an index term. That means index-linked interest is added to your original premium amount but does not compound during the term. Others pay compound interest during a term, which means that index-linked interest that has already been credited also earns interest in the future. In either case, however, the interest earned in one term is usually compounded in the next.

Margin/Spread/Administrative Fee

In some annuities, the index-linked interest rate is computed by subtracting a specific percentage from any calculated change in the index. This percentage, sometimes referred to as the "margin," "spread," or "administrative fee," might be instead of, or in addition to, a participation rate. For example, if the calculated change in the index is 10%, your annuity might specify that 2.25% will be subtracted from the rate to determine the interest rate credited. In this example, the rate would be 7.75% ($10\% - 2.25\% = 7.75\%$). In this example, the company subtracts the percentage only if the change in the index produces a positive interest rate.

Vesting

Some annuities credit none of the index-linked interest or only part of it, if you take out all your money before the end of the term. The percentage that is vested, or credited, generally increases as the term comes closer to its end and is always 100% at the end of the term.

How Do the Common Indexing Methods Differ?

Annual Reset

Index-linked interest, if any, is determined each year by comparing the index value at the end of the contract year with the index value at the start of the contract year. Interest is added to your annuity each year during the term.

High-Water Mark

The index-linked interest, if any, is decided by looking at the index value at various points during the term, usually the annual anniversaries of the date you bought the annuity. The interest is based on the difference between the highest index value and the index value at the start of the term. Interest is added to your annuity at the end of the term.

Low-Water Mark

The index-linked interest, if any, is determined by looking at the index value at various points during the term, usually the annual anniversaries of the date you bought the annuity. The interest is based on the difference between the index value at the end of the term and the lowest index value. Interest is added to your annuity at the end of the term.

Point-to-Point

The index-linked interest, if any, is based on the difference between the index value at the end of the term and the index value at the start of the term. Interest is added to your annuity at the end of the term.

What Are Some of the Features and Trade-Offs of Different Indexing Methods?

Generally, equity-indexed annuities offer preset combinations of features. You may have to make trade-offs to get features you want in an annuity. This means the annuity you chose may also have features you don't want.



Features

Annual Reset

Since the interest earned is “locked in” annually and the index value is “reset” at the end of each year, future decreases in the index will not affect the interest you have already earned. Therefore, your annuity using the annual reset method may credit more interest than annuities using other methods when the index fluctuates up and down often during the term. This design is more likely than others to give you access to index-linked interest before the term ends.

High-Water Mark

Since interest is calculated using the highest value of the index on a contract anniversary during the term, this design may credit higher interest than some other designs if the index reaches a high point early or in the middle of the term, then drops off at the end of the term.

Low-Water Mark

Since interest is calculated using the lowest value of the index prior to the end of the term, this design may credit higher interest than some other designs if the index reaches a low point early or in the middle of the term and then rises at the end of the term.

Point-to-Point

Since interest cannot be calculated before the end of the term, use of this design may permit a higher participation rate than annuities using other designs.

Trade-Offs

Annual Reset

Your annuity’s participation rate may change each year and generally will be lower than that of other indexing methods. Also an annual reset design may use a cap or averaging to limit the total amount of interest you might earn each year.

High-Water Mark

Interest is not credited until the end of the term. In some annuities, if you surrender your annuity before the end of the term, you may not get index-linked interest for that term. In other annuities, you may receive index-linked interest, based on the highest anniversary value to date and the annuity’s vesting schedule. Also, contracts with this design may have a lower participation rate than annuities using other designs or may use a cap to limit the total amount of interest you might earn.

Low-Water Mark

Interest is not credited until the end of the term. With some annuities, If you surrender your annuity before the end of the term, you may not get index-linked interest for that term. In other annuities, you may receive index-linked interest based on a comparison of the lowest anniversary value to date with the index value at surrender and the annuity's vesting schedule. Also, contracts with this design may have a lower participation rate than annuities using other designs or may use a cap to limit the total amount of interest you might earn.

Point-to-Point

Since interest is not credited until the end of the term, typically six or seven years, you may not be able to get the index-linked interest until the end of the term.

What Is the Impact of Some Other Equity-Indexed Annuity Product Features?

Cap on Interest Earned

While a cap limits the amount of interest you might earn each year, annuities with this feature may have other product features you want, such as annual interest crediting or the ability to take partial withdrawals. Also, annuities that have a cap may have a higher participation rate.

Averaging

Averaging at the beginning of a term protects you from buying your annuity at a high point, which would reduce the amount of interest you might earn. Averaging at the end of the term protects you against severe declines in the index and losing index-linked interest as a result. On the other hand, averaging may reduce the amount of the index-linked interest you earn when the index rises either near the start or at the end of the term.

Participation Rate

The participation rate may vary greatly from one annuity to another and from time to time within a particular annuity. Therefore, it is important for you to know how your annuity's participation rate works with the indexing method. A high participation rate may be offset by other features, such as simple interest, averaging, or a point-to-point indexing method. On the other hand, an insurance company may offset a lower participation rate by also offering a feature such as an annual reset indexing method.

Interest Compounding

It is important for you to know whether your annuity pays compound or simple interest during a term. While you may earn less from an annuity that pays simple interest, it may have other features you want, such as a higher participation rate.

What Will It Cost Me to Take My Money Out Before the End of the Term?

In addition to the information discussed in this Buyer's Guide about surrender and withdrawal charges and free withdrawals, there are additional considerations for equity-indexed annuities. Some annuities credit none of the index-linked interest or only part of it if you take out money before the end of the term. The percentage that is vested, or credited, generally increases as the term comes closer to its end and is always 100% at the end of the term.

Are Dividends Included in the Index?

Depending on the index used, stock dividends may or may not be included in the index's value. For example, the S&P 500 is a stock price index and only considers the prices of stocks. It does not recognize any dividends paid on those stocks.

How Do I Know if an Equity-Indexed Annuity is Right for Me?

The questions listed below may help you decide which type of annuity, if any, meets your retirement planning and financial needs. You should consider what your goals are for the money you may put into the annuity. You need to think about how much risk you're willing to take with the money. Ask yourself:

- Am I interested in a variable annuity with the potential for higher earnings that are not guaranteed and willing to risk losing the principal?
- Is a guaranteed interest rate more important to me, with little or no risk of losing the principal?
- Or, am I somewhere in between these two extremes and willing to take some risks?



How Do I Know Which Equity-Indexed Annuity is Best for Me?

As with any other insurance product, you must carefully consider your own personal situation and how you feel about the choices available. No single annuity design may have all the features you want. It is important to understand the features and trade-offs available so you can choose the annuity that is right for you. Keep in mind that it may be misleading to compare one annuity to another unless you compare all the other features of each annuity. You must decide for yourself what combination of features makes the most sense for you. Also remember that it is not possible to predict the future behavior of an index.

Questions You Should Ask Your Agent or the Company

You should ask the following questions about equity-indexed annuities in addition to the questions in the Buyer's Guide to Fixed Deferred Annuities.

- How long is the term?
- What is the guaranteed minimum interest rate?
- What is the participation rate? For how long is the participation rate guaranteed?
- Is there a minimum participation rate?
- Does my contract have an interest rate cap? What is it?
- Does my contract have an interest rate floor? What is it?
- Is interest rate averaging used? How does it work?
- Is interest compounded during a term?
- Is there a margin, spread, or administrative fee? Is that in addition to or instead of a participation rate?
- What indexing method is used in my contract?
- What are the surrender charges or penalties if I want to end my contract early and take out all of my money?
- Can I get a partial withdrawal without paying charges or losing interest? Does my contract have vesting? If so, what is the rate of vesting?

Final Points to Consider

Remember to read your annuity contract carefully when you receive it. Ask your agent or insurance company to explain anything you don't understand. If you have a specific complaint or can't get answers you need from the agent or company, contact your state insurance department.



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Request for Rollover, Transfer or Exchange

1 Transferring Institution

COMPANY OR CUSTODIAN		PHONE	
STREET ADDRESS (NOT A POST OFFICE BOX)		CITY	STATE ZIP CODE

2 Existing Policy or Account

OWNER(S)		OWNER SSNs (or TINs)		
ADDRESS		CITY	STATE	ZIP CODE
ANNUITANT(S), INSURED(S) OR PARTICIPANT		ANNUITANT, INSURED(S) OR PARTICIPANT SSNs (or TINs)		
BENEFICIARY (IF PARTICIPANT IS DECEASED)		BENEFICIARY SSN (or TIN)		
INVESTMENT VEHICLE <input type="checkbox"/> CD <input type="checkbox"/> Life Insurance <input type="checkbox"/> Annuity <input type="checkbox"/> Custodial Account <input type="checkbox"/> Other _____			ACCOUNT OR CONTRACT NUMBER(S)	

3 Transaction Type (Complete section A or B.)

A Qualified Funds

(For rollover, transfer or exchange *into* a 403(b) Tax-Sheltered Annuity, use form **12213-TSA-A.**)

Funds From	Funds To	
<input type="checkbox"/> Traditional IRA <input type="checkbox"/> Inherited IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> SEP IRA <input type="checkbox"/> 403(b) TSA <input type="checkbox"/> Qualified Pension or Profit Sharing Plan <input type="checkbox"/> Other: _____	Initiated by Participant <input type="checkbox"/> Traditional IRA <input type="checkbox"/> Roth IRA <input type="checkbox"/> SEP IRA <input type="checkbox"/> Qualified Pension or Profit Sharing Plan <input type="checkbox"/> Other: _____	Initiated by Beneficiary <input type="checkbox"/> Inherited IRA (Attach form 13668.)

Standard Insurance Company's Traditional IRA, Roth IRA, SEP and 403(b) contracts meet the requirements of Internal Revenue Code § 408(b), 408A, 408(k) and 403(b)(1) respectively.

B Non-Qualified Funds

Transaction Type: Direct Transfer
 1035 Exchange

Additional Funds Forthcoming After This Transfer: No Yes: \$_____

The undersigned owner(s) authorizes the transferring institution to liquidate and transfer the requested amount or percentage of the owner(s)'s rights, title and interest in the referenced account(s), without exception to Standard Insurance Company. This assignment is made to facilitate the exchange of all or a portion of the above-referenced policy for a new policy(ies) with Standard Insurance Company pursuant to Section 1035 of the Internal Revenue Code. The undersigned owner(s) understands and agrees that Standard Insurance Company is providing this form and participating in this exchange at the owner(s)'s request. The owner(s) acknowledges that Standard Insurance Company has not made, and will not make, any representations or warranties regarding the tax effects, if any, of this assignment, and any resulting taxes will be the sole responsibility of the owner(s). In consideration of Standard Insurance Company's willingness to participate in this exchange, the owner(s) accepts all responsibility for the validity of this assignment and releases Standard Insurance Company from any and all claims or liability resulting from this exchange. This Absolute Assignment shall be binding on the owner(s) and on the owner(s)'s personal representatives, heirs, successors and assignees. The owner(s) acknowledges and warrants that no other person has any interest in this policy, that no proceeding in bankruptcy is pending or has been filed affecting the policy, and that any collateral assignment of the policy has been properly released by the collateral assignee prior to the execution of this Absolute Assignment contract's benefits and provisions within a reasonable time.

4 Lost Policy Statement (Applicable only to a full surrender to effect the rollover, transfer or exchange.)

The undersigned certifies that:

- The policy or contract is attached.
 The policy or contract is lost or has been destroyed. To the best of my knowledge it is not in anyone's possession.

5 Participant/Beneficiary Declaration (Complete only for rollover of 403(b) Tax-Sheltered Annuity funds.)

The undersigned requestor is a:

- Participant, older than age 59½, severed from employment or with another distributable event.
 The beneficiary of a deceased participant of the plan sponsor releasing these funds.
 Neither of the above.

6 Authorization

The undersigned owner(s) or beneficiary authorizes the transferring institution to liquidate and transfer

% or \$ _____ as cash from the policy or account to Standard Insurance Company:

- Transfer Immediately (default action if no selection is made)
 Transfer on Maturity or Anniversary Date
 Transfer on _____ DATE
 Please process RMD before transferring funds
 Do not process RMD - RMD being met elsewhere
Account balance as of 12/31 \$ _____

I(We) authorize disclosure of information to Standard Insurance Company as necessary to complete the requested transaction.
I(We) understand that the rollover, transfer or exchange will be effective on the date the check(s) is(are) received.

OWNER OR BENEFICIARY SIGNATURE

DATE

OWNER SIGNATURE

DATE

GUARANTEE SIGNATURE (IF APPLICABLE)

DATE

7 Request for Funds Transfer (To be completed only by an authorized Standard Insurance Company home-office employee.)

Standard Insurance Company is prepared to accept the assets as indicated in this document and will transfer the assets into a new or existing policy with Standard Insurance Company.

Standard Insurance Company (TIN #93-0242990) hereby requests that the above-documented surrender or partial withdrawal be transacted immediately. All proceeds, including any premiums, shall be payable and forwarded to:

Standard Insurance
Company FBO:

Mailing Address
Unit 36
P.O. Box 5000
Portland, OR 97208-5000

OWNER(S), ANNUITANT(S) OR BENEFICIARY NAME
Overnight Mailing Address
Individual Annuities P6C
1100 SW Sixth Ave
Portland, OR 97204

Please refer to the Standard Insurance Company annuity contract number: _____ CONTRACT NUMBER .

The requested action is a 1035 Exchange, therefore please:
• Provide Cost Basis (see the enclosed Request For Cost Basis And Balance form).

AUTHORIZED STANDARD INSURANCE COMPANY HOME OFFICE EMPLOYEE

DATE