The Penn Mutual Life Insurance Company

Founded 1847

Insured	JUDITH A GRANDY	$533,676 (INCLUDES POLICY VALUE)	Specified Amount
Policy Number	8 279 493	DECEMBER 7, 2011	Policy Date

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the Insured while this policy is in force and before the Maturity Date.

The Company also agrees to provide all of the other benefits stated in this policy.

This contract is made in consideration of the payment of premiums as provided in this policy.

The provisions on this and the following pages are part of this policy.

Executed on the Date of Issue by The Penn Mutual Life Insurance Company.

Franklin L. Bell
Managing Corporate Counsel
and Secretary

Eileen C. McDonnell
President and
Chief Executive Officer

FREE LOOK PERIOD - This policy may be cancelled by returning it within 10 days after it is received by the owner. It must be returned to Penn Mutual or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

READ YOUR POLICY CAREFULLY. This policy is a legal contract between the Owner and the Company.

Penn Mutual

Flexible Premium Adjustable Life Insurance Policy

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Participating
- Supplemental benefits, if any, listed on Page 3

The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172
FL-08(S)

Guide to Policy Sections

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1. Policy Specifications

INSURED JUDITH A GRANDY $533,676 SPECIFIED AMOUNT
(INCLUDES POLICY VALUE)

POLICY NUMBER 8 279 493 DECEMBER 7, 2011 POLICY DATE

AGE 64 FEMALE PREFERRED NONTOBACCO RATE CLASS

LIFE INSURANCE QUALIFICATION TEST IS GUIDELINE PREMIUM TEST

MATURITY DATE DECEMBER 7, 2068
THE DATE OF ISSUE IS THE POLICY DATE

OWNER AND BENEFICIARY AS PROVIDED IN APPLICATION

SCHEDULE OF BENEFITS

FLEXIBLE PREMIUM LIFE INSURANCE $533,676 SPECIFIED AMOUNT
OVERLOAN PROTECTION BENEFIT
ACCELERATED BENEFIT - CHRONIC ILLNESS

SCHEDULE OF PLANNED PREMIUMS

THE INITIAL PREMIUM OF $71159.41 WAS PAID ON THE POLICY DATE FOR 12 MONTHS.
SUBSEQUENT PLANNED PREMIUMS ARE PAYABLE ANNUALLY AS FOLLOWS.

BEGINNING AS OF	PLANNED PREMIUM
DEC 7, 2012	$3000.00

THE NO LAPSE DATE IS DECEMBER 7, 2068.

NOTE: INSURANCE WILL TERMINATE IF THE PREMIUMS PAID AND THE INTEREST CREDITED ARE INSUFFICIENT TO COVER THE MONTHLY DEDUCTIONS, EXCEPT AS PROVIDED IN SECTION 4.

SECTION 7702A OF THE INTERNAL REVENUE CODE OF 1986 ESTABLISHES A CLASS OF LIFE INSURANCE CONTRACTS DESIGNATED AS "MODIFIED ENDOWMENT CONTRACTS." THE RULES RELATING TO WHETHER A POLICY WILL BE TREATED AS A MODIFIED ENDOWMENT CONTRACT ARE EXTREMELY COMPLEX. PLEASE CONSULT A QUALIFIED TAX ADVISOR REGARDING YOUR OWN PERSONAL SITUATION.

1. Policy Specifications

Schedule of Surrender Charges

Maximum Surrender Charge Premium $10,065.00

Initial Maximum Surrender Charge $9,058.50

Table of Surrender Charge Factors

Policy Year	Surrender Factor	Policy Year	Surrender Factor
1	100%	9	41%
2	90	10	34
3	83	11	27
4	76	12	20
5	69	13	13
6	62	14	6
7	55	15 and later	0
8	48		

Schedule of Policy Loads and Expense Charges

Maximum percent of premium load (applied to each premium applied to the policy) 15%

Maximum per policy monthly expense charge $9.00

Maximum Monthly Expense charge per $1,000 of Specified Amount (for the first 120 months following the policy date) $.333

Maximum Monthly Expense charge per $1,000 of Specified Amount (for the first 120 months following an increase in Specified Amount) As shown on Page 21

Schedule of Interest Rates

Guaranteed Interest Rate 3% Effective Annual Rate

Death Benefit Discount Factor 1.0024663

1. Policy Specifications (continued)

RIDER - OVERLOAN PROTECTION BENEFIT AGREEMENT

THE SPECIFIED LOAN PERCENTAGE IS 96%.

MAXIMUM ONE TIME CHARGE FOR OVERLOAN PROTECTION BENEFIT AGREEMENT IS 3.5% OF POLICY VALUE.

2. Endorsements

To be made only by Penn Mutual

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3. Qualification as Life Insurance

The life insurance qualification test for this policy will be the Guideline Premium Test unless otherwise elected in the application. The Life Insurance Qualification Test for this Policy is shown on Page 3. The test may not be changed at anytime after the policy is issued.

The Company will limit premium payments as necessary in order to qualify the policy as a life insurance contract under Section 7702. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law. No payment will be returned or refused if it is necessary to continue coverage.

Guideline Premium Test - Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The Maximum Premium Limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid under the policy will not at any time exceed the guideline premium limitation referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report sent to the Owner.

In addition, a minimum margin must exist between the death benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this portion of the test. See the Death Benefit Section for further details.

Cash Value Accumulation Test - Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit of the policy will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

The Company reserves the right to restrict Policy transactions as necessary in order to qualify the policy as a life insurance contract under Section 7702. If it is subsequently determined that policy does not satisfy Section 7702, the Company may take whatever steps are appropriate and necessary to attempt to cause such a policy to comply with Section 7702.

4. Premiums

Payment of Premiums - Premiums are payable while this policy is in force until the Maturity Date. The first premium is due on the Policy Date. Premiums after the Policy Date may be paid in any amount and at any interval subject to the following conditions:

(1) No premium payment may be less than $25.
(2) The Company requires submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase in the difference between the Death Benefit and the Policy Value will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the policy.
(3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid the Company will refund only the portion that is over the Maximum Premium Limit. No payment will be returned or refused if it is necessary to continue coverage.

4. Premiums (continued)

Each premium after the first is payable at the Company's Home Office. A receipt signed by the President or the Secretary will be given on request.

No-Lapse Guarantee - This policy will not lapse as a result of a Net Cash Surrender Value insufficient to cover the Monthly Deduction for the following month if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Requirement is satisfied.

No-Lapse Guarantee Requirement - The No-Lapse Guarantee Requirement is satisfied if, on a monthly anniversary prior to the Maturity Date shown on Page 3, the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero.

The No-Lapse Guarantee Requirement is not satisfied if the indebtedness is greater than the Cash Surrender Value.

Note that the No-Lapse Guarantee Account, the No-Lapse Percent of Premium Charge, the No-Lapse COI Charges, and the No-Lapse Interest Rates are not used to determine values and benefits under the policy. These values are only used to determine whether or not the No-Lapse Guarantee Requirement is satisfied.

No-Lapse Guarantee Account - On the Policy Date, the No-Lapse Guarantee Account is the initial premium paid less the sum of:

(a) the applicable No-Lapse Percent of Premium Charge shown in the Additional Policy Specifications; and
(b) the applicable No-Lapse COI Charge for Base Coverage; and
(c) the applicable No-Lapse COI Charge for each Additional Insured Rider.

On each Monthly Anniversary while this agreement is in force, the No-Lapse Guarantee Account is the sum of:

(a) the No-Lapse Guarantee Account on the preceding Monthly Anniversary;
(b) one month's interest on (a) using the applicable No-Lapse Interest Rate shown in the Additional Policy Specifications;
(c) any premium paid since the preceding Monthly Anniversary reduced by the applicable No-Lapse Percent of Premium Charge; and
(d) interest on (c) using the applicable No-Lapse Interest Rates from the date of receipt in the Home Office to the Monthly Anniversary;

less the sum of:

(a) any partial surrender since the preceding Monthly Anniversary;
(b) interest on (a) using the applicable No-Lapse Interest Rates from the date of surrender to the Monthly Anniversary;
(c) the applicable No-Lapse COI Charge for Base Coverage; and
(d) the applicable No-Lapse COI Charge for each Additional Insured Rider.

No-Lapse Interest Rate - The No-Lapse Interest Rate applied to the No-Lapse Guarantee Account is tiered based on the amount of the No-Lapse Guarantee Account as shown in the Additional Policy Specifications. The tiers are set at issue for the first policy year and then increase each policy year by the No-Lapse Tier Growth Percentage shown in the Additional Policy Specifications.

4. Premiums (continued)

No-Lapse COI Charge – The No-Lapse COI Charge is determined on a monthly basis. For Base Coverage, it is calculated as (a) multiplied by (b) where:

(a) is the applicable No-Lapse COI Rate shown in the Additional Policy Specifications; and
(b) is the No-Lapse Net Amount at Risk.

For each Additional Insured Rider, it is calculated as (a) multiplied by (b) where:

(a) is the applicable No-Lapse COI Rate for the Additional Insured Coverage shown in the Additional Policy Specifications; and
(b) is the Specified Amount of the Additional Insured Coverage, as shown on Page 3.

No-Lapse Net Amount at Risk – The No-Lapse Net Amount at Risk is equal to (a) minus (b) where:

(a) is the Specified Amount at the beginning of the policy month, divided by the Death Benefit Discount Factor shown on Page 3; and
(b) is the No-Lapse Guarantee Account at the beginning of the policy month before the deduction of No-Lapse COI Charges.

Changes in the Specified Amount, the addition, deletion or change of any supplemental agreements to this policy, or a change in the rate class of the Insured before the No-Lapse Date may impact the amount of the No-Lapse Guarantee Account. As a result, additional premiums may be required on the date of change in order to meet the No-Lapse Guarantee Requirement.

Continuation of Insurance - If premium payments cease or if insufficient premiums are paid, the insurance provided under this policy, including benefits provided by any supplemental agreements attached to this policy, will continue, subject to the Grace Period provision, in accordance with the provisions of this policy and any such supplemental agreements for as long as the Net Cash Surrender Value is sufficient to keep it in force, or if the No-Lapse Guarantee Account less any outstanding indebtedness exceeds zero as described in the No-Lapse Guarantee Requirement provision above.

Grace Period - If, on a Monthly Anniversary prior to the Maturity Date shown on Page 3:

(a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
(b) the No-Lapse Guarantee Requirement is not met,

then a grace period of 61 days will be allowed for the payment of premium sufficient to keep this policy in force. The payment required is the lesser of the Monthly Deduction or the amount necessary to meet the No-Lapse Guarantee Requirement.

Notice of the amount of premium sufficient to keep this policy in force will be sent to the last known address of the Owner. The notice will be sent at least 30 days before the end of the 61-day grace period. This policy will remain in force during the grace period.

5. Lapse and Reinstatement

Lapse - If a premium sufficient to keep this policy in force is not paid during the grace period, this policy will lapse at the end of the grace period. At lapse this policy will terminate without value and cease to be in force. Any deduction for the Cost of Insurance after termination will not be considered a reinstatement of the policy nor a waiver by the Company of the termination.

5. Lapse and Reinstatement (continued)

Reinstatement - This policy may be reinstated within five years after lapse. A reinstatement is subject to:

(a) the submission of evidence of insurability satisfactory to the Company;

(b) the payment or reinstatement of any indebtedness which existed at the end of the grace period; and

(c) the payment of a premium sufficient to cover the lesser of: (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for three policy months following the reinstatement date, or (ii) an amount to make the Cash Surrender Value positive plus the monthly deductions for the three policy months following the reinstatement date.

The effective date of a reinstatement will be the date of approval by the Company of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

(a) the policy value at the beginning of the grace period of lapse, including any indebtedness;
(b) interest on (a) at the minimum interest rate per year until the date of reinstatement;
(c) any dividend credited to the policy;
(d) interest on (c) at the minimum interest rate until the date of reinstatement; and
(e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

(a) the Monthly Deductions for the grace period;
(b) interest on (a) at the minimum interest rate per year until the date of reinstatement; and
(c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this policy following reinstatement. The surrender charge will be calculated based on the policy date and will include the period while the policy was lapsed.

Following reinstatement, the provisions of the No-Lapse Guarantee set forth in Section 4 will again be applicable until the Maturity Date shown on Page 3.

6. Policy Loans

The Owner may obtain a loan while this policy is in force during the life of the Insured. The loan, plus any existing indebtedness, may not be greater than the Loan Value of this policy on the date of the loan.

The Company may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy issued by the Company will not be deferred.

Loan Value - The Loan Value is that amount which, with interest at the then current loan interest rate on this policy, will accumulate at the next policy anniversary to (a) less (b), where:

(a) is the Cash Surrender Value on the date as of which the Loan Value is being determined; and
(b) is the Monthly Deductions for the period from the date as of which the Loan Value is being determined until the next policy anniversary.

6. Policy Loans (continued)

Loan Interest - Loans will bear interest at an adjustable loan interest rate. The loan interest rate will be determined by the Company as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined and will apply to any new or outstanding loan under this policy during the next calendar year.

The loan interest rate will be determined by comparing the loan interest rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the loan interest rate will be subject to the following:

(1) The loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
(2) The loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

(a) Moody's Corporate Bond Yield Average—Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
(b) the minimum interest rate used to calculate policy values under this policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this policy is delivered.

The Company will:

(a) notify the Owner of the initial loan interest rate at the time that a loan is made; and
(b) if there is a loan outstanding on this policy, give the Owner advance notice of any increase in the loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

Indebtedness - Indebtedness means outstanding loans on this policy plus any loan interest due or accrued. Indebtedness may be repaid in full or in part at any time while this policy is in force during the life of the Insured. This policy is the only security for indebtedness on it. If the indebtedness is greater than the Cash Surrender Value, a notice of pending termination will be mailed to the last known address of the Owner and of any assignee on record. If the excess indebtedness is not paid to the Company, this policy will terminate 61 days after the notice is mailed.

This policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would otherwise have terminated if there had been no change in the rate of interest on loans during that policy year.

7. Owner and Beneficiary

Owner - The Owner of this policy is as stated in the application unless changed by a subsequent owner designation or assignment. While this policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

Beneficiary - The Beneficiary of this policy is as stated in the application unless changed by a subsequent beneficiary designation on a form provided by the Company. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to the Owner.

7. Owner and Beneficiary (continued)

Change of Owner or Beneficiary - The Owner may transfer ownership or change the Beneficiary by filing a written designation at the Home Office on a form provided by the Company. The designation will take effect as of the date it is signed by the Owner, subject to any action taken by the Company prior to the time that the designation is received at the Home Office. As noted above in Section 4, changes of Owner or Beneficiary may adversely impact the No-Lapse Guarantee.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

(a) A legally adopted child of any person will be considered the child of the adopting parent.
(b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
(c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

Assignment - The Owner may assign this policy while it is in force during the life of the Insured. The rights of the Owner and of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. No assignment will bind the Company until the original, or a copy signed by the Owner, on a form provided by the Company, has been filed at the Home Office. The Company is not responsible for the effect or the validity of any assignment.

8. Death and Maturity Benefits

Basic Death Benefit - The Basic Death Benefit prior to the Maturity Date will be as follows:

(1) If the Specified Amount includes the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
   (a) the Specified Amount; or
   (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

(2) If the Specified Amount does not include the Policy Value, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
   (a) the Specified Amount plus the Policy Value; or
   (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, together with interest at the current rate set by the Company, which will not be less than the minimum interest rate, compounded annually, until the death of the insured.

Amount of Death Benefit - The Death Benefit payable at the death of the Insured while this policy is in force will be equal to the sum of:

(a) the Basic Death Benefit on the date of death of the Insured;
(b) any dividend payable at death of the Insured; and
(c) any benefit provided by a supplemental agreement attached to this policy and payable because of the death of the Insured;

less the sum of:

(a) any indebtedness on this policy at the time of the death of the Insured; and
(b) if the death of the Insured occurs during a grace period, the payment deducted should be the lesser of the Monthly Deductions or the amount needed to meet the No-Lapse Guarantee Requirement.

8. Death and Maturity Benefits (continued)

Suicide Exclusion - If the Insured dies by suicide, while sane or insane, within two years from the Policy Date, the Death Benefit will be limited to the premiums paid less any indebtedness and any partial surrenders.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of a reinstatement of this policy, the Death Benefit will be limited to the premiums paid since the reinstatement less any policy loans and partial surrenders made since reinstatement.

Payment of Death Benefit - The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. Settlement shall be made within 60 days after receipt of due proof of death. The Company will pay interest from the date of death to the date of payment. The interest rate will be determined each year by the Company, but will not be less than the minimum interest rate per year compounded annually, or such higher rate as may be required by law.

Amount of Maturity Benefit - The Maturity Benefit payable if the Insured is living on the Maturity Date and if this policy is then in force will be equal to the Net Policy Value on that date.

Payment of Maturity Benefit - The Maturity Benefit will be paid to the Owner in one sum or, if elected, under an Income Payment Option.

9. Surrender of Policy

Surrender - The Owner may surrender this policy for its Net Cash Surrender Value by filing a written request with the Company. The Net Cash Surrender Value may be taken in one sum or it may be left with the Company under an income payment option. This policy will terminate and cease to be in force if it is surrendered for one sum.

If this policy is surrendered within 30 days after a policy anniversary, the Net Cash Surrender Value payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial surrenders made since the anniversary.

The Company may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Net Cash Surrender Value - The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

Net Policy Value - The Net Policy Value is the Policy Value decreased by any indebtedness on this policy.

Cash Surrender Value - The Cash Surrender Value is the Policy Value decreased by any surrender charge.

Surrender Charge - The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

(a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
(b) is 90% of the lesser of:
  (i) the maximum surrender charge premium shown on Page 3;
  (ii) the total premiums paid in the first policy year; and
  (iii) $25.00 per thousand of initial Specified Amount.

9. Surrender of Policy (continued)

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

(a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
(b) is 90% of the lesser of:

(i) the maximum surrender charge premium based on the attained age, sex, and class of the Insured at the effective date of the increase;
(ii) the total premium paid with the increase for 12 policy months after the effective date of the increase; and
(iii) $25.00 per thousand of the increase amount.

Partial Surrender - The Owner may make a partial surrender of this policy for any portion of the Net Cash Surrender Value that exceeds $250 by filing a written request with the Company. However, no partial surrender may be made for less than $250 and no more than twelve partial surrenders may be made under this policy in any policy year. No partial surrender may be made which would reduce the Specified Amount to less than $50,000. A processing fee of 2% of the amount surrendered, but not more than $25 will be made for each partial surrender. The processing fee will be deducted from the available Net Cash Surrender Value and will be considered part of the partial surrender.

Any partial surrender will reduce the Policy Value by the amount of the partial surrender. If the Specified Amount includes the Policy Value, the Specified Amount will also be reduced by the amount of the partial surrender that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

(a) The most recent increase in Specified Amount, if any, will be decreased first.
(b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
(c) The initial Specified Amount will then be decreased.

The Surrender Charge will not be reduced as a result of a partial surrender.

The Company may defer the payment of the amount of a partial surrender for up to six months from the date of the partial surrender request. However, a partial surrender to pay a premium due on a policy of the Company will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the minimum interest rate per year compounded annually while it is deferred.

Systematic Partial Surrender Program – The Systematic Partial Surrender Program is a program of periodic distribution of a portion of the Policy Value designated by the Company. The Company reserves the right to discontinue such a program at any time. The program includes periodic distribution to the Owner of a portion of the Policy Value through policy loans and partial surrenders while the Insured is alive and the policy is in force. Contact the Company for details of how this program works. A processing fee of 2% of the amount surrendered, but not more than $25, will be made for each year the Systematic Partial Surrender Program is active.

10. Basis of Computation of Values

Policy Value - On the Policy Date the Policy Value is the initial premium paid less the sum of:
(a) the percent of premium charge, and
(b) the Monthly Deduction for the first policy month.

10. Basis of Computation of Values (continued)

On each Monthly Anniversary while this policy is in force, the Policy Value is the sum of:
(a) the Policy Value on the preceding Monthly Anniversary;
(b) one month's interest on (a);
(c) any premium paid since the preceding Monthly Anniversary reduced by the percent of premium charge;
(d) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary; and
(e) any dividend credited to the Policy Value on the Monthly Anniversary;

less the sum of:
(f) any partial surrender since the preceding Monthly Anniversary;
(g) interest on (f) from the date of surrender to the Monthly Anniversary; and
(h) the Monthly Deduction for the following policy month.

On any date other than a Monthly Anniversary, the determination of the Policy Value will be consistent with the above, except (h), which will only be deducted on a Monthly Anniversary. The value will include pro-rata crediting of interest. There will be no pro-rata debiting of mortality charges.

Monthly Deduction - The Monthly Deduction is the sum of:

(a) the Cost of Insurance for the policy month;
(b) the monthly per policy expense charge;
(c) the monthly expense charge per $1,000 of Specified Amount;
(d) the Monthly Deduction for the policy month for any benefits provided by a supplemental agreement made a part of this policy.

Net Amount at Risk - The Net Amount at Risk is equal to the Basic Death Benefit at the beginning of the policy month, divided by the Death Benefit Discount Factor, minus the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Specified Amount does not include the Policy Value, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount segment for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

Cost of Insurance - The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

(a) is the applicable Cost of Insurance Rate divided by 1,000;
(b) is the Net Amount at Risk for that segment.

Cost of Insurance Rate - The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase and on the attained age, sex, and rate class of the Insured on the effective date of the increase.

The Cost of Insurance Rate will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 Commissioners Standard Ordinary Smoker and Nonsmoker Mortality Table, Age Nearest Birthday.

10. Basis of Computation of Values (continued)

Interest Rate - The minimum interest rate that will be used in calculating the Policy Value under this policy is listed on Page 3.

The actual interest that will be credited to the Policy Value will be at rates set by the Company. Different rates will normally apply to (i) the Net Policy Value and (ii) the portion of the Policy Value represented by indebtedness.

Such rates will not be less than the minimum rate stated above.

The portion of the Net Policy Value that results from premiums paid during a specific calendar month will be credited with interest at the rate set by the Company for premium payments in that month. This credited rate will apply to the portion of the Net Policy Value until the end of the same calendar month in the following year. At the end of such period, that portion of the Net Policy Value will be credited at a new rate set by the Company that will be applicable for the next thirteen months. This procedure will recur at the end of each interest period.

If the Company credits interest at a rate in excess of the minimum interest rate, policies that have been in force for more than 10 years will be credited with interest at a rate that is greater than the rate credited to policies that have been in force less than 10 years. The difference will be equal to the monthly equivalent of 0.25% per year compounded annually. Such difference will not be applicable to that portion of the Policy Value represented by indebtedness.

Expense Charges - The actual monthly per policy expense charge, monthly expense charge per $1,000 of Specified Amount, and percent of premium charge will be determined by the Company as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per $1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years. The elimination of the per $1,000 of Specified Amount expense charge is due to the fact that the amortization of acquisition expenses is completed by the end of the tenth policy year.

The per $1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase. This charge is also due to the amortization acquisition expense for that increase being completed by the end of the tenth year.

Determination of Nonguaranteed Factors - Cost of Insurance Rates, Expense Charges, and Interest Rates will be determined by the Company based on expectations as to future mortality, investment, expense, and persistency experience. The Company will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

Computation of Values - All policy values and benefits are equal to or greater than those required by the law of the jurisdiction in which this policy is delivered. A detailed statement of the method of computing reserves and Policy Values has been filed with the insurance supervisory official of that jurisdiction if required.

11. Policy Changes

Right to Make Change - At any time while this policy is in force after the first policy year, the Owner may request changes as set forth in this section. No change will be permitted that would result in the Death Benefit under this policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This policy will be amended as the result of any such change.

Increase in Specified Amount - An increase in Specified Amount must be applied for on a written application and is subject to the Company's underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to the Company must be submitted. Any increase in the Specified Amount must be for at least $10,000.

11. Policy Changes (continued)

Decrease in Specified Amount - Any decrease in the Specified Amount must be at least $10,000. The Specified Amount may not be decreased to less than $50,000. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows the receipt by the Company of the request. The decrease in the Specified Amount will be in the following order:

(a) The most recent increase in the Specified Amount, if any, will be decreased first.
(b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.
(c) The initial Specified Amount will then be decreased.

The surrender charge will not change as a result of a decrease in the Specified Amount. No surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount. The monthly expense charge per $1000 of Specified Amount will not change as a result of a decrease in the Specified Amount.

Change in Specified Amount Option - If the Specified Amount does not include the Policy Value, a request may be made to change this policy so that the Specified Amount includes the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

If the Specified Amount includes the Policy Value, a request may be made to change this policy so that the Specified Amount does not include the Policy Value. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of receipt by the Company of the request to make the change.

The Specified Amount after the change must be at least $50,000. No more than one change in the Specified Amount option may be made in any policy year.

12. General Provisions

The Contract - This policy, all applications and any supplemental agreements or amendments constitute the entire contract when attached to the policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on behalf of the Company, modify this policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time the Company may make such changes in this policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the policy conform with any law or regulation issued by any government agency to which it is subject. This contract may be unilaterally amended or modified to satisfy applicable law. The owner shall be permitted to refuse any such change unless noncompliance violates state or federal law.

Incontestability - All statements made in any application for this policy are representations and not warranties. No statement will void this policy or be used to contest a claim under it unless the statement is contained in a written application, a copy of which is attached to and made a part of this policy.

12. General Provisions (continued)

This policy will be incontestable after it has been in force during the life of the Insured for two years from the Policy Date. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date.

This policy will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement.

Duration of Coverage - The duration of coverage under this policy will depend on the amount, timing and frequency of premium payments; changes in the Specified Amount or benefits; the interest rates credited or investment return; the cost of insurance rates charged; percent of premium charge; expense charges; surrenders, and the amount and timing of any partial surrenders or policy loans.

Participation - This policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. The share of such surplus, if any, to be apportioned to this policy as a dividend will be determined each year by the Company. Any dividend will be credited to the Policy Value, unless the Owner elects to have it paid in cash.

Policy Date - The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

Monthly Anniversary - The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

Age - The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

Misstatement of Age or Sex - If the age or the sex of the Insured has been misstated, the Death Benefit under this policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

Policy Payments - All payments by the Company under this policy are payable at the Home Office. The Company may require the return of this policy upon surrender for the Net Cash Surrender Value or payment of the Death Benefit.

Annual Report - Each year a report will be sent to the Owner which shows the current policy values, premiums paid and deductions made since the last report, any outstanding policy loans, and any other information required by the Insurance Department of the jurisdiction in which this policy is delivered.

Projection of Benefits and Values - Upon request, the Company will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by the Owner. The Company may charge a fee for this service.

Option to Extend Maturity Date - Upon the written request of the Owner, this policy will continue in force beyond the Maturity Date shown on Page 3. The Basic Death Benefit under the base policy will continue beyond the Maturity Date without evidence of insurability. The Basic Death Benefit and the Policy Value will continue to be calculated as defined in the base policy. The attained age Death Benefit Factors will equal 1.00 for the maturity extension period. The Basic Cost of Insurance Rate for attained ages during the maturity extension period will be equal to zero. New Policy Loans may not be made during the maturity extension period. Policy Loans taken prior to the original Maturity Date will continue to accrue interest and the Policy Loan Account will continue to operate as stated in the base policy.

During the maturity extension period, premium payments will not be accepted unless necessary to prevent lapse. All riders and benefits attached to the base policy, except the Supplemental Term Insurance Agreement, if applicable, terminate as of the original Maturity Date, shown on Page 3.

13. Income Payment Options

Election of Income Payment Option—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

The Owner may elect an income payment option or change a previous election while this policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least $5,000. No election may provide for income payments of less than $50 each.

Option 1—Interest Income—The Company will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

Option 2— Income for a Fixed Period—The Company will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

Option 3— Income of a Specified Amount—The Company will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least $75 for each $1,000 applied.

Option 4— Life Income—The Company will pay equal monthly payments during the life of the option annuitant.

Option 5— Life Income with Guaranteed Period—The Company will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

Option 6— Life Income with Refund Period—The Company will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

Option 7— Joint and Survivor Life Income—The Company will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

Income Amount—Participation—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as determined each year by the Company. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity issued by the Company at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

Income Period—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

Option Annuitant—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

13. Income Payment Options (continued)

The Company may require proof of the age and of the continued life of an option annuitant. If the age or the sex of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

Withdrawal Privilege—Unless the election states otherwise, the payee under an income payment option may:
(a) before any income payment has been made, withdraw the amount applied under the option; or
(b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
(c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

The Company may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

Present Value—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate set by the Company at the time income payments are to begin.

Death of Payee—Upon the death of the payee under an income payment option, the Company will pay the following to the payee's executors or administrators unless stated otherwise in an election consented to by the Company:
(a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
(b) the present value of the income payments to become due during the fixed period under Option 2; or
(c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
(d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

Assignment— Creditors—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.

14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each $1,000 of value applied under an annuity option. "Age" as used in the tables for Options 2,3, and 4 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment	Adjusted Age
Before calendar year 2010	Actual Age
2010-2019	Actual age decreased by 1
2020-2029	Actual age decreased by 2
2030 and later	Actual age decreased by 3

Option 1—Interest Income

Payment Interval	Amount
Annually	$15.00
Semiannually	7.47
Quarterly	3.73
Monthly	1.24

Option 2—Income for Fixed Period of Years

Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
1	$83.90	11	$8.21	21	$4.62
2	42.26	12	7.58	22	4.44
3	28.39	13	7.05	23	4.28
4	21.45	14	6.59	24	4.13
5	17.28	15	6.20	25	3.99
6	14.51	16	5.85	26	3.86
7	12.53	17	5.55	27	3.75
8	11.04	18	5.27	28	3.64
9	9.89	19	5.03	29	3.54
10	8.96	20	4.81	30	3.44

14. Income Payment Option Table (continued)

Options 4, 5 and 6—Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment.

Age of Option Annuitant	Option 4 Life Income		Option 5 20 Year Guaranteed Period		Option 5 10 Year Guaranteed Period		Option 5 5 Year Guaranteed Period		Option 6 with Refund Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
15	$1.99	$1.92	$1.96	$1.89	$1.97	$1.90	$1.98	$1.91	$1.95	$1.88
16	2.01	1.94	1.98	1.91	1.99	1.92	2.00	1.93	1.97	1.90
17	2.03	1.95	2.00	1.92	2.01	1.93	2.02	1.94	1.99	1.91
18	2.05	1.97	2.02	1.94	2.03	1.95	2.04	1.96	2.01	1.93
19	2.07	1.99	2.04	1.96	2.05	1.97	2.06	1.98	2.03	1.95
20	2.09	2.01	2.06	1.98	2.07	1.99	2.08	2.00	2.05	1.97
21	2.11	2.02	2.08	1.99	2.09	2.00	2.10	2.01	2.07	1.98
22	2.13	2.04	2.10	2.01	2.11	2.02	2.12	2.03	2.09	2.00
23	2.15	2.06	2.12	2.03	2.13	2.04	2.14	2.05	2.11	2.02
24	2.17	2.08	2.14	2.05	2.15	2.06	2.16	2.07	2.13	2.04
25	2.20	2.10	2.17	2.07	2.18	2.08	2.19	2.09	2.16	2.06
26	2.22	2.13	2.19	2.10	2.20	2.11	2.21	2.12	2.18	2.09
27	2.25	2.15	2.22	2.12	2.23	2.13	2.24	2.14	2.21	2.11
28	2.27	2.17	2.24	2.14	2.25	2.15	2.26	2.16	2.22	2.13
29	2.30	2.19	2.27	2.16	2.28	2.17	2.29	2.18	2.26	2.15
30	2.33	2.22	2.30	2.19	2.31	2.20	2.32	2.21	2.27	2.18
31	2.36	2.24	2.33	2.21	2.34	2.22	2.35	2.23	2.29	2.20
32	2.39	2.27	2.36	2.24	2.37	2.25	2.38	2.26	2.35	2.22
33	2.42	2.30	2.39	2.27	2.40	2.28	2.41	2.29	2.38	2.26
34	2.46	2.33	2.43	2.30	2.44	2.31	2.45	2.32	2.40	2.27
35	2.49	2.36	2.46	2.33	2.47	2.34	2.48	2.35	2.44	2.32
36	2.53	2.39	2.50	2.36	2.51	2.37	2.52	2.38	2.45	2.35
37	2.56	2.42	2.53	2.39	2.54	2.40	2.55	2.41	2.49	2.36
38	2.60	2.46	2.57	2.43	2.58	2.44	2.59	2.45	2.50	2.42
39	2.65	2.49	2.62	2.46	2.63	2.47	2.64	2.48	2.57	2.45
40	2.69	2.53	2.66	2.50	2.67	2.51	2.68	2.52	2.60	2.48
41	2.73	2.57	2.70	2.54	2.71	2.55	2.72	2.56	2.65	2.52
42	2.78	2.61	2.74	2.58	2.76	2.59	2.77	2.60	2.66	2.54
43	2.83	2.65	2.79	2.62	2.81	2.63	2.82	2.64	2.72	2.55
44	2.88	2.69	2.83	2.66	2.86	2.67	2.87	2.68	2.76	2.61
45	2.94	2.74	2.88	2.71	2.92	2.72	2.93	2.73	2.79	2.62
46	2.99	2.79	2.93	2.76	2.97	2.77	2.98	2.78	2.80	2.68
47	3.05	2.84	2.98	2.80	3.03	2.82	3.04	2.83	2.88	2.70
48	3.11	2.89	3.03	2.85	3.09	2.87	3.10	2.88	2.90	2.76
49	3.18	3.09	3.09	2.92	3.16	2.92	3.17	2.93	2.97	2.79
50	3.24	3.00	3.14	2.95	3.22	2.98	3.23	2.99	3.05	2.85
51	3.31	3.06	3.20	3.00	3.29	3.04	3.30	3.05	3.06	2.94
52	3.39	3.13	3.26	3.06	3.36	3.11	3.38	3.12	3.16	2.95
53	3.47	3.19	3.32	3.12	3.44	3.17	3.46	3.18	3.17	2.99
54	3.55	3.26	3.39	3.18	3.51	3.24	3.54	3.25	3.28	3.05
55	3.63	3.34	3.45	3.24	3.60	$3.32	3.62	3.33	3.29	3.10
56	3.73	3.41	3.52	3.30	3.68	3.39	3.72	3.40	3.35	3.17
57	3.82	3.50	3.58	3.37	3.77	3.47	3.81	3.49	3.41	3.29
58	3.92	3.58	3.65	3.44	3.87	3.56	3.91	3.57	3.49	3.30
59	4.03	3.68	3.72	3.51	3.97	3.64	4.02	3.67	3.55	3.43
60	4.15	3.78	3.79	3.58	4.07	3.74	4.13	3.77	3.64	3.45
61	4.27	3.88	3.86	3.65	4.19	3.83	4.25	3.87	3.71	3.51
62	4.40	3.99	3.93	3.73	4.30	3.94	4.38	3.98	3.81	3.62
63	4.54	4.11	4.00	3.81	4.42	4.05	4.52	4.09	3.88	3.67
64	4.69	4.23	4.07	3.88	4.55	4.16	4.66	4.22	3.96	3.80

Age of Option Annuitant	Option 4 Life Income		Option 5 20 Year Guaranteed Period		Option 5 10 Year Guaranteed Period		Option 5 5 Year Guaranteed Period		Option 6 with Refund Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
65	4.85	4.37	4.14	3.96	4.69	4.28	4.81	4.35	4.06	3.92
66	5.02	4.51	4.21	4.04	4.83	4.41	4.98	4.49	4.20	4.01
67	5.20	4.66	4.27	4.11	4.98	4.55	5.15	4.64	4.35	4.04
68	5.39	4.83	4.33	4.18	5.13	4.69	5.33	4.80	4.52	4.24
69	5.60	5.00	4.39	4.26	5.29	4.84	5.53	4.97	4.59	4.25
70	5.82	5.19	4.44	4.32	5.45	5.00	5.73	5.15	4.67	4.49
71	6.05	5.39	4.49	4.39	5.62	5.17	5.95	5.34	4.75	4.58
72	6.30	5.61	4.54	4.45	5.79	5.34	6.17	5.55	5.05	4.77
73	6.57	5.85	4.58	4.50	5.96	5.52	6.42	5.78	5.13	4.85
74	6.85	6.11	4.62	4.55	6.14	5.71	6.67	6.02	5.34	5.06
75	7.15	6.39	4.65	4.60	6.32	5.91	6.94	6.28	5.45	5.15
76	7.47	6.69	4.68	4.64	6.51	6.11	7.22	6.55	5.63	5.28
77	7.82	7.01	4.71	4.67	6.69	6.31	7.52	6.84	5.81	5.48
78	8.19	7.36	4.73	4.70	6.87	6.52	7.83	7.16	5.94	5.76
79	8.59	7.74	4.75	4.72	7.05	6.73	8.15	7.49	6.22	5.86
80	9.01	8.16	4.76	4.75	7.22	6.93	8.49	7.84	6.25	6.05
81	9.47	8.60	4.78	4.76	7.39	7.13	8.84	8.21	6.69	6.16
82	9.95	9.09	4.79	4.78	7.56	7.33	9.21	8.60	6.77	6.67
83	10.47	9.61	4.79	4.79	7.71	7.52	9.58	9.01	7.13	6.77
84	11.02	10.18	4.80	4.80	7.86	7.69	9.97	9.44	7.32	7.10
85	11.61	10.79	4.81	4.80	8.00	7.86	10.36	9.87	7.45	7.33
86	12.24	11.45	4.81	4.81	8.13	8.01	10.76	10.32	7.80	7.53
87	12.91	12.16	4.81	4.81	8.24	8.15	11.17	10.77	7.91	7.98
88	13.61	12.91	4.81	4.81	8.35	8.27	11.57	11.22	8.47	8.08
89	14.37	13.71	4.81	4.81	8.45	8.38	11.97	11.66	8.65	8.40
90	15.17	14.55	4.81	4.81	8.54	8.48	12.37	12.09	8.77	8.69
91	16.01	15.43	4.81	4.81	8.61	8.56	12.77	12.51	9.60	9.02
92	16.91	16.34	4.81	4.81	8.68	8.64	13.15	12.92	9.75	9.42
93	17.86	17.29	4.81	4.81	8.74	8.71	13.53	13.31	9.82	9.73
94	18.87	18.29	4.81	4.81	8.80	8.76	13.91	13.69	10.90	10.21
95	19.96	19.32	4.81	4.81	8.84	8.81	14.28	14.05	11.21	10.50
96	21.13	20.42	4.81	4.81	8.88	8.85	14.64	14.41	11.65	10.92
97	22.41	21.60	4.81	4.81	8.90	8.89	14.99	14.76	12.14	11.37
98	23.84	22.89	4.81	4.81	8.93	8.91	15.34	15.11	12.55	11.76
99	25.44	24.35	4.81	4.81	8.94	8.93	15.67	15.45	13.12	12.29
100	27.27	26.01	4.81	4.81	8.95	8.95	15.99	15.79	13.75	12.88
101	29.36	27.93	4.81	4.81	8.96	8.96	16.27	16.10	14.43	13.51
102	31.77	30.15	4.81	4.81	8.96	8.96	16.53	16.38	15.01	14.06
103	34.57	32.76	4.81	4.81	8.96	8.96	16.75	16.64	15.85	14.85
104	37.82	35.81	4.81	4.81	8.96	8.96	16.93	16.84	16.79	15.72
105	41.60	39.41	4.81	4.81	8.96	8.96	17.06	17.01	16.92	15.89
106	46.03	43.66	4.81	4.81	8.96	8.96	17.16	17.13	17.02	16.01
107	51.23	48.69	4.81	4.81	8.96	8.96	17.22	17.21	17.08	16.09
108	57.34	54.67	4.81	4.81	8.96	8.96	17.26	17.25	17.12	16.13
109	64.58	61.81	4.81	4.81	8.96	8.96	17.28	17.27	17.14	16.15
110	73.20	70.40	4.81	4.81	8.96	8.96	17.28	17.28	17.16	16.16

14. Income Payment Option Table (continued)

Option 7—Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Female Option Annuitant	Age of Male Option Annuitant 50	55	60	65	70	75	80	85	90	95	100	105	110
50	$2.72	$2.80	$2.87	$2.92	$2.95	$2.97	$2.98	$2.99	$3.00	$3.00	$3.00	$3.00	$3.00
55	2.85	2.98	3.09	3.18	3.24	3.28	3.30	3.32	3.33	3.33	3.33	3.34	3.34
60	2.96	3.15	3.32	3.47	3.58	3.66	3.71	3.74	3.75	3.76	3.77	3.77	3.77
65	3.05	3.29	3.54	3.77	3.97	4.12	4.22	4.28	4.32	4.35	4.35	4.36	4.37
70	3.12	3.41	3.73	4.07	4.39	4.66	4.86	5.00	5.08	5.13	5.16	5.18	5.19
75	3.17	3.50	3.89	4.33	4.80	5.25	5.64	5.92	6.12	6.24	6.31	6.36	6.38
80	3.20	3.56	4.00	4.53	5.16	5.83	6.48	7.04	7.46	7.75	7.95	8.07	8.14
85	3.22	3.59	4.06	4.67	5.43	6.31	7.28	8.24	9.06	9.70	10.19	10.54	10.72
90	3.23	3.61	4.10	4.75	5.60	6.65	7.92	9.31	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.93	36.41	52.85

Additional Policy Specifications

GUARANTEED MAXIMUM MONTHLY EXPENSE
CHARGE PER $1,000 OF SPECIFIED AMOUNT

ISSUE AGE	BASE COVERAGE CHARGE
64	.333
65	.335
66	.336
67	.338
68	.340
69	.342
70	.345
71	.348
72	.352
73	.356
74	.362
75	.370
76	.381
77	.399
78	.433
79	.529
80	.624
81	.719
82	.815
83	.910
84	1.006
85	1.101

Additional Policy Specifications

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER $1,000

ATTAINED AGE	BASE RATE
64	$.85070
65	.92170
66	1.00020
67	1.08620
68	1.18220
69	1.28750
70	1.40360
71	1.53740
72	1.68700
73	1.84920
74	2.02740
75	2.22490
76	2.44180
77	2.68050
78	2.94450
79	3.22960
80	3.54840
81	3.98160
82	4.47070
83	4.95860
84	5.49840
85	6.10710
86	6.65990
87	7.49320
88	8.36520
89	9.29650
90	10.15630
91	10.59180
92	11.44960
93	12.72490
94	14.33940
95	16.33930
96	18.24610
97	20.21640
98	20.55480

POLICY NUMBER 8 279 493
FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE
JUDITH A GRANDY
AGE 64 FEMALE

Additional Policy Specifications

TABLE OF GUARANTEED MAXIMUM MONTHLY COST OF INSURANCE RATES PER $1,000

ATTAINED AGE	BASE RATE
99	$21.68870
100	23.49430
101	25.42630
102	27.58990
103	29.95800
104	32.57780
105	35.42540
106	38.36050
107	41.38460
108	44.44460
109	47.65060
110	50.95010
111	54.14070
112	57.25380
113	60.10440
114	64.14870
115	67.93870
116	71.89940
117	76.27570
118	80.34530
119	83.33330
120	83.33330

POLICY NUMBER 8 279 493
FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE
JUDITH A GRANDY
AGE 64 FEMALE

Additional Policy Specifications (continued)

NO-LAPSE TIER GROWTH PERCENTAGE 5.00%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 90 AND BELOW)

POLICY YEAR 1 AMOUNT OF NO-LAPSE ACCOUNT BALANCE		INTEREST RATE
TIER 1: FIRST	$10,673	1.06086%
TIER 2: NEXT	$7,471	0.68215%
TIER 3: NEXT	$50,912	0.48676%
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE		0.34344%

POLICY YEARS AFTER YEAR 1 AMOUNT OF NO-LAPSE ACCOUNT BALANCE		INTEREST RATE
TIER 1: FIRST	$10,673 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	1.06086%
TIER 2: NEXT	$7,471 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	0.68215%
TIER 3: NEXT	$50,912 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	0.48676%
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE		0.34344%

TABLE OF MONTHLY NO-LAPSE INTEREST RATES
(ATTAINED AGES 91 AND ABOVE)

POLICY YEAR 1 AMOUNT OF NO-LAPSE ACCOUNT BALANCE		INTEREST RATE
TIER 1: FIRST	$10,673	1.38823%
TIER 2: NEXT	$7,471	1.00952%
TIER 3: NEXT	$50,912	0.81413%
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE		0.67081%

POLICY YEARS AFTER YEAR 1 AMOUNT OF NO-LAPSE ACCOUNT BALANCE		INTEREST RATE
TIER 1: FIRST	$10,673 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	1.38823%
TIER 2: NEXT	$7,471 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	1.00952%
TIER 3: NEXT	$50,912 INCREASED BY NO-LAPSE TIER GROWTH % EACH YEAR	0.81413%
TIER 4: REMAINDER OF NO-LAPSE ACCOUNT BALANCE		0.67081%

Additional Policy Specifications (continued)

TABLE OF NO-LAPSE PERCENT OF PREMIUM CHARGE

POLICY YEAR	PERCENT OF PREMIUM CHARGE
1	7
2	7
3	7
4	7
5	7
6	7
7	7
8	7
9	7
10	7
11	7
12	7
13	7
14	7
15	7
16	7
17	7
18	7
19	7
20	7
21+	0

Additional Policy Specifications

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES PER $1000

POLICY YEAR	RATES
1	.4530
2	.4986
3	.5488
4	.6041
5	.6650
6	.7320
7	.8444
8	.9743
9	1.1244
10	1.2980
11	1.4988
12	1.6211
13	1.7535
14	1.8970
15	2.0525
16	2.2210
17	2.3352
18	2.4554
19	2.5820
20	2.7153
21	3.0786
22	3.2385
23	3.4071
24	3.5848
25	3.7721
26	3.9697
27	4.0113
28	4.0534
29	4.0959
30	4.1389
31	4.1824
32	4.2263
33	4.2708
34	4.3157
35	4.3611

POLICY NUMBER 8 279 493
FLEXIBLE PREMIUM ADJUSTABLE LIFE INSURANCE
JUDITH A GRANDY
AGE 64 FEMALE

Additional Policy Specifications

TABLE OF MONTHLY NO-LAPSE COST OF INSURANCE RATES PER $1000

POLICY YEAR	RATES
36	4.4070
37	4.7330
38	5.0846
39	5.4638
40	5.8732
41	6.3155
42	6.7250
43	7.1632
44	7.6324
45	8.1350
46	8.6740
47	9.0586
48	9.4621
49	9.8855
50	10.3299
51	10.7967
52	11.2870
53	11.8025
54	12.3445
55	12.9148
56	13.5152
57	13.5152

Additional Policy Specifications (continued)

Table of Death Benefit Factors

Attained Age	Factor
0-40	2.500
41	2.430
42	2.360
43	2.290
44	2.220
45	2.150
46	2.090
47	2.030
48	1.970
49	1.910
50	1.850
51	1.780
52	1.710
53	1.640
54	1.570
55	1.500
56	1.460
57	1.420
58	1.380
59	1.340
60	1.300
61	1.280
62	1.260
63	1.240
64	1.220
65	1.200
66	1.190
67	1.180
68	1.170
69	1.160
70	1.150
71	1.130
72	1.110
73	1.090
74	1.070
75-90	1.050
91	1.040
92	1.030
93	1.020
94	1.010
95	1.010
96-121	1.001

Rider - Overloan Protection Benefit Agreement

The Penn Mutual Life Insurance Company agrees, subject to the provisions of the Policy and this agreement, to provide the Overloan Protection Benefit described below.

This agreement is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this agreement.

Overloan Protection Benefit - This rider will prevent your policy from lapsing when, on any Monthly Anniversary, the outstanding indebtedness on the policy equals or exceeds (a) multiplied by (b), where:

(a) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
(b) is the Specified Loan Percentage shown on the Policy Specifications Page.

If the above occurs, the policy will automatically become paid-up life insurance. The new Specified Amount of the Policy will be equal to the Policy Value, adjusted for a one-time Charge, multiplied by an attained age factor shown in the Table of Death Benefit Factors.

Conditions - This benefit is subject to the following conditions:

(a) The Insured's attained age is 75 or older;
(b) The Policy has been in force for a minimum of 15 years; and
(c) The Amounts that may be withdrawn from the policy without the imposition of federal income tax must be taken as partial surrenders.

Charges. The one time Charge for this agreement is applied against the Policy Value when the benefit is exercised. This charge is shown on the Policy Specifications Page.

Impact of Policy Agreement. When the benefit described in this agreement is exercised, the following changes will be made to the Policy:

(a) Interest will continue to be credited to the Policy Value;
(b) If the Specified Amount does not include the Policy Value, it will be changed to include the Policy Value;
(c) Any outstanding indebtedness will remain and interest will continue to be applied to the indebtedness and credited to the Policy Loan Account;
(d) No further Monthly Deductions will be taken;
(e) No additional premium payments, partial surrenders, or policy loans, or policy loan repayments will be allowed;
(f) No further changes can be made to the policy;
(g) All Supplemental Agreements attached to this policy will be terminated;
(h) The new Death Benefit upon the date of death of the insured will be the greater of (i) or (ii), where:
  (i) The Specified Amount of the paid-up life insurance; or
  (ii) The appropriate attained age factor shown on the Policy Specifications Page multiplied by the greater of the Policy Value or the outstanding indebtedness.

Termination of Agreement. This agreement will terminate upon:

(a) Lapse, surrender, or maturity of this policy; or
(b) Date of death of the Insured; or
(c) Date of a policy loan that causes outstanding indebtedness which equals or exceeds (i) multiplied by (ii) where:
  (i) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
  (ii) is the Specified Loan Percentage shown on the Policy Specifications Page; or
(d) the Monthly Anniversary which coincides with or next follows receipt by the Company of a written request to terminate this agreement.

OPBA-08

A027461R

Rider - Overloan Protection Benefit Agreement (continued)

Effective Date. The effective date of this agreement is the same as the Date of Issue of this Policy unless another effective date is shown below.

The Penn Mutual Life Insurance Company

Eileen C. McDonnell

President and
Chief Executive Officer

OPBA-08

A027462R

Rider - Accelerated Benefit - Chronic Illness

The Company agrees, subject to the provisions of the Policy and this rider, to provide the Accelerated Benefit Payments described below. The Company also agrees to provide all of the other benefits which are stated in this rider.

Disclosure - Upon request by the Owner, the Company will provide prepayment to the Owner a portion of the death benefit when the Insured has been certified with a Chronic Illness as described below. Accelerated Benefit Payments may affect eligibility for, or amounts of, other benefits provided by federal, state, or local government. Although payments of Accelerated Benefits provided by this rider are intended to qualify for favorable tax treatment under section 101(g) of the Federal Internal Revenue Code, the federal, state, or local tax consequences resulting from payment of Accelerated Benefits will depend on the specific facts and circumstances, and consequently advice and guidance should be obtained from a personal tax advisor prior to the receipt of any Accelerated Benefit Payments. Death benefits and policy values will be reduced as described below if an Accelerated Benefit is paid.

Free Look Period - The Owner may return Accelerated Benefit payments to the company within 30 days of receipt of payment. The Company will then void the prepayment of that portion of the death benefit.

Insured - The person covered under the basic Policy to which this rider is attached. This term does not include other persons covered under other riders which are part of the Policy. If the Policy is a Last Survivor Policy with two persons listed as the insureds, this term refers to the surviving insured after the death of one insured. The Accelerated Benefit is not available if both insured persons are living.

Eligible Amount - The Eligible Amount is the Amount of Death Benefit, as described in the Policy, on the date of the initial request for an Accelerated Benefit Payment. This amount excludes all supplemental riders except for the following riders if attached to the Policy: Supplemental Term Insurance Agreement, Flexible Protection Agreement, Supplemental Paid-Up Additions Agreement, and Accelerated Paid-Up Additions Agreement.

Accelerated Benefit Payment - If eligible, this is the actual benefit amount that the Owner will receive upon request under this rider. The Owner may request the payment of the Accelerated Benefit Payment in a single lump sum or in a series of equal payments occurring annually, semi-annually, quarterly, or monthly. The series of benefit payments will continue as scheduled, as long as evidence is received every 12 months as described below, until the remaining death benefit reaches the minimum allowed by the Company or the rider is terminated. No more than 12 Accelerated Benefit Payments will be paid in a 12 month period.

The Accelerated Benefit Payment must first be used to repay a pro rata share of any outstanding indebtedness as described below.

If the Insured dies and the Company receives written notice of the death at the Company before Accelerated Benefits are paid, no Accelerated Benefit Payments will be made. However, any payment made by the Company prior to receiving written notice of the Insured's death at the Company is effective.

The Company will limit the Accelerated Benefit Payment such that:

(1) The Policy is not disqualified as life insurance according to Internal Revenue Code;

(2) The Accelerated Benefit Payment is at least $4,800 if taken as a single lump sum, or the sum of scheduled payments for the 12 month period following the election date is at least $4,800 if taken as a series of payments;

Rider - Accelerated Benefit - Chronic Illness (continued)

(3) Maximum total amount of Accelerated Benefit Payments in a 12 month period, for all policies or riders under which the Insured is covered with the Company, will not exceed the least of 24% of the Eligible Amount, $240,000, or the annual Per Diem Limitation declared each year by the Internal Revenue Service. The Per Diem Limitation further requires that the total aggregated benefits being received from all coverages do not exceed the IRS annual Per Diem amount, including benefits received from coverages not with the Company;

(4) The maximum total amount of Accelerated Benefit Payments during the life of the Insured, for all policies or riders under which the Insured is covered with the Company, will not exceed $5,000,000; and

(5) The death benefit remaining after an Accelerated Benefit Payment is not less than $50,000.

Covered Chronic Illness - Chronic Illness means that the Insured has been certified by a licensed health care practitioner within the last 12 months as:

(1) Being unable to perform at least two Activities of Daily Living without Substantial Assistance from another person due to a loss of functional capacity for a period of at least 90 consecutive days; or

(2) Requiring substantial supervision by another person for a period of at least 90 consecutive days to protect the Insured from threats to health and safety due to severe Cognitive Impairment.

For each lump sum benefit payment, or at the beginning of each 12 month period following the election date if benefit payments are scheduled in a series, the Company must receive written certification from a licensed health care practitioner that the Insured has a Chronic Illness. The licensed health care practitioner may be a licensed physician, registered professional nurse, licensed social worker, or other similar health care practitioner approved by the Company. The licensed health care practitioner shall not be the Insured, Owner, Beneficiary, or a relative thereof. The Company reserves the right to obtain at any time an additional opinion of the Insured's condition from a licensed health care practitioner at the Company's expense. Should this opinion differ from that of the Insured's licensed health care practitioner, eligibility for benefits will be determined by a third licensed health care practitioner who is mutually acceptable to the Owner and the Company.

Activities of Daily Living - The Activities of Daily Living are:

(1) Bathing - the ability to wash oneself by sponge bath or in either a tub or shower, including the task of getting into or out of the tub or shower.

(2) Continence - the ability to maintain control of bowel or bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag.

(3) Dressing - the ability to put on and take off all items of clothing and any necessary braces, fasteners or artificial limbs.

(4) Eating - the ability to feed oneself by getting food into the body from a receptacle, such as a plate, cup, or table, or by feeding tube or intravenously.

(5) Toileting - the ability to get to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.

(6) *Transferring* - the ability to move into or out of a bed, chair or wheelchair.

Rider - Accelerated Benefit - Chronic Illness (continued)

***Substantial* Assistance -** Substantial Assistance means both Hands-On Assistance and Standby Assistance. Hands-On Assistance means the physical assistance of another person without which the individual would be unable to perform the Activity of Daily Living. Stand-By Assistance means the presence of another person within arm's reach of the individual that is necessary to prevent, by physical intervention, injury to the individual while the individual is performing the Activity of Daily Living.

Cognitive Impairment - Cognitive Impairment means deterioration or loss in intellectual capacity that is:

(1) Comparable to (and includes) Alzheimer's Disease and similar forms of irreversible dementia; and

(2) Measured by clinical evidence and standardized tests which reliably measure impairment in:

(a) Short term or long term memory; or

(b) Orientation to people, places, or time; or

(c) Deductive or abstract reasoning; or

(d) Judgment as it relates to safety awareness.

Effect on Specified Amount - The Specified Amount will be subject to a reduction based on the amount of the Accelerated Benefit Payment. The following factors will be used to determine the decrease in the Specified Amount:

(1) The Accelerated Benefit Payment; and

(2) Future premiums required if a Whole Life Policy, or future Monthly Deductions if a Flexible Premium Adjustable Life Insurance Policy; and

(3) Future anticipated dividends projected for the Policy, if any; and

(4) The Accelerated Benefit Interest Rate in effect; and

(5) A mortality table declared by the Company for individuals with a Chronic Illness.

Accelerated Benefit Interest Rate - The Accelerated Benefit Interest Rate will not exceed the greater of the current yield on the ninety-day Treasury bill or the current maximum statutory adjustable policy loan interest rate. The maximum statutory adjustable policy loan interest rate is the greater of:

(a) Moody's Corporate Bond Yield Average - Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or

(b) The minimum interest rate used to calculate policy values under the Policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this policy is issued.

Specified Amount - The term Specified Amount as used in this rider refers to the Specified Amount shown on page 3 of a Flexible Premium Adjustable Life Insurance Policy or the Face Amount shown on page 3 of a Whole Life Policy. The Specified Amount includes any subsequent changes in the amount since the policy was issued.

Rider - Accelerated Benefit - Chronic Illness (continued)

Effect on Policy Values - The Policy will be subject to pro-rata reductions based on the percentage decrease in the Specified Amount. These pro rata reductions will be made to the premium, cash value, dividends, and paid-up additions for a Whole Life Policy, and the policy value, cash surrender value, surrender charge, and monthly deductions (except for the per policy expense charge) for a Flexible Premium Adjustable Life Insurance Policy. The remaining portions of the policy values will be as if the Policy had been originally issued at the reduced amount.

The Accelerated Benefit Payment must first be used to repay a pro rata share of any outstanding indebtedness. Therefore a pro rata reduction will also be made to the outstanding indebtedness.

For a Flexible Premium Adjustable Life Insurance Policy with a No Lapse Guarantee Requirement based on Accumulated Premiums exceeding Accumulated No Lapse Premiums, both the Accumulated Premiums and Accumulated No Lapse Premiums to date will be reduced by the percentage of the Specified Amount decreased.

For a Flexible Premium Adjustable Life Insurance Policy with a No Lapse Guarantee Requirement based on a No Lapse Guarantee Account, the No Lapse Guarantee Account value will be reduced by the percentage of the Specified Amount decreased.

Premium - There is no separate premium required for this benefit. However, this rider does not eliminate the need to pay premiums to keep the Policy in force. The Owner must continue to pay any premiums necessary to avoid policy lapse as described in the Policy or in any applicable riders attached to the Policy.

Values - This benefit has no cash value or loan value.

Eligibility - In order to receive this benefit, the following conditions must be satisfied:

(1) This benefit is only available to the Owner of this Policy upon written request.

(2) Requests to exercise this benefit must be received in writing at the Home Office of the Company.

(3) For each lump sum benefit payment or at the beginning of each 12 month period following the election date if benefit payments are scheduled in a series, the Company must receive written certification that the Insured has a Chronic Illness as described in this rider.

(4) The benefit excludes any riders that may be attached to the Policy except for the Supplemental Term Insurance Agreement, Flexible Protection Agreement, Supplemental Paid-Up Additions Agreement, and Accelerated Paid-Up Additions Agreement.

(5) This rider must be attached to the Policy for at least 2 years.

(6) The Policy must be inforce other than as extended term insurance.

(7) The Policy must not be in a premium grace period.

(8) If the Policy is a Last Survivor Policy, the Company must receive written proof of the death of one insured.

(9) The Insured's attained age is 20 or older.

(10) The Company must receive signed acknowledgment of concurrence with payments from the Owner, Insured, all assignees, and all irrevocable beneficiaries.

Rider - Accelerated Benefit - Chronic Illness (continued)

(11) Benefit is not available if the law requires the benefit to meet the claims of creditors, whether in bankruptcy or otherwise; or a government agency requires the benefit in order to apply for, obtain, or keep a government benefit or entitlement.

Monthly Anniversary - The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

Incontestability - This rider will be incontestable after it has been in force during the life of the Insured for two years from its Effective Date. During the first two years this rider is in effect, the Company may contest a request for an Accelerated Benefit Payment under this rider, based on material misrepresentations made in applying for this rider.

This Policy will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement.

Termination of Rider - This rider will terminate upon:

(a) the maturity date of this Policy; or
(b) lapse of this Policy; or
(c) surrender of this Policy; or
(d) the date of death of the Insured; or
(e) the Monthly Anniversary which coincides with or next follows (i) receipt by the Company of a written request to terminate this rider, and (ii) return of this Policy for appropriate endorsement.

Effective Date - The effective date of this rider is the same as the Date of Issue of this Policy unless another effective date is shown below.

The Penn Mutual Life Insurance Company

Eileen C. McDonnell

President and
Chief Executive Officer

ABCI-10

A034090R

Rider - Accelerated Death Benefit Agreement

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this agreement, to provide prepayment of *a portion of the* death benefit based on a noncorrectable terminal illness resulting in the Insured's remaining life expectancy to be twelve months or less.

This agreement is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this agreement

Disclosure - This agreement provides for an accelerated death benefit to the Insured. The receipt of accelerated death benefits may be taxable. Assistance and advice should be obtained from a personal tax advisor prior to receipt of any such payments. Accelerated death benefit payments may also adversely affect the recipient's eligibility for Medicaid and other government provided benefits. Death benefits, cash values, and loan values will be reduced if an accelerated death benefit is paid.

Free Look Period - Within ten days of receipt of the Accelerated Benefit Payment, the Insured may return the payment to the Company. The Company will then void the agreement. Should the ten Day Free Look be exercised, the Insured may not apply for this benefit again at a later date.

Benefit Payment - If the Insured dies before accelerated benefits are paid, no payment will be made under this agreement. However, this provision will not apply to any payment made by the Company before receiving written notice of the Insured's death at the Company.

Premium - There is no premium for this benefit.

Values - This agreement has no cash values or loan values.

Eligibility - In order to receive any benefits under this agreement, all the following conditions must be satisfied:

(1) This agreement is only available for coverage on the life of the Primary Insured. Any policies with more than one Primary Insured is ineligible for this benefit unless agreed to by the Company.

(2) The Insured's request for benefits under this agreement must be received in a written form at the Home Office of the Company.

(3) The Company must receive due proof evidence that the Insured has a noncorrectable terminal illness. This includes but not limited to certification from a physician licensed in the United States. This noncorrectable terminal illness must result in the Insured having a remaining life expectancy of twelve months or less. The licensed physician shall not be the Insured, Owner, Beneficiary, or a relative thereof. The Company reserves the right to obtain additional medical opinions provided at the Company's expense. The Company also reserves the right to rely solely on this additional medical opinions for claims purposes should these opinions differ from those of the Insured's physician.

(4) This agreement is attached only to the base policy (excluding any additional riders) of permanent life insurance. The Company reserves the right to exclude certain permanent insurance from eligibility for this agreement.

(5) The permanent life insurance to which this agreement is attached:

(a) Must have been inforce for more than two years. Any changes in coverage amount, which is subject to a new contestable period, is not eligible for this agreement.
(b) Must have at least two years remaining from this agreement's effective date until the maturity date of the policy.
(c) Must be inforce other than as extended term insurance or reduced paid-up insurance.
(d) Must not be in its premium grace period.

(6) The Company must receive signed acknowledgment of concurrence of payments from all assignees, irrevocable beneficiaries, or other interested parties.

Rider - Accelerated Death Benefit Agreement (continued)

(7) This benefit is not available if:

(a) Law requires this benefit to meet the claims of creditors, whether in bankruptcy or otherwise, or
(b) A government agency requires this benefit in order to apply for, obtain, or keep a government benefit or entitlement.

Requested Percentage - The Requested Percentage is the percentage of Eligible Face Amount that is to be accelerated. The unadjusted payment is the Requested Percentage multiplied by the Eligible Face Amount. The Company reserves the right to limit the unadjusted payment and the accelerated benefit such that:

(1) The Requested Percentage does not exceed 50%;

(2) The sum of all Accelerated Benefit Payments does not exceed $250,000 for all policies inforce with the Company;

(3) The Accelerated Benefit Payment is at least $10,000 for each policy; and

(4) The policy is not disqualified as life insurance according to Internal Revenue Code.

Eligible Face Amount - Does not include all coverages, but is restricted to the following in effect on the agreement's effective date:

(1) The base policy face amount (excluding any additional riders); plus

(2) The face amount of any paid-up additions.

Accelerated Benefit Payment - This is the actual benefit amount that the Insured will receive under this agreement if eligible. The Company will pay the Accelerated Benefit Payment only once per policy. The Accelerated Benefit Payment is equal to the unadjusted payment less the following adjustment as of the benefit payment date:

(1) Charges will be deducted from the unadjusted payment. These charges include a risk charge and an interest rate discount. The maximum interest rate used shall be no greater than the greater of the current yield on the ninety-day treasury bill or the current maximum statutory adjustable policy loan interest rate. These charges will reflect:

(a) The premature payment of a portion of the policy's death benefit; and
(b) Premiums and policy charges that would have been due during the twelve month period following the benefit payment date for the coverage corresponding to this unadjusted payment.

(2) Any policy loans will reduce the unadjusted payment by an amount equal to the Requested Percentage times the loan amount.

Effect on Policy Values - The policy will be subject to reductions which reflect the Accelerated Benefit Payment. These reductions will be made to the death benefit, cash value, paid-up additions, loan amounts, premium payments, and any other policy charges.

Effective Date. The effective date of this agreement is the same as the Date of Issue of this Policy unless another effective date is shown below.

The Penn Mutual Life Insurance Company

Eileen C. McDonnell

President and
Chief Executive Officer
ACDB-03

CHECK BOX OF APPLICABLE COMPANY

☐ The Penn Mutual Life Insurance Company
Philadelphia, PA 19172

☐ The Penn Insurance and Annuity Company
Philadelphia, PA 19172

Application for Life Insurance

PART 1

A. PROPOSED INSURED 1 (PI 1)

1. Name of First Insured (First, Middle, Last): Judith A. Grandy
2. Sex: ☐ Male ☒ Female
3. Date of Birth (Month Day Year): 08/18/1947
4. Social Security No.: 375-52-1882
5. Birth Place: Lakeview, MI
6. Citizen of (Country): USA
7. For Non-US citizen Visa # and Type (attach copy):
8. Residence: Street: 3291 18 Mile Rd., P.O.Box 297, City: Marion, State: MI, Zip: 49665
9. Years at this Address: 12 years
10. Marital Status: ☒ M ☐ D ☐ S ☐ W
11. Home Phone No.: (231) 743-6686
12. Email Address:
13. Occupation (include duties): Retired
14. Drivers License State and No.: G653 454 067 645
15. Employer: N/A
16. How Long:
17. Area Code and Business Phone No.: ( )
18. Street: City: State: Zip:

B. PROPOSED INSURED 2 (PI 2)

Complete for

☐ *Survivorship Plan*

☐ *Additional Insured Rider*

(If multiple additional insureds complete form PM5023)

If info for PI 1 is same as PI 2 indicate same.

1. Name of Second Insured (First, Middle, Last):
2. Sex: ☐ Male ☐ Female
3. Date of Birth (Month Day Year):
4. Social Security No.: — —
5. Birth Place:
6. Citizen of (Country):
7. For Non-US citizen Visa # and Type (attach copy):
8. Residence: Street: City: State: Zip:
9. Years at this Address:
10. Marital Status: ☐ M ☐ D ☐ S ☐ W
11. Home Phone No.: ( )
12. Email Address:
13. Relationship to First Insured:
14. Occupation (include duties):
15. Drivers License State and No.:
16. Employer:
17. How Long:
18. Area Code and Business Phone No.: ( )
19. Street: City: State: Zip:

C. PLAN OF INSURANCE

1. Plan Name: Guaranteed Protection UL

DEATH BENEFIT

2. Face Amt. (Base Only): $ 515,794 + 3. Supplement Term Face Amt.: $ _____ = 4. Total Initial Coverage: $ 515,794

DEATH BENEFIT OPTION (UL and VUL only)

5. Check One: ☒ Level Death Benefit ☐ Increasing Death Benefit

PREMIUM TEST (UL and VUL only)

6. Check One: ☒ Guideline Premium ☐ Cash Value

D. ADDITIONAL BENEFITS AND RIDERS *Select desired benefits and riders for product plan elected in Section C*	Product	Available Elected Riders
	Accumulation Builder II IUL	☐ Accidental Death Benefit $_____ ☐ Additional Insured Rider (Complete Section B of application) $_____ ☐ Business Accounting Benefit ☐ Cash Value Enhancement Rider ☐ Children's Term Insurance Agreement ☐ Disability Completion Benefit ☐ Guaranteed Insurability Agreement $_____ ☐ Overloan Protection Rider ☐ Return of Premium Rider ☐ Supplemental Term Rider $_____ ☐ Waiver of Monthly Deductions ☐ Other_____
	Diversified Growth VUL *Complete form PM0304-R2 (PM0304-RS in NY and VT) and all forms required by your broker dealer for variable life business.*	☐ Accidental Death Benefit $_____ ☐ Additional Insured Rider (Complete Section B of application) $_____ ☐ Business Accounting Benefit ☐ Cash Value Enhancement Rider ☐ Children's Term Insurance Agreement ☐ Disability Completion Benefit ☐ Extended No-Lapse Guarantee Rider ☐ Guaranteed Insurability Agreement $_____ ☐ Overloan Protection Rider ☐ Return of Premium Rider ☐ Supplemental Term Rider $_____ ☐ Waiver of Monthly Deductions ☐ Other_____

	Flexible Choice Whole Life	☐ Accidental Death Benefit $_____
		☐ Children's Term Insurance Agreement
		☐ Flexible Protection Rider $_____
		☐ Guaranteed Insurability Agreement $_____
		☐ Overloan Protection Rider
		☐ Paid Up Additions (Select only one and complete question 4 in Section M)
		  ☐ Accelerated Permanent Paid Up Additions Rider
		  ☐ Enhanced Permanent Paid Up Additions Rider
		☐ Waiver of Premium (Select only one)
		  ☐ Waiver of Premium Rider
		  ☐ Enhanced Waiver of Premium Rider
		☐ Other_____

D. ADDITIONAL BENEFITS AND RIDERS (Continued) *Select desired benefits and riders for product plan elected in Section C*	Product	Available Elected Riders
	Guaranteed Protection UL	☐ Accidental Death Benefit $ _____ ☐ Additional Insured Rider (Complete Section B of application) $ _____ ☐ Business Accounting Benefit ☐ Children's Term Insurance Agreement ☐ Disability Completion Benefit ☐ Guaranteed Insurability Agreement $ _____ ☒ Overloan Protection Rider ☐ Waiver of Monthly Deductions ☐ Other _____
	Guaranteed Term 10-15-20	☐ Accidental Death Benefit $ _____ ☐ Children's Term Insurance Agreement ☐ Waiver of Premium Rider – Option A ☐ Waiver of Premium Rider – Option B ☐ Other _____
	Survivorship Growth VUL *Complete form PM0304-R2 (PM0304-RS in NY and VT) and all forms required by your broker dealer for variable life business.*	☐ Enhanced Coverage Rider $ _____ ☐ Estate Growth Benefit % _____ ☐ Estate Preservation Term Insurance Rider $ _____ ☐ Guaranteed Continuation of Policy (all states except NJ, NY, TX) ☐ Return of Premium Rider ☐ Single Life Flexible Period Term Rider $ _____ ☐ Other _____
	Survivorship Plus IUL	☐ Estate Growth Benefit % _____ ☐ Estate Preservation Term Insurance Rider $ _____ ☐ Extended No-Lapse Guarantee Rider ☐ First Death Benefit Rider $ _____ ☐ Overloan Protection Rider ☐ Return of Premium Rider ☐ Single Life Flexible Period Term Rider $ _____ ☐ Supplemental Term Rider $ _____ ☐ Other _____

E. CHILDREN'S TERM INSURANCE BENEFIT

If more than six, complete form PM5023

Child's Name (First, Middle Initial, Last)	Relationship to the Insured	Date of Birth mm/dd/yyyy	Age Nearest Birthday	Height (Ft., Inches)	Weight	Specified Amount
		/ /				$
		/ /				
		/ /				
		/ /				
		/ /				
		/ /				

F. DIVIDEND OPTIONS

Universal Life
- ☐ Cash
- ☑ Credited to Cash Value

Traditional Plans
- ☐ Cash
- ☐ Paid-up Additions
- ☐ Premium Reduction (Not available with Penn Check or Salary Allotment)
- ☐ Accumulate at Interest
- ☐ Other _____

G. OWNER

Complete only if Owner is other than Proposed Insured 1. If Trust, give name of Trust, Trustee and date of Trust

Note: If Owner is a Trust or Insured's business omit questions 4, 9.

1. Name(s) (First, Middle, Last) of Owner(s) or Complete Name of Entity
2. Relationship to Proposed Insured
3. Address (Street, City, County, State, Zip)
4. Date of Birth
5. Soc. Sec. # / Tax ID
6. Telephone # ( )
7. Name of Trustee(s)
8. Date of Trust
9. Occupation
10. Email Address

H. CONTINGENT OWNER

Complete only if Contingent Owner is other than Proposed Insured 1. If Trust, give name of Trust, Trustee and date of Trust

Note: If Contingent Owner is a Trust or Insured's business omit questions 4, 9.

1. Name(s) (First, Middle, Last) of Owner(s) or Complete Name of Entity
2. Relationship to Proposed Insured
3. Address (Street, City, County, State, Zip)
4. Date of Birth
5. Soc. Sec. # / Tax ID
6. Telephone # ( )
7. Name of Trustee(s)
8. Date of Trust
9. Occupation
10. Email Address

I. PAYOR

Complete only if Payor is other than the Proposed Insured or Owner or if a different address is requested.

1. Name(s) (First, Middle, Last) of Payor(s)
2. Relationship to Proposed Insured
3. Address: (Street, City, State, Zip)
4. Mailing Address (if different from above): (Street, City, State, Zip)
5. Soc. Sec. # or Tax ID #
6. Email Address
7. What is the amount of life insurance carried on the life of the payor? _____

Please provide details as to why the Payor is paying the premiums. _____

J. PRIMARY BENEFICIARY

Note: If no beneficiary survives the insured, proceeds revert to the Estate of the Insured.

Unless otherwise indicated, the share of any beneficiary reflected in Sections J, K or L below, who predeceases the insured, will be split equally among the surviving beneficiaries as reflected in the applicable section

Name	Date of Birth or Date of Trust	Soc. Sec. or Tax ID #	Relationship	%
Keith A. Grandy	07/21/1951	376-48-9851	Spouse	58.48%
Judith A. Kibby TTEE	Trust 8/10/1983	375-52-1882	Trust	41.52%
Judith A. Kibby Trust				

K. CONTINGENT BENEFICIARY

Name	Date of Birth or Date of Trust	Soc. Sec. or Tax ID #	Relationship	%

L. RIDER BENEFICIARY

If no beneficiary is named or survives the insured, proceeds revert to the owner.

Name	Date of Birth or Date of Trust	Soc. Sec. or Tax ID #	Relationship	%

M. PREMIUM

Penn Check is only available for premiums of $25.00 or more

If money was collected with this application, please complete and submit the Temporary Insurance Agreement (TIA). No TIA can be provided unless premium has been collected. Must complete Section N if selecting Penn Check billing mode or policy will be issued quarterly.

1. Billing Mode: ☐ Single Premium ☐ Annual ☒ Semi-annual ☐ Quarterly
   ☐ ~~Penn Check~~ Direct Bill add to existing account # _____
   ☐ Draft initial premium when policy issued (Only available for Penn Check monthly)
   ☐ Salary Allotment add to existing account # _____
2. Total premium to be billed $1,500
3. Additional premium expected via 1035 exchange $[redacted]0644,430 or dump-in _____
4. PUA Rider for Whole Life
   a) Initial premium to be used for PUA _____ b) Annual Payment Limit to be used for PUA _____
   c) Additional premium to be used for lump sum PUA from 1035 exchange _____; from dump-in _____
5. Automatic Premium Loan for Whole Life ☐ Yes ☐ No
6. Premium allocation for Indexed Flexible Premium Adjustable Life

   I elect to have 100 % of my premium payment allocated directly to the Indexed Account.

   I elect to have _____ % of my premium payment allocated to the DCA Account.

   The remaining premium will be allocated to the Fixed Account. This election will continue for new premium payments until I elect a change. Note: If electing the Survivorship Plus IUL Extended No-Lapse Guarantee Rider, the allocation to the Fixed Account will be restricted.

   Each premium payment or transfer from the Fixed Account will create a new segment. A change in the allocation percentage will not take effect until the next payment date. Transfers from an Indexed Account segment can only be made on the segment maturity date, which is 1 year from the date the premium is posted to the Indexed Account.
7. What is the source of the premiums? (indicate all that apply for any part of the premium)

   a. ☒ Applicant's personal income
   b. ☐ Applicant's personal liquid assets
   c. ☐ Applicant's personal illiquid assets
   d. ☐ Applicant's family member, including spouse (identify and describe their source below)
   e. ☐ Premium finance company (identify lender below)
   f. ☐ Mortgage or home equity loan (identify lender below)
   g. ☒ Other person or entity (identify and describe their source below)
   h. ☐ Annuity payments (identify type of annuity, source of annuity premiums, reasons for annuity below)

   If anyone other than the applicant is paying any part of the premium, describe any arrangement which has been established or is being considered for repayment by the applicant, the insured if other than the applicant, or any trust established by the insured or the applicant. Indicate whether any such promised or potential repayment will or would come from the policy cash value or death benefit, and describe any other source of repayment.

   1035 Exchange

N/A

N. PENN CHECK ACCOUNT INFORMATION

Complete only if Penn Check mode is selected and this is a new account. Also attach a Void Check or deposit slip

1. Bank Name: Chemical Bank
2. Bank Routing and Account No.: 072410013
3. Account Type: ☒ Checking ☐ Savings ☐ Pershing ☐ Other
4. Draw Date: ☐ 1st ☐ 6th ☒ 15th ☐ 22nd
5. Bank Address (Street, City, County, State, Zip): 115 N. Mitchell St., Wexford County, MI 49601
6. Name (First, Middle, Last) of First Depositor: Judith A. Grandy
7. Name (First, Middle, Last) of Second Depositor:

O. INTENT TO TRANSFER & LIFE EXPECTANCY EVALUATION

1. Is there any arrangement that has been established, or is being considered, to transfer the policy, or any part of the policy, or any interest in the policy (including a collateral assignment)?
   ☒ Yes ☒ No If Yes, explain.
2. Has there been a life expectancy evaluation of the insured in the past 2 years or is there an arrangement which has been established or is being considered to perform one in the future?
   ☐ Yes ☒ No If Yes, explain.
3. Have you settled a life insurance policy in the past 5 years?
   ☐ Yes ☒ No If yes, indicate which policy (listed in Section P) was settled and explain.

P. LIFE INSURANCE IN FORCE OR PENDING

	PI 1	PI 2	AIR/Child Rider
1. Have you ever applied for life, health or disability insurance and been declined, postponed or charged an increased premium?	☐ YES ☒ NO	☐ YES ☐ NO	
2. Do you have any formal or informal applications pending with any other life insurance company now?	☐ YES ☒ NO	☐ YES ☐ NO	

If answered "Yes" to above questions, please give details for each Proposed Insured including Company, Face Amount, and total amount to be placed for Question # 2.

Proposed Insured 1 _____

Proposed Insured 2 _____

3. Does any proposed insured, including additional insured or children, have any existing life insurance or annuities in force?	☒ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO

4. List all Insurance In Force on any Proposed Insured. If none, check this box. ☐

Insured's Name & Company	Business or Personal	Face Amount	Policy Number	Issue Year	Is this Policy being Replaced or Changed?	Check if 1035 Exchange
Judith A. Grandy, Pacific Life	Personal	$89,000	VP657343	2007	☒ Yes ☐ No	☒
					☐ Yes ☐ No	☐
					☐ Yes ☐ No	☐
					☐ Yes ☐ No	☐
					☐ Yes ☐ No	☐

Q. REPLACEMENT AND 1035 EXCHANGE INFORMATION

Complete only if there is existing life insurance and/or annuity coverage

1. a) Are you considering stopping premium payments, surrendering, replacing, forfeiting, assigning to the insurer or reducing your benefits under an existing policy or contract? ☒ YES ☐ NO

   b) Are you considering using or borrowing funds from your existing policies or contracts to pay premiums due on the new or applied for policy? ☒ YES ☐ NO

   If answered "Yes" to either question, please complete and sign all required replacement forms.

2. If 1035 Exchange, will loan be carried over? ☐ YES ☒ NO If Yes, amount of loan $_____

3. Loan Election for policy with an Indexed Loan feature.

   Loans being carried over to a policy with an Indexed Loan feature must elect the option to apply to the transferred loan.

   Please make one of the following selections: ☐ Traditional Loan Option ☐ Indexed Loan Option

R. FINANCIAL NEEDS/ BENEFITS

Give reasons for insuring the life of each insured

Financial needs/benefits (check all that apply)

- ☒ Death Benefit/Death Benefit Protection
- ☒ Retirement Funding
- ☒ Estate Planning
- ☐ Charitable Giving
- ☐ Debt Protection
- ☐ Other_____
- ☐ Deferred Compensation
- ☐ Savings, Accumulation
- ☐ Education/College Funding
- ☐ Key Person
- ☐ Buy/Sell

S. TOBACCO AND/OR NICOTINE USE

1. Does any person proposed for coverage, **currently use or have they ever used** tobacco or products in any form containing nicotine? (e.g., cigarettes, cigars, pipes, chewing tobacco, nicotine gum, nicotine patches, Hookah, or any other nicotine delivery system)

   Proposed Insured 1 ☐ YES ☒ NO Proposed Insured 2 ☐ YES ☐ NO

2. If "Yes":

   Proposed Insured 1 Type _____ Frequency _____ Date Last Used _____

   Proposed Insured 2 Type _____ Frequency _____ Date Last Used _____

T. PERSONAL PHYSICIAN

If no personal physician, list physician last consulted, date and reason last consulted

Must be answered for all proposed insureds

1. Proposed Insured 1: Physician Name	2. Phone No.	3. Date Last Seen
James Whelan	(231) 775-2493	9/22/2011

4. Address: (Street, City, State, Zip)
850 Professional Drive Cadillac, MI 49601

5. Reason Last Seen:
Cholesterol Screening

6. Proposed Insured 2: Physician Name	7. Phone No.	8. Date Last Seen
	( )	

9. Address: (Street, City, State, Zip)

10. Reason Last Seen:

U. PERSONAL INFORMATION

Complete for all Proposed Insureds or if minor child, the applicant information is required.

Provide details to any yes answers in "Details" Section

If Other Income is 0, indicate 0

	PI 1	PI 2
1. Annual earned income from occupation (After deduction of business expenses)	$ N/A	$
2. Other income (give source) Rental Income	$ 104,000	$
3. Net Worth 2.5 million	$ 2,500,000	$

	PI 1 YES	PI 1 NO	PI 2 YES	PI 2 NO	CHILD RIDER YES	CHILD RIDER NO
4. Has any Proposed Insured declared bankruptcy? (If "Yes" has it been discharged and date of discharge)	☐	☒	☐	☐		
5. Does any Proposed Insured intend to reside or travel outside the United States within the next 24 months? (If "Yes" complete foreign travel questionnaire **EXCEPT** for vacations of not more than 2 weeks duration, provide complete details including Dates, Destinations, and Duration in the Details section)	☐	☒	☐	☐	☐	☐
6. Is any Proposed Insured a member, or intending to become a member, of any armed forces or military reserve? (If Yes, complete PS1017)	☐	☒	☐	☐	☐	☐
7. Within the past three years, has any Proposed Insured:						
(a) Flown or taken instruction as a pilot or crew member or intend to do so? (If "Yes", complete Aviation Supplement)	☐	☒	☐	☐	☐	☐
(b) Engaged in any kind of racing, scuba or sky diving, hang gliding, mountain or rock climbing, or other hazardous avocation or intend to do so? (If "Yes", complete appropriate questionnaire)	☐	☒	☐	☐	☐	☐
(c) Been convicted of a moving violation or had their driver's license suspended or revoked?	☐	☒	☐	☐	☐	☐
(d) Been convicted of a DUI (driving under the influence of alcohol or drugs)?	☐	☒	☐	☐	☐	☐
8. Has any proposed insured been convicted of, or currently charged with, the commission of any criminal offense – other than the violation of a motor vehicle law – within the last 10 years?	☐	☒	☐	☐	☐	☐
9. Is there any family history of cancer, diabetes, heart disease, Huntington's Chorea, neuromuscular disorder, stroke, TIA (transient ischemic attack) or other cerebrovascular disorder? If yes, give details to include the family member, diagnosis and age at diagnosis.	☒	☐	☐	☐	☐	☐
10. Is any Proposed Insured currently receiving, or within the past 10 years have they received or applied for, any disability benefits, including Workers Compensation, Social Security Disability Insurance, or any other form of disability insurance? (If Yes, give details)	☐	☒	☐	☐	☐	☐

Detail of any YES answers in Section U:

#9 - Personally had Breast Cancer in 1989 - Mother Breast cancer died 1985 - Father age 80 diabetes - Died 2006 Congestive heart failure

V. MEDICAL HISTORY

Complete for all Proposed Insureds not requiring an examination (see Penn Mutual medical evidence chart for details). Completion for Proposed Insureds being examined is optional, but encouraged.

Provide details to any yes answers in the "Details" Section on page 10.

	Proposed Insured 1	Proposed Insured 2
1. Height (in shoes)	5 ft. 1 in.	ft. in.
2. Weight (clothed)	155 lbs.	lbs.
3. Weight change in last year? If yes, circle increase or decrease	☐ Yes ☒ No Increase Decrease No. of lbs. ____ Reason: ____	☐ Yes ☐ No Increase Decrease No. of lbs. ____ Reason: ____
4. Birth weight if under 6 mo. old	lbs.	lbs.

	PI 1 YES	PI 1 NO	PI 2 YES	PI 2 NO	CHILD RIDER YES	CHILD RIDER NO
5. Are you presently taking any medication, supplements or homeopathic remedies either prescribed or over the counter?	☒	☐	☐	☐	☐	☐
6. During the past 10 years have you had, or been told that you have, or been treated by a member of the medical profession for:						
a. High blood pressure, chest discomfort, heart attack, heart murmur, circulatory or heart disorder?	☐	☒	☐	☐	☐	☐
b. Diabetes, sugar in urine, thyroid disorder, elevated cholesterol or other endocrine or metabolic disorder?	☒	☐	☐	☐	☐	☐
c. Asthma, bronchitis, emphysema, shortness of breath, sleep apnea or any other lung or respiratory disorder?	☐	☒	☐	☐	☐	☐
d. Hepatitis, cirrhosis, ulcer, colitis or other disorder of the stomach, liver or digestive system?	☐	☒	☐	☐	☐	☐
e. Anemia, leukemia or other blood or clotting disorder?	☐	☒	☐	☐	☐	☐
f. Arthritis, gout, back or joint pain, bone fracture, muscle disorder, or any disorder of the skin?	☐	☒	☐	☐	☐	☐
g. Seizures, stroke, fainting, paralysis, falls, loss of consciousness, mental or emotional disorder or any other disorder of the brain or nervous system?	☐	☒	☐	☐	☐	☐
h. Alzheimer's disease, dementia, memory impairment, Parkinson's disease or any other progressive neurological disease?	☐	☒	☐	☐	☐	☐
i. Cancer, tumor, polyp or cyst?	☐	☒	☐	☐	☐	☐
j. Kidney, bladder, urinary, reproductive organ, breast or prostate disorder?	☐	☒	☐	☐	☐	☐
k. Disorder of eyes, ears, nose or throat?	☐	☒	☐	☐	☐	☐
l. Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), or any disorder of the immune system or a positive blood test for antibodies to the HIV virus?	☐	☒	☐	☐	☐	☐
7. a. Have you ever used any controlled substances such as: amphetamines, barbiturates, hallucinogens, heroin, morphine, cocaine, marijuana, opiates or any prescription drug, except as prescribed by a physician?	☐	☒	☐	☐	☐	☐
b. Have you ever been advised to limit or discontinue the use of alcohol or drugs, sought or received treatment, counseling or participated in a group for alcohol or drug use?	☐	☒	☐	☐	☐	☐
8. Other than previously stated, have you within the past 5 years:						
a. Consulted a physician or any other practitioner, had a check-up, illness, surgery or been hospitalized?	☒	☐	☐	☐	☐	☐
b. Had an electrocardiogram, exercise treadmill test, echocardiogram, X-ray, blood test or other diagnostic test?	☒	☐	☐	☐	☐	☐
c. Been advised to have, or scheduled, any diagnostic test, hospitalization or surgery which was not completed?	☐	☒	☐	☐	☐	☐
d. Received or applied for disability benefits due to any medical impairment?	☐	☒	☐	☐	☐	☐

V. MEDICAL HISTORY (continued)

**Complete amount of insurance only if Proposed Insured is under age 17*

9. Family History

Have any of your immediate family members (parents, brothers and sisters) died or been diagnosed as having diabetes, heart disease, cancer, stroke or kidney disease prior to age 60? ☐ Yes ☒ No

	Ages(s) (if living)	Ages(s) (at death)	State of Health or Cause of Death	Amount of Insurance*
Father		92	Congentive heart failure	None
Mother		65	Breast Cancer	None
Brother(s)	74 Leo			
Sisters(s)	54			

DETAILS FOR MEDICAL HISTORY QUESTIONS

Question No. and Letter	Person	Date	Details (include full names and address of physicians, hospitals, etc.
#5	Judith A. Grandy	10/11/11	10 mil. Lipitor 1 tab per day by James Whelan, 8950 Professional Dr. Cadillac, MI 49601
#6b	Judith A. Grandy	10/11/11	Take Lipitor to treat high Cholesterol (see above).
#8a + 9a	Judith A. Grandy		During physical in early 2011 blood work showed elevated levels on liver enzymes.
			- Met w/ Dr. Robert Barnes at Digestive Health Associates, 4100 Part Forest Dr., Ste 203 Traverse City, MI 49684 (231)935-5710
			on April 29 2011 and had an in depth liver profile done. Everything came back normal. They determined elevated levels were caused by bruise on liver
			that was caused by a fall on Dec. 15, 2010

SPECIAL INSTRUCTIONS	
NON-CONFORMING ILLUSTRATION ACKNOWLEDGEMENT (NON-VARIABLE ONLY)	An illustration is defined as a presentation or depiction that includes non-guaranteed elements of a policy over a period of years. If an illustration was presented during the sales process and matches the policy applied for, a copy of that illustration must be signed and submitted with the application. If the signed illustration is not submitted, indicate the reason below (Check one): ☐ A. An illustration was not presented to me ☒ B. An illustration was presented to me, however, the policy applied for is different than as illustrated ☐ C. An illustration was presented to me on a computer screen (not for use in Michigan) If A, B, or C are checked, I acknowledge, as applicant, that I did not receive and sign an illustration that matches this application for the indicated above. I also understand that an illustration matching the policy at time of issue will be provided for my signature no later than at the time the policy is delivered.
AUTHORIZATION FOR FUND TRANSFER (VARIABLE ONLY)	The agent/registered representative may request transfers of account values pursuant to my instruction unless I check this box. ☐ check if applicable
PENN CHECK AUTHORIZATION	By completing Section N of this application, I authorize monthly payments from my checking or savings account, or from my Pershing Resource Checking or Pro Cash Plus account to the Penn Mutual Life Insurance Company, its subsidiaries, affiliates, and third party administrators (herein Company) for premiums on this policy, beginning with the next periodic payment that comes due under the contract, until such time as a payment cannot be made due to insufficient funds or the Company gives the other parties at least 30 days' advance written notice of the termination of such payment plan. I am able to cancel the payment plan at any time by either calling the Company at 1-800-523-0650 or in writing. Monthly payments will be drawn from my account on or about the date specified in this application. **If no date has been selected in Question 4 of Section N, the draw date will be the 15th of the month.** I further agree that if any such check be dishonored, whether with or without cause and whether intentionally or inadvertently, the Company shall be under no liability whatsoever even though such dishonor results in the forfeiture of insurance.
NOTICE AND CONSENT FOR CORPORATE OWNED INSURANCE	I consent to being insured for an initial maximum amount of insurance as indicated in Section C of this application. I understand that my employer when written in Section G and Section J of this application will be the owner and beneficiary of the life insurance policy and may continue to maintain the insurance coverage beyond the term of my employment.
INDEXED ACCOUNT DISCLOSURE	Premium allocated to a segment of the Indexed Account is eligible to receive index credits based on the performance of Standard & Poor's® * Composite Stock Price Index (S&P 500® Index®*) over the segment's duration, subject to a Participation Percentage and a Cap Percentage. The Participation Percentage and the Cap Percentage are set by the Company but are guaranteed to be no less than the guaranteed minimum percentage amount and minimum interest rate stated in the policy form. "Standard & Poor's®", "S&P 500®", "Standard & Poor's 500®", and "500®" are trademarks of the McGraw-Hill Companies, Inc. and have been licensed for use by The Penn Mutual Life Insurance Company and its affiliates. The Product is not sponsored, endorsed, sold or promoted by Standard & Poor's® and Standard & Poor's® makes no representations regarding the advisability of investing in the Product.
REPRESENTATIONS	I (we), the Proposed Insured(s), and the Applicant(s) if other than the Proposed Insured(s), and the Applicant(s) on behalf of the Proposed Insured(s), if the Proposed Insured(s) is (are) age 17 or less and the Applicant(s) is authorized under applicable law to make such a representation on behalf of the Proposed Insured(s), represent that the statements and answers in this Part I of the application are written as made by me(us) and are complete and true. I(we) the Proposed Insured(s), or the Applicant(s) if other than the Proposed Insured(s) agree that they will be a part of the contract of insurance if issued; that I(we) will be bound by such statements and answers, and that the Company, believing them to be true, will rely and act upon them. I(we) also understand and agree that: 1. **Subject to any coverage provided under the terms and provisions of a Temporary Insurance Agreement, if applicable, no insurance coverage will be in force until the first modal premium is paid in full AND a life insurance policy has been issued and delivered to the policy owner while the health, habits, occupation, financial circumstances and other facts relating to the Proposed Insured(s) and to the Payor, if a Payor Benefit is issued, are the same as described in this Part I of the application, any Part II required by the Company, and any amendments or supplements to them.** 2. Notice to or knowledge of an agent or a medical examiner is not notice to or knowledge of the Company, and no agent or medical examiner is authorized to accept risks, to pass upon acceptability for insurance or to modify any contract of insurance. 3. Acceptance of any policy issued based on this application will be a ratification of any amendments or corrections noted by the Company in the space headed "Home Office Amendments and Corrections", except that if required by state statute or regulation, any change in amount, age, plan of insurance, additional benefits or classification must be agreed to in writing.

FRAUD WARNING	Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, and denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies. District of Columbia, Louisiana, Maryland, Massachusetts, New Mexico, Rhode Island, West Virginia: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. Florida: Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree. Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals for the purpose of misleading information concerning any fact material thereto commits a fraudulent insurance act which is a crime. Louisiana: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. Maine, Tennessee, Virginia, Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines and denial of insurance benefits. Maryland: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. New Jersey: Any person who includes false or misleading information on an application for an insurance policy is subject to criminal and civil penalties. New York: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation. Ohio: Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud. Oklahoma: WARNING - Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds for an insurance policy containing any false, incomplete or misleading information is guilty of a felony. Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. All Other States: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or a statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

AUTHORIZATION

Write in names of all Proposed Insureds.

Judith A. Grandy — Name of Proposed Insured 1 (First, Middle, Last)

08, 18, 1947 — Date of Birth of Proposed Insured 1 (mm/dd/yyyy)

Name of Proposed Insured 2 (First, Middle, Last)

/ / — Date of Birth of Proposed Insured 2 (mm/dd/yyyy)

I(we), listed above hereby authorize: (a) any physician, health care provider, health plan, medical professional, hospital, clinic, laboratory, pharmacy or other medical or health care facility that has provided payment, treatment or services to me(us)or on my(our) behalf; (b) any insurance company; and, (c) the Medical Information Bureau, Inc. (MIB), to disclose my(our) entire medical record and any other protected health information concerning me(us) to the Underwriting Department of The Penn Mutual Life Insurance Company, its subsidiaries, affiliates, third party administrators and reinsurers (herein Company).

I(we) understand that such information may include records relating to my(our) physical or mental condition such as diagnostic tests, physical examination notes, and treatment histories, which may include information regarding the diagnosis and treatment of human immunodeficiency virus (HIV) infection, sexually transmitted diseases, and mental illness, and the use of alcohol, drugs and tobacco, but shall not include psychotherapy notes.

I(we) acknowledge that any agreements I(we) have made to restrict my(our) protected health information do not apply to the Authorization, and I(we) instruct any physician, health care professional, hospital, clinic, medical facility or other health care provider to release and disclose my(our) entire medical record without restriction.

I(we) understand that this information will be used by the Company to determine eligibility for insurance.

I(we) hereby authorize the Company to disclose any information it obtains about me(us) to the Medical Information Bureau, Inc., or any other life insurance company with which I(we) do business. I understand that the Company will not disclose information it obtains about me(us) except as authorized by this Authorization, as may be required or permitted by law, or as I(we) may further authorize. I(we) understand that if information is redisclosed as permitted by this Authorization, it may no longer be protected by applicable federal privacy law.

I(we) understand that: (a) this Authorization shall be valid for 30 months from the date I(we) sign it; (b) I(we) may revoke it at any time by providing written notice to the Underwriting Department of the Company subject to the rights of any person who acted in reliance on it prior to receiving notice of its revocation; and (c) my(our) authorized representative and I(we) are entitled to receive a copy of the Authorization upon request and (d) a copy of this Authorization shall be as valid as the original.

I(we) acknowledge receiving an MIB, Inc. Notice, a Fair Credit Reporting Act Notice and a Notice of Information Practices and authorize Penn Mutual to obtain an investigative or other consumer report as described in the Fair Credit Reporting Act Notice.

CERTIFICATION OF OWNER'S TAXPAYER ID #

Under penalty of perjury, I the owner certify that:

1. The number shown in this application as my social security number or taxpayer identification number is correct; and
2. I am not subject to backup withholding because I have not been notified by the IRS that I am subject to backup withholding as a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, or I am exempt from backup withholding.
3. I am a U.S. person (including a U.S. resident alien)

☐ Check this box if you are subject to backup withholding under section 3406(a)(1)(c) of the Internal Revenue Code.

SIGNATURES

Signed and Dated by the Applicant in:

Traverse City — City | MI — State | 10/12/11 — Month/Day/Year

SIGNATURE OF INSURED – OR PARENT/GUARDIAN IF INSURED IS UNDER THE AGE OF 18

x Judith A. Grandy — Proposed Insured 1

x — Proposed Insured 2

SIGNATURE OF OWNER AND/OR APPLICANT – IF OTHER THAN THE PROPOSED INSURED

x — Owner*

x — Applicant

*If a Corporation, the signature and title of any authorized officer other than the Proposed Insured(s) is required and the full name of the corporation must be shown. If a Trust, the signature of the Trustee(s), as required by the Trust document.

SIGNATURE OF PAYOR

x — Payor

AGENTS CERTIFICATION

Be sure to check appropriate block.

Each agent present at solicitation must sign.

I certify to the best of my knowledge the answers to the questions in all parts of this application are true and correct. I further certify to the best of my knowledge this policy ☒ **will** ☐ **will not** replace or change any existing life insurance or annuity policy now in force.

X _____ Agent

X _____ Agent

X _____ Agent

X _____ Agent

X _____ Agent

X _____ Agent

HOME OFFICE AMENDMENTS AND CORRECTIONS

20 OCT 2011 AM9:00

☐ **The Penn Mutual Life Insurance Company**
Philadelphia, PA 19172
☐ **The Penn Insurance and Annuity Company**
Philadelphia, PA 19172

Application for Life Insurance - Part II
Medical Examiner's Report

Proposed Insured Judith Ann Grandy Date of Birth 08-18-1947

1. Give full name and address of your personal physician. If no personal physician, give full name and address of last physician consulted. *(Include dates and reasons why either was consulted.)* Dr. James Whelan June 2011. Annual exam renewed lipitor 10mg. P.O Box 545, Marion MI 49665

2. Have you ever been treated for or had any indication of:	Yes	No
(a) Disorder of eyes, ears, nose or throat?	☐	☒
(b) Epilepsy, fainting, convulsions, frequent headaches; paralysis or stroke; mental or nervous disorder?	☐	☒
(c) Shortness of breath, pleurisy, asthma, emphysema, tuberculosis or chronic respiratory disorder?	☐	☒
(d) Chest pain, palpitation, high blood pressure, rheumatic fever, heart murmur, heart attack or other disorder of the heart or circulatory system?	☐	☒
(e) Jaundice, intestinal bleeding, ulcer, hernia, colitis, recurrent indigestion or other disorder of the stomach, intestines, liver or gall bladder?	☐	☒
(f) Sugar or albumin in urine; stone or other disorder of kidney, bladder, prostate, reproductive organs or breasts?	☐	☒
(g) Diabetes; thyroid or other glandular disorder?	☐	☒
(h) Arthritis, gout, or disorder of muscles, bones or joints?	☐	☒
(i) Deformity, lameness or amputation?	☐	☒
(j) Disorder of skin, lymph glands; cyst, tumor or cancer?	☒	☐
(k) Allergies; anemia or other disorder of the blood?	☐	☒
3. Have you ever:		
(a) Habitually used amphetamines, barbituates, hallucinogens, marijuana or narcotics?	☐	☒
(b) Been counselled or treated for the excessive use of alcohol or drugs?	☐	☒
4. Have you within the past 5 years:		
(a) Had a checkup or physical examination?	☒	☐
(b) Been a patient in a hospital or other medical facility or had any type of surgery?	☐	☒
(c) Had an electrocardiogram or other diagnostic tests?	☐	☒
(d) Been advised to have any diagnostic test, hospitalization or surgery which was not completed?	☐	☒
(e) Had any disease or injury not listed above?	☐	☒
5. Are you presently under medical observation or taking any medication? see 4a	☒	☐
6. Have you ever had military service deferment, rejection or discharge because of a physical or mental condition?	☐	☒
7. Any family history of diabetes or heart disease?	☐	☐

INSTRUCTIONS: Give details for all "Yes" answers. (IDENTIFY QUESTION NUMBERS. CIRCLE APPLICABLE ITEMS. Give the diagnoses, dates, treatment, duration of illness and names and addresses of all attending physicians and medical facilities.)

2j Breast Cancer (E) - 12-1980 mastecomy - No Chemo or radiation. Full recovery. 6 weeks. No problems since Dr. Rutowski 1321 Cass Ste 3b Traverse City MI 48668 231-935-5700

4a high Cholestrol since 2004- ongoing. Controlled with lipitor 10mg. Dr. Whelan

4a. Annual exams with Gyn. every fall last seen 11-2010. good results. Dr. Nowak 3990 E M72 Acme MI 48720 231-938-2366

8. Family history	Age if living	State of health	Age at death	Cause of death
Father			92	heart failure dx age 90. Diabetes age 74.
Mother			65	Breast Ca - dx age 63.
Brothers and Sisters				
No. living 2	74	good		
	71	good		
No. dead 1	60	good	16	Car accident

I represent that the statements and answers in this Part II are written as made by me and are full, complete and true to the best of my knowledge and belief. I agree that they will be a part of the contract of insurance if issued, that I will be bound by such statements and answers, and that Penn Mutual/Penn Insurance and Annuity Company, believing them to be true, will rely and act upon them.

Signed on Nov 07, 2011 ~~19~~, at 0300pm Marion MI, State of MI

Witness Shulder emt
Medical Examiner

Judith A. Grandy
Signature of Proposed Insured

893 10/08

Policy	Group Code
8279493	AE

For Home Office Use Only		
8279493	GRANDY	
905	12-07-2011	EB

APPLICATION AMENDMENT

I hereby amend, as stated below, my application to the Penn Mutual Life Insurance Company (Part I, dated October 12, 2011; Part II, dated November 7, 2011) for a policy to be issued by the company and agree that the statements and answers in this amendment shall be a part of the representation contained in such application and shall be subject to the agreements contained therein.

Question #C2 Face Amount (Base): $533,676.00

Question #C4 Total Initial Coverage: $533,676.00

Question #N1 Penn Check Bank Name: Not Applicable

Question #O1 Is there any arrangement that has been established, or is being considered, to transfer the policy, or any part of the policy, or any interest in the policy (including a collateral assignment)? No.

The applicable company for which this application for life insurance is being taken is The Penn Mutual Life Insurance Company.

Signed at _____, State of _____

on the _____day of _____, year of _____

Witness: _____

_____
Signature of Proposed Insured 1 - Judith A. Grandy

NOTICE: This policy contains an amendment. The signed original is to remain attached to the policy. SIGNATURE OF A PARENT/GUARDIAN IS REQUIRED IF INSURED IS UNDER THE AGE OF 18. Please return the signed file copy to the office of your General Agent or Regional Director.

To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

Annual Election - Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

Flexible Premium Adjustable Life Insurance Policy

Penn Mutual

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Participating
- Supplemental benefits, if any, listed on Page 3

The Penn Mutual Life Insurance Company, Philadelphia, Pennsylvania 19172
FL-08(S)