

Enhanced Choice 12

A Fixed Index Deferred Annuity issued by Liberty Life Insurance Company

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Product Positioning A 12-year, single premium, deferred index annuity with a choice of five interest crediting accounts. Client has the ability to place any percentage of premium in one or more of these accounts. These annuities automatically rebalance at contract anniversary and client can reallocate among accounts at each contract anniversary without any restrictions.

Contract Time Frame 12 years

Surrender Charges	Contract year	1	2	3	4	5	6	7	8	9	10	11	12
	Charges in most states	14%	13%	12%	11%	10%	9%	8%	7%	6%	5%	4%	3%
	Charges in California	12%	11%	10%	9%	8%	7%	6%	5%	4%	3%	2%	1%

Issue Ages
(Age last birthday) 0-85 NQ 0-80 Q

Initial Premium \$5,000 minimum
\$1,000,000 maximum premium ages 0-80
\$250,000 maximum premium ages 81-85 (Larger amounts considered with company approval.)

Additional Premiums This annuity does not allow for additional premium deposits.

Premium Enhancement A 5% premium enhancement will be credited on the day the annuity is issued. It will be allocated among the fixed and indexed accounts on the same percentage basis the premium is allocated.

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Products/features not available in all states. See annuity contract for full details.



Interest Rate Options

- › A 12-year annuity with an MYG **fixed account** that has an 8-year guaranteed interest rate with a 1st year interest rate enhancement of 1%
- › A 1-year monthly average **indexed account linked to the DJIA**
- › A 1-year quarterly additive point-to-point **indexed account linked to the DJIA**
- › A 1-year monthly additive point-to-point **indexed account linked to the S&P 500**
- › An annual point-to-point **indexed account linked to the S&P 500**

Indexed Accounts

(Check for state availability)

1-year Monthly Average Indexed Account with Annual Reset linked to the DJIA

- › One moving part.
- › Issued with either a cap or spread fee that will remain in place for the life of the contract. Actual cap or spread fee % is guaranteed for one year.
- › Cap/Spread fee may change at contract anniversary; however, cap will never be less than 5% and spread fee will never be greater than 9%.
- › Interest is calculated by comparing the value of the index on the first day of each contract year with the monthly average of the index value for that year. The ratio between the two determines the rate of growth used in a formula (that includes a cap or spread fee) to calculate the interest rate that will be credited on the last day of the contract year. Even in a down market, the interest rate will never be less than zero.

1-year Quarterly Additive Point-to-Point Indexed Account with Annual Reset linked to the DJIA

- › One moving part.
- › Issued with a quarterly cap.
- › Cap is determined at contract issue and guaranteed for 1 year.
- › Cap may change at contract anniversary; however, it will never be less than 1%.
- › Interest is calculated by comparing the index value at the start of the quarter to the index value at the end of the quarter. This value is then compared to a quarterly cap rate and the resulting value becomes the quarterly index interest rate. The quarterly index interest rate for all four quarters are added together to determine the interest rate that will be credited on the last day of the contract year. Even in a down market, the interest rate will never be less than zero.

1-year Monthly Additive Point-to-Point Indexed Account with Annual Reset linked to the S&P 500

- › One moving part.
- › Issued with either a monthly cap or participation rate that will remain in place for the life of the contract. Actual cap or participation rate is guaranteed for one year.
- › Cap/Participation rate may change at contract anniversary; however, cap will never be less than 0.5% and participation rate will never be less than 25%.
- › Interest is calculated by comparing the index value at the start of the month to the index value at the end of the month. This value is then compared to the monthly cap rate, if applicable, and the resulting value becomes the monthly index interest rate. The monthly index rate for all 12 months are added together and multiplied by the participation rate, if applicable, to determine the interest rate that will be credited on the last day of the contract year. Even in a down market, the interest rate will never be less than zero.

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Indexed Accounts

(Check for state availability)

Annual Point-to-Point Indexed Account with Annual Reset linked to the S&P 500

- › One moving part.
- › Issued with either an annual cap or participation rate that will remain in place for the life of the contract. Actual cap or participation rate is guaranteed for one year.
- › Cap/Participation rate may change at contract anniversary; however, cap will never be less than 2% and participation rate will never be less than 25%.
- › Interest is calculated by comparing the index value at the start of the contract year to the index value at the end of the contract year. This value is then compared to the annual cap rate or multiplied by the participation rate, and the resulting value becomes the interest rate credited to the indexed account. Even in a down market, your interest rate will never be less than zero.

For examples of how the indexed accounts work in various market conditions, please consult the product disclosure.

**Fixed Account
(8-Year Guarantee)**

- › This 12-year annuity provides a competitive interest rate guaranteed for 8 years. First-year interest rate reflects a 1% enhancement.
- › Any time during the first 8 contract years, premium allocated or reallocated to this account will earn the same interest rate that was declared when the contract was issued.
- › After the 8th contract year, a renewal interest rate will be declared by the company and guaranteed for 1 year. A new guaranteed minimum interest rate will be determined at the end of the surrender charge period. Funds in this account are guaranteed to earn at least 1%.

**Minimum Guaranteed
Cash Surrender Value**

Will never be less than 87.5% of the premium payment, less any applicable premium taxes, less any withdrawals, plus interest earned at the minimum guaranteed interest rate as shown on the contract schedule. (In some states, minimum cash surrender value may be higher.)

**Death Benefit
(Owner-driven contract)**

Greater of the accumulation value or minimum guaranteed cash surrender value. The MVA does not apply to death proceeds. Spousal privileges are available.

**Withdrawals
(Taken from the fixed
account first)**

- › Up to **10% of accumulation value** free after the first year.* (Additional withdrawals within the same contract year are subject to surrender and MVA charges.) \$500 minimum withdrawal required. Remaining accumulation value must be at least \$2,000.
- › **Systematics** available (commission chargeback and surrender charges may apply if taken in the first year). \$100 minimum withdrawal is required.
- › **RMDs** (Required Minimum Distributions) available.
- › **SEPPs** (Substantially Equal Periodic Payments) - 72(t)(q) available.

**Additional
Withdrawal Options
(Not available in all states)**

Confinement Waiver: Up to 100% of the accumulation value after the first contract year if owner is confined to a long-term care facility or hospital for 90 consecutive days or more after the contract is issued. No age limits.

Terminal Illness Waiver: Up to 100% of the accumulation value after the first contract year if owner becomes terminally ill with less than 12 months to live. Illness must have been diagnosed after contract was issued. No age limits.

*Allowed during first year in CA, IA, IN, MS and TX. (Commission chargeback may apply to withdrawals during first year.)

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Market Value Adjustment (MVA)

Applied to a full surrender or partial withdrawal made anytime during the first 12 contract years from the fixed and indexed accounts. Does not apply:

- › under free withdrawal privileges,
- › to free partial withdrawals after the first 12 contract years,
- › to certain annuitization options,
- › to a death benefit paid to a designated beneficiary, or
- › to any re-allocation or transfers to or from the fixed account.

Annuitization Options

Contract charges are not assessed when:

- › after the first 12 months, an income for life is selected (commission chargeback may apply).
- › after the first 5 contract years, an income payment option with a guaranteed period of at least 10 years is selected.

Suitability

Liberty Life Insurance Company expects all producers to follow annuity sales suitability practices. Form N1000 is the company's required suitability form. It must be completed and signed by the producer and client and returned with the application and other point-of-sale paperwork.

Sales Support

Phone: 888-262-8131
