

Enhanced Guaranteed Lifetime Withdrawal Benefit Rider

Issued by Liberty Life Insurance Company

FOR PRODUCER USE ONLY. NOT TO BE USED IN CONJUNCTION WITH THE OFFER OR SALE OF ANNUITIES.

Riders not available in all states. See rider contract AN3026 (12-08) and rider disclosure for full details.

Overview	<p>Optional benefit that can be included with certain annuities from Liberty Life Insurance Company. Guarantees clients can withdraw a minimum amount of income from their annuities each year for as long as they live.</p> <p>In addition to an annual withdrawal amount, this rider offers an increase in income payment amounts should the owner experience circumstances that make it impossible to perform 2 of 6 activities of daily living on a permanent basis. These activities include bathing, continence, dressing, eating, toileting and transferring.</p> <p>Important note: If your client has no plans to take income from the annuity contract, this rider may not be a suitable purchase.</p>
Issue requirements	Annuity owner and annuitant must be the same person to purchase this rider, unless the owner is a non-natural person (example: trust, corporation, etc.). This rider must be elected at time of issue.
Issue ages	40-80 Q; 40-85 NQ
Product availability	This rider is available with Choice Series Fixed Index Annuities: Choice 10, Enhanced Choice 8, Enhanced Choice 10 and Enhanced Choice 12. Annuities and rider are not available in all states; please check for state availability.
Rider cost	.60% of the rider's income base. The cost is deducted each contract anniversary from the annuity's accumulation value. (Example: If client's income base is \$50,000, the rider charge would be \$300 for that year.)
Waiting period	Regular rider withdrawals available after the 1st contract year and the owner must be at least 50 years old at the time of the first withdrawal. Enhanced benefit withdrawals available after the 5th contract year. Owner must qualify to receive the enhanced withdrawal amount. (Note: The enhanced benefit is not available if the joint withdrawal option is selected.)
Rollup percentage and rollup period	7.5%; 12 years
Immediate income bonus	This rider offers an immediate income bonus of 1% that will be credited to the income base on the day the rider is issued. This bonus amount is in addition to any premium enhancement/ bonus on the annuity contract and results in greater income payments during the rider's withdrawal phase. (Note: This bonus does not increase the annuity's accumulation value. It only applies to the rider's benefit.)

(Continued on back)



Initial income base at issue	$\text{Annuity Premium} + \text{Annuity Premium Bonus (if applicable)} + \text{Immediate Income Bonus} = \text{Initial Income Base}$			
Additional premiums	The rider's income base will be increased by the amount of any additional premiums (including any applicable premium enhancement/bonus from the annuity contract) after the rider is issued.			
Step-up feature (Available during the growth and withdrawal phases)	If the annuity's accumulation value is greater than the rider's income base at the end of any contract year (after interest credits and rider charges), the income base will be stepped up to the accumulation value.			
Lifetime withdrawal amount annual calculation	Income Base	X	Lifetime Withdrawal Percentage	= Annual Lifetime Withdrawal Amount
	Enhanced benefit: If the owner qualifies, the annual lifetime withdrawal amount will be increased by 50% in the event he or she becomes unable to perform 2 of 6 activities of daily living (bathing, continence, dressing, eating, toileting and transferring) on a permanent basis.			
Lifetime withdrawal percentage (single and joint)	Attained Age on the first day of the rider's withdrawal phase	Single Life	Joint Life (based on the younger owner)	
	50-54	3.50%	2.50%	
	55-59	4.00%	3.00%	
	60-64	4.50%	3.50%	
	65-69	5.00%	4.00%	
	70-74	5.50%	4.50%	
	75-79	6.00%	5.00%	
	80-84	6.50%	5.50%	
	85-89	7.00%	6.00%	
	90+	7.50%	6.50%	
Joint withdrawal option	At the beginning of the rider's withdrawal phase, the client may choose to have the lifetime withdrawal amount based on the lives of the owner and the owner's spouse. The lifetime withdrawal amount is guaranteed to be available until the death of the survivor of the joint owners, subject to the terms and conditions of the rider. (Note: The enhanced benefit is not available if the joint withdrawal option is selected.)			
Starting and stopping income withdrawals	Owners have the ability to start and stop withdrawals when they choose. If withdrawals are stopped and later re-started, payments will be the <u>greater</u> of the prior lifetime withdrawal amount (adjusted for excess withdrawals, if any) <u>or</u> the original lifetime withdrawal percentage multiplied by the current income base.			
Income withdrawal modes	Available as monthly, quarterly, semi annual or annual payments. Note: Monthly mode must be taken as electronic funds transfer (EFT).			
Excess withdrawals	Withdrawals exceeding the lifetime withdrawal amount are allowed; however, they will reduce the lifetime withdrawal amount and rider's income base and future withdrawal amounts proportionately. Withdrawals that exceed the annuity contract's penalty-free withdrawal amount may be subject to a withdrawal charge and/or Market Value Adjustment charge. Required Minimum Distributions are not considered excess withdrawals.			
Coordination with 10% free withdrawals	Withdrawals under the rider count toward the annuity's 10% free withdrawal allowance. Lifetime withdrawals will reduce the remaining 10% free withdrawal amount available under the annuity each year.			
Continuation at death	If the owner dies <u>before</u> receiving income payments, the annuity and rider contracts terminate unless a surviving spouse chooses to keep them in force as described by the terms of the contracts. If the owner dies <u>while</u> receiving income payments, the rider terminates and no further payments will be made. Note: Although the rider and income payments terminate, any death benefits available under the annuity would still be paid out according to that contract.			
Termination	The rider can be terminated at any time. Once terminated it cannot be reinstated.			
Point-of-sale and marketing materials	Consumer brochure (form number: S7464) • Producer spec sheet (form number: S7462) • Required rider disclosure (form number: S7419) • Rider application supplement (form number: A1041) • Check for state variations on materials			