

SERFF Tracking Number: HRCN-125843053 State: Arkansas
Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
Company Tracking Number: AR IC-AE0128
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: 403(b) Tax Endorsements
Project Name/Number: /

Filing at a Glance

Company: Horace Mann Life Insurance Company

Product Name: 403(b) Tax Endorsements SERFF Tr Num: HRCN-125843053 State: ArkansasLH
TOI: A10 Annuities - Other SERFF Status: Closed State Tr Num: 40551
Sub-TOI: A10.000 Annuities - Other Co Tr Num: AR IC-AE0128 State Status: Approved-Closed
Filing Type: Form Co Status: Reviewer(s): Linda Bird
Authors: Wes Romanotto, Rita Disposition Date: 10/20/2008
Rowe, Dorothy Ruppert, Marcetia
Neal
Date Submitted: 10/10/2008 Disposition Status: Approved
Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: Status of Filing in Domicile: Pending
Project Number: Date Approved in Domicile:
Requested Filing Mode: Domicile Status Comments:
Explanation for Combination/Other: Market Type:
Submission Type: New Submission Group Market Size:
Overall Rate Impact: Group Market Type:
Filing Status Changed: 10/20/2008
State Status Changed: 10/20/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:
IC-AE0128 – Endorsement: 403(b) annuity
IC-AE0129 – Endorsement: Group 403(b) annuity

Enclosed please find the above-referenced forms for your review and approval. Form IC-AE0128 will replace form IC-AE0107. Form IC-AE0129 will replace form IC-AE0122.

SERFF Tracking Number: HRCN-125843053 State: Arkansas
Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
Company Tracking Number: AR IC-AE0128
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: 403(b) Tax Endorsements
Project Name/Number: /

No part of this filing contains any unusual or controversial items from normal company or industry standards.

Form IC-AE0128 will be attached to our previously approved individual annuity contracts identified below when issued as a 403(b) annuity under Section 403(b) of the Internal Revenue Code.

IC-4460AR – Individual Flexible Premium Deferred Fixed Annuity Contract

IC-4480AR – Individual Flexible Premium Deferred Fixed Annuity Contract

IC-449000 – Individual Single Premium Deferred Fixed Annuity Contract

IC-451000 – Individual Flexible Premium Deferred Variable Annuity Contract

IC-452000 – Individual Flexible Premium Deferred Variable Annuity Contract

IC-453000 – Individual Flexible Premium Deferred Fixed Annuity Contract with a
Premium Bonus

IC-454000 – Individual Flexible Premium Deferred Fixed Annuity Contract with an
Annuitization Bonus

Form IC-AE0129 will be attached to our group annuity products identified below when issued as a 403(b) annuity under Section 403(b) of the Internal Revenue Code.

IC-455000 – Group Flexible Premium Deferred Variable Annuity Contract

IC-456000 – Group Flexible Premium Deferred Variable Annuity Certificate

IC-457000 – Group Flexible Premium Deferred Fixed Annuity Contract

IC-458000 – Group Flexible Premium Deferred Fixed Annuity Certificate

Since we are using model language, as supplied by the IRS, the tax qualification language included in the above referenced endorsements is not included in the readability certification; the certification is only applicable to the loan language contained in form IC-AE0129. As tax endorsements, the forms contain language intended to conform to the requirements of several sections of the Internal Revenue Code.

These endorsements will be produced through an electronic publishing system. For filing purposes, it has been submitted as printed on a laser printer. However, margin setting, spacing, line spacing, page ending, page numbers, etc., may differ.

SERFF Tracking Number: HRCN-125843053 State: Arkansas
 Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
 Company Tracking Number: AR IC-AE0128
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: 403(b) Tax Endorsements
 Project Name/Number: /

We would like to begin using these endorsements upon approval.

Company and Contact

Filing Contact Information

Wes Romanotto, Sr Product Development & Compliance Coordinator romanow1@horacemann.com
 1 Horace Mann Plaza (217) 788-8536 [Phone]
 Springfield, IL 62715-0001 (217) 535-7197[FAX]

Filing Company Information

Horace Mann Life Insurance Company CoCode: 64513 State of Domicile: Illinois
 1 Horace Mann Plaza Group Code: Company Type: Life,
 Springfield, IL 62715-0001 Group Name: Accident/Health, Annuity, Credit
 (217) 789-2500 ext. [Phone] FEIN Number: 37-0726637
 State ID Number:

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: \$50.00 per filing.
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Horace Mann Life Insurance Company	\$50.00	10/10/2008	23122845

SERFF Tracking Number: HRCN-125843053 State: Arkansas
Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
Company Tracking Number: AR IC-AE0128
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: 403(b) Tax Endorsements
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	10/20/2008	10/20/2008

SERFF Tracking Number: *HRCN-125843053* *State:* *Arkansas*
Filing Company: *Horace Mann Life Insurance Company* *State Tracking Number:* *40551*
Company Tracking Number: *AR IC-AE0128*
TOI: *A10 Annuities - Other* *Sub-TOI:* *A10.000 Annuities - Other*
Product Name: *403(b) Tax Endorsements*
Project Name/Number: */*

Disposition

Disposition Date: 10/20/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: HRCN-125843053 State: Arkansas
 Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
 Company Tracking Number: AR IC-AE0128
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: 403(b) Tax Endorsements
 Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Form	Endorsement: 403(b) annuity		Yes
Form	Endorsement: Group 403(b) annuity		Yes

SERFF Tracking Number: HRCN-125843053 State: Arkansas
 Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
 Company Tracking Number: AR IC-AE0128
 TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
 Product Name: 403(b) Tax Endorsements
 Project Name/Number: /

Form Schedule

Lead Form Number: IC-AE0128

Review Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	IC-AE0128	Policy/Cont Endorsement: ract/Fratern 403(b) annuity al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0	IC-AE0128_Ind. 403(b)_DST.pdf
	IC-AE0129	Policy/Cont Endorsement: ract/Fratern 403(b) annuity al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	GroupInitial		50	IC-AE0129_Group 403(b)_CEPS .pdf

Endorsements

403(b) annuity

This endorsement is made a part of and amends the contract to which it is attached (the "contract"). The purpose of this endorsement is to qualify the contract as a 403(b) annuity under Section 403(b) of the Internal Revenue Code of 1986, as amended (the "Code"). When used in this endorsement, "403(b)" means an annuity contract that qualifies under Section 403(b) of the Code. All definitions, provisions, and exceptions of the contract apply to this endorsement unless changed by this endorsement. Terms not defined in this endorsement have the meaning given to them in the contract.

This 403(b) contract is established exclusively as a means of providing for the **annuitant's** retirement and/or the support of such **annuitant's beneficiary(ies)**. The **annuitant** agrees to all of the limitations and/or conditions stated in this endorsement.

The provisions of the contract, this endorsement and the exercise of the annuitant's rights hereunder will be subject to any limits imposed by a written plan document established by the annuitant's employer governing the 403(b) plan (the "employer's plan"). The company shall rely on representations made by the sponsor of the employer's plan regarding the content and meaning of any provision of the employer's plan. Any references herein to the "employer's plan" mean the written 403(b) plan established and maintained by the annuitant's employer (or former employer), as applicable. Where the terms of the employer's plan are inconsistent with the contract and/or this endorsement, the terms of the employer's plan shall govern unless such interpretation would cause the contract to fail to qualify as an annuity that satisfies the requirements of Section 403(b) of the Code.

General Provisions

Ownership

The owner of this contract is the **annuitant**. No other person or entity can be the owner.

The **annuitant's** rights and benefits under this contract are nonforfeitable and nontransferable and may not be waived, relinquished, or assigned, except as may be permitted under the Code, by law or applicable court order.

Eligibility

This contract may only be used for either:

- a. an employee of a public education organization under Section 170(b)(1)(A)(ii) of the Code, or
- b. an employee of a tax-exempt organization that qualifies under Section 501(c)(3) of the Code, or
- c. a minister under Section 414(e)(5)(A) of the Code.

Contributions

Elective contributions

Elective contributions are amounts contributed by the **annuitant** to a 403(b) as elective deferral contributions under a salary reduction agreement in conformity with Section 402(g) of the Code.

Contracts purchased under the provisions of Section 403(b) of the Code may permit pre-tax elective contributions and after-tax "Roth 403(b)" contributions. The **annuitant** will be permitted to make Roth 403(b) contributions to his/her contract if they are permitted by the employer's plan.

Roth 403(b) contributions, as provided under Section 402A of the Code are all or any portion of the elective contributions otherwise allowable to be made to the **annuitant's** 403(b) that are:

- a. irrevocably designated as Roth 403(b) contributions;
- b. not excludable from gross income; and
- c. accounted for separately from all other contract contributions along with related gains and losses ("designated Roth 403(b) account").

Nonelective contributions

Nonelective contributions are contributions made by the **annuitant's** employer on behalf of the **annuitant** under the employer's plan. Only elective contributions can be designated as Roth 403(b) contributions.

Annual limit for elective contributions

The **annuitant** may not make elective contributions to the contract or any other salary reduction plan that is subject to Section 402(g) in amounts that exceed the annual contribution limitations of Section 402(g) of the Code, as modified for cost-of-living adjustments, except to the extent specifically permitted under the Code, as in Section 414(v) of the Code for annuitants that are age 50 or older and subject to the ordering rule of IRS Treas. Reg. 1.403(b)-4(c)(3)(iv).

Annual limit on all contributions

The sum of elective contributions and nonelective contributions made during any year cannot exceed the limitations of Section 415(c) of the Code. If the employer's plan uses a plan year other than the calendar year, then the limitations under Section 415(c) of the Code shall apply to contributions made during the plan year as defined under the employer's plan. If any nonelective contributions cause the annual contributions to exceed the limitations of Section 415(c) of the Code, the excess contributions will be segregated and treated in a manner consistent with applicable IRS guidance on excess "annual additions".

Notwithstanding the preceding, the limitations on contributions described in this section shall not apply with respect to any contribution that qualifies as an "eligible rollover distribution" as defined in Sections 403(b)(8) and 402(c)(4) of the Code from another "eligible retirement plan" as defined in Section 402(c)(8)(B) of the Code, or that is a plan to plan transfer of assets into the **annuitant's** contract or is an exchange of contracts under applicable IRS guidance. A "rollover" is a contribution by the **annuitant** consisting of the proceeds from a distribution of assets from one eligible retirement plan into another. A rollover may also be made by way of a direct rollover. A "direct rollover" is a rollover whereby the proceeds from a distribution are paid directly into the **annuitant's** contract from another eligible retirement plan rather than to the **annuitant**.

Return of excess elective contributions and nonelective contributions

Excess elective contributions may be removed from the **annuitant's** contract by April 15th of the calendar year following the year in which such excess occurred, provided that the **annuitant**, or his/her employer, notifies the **company** of the excess no later than the March 31st immediately preceding such date. In the absence of such notice, the **company** is not required to return any such excess elective contribution to the **annuitant** or his/her employer. However, excess nonelective contributions will be accounted for separately from all other contract contributions along with related gains and losses and reported as a contribution under Section 403(c) of the Code. The **company** reserves the right to specify how excess nonelective contributions may be allocated. To the extent that the IRS permits alternative corrections for excess nonelective contributions, such amounts may be corrected in accordance with permitted correction methodology and with the employer's plan.

IC-AE0128

Notwithstanding the preceding, nothing in the contract shall prohibit the **company** from making corrective distributions in accordance with an employer's efforts to satisfy voluntary compliance programs established by the IRS and/or the Department of Labor (the "DOL") to comply with 403(b) plan requirements or ERISA requirements, as applicable.

Vesting

Elective contributions under the contract are always fully vested and nonforfeitable. Nonelective contributions are generally fully vested and nonforfeitable; however, the terms of the employer's plan may impose a vesting schedule on nonelective contributions and the **annuitant's** vesting rights in the contract will be determined in accordance with the employer's plan.

If the **company** accepts unvested nonelective contributions, such unvested amounts shall be segregated from the **annuitant's** vested contributions under the contract in accordance with Treas. Reg. 1.403(b)-3(d)(2), under which the portion of the contract that is vested and the portion of the contract that is unvested are accounted for separately along with related gains and losses solely for purposes of complying with the final IRS regulations applicable to unvested contributions to an annuity contract. The **company** reserves the right to specify how unvested nonelective contributions may be allocated.

Rollover contributions

This contract may accept rollovers from any eligible retirement plan as defined in Section 402(c)(8)(B) of the Code. Rollovers from Roth IRAs as defined in Section 408A of the Code are not permitted.

The contract may also accept direct rollovers into the designated Roth 403(b) account only from another designated Roth 403(b) account of a 403(b) annuity or 403(b)(7) custodial account in accordance with Section 402A(c)(3) of the Code, from a Roth 401(k) plan, or, if a rollover by the **annuitant**, the amount of the Roth 403(b) distribution that is includable in gross income.

Plan to plan transfers

The contract may accept a plan to plan transfer of the **annuitant's** interest in a 403(b) contract and/or 403(b)(7) custodial account issued under another employer's 403(b) plan only if:

- a. the other 403(b) plan permits plan-to-plan transfers; and

- b. the **annuitant** is an employee or former employee of the employer sponsoring the 403(b) plan under which the **annuitant's** contract was issued; and
- c. the accumulated benefit immediately after the transfer is at least equal to the accumulated benefit with respect to the **annuitant** immediately before the transfer, without regard to normal contract fees, charges and expenses; and
- d. the amount transferred into the contract must remain subject to distribution restrictions no less stringent than imposed by the transferor contract.

The **company** may require any documentation from the other 403(b) plan as it deems necessary to effectuate the transfer in accordance with Treas. Reg. §1.403(b)-10(b)(3) and other applicable IRS guidance and to confirm that the other plan is a plan that satisfies section 403(b) of the Code.

Contract exchanges

The contract may accept an exchange of 403(b) contracts and/or 403(b)(7) custodial accounts if such action is permitted under the employer's plan. Any such exchange is permitted only if:

- a. the accumulated benefit of the contract immediately after the exchange is at least equal to the accumulated benefit of the **annuitant's** 403(b) contract or 403(b)(7) custodial account immediately before the exchange; and
- b. the contract remains subject to distribution restrictions no less stringent than those imposed by the 403(b) contract or 403(b)(7) custodial account sending the exchange; and
- c. either the **company** is included as an authorized 403(b) product provider under the employer's plan or the **company** and the employer sponsoring the employer's plan enter into an agreement to share information for 403(b) compliance purposes, including, but not limited to information on employment status, hardship distributions, loans, distributions, transfers and exchanges, Roth 403(b) contributions and contributions made to other authorized 403(b) product providers.

Nondiscrimination requirements

Contributions made by or on behalf of the **annuitant** into the employer's plan are subject to the applicable nondiscrimination requirements of Section 403(b)(12) of the Code. Amounts contributed for the **annuitant** that

cause the 403(b) plan to fail to satisfy such requirements may be refunded to the **annuitant** or to the employer, as appropriate, and in accordance with IRS guidance.

Distributions

Restrictions on all distributions

No amounts, including Roth 403(b) contributions, may be distributed from the contract unless one or more of the following conditions has been satisfied:

- a. the **annuitant** has attained age 59½;
- b. the **annuitant** is disabled within the meaning of Section 72(m)(7) of the Code;
- c. the **annuitant** has died;
- d. the **annuitant** has severed service with the employer sponsoring the 403(b) program under which contributions to the contract were made; or
- e. the **annuitant** has satisfied the requirements for a "financial hardship" under Section 403(b)(11)(B) of the Code.

Additional restrictions on financial hardship distributions

In the event of a financial hardship that satisfies the requirements of Section 403(b)(11)(B) of the Code, an **annuitant** may receive a distribution of only elective contributions, including Roth 403(b) contributions. Distribution of earnings or nonelective contributions is not permitted for financial hardships.

No hardship distribution is permitted from the contract unless the "safe harbor" standards with respect to establishing an immediate and heavy financial need (under Treas. Reg. §1.401(k)-1(d)(3)(iii)(B)) is satisfied. For purposes of satisfying the lack of other resources requirement, any method acceptable under Treas. Reg. §1.401(k)-1(d)(3)(iv)(E) is permitted, however, the **annuitant** must suspend elective deferrals for a period of six months following the date of the hardship distribution. The **company** shall notify the **annuitant's** employer of any hardship distributions.

Additional restrictions on distributions of Roth 403(b) contributions

Earnings on a distribution made from Roth 403(b) contributions may be includable in income unless it is a "qualified Roth 403(b) distribution". Distributions of Roth 403(b) contributions and earnings are qualified Roth 403(b) distributions if they are made no earlier than the

fifth year following the year in which the first Roth 403(b) contribution was made; and

- a. the **annuitant** has attained age 59½; or
- b. the distribution is made after the **annuitant** becomes disabled as defined under the Code; or
- c. the distribution is made after the **annuitant** has died.

Corrective distributions

Notwithstanding the preceding, distributions may be made to correct excess elective and nonelective contributions, to satisfy applicable nondiscrimination requirements, pursuant to a valid qualified domestic relations order (QDRO), or as part of a voluntary compliance initiative by the employer in accordance with applicable IRS or DOL voluntary correction programs.

Exception to distribution restrictions

Notwithstanding the preceding, values attributable to elective contributions made and earnings accrued prior to December 31, 1988, are not subject to the distribution restrictions described above to the extent that such amounts in the contract can be clearly identified.

Direct rollover distributions

Notwithstanding any other provision of the contract that would otherwise limit an eligible distributee's election, a distributee may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

A direct rollover of amounts in a designated Roth 403(b) account may be made only to another designated Roth 403(b) account of a 403(b) annuity/403(b)(7) custodial account, a Roth 401(k) plan, or a Roth IRA.

For purposes of this section, a "distributee" is any employee (or former employee) entitled to receive a distribution from the contract, a surviving spousal **beneficiary** and any spouse or former spouse that qualifies as an alternate payee under a QDRO.

A nonspouse **beneficiary** may make a direct rollover into an inherited IRA of any proceeds from an eligible rollover distribution received from a deceased **annuitant's** contract.

Required minimum distributions

In accordance with Sections 403(b)(10) and 401(a)(9) of the Code and supporting regulations, the **annuitant** is required to begin receiving distributions, including distributions of Roth 403(b) contributions and earnings, no later than April 1st of the calendar year following the

calendar year in which he/she attains age 70½ or severs service with the employer, whichever occurs later, unless a later date is authorized under the Code or applicable regulations. The **annuitant's** contract shall then be distributed (both in determining the timing of subsequent distributions and the amount of all required distributions) in a manner consistent with Sections 403(b)(10) and 401(a)(9) of the Code. For purposes of determining required minimum distributions, the contract will be valued considering the **account value** plus the actuarial present value of any additional benefits provided.

Distributions from the contract, including distributions of Roth 403(b) contributions and earnings, shall be made in one of the following forms as selected by the **annuitant** (or **beneficiary(ies)**, as applicable) on or before the required beginning date:

- a. in equal or substantially equal payments over the life of the **annuitant**;
- b. in equal or substantially equal payments over the lives of the **annuitant** and his/her designated **beneficiary(ies)**;
- c. in equal or substantially equal payments over a specified period that may not be longer than the **annuitant's** life expectancy;
- d. in equal or substantially equal payments over a specified period that may not be longer than the joint life expectancy of the **annuitant** and his/her designated **beneficiary(ies)**; or
- e. as a single sum payment.

Distributions will be made in accordance with Section 401(a)(9) of the Code and applicable regulations. The provisions of these sections and any other provisions prescribed by revenue rulings, notices or other published guidance override any distribution options in the contract inconsistent with Section 401(a)(9).

Grandfathered amounts

To the extent permitted by IRS Notice 88-39, distribution of values accumulated as of December 31, 1986, may be delayed until the end of the year the **annuitant** reaches age 75.

Distribution upon death

If the **annuitant** dies before his/her entire account balance is distributed, the remaining balance will be distributed in accordance with the following:

- a. If the **annuitant** dies on or after the date required minimum distributions must have begun, the

entire remaining balance must be distributed at least as rapidly as was payable under the required minimum distribution requirements.

- b. If the **annuitant** dies before required minimum distributions have begun, the entire remaining balance must be distributed as elected by the **annuitant** or, if the **annuitant** has made no prior election, then, as elected by the **beneficiary(ies)**, as follows:
 - 1) by December 31st of the year containing the fifth anniversary of the **annuitant's** death; or
 - 2) in equal or substantially equal payments over the life or the life expectancy of the designated **beneficiary(ies)** starting by December 31st of the year following the year of the **annuitant's** death.
- c. If the **beneficiary** is the **annuitant's** surviving spouse, then this distribution is not required to begin before December 31st of the year in which the **annuitant** would have turned 70½.
- d. If the **beneficiary** is not the **annuitant's** surviving spouse, the **beneficiary** may make a direct rollover to an IRA and may receive distributions under the inherited IRA over a period that does not exceed the life expectancy of the **beneficiary**.

Plan to plan transfers and exchanges from the contract

The **annuitant** may make a plan to plan transfer and/or an exchange of contracts to a 403(b) contract and/or 403(b)(7) custodial account issued to the **annuitant** under another employer's 403(b) plan only if:

- a. the employer's plan permits the requested plan to plan transfer and/or exchange; and
- b. the 403(b) plan that governs the receiving plan to plan transfer or exchange permits such actions; and
- c. the receiving 403(b) contract and/or 403(b)(7) custodial account accepts plan to plan transfers and/or exchanges; and
- d. the **annuitant** is an employee or former employee of the employer sponsoring the 403(b) plan under which the receiving 403(b) contract or 403(b)(7) custodial account will be issued; and
- e. the accumulated benefit immediately after the transfer or exchange is at least equal to the accumulated benefit with respect to the **annuitant**

immediately before the transfer or exchange, without regard to normal contract fees, charges and expenses; and

- f. the receiving 403(b) contract or 403(b)(7) custodial account imposes distribution restrictions no less stringent than imposed by the transferor contract; and
- g. either the receiving insurer or custodian is included as an authorized 403(b) product provider under the 403(b) plan permitting the exchange or transfer or the insurer or custodian receiving the exchange or transfer has executed an information sharing agreement with the sponsor of the 403(b) plan permitting the exchange or transfer.

The **company** may require any documentation from other 403(b) insurers and custodians as it deems necessary to comply with the requirements of applicable IRS guidance and to confirm that the receiving contract or custodial account satisfies the requirements of Sections 403(b) and 403(b)(7) of the Code, respectively.

Multiple 403(b) annuities/403(b)(7) custodial accounts

If the **annuitant** has multiple 403(b) annuities and/or 403(b)(7) custodial accounts, the required minimum distribution requirements may be satisfied by receiving a distribution from one 403(b) annuity/403(b)(7) custodial account that is equal to the amount required to satisfy the required minimum distribution requirements for all of the **annuitant's** 403(b) annuities/403(b)(7) custodial accounts. Under this method, the **annuitant** must still calculate the required minimum distribution requirements separately for each 403(b) annuity/403(b)(7) custodial account.

Qualified domestic relations orders

A distribution, including a distribution of Roth 403(b) contributions and earnings, properly made to an alternate payee pursuant to a QDRO will be permitted even though the timing of the distribution might otherwise be prohibited under the restrictions above.

Permissive service credit transfers

If the **annuitant** is also a participant in a tax-qualified defined benefit governmental plan (as defined in section 414(d) of the Code) that accepts plan-to-plan transfers for the purchase of permissive service credits (as defined in section 415(n)(3)(A) of the Code), the **annuitant** may

elect to have any portion of his/her contract transferred to the defined benefit governmental plan at any time.

Military personnel rights

The Uniformed Services Employment and Reemployment Rights Act (USERRA), prohibits discrimination against persons because of their service in the Armed Forces Reserve, the National Guard, or other uniformed services. The Heroes Earning Assistance and Relief Act of 2008 (HEART) created additional rights for qualifying employees who leave employment or return to employment due to qualifying military service. Notwithstanding any other provisions in the contract, for individuals who are or were serving qualified military service under Section 414(u)(4) of the Code and regulations issued thereunder, this contract shall be interpreted to conform to the requirements of USERRA and HEART, as amended from time to time.

IRS levy

The **company** may direct payment from the **annuitant's** contract in accordance with a lawfully issued tax levy issued by the Internal Revenue Service with respect to the **annuitant** or **beneficiary**.

Mistaken contributions

If any amount is contributed into a contract under the employer's plan by a good faith mistake of fact, such mistaken contribution may be returned to the party that made the contribution if a request is made by the administrator of the employer's plan and such request is received within one year after receipt of the mistaken contribution.

Miscellaneous provisions

The provisions of this endorsement are intended to comply with the requirements of Section 403(b) of the Code and should be interpreted, whenever possible, to do so. These requirements are subject to change and this endorsement will follow the most current requirements.

In the event that the terms of this endorsement conflict with the contract, this endorsement shall prevail unless it would cause the contract to fail to qualify as an insurance contract under state law. The endorsement and contract

shall at all times be interpreted to conform to the requirements of the Code, as applicable.

The **company** reserves the right to amend the contract and/or endorsement from time to time, when necessary or desirable to comply with the provisions of the Code. We will request **you** consent for any amendment to the contract and/or endorsement only if it is required by the state in which the contract was delivered. If **you** do not consent to an amendment, the contract may no longer qualify as a 403(b) annuity under Section 403(b) of the Code.

This endorsement replaces any previous 403(b) endorsement that may have been provided with the contract.

The effective date of this endorsement is the later of the **contract date** or January 1, 2009.



President



Corporate Secretary

Horace Mann Life Insurance Company

1 Horace Mann Plaza
P.O. Box 4657
Springfield, Illinois 62708-4657

Endorsement: Group 403(b) annuity

This endorsement is made a part of and amends the Contract and any underlying Certificate to which it is attached. The purpose of this endorsement is to qualify the Contract and Certificates thereunder as a 403(b) annuity under Section 403(b) of the Internal Revenue Code of 1986, as amended (the "Code") and to provide for loans, if permitted under the Employer's Plan. When used in this endorsement, "403(b)" means an annuity contract/certificate that qualifies under Section 403(b) of the Code. All definitions, provisions, and exceptions of the Contract/Certificate apply to this endorsement unless changed by this endorsement. Terms not defined in this endorsement have the meaning given to them in the Contract/Certificate.

This 403(b) Contract/Certificate is established exclusively as a means of providing for the Participant's retirement and/or the support of such Participant's Beneficiary(ies). The Participant agrees to all of the limitations and/or conditions stated in this endorsement.

The provisions of the Contract/Certificate, this endorsement and the exercise of a Participant's rights hereunder will be subject to any limits imposed by a written plan document established by the Participant's employer governing the 403(b) plan (the "Employer's Plan"). The Company shall rely on representations made by the sponsor of the Employer's Plan regarding the content and meaning of any provision of the Employer's Plan. Any references herein to the "Employer's Plan" mean the written 403(b) plan established and maintained by the Participant's employer (or former employer), as applicable. Where the

terms of the Employer's Plan are inconsistent with the Contract/Certificate and/or this endorsement, the terms of the Employer's Plan shall govern unless such interpretation would cause the Contract/Certificate to fail to qualify as an annuity that satisfies the requirements of Section 403(b) of the Code.

General Provisions

Ownership

The Contract Owner is the entity identified as the Contract Owner on the Annuity Data pages. Each eligible employee for whom a Participant Account has been established and for whom Premium Payment has been received by Us is a Participant.

The Participant's rights and benefits under the Contract and any Certificate issued thereunder are nonforfeitable and nontransferable and may not be waived, relinquished, or assigned, except as may be permitted under the Code, by law or applicable court order.

Eligibility

Any underlying Certificate under the Contract may only be used for either:

- a. an employee of a public education organization under Section 170(b)(1)(A)(ii) of the Code, or
- b. an employee of a tax-exempt organization that qualifies under Section 501(c)(3) of the Code, or
- c. a minister under Section 414(e)(5)(A) of the Code.

Contributions

Elective contributions

Elective contributions are amounts contributed by a Participant to a 403(b) as elective deferral contributions under a salary reduction agreement in conformity with Section 402(g) of the Code. Contracts/certificates purchased under the provisions of Section 403(b) of the Code may permit pre-tax elective contributions and after-tax "Roth 403(b)" contributions. A Participant will be permitted to make Roth 403(b) contributions to his/her Certificate if they are permitted by the Employer's Plan.

Roth 403(b) contributions, as provided under Section 402A of the Code are all or any portion of the elective contributions otherwise allowable to be made to a Participant's 403(b) that are:

- a. irrevocably designated as Roth 403(b) contributions;
- b. not excludable from gross income; and
- c. accounted for separately from all other Certificate contributions along with related gains and losses ("designated Roth 403(b) account").

Nonelective contributions

Nonelective contributions are contributions made by the Contract Owner to the Certificate on behalf of a Participant under the Employer's Plan. Only elective contributions can be designated as Roth 403(b) contributions.

Annual limit for elective contributions

Participants may not make elective contributions to the Certificate or any other salary reduction plan that is subject to Section 402(g) in amounts that exceed the annual contribution limitations of Section 402(g) of the Code, as modified for cost-of-living adjustments, except to the extent specifically permitted under the Code, as in Section 414(v) of the Code for Participants that are age 50 or older and subject to the ordering rule of IRS Treas. Reg. 1.403(b)-4(c)(3)(iv).

Annual limit on all contributions

The sum of elective contributions and nonelective contributions made during any year cannot exceed the limitations of Section 415(c) of the

Code. If the Employer's Plan uses a plan year other than the calendar year, then the limitations under Section 415(c) of the Code shall apply to contributions made during the plan year as defined under the Employer's Plan. If any nonelective contributions cause the annual contributions to exceed the limitations of Section 415(c) of the Code, the excess contributions will be segregated and treated in a manner consistent with applicable IRS guidance on excess "annual additions".

Notwithstanding the preceding, the limitations on contributions described in this section shall not apply with respect to any contribution that qualifies as an "Eligible Rollover Distribution" as defined in Sections 403(b)(8) and 402(c)(4) of the Code from another "Eligible Retirement Plan" as defined in Section 402(c)(8)(B) of the Code, or that is a plan to plan transfer of assets into a Participant's Certificate or is an exchange of contracts under applicable IRS guidance. A "Rollover" is a contribution by the Participant consisting of the proceeds from a distribution of assets from one Eligible Retirement Plan into another. A Rollover may also be made by way of a Direct Rollover. A "Direct Rollover" is a Rollover whereby the proceeds from a distribution are paid directly into the Participant's Certificate from another Eligible Retirement Plan rather than to the Participant.

Return of excess elective contributions and nonelective contributions

Excess elective contributions may be removed from a Participant's Certificate by April 15th of the calendar year following the year in which such excess occurred, provided that the Participant, or the Contract Owner, notifies the Company of the excess no later than the March 31st immediately preceding such date. In the absence of such notice, the Company is not required to return any such excess elective contribution to the Participant or the Contract Owner. However, excess nonelective contributions will be accounted for separately from all other Certificate contributions along with related gains and losses and reported as a contribution under Section 403(c) of the Code. The Company reserves the right to specify how excess nonelective contributions may be allocated. To the extent that

the IRS permits alternative corrections for excess nonelective contributions, such amounts may be corrected in accordance with permitted correction methodology and with the Employer's Plan.

Notwithstanding the preceding, nothing in the Contract/Certificate shall prohibit the Company from making corrective distributions in accordance with the Contract Owner's efforts to satisfy voluntary compliance programs established by the IRS and/or the Department of Labor (the "DOL") to comply with 403(b) plan requirements or ERISA requirements, as applicable.

Vesting

Elective contributions under the Certificate are always fully vested and nonforfeitable. Nonelective contributions are generally fully vested and nonforfeitable; however, the terms of the Employer's Plan may impose a vesting schedule on nonelective contributions and the Participant's vesting rights in his/her Certificate will be determined in accordance with the Employer's Plan.

If the Company accepts unvested nonelective contributions, such unvested amounts shall be segregated from the Participant's vested contributions under the Certificate in accordance with Treas. Reg. 1.403(b)-3(d)(2), under which the portion of the Certificate that is vested and the portion of the Certificate that is unvested are accounted for separately along with related gains and losses solely for purposes of complying with the final IRS regulations applicable to unvested contributions to an annuity contract. The Company reserves the right to specify how unvested nonelective contributions may be allocated.

Rollover contributions

A Participant's Certificate may accept Rollovers from any Eligible Retirement Plan as defined in Section 402(c)(8)(B) of the Code. Rollovers from Roth IRAs as defined in Section 408A of the Code are not permitted.

A Participant's Certificate may also accept Direct Rollovers into the designated Roth 403(b) account only from another designated Roth 403(b) account of a 403(b) annuity or 403(b)(7) custodial account in accordance with Section 402A(c)(3) of the Code, from a Roth 401(k) plan, or, if a Rollover by

the Participant, the amount of the Roth 403(b) distribution that is includable in gross income.

Plan to plan transfers

The Participant's Certificate may accept a plan to plan transfer of the Participant's interest in a 403(b) contract and/or 403(b)(7) custodial account issued under another employer's 403(b) plan only if:

- a. the other 403(b) plan permits plan-to-plan transfers; and
- b. the Participant is an employee or former employee of the employer sponsoring the 403(b) plan under which the Participant's 403(b) contract was issued; and
- c. the accumulated benefit immediately after the transfer is at least equal to the accumulated benefit with respect to the Participant immediately before the transfer, without regard to normal contract fees, charges and expenses; and
- d. the amount transferred into the Certificate must remain subject to distribution restrictions no less stringent than imposed by the transferor contract.

The Company may require any documentation from the other 403(b) plan as it deems necessary to effectuate the transfer in accordance with Treas. Reg. §1.403(b)-10(b)(3) and other applicable IRS guidance and to confirm that the other plan is a plan that satisfies section 403(b) of the Code.

Contract exchanges

The Participant's Certificate may accept an exchange of 403(b) contracts and/or 403(b)(7) custodial accounts if such action is permitted under the Employer's Plan. Any such exchange is permitted only if:

- a. the accumulated benefit of the Certificate immediately after the exchange is at least equal to the accumulated benefit of the Participant's 403(b) contract or 403(b)(7) custodial account immediately before the exchange; and
- b. the Certificate remains subject to distribution restrictions no less stringent than those imposed by the 403(b) contract or 403(b)(7)

custodial account sending the exchange;
and

- c. either the Company is included as an authorized 403(b) product provider under the Employer's Plan or the Company and the employer sponsoring the Employer's Plan enter into an agreement to share information for 403(b) compliance purposes, including, but not limited to information on employment status, hardship distributions, loans, distributions, transfers and exchanges, Roth 403(b) contributions and contributions made to other authorized 403(b) product providers.

Nondiscrimination requirements

Contributions made by or on behalf of a Participant into the Employer's Plan are subject to the applicable nondiscrimination requirements of Section 403(b)(12) of the Code. Amounts contributed for a Participant that cause the 403(b) plan to fail to satisfy such requirements may be refunded to the Participant or to the Contract Owner, as appropriate, and in accordance with IRS guidance.

Distributions

Restrictions on all distributions

No amounts, including Roth 403(b) contributions, may be distributed from a Participant's Certificate unless one or more of the following conditions has been satisfied:

- a. the Participant has attained age 59½;
- b. the Participant is disabled within the meaning of Section 72(m)(7) of the Code;
- c. the Participant has died;
- d. the Participant has severed service with the Contract Owner sponsoring the 403(b) program under which contributions to the Participant's Certificate were made; or
- e. the Participant has satisfied the requirements for a "financial hardship" under Section 403(b)(11)(B) of the Code.

Additional restrictions on financial hardship distributions

In the event of a financial hardship that satisfies the requirements of Section 403(b)(11)(B) of the

Code, a Participant may receive a distribution of only elective contributions, including Roth 403(b) contributions. Distribution of earnings or nonelective contributions is not permitted for financial hardships.

No hardship distribution is permitted from the Participant's Certificate unless the "safe harbor" standards with respect to establishing an immediate and heavy financial need (under Treas. Reg. §1.401(k)-1(d)(3)(iii)(B)) is satisfied. For purposes of satisfying the lack of other resources requirement, any method acceptable under Treas. Reg. §1.401(k)-1(d)(3)(iv)(E) is permitted, however, the Participant must suspend elective deferrals for a period of six months following the date of the hardship distribution. The Company shall notify the Participant's employer of any hardship distributions.

Additional restrictions on distributions of Roth 403(b) contributions

Earnings on a distribution made from Roth 403(b) contributions may be includable in income unless it is a "Qualified Roth 403(b) Distribution". Distributions of Roth 403(b) contributions and earnings are Qualified Roth 403(b) Distributions if they are made no earlier than the fifth year following the year in which the first Roth 403(b) contribution was made; and

- a. the Participant has attained age 59½; or
- b. the distribution is made after the Participant becomes disabled as defined under the Code; or
- c. the distribution is made after the Participant has died.

Corrective distributions

Notwithstanding the preceding, distributions may be made to correct excess elective and nonelective contributions, to satisfy applicable nondiscrimination requirements, pursuant to a valid qualified domestic relations order (QDRO), or as part of a voluntary compliance initiative by the Contract Owner in accordance with applicable IRS or DOL voluntary correction programs.

Exception to distribution restrictions

Notwithstanding the preceding, values attributable to elective contributions made and earnings

accrued prior to December 31, 1988, are not subject to the distribution restrictions described above to the extent that such amounts in a Participant's Certificate can be clearly identified.

Direct Rollover distributions

Notwithstanding any other provision of a Participant's Certificate that would otherwise limit an eligible Distributee's election, a Distributee may elect to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

A Direct Rollover of amounts in a designated Roth 403(b) account may be made only to another designated Roth 403(b) account of a 403(b) annuity/403(b)(7) custodial account, a Roth 401(k) plan, or a Roth IRA.

For purposes of this section, a "Distributee" is any employee (or former employee) entitled to receive a distribution from the Certificate, a surviving spousal Beneficiary and any spouse or former spouse that qualifies as an alternate payee under a QDRO.

A nonspouse Beneficiary may make a Direct Rollover into an inherited IRA of any proceeds from an Eligible Rollover Distribution received from a deceased Participant's Certificate.

Required minimum distributions

In accordance with Sections 403(b)(10) and 401(a)(9) of the Code and supporting regulations, a Participant is required to begin receiving distributions, including distributions of Roth 403(b) contributions and earnings, no later than April 1st of the calendar year following the calendar year in which he/she attains age 70½ or severs service with the Contract Owner, whichever occurs later, unless a later date is authorized under the Code or applicable regulations. A Participant's Certificate shall then be distributed (both in determining the timing of subsequent distributions and the amount of all required distributions) in a manner consistent with Sections 403(b)(10) and 401(a)(9) of the Code. For purposes of determining required minimum distributions, a Participant's Certificate will be valued considering the Account Value plus the actuarial present value of any additional benefits provided. Distributions from a Participant's Certificate, including distributions of

Roth 403(b) contributions and earnings, shall be made in one of the following forms as selected by the Participant (or Beneficiary(ies), as applicable) on or before the required beginning date:

- a. in equal or substantially equal payments over the life of the Participant;
- b. in equal or substantially equal payments over the lives of the Participant and his/her designated Beneficiary(ies);
- c. in equal or substantially equal payments over a specified period that may not be longer than the Participant's life expectancy;
- d. in equal or substantially equal payments over a specified period that may not be longer than the joint life expectancy of the Participant and his/her designated Beneficiary(ies); or
- e. as a single sum payment.

Distributions will be made in accordance with Section 401(a)(9) of the Code and applicable regulations. The provisions of these sections and any other provisions prescribed by revenue rulings, notices or other published guidance override any distribution options in a Participant's Certificate inconsistent with Section 401(a)(9).

Grandfathered amounts

To the extent permitted by IRS Notice 88-39, distribution of values accumulated as of December 31, 1986, may be delayed until the end of the year the Participant reaches age 75.

Distribution upon death

If the Participant dies before his/her entire account balance is distributed, the remaining balance will be distributed in accordance with the following:

- a. If the Participant dies on or after the date required minimum distributions must have begun, the entire remaining balance must be distributed at least as rapidly as was payable under the required minimum distribution requirements.
- b. If the Participant dies before required minimum distributions have begun, the entire remaining balance must be distributed as elected by the Participant or, if the Participant has made no prior election, then, as elected by the Beneficiary(ies), as follows:

- 1) by December 31st of the year containing the fifth anniversary of the Participant's death; or
 - 2) in equal or substantially equal payments over the life or the life expectancy of the designated Beneficiary(ies) starting by December 31st of the year following the year of the Participant's death.
- c. If the Beneficiary is the Participant's surviving spouse, then this distribution is not required to begin before December 31st of the year in which the Participant would have turned 70½.
- d. If the Beneficiary is not the Participant's surviving spouse, the Beneficiary may make a Direct Rollover to an IRA and may receive distributions under the inherited IRA over a period that does not exceed the life expectancy of the Beneficiary.

Distributions upon termination of the Employer's Plan

Nothing in the Contract/Certificate shall prohibit the Company from making a distribution of the Participant's Certificate to the Participant if so directed by the Contract Owner following receipt of written notification of the termination of the Employer's Plan, provided such directions conform to the requirements of Treas. Reg. 1.403(b)-10(a) and any other applicable guidance issued by the Internal Revenue Service.

Plan to plan transfers and exchanges from the Certificate

The Participant may make a plan to plan transfer and/or an exchange of contracts to a 403(b) contract and/or 403(b)(7) custodial account issued to the Participant under another employer's 403(b) plan only if:

- a. the Employer's Plan permits the requested plan to plan transfer and/or exchange; and
- b. the 403(b) plan that governs the receiving plan to plan transfer or exchange permits such actions; and
- c. the receiving 403(b) contract and/or 403(b)(7) custodial account accepts plan to plan transfers and/or exchanges; and
- d. the Participant is an employee or former

employee of the employer sponsoring the 403(b) plan under which the receiving 403(b) contract or 403(b)(7) custodial account will be issued; and

- e. the accumulated benefit immediately after the transfer or exchange is at least equal to the accumulated benefit with respect to the Participant immediately before the transfer or exchange, without regard to normal contract fees, charges and expenses; and
- f. the receiving 403(b) contract or 403(b)(7) custodial account imposes distribution restrictions no less stringent than imposed by the transferor contract; and
- g. either the receiving insurer or custodian is included as an authorized 403(b) product provider under the 403(b) plan permitting the exchange or transfer or the insurer or custodian receiving the exchange or transfer has executed an information sharing agreement with the sponsor of the 403(b) plan permitting the exchange or transfer.

The Company may require any documentation from other 403(b) insurers and custodians as it deems necessary to comply with the requirements of applicable IRS guidance and to confirm that the receiving contract or custodial account satisfies the requirements of Sections 403(b) and 403(b)(7) of the Code, respectively.

Multiple 403(b) annuities/403(b)(7) custodial accounts

If the Participant has multiple 403(b) annuities and/or 403(b)(7) custodial accounts, the required minimum distribution requirements may be satisfied by receiving a distribution from one 403(b) annuity/403(b)(7) custodial account that is equal to the amount required to satisfy the required minimum distribution requirements for all of the Participant's 403(b) annuities/403(b)(7) custodial accounts. Under this method, the Participant must still calculate the required minimum distribution requirements separately for each 403(b) annuity/403(b)(7) custodial account.

Qualified domestic relations orders

A distribution, including a distribution of Roth 403(b) contributions and earnings, properly made to an alternate payee pursuant to a QDRO will be permitted even though the timing of the

distribution might otherwise be prohibited under the restrictions above.

Permissive service credit transfers

If the Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in section 414(d) of the Code) that accepts plan-to-plan transfers for the purchase of permissive service credits (as defined in section 415(n)(3)(A) of the Code), the Participant may elect to have any portion of his/her Certificate transferred to the defined benefit governmental plan at any time.

Military personnel rights

The Uniformed Services Employment and Reemployment Rights Act (USERRA), prohibits discrimination against persons because of their service in the Armed Forces Reserve, the National Guard, or other uniformed services. The Heroes Earning Assistance and Relief Act of 2008 (HEART) created additional rights for qualifying employees who leave employment or return to employment due to qualifying military service. Notwithstanding any other provisions in the Contract/Certificate, for individuals who are or were serving qualified military service under Section 414(u)(4) of the Code and regulations issued thereunder, the Contract/Certificate shall be interpreted to conform to the requirements of USERRA and HEART, as amended from time to time.

IRS levy

The Company may direct payment from a Participant's Certificate in accordance with a lawfully issued tax levy issued by the Internal Revenue Service with respect to the Participant or Beneficiary.

Mistaken contributions

If any amount is contributed into a Participant's Certificate under the Employer's Plan by a good faith mistake of fact, such mistaken contribution may be returned to the party that made the contribution if a request is made by the

administrator of the Employer's Plan and such request is received within one year after receipt of the mistaken contribution.

Loans

If permitted under the Employer's Plan, a Participant may borrow from his/her Certificate in accordance with the terms and conditions set forth in the Employer's Plan and Section 72(p) of the Code. In addition, any loan made from a Participant's Certificate shall be subject to the following loan provisions.

Loan definitions

For the purpose of this endorsement, the following definitions apply:

"Collateral Amount"

While a loan is outstanding, the dollar value that must be held in the General Fixed Account, any Guarantee Period Account(s) and/or Subaccount(s) designated by Us as collateral eligible value.

"Foreclosure Amount"

The Loan Amount plus any applicable surrender charges, adjusted by any Market Value Adjustment, all determined on the date of the foreclosure.

"Loan Amount"

The Loan Balance plus any accumulated Loan Interest.

"Loan Balance"

The outstanding loan principal at any given time.

"Loan Interest"

Interest charged by Us for a loan.

"Loan Interest Rate"

The fixed interest rate used to determine Loan Interest, expressed as a percentage of the Loan Amount.

"Loan Reserve Account"

An interest bearing account established when a loan is made.

"Loan Reserve Account Interest"

Interest credited by Us to the Loan Reserve Account.

"Loan Reserve Account Interest Rate"

The effective annual rate used to determine the

amount of Loan Reserve Account Interest.

"Loan Reserve Account Value"

An amount equal to the sum of the Loan Balance and Loan Reserve Account Interest.

"Loan Year"

A continuous 12 month period beginning on the effective date of a loan and each subsequent loan anniversary.

Terms of loan

A Participant may request a loan under the Certificate anytime between the Certificate Date and the date annuity income payments begin.

Each loan request must be in writing on a loan agreement form provided by Horace Mann Life Insurance Company. This form must be sent to the Home Office and approved by Us. A loan is effective on the day following the date We approve the loan agreement request, subject to any restrictions in the Employer's Plan.

No more than two outstanding loans will be permitted at any one time. We may defer granting a loan for up to six months after We receive the request. No loans will be permitted to a Participant who has previously defaulted on any loan from a plan sponsored by the Participant's employer.

Loans can only be made from account values held in the General Fixed Account. In order to borrow from account values in the Guarantee Period Account(s) or Variable Account, if applicable, the Participant must first transfer those amounts to the General Fixed Account.

Loan origination fee

We may charge a nonrefundable loan origination fee of up to \$100 for each loan agreement request (if permitted by state law). This fee, if any, is shown on the loan agreement form. A check may accompany the loan agreement form to cover the loan origination fee. If the loan agreement form is not accompanied by the loan origination fee, We will reduce the amount of the loan proceeds by an amount equal to the loan origination fee.

Minimum and maximum Loan Amounts

The minimum Loan Amount for any one loan is shown on the loan agreement form. The minimum Loan Amount will never be greater than \$2,500, or, if applicable, the amount established by the

Department of Labor, whichever is less.

The maximum Loan Amount for any Participant for all loans from all retirement plans and deferred compensation plans sponsored by the Contract Owner may not exceed the least of:

1. any maximum amount established by the Employer's Plan;
2. the greater of \$10,000 or 50 percent of a Participant's Surrender Value; or
3. \$50,000 minus the highest outstanding balance of all loans in the previous 12 months under a Participant's Certificate and any qualified employer plan(s) as defined under Sections 72(p)(4) and 72(p)(2)(D) of the Code.

Collateral Amount

The maximum Loan Amount described above is subject to the Collateral Amount established by the Company. We will designate part or all of the General Fixed Account, any Guarantee Period Account(s) and/or Subaccount(s), if applicable, to be used for collateral for any Loan Amount. The designation of what can be used as collateral will be explained on the loan agreement form.

On the effective date of a loan, the Collateral Amount is established by the Company. It will not exceed 100 percent of the Loan Amount. The percentage in effect on the effective date of a loan is shown on the loan agreement form.

While a loan is outstanding, a withdrawal or transfer will not be permitted if it will decrease the Collateral Amount below that required by the Company.

Loan Interest Rate

The Loan Interest Rate will be shown on the loan agreement form. The Loan Interest Rate is a fixed rate and will be determined by Us at issue of the Certificate. The Loan Interest Rate will remain unchanged during the life of the Certificate. The Loan Interest Rate is guaranteed not to exceed eight percent per year. The Loan Interest Rate will never be greater than that permitted by law. In accordance with the Soldier's and Sailor's Relief Act, the maximum Loan Interest Rate that can be charged on the outstanding loan during the leave of absence for active military service is six percent.

Security for a loan

On the effective date of a loan, a Loan Reserve Account is established. General Fixed Account Value equaling the Loan Amount will be transferred from the General Fixed Account and allocated to the Loan Reserve Account.

The Loan Reserve Account Value and the Collateral Amount will be the security for the loan.

The Loan Reserve Account Interest Rate will never be less than the guaranteed interest rate shown on the Certificate's Annuity Data Pages.

Repayment of loan

The Loan Amount shall be amortized and repaid no less frequently than quarterly. Although the Loan Amount may be prepaid at any time, a loan must be repaid within five years unless the loan is to be used to acquire or build a dwelling unit that will be used as a principal residence within a reasonable period of time. If the loan is used for a principal residence as defined above, it may be repaid over a period not exceeding 25 years, subject to a minimum quarterly repayment amount of \$250 on loans exceeding five years.

We may permit the suspension of loan repayments for a period up to one year while a Participant is on an unpaid leave of absence from employment. The Participant must resume loan repayments upon completion of his/her leave of absence and the installment payments due after repayments resume must be made as frequently and in an amount no less than was made before the suspension. The loan must be repaid by the end of the original loan term.

We may permit the suspension of loan repayments during any part of a Participant's leave of absence for active military service, even if the leave exceeds one year. The Participant must resume loan repayments upon completion of his/her active military service and the installment payments due after repayments resume must be made as frequently and in an amount no less than was made before the suspension. The loan must be repaid by the end of the original loan term plus the period of active military service.

Any loan repayments received will first be applied towards Loan Interest due, with the remainder applied towards repayment of the Loan Balance. That portion of a loan repayment received which is applied towards repayment of the Loan Balance plus the amount of Loan Reserve Account Interest earned on such portion will be transferred from the Loan Reserve Account and allocated to the General Fixed Account.

Loan default

There is a grace period following each scheduled loan payment due date. The duration of the grace period is shown on the loan agreement form and shall conform to the requirements of regulations issued by the IRS establishing acceptable grace periods. If the payment has not been received by the end of the grace period, the Loan Amount will be in default and reported as a deemed distribution and be taxable income for the year in which the default occurred. Once a loan is in default, Loan Interest will no longer be charged and Loan Reserve Account Interest will no longer be credited to the Loan Reserve Account. A Participant may continue to make loan payments after a loan is in default, as long as those payments are equal to or greater than the payments prior to the loan's default. Loan payments made on a defaulted loan will be considered after-tax contributions. Once a loan is in default, no further loans will be available under a Certificate. Further, if a Participant has ever defaulted on a loan from any retirement plan or deferred compensation plan sponsored by the Contract Owner, no further loans shall be permitted.

At the time federal tax law or regulation, or applicable state regulations permit, We will recover the Foreclosure Amount from the sum of the Participant Account Value and the Loan Reserve Account Value. Any withdrawal made to recover the Foreclosure Amount will be made in compliance with any applicable state and/or federal regulations. No actual distributions to repay loans shall be made which would violate Section 403(b)(11) of the Code.

Effect of loan on benefits

The Loan Reserve Account Interest Rate may be less than the interest rate We credit to funds in the General Fixed Account.

If the loan has not been repaid in full upon selection of any annuity income option, upon the death of the Participant, or upon surrender of the Certificate, We will reduce the sum of the Participant Account Value and the Loan Reserve Account Value by the Loan Amount plus any applicable surrender charges, adjusted by any Market Value Adjustment.

Taxation of loans

Loans permitted under this Contract/Certificate may be taxable in whole or in part if the Participant has additional loans from other plans or contracts. We will calculate the maximum loan amount based solely on information provided to Us by the Participant and the sponsoring employer of the 403(b) plan, including their representatives. We make no representations or guarantees as to the tax consequences of a loan. We recommend consulting a competent tax advisor prior to taking a loan pursuant to this endorsement.

Discontinuance of loan provision

We reserve the right, upon advance written notice of at least 30 days, to discontinue the loan provisions described in this endorsement. Any such discontinuance will not apply to loans that are outstanding on the effective date of such discontinuance.



President

Miscellaneous provisions

The provisions of this endorsement are intended to comply with the requirements of Section 403(b) of the Code and should be interpreted, whenever possible, to do so. These requirements are subject to change and this endorsement will follow the most current requirements.

In the event that the terms of this endorsement conflict with the Contract/Certificate, this endorsement shall prevail unless it would cause the Contract/Certificate to fail to qualify as an insurance contract/certificate under state law. The endorsement and Contract/Certificate shall at all times be interpreted to conform to the requirements of the Code, as applicable.

The Company reserves the right to amend the Contract/Certificate and/or endorsement from time to time, when necessary or desirable to comply with the provisions of the Code. We will request the Contract Owner's/Participant's consent for any amendment to the Contract/Certificate and/or endorsement only if it is required by the state in which the Contract/Certificate was delivered. If the Contract Owner/Participant does not consent to an amendment, the Contract/Certificate may no longer qualify as a 403(b) annuity under Section 403(b) of the Code.

This endorsement replaces any previous 403(b) endorsement that may have been provided with the Contract/Certificate.

The effective date of this endorsement is the later of the Contract Date/Certificate Date or January 1, 2009.



Ann M. Caputo
Corporate Secretary

SERFF Tracking Number: *HRCN-125843053* *State:* *Arkansas*
Filing Company: *Horace Mann Life Insurance Company* *State Tracking Number:* *40551*
Company Tracking Number: *AR IC-AE0128*
TOI: *A10 Annuities - Other* *Sub-TOI:* *A10.000 Annuities - Other*
Product Name: *403(b) Tax Endorsements*
Project Name/Number: /

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: HRCN-125843053 State: Arkansas
Filing Company: Horace Mann Life Insurance Company State Tracking Number: 40551
Company Tracking Number: AR IC-AE0128
TOI: A10 Annuities - Other Sub-TOI: A10.000 Annuities - Other
Product Name: 403(b) Tax Endorsements
Project Name/Number: /

Supporting Document Schedules

Review Status:

Satisfied -Name: Certification/Notice

10/02/2008

Comments:

Attachment:

Arkansas Certification of Compliance (000017).pdf

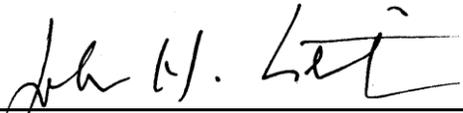
STATE OF ARKANSAS
CERTIFICATION OF COMPLIANCE

CARRIER Horace Mann Life Insurance Company

FORM TITLE(S) Endorsement: 403(b) annuity,
Endorsement: Group 403(b) annuity

FORM NUMBER(S) IC-AE0128 and IC-AE0129

I hereby certify that to the best of my knowledge and belief the above form submission complies with the laws, rules and regulations of the State of Arkansas.



Signature of Officer or General Counsel

John Leitermann, ASA, MAAA
Name

Vice President
Title and/or Business Affiliation

10/6/08
Date