

SERFF Tracking Number: LBLI-125870885 State: Arkansas  
 Filing Company: Liberty Bankers Life Insurance Company State Tracking Number: 40797  
 Company Tracking Number:  
 TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.003 Single Premium  
 Variable and Variable  
 Product Name: USA 100 and 500 Annuity Products  
 Project Name/Number: /

## Filing at a Glance

Company: Liberty Bankers Life Insurance Company

Product Name: USA 100 and 500 Annuity SERFF Tr Num: LBLI-125870885 State: ArkansasLH

Products

TOI: A02.11 Individual Annuities- Deferred Non- SERFF Status: Closed State Tr Num: 40797

Variable and Variable

Sub-TOI: A02.11.003 Single Premium

Co Tr Num:

State Status: Approved-Closed

Filing Type: Form

Co Status:

Reviewer(s): Linda Bird

Author: Chad Leiding

Disposition Date: 11/12/2008

Date Submitted: 11/07/2008

Disposition Status: Approved

Implementation Date Requested:

Implementation Date:

State Filing Description:

## General Information

Project Name:

Status of Filing in Domicile: Pending

Project Number:

Date Approved in Domicile:

Requested Filing Mode: Review & Approval

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 11/12/2008

Deemer Date:

State Status Changed: 11/12/2008

Corresponding Filing Tracking Number:

Filing Description:

USA-100-0908 Single Premium Deferred Annuity with 1st year bonus and MVA

USA-500-0908 Single Premium Deferred Annuity with 1st year bonus and MVA

APP-0908 Policy Application

Both are single premium deferred annuity products with a 9 year surrender charge period and an initial interest rate

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guaranteed for 1 year from the issue date. The current rate will receive a bonus in the first year, dependent upon premium size. The surrender charge scale decreases for contracts with issue ages 56 and above.

The bonus for the USA-100-0908 product will be 1.00% for premiums between \$10,000 and \$99,999, and 1.25% for premiums of \$100,000 and above. The current rate used in the John Doe policies used for filing of 4.00% is expected to be credited in years 2-9, but as a company practice only. The guaranteed interest in years 2 and after is fixed at 3.0%. The bonus for the USA-500-0908 product will be 5.00% for premiums between \$10,000 and \$99,999, and 5.25% for premiums of \$100,000 and above.

The product specification pages included with the above policy forms illustrate a single premium of \$10,000 issued to an applicant under age 56. However, the Supporting Documentation section provides additional product specification pages that illustrate premiums of \$100,000 for applicants over and under age 56 as well as a \$10,000 premium for an applicant age 56. We have also included in the Supporting Documentation section a product disclosure that we will require all applicants to sign and return with the application.

Application form APP-0908 will be used in the marketing of the above products and also for all previously approved/filed annuity products in your state. This new version is updated to include (1) in Section 3 the names of products available for sale and (2) new logo artwork at the top of the form.

The following endorsements will be used for these products and were approved/filed with your Department on 4/4/05.

END ROTH – 0704 - Roth IRA Endorsement  
END IRA -0704 - Traditional IRA Endorsement  
END DI – 0704 - Disability Endorsement  
END NH – 0704 - Nursing Home Endorsement  
END TI – 0704 - Terminal Illness Endorsement  
END 72T- 0704 - Section 72(t) Endorsement (Qualified Plans Only)  
END ROTH – 0704 - Roth IRA Endorsement  
END IRA -0704 - Traditional IRA Endorsement

These products will be marketed with an illustration.

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To the best of our knowledge, this filing is complete, does not contain anything unusual that may differ from industry standards and is intended to comply with the insurance laws of your jurisdiction.

## Company and Contact

### Filing Contact Information

Chad Leiding, V.P Compliance chad.leiding@libertybankerslife.com  
 1800 Valley View Lane (469) 522-4332 [Phone]  
 Dallas, TX 75234 (469) 522-4380[FAX]

### Filing Company Information

Liberty Bankers Life Insurance Company CoCode: 68543 State of Domicile: Oklahoma  
 1800 Valley View Lane Group Code: 3436 Company Type: LAH  
 Suite 300  
 Dallas, TX 75234 Group Name: State ID Number:  
 (469) 522-4332 ext. [Phone] FEIN Number: 25-1093227  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$100.00  
 Retaliatory? No  
 Fee Explanation:  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Liberty Bankers Life Insurance Company	\$100.00	11/07/2008	23780776

SERFF Tracking Number: *LBLI-125870885*                      State: *Arkansas*  
 Filing Company: *Liberty Bankers Life Insurance Company*                      State Tracking Number: *40797*  
 Company Tracking Number:  
 TOI: *A02.II Individual Annuities- Deferred Non-Variable and Variable*                      Sub-TOI: *A02.II.003 Single Premium*  
 Product Name: *USA 100 and 500 Annuity Products*  
 Project Name/Number: */*

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	11/12/2008	11/12/2008

### Amendments

Item	Schedule	Created By	Created On	Date Submitted
Life & Annuity Supporting Document - Acturial Memo		Chad Leiding	11/12/2008	11/12/2008

SERFF Tracking Number: *LBLI-125870885* State: *Arkansas*  
Filing Company: *Liberty Bankers Life Insurance Company* State Tracking Number: *40797*  
Company Tracking Number:  
TOI: *A02.11 Individual Annuities- Deferred Non- Variable and Variable* Sub-TOI: *A02.11.003 Single Premium*  
Product Name: *USA 100 and 500 Annuity Products*  
Project Name/Number: */*

## **Disposition**

Disposition Date: 11/12/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document (revised)	Life & Annuity - Acturial Memo		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Policy Specification Pages		Yes
Supporting Document	Disclosure Documents		Yes
Form	Policy Form		Yes
Form	Policy Form		Yes
Form	Application		Yes

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**Amendment Letter**

Amendment Date:

Submitted Date: 11/12/2008

**Comments:**

Our actuary needed to make minor changes to the actuarial memoranda. We have attached the revised versions.

**Changed Items:**

**Supporting Document Schedule Item Changes:**

**Satisfied -Name: Life & Annuity - Acturial Memo**

Comment:

0115 SPDA.NP USA 100-0908.pdf

0115 SPDA.NP USA 500-0908.pdf





# Liberty Bankers Life

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## Insurance Company

Home Office: 1605 LBJ Freeway, Suite 710, Dallas, Texas 75234  
Toll-Free 800-745-4927 Toll-Free FAX 866-505-9377

Administrative Office: P. O. Box 5147, Springfield, Illinois 62705-5147  
Toll-Free 800-745-4927 Toll-Free FAX 866-505-9377

In this Contract, "You" or "Your" will refer to the Owner, and "We," "Our" or "Us" will refer to Liberty Bankers Life Insurance Company, a stock company.

We will pay the proceeds of this Contract according to the terms of this Contract.

The terms of this Contract are contained on this and following pages.

### 30 DAY RIGHT TO EXAMINE AND RETURN THIS CONTRACT

**Read Your Contract carefully.** This Contract is a legal Contract between You and Us.

**Right to cancel.** If You are not satisfied, You may cancel this Contract by returning it within thirty (30) days after the date You receive it. Mail or deliver it to Us at the address shown above or to Your agent. If You return the Contract by mail, it will be deemed returned on being postmarked, properly addressed, and postage prepaid. This Contract will then be void. Any premium paid will be refunded. After 30 days, cancellation may result in a substantial penalty known as a Surrender Charge. Information on Surrender Charges is on Page 10 of this Contract.

**Check the attached application.** If it is not complete or has an error, please let Us know in writing. An incorrect application may have an adverse effect on Your Contract and the payment of proceeds.

This Contract is signed by Us at Dallas, Texas as of its Issue Date.

President

Corporate Secretary

#### SINGLE PREMIUM DEFERRED ANNUITY CONTRACT NONPARTICIPATING

Proceeds Payable at the Maturity Date  
Death Benefit Payable at the  
Death of the Annuitant or Owner Prior to Maturity Date  
Market Value Adjustment

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## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 100
PREMIUM PAID AT ISSUE	[\$10,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2043]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[35]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[5.00%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	12%
2	11%
3	10%
4	9%
5	8%
6	7%
7	6%
8	5%
9	4%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

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## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$10,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[36]	[10,500.00]	[9,240.00]
2	[37]	[10,815.00]	[9,625.35]
3	[38]	[11,139.45]	[10,025.51]
4	[39]	[11,473.63]	[10,441.01]
5	[40]	[11,817.84]	[10,872.42]
6	[41]	[12,172.38]	[11,320.31]
7	[42]	[12,537.55]	[11,785.30]
8	[43]	[12,913.68]	[12,267.99]
9	[44]	[13,301.09]	[12,769.04]
10	[45]	[13,700.12]	[13,700.12]
11	[46]	[14,111.12]	[14,111.12]
12	[47]	[14,534.46]	[14,534.46]
13	[48]	[14,970.49]	[14,970.49]
14	[49]	[15,419.60]	[15,419.60]
15	[50]	[15,882.19]	[15,882.19]
16	[51]	[16,358.66]	[16,358.66]
17	[52]	[16,849.42]	[16,849.42]
18	[53]	[17,354.90]	[17,354.90]
19	[54]	[17,875.55]	[17,875.55]
20	[55]	[18,411.81]	[18,411.81]

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## **GENERAL DEFINITIONS**

- **ACCUMULATED VALUE** – the amount to which Your premium has accumulated after adding interest and deducting charges and withdrawals.
- **ANNUITANT** – the person on whose life the annuity benefit for this Contract is based. The Annuitant will receive the annuity benefit under this Contract. The Annuitant cannot be changed after this Contract is issued except at the death of the Annuitant if You are not the Annuitant.
- **BENEFICIARY** – the person(s) You have chosen to receive the proceeds on the Annuitant's death as shown in Our records. There may be different classes of Beneficiaries, such as primary and contingent. These classes set the order of payment. There may be more than one Beneficiary in a class.
- **CASH SURRENDER VALUE** – the amount We will pay as proceeds if You voluntarily terminate this Contract. The Cash Surrender Value is equal to the Accumulated Value less any applicable Surrender Charge and any applicable Market Value Adjustment.
- **CONTRACT** – this Contract, issued and delivered to You. It includes the attached pages, the application, and any amendments or riders.
- **CONTRACT YEAR** – twelve (12) month periods that start on the Issue Date and on the same month and day of each year thereafter.
- **EXCESS WITHDRAWAL** – Either a full surrender or a partial surrender in excess of those described in the first paragraph of the PARTIAL SURRENDER provision of this Contract.
- **ISSUE DATE** – the date on which all requirements for issuance of a Contract have been satisfied.
- **MATURITY DATE** – the date on which the Accumulated Value is applied to the Payment Plan You have selected.
- **MARKET VALUE ADJUSTMENT** – The adjustment We may make to the Accumulated Value in the event of an Excess Withdrawal during the first nine (9) Contract Years. The Market Value Adjustment is fully described in this Contract.
- **OWNER** – the person who owns this Contract as shown in Our records. The Owner may be someone other than the Annuitant.
- **PAYEE** – the person named to receive payments under a Payment Plan.
- **PROCEEDS** – the amount payable under this Contract.
- **WRITTEN NOTICE** – a request that is written, signed, dated and notarized (when required) on a form provided by, or satisfactory to, Us and received at Our Administrative Office.

## **CONTRACT PROCEEDS**

### **PAYMENT OF PROCEEDS**

We will pay the proceeds to the Annuitant on the Maturity Date shown on the Contract Data page in the form of a monthly life income unless You send Us Written Notice before the Maturity Date that the proceeds are to be paid in a single sum. If either the Annuitant or Owner dies before the Maturity Date, We will pay a death benefit as explained in this Contract.

We may require that this Contract be returned to Us when the proceeds are paid.

### **SPENDTHRIFT PROVISION**

To the extent allowed by law, the proceeds will be free from creditors' claims or legal process.

### **PROCEEDS PAYABLE AT MATURITY**

Unless You provide Us Written Notice before the Maturity Date that the proceeds are to be paid in a single sum, a monthly life income payable on the Maturity Date will be purchased using the proceeds payable at maturity. Proceeds used to purchase the monthly life income will be the Accumulated Value.

The monthly life income will continue for a minimum of one hundred twenty (120) months, and as long thereafter as the Annuitant lives, provided no other Payment Plan has been chosen as allowed by the section on Payment Plans. If the Annuitant dies before receiving a total of one hundred twenty (120) monthly payments, We will continue to make monthly payments to the Beneficiary until a total of one hundred twenty (120) payments have been made.

### **PROCEEDS PAYABLE AT SURRENDER**

At any time prior to the Maturity Date, You may ask by Written Notice to receive the Cash Surrender Value in a single sum.

The amount of proceeds payable as a partial surrender will be the partial surrender amount requested less any applicable Surrender Charge and any applicable Market Value Adjustment.

### **PROCEEDS PAYABLE AT DEATH OF ANNUITANT**

If the Annuitant is not the Owner, the Annuitant dies before the Maturity Date, and the Owner is a natural person, You must choose a new Annuitant within sixty (60) days of the date of the Annuitant's death. If You do not choose a new Annuitant, You will become the Annuitant. If the Owner is not a natural person, We will pay the proceeds to the Beneficiary upon receiving proof of the Annuitant's death while this Contract is in force. For purposes of this provision, a natural person is an individual who owns this Contract directly or as beneficial owner through a trust. The proceeds payable if the Annuitant dies prior to the Maturity Date will be the then Accumulated Value of this Contract.

If the Annuitant dies on or after the Maturity Date, but before all proceeds payable under this Contract have been distributed, We will pay the remaining proceeds to the Beneficiary at least as rapidly as under the method of payment in effect at the time of the Annuitant's death.

### **PROCEEDS PAYABLE AT DEATH OF OWNER**

We will pay a death benefit at Your death. If You are also the Annuitant, the death benefit will be the Accumulated Value on the date of death. If You are not the Annuitant, the death benefit will be the Cash Surrender Value on the date of death.

If You die on or after the Maturity Date, but before all of the proceeds have been distributed, payments will be continued under the plan in effect at the time of Your death.

If You die before the Maturity Date and you are not the Annuitant, the Beneficiary becomes the new Owner and the following applies:

- a. If the sole Beneficiary is Your surviving spouse, Your spouse may elect to continue this Contract.
- b. If the sole Beneficiary is not Your surviving spouse, the entire interest in this Contract must be distributed:
  - i. within five (5) years of the date of Your death or
  - ii. over a period of time not to exceed the life expectancy of the Beneficiary. Distributions must begin within one (1) year of the date of Your death.

If there are Joint Owners, we apply this provision at the first death.

### **SIMULTANEOUS DEATH OF BENEFICIARY**

Death proceeds will be paid as though the Beneficiary died before You or the Annuitant if:

- 1) the Beneficiary dies at the same time as You or the Annuitant; or
- 2) within twenty-four (24) hours of Your or the Annuitant's death.

### **PREMIUM**

Your premium is payable no later than the Issue Date. There is no Contract until that premium is paid. If any check presented as payment of any part of the initial premium for this Contract is not honored, this Contract will be void. This Contract does not permit any additional premium payments.

## **OWNERSHIP, ASSIGNMENT, AND BENEFICIARY**

### **OWNERSHIP**

As the Owner, You may exercise the rights given by this Contract.

Unless restricted by the Internal Revenue Code, during the lifetime of the Annuitant you may name a new Owner. Any change in Ownership must be sent to Our Administrative Office by Written Notice. The change will go into effect when it is signed, subject to any payments We make or other actions We take before We record it.

### **ASSIGNING YOUR CONTRACT**

During the lifetime of the Annuitant, You may assign some or all of Your rights under this Contract to someone else.

Written Notice of the assignment must be sent to Our Administrative Office. The assignment will go into effect when it is signed, subject to any payments We make or other actions We take before We record it. We are not responsible for the validity or effect of any assignment.

If there are irrevocable Beneficiaries, You need their consent before assigning payment of proceeds.

### **BENEFICIARY**

You can name any Beneficiary to be an irrevocable Beneficiary. The interest of an irrevocable Beneficiary cannot be changed without his or her consent. Otherwise, You may change Beneficiaries as explained below.

Unless You state otherwise, all rights of a Beneficiary, including an irrevocable Beneficiary, will end if he or she dies before the Annuitant. If any Beneficiary dies before the Annuitant, that Beneficiary's interest will pass to any other Beneficiaries according to their respective interests. If there is no Beneficiary living at the time a death benefit is payable, We will pay the death proceeds to You, if living, otherwise to Your estate or legal successors.

You can change the Beneficiary at any time during the Annuitant's life. To do so, send Written Notice to Our Administrative Office. The change will go into effect when signed, subject to any payments We make or actions We take before We record the change.

A change cancels all prior Beneficiaries; except, however, a change will not cancel any irrevocable Beneficiary without his or her consent.

The interest of the Beneficiary will be subject to:

- 1) any assignment of this Contract which is binding on Us; and
- 2) any Payment Plan in effect at the Annuitant's death.

## **GUARANTEED CONTRACT VALUES**

### **ACCUMULATED VALUE**

We will accumulate the premium with interest from the Issue Date.

The Accumulated Value at the end of a Contract year is equal to:

- 1) the previous year's Accumulated Value, plus,
- 2) the guaranteed minimum interest at the rate shown on the Contract Data page; plus
- 3) any excess interest credited during the year; minus
- 4) any adjustments for partial surrenders occurring during the year; minus
- 5) any Surrender Charges deducted and Market Value Adjustments.

In case of a full or partial surrender, We will credit interest on the portion of the Accumulated Value surrendered up to the date the surrender is processed.

We will determine Accumulated Values at any date within a Contract Year with allowance for the time elapsed in the Contract Year. Any proceeds, cash surrender or death benefits that may be available under this Contract may not be less than the minimum benefits required by any statute of the state in which this Contract is delivered.

### **INTEREST RATES**

We will credit interest each day. We may credit excess interest to this Contract while it is in force and before the proceeds at maturity have been paid. At the end of the first Contract Year and each Contract Year thereafter, a new interest rate will be declared for the next Contract year. The interest rates will be the rates declared by Us. Interest rates in this Contract and declared by Us are annual effective rates of interest.

### **CASH SURRENDER VALUE**

At any time prior to the Maturity Date, You may ask by Written Notice to receive this Contract's full Cash Surrender Value in a single sum. The Cash Surrender Value of this Contract is equal to the Accumulated Value less any applicable Surrender Charge and any applicable Market Value Adjustment. The Cash Surrender Value will never be less than that amount required by the Standard Nonforfeiture Law for Individual Deferred Annuities.

### **SURRENDER CHARGE**

The Surrender Charge is a percentage of the Accumulated Value withdrawn, subject to the Partial Surrender provision of this Contract. The Surrender Charge percentages are shown on the Contract Data page.

### **MARKET VALUE ADJUSTMENT**

During the first nine (9) Contract Years, any Excess Withdrawal will be subject to the application of a Market Value Adjustment. The effect of the Market Value Adjustment may be positive or negative. If on the date of a withdrawal the index rate described below, plus 0.5%, is higher than the index rate as of the Issue Date, the effect of the Market Value Adjustment will be negative. If on the date of a withdrawal the index rate, plus 0.5%, is lower than the index rate as of the Issue Date, the effect of the Market Value Adjustment will be positive.

The Market Value Adjustment is determined with the following factor:

$$\left( \frac{1 + A}{1 + B + 0.005} \right)^{\left( \frac{N}{12} \right)}$$

Where:

- A is an index rate based on the Treasury Constant Maturity Series then being published by the Federal Reserve, determined at the Issue Date for a security with time to maturity equal to ten (10) years;
- B is an index rate based on the Treasury Constant Maturity Series then being published by the Federal Reserve, determined at the time of withdrawal, for a security with time to maturity equal to ten (10) years; and
- N is the number of months remaining until the ninth contract anniversary, rounded up to the next higher number of months.

The Market Value Adjustment will equal:

$$(\text{Excess Withdrawal}) \times (1\text{-Factor})$$

The Market Value Adjustment is waived on the death of the Annuitant.

### **PARTIAL SURRENDER**

After this Contract has been in effect for thirty (30) days, You may withdraw one hundred percent (100%) of Your accumulated interest two (2) times each Contract Year or You may elect to receive monthly interest checks, subject to a minimum monthly interest check amount of one hundred dollars (\$100.00). Partial surrenders made in accordance with this provision will not be subject to Surrender Charges. The remaining Accumulated Value after any partial surrender must be at least one thousand dollars (\$1,000.00).

All partial surrenders in excess of two (2) interest withdrawals per Contract Year, unless received as monthly interest checks, are subject to applicable Surrender Charges and Market Value Adjustment.

If you request to receive this Contract's full Cash Surrender Value in a single sum before the Maturity Date within six (6) months of a partial surrender, any Surrender Charges waived under this Partial Surrender provision will be deducted from the Cash Surrender Value paid.

### **PAYMENT DEFERRAL**

We can delay payment of any amount surrendered for up to six (6) months with the permission of the Insurance Commissioner.

## **PAYMENT PLANS**

Proceeds may be left with Us and paid under a selected Payment Plan.

This payment may be changed during the Annuitant's lifetime before the Maturity Date. If You have not chosen a plan prior to the Annuitant's death, a Beneficiary may make this choice upon the Annuitant's death.

Once a monthly life income becomes payable, You may not change any election regarding payment of the proceeds, other than to change a Beneficiary.

A Payment Plan is available only if:

- 1) the amount of proceeds applied is at least ten thousand dollars (\$10,000); or
- 2) the periodic payment is one hundred dollars (\$100) or more.

To choose a Payment Plan, send a Written Request to Our administrative office. We will then send You the proper forms to complete. Your request will go into effect when We record it.

If a Payee is other than a natural person (such as a corporation), a Payment Plan will be available only with Our consent.

### **PLAN A. INTEREST**

The Cash Surrender Value or the death benefit proceeds may be left on deposit with Us during the lifetime of the payee for a specified period. Interest will then be paid annually. All or part of the proceeds may be withdrawn at any time.

### **PLAN B. FIXED PERIOD**

Surrender proceeds may be paid until the proceeds, plus interest, are paid in full over a fixed period. The fixed period may not be less than nine (9) years nor more than thirty (30) years. If this Contract has been in force for five (5) Contract Years or longer, the surrender proceeds to be applied under this Plan B will be the Accumulated Value. If this Contract has been in force for less than five (5) Contract Years, the surrender proceeds to be applied under this Plan B will be the Cash Surrender Value.

Death Benefit proceeds may be paid until the proceeds, plus interest, are paid in full over a fixed period. The fixed period may not be less than five (5) years nor more than thirty (30) years.

Payments under this Plan B may be paid annually or monthly.

### **PLAN C. LIFE INCOME**

The surrender proceeds or the death benefit proceeds may be paid in monthly payments for as long as the Payee lives. A minimum number of payments may be guaranteed, if desired. If the Payee dies before the guaranteed payments have been paid, the payment of unpaid benefits will be made as set forth in the clause below on Payment After a Payee Dies.

If this Contract has been in force for five (5) Contract Years or longer, the surrender proceeds to be applied under this Plan C will be the Accumulated Value. If this Contract has been in force for less than five (5) Contract Years, the surrender proceeds to be applied under this Plan C will be the Cash Surrender Value.

The following table shows the monthly payment for each one thousand dollars (\$1,000) of proceeds applied. It is based on the age of the payee on the Effective Date of conversion to Plan C.

**MONTHLY AMOUNT OF EACH INSTALLMENT PER \$1,000 OF PROCEEDS FOR PLAN C**

Male and Female

<b>Age of Male Payee</b>	<b>Life</b>	<b>10 Years and Life</b>	<b>20 Years and Life</b>		<b>Age of Female Payee</b>	<b>Life</b>	<b>10 Years and Life</b>	<b>20 Years and Life</b>
60	4.98	4.88	4.56		60	4.59	4.54	4.35
65	5.69	5.48	4.88		65	5.18	5.07	4.71
66	5.86	5.62	4.94		66	5.32	5.20	4.78
67	6.04	5.77	5.00		67	5.47	5.33	4.85
68	6.24	5.92	5.06		68	5.64	5.47	4.92
69	6.45	6.07	5.11		69	5.82	5.62	4.99
70	6.67	6.23	5.16		70	6.01	5.78	5.05
75	8.02	7.08	5.36		75	7.22	6.67	5.31
80	9.91	7.95	5.46		80	9.02	7.66	5.45

**OTHER PLANS**

We will consider other types of Payment Plans, including joint and survivor plans, upon Your request. A Payment Plan that involves life contingencies will use the Basis of Computation shown below for Plan C.

**BASIS OF COMPUTATION**

The interest rate for Plans A and B is three percent (3.0%) a year, compounded yearly. The rates for Plan C are based on the Annuity 2000 tables – Male, Female at three percent (3.0%) interest, compounded yearly

**OTHER FACTS ABOUT PAYMENT PLANS**

**First Installment** – The first installment under Plans B and C is payable immediately upon the conversion date to Payment Plan B or Plan C.

**Evidence Payee is Alive** – For Plan C, We have the right to require proof satisfactory to Us that the Payee is alive prior to making any payment.

**Payment After a Payee Dies** – Unless You provide otherwise, if a Payee dies, We will make a continuation of the unpaid benefit payments. The payments will be made to the Beneficiary of the Payee. If no Beneficiary is named, payments will be made to the Payee’s estate.

**GENERAL TERMS**

**YOUR CONTRACT WITH US**

Your Contract is a legal Contract that You have entered into with Us. This Contract is issued in consideration of the application You completed and the payment of the premium. A copy of Your application is attached to and made part of this Contract.

This Contract is the entire Contract between You and Us. None of its terms or conditions may be changed, waived or modified except in writing by Our President, a Vice President, Secretary or Assistant Secretary.

### **LIMITS ON CONTESTING THIS CONTRACT**

This Contract is incontestable from its Issue Date.

### **NONPARTICIPATING**

This Contract will not pay dividends. It will not participate in any of Our surplus or earnings.

### **OUR LIABILITY**

We will not incur any liability or be responsible for any failure, in whole or in part, by You to comply with the provisions set forth in the Internal Revenue Code or any other law.

### **PREMIUM TAX**

Some states impose a premium tax on annuities. In the event that a premium tax is imposed on premiums as received, such tax will be deducted from the premium at the time of initial crediting to this Contract. In the event that a premium tax is imposed at any other time, such tax will be deducted from any benefit payable under this Contract.

### **ANNUAL STATEMENT OF VALUES**

We will send You a statement that shows the following at least once a year:

- 1) the amount of premium paid;
- 2) the amount of any charges or deductions;
- 3) the amount of interest added;
- 4) the then current Accumulated Value; and
- 5) the then current Cash Surrender Value.

We will make all required reports to the Internal Revenue Service.

### **MISTAKE OF AGE OR SEX**

If an age or sex is misstated in the application or in a subsequent document on which We relied, We will adjust the proceeds. The proceeds of this Contract will then be those Your premium would have bought at the correct age and sex. In the case of any overpayment or underpayment, the amount of the overpayment or underpayment with interest as stated on the Contract data page, not to exceed six percent (6.0%) per annum, may be charged against, or added to, the current or next succeeding payment or payments.

SINGLE PREMIUM DEFERRED ANNUITY CONTRACT  
NONPARTICIPATING

Proceeds Payable at Maturity Date  
Death Benefit Payable at  
Death of the Annuitant or Owner Prior to Maturity Date  
Market Value Adjustment



# Liberty Bankers Life

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## Insurance Company

Home Office: 1605 LBJ Freeway, Suite 710, Dallas, Texas 75234  
Toll-Free 800-745-4927 Toll-Free FAX 866-505-9377

Administrative Office: P. O. Box 5147, Springfield, Illinois 62705-5147  
Toll-Free 800-745-4927 Toll-Free FAX 866-505-9377

In this Contract, "You" or "Your" will refer to the Owner, and "We," "Our" or "Us" will refer to Liberty Bankers Life Insurance Company, a stock company.

We will pay the proceeds of this Contract according to the terms of this Contract.

The terms of this Contract are contained on this and following pages.

### 30 DAY RIGHT TO EXAMINE AND RETURN THIS CONTRACT

**Read Your Contract carefully.** This Contract is a legal Contract between You and Us.

**Right to cancel.** If You are not satisfied, You may cancel this Contract by returning it within thirty (30) days after the date You receive it. Mail or deliver it to Us at the address shown above or to Your agent. If You return the Contract by mail, it will be deemed returned on being postmarked, properly addressed, and postage prepaid. This Contract will then be void. Any premium paid will be refunded. After 30 days, cancellation may result in a substantial penalty known as a Surrender Charge. Information on Surrender Charges is on Page 11 of this Contract.

**Check the attached application.** If it is not complete or has an error, please let Us know in writing. An incorrect application may have an adverse effect on Your Contract and the payment of proceeds.

This Contract is signed by Us at Dallas, Texas as of its Issue Date.

President

Corporate Secretary

#### SINGLE PREMIUM DEFERRED ANNUITY CONTRACT NONPARTICIPATING

Proceeds Payable at the Maturity Date  
Death Benefit Payable at the  
Death of the Annuitant or Owner Prior to Maturity Date  
Market Value Adjustment

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## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	BI 500
PREMIUM PAID AT ISSUE	[\$10,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2043]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[35]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[9.00%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	16%
2	15%
3	14%
4	13%
5	12%
6	11%
7	10%
8	9%
9	8%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

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## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$10,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[36]	[10,900.00]	[9,156.00]
2	[37]	[11,227.00]	[9,542.95]
3	[38]	[11,563.81]	[9,944.88]
4	[39]	[11,910.72]	[10,362.33]
5	[40]	[12,268.04]	[10,795.88]
6	[41]	[12,636.08]	[11,246.11]
7	[42]	[13,015.16]	[11,713.64]
8	[43]	[13,405.61]	[12,199.11]
9	[44]	[13,807.78]	[12,703.16]
10	[45]	[14,222.01]	[14,222.01]
11	[46]	[14,648.67]	[14,648.67]
12	[47]	[15,088.13]	[15,088.13]
13	[48]	[15,540.77]	[15,540.77]
14	[49]	[16,006.99]	[16,006.99]
15	[50]	[16,487.20]	[16,487.20]
16	[51]	[16,981.82]	[16,981.82]
17	[52]	[17,491.27]	[17,491.27]
18	[53]	[18,016.01]	[18,016.01]
19	[54]	[18,556.49]	[18,556.49]
20	[55]	[19,113.18]	[19,113.18]

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## **GENERAL DEFINITIONS**

- **ACCUMULATED VALUE** – the amount to which Your premium has accumulated after adding interest and deducting charges and withdrawals.
- **ANNUITANT** – the person on whose life the annuity benefit for this Contract is based. The Annuitant will receive the annuity benefit under this Contract. The Annuitant cannot be changed after this Contract is issued except at the death of the Annuitant if You are not the Annuitant.
- **BENEFICIARY** – the person(s) You have chosen to receive the proceeds on the Annuitant’s death as shown in Our records. There may be different classes of Beneficiaries, such as primary and contingent. These classes set the order of payment. There may be more than one Beneficiary in a class.
- **CASH SURRENDER VALUE** – the amount We will pay as proceeds if You voluntarily terminate this Contract. The Cash Surrender Value is equal to the Accumulated Value less any applicable Surrender Charge and any applicable Market Value Adjustment.
- **CONTRACT** – this Contract, issued and delivered to You. It includes the attached pages, the application, and any amendments or riders.
- **CONTRACT YEAR** – twelve (12) month periods that start on the Issue Date and on the same month and day of each year thereafter.
- **EXCESS WITHDRAWAL** – Either a full surrender or a partial surrender in excess of those described in the first paragraph of the PARTIAL SURRENDER provision of this Contract.
- **ISSUE DATE** – the date on which all requirements for issuance of a Contract have been satisfied.
- **MATURITY DATE** – the date on which the Accumulated Value is applied to the Payment Plan You have selected.
- **MARKET VALUE ADJUSTMENT** – The adjustment We may make to the Accumulated Value in the event of an Excess Withdrawal during the first nine (9) Contract Years. The Market Value Adjustment is fully described in this Contract.
- **OWNER** – the person who owns this Contract as shown in Our records. The Owner may be someone other than the Annuitant.
- **PAYEE** – the person named to receive payments under a Payment Plan.
- **PROCEEDS** – the amount payable under this Contract.
- **WRITTEN NOTICE** – a request that is written, signed, dated and notarized (when required) on a form provided by, or satisfactory to, Us and received at Our Administrative Office.

## **CONTRACT PROCEEDS**

### **PAYMENT OF PROCEEDS**

We will pay the proceeds to the Annuitant on the Maturity Date shown on the Contract Data page in the form of a monthly life income unless You send Us Written Notice before the Maturity Date that the proceeds are to be paid in a single sum. If either the Annuitant or Owner dies before the Maturity Date, We will pay a death benefit as explained in this Contract.

We may require that this Contract be returned to Us when the proceeds are paid.

### **SPENDTHRIFT PROVISION**

To the extent allowed by law, the proceeds will be free from creditors' claims or legal process.

### **PROCEEDS PAYABLE AT MATURITY**

Unless You provide Us Written Notice before the Maturity Date that the proceeds are to be paid in a single sum, a monthly life income payable on the Maturity Date will be purchased using the proceeds payable at maturity. Proceeds used to purchase the monthly life income will be the Accumulated Value.

The monthly life income will continue for a minimum of one hundred twenty (120) months, and as long thereafter as the Annuitant lives, provided no other Payment Plan has been chosen as allowed by the section on Payment Plans. If the Annuitant dies before receiving a total of one hundred twenty (120) monthly payments, We will continue to make monthly payments to the Beneficiary until a total of one hundred twenty (120) payments have been made.

### **PROCEEDS PAYABLE AT SURRENDER**

At any time prior to the Maturity Date, You may ask by Written Notice to receive the Cash Surrender Value in a single sum.

The amount of proceeds payable as a partial surrender will be the partial surrender amount requested less any applicable Surrender Charge and any applicable Market Value Adjustment.

### **PROCEEDS PAYABLE AT DEATH OF ANNUITANT**

If the Annuitant is not the Owner, the Annuitant dies before the Maturity Date, and the Owner is a natural person, You must choose a new Annuitant within sixty (60) days of the date of the Annuitant's death. If You do not choose a new Annuitant, You will become the Annuitant. If the Owner is not a natural person, We will pay the proceeds to the Beneficiary upon receiving proof of the Annuitant's death while this Contract is in force. For purposes of this provision, a natural person is an individual who owns this Contract directly or as beneficial owner through a trust. The proceeds payable if the Annuitant dies prior to the Maturity Date will be the then Accumulated Value of this Contract.

If the Annuitant dies on or after the Maturity Date, but before all proceeds payable under this Contract have been distributed, We will pay the remaining proceeds to the Beneficiary at least as rapidly as under the method of payment in effect at the time of the Annuitant's death.

### **PROCEEDS PAYABLE AT DEATH OF OWNER**

We will pay a death benefit at Your death. If You are also the Annuitant, the death benefit will be the Accumulated Value on the date of death. If You are not the Annuitant, the death benefit will be the Cash Surrender Value on the date of death.

If You die on or after the Maturity Date, but before all of the proceeds have been distributed, payments will be continued under the plan in effect at the time of Your death.

If You die before the Maturity Date and you are not the Annuitant, the Beneficiary becomes the new Owner and the following applies:

- a. If the sole Beneficiary is Your surviving spouse, Your spouse may elect to continue this Contract.
- b. If the sole Beneficiary is not Your surviving spouse, the entire interest in this Contract must be distributed:
  - i. within five (5) years of the date of Your death or
  - ii. over a period of time not to exceed the life expectancy of the Beneficiary. Distributions must begin within one (1) year of the date of Your death.

If there are Joint Owners, we apply this provision at the first death.

### **SIMULTANEOUS DEATH OF BENEFICIARY**

Death proceeds will be paid as though the Beneficiary died before You or the Annuitant if:

- 1) the Beneficiary dies at the same time as You or the Annuitant; or
- 2) within twenty-four (24) hours of Your or the Annuitant's death.

### **PREMIUM**

Your premium is payable no later than the Issue Date. There is no Contract until that premium is paid. If any check presented as payment of any part of the initial premium for this Contract is not honored, this Contract will be void. This Contract does not permit any additional premium payments.

### **OWNERSHIP, ASSIGNMENT, AND BENEFICIARY**

#### **OWNERSHIP**

As the Owner, You may exercise the rights given by this Contract.

Unless restricted by the Internal Revenue Code, during the lifetime of the Annuitant you may name a new Owner. Any change in Ownership must be sent to Our Administrative Office by Written Notice. The change will go into effect when it is signed, subject to any payments We make or other actions We take before We record it.

#### **ASSIGNING YOUR CONTRACT**

During the lifetime of the Annuitant, You may assign some or all of Your rights under this Contract to someone else.

Written Notice of the assignment must be sent to Our Administrative Office. The assignment will go into effect when it is signed, subject to any payments We make or other actions We take before We record it. We are not responsible for the validity or effect of any assignment.

If there are irrevocable Beneficiaries, You need their consent before assigning payment of proceeds.

#### **BENEFICIARY**

You can name any Beneficiary to be an irrevocable Beneficiary. The interest of an irrevocable Beneficiary cannot be changed without his or her consent. Otherwise, You may change Beneficiaries as explained below.

Unless You state otherwise, all rights of a Beneficiary, including an irrevocable Beneficiary, will end if he or she dies before the Annuitant. If any Beneficiary dies before the Annuitant, that Beneficiary's interest will pass to any other Beneficiaries according to their respective interests. If there is no Beneficiary living at the time a death benefit is payable, We will pay the death proceeds to You, if living, otherwise to Your estate or legal successors.

You can change the Beneficiary at any time during the Annuitant's life. To do so, send Written Notice to Our Administrative Office. The change will go into effect when signed, subject to any payments We make or actions We take before We record the change.

A change cancels all prior Beneficiaries; except, however, a change will not cancel any irrevocable Beneficiary without his or her consent.

The interest of the Beneficiary will be subject to:

- 1) any assignment of this Contract which is binding on Us; and
- 2) any Payment Plan in effect at the Annuitant's death.

## **GUARANTEED CONTRACT VALUES**

### **ACCUMULATED VALUE**

We will accumulate the premium with interest from the Issue Date.

The Accumulated Value at the end of a Contract year is equal to:

- 1) the previous year's Accumulated Value, plus,
- 2) the guaranteed minimum interest at the rate shown on the Contract Data page; plus
- 3) any excess interest credited during the year; minus
- 4) any adjustments for partial surrenders occurring during the year; minus
- 5) any Surrender Charges deducted and Market Value Adjustments.

In case of a full or partial surrender, We will credit interest on the portion of the Accumulated Value surrendered up to the date the surrender is processed.

We will determine Accumulated Values at any date within a Contract Year with allowance for the time elapsed in the Contract Year. Any proceeds, cash surrender or death benefits that may be available under this Contract may not be less than the minimum benefits required by any statute of the state in which this Contract is delivered.

### **INTEREST RATES**

We will credit interest each day. We may credit excess interest to this Contract while it is in force and before the proceeds at maturity have been paid. At the end of the first Contract Year and each Contract Year thereafter, a new interest rate will be declared for the next Contract year. The interest rates will be the rates declared by Us. Interest rates in this Contract and declared by Us are annual effective rates of interest.

### **CASH SURRENDER VALUE**

At any time prior to the Maturity Date, You may ask by Written Notice to receive this Contract's full Cash Surrender Value in a single sum. The Cash Surrender Value of this Contract is equal to the Accumulated Value less any applicable Surrender Charge and any applicable Market Value Adjustment. The Cash Surrender Value will never be less than that amount required by the Standard Nonforfeiture Law for Individual Deferred Annuities.

### **SURRENDER CHARGE**

The Surrender Charge is a percentage of the Accumulated Value withdrawn, subject to the Partial Surrender provision of this Contract. The Surrender Charge percentages are shown on the Contract Data page.

### **MARKET VALUE ADJUSTMENT**

During the first nine (9) Contract Years, any Excess Withdrawal will be subject to the application of a Market Value Adjustment. The effect of the Market Value Adjustment may be positive or negative. If on the date of a withdrawal the index rate described below, plus 0.5%, is higher than the index rate as of the Issue Date, the effect of the Market Value Adjustment will be negative. If on the date of a withdrawal the index rate, plus 0.5%, is lower than the index rate as of the Issue Date, the effect of the Market Value Adjustment will be positive.

The Market Value Adjustment is determined with the following factor:

$$\left( \frac{1 + A}{1 + B + 0.005} \right)^{\left( \frac{N}{12} \right)}$$

Where:

- A is an index rate based on the Treasury Constant Maturity Series then being published by the Federal Reserve, determined at the Issue Date for a security with time to maturity equal to ten (10) years;
- B is an index rate based on the Treasury Constant Maturity Series then being published by the Federal Reserve, determined at the time of withdrawal, for a security with time to maturity equal to ten (10) years; and
- N is the number of months remaining until the ninth contract anniversary, rounded up to the next higher number of months.

The Market Value Adjustment will equal:

$$(\text{Excess Withdrawal}) \times (1 - \text{Factor})$$

The Market Value Adjustment is waived on the death of the Annuitant.

### **PARTIAL SURRENDER**

After this Contract has been in effect for thirty (30) days, You may withdraw one hundred percent (100%) of Your accumulated interest two (2) times each Contract Year or You may elect to receive monthly interest checks, subject to a minimum monthly interest check amount of one hundred dollars (\$100.00). Partial surrenders made in accordance with this provision will not be subject to Surrender Charges. The remaining Accumulated Value after any partial surrender must be at least one thousand dollars (\$1,000.00).

All partial surrenders in excess of two (2) interest withdrawals per Contract Year, unless received as monthly interest checks, are subject to applicable Surrender Charges and Market Value Adjustment.

If you request to receive this Contract's full Cash Surrender Value in a single sum before the Maturity Date within six (6) months of a partial surrender, any Surrender Charges waived under this Partial Surrender provision will be deducted from the Cash Surrender Value paid.

## **PAYMENT DEFERRAL**

We can delay payment of any amount surrendered for up to six (6) months with the permission of the Insurance Commissioner.

## **PAYMENT PLANS**

Proceeds may be left with Us and paid under a selected Payment Plan.

This payment may be changed during the Annuitant's lifetime before the Maturity Date. If You have not chosen a plan prior to the Annuitant's death, a Beneficiary may make this choice upon the Annuitant's death.

Once a monthly life income becomes payable, You may not change any election regarding payment of the proceeds, other than to change a Beneficiary.

A Payment Plan is available only if:

- 1) the amount of proceeds applied is at least ten thousand dollars (\$10,000); or
- 2) the periodic payment is one hundred dollars (\$100) or more.

To choose a Payment Plan, send a Written Request to Our administrative office. We will then send You the proper forms to complete. Your request will go into effect when We record it.

If a Payee is other than a natural person (such as a corporation), a Payment Plan will be available only with Our consent.

### **PLAN A. INTEREST**

The Cash Surrender Value or the death benefit proceeds may be left on deposit with Us during the lifetime of the payee for a specified period. Interest will then be paid annually. All or part of the proceeds may be withdrawn at any time.

### **PLAN B. FIXED PERIOD**

Surrender proceeds may be paid until the proceeds, plus interest, are paid in full over a fixed period. The fixed period may not be less than nine (9) years nor more than thirty (30) years. If this Contract has been in force for five (5) Contract Years or longer, the surrender proceeds to be applied under this Plan B will be the Accumulated Value. If this Contract has been in force for less than five (5) Contract Years, the surrender proceeds to be applied under this Plan B will be the Cash Surrender Value.

Death Benefit proceeds may be paid until the proceeds, plus interest, are paid in full over a fixed period. The fixed period may not be less than five (5) years nor more than thirty (30) years.

Payments under this Plan B may be paid annually or monthly.

### **PLAN C. LIFE INCOME**

The surrender proceeds or the death benefit proceeds may be paid in monthly payments for as long as the Payee lives. A minimum number of payments may be guaranteed, if desired. If the Payee dies before the guaranteed payments have been paid, the payment of unpaid benefits will be made as set forth in the clause below on Payment After a Payee Dies.

If this Contract has been in force for five (5) Contract Years or longer, the surrender proceeds to be applied under this Plan C will be the Accumulated Value. If this Contract has been in force for less than five (5) Contract Years, the surrender proceeds to be applied under this Plan C will be the Cash Surrender Value.

The following table shows the monthly payment for each one thousand dollars (\$1,000) of proceeds applied. It is based on the age of the payee on the Effective Date of conversion to Plan C.

**MONTHLY AMOUNT OF EACH INSTALLMENT PER \$1,000 OF PROCEEDS FOR PLAN C**  
Male and Female

<b>Age of Male Payee</b>	<b>Life</b>	<b>10 Years and Life</b>	<b>20 Years and Life</b>		<b>Age of Female Payee</b>	<b>Life</b>	<b>10 Years and Life</b>	<b>20 Years and Life</b>
60	4.98	4.88	4.56		60	4.59	4.54	4.35
65	5.69	5.48	4.88		65	5.18	5.07	4.71
66	5.86	5.62	4.94		66	5.32	5.20	4.78
67	6.04	5.77	5.00		67	5.47	5.33	4.85
68	6.24	5.92	5.06		68	5.64	5.47	4.92
69	6.45	6.07	5.11		69	5.82	5.62	4.99
70	6.67	6.23	5.16		70	6.01	5.78	5.05
75	8.02	7.08	5.36		75	7.22	6.67	5.31
80	9.91	7.95	5.46		80	9.02	7.66	5.45

**OTHER PLANS**

We will consider other types of Payment Plans, including joint and survivor plans, upon Your request. A Payment Plan that involves life contingencies will use the Basis of Computation shown below for Plan C.

**BASIS OF COMPUTATION**

The interest rate for Plans A and B is three percent (3.0%) a year, compounded yearly. The rates for Plan C are based on the Annuity 2000 tables – Male, Female at three percent (3.0%) interest, compounded yearly

**OTHER FACTS ABOUT PAYMENT PLANS**

**First Installment** – The first installment under Plans B and C is payable immediately upon the conversion date to Payment Plan B or Plan C.

**Evidence Payee is Alive** – For Plan C, We have the right to require proof satisfactory to Us that the Payee is alive prior to making any payment.

**Payment After a Payee Dies** – Unless You provide otherwise, if a Payee dies, We will make a continuation of the unpaid benefit payments. The payments will be made to the Beneficiary of the Payee. If no Beneficiary is named, payments will be made to the Payee’s estate.

## **GENERAL TERMS**

### **YOUR CONTRACT WITH US**

Your Contract is a legal Contract that You have entered into with Us. This Contract is issued in consideration of the application You completed and the payment of the premium. A copy of Your application is attached to and made part of this Contract.

This Contract is the entire Contract between You and Us. None of its terms or conditions may be changed, waived or modified except in writing by Our President, a Vice President, Secretary or Assistant Secretary.

### **LIMITS ON CONTESTING THIS CONTRACT**

This Contract is incontestable from its Issue Date.

### **NONPARTICIPATING**

This Contract will not pay dividends. It will not participate in any of Our surplus or earnings.

### **OUR LIABILITY**

We will not incur any liability or be responsible for any failure, in whole or in part, by You to comply with the provisions set forth in the Internal Revenue Code or any other law.

### **PREMIUM TAX**

Some states impose a premium tax on annuities. In the event that a premium tax is imposed on premiums as received, such tax will be deducted from the premium at the time of initial crediting to this Contract. In the event that a premium tax is imposed at any other time, such tax will be deducted from any benefit payable under this Contract.

### **ANNUAL STATEMENT OF VALUES**

We will send You a statement that shows the following at least once a year:

- 1) the amount of premium paid;
- 2) the amount of any charges or deductions;
- 3) the amount of interest added;
- 4) the then current Accumulated Value; and
- 5) the then current Cash Surrender Value.

We will make all required reports to the Internal Revenue Service.

### **MISTAKE OF AGE OR SEX**

If an age or sex is misstated in the application or in a subsequent document on which We relied, We will adjust the proceeds. The proceeds of this Contract will then be those Your premium would have bought at the correct age and sex. In the case of any overpayment or underpayment, the amount of the overpayment or underpayment with interest as stated on the Contract data page, not to exceed six percent (6.0%) per annum, may be charged against, or added to, the current or next succeeding payment or payments.

SINGLE PREMIUM DEFERRED ANNUITY CONTRACT  
NONPARTICIPATING

Proceeds Payable at Maturity Date  
Death Benefit Payable at  
Death of the Annuitant or Owner Prior to Maturity Date  
Market Value Adjustment



# Liberty Bankers Life

Insurance Company

## Annuity Application

P.O. Box 5147 • Springfield, Illinois 62705-5147 • 800-745-4927 • 866-505-9377 Fax

### 1. Annuitant (Print Full Name, Single Life Only):

Name \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Social Security / TID Number \_\_\_\_\_

Date of Birth (Month-Day-Year) \_\_\_\_\_ Sex \_\_\_\_\_

### 2. Owner (If Other Than Annuitant):

Name \_\_\_\_\_

Mailing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_ Social Security / TID Number \_\_\_\_\_

Date of Birth (Month-Day-Year) \_\_\_\_\_ Sex \_\_\_\_\_

### 3. Plan Applied For (Please Check One):

- |  |   |  |  |
|--|---|--|--|
| <input type="checkbox"/> Bankers 1       | <input type="checkbox"/> Bankers 3            | <input type="checkbox"/> Bankers 5       | <input type="checkbox"/> Bankers 7       |
| <input type="checkbox"/> Bankers Premier | <input type="checkbox"/> Bankers Premier Plus | <input type="checkbox"/> Liberty USA 100 | <input type="checkbox"/> Liberty USA 500 |
| <input type="checkbox"/> Liberty Choice  | <input type="checkbox"/> Liberty Select       | <input type="checkbox"/> Other: _____    |  |

### 4. Primary Beneficiary:

Name _____	Relationship _____	Social Security / TID Number _____	Sex _____
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### Contingent Beneficiary:

Name _____	Relationship _____	Social Security / TID Number _____	Sex _____
------------	--------------------	------------------------------------	-----------

Name _____	Relationship _____	Social Security / TID Number _____	Sex _____
------------	--------------------	------------------------------------	-----------

### 5. Tax Qualification Status:

- |  |                                       |  |
|--|---------------------------------------|--|
| <input type="checkbox"/> SEP: Tax Year _____ | <input type="checkbox"/> Roth IRA     | <input type="checkbox"/> Non-Qualified |
| <input type="checkbox"/> IRA: Tax Year _____ | <input type="checkbox"/> Other: _____ |  |

### 6. Premium Information

Cash with Application: \$ _____	Non-Qualified §1035 Exchange: <input type="checkbox"/> Yes <input type="checkbox"/> No
On-Going Premiums Anticipated for Flex Policy: \$ _____	Qualified Rollover / Transfer: <input type="checkbox"/> Yes <input type="checkbox"/> No
Rollover / Transfer Premium Anticipated: \$ _____	

**7. Interest Income Choices:**

- Leave interest to accumulate (No income tax due until withdrawn), or
  - Nominal interest paid monthly (Minimum monthly check is \$100)
- Withhold income tax (10%):  Yes  No

**8. Special Remarks / Requests:**

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**9. For Home Office Endorsement Only:**

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**10. Replacement:**

Is the contract being applied for intended to replace or exchange any insurance or annuity now in force?  Yes  No  
 If Yes, complete and forward any replacement forms as required in the state of application.

---

**11. Application Completed At:**

---

City \_\_\_\_\_ State \_\_\_\_\_

This day \_\_\_\_\_ of month \_\_\_\_\_, year \_\_\_\_\_.

Application is hereby made for the Annuity described herein. The foregoing statements are correct to the best knowledge and belief of the persons signing this application. It is agreed that such statements shall form the basis of an Annuity issued by Liberty Bankers Life Insurance Company and that such Annuity together with this application shall constitute the entire contract between LBL and the person signing this application. 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 may commit a fraudulent insurance act which is a crime and which may subject such person to criminal and civil penalties. A 10% IRS penalty may apply on amounts withdrawn before the owner reaches age 59½.

**X** \_\_\_\_\_

Signature of Owner

**12. MVA Disclosure:**

If I am applying for a Market Value Adjusted fixed annuity, I understand that withdrawals from this policy may be subject to a market value adjustment in addition to any applicable surrender charges.

**X** \_\_\_\_\_

Signature of Owner

---

**To Be Completed By Agent:**

Do you have knowledge or reason to believe that replacement of existing insurance or annuity policies may be involved?  Yes  No

---

Agent Name (Please Print) \_\_\_\_\_ LBL Agent Number \_\_\_\_\_

---

Signature of Agent \_\_\_\_\_ State License Number if Required \_\_\_\_\_



SERFF Tracking Number: LBLI-125870885 State: Arkansas  
Filing Company: Liberty Bankers Life Insurance Company State Tracking Number: 40797  
Company Tracking Number:  
TOI: A02.II Individual Annuities- Deferred Non- Sub-TOI: A02.II.003 Single Premium  
Variable and Variable  
Product Name: USA 100 and 500 Annuity Products  
Project Name/Number: /

## Supporting Document Schedules

**Review Status:** 10/23/2008

**Satisfied -Name:** Certification/Notice

**Comments:**

**Attachments:**  
AR CERTIFICIATION.pdf  
Flesch Readability Scores.pdf  
AR Notice.pdf

**Review Status:** 10/23/2008

**Satisfied -Name:** Policy Specification Pages

**Comments:**

**Attachments:**  
USA 100 Pgs 3 & 5 Age 56 \$10,000 - STD.pdf  
USA 100 Pgs 3 & 5 Age 35 \$100,000 - STD.pdf  
USA 500 Pgs 3 & 5 Age 56 \$10,000 - STD.pdf  
USA 500 Pgs 3 & 5 Age 35 \$100,000 - STD.pdf  
USA 100 Pgs 3 & 5 Age 56 \$100,000 - STD.pdf  
USA 500 Pgs 3 & 5 Age 56 \$100,000 - STD.pdf

**Review Status:** 10/23/2008

**Satisfied -Name:** Disclosure Documents

**Comments:**

**Attachments:**  
Liberty USA 100 Disclosure Document.pdf  
Liberty USA 500-Disclosure Document.pdf

# CERTIFICATION

**Company Name: Liberty Bankers Life Insurance Company**

I hereby certify that the forms included in this submission and company procedures meet the requirements of Regulation 19, 49, and AR 23-79-138 as well as all applicable requirements of the Arkansas Insurance Department.



---

Chad Leiding  
Vice President Compliance

10/23/08

---

Date

READABILITY CERTIFICATION

COMPANY NAME Liberty Bankers Life Insurance Company NAIC# 68543  
hereby certifies that the following form complies with the applicable state requirements and achieve a  
Flesch reading ease test score of:

FORM NUMBER	FLESCH SCORE
<u>USA-100-0908</u>	<u>53.6</u>
<u>USA-500-0908</u>	<u>53.6</u>
<u>App-1008</u>	<u>49.6</u>

\* When scored with the contract



\_\_\_\_\_  
Signature of Insurance Company Officer

Vice President Compliance  
Typed Name and Title

10/23/08  
Date

**LIBERTY BANKERS LIFE INSURANCE COMPANY**

**PO Box 341989  
Austin, TX 78734**

**NOTICE TO POLICYHOLDERS**

If you have any questions regarding your life policy, please contact your agent at the number below or our office for assistance.

Agent's Name  
Street Address  
City, State Zip Code  
Telephone Number:

**Liberty Bankers Life Insurance Company** welcomes the opportunity to meet your ongoing service needs. Therefore, please do not hesitate to contact our office at **1-800-604-8002** as those needs arise.

If we at **Liberty Bankers Life Insurance Company** fail to provide you with reasonable and adequate service, you should feel free to contact:

**Arkansas Insurance Department  
Consumer Services Divisions  
1200 West Third Street  
Little Rock, AR 72201-1904**

**Telephone Number 1-800- 852-5494 or 1-501-371-1813**

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 100
PREMIUM PAID AT ISSUE	[\$10,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2023]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[56]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[5.00%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	9.0%
2	8.0%
3	7.0%
4	6.5%
5	5.5%
6	4.5%
7	3.5%
8	2.5%
9	1.5%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$10,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[57]	[10,500.00]	[9,555.00]
2	[58]	[10,815.00]	[9,949.80]
3	[59]	[11,139.45]	[10,359.69]
4	[60]	[11,473.63]	[10,727.84]
5	[61]	[11,817.84]	[11,167.86]
6	[62]	[12,172.38]	[11,624.62]
7	[63]	[12,537.55]	[12,098.74]
8	[64]	[12,913.68]	[12,590.84]
9	[65]	[13,301.09]	[13,101.57]
10	[66]	[13,700.12]	[13,700.12]
11	[67]	[14,111.12]	[14,111.12]
12	[68]	[14,534.45]	[14,534.45]
13	[69]	[14,970.48]	[14,970.48]
14	[70]	[15,419.59]	[15,419.59]
15	[71]	[15,882.18]	[15,882.18]

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 100
PREMIUM PAID AT ISSUE	[\$100,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2043]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[35]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[5.25%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	12%
2	11%
3	10%
4	9%
5	8%
6	7%
7	6%
8	5%
9	4%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$100,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[36]	[105,250.00]	[92,620.00]
2	[37]	[108,407.50]	[96,482.68]
3	[38]	[111,659.73]	[100,493.76]
4	[39]	[115,009.52]	[104,658.66]
5	[40]	[118,459.81]	[108,983.03]
6	[41]	[122,013.60]	[113,472.65]
7	[42]	[125,674.01]	[118,133.57]
8	[43]	[129,444.23]	[122,972.02]
9	[44]	[133,327.56]	[127,994.46]
10	[45]	[137,327.39]	[137,327.39]
11	[46]	[141,447.21]	[141,447.21]
12	[47]	[145,690.63]	[145,690.63]
13	[48]	[150,061.35]	[150,061.35]
14	[49]	[154,563.19]	[154,563.19]
15	[50]	[159,200.09]	[159,200.09]
16	[51]	[163,976.09]	[163,976.09]
17	[52]	[168,895.37]	[168,895.37]
18	[53]	[173,962.23]	[173,962.23]
19	[54]	[179,181.10]	[179,181.10]
20	[55]	[184,556.53]	[184,556.53]

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 500
PREMIUM PAID AT ISSUE	[\$10,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2028]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[56]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[9.00%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	13.0%
2	12.0%
3	11.0%
4	10.5%
5	9.5%
6	8.5%
7	7.5%
8	6.5%
9	5.5%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$10,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[57]	[10,900.00]	[9,483.00]
2	[58]	[11,227.00]	[9,879.76]
3	[59]	[11,563.81]	[10,291.79]
4	[60]	[11,910.72]	[10,660.09]
5	[61]	[12,268.04]	[11,102.58]
6	[62]	[12,636.08]	[11,562.01]
7	[63]	[13,015.16]	[12,039.02]
8	[64]	[13,405.61]	[12,534.25]
9	[65]	[13,807.78]	[13,048.35]
10	[66]	[14,222.01]	[14,222.01]
11	[67]	[14,648.67]	[14,648.67]
12	[68]	[15,088.13]	[15,088.13]
13	[69]	[15,540.77]	[15,540.77]
14	[70]	[16,006.99]	[16,006.99]
15	[71]	[16,487.20]	[16,487.20]
16	[72]	[16,981.82]	[16,981.82]
17	[73]	[17,491.27]	[17,491.27]
18	[74]	[18,016.01]	[18,016.01]
19	[75]	[18,556.49]	[18,556.49]
20	[76]	[19,113.18]	[19,113.18]

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 500
PREMIUM PAID AT ISSUE	[\$100,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2043]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[35]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[9.25%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	16%
2	15%
3	14%
4	13%
5	12%
6	11%
7	10%
8	9%
9	8%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$100,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[36]	[109,250.00]	[91,770.00]
2	[37]	[112,527.50]	[95,648.38]
3	[38]	[115,903.33]	[99,676.86]
4	[39]	[119,380.43]	[103,860.97]
5	[40]	[122,961.84]	[108,206.42]
6	[41]	[126,650.70]	[112,719.12]
7	[42]	[130,450.22]	[117,405.20]
8	[43]	[134,363.73]	[122,270.99]
9	[44]	[138,394.64]	[127,323.07]
10	[45]	[142,546.48]	[142,546.48]
11	[46]	[146,822.87]	[146,822.87]
12	[47]	[151,227.56]	[151,227.56]
13	[48]	[155,764.39]	[155,764.39]
14	[49]	[160,437.32]	[160,437.32]
15	[50]	[165,250.44]	[165,250.44]
16	[51]	[170,207.95]	[170,207.95]
17	[52]	[175,314.19]	[175,314.19]
18	[53]	[180,573.62]	[180,573.62]
19	[54]	[185,990.83]	[185,990.83]
20	[55]	[191,570.55]	[191,570.55]

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 100
PREMIUM PAID AT ISSUE	[\$100,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2023]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[56]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[5.25%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	9.0%
2	8.0%
3	7.0%
4	6.5%
5	5.5%
6	4.5%
7	3.5%
8	2.5%
9	1.5%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$100,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[57]	[105,250.00]	[95,777.50]
2	[58]	[108,407.50]	[99,734.90]
3	[59]	[111,659.73]	[103,843.55]
4	[60]	[115,009.52]	[107,533.90]
5	[61]	[118,459.81]	[111,944.52]
6	[62]	[122,013.60]	[116,522.99]
7	[63]	[125,674.01]	[121,275.42]
8	[64]	[129,444.23]	[126,208.12]
9	[65]	[133,327.56]	[131,327.65]
10	[66]	[137,327.39]	[137,327.39]
11	[67]	[141,447.21]	[141,447.21]
12	[68]	[145,690.63]	[145,690.63]
13	[69]	[150,061.35]	[150,061.35]
14	[70]	[154,563.19]	[154,563.19]
15	[71]	[159,200.09]	[159,200.09]

## CONTRACT DATA

ANNUITANT	[Sample]
CONTRACT NUMBER	[A00000XXXXX]
PLAN	USA 500
PREMIUM PAID AT ISSUE	[\$100,000.00]
ISSUE DATE	[September 1, 2008]
MATURITY DATE	[September 1, 2028]
ANNUITANT'S SEX	[Male]
ANNUITANT'S ISSUE AGE	[56]
OWNER	[Sample]

## GUARANTEED MINIMUM INTEREST RATES

For Contract Year 1	[9.25%]
For Contract Year 2 through maturity	3.00%

## SURRENDER CHARGE PERCENTAGE BY CONTRACT YEAR

Surrender Charges are the following percentages of the Accumulated Value

Contract Year	Percentage
1	13.0%
2	12.0%
3	11.0%
4	10.5%
5	9.5%
6	8.5%
7	7.5%
8	6.5%
9	5.5%
10 and after	0%

**ENDORSEMENTS ATTACHED:**

## TABLE OF GUARANTEED VALUES

The values shown in the table below are based on the payment of a [\$100,000.00] Premium on the Issue Date. The table assumes Our payment of the guaranteed minimum interest rates shown on the Contract Data page and that We pay no excess interest. The actual Accumulated Value will be increased by any excess interest declared by Our Board of Directors and will be decreased by any partial surrenders. The Cash Surrender Value will be adjusted for any applicable Market Value Adjustment.

End of Contract Year	Attained Age at End of Contract Year	Accumulated Value	Cash Surrender Value
1	[57]	[109,250.00]	[95,047.50]
2	[58]	[112,527.50]	[99,024.20]
3	[59]	[115,903.33]	[103,153.96]
4	[60]	[119,380.43]	[106,845.48]
5	[61]	[122,961.84]	[111,280.47]
6	[62]	[126,650.70]	[115,885.39]
7	[63]	[130,450.22]	[120,666.45]
8	[64]	[134,363.73]	[125,630.09]
9	[65]	[138,394.64]	[130,782.93]
10	[66]	[142,546.48]	[142,546.48]
11	[67]	[146,822.87]	[146,822.87]
12	[68]	[151,227.56]	[151,227.56]
13	[69]	[155,764.39]	[155,764.39]
14	[70]	[160,437.32]	[160,437.32]
15	[71]	[165,250.44]	[165,250.44]
16	[72]	[170,207.95]	[170,207.95]
17	[73]	[175,314.19]	[175,314.19]
18	[74]	[180,573.62]	[180,573.62]
19	[75]	[185,990.83]	[185,990.83]
20	[76]	[191,570.55]	[191,570.55]



## DESCRIPTION

**Liberty USA 100** is an individual Single Premium Deferred Annuity (Policy Form: BI 100-0908-\*) designed to accumulate money for retirement. It is suitable for use as an IRA or other qualified account, as well as an attractive alternative to CDs and other taxable vehicles. You may start with as little as \$10,000 single premium. The maximum annuitant and owner issue age for **Liberty USA 100** is 79.

## HOW INTEREST IS CREDITED

Interest is credited at the initial interest rate guaranteed for the first contract year. At the end of each contract year, a new rate will be declared for the next contract year which can never earn less than the contract's minimum guaranteed rate. There are no front-end sales charges or annual administrative fees. 100% of your money works for you!

MINIMUM GUARANTEED RATES		
Premium	Year 1	Years 2+
\$10,000-\$99,999	_____ %	3.00%
\$100,000+	_____ %	3.00%

*Until the policy is issued, rates are subject to change without notice.*

## POLICY VALUES

Your Accumulated Value is 100% of your premium and earned interest. The Cash Surrender Value is the Accumulated Value less any cash withdrawals and applicable surrender charges and Market Value Adjustment (MVA). Surrender charges and MVA are waived in the event of the Annuitant's death. Prior cash withdrawals are deducted from the Accumulated Value, Cash Surrender Value and Death Benefit. **Liberty USA 100** contains no permanent withdrawal charge features.

## LIQUIDITY

You may have access to your annuity at any time permitted by law. Your interest earnings are available when you need them. Without surrender charges or MVA, you may withdraw 100% of your accumulated interest two times per year or receive monthly interest checks. The minimum monthly interest check is \$100. Withdrawals in excess of these amounts are subject to a Market Value Adjustment and the following surrender charges:

IMPORTANT: SURRENDER CHARGES										
Policy Year	1	2	3	4	5	6	7	8	9	10+
Surr. Charges Issue Ages 0-55	12%	11%	10%	9%	8%	7%	6%	5%	4%	0%
Surr. Charges Issue Ages 56-79	9%	8%	7%	6½%	5½%	4½%	3½%	2½%	1½%	0%

Penalty-free withdrawals do not apply to full surrenders. A 10% IRS penalty may apply on amounts withdrawn before the owner reaches age 59½.

## MARKET VALUE ADJUSTMENTS (MVA)

The Market Value Adjustment is an amount by which we adjust the Accumulated Value. An MVA will apply to a full surrender or to a partial withdrawal subject to a surrender charge made before the ninth policy anniversary. The MVA may increase or decrease your Accumulated Value, depending on whether interest rates\* have fallen or risen from the time of purchase. If interest rates have declined, your Accumulated Value could be higher. If interest rates have increased, your Accumulated Value could be lower. The MVA is not assessed after the ninth policy anniversary or upon the death of the Annuitant.

\* The Treasury Constant Maturity Series, published by the Federal Reserve, is used to measure changes in interest rates.

## PAYOUT OPTIONS

There is a wide range of annuity settlement options from which you may choose, including: life only, life with 10 years certain, and fixed period payments. A customized payout option may be tailored to meet your specific needs.

If you elect to annuitize non-qualified money, generally only a portion of each payment is taxable because a part of each payment is a return of your premium.

## LIBERTY USA 100 ADVANTAGES

Tax Deferred – Your annuity grows much faster than alternative vehicles because:

- You earn interest on your principal.
- You earn interest on your interest.
- You earn interest on the money you would otherwise pay in taxes.
- You don't pay tax on interest until you take it out.
- You decide on the best time to withdraw your money.

## OTHER IMPORTANT FEATURES

The following benefits are added to certain plans (check with your agent):

- **Nursing Home Benefit.** After the first policy year, you may withdraw 50% of your Accumulated Value if you are confined to a nursing home for 90 consecutive days.
- **Disability Benefit.** After the first policy year, you may withdraw 50% of your Accumulated Value if you are disabled for 90 consecutive days.
- **Terminal Illness Benefit.** After the first policy year, you may withdraw 50% of your Accumulated Value if you are diagnosed with a medical condition that is expected to result in death within 12 months.

Your money is never subject to stock market risk. You pay no front-end sales charges or annual maintenance fees. 100% of your money is always earning interest for you.

X \_\_\_\_\_ X \_\_\_\_\_  
Owner's Signature Joint Owner's Signature (if any)

\_\_\_\_\_  
Owner's Name Joint Owner's Name (if any)

\_\_\_\_\_  
Agent's Signature Date

\_\_\_\_\_  
Agent's Name (please print)

\*May differ in some states.  
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