

SERFF Tracking Number: AMER-125643818 State: Arkansas
Filing Company: Aviva Life and Annuity Company State Tracking Number: 38964
Company Tracking Number: AAA3 AAA5 AAA7 (06/08)
TOI: A071 Individual Annuities - Special Sub-TOI: A071.001 Equity Indexed
Product Name: AAA3 AAA5 AAA7 (06/08)
Project Name/Number: AAA3 AAA5 AAA7 (06/08)/AAA3 AAA5 AAA7 (06/08)

Filing at a Glance

Company: Aviva Life and Annuity Company

Product Name: AAA3 AAA5 AAA7 (06/08)

TOI: A071 Individual Annuities - Special

Sub-TOI: A071.001 Equity Indexed

Filing Type: Form

Implementation Date Requested: On Approval

State Filing Description:

SERFF Tr Num: AMER-125643818 State: ArkansasLH

SERFF Status: Closed

State Tr Num: 38964

Co Tr Num: AAA3 AAA5 AAA7
(06/08)

State Status: Approved-Closed

Co Status:

Reviewer(s): Linda Bird

Authors: Denise Ellis, Stephany
Hopkins, Jessica Johnson, Tara
Frahm

Disposition Date: 05/20/2008

Date Submitted: 05/13/2008

Disposition Status: Approved

Implementation Date:

General Information

Project Name: AAA3 AAA5 AAA7 (06/08)

Project Number: AAA3 AAA5 AAA7 (06/08)

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 05/20/2008

State Status Changed: 05/20/2008

Corresponding Filing Tracking Number:

Filing Description:

RE: Aviva Life and Annuity Company

Aviva Assured Annuity Series

Contract: Single Premium Indexed Deferred Annuity Contract, AAA3 (06/08)

Single Premium Indexed Deferred Annuity Contract, AAA5 (06/08)

Single Premium Indexed Deferred Annuity Contract, AAA7 (06/08)

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 05/12/2008

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Deemer Date:

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Informational Purposes Only:

The following Endorsements were previously approved on 05/08/2008.

Endorsement: Fixed Strategy Endorsement, FIXED (06/08) N

1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCEs (06/08) N

1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCHS (06/08) N

1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCS&P (06/08) N

Multi-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, MYGCEs (06/08) N

Multi-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, MYGCHS (06/08) N

Multi-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, MYGCS&P (06/08) N

The following Application, Endorsement and Riders were approved on the dates shown below:

Application for Deferred or Indexed Deferred Annuity, 80501 (6/08) FW FI, approved 04/24/2008

Guaranteed Purchase Option Endorsement, GPO (06/08), approved 04/24/2008

Lifetime Pay Rider, MCAIR (Rev. 09/07), approved 10/01/2007

Lifetime Pay Plus Rider, MCAIRW (02/08), approved 03/04/2008

The above-referenced filing has been attached in readability form for the Department's review and approval. The Assured Annuity Series is a new annuity series of products designed to be offered through financial institutions and independent marketing organizations. This series includes new Single Premium Indexed Deferred Annuities, contract forms AAA3 (06/08), AAA5 (06/08) and AAA7 (06/08). The differences between contract forms AAA3 (06/08), AAA5 (06/08) and AAA7 (06/08) are the Withdrawal Charge Rate Schedule and Annuity Date provision. Application form 80501 (6/08) FW FI previously filed with the Department and approved on 04/24/2008 will be utilized with the new Assured Annuity Series Contracts. The Contract forms AAA3 (06/08), AAA5 (06/08) and AAA7 (06/08) have achieved a Flesch Reading Ease Test Score of 54.43. The Iowa Insurance Department approved the annuity Contract Forms on 05/12/2008. The corresponding actuarial memorandums have been included for your review.

These Contract forms provide the Contract Owner the ability to allocate Premium, and to transfer Strategy values, among the Strategies made available under the Contract. The following Strategies could be used with this Contract and were previously approved by the department on 05/08/2008. The seven strategy endorsements are the Fixed Strategy Endorsement, FIXED (06/08) N; the 1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCEs (06/08) N; the 1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCHS (06/08) N; the 1-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, 1YGCS&P (06/08) N; the Multi-Year Point-to-Point Guaranteed Cap Index Strategy Endorsement, MYGCEs (06/08) N; the Multi-Year Point-to-Point Guaranteed Cap Index

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Company and Contact

Filing Contact Information

Denise Ellis, Compliance Associate denisee@amerusannuity.com
 555 South Kansas Avenue (785) 295-4477 [Phone]
 Topeka, KS 66603 (785) 295-4345[FAX]

Filing Company Information

Aviva Life and Annuity Company CoCode: 61689 State of Domicile: Iowa
 555 South Kansas Avenue Group Code: -99 Company Type: Insurance
 Topeka, KS 66603 Group Name: State ID Number:
 (785) 295-4352 ext. [Phone] FEIN Number: 42-0175020

Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Aviva Life and Annuity Company	\$50.00	05/13/2008	20289067

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	05/20/2008	05/20/2008

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Disposition

Disposition Date: 05/20/2008

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	Life & Annuity - Acturial Memo		No
Form	Single Premium Indexed Deferred Annuity		Yes
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Form Schedule

Lead Form Number: AAA3 AAA5 AAA7 (06/08)

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	AAA3 (06/08)	Policy/Cont	Single Premium ract/Fratern Indexed Deferred al Annuity Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		54	AAA3_0608.p df
	AAA5 (06/08)	Policy/Cont	Single Premium ract/Fratern Indexed Deferred al Annuity Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		54	AAA5_0608.p df
	AAA7 (06/08)	Policy/Cont	Single Premium ract/Fratern Indexed Deferred al Annuity Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		54	AAA7_0608.p df

Single Premium Indexed Deferred Annuity Contract

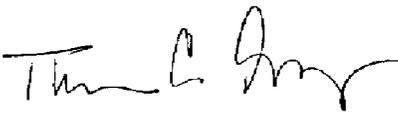
Aviva Life and Annuity Company (hereinafter "the Company") will make the payments and provide the benefits described in this Contract in consideration for the payment by the Owner of the Premium when due.

Upon the death of the Annuitant before the Annuity Date, the Company will pay the Beneficiary the Death Benefit as provided in this Contract. Payment will be made on receipt of due proof of the Annuitant's death and surrender of this Contract.

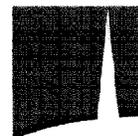
This is a legal contract between the Owner and **Aviva Life and Annuity Company**.

PLEASE READ THIS CONTRACT CAREFULLY. It includes the provisions both on the pages within and on any riders or endorsements which are attached. If the Owner is not satisfied with the Contract, the Owner may return it to the Company or to the agent from whom the Contract was purchased within 20 days following its receipt and the Premium paid will be refunded and the Contract will be cancelled.

- Single Premium Indexed Deferred Annuity Contract.
- Monthly income commencing on Annuity Date.
- Option to change Annuity Date.
- Option to change type of Annuity Benefit payable.
- Non-Participating.
- A Stock Company.


Thomas C. Godlasky
President and CEO


Michael H. Miller
Secretary



AVIVA

611 5th Avenue
Des Moines, IA 50309
(800) 800-9882

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CONTRACT DATA PAGE

Contract Data	
Contract Number:	[Specimen]
Annuitant:	[John Doe]
Annuitant's Age:	[70]
Annuitant's Sex:	[Male]
Contract Date:	[05/01/2008]
Annuity Date:	[05/01/2033]
Premium:	[\$25,000.00]

Withdrawal Charge Rate Schedule	
Contract Year	Rate
1	[6.00%]
2	[5.00%]
3	[4.00%]
There are no Withdrawal Charges after the 3rd Contract Year.	

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CONTRACT DATA PAGE • Continued**Strategy Allocation Percentages on the Contract Date**

Fixed Strategy:	[100.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (S&P 500):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (Hang Seng):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (EuroStoxx50):	[0.00%]
Multi-Year Point-to-Point Index Strategy (S&P 500):	[0.00%]
Multi-Year Point-to-Point Index Strategy (Hang Seng):	[0.00%]
Multi-Year Point-to-Point Index Strategy (EuroStoxx50):	[0.00%]

DATA ELEMENTS FOR EACH STRATEGY CAN BE FOUND IN THE ENDORSEMENTS ATTACHED TO THIS CONTRACT. DATA ELEMENTS MAY INCLUDE, BUT ARE NOT LIMITED TO, INITIAL AND MINIMUM GUARANTEED INTEREST RATES, INITIAL INDEX PRICES, INITIAL AND MINIMUM GUARANTEED PARTICIPATION RATES, INITIAL AND MAXIMUM GUARANTEED SPREADS, AND INITIAL AND MINIMUM GUARANTEED CAP RATES.

**FOR INFORMATION, OR TO MAKE A COMPLAINT REGARDING THIS CONTRACT,
CALL: [1-888-252-5530]**

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TABLE OF GUARANTEED MINIMUM VALUES

End of Contract Year	Minimum Cash Surrender Value
1	[\$24,355.00]
2	[25,321.38]
3	[26,325.45]
4	[27,864.53]
5	[28,421.82]
6	[28,990.26]
7	[29,570.07]
8	[30,161.47]
9	[30,764.70]
10	[31,379.99]
11	[32,007.59]
12	[32,647.74]
13	[33,300.70]
14	[33,966.71]
15	[34,646.05]
16	[35,338.97]
17	[36,045.75]
18	[36,766.66]
19	[37,502.00]
20	[38,252.04]
Age 95	[42,233.34]

Contract Number: [Specimen]

Premium: [\$25,000.00]

The values at left are calculated as defined in the Cash Surrender Value section of this Contract, assuming no Interest Credits, Withdrawals, transfers or Premium Taxes.

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract, other than on the Contract Anniversary, shall be calculated with allowance for the lapse of time since the Contract Anniversary and are not less than the minimum benefits required by statute in the state in which this Contract is delivered.

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GENERAL PROVISIONS

- **The Contract**

This Contract, including endorsements, riders or signed amendments, the Contract Data Page and the attached application, constitute the entire Contract. All statements made in the application are representations and not warranties. No statement will be used to deny a claim unless made in the application, a copy of which is attached to this Contract. This Contract and the Company's obligation under this Contract shall terminate upon the payment of all benefits required by this Contract.

- **Contract Date, Contract Month, Contract Year and Contract Anniversary**

Coverage provided by this Contract is effective as of the Contract Date shown on the Contract Data Page. Contract Months, Contract Years and Contract Anniversaries are determined from the Contract Date. Hypothetical example: If the Contract Date is January 26, 2008, the first Contract Month ends on February 26, 2008, the first Contract Year ends on January 26, 2009, and the first Contract Anniversary occurs on January 26, 2009.

- **Authority to Change**

No one except the President or Secretary of the Company may change or waive any of the terms of this Contract. Any change must be in writing and signed by the President or the Secretary of the Company.

- **Incontestability**

All statements made in the application are considered representations and not warranties. The validity of the Contract will not be contestable.

- **Age and Sex**

If the age or sex of the Annuitant has been misstated, the amount payable by the Company will be that which the Premium paid would have purchased if the true age and sex had been stated on the application for this Contract. Age will be calculated as of the Contract Date and will be equal to the age at the last birthday of the Annuitant. Any underpayments already made by the Company will be immediately paid in one sum with interest compounded at the rate of 3.00% per year. Any overpayments made by the Company will be charged against the next succeeding annuity payment or payments with interest compounded at the rate of 3.00% per year.

- **Annuitant; Joint Annuitants**

The Annuitant is the person named on the Contract Data Page whose life determines the annuity payments made under this Contract and is the person who will receive such payments on the Annuity Date. We will allow the Owner to name in the application two people to jointly serve as the Annuitant. If Joint Annuitants are named, this Contract will be issued only if the Joint Annuitants are spouses. After the Contract Date, neither the Annuitant nor the Joint Annuitants may be changed.

GENERAL PROVISIONS

Unless otherwise stated, Annuitant shall mean the Annuitants jointly if Joint Annuitants have been named. If Joint Annuitants are named and one Joint Annuitant dies, the Contract shall continue with the surviving Joint Annuitant serving as the sole surviving Annuitant. For purposes of administering the provisions of this Contract, when Joint Annuitants are named, the Annuitant shall be considered living as long as at least one Joint Annuitant is alive. In other words, for purposes of administering the provisions of this Contract, if Joint Annuitants are named, it is only on the death of the last surviving Annuitant that the Annuitant is considered to have died.

• Owner

Owner means the Contract Owner named in the application or the Contract Owner's successor or assignee if ownership has been assigned. If no Owner is named on the application, the Annuitant will be the Owner. During the Annuitant's lifetime all rights described in this Contract may be exercised by the Owner subject to the rights of:

- (a) Any assignee of record with the Company; and
- (b) Any irrevocably named Beneficiary.

If an Owner who is a natural person dies during the Annuitant's lifetime, the contingent owner named in the application, if any, will become the Owner. If there is no contingent owner named, ownership will pass to the estate of the Owner. Subject to the Distribution on Death of Owner section in this Contract, in the case of joint ownership, on the death of a joint owner, ownership will pass to the surviving Owner(s). On the death of the last surviving Owner, if no contingent owner has been named, ownership will pass to the estate of the last surviving Owner.

All rights of the Owner under this Contract terminate on the death of the Annuitant.

For purposes of the Distribution on Death of Owner section, if the Owner of the Contract is not a natural person, the death of any Annuitant shall be treated as the death of an Owner of the Contract.

• Assignment

This Contract may be assigned by written request filed with the Company unless restricted by endorsement to this Contract. The assignment will take effect on the date the written request was signed. However, the assignment is subject to any action taken by the Company prior to receipt of the written request. The Company has no liability under any assignment for its actions or omissions done in good faith.

• Beneficiary

The Beneficiary is the person or persons who will receive the Death Benefit provided by this Contract. While the Annuitant is alive, the Owner may change a Beneficiary by a signed written request filed with the Company and may name one or more contingent Beneficiaries. No change will take effect unless the Company receives such signed written request. A change will take effect as of the date the written request was signed. Any change is subject to payment or other action taken by the Company before the change was received.

GENERAL PROVISIONS

The following rules shall apply unless otherwise permitted by the Company in accordance with applicable law:

1. All rights of a Beneficiary, including an irrevocable Beneficiary, will end if such Beneficiary dies before the Annuitant.
2. If no Beneficiary has been named when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
3. If no Beneficiary is alive when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
4. If only one Beneficiary survives the Annuitant, the Company will pay the entire Death Benefit to such Beneficiary.
5. If the Owner has not designated how the Death Benefit is to be distributed and two or more Beneficiaries survive the Annuitant, the surviving Beneficiaries will share the Death Benefit equally.
6. If the Owner has designated how the Death Benefit is to be distributed and a Beneficiary predeceases the Annuitant, the portion of the Death Benefit designated to the deceased Beneficiary shall be divided among the surviving Beneficiaries on a pro rata basis. In other words, each surviving Beneficiary's interest in the Death Benefit will be divided by the sum of the interests of all surviving Beneficiaries to determine the percentage each surviving Beneficiary will receive of the deceased Beneficiary's original interest in the Death Benefit.

A Beneficiary that is not a natural person will be considered living for purposes of administering these rules. The interest of any named irrevocable Beneficiary cannot be changed without the written consent of such Beneficiary. No Beneficiary has any rights in the Contract until the Annuitant dies.

If the Annuitant dies on or after the Annuity Date and before all of the required Annuity payments have been made, all remaining Annuity payments will be subject to the above requirements regarding payment of the Death Benefit. Thus, for purposes of determining the amount of and to whom all remaining Annuity payments shall be made, the Company will treat all remaining Annuity payments as if they were a Death Benefit.

● Designated Beneficiary

Designated Beneficiary as used in the Distribution on Death of Owner section shall mean: (i) the contingent owner named in the application, or as subsequently changed, if any; (ii) the joint owner or Owners in the case of joint ownership; or (iii) the estate of the Owner if no contingent owner is named, and there is no joint owner or Owners.

GENERAL PROVISIONS

● Annuity Date

On the Contract Date of this Contract, the Annuity Date will be set by the Company at the Contract Anniversary following the Annuitant's age 95. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. During the lifetime of the Annuitant and prior to the Annuity Date, the Owner may change the Annuity Date by filing a signed written request with the Company. The Annuity Date may not be changed to a date earlier than 3 years after the Contract Date of this Contract.

● Proceeds

Proceeds shall mean the amount payable from the Contract when the Contract is surrendered, when the Death Benefit becomes payable or on the Annuity Date.

● Premium Taxes

The Company may be charged a state imposed Premium Tax on the Premiums you pay for this Contract. If a Premium Tax is imposed, the Company may deduct the amount of such tax from your Premiums when your Premiums are received, or from the Accumulated Value of the Contract upon:

1. Any Withdrawal from the Contract;
2. The full surrender of the Contract;
3. The election of a Settlement Option; or
4. The payment of a Death Benefit.

● Terms of Annuity Payment

● If there is one living Annuitant on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide a 10 Year Certain and Life Annuity to the Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Annuitant before making the first annuity payment. In order to receive payments, the Annuitant must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● If there are two living Annuitants on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide to the Annuitant listed first in the application a Joint and Last Survivor Annuity for the joint lifetime of the two Joint Annuitants and in an equal amount to the surviving Joint Annuitant during the remaining lifetime of the surviving Joint Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

GENERAL PROVISIONS

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Joint Annuitants before making the first annuity payment. In order to receive payments, the Joint Annuitants must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● **Death Benefit**

The Death Benefit provided by this Contract will be paid upon receipt by the Company at its Administrative Office of due proof of the Annuitant's death and surrender of the Contract. The following in a form and manner satisfactory to the Company shall be considered due proof of the Annuitant's death:

1. Proof of death of the Annuitant while this Contract was in force. If Joint Annuitants are named, proof of death of the Annuitant shall mean proof of death of the second to die of the Joint Annuitants;
2. The Company's claim form from each Beneficiary, properly completed; and
3. Any other documents required by law.

The Death Benefit will be equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor paid in a lump sum and will be calculated as of the date the Company receives at its Administrative Office the due proof of the Annuitant's death as required above. In lieu of receiving the Death Benefit in a lump sum, the Beneficiary may elect to have the Death Benefit applied under any of the Optional Annuity Benefits provided for in the Contract. The Death Benefit must be paid in a manner that complies with the applicable requirements of Section 72(s) of the Internal Revenue Code.

The Death Benefit will earn interest from the date the Company receives at its Administrative Office the due proof of the Annuitant's death required above to the date of payment or other settlement at the same rate the Company would have credited interest on the Fixed Strategy if the Annuitant had not died. If a higher rate of interest is required by law, the Company will pay the higher rate.

● **Death of Non-Owner Annuitant**

The Company will pay the Beneficiary the Death Benefit provided in this Contract if the Annuitant who is not an Owner dies before the Annuity Date while this Contract is in force.

● **Distribution on Death of Owner**

● **Where Owner is not the Annuitant**

If any Owner dies before the Annuity Date while the Annuitant is alive, the Contract will continue, but the Cash Surrender Value of this Contract will be distributed to the Designated Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

GENERAL PROVISIONS

1. The Owner's entire interest in the Contract is payable to the Designated Beneficiary who is an individual;
2. Such entire interest will be distributed over the life of the Designated Beneficiary or over a period not extending beyond the life expectancy of the Designated Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Designated Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

● Where Owner is the Annuitant

If any Owner who is also the Annuitant dies before the Annuity Date, the Contract will continue, but the applicable Death Benefit as provided for under the Death Benefit section of this Contract will be distributed to the Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

1. The Death Benefit is payable to the Beneficiary who is an individual;
2. The Death Benefit will be distributed over the life of the Beneficiary or over a period not extending beyond the life expectancy of the Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

GENERAL PROVISIONS**● Conformity with Applicable Laws**

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract are not less than the minimum benefits required by statute in the state in which this Contract is delivered. If any provision of this Contract is determined not to provide the minimum benefits required by the statutes or regulations of the state in which the Contract is delivered, such provision will be deemed to be amended to conform or comply with such laws or regulations. In addition, notwithstanding any provision in the Contract to the contrary, all distributions under the Contract must be made in accordance with the applicable requirements of Section 72(s) of the Internal Revenue Code, and all terms of the Contract shall be interpreted consistently with the requirements of this section.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Premium

The Premium for this Contract may be paid at the Company's Administrative Office, or delivered to an agent of the Company. The Premium is shown on the Contract Data Page and is due on the Contract Date. The Company may limit the amount of Premium that it will accept for this Contract. The Premium will be credited to the Strategies on the Contract Date based on the Allocation Percentages selected by the Owner.

● Business Day

Business Day shall mean any day of the week except for Saturday, Sunday and U.S. Federal holidays.

● Allocation Percentages

On the Contract Date, the Premium will be credited to the Strategies based on the Allocation Percentages selected by the Owner. The Allocation Percentages selected for each Strategy must be a whole percentage ranging from 0% to 100% and when summed together must equal 100%. The Allocation Percentages in effect on the Contract Date are shown on the Contract Data Page.

● Transferred Premium

To the extent a Strategy allows for transfers to be made from that Strategy to one or more of the Contract's other Strategies, the Transferred Premium section of the Endorsement that established that Strategy shall contain the provisions for making such transfers. For any transfer request received by the Company where the amount to be transferred represents a percentage of a known or unknown value, the Company will use its best efforts to determine the amount that must be transferred from each Strategy in order to satisfy the intent of the Owner's original request.

● Strategies

The Strategies for this Contract shall be the Strategies that are added to and made part of this Contract by Endorsement. The Strategies on the Contract Date are shown on the Contract Data Page. Each Strategy will be established by a separate Endorsement. After a Strategy has been added to and made part of this Contract, Premium may be allocated and funds may be transferred to the Strategy in accordance with the provisions of this Contract. The Endorsement shall establish the method by which Interest Credits are earned on each Strategy.

● Interest Credits

Interest Credits will be calculated for a Strategy based on the provisions of the Endorsement for that Strategy.

● Accumulated Value

The Accumulated Value of this Contract at any time shall be equal to the sum of each Strategy's Strategy Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**● Strategy Value**

The Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Cash Surrender Value

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may surrender this Contract for the Cash Surrender Value.

The Cash Surrender Value is the greatest of (1), (2) or (3) where:

- (1) Is the Accumulated Value, adjusted for any applicable Withdrawal Charge.
- (2) Is the Accumulated Value Floor, adjusted for any applicable Withdrawal Charge.
- (3) Is the Minimum Guaranteed Contract Value.

The Withdrawal Charge in any Contract Year will be equal to $[(A - B) \times C]$ where:

- (A) Is the Accumulated Value or the Accumulated Value Floor, whichever is applicable.
- (B) Is any Free Withdrawal amount available and remaining in the Contract Year.
- (C) Is any applicable Withdrawal Charge Rate shown on the Contract Data Page.

The Company may defer payment upon surrender of this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Accumulated Value Floor

The Accumulated Value Floor of this Contract at any time shall be equal to the sum of each Strategy's Strategy Accumulated Value Floor.

● Strategy Accumulated Value Floor

The Strategy Accumulated Value Floor of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value of this Contract at any time shall be equal to the sum of each Strategy's Minimum Guaranteed Strategy Value.

● Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**● Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals**

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may withdraw an amount up to the Cash Surrender Value. Unless specified otherwise by the Owner, Withdrawals will be made pro rata from all Strategies based on the Strategy Values as of the Withdrawal date.

A Free Withdrawal amount is provided each Contract Year. There will be no Withdrawal Charges applied to the Free Withdrawal amount. The Free Withdrawal amount available each Contract Year will be calculated at the time of the first Withdrawal that Contract Year. The Free Withdrawal amount will be equal to 10.00% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.

The Free Withdrawal amount provided each Contract Year is per Contract Year and any unused amount during a particular Contract Year cannot be carried over to one or more subsequent Contract Years.

If the amount of a Withdrawal in any Contract Year exceeds the Free Withdrawal amount for that Contract Year, such excess Withdrawal will be subject to any applicable Withdrawal Charge. Withdrawal Charges will be calculated utilizing the Withdrawal Charge Rates shown on the Contract Data Page.

To make a Withdrawal from this Contract, the Owner must submit a written request to the Company. The request must be signed and dated by the Owner. Withdrawals from any of the Strategies will be made in the manner set forth in the Endorsements for those Strategies. The minimum amount that may be withdrawn from this Contract at any time is \$2,000. The Endorsements for certain Strategies may specify a minimum value that must be maintained in order to participate in any Interest Credits for that Strategy.

If the attained age of the Owner is 70 or older at the time of the first Withdrawal in any Contract Year, the Free Withdrawal amount for that Contract Year will equal the greater of (a) or (b) where:

- (a) Is the Contract's Free Withdrawal amount; and
- (b) Is the Owner's Required Minimum Distribution attributable to this Contract up to the Maximum Required Minimum Distribution provided by this Contract.

Owner's Required Minimum Distribution shall mean the minimum amount, if any, as calculated for this Contract under Internal Revenue Code Section 401, 403, 408, 408A, 457 and current IRS rules regarding minimum distributions, that must be distributed to the Owner of this Contract.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

The Maximum Required Minimum Distribution available in any Contract Year shall equal (a) divided by (b) where:

- (a) Is the greatest of the Contract's Cash Surrender Value, Accumulated Value or Accumulated Value Floor at the time of the first Withdrawal that Contract Year; and
- (b) Is the Withdrawal Factor for the Owner's attained age at the time of the first Withdrawal that Contract Year.

Minimum Distribution Withdrawal Factors

Attained Age of Owner	Withdrawal Factor	Attained Age of Owner	Withdrawal Factor
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115 and over	1.9

The Company may defer payment of Withdrawals from this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Statements

The Company will furnish to the Owner annually, and at any time upon request, a Statement reflecting the total amount of Accumulated Value and Cash Surrender Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**• Terminal Illness Waiver of Withdrawal Charges**

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is diagnosed with a Terminal Illness and both of the following conditions are met:

- (a) The Annuitant or the Joint Annuitant's Terminal Illness is initially diagnosed at least one year after the Contract Date; and
- (b) The additional Free Withdrawal request is accompanied by Proof of Terminal Illness.

The Free Withdrawal amount that is available during any Contract Year that the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Proof of Terminal Illness means a certification of Terminal Illness prepared by a Physician who has examined the Annuitant or the Joint Annuitant and is qualified to provide the certification.

Upon receipt of the certification of Terminal Illness, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company.

Terminal Illness means an illness that is expected to cause death within twelve (12) months.

• Confinement Waiver of Withdrawal Charges

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is confined to a Hospital, Hospice Facility or Convalescent Care Facility and all of the following conditions are met:

- (a) The Annuitant or Joint Annuitant is confined to a Hospital, Hospice Facility or Convalescent Care Facility for at least 60 consecutive days;
- (b) The Annuitant or Joint Annuitant's confinement in the Hospital, Hospice Facility or Convalescent Care Facility begins at least one year after the Contract Date;
- (c) The additional Free Withdrawal request is received by the Company no later than ninety (90) days following the date that the qualifying confinement has ceased;

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

- (d) Confinement in a Hospital, Hospice Facility or Convalescent Care Facility is recommended by a Physician who is duly licensed by the state to treat the injury or sickness causing the confinement and who is not an employee of the Hospital, Convalescent Care Facility or Hospice Facility where the Annuitant or Joint Annuitant is confined; and
- (e) The additional Free Withdrawal request is accompanied by written proof of confinement and the Physician's recommendation.

The Free Withdrawal amount that is available during any Contract Year that all of the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Convalescent Care Facility means an institution which: (i) is licensed by the state as a convalescent nursing facility, a qualified nursing facility, a convalescent hospital, a convalescent unit of a Hospital, an intermediate care facility, or a custodial care facility; (ii) is primarily engaged in providing, in addition to room and board accommodations, continuous nursing service by or under the supervision of a Physician or a licensed registered nurse (R.N.); (iii) maintains a daily record of each patient which is available for review by the Company; and (iv) administers a planned program of observation and treatment by a Physician (other than the proprietor or an employee of such facility) which is in accordance with existing standards of medical practice for the confinement.

Convalescent Care Facility does not mean a facility or any part of a facility used primarily for: rest care, training or education, or the treatment of alcoholism or chemical dependency.

Hospice Facility means an institution which provides a formal program of care for terminally ill patients whose life expectancy is less than 6 months, provided on an inpatient basis and directed by a Physician. It must be licensed, certified or registered in accordance with state law.

Hospital means an institution which: (i) is licensed as a Hospital and operated pursuant to law; (ii) is primarily engaged in providing or operating (either on its premises or in facilities available to the Hospital on a prearranged contractual basis and under the supervision of a staff of one or more duly licensed Physicians) diagnostic and surgery facilities for the medical care and treatment of injured and sick persons on an inpatient basis for which a charge is made; and (iii) provides 24-hour nursing service by or under the supervision of a licensed registered nurse (R.N.).

Hospital shall not include any institution which: is principally a rest home, nursing home, convalescent home, home for the aged, or is principally an institution for the care and treatment of alcohol or chemical dependency.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Home Health Care Services Waiver of Withdrawal Charges

Each Contract Year after the first Contract Year, the Owner may request an additional Free Withdrawal if the Annuitant or at least one of the Joint Annuitants is unable to perform at least two (2) of the five (5) Activities of Daily Living. The additional Free Withdrawal request must be accompanied by a Physician's written verification of the Annuitant or Joint Annuitant's inability to perform the Activities of Daily Living.

The additional Free Withdrawal amount that is available during any Contract Year that the above provisions are satisfied is equal to (1) minus (2) minus (3) where:

- (1) Is 20% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.
- (2) Is the maximum Free Withdrawal amount available for that Contract Year under the Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals provision of the Contract.
- (3) Is the amount of any additional Free Withdrawal taken during the Contract Year under the Terminal Illness Waiver of Withdrawal Charges or the Confinement Waiver of Withdrawal Charges provisions of the Contract.

Activities of Daily Living shall include and be limited to Bathing, Dressing, Eating, Toileting and Transferring.

- Bathing means washing oneself by sponge bath or in either a tub or shower, and shall include the task of getting into or out of the tub or shower.
- Dressing means putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- Eating means feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
- Toileting means getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene.
- Transferring means moving into or out of a bed, chair or wheelchair.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Upon receipt of the Physician's written verification, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company. The Company may also require proof from time to time to verify the Annuitant or Joint Annuitant's inability to perform Activities of Daily Living.

SETTLEMENT OPTIONS

● Election of Option

The Beneficiary may elect to receive the Death Benefit provided by this Contract under one of the Settlement Options provided in this Contract. However, the Settlement Option elected must satisfy the applicable distribution requirements of Section 72(s) of the Internal Revenue Code.

Any election of a Settlement Option must be made in writing and is irrevocable after the payments commence. The Payee is the person who will receive the payments under the option. The Payee must be a natural person. No Payee shall have the right to assign or transfer any future payments under any option except as provided in the option or by law.

Multiple Settlement Options may be elected except in the case where the payout is being made because of the death of an Owner. If more than one option is elected, the amount applied under each option must be at least \$5,000. Payments under the options elected may start on the same or different dates as agreed by the Company.

Payments made quarterly, semiannually or annually may be elected in lieu of monthly payments. The amount of such payments will be furnished upon request. Payments less than \$100 will only be made annually.

● Optional Annuity Benefits

This Contract will provide the following Optional Annuity Benefits:

Option 1 - Life Annuity

Monthly payments will be made during the lifetime of the Payee. The monthly payments will cease on the death of the Payee. No payments will be due after the death of the Payee.

Option 2 - Life Annuity with Guaranteed Period

Monthly payments will be made for the guaranteed period elected and thereafter for the lifetime of the Payee. The guaranteed periods are 5, 10, 15 or 20 years, or any other period agreed upon in writing by the Company. After the guaranteed period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the guaranteed period, no payments will be due after the guaranteed period.

SETTLEMENT OPTIONS

Option 3 - Installment Refund Life Annuity

Monthly payments will be made for the Installment Refund Period and thereafter for the lifetime of the Payee. The Installment Refund Period is the period required for the sum of the monthly payments to equal the total amount applied under this option. After the Installment Refund Period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the Installment Refund Period, no payments will be due after the Installment Refund Period.

Option 4 - Joint and Last Survivor Annuity

Monthly payments will be made for the joint lifetime of two persons and in an equal amount during the remaining lifetime of the survivor. Payments will cease on the death of the last survivor. No payments will be due after the death of the last survivor. Payments may also be made to the survivor in an amount equal to $\frac{2}{3}$ or $\frac{1}{2}$ of the payment made during the joint lifetime of the two persons.

Option 5 - Fixed Period Annuity

Monthly payments will be made for the fixed period elected. Payments will cease at the end of the fixed period and no further payments will be due. The fixed period that may be elected is any period from 5 to 30 years.

The Annuity Settlement Option factors contained in the following tables are based on the Annuity 2000 Mortality Table and a minimum guaranteed interest rate of 2.00%, assuming that 50% of Annuitants are male and 50% are female. Interest in excess of the guaranteed rate may be paid as determined by the Company.

Annuity Settlement Option factors for Option 4 - Joint and Last Survivor Annuity will be furnished upon request.

SETTLEMENT OPTIONS

Option One, Two, and Three Monthly Income Rates per \$1,000 of Proceeds						
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Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
20	2.33	2.33	2.33	2.33	2.33	2.32
21	2.35	2.35	2.35	2.35	2.35	2.33
22	2.37	2.37	2.37	2.37	2.37	2.35
23	2.39	2.39	2.39	2.39	2.39	2.37
24	2.41	2.41	2.41	2.41	2.41	2.39
25	2.43	2.43	2.43	2.43	2.43	2.41
26	2.46	2.46	2.45	2.45	2.45	2.43
27	2.48	2.48	2.48	2.48	2.47	2.45
28	2.50	2.50	2.50	2.50	2.50	2.48
29	2.53	2.53	2.53	2.52	2.52	2.50
30	2.55	2.55	2.55	2.55	2.55	2.52
31	2.58	2.58	2.58	2.58	2.57	2.55
32	2.61	2.61	2.61	2.60	2.60	2.57
33	2.64	2.64	2.64	2.63	2.63	2.60
34	2.67	2.67	2.67	2.66	2.66	2.63
35	2.70	2.70	2.70	2.69	2.69	2.66
36	2.73	2.73	2.73	2.73	2.72	2.68
37	2.77	2.77	2.77	2.76	2.75	2.72
38	2.81	2.80	2.80	2.80	2.79	2.75
39	2.84	2.84	2.84	2.83	2.82	2.78
40	2.88	2.88	2.88	2.87	2.86	2.81
41	2.92	2.92	2.92	2.91	2.90	2.85
42	2.97	2.97	2.96	2.95	2.94	2.89
43	3.01	3.01	3.01	2.99	2.98	2.93
44	3.06	3.06	3.05	3.04	3.02	2.97

SETTLEMENT OPTIONS

Option One, Two, and Three (continued)						
Monthly Income Rates per \$1,000 of Proceeds						

Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
45	3.11	3.11	3.10	3.09	3.06	3.01
46	3.16	3.16	3.15	3.14	3.11	3.05
47	3.22	3.21	3.20	3.19	3.16	3.10
48	3.27	3.27	3.26	3.24	3.21	3.14
49	3.33	3.33	3.32	3.29	3.26	3.19
50	3.39	3.39	3.38	3.35	3.31	3.24
51	3.46	3.45	3.44	3.41	3.37	3.29
52	3.53	3.52	3.51	3.47	3.42	3.35
53	3.60	3.59	3.57	3.54	3.48	3.41
54	3.68	3.67	3.65	3.61	3.54	3.47
55	3.76	3.75	3.72	3.68	3.60	3.53
56	3.84	3.83	3.80	3.75	3.67	3.60
57	3.93	3.92	3.89	3.83	3.73	3.66
58	4.02	4.01	3.98	3.91	3.80	3.74
59	4.12	4.11	4.07	3.99	3.87	3.81
60	4.23	4.22	4.17	4.08	3.94	3.89
61	4.35	4.33	4.27	4.17	4.01	3.97
62	4.47	4.45	4.38	4.26	4.08	4.06
63	4.60	4.57	4.50	4.36	4.15	4.15
64	4.73	4.71	4.62	4.46	4.23	4.24
65	4.88	4.85	4.75	4.56	4.30	4.34
66	5.04	5.00	4.88	4.67	4.37	4.45
67	5.20	5.16	5.02	4.78	4.43	4.56
68	5.38	5.33	5.17	4.89	4.50	4.68
69	5.57	5.51	5.32	5.00	4.56	4.80

SETTLEMENT OPTIONS

Option One, Two, and Three (continued) Monthly Income Rates per \$1,000 of Proceeds
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Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
70	5.78	5.71	5.48	5.11	4.62	4.93
71	6.00	5.91	5.65	5.21	4.68	5.06
72	6.23	6.13	5.82	5.32	4.73	5.21
73	6.48	6.36	6.00	5.43	4.78	5.36
74	6.75	6.61	6.18	5.53	4.82	5.52
75	7.04	6.87	6.37	5.63	4.86	5.68
76	7.36	7.15	6.56	5.73	4.89	5.86
77	7.69	7.45	6.75	5.81	4.92	6.05
78	8.05	7.76	6.94	5.90	4.94	6.24
79	8.44	8.08	7.13	5.97	4.96	6.45
80	8.86	8.43	7.31	6.04	4.98	6.66
81	Not Available	8.79	7.50	6.10	5.00	Not Available
82		9.16	7.67	6.16	5.01	
83		9.55	7.84	6.20	5.02	
84		9.95	8.00	6.24	5.02	
85+		10.36	8.15	6.28	5.03	

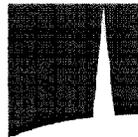
SETTLEMENT OPTIONS

Option Five			
Monthly Income Rates per \$1,000 of Proceeds			
Number Years	Monthly Payment	Number Years	Monthly Payment
5	17.49	18	5.50
6	14.72	19	5.26
7	12.74	20	5.04
8	11.25	21	4.85
9	10.10	22	4.67
10	9.18	23	4.51
11	8.42	24	4.36
12	7.80	25	4.22
13	7.26	26	4.10
14	6.81	27	3.98
15	6.42	28	3.87
16	6.07	29	3.77
17	5.77	30	3.68

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- **Single Premium Indexed Deferred Annuity Contract**

Monthly income commencing on Annuity Date. Option to change Annuity Date. Option to change type of Annuity Benefit payable. Non-Participating. A Stock Company.



AVIVA

611 5th Avenue
Des Moines, IA 50309
(800) 800-9882

Single Premium Indexed Deferred Annuity Contract

Aviva Life and Annuity Company (hereinafter "the Company") will make the payments and provide the benefits described in this Contract in consideration for the payment by the Owner of the Premium when due.

Upon the death of the Annuitant before the Annuity Date, the Company will pay the Beneficiary the Death Benefit as provided in this Contract. Payment will be made on receipt of due proof of the Annuitant's death and surrender of this Contract.

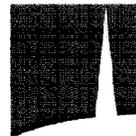
This is a legal contract between the Owner and **Aviva Life and Annuity Company**.

PLEASE READ THIS CONTRACT CAREFULLY. It includes the provisions both on the pages within and on any riders or endorsements which are attached. If the Owner is not satisfied with the Contract, the Owner may return it to the Company or to the agent from whom the Contract was purchased within 20 days following its receipt and the Premium paid will be refunded and the Contract will be cancelled.

- Single Premium Indexed Deferred Annuity Contract.
- Monthly income commencing on Annuity Date.
- Option to change Annuity Date.
- Option to change type of Annuity Benefit payable.
- Non-Participating.
- A Stock Company.


Thomas C. Godlasky
President and CEO


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CONTRACT DATA PAGE

Contract Data	
Contract Number:	[Specimen]
Annuitant:	[John Doe]
Annuitant's Age:	[70]
Annuitant's Sex:	[Male]
Contract Date:	[05/01/2008]
Annuity Date:	[05/01/2033]
Premium:	[\$25,000.00]

Withdrawal Charge Rate Schedule	
Contract Year	Rate
1	[7.00%]
2	[6.00%]
3	[6.00%]
4	[5.00%]
5	[4.00%]
There are no Withdrawal Charges after the 5th Contract Year.	

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CONTRACT DATA PAGE • Continued**Strategy Allocation Percentages on the Contract Date**

Fixed Strategy:	[100.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (S&P 500):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (Hang Seng):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (EuroStoxx50):	[0.00%]
Multi-Year Point-to-Point Index Strategy (S&P 500):	[0.00%]
Multi-Year Point-to-Point Index Strategy (Hang Seng):	[0.00%]
Multi-Year Point-to-Point Index Strategy (EuroStoxx50):	[0.00%]

DATA ELEMENTS FOR EACH STRATEGY CAN BE FOUND IN THE ENDORSEMENTS ATTACHED TO THIS CONTRACT. DATA ELEMENTS MAY INCLUDE, BUT ARE NOT LIMITED TO, INITIAL AND MINIMUM GUARANTEED INTEREST RATES, INITIAL INDEX PRICES, INITIAL AND MINIMUM GUARANTEED PARTICIPATION RATES, INITIAL AND MAXIMUM GUARANTEED SPREADS, AND INITIAL AND MINIMUM GUARANTEED CAP RATES.

**FOR INFORMATION, OR TO MAKE A COMPLAINT REGARDING THIS CONTRACT,
CALL: [1-888-252-5530]**

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TABLE OF GUARANTEED MINIMUM VALUES

End of Contract Year	Minimum Cash Surrender Value
1	[\$24,122.50]
2	[25,081.15]
3	[25,829.08]
4	[26,855.84]
5	[27,922.58]
6	[29,561.48]
7	[30,152.71]
8	[30,755.77]
9	[31,370.88]
10	[31,998.30]
11	[32,638.27]
12	[33,291.03]
13	[33,956.85]
14	[34,635.99]
15	[35,328.71]
16	[36,035.29]
17	[36,755.99]
18	[37,491.11]
19	[38,240.93]
20	[39,005.75]
Age 95	[43,065.51]

Contract Number: [Specimen]

Premium: [\$25,000.00]

The values at left are calculated as defined in the Cash Surrender Value section of this Contract, assuming no Interest Credits, Withdrawals, transfers or Premium Taxes.

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract, other than on the Contract Anniversary, shall be calculated with allowance for the lapse of time since the Contract Anniversary and are not less than the minimum benefits required by statute in the state in which this Contract is delivered.

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GENERAL PROVISIONS

- **The Contract**

This Contract, including endorsements, riders or signed amendments, the Contract Data Page and the attached application, constitute the entire Contract. All statements made in the application are representations and not warranties. No statement will be used to deny a claim unless made in the application, a copy of which is attached to this Contract. This Contract and the Company's obligation under this Contract shall terminate upon the payment of all benefits required by this Contract.

- **Contract Date, Contract Month, Contract Year and Contract Anniversary**

Coverage provided by this Contract is effective as of the Contract Date shown on the Contract Data Page. Contract Months, Contract Years and Contract Anniversaries are determined from the Contract Date. Hypothetical example: If the Contract Date is January 26, 2008, the first Contract Month ends on February 26, 2008, the first Contract Year ends on January 26, 2009, and the first Contract Anniversary occurs on January 26, 2009.

- **Authority to Change**

No one except the President or Secretary of the Company may change or waive any of the terms of this Contract. Any change must be in writing and signed by the President or the Secretary of the Company.

- **Incontestability**

All statements made in the application are considered representations and not warranties. The validity of the Contract will not be contestable.

- **Age and Sex**

If the age or sex of the Annuitant has been misstated, the amount payable by the Company will be that which the Premium paid would have purchased if the true age and sex had been stated on the application for this Contract. Age will be calculated as of the Contract Date and will be equal to the age at the last birthday of the Annuitant. Any underpayments already made by the Company will be immediately paid in one sum with interest compounded at the rate of 3.00% per year. Any overpayments made by the Company will be charged against the next succeeding annuity payment or payments with interest compounded at the rate of 3.00% per year.

- **Annuitant; Joint Annuitants**

The Annuitant is the person named on the Contract Data Page whose life determines the annuity payments made under this Contract and is the person who will receive such payments on the Annuity Date. We will allow the Owner to name in the application two people to jointly serve as the Annuitant. If Joint Annuitants are named, this Contract will be issued only if the Joint Annuitants are spouses. After the Contract Date, neither the Annuitant nor the Joint Annuitants may be changed.

GENERAL PROVISIONS

Unless otherwise stated, Annuitant shall mean the Annuitants jointly if Joint Annuitants have been named. If Joint Annuitants are named and one Joint Annuitant dies, the Contract shall continue with the surviving Joint Annuitant serving as the sole surviving Annuitant. For purposes of administering the provisions of this Contract, when Joint Annuitants are named, the Annuitant shall be considered living as long as at least one Joint Annuitant is alive. In other words, for purposes of administering the provisions of this Contract, if Joint Annuitants are named, it is only on the death of the last surviving Annuitant that the Annuitant is considered to have died.

• Owner

Owner means the Contract Owner named in the application or the Contract Owner's successor or assignee if ownership has been assigned. If no Owner is named on the application, the Annuitant will be the Owner. During the Annuitant's lifetime all rights described in this Contract may be exercised by the Owner subject to the rights of:

- (a) Any assignee of record with the Company; and
- (b) Any irrevocably named Beneficiary.

If an Owner who is a natural person dies during the Annuitant's lifetime, the contingent owner named in the application, if any, will become the Owner. If there is no contingent owner named, ownership will pass to the estate of the Owner. Subject to the Distribution on Death of Owner section in this Contract, in the case of joint ownership, on the death of a joint owner, ownership will pass to the surviving Owner(s). On the death of the last surviving Owner, if no contingent owner has been named, ownership will pass to the estate of the last surviving Owner.

All rights of the Owner under this Contract terminate on the death of the Annuitant.

For purposes of the Distribution on Death of Owner section, if the Owner of the Contract is not a natural person, the death of any Annuitant shall be treated as the death of an Owner of the Contract.

• Assignment

This Contract may be assigned by written request filed with the Company unless restricted by endorsement to this Contract. The assignment will take effect on the date the written request was signed. However, the assignment is subject to any action taken by the Company prior to receipt of the written request. The Company has no liability under any assignment for its actions or omissions done in good faith.

• Beneficiary

The Beneficiary is the person or persons who will receive the Death Benefit provided by this Contract. While the Annuitant is alive, the Owner may change a Beneficiary by a signed written request filed with the Company and may name one or more contingent Beneficiaries. No change will take effect unless the Company receives such signed written request. A change will take effect as of the date the written request was signed. Any change is subject to payment or other action taken by the Company before the change was received.

GENERAL PROVISIONS

The following rules shall apply unless otherwise permitted by the Company in accordance with applicable law:

1. All rights of a Beneficiary, including an irrevocable Beneficiary, will end if such Beneficiary dies before the Annuitant.
2. If no Beneficiary has been named when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
3. If no Beneficiary is alive when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
4. If only one Beneficiary survives the Annuitant, the Company will pay the entire Death Benefit to such Beneficiary.
5. If the Owner has not designated how the Death Benefit is to be distributed and two or more Beneficiaries survive the Annuitant, the surviving Beneficiaries will share the Death Benefit equally.
6. If the Owner has designated how the Death Benefit is to be distributed and a Beneficiary predeceases the Annuitant, the portion of the Death Benefit designated to the deceased Beneficiary shall be divided among the surviving Beneficiaries on a pro rata basis. In other words, each surviving Beneficiary's interest in the Death Benefit will be divided by the sum of the interests of all surviving Beneficiaries to determine the percentage each surviving Beneficiary will receive of the deceased Beneficiary's original interest in the Death Benefit.

A Beneficiary that is not a natural person will be considered living for purposes of administering these rules. The interest of any named irrevocable Beneficiary cannot be changed without the written consent of such Beneficiary. No Beneficiary has any rights in the Contract until the Annuitant dies.

If the Annuitant dies on or after the Annuity Date and before all of the required Annuity payments have been made, all remaining Annuity payments will be subject to the above requirements regarding payment of the Death Benefit. Thus, for purposes of determining the amount of and to whom all remaining Annuity payments shall be made, the Company will treat all remaining Annuity payments as if they were a Death Benefit.

● Designated Beneficiary

Designated Beneficiary as used in the Distribution on Death of Owner section shall mean: (i) the contingent owner named in the application, or as subsequently changed, if any; (ii) the joint owner or Owners in the case of joint ownership; or (iii) the estate of the Owner if no contingent owner is named, and there is no joint owner or Owners.

GENERAL PROVISIONS

● Annuity Date

On the Contract Date of this Contract, the Annuity Date will be set by the Company at the Contract Anniversary following the Annuitant's age 95. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. During the lifetime of the Annuitant and prior to the Annuity Date, the Owner may change the Annuity Date by filing a signed written request with the Company. The Annuity Date may not be changed to a date earlier than 5 years after the Contract Date of this Contract.

● Proceeds

Proceeds shall mean the amount payable from the Contract when the Contract is surrendered, when the Death Benefit becomes payable or on the Annuity Date.

● Premium Taxes

The Company may be charged a state imposed Premium Tax on the Premiums you pay for this Contract. If a Premium Tax is imposed, the Company may deduct the amount of such tax from your Premiums when your Premiums are received, or from the Accumulated Value of the Contract upon:

1. Any Withdrawal from the Contract;
2. The full surrender of the Contract;
3. The election of a Settlement Option; or
4. The payment of a Death Benefit.

● Terms of Annuity Payment

● If there is one living Annuitant on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide a 10 Year Certain and Life Annuity to the Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Annuitant before making the first annuity payment. In order to receive payments, the Annuitant must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● If there are two living Annuitants on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide to the Annuitant listed first in the application a Joint and Last Survivor Annuity for the joint lifetime of the two Joint Annuitants and in an equal amount to the surviving Joint Annuitant during the remaining lifetime of the surviving Joint Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

GENERAL PROVISIONS

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Joint Annuitants before making the first annuity payment. In order to receive payments, the Joint Annuitants must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● **Death Benefit**

The Death Benefit provided by this Contract will be paid upon receipt by the Company at its Administrative Office of due proof of the Annuitant's death and surrender of the Contract. The following in a form and manner satisfactory to the Company shall be considered due proof of the Annuitant's death:

1. Proof of death of the Annuitant while this Contract was in force. If Joint Annuitants are named, proof of death of the Annuitant shall mean proof of death of the second to die of the Joint Annuitants;
2. The Company's claim form from each Beneficiary, properly completed; and
3. Any other documents required by law.

The Death Benefit will be equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor paid in a lump sum and will be calculated as of the date the Company receives at its Administrative Office the due proof of the Annuitant's death as required above. In lieu of receiving the Death Benefit in a lump sum, the Beneficiary may elect to have the Death Benefit applied under any of the Optional Annuity Benefits provided for in the Contract. The Death Benefit must be paid in a manner that complies with the applicable requirements of Section 72(s) of the Internal Revenue Code.

The Death Benefit will earn interest from the date the Company receives at its Administrative Office the due proof of the Annuitant's death required above to the date of payment or other settlement at the same rate the Company would have credited interest on the Fixed Strategy if the Annuitant had not died. If a higher rate of interest is required by law, the Company will pay the higher rate.

● **Death of Non-Owner Annuitant**

The Company will pay the Beneficiary the Death Benefit provided in this Contract if the Annuitant who is not an Owner dies before the Annuity Date while this Contract is in force.

● **Distribution on Death of Owner**

● **Where Owner is not the Annuitant**

If any Owner dies before the Annuity Date while the Annuitant is alive, the Contract will continue, but the Cash Surrender Value of this Contract will be distributed to the Designated Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

GENERAL PROVISIONS

1. The Owner's entire interest in the Contract is payable to the Designated Beneficiary who is an individual;
2. Such entire interest will be distributed over the life of the Designated Beneficiary or over a period not extending beyond the life expectancy of the Designated Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Designated Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

● Where Owner is the Annuitant

If any Owner who is also the Annuitant dies before the Annuity Date, the Contract will continue, but the applicable Death Benefit as provided for under the Death Benefit section of this Contract will be distributed to the Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

1. The Death Benefit is payable to the Beneficiary who is an individual;
2. The Death Benefit will be distributed over the life of the Beneficiary or over a period not extending beyond the life expectancy of the Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

GENERAL PROVISIONS**● Conformity with Applicable Laws**

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract are not less than the minimum benefits required by statute in the state in which this Contract is delivered. If any provision of this Contract is determined not to provide the minimum benefits required by the statutes or regulations of the state in which the Contract is delivered, such provision will be deemed to be amended to conform or comply with such laws or regulations. In addition, notwithstanding any provision in the Contract to the contrary, all distributions under the Contract must be made in accordance with the applicable requirements of Section 72(s) of the Internal Revenue Code, and all terms of the Contract shall be interpreted consistently with the requirements of this section.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Premium

The Premium for this Contract may be paid at the Company's Administrative Office, or delivered to an agent of the Company. The Premium is shown on the Contract Data Page and is due on the Contract Date. The Company may limit the amount of Premium that it will accept for this Contract. The Premium will be credited to the Strategies on the Contract Date based on the Allocation Percentages selected by the Owner.

● Business Day

Business Day shall mean any day of the week except for Saturday, Sunday and U.S. Federal holidays.

● Allocation Percentages

On the Contract Date, the Premium will be credited to the Strategies based on the Allocation Percentages selected by the Owner. The Allocation Percentages selected for each Strategy must be a whole percentage ranging from 0% to 100% and when summed together must equal 100%. The Allocation Percentages in effect on the Contract Date are shown on the Contract Data Page.

● Transferred Premium

To the extent a Strategy allows for transfers to be made from that Strategy to one or more of the Contract's other Strategies, the Transferred Premium section of the Endorsement that established that Strategy shall contain the provisions for making such transfers. For any transfer request received by the Company where the amount to be transferred represents a percentage of a known or unknown value, the Company will use its best efforts to determine the amount that must be transferred from each Strategy in order to satisfy the intent of the Owner's original request.

● Strategies

The Strategies for this Contract shall be the Strategies that are added to and made part of this Contract by Endorsement. The Strategies on the Contract Date are shown on the Contract Data Page. Each Strategy will be established by a separate Endorsement. After a Strategy has been added to and made part of this Contract, Premium may be allocated and funds may be transferred to the Strategy in accordance with the provisions of this Contract. The Endorsement shall establish the method by which Interest Credits are earned on each Strategy.

● Interest Credits

Interest Credits will be calculated for a Strategy based on the provisions of the Endorsement for that Strategy.

● Accumulated Value

The Accumulated Value of this Contract at any time shall be equal to the sum of each Strategy's Strategy Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**● Strategy Value**

The Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Cash Surrender Value

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may surrender this Contract for the Cash Surrender Value.

The Cash Surrender Value is the greatest of (1), (2) or (3) where:

- (1) Is the Accumulated Value, adjusted for any applicable Withdrawal Charge.
- (2) Is the Accumulated Value Floor, adjusted for any applicable Withdrawal Charge.
- (3) Is the Minimum Guaranteed Contract Value.

The Withdrawal Charge in any Contract Year will be equal to $[(A - B) \times C]$ where:

- (A) Is the Accumulated Value or the Accumulated Value Floor, whichever is applicable.
- (B) Is any Free Withdrawal amount available and remaining in the Contract Year.
- (C) Is any applicable Withdrawal Charge Rate shown on the Contract Data Page.

The Company may defer payment upon surrender of this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Accumulated Value Floor

The Accumulated Value Floor of this Contract at any time shall be equal to the sum of each Strategy's Strategy Accumulated Value Floor.

● Strategy Accumulated Value Floor

The Strategy Accumulated Value Floor of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value of this Contract at any time shall be equal to the sum of each Strategy's Minimum Guaranteed Strategy Value.

● Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**• Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals**

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may withdraw an amount up to the Cash Surrender Value. Unless specified otherwise by the Owner, Withdrawals will be made pro rata from all Strategies based on the Strategy Values as of the Withdrawal date.

A Free Withdrawal amount is provided each Contract Year. There will be no Withdrawal Charges applied to the Free Withdrawal amount. The Free Withdrawal amount available each Contract Year will be calculated at the time of the first Withdrawal that Contract Year. The Free Withdrawal amount will be equal to 10.00% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.

The Free Withdrawal amount provided each Contract Year is per Contract Year and any unused amount during a particular Contract Year cannot be carried over to one or more subsequent Contract Years.

If the amount of a Withdrawal in any Contract Year exceeds the Free Withdrawal amount for that Contract Year, such excess Withdrawal will be subject to any applicable Withdrawal Charge. Withdrawal Charges will be calculated utilizing the Withdrawal Charge Rates shown on the Contract Data Page.

To make a Withdrawal from this Contract, the Owner must submit a written request to the Company. The request must be signed and dated by the Owner. Withdrawals from any of the Strategies will be made in the manner set forth in the Endorsements for those Strategies. The minimum amount that may be withdrawn from this Contract at any time is \$2,000. The Endorsements for certain Strategies may specify a minimum value that must be maintained in order to participate in any Interest Credits for that Strategy.

If the attained age of the Owner is 70 or older at the time of the first Withdrawal in any Contract Year, the Free Withdrawal amount for that Contract Year will equal the greater of (a) or (b) where:

- (a) Is the Contract's Free Withdrawal amount; and
- (b) Is the Owner's Required Minimum Distribution attributable to this Contract up to the Maximum Required Minimum Distribution provided by this Contract.

Owner's Required Minimum Distribution shall mean the minimum amount, if any, as calculated for this Contract under Internal Revenue Code Section 401, 403, 408, 408A, 457 and current IRS rules regarding minimum distributions, that must be distributed to the Owner of this Contract.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

The Maximum Required Minimum Distribution available in any Contract Year shall equal (a) divided by (b) where:

- (a) Is the greatest of the Contract's Cash Surrender Value, Accumulated Value or Accumulated Value Floor at the time of the first Withdrawal that Contract Year; and
- (b) Is the Withdrawal Factor for the Owner's attained age at the time of the first Withdrawal that Contract Year.

Minimum Distribution Withdrawal Factors

Attained Age of Owner	Withdrawal Factor	Attained Age of Owner	Withdrawal Factor
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115 and over	1.9

The Company may defer payment of Withdrawals from this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Statements

The Company will furnish to the Owner annually, and at any time upon request, a Statement reflecting the total amount of Accumulated Value and Cash Surrender Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**• Terminal Illness Waiver of Withdrawal Charges**

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is diagnosed with a Terminal Illness and both of the following conditions are met:

- (a) The Annuitant or the Joint Annuitant's Terminal Illness is initially diagnosed at least one year after the Contract Date; and
- (b) The additional Free Withdrawal request is accompanied by Proof of Terminal Illness.

The Free Withdrawal amount that is available during any Contract Year that the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Proof of Terminal Illness means a certification of Terminal Illness prepared by a Physician who has examined the Annuitant or the Joint Annuitant and is qualified to provide the certification.

Upon receipt of the certification of Terminal Illness, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company.

Terminal Illness means an illness that is expected to cause death within twelve (12) months.

• Confinement Waiver of Withdrawal Charges

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is confined to a Hospital, Hospice Facility or Convalescent Care Facility and all of the following conditions are met:

- (a) The Annuitant or Joint Annuitant is confined to a Hospital, Hospice Facility or Convalescent Care Facility for at least 60 consecutive days;
- (b) The Annuitant or Joint Annuitant's confinement in the Hospital, Hospice Facility or Convalescent Care Facility begins at least one year after the Contract Date;
- (c) The additional Free Withdrawal request is received by the Company no later than ninety (90) days following the date that the qualifying confinement has ceased;

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

- (d) Confinement in a Hospital, Hospice Facility or Convalescent Care Facility is recommended by a Physician who is duly licensed by the state to treat the injury or sickness causing the confinement and who is not an employee of the Hospital, Convalescent Care Facility or Hospice Facility where the Annuitant or Joint Annuitant is confined; and
- (e) The additional Free Withdrawal request is accompanied by written proof of confinement and the Physician's recommendation.

The Free Withdrawal amount that is available during any Contract Year that all of the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Convalescent Care Facility means an institution which: (i) is licensed by the state as a convalescent nursing facility, a qualified nursing facility, a convalescent hospital, a convalescent unit of a Hospital, an intermediate care facility, or a custodial care facility; (ii) is primarily engaged in providing, in addition to room and board accommodations, continuous nursing service by or under the supervision of a Physician or a licensed registered nurse (R.N.); (iii) maintains a daily record of each patient which is available for review by the Company; and (iv) administers a planned program of observation and treatment by a Physician (other than the proprietor or an employee of such facility) which is in accordance with existing standards of medical practice for the confinement.

Convalescent Care Facility does not mean a facility or any part of a facility used primarily for: rest care, training or education, or the treatment of alcoholism or chemical dependency.

Hospice Facility means an institution which provides a formal program of care for terminally ill patients whose life expectancy is less than 6 months, provided on an inpatient basis and directed by a Physician. It must be licensed, certified or registered in accordance with state law.

Hospital means an institution which: (i) is licensed as a Hospital and operated pursuant to law; (ii) is primarily engaged in providing or operating (either on its premises or in facilities available to the Hospital on a prearranged contractual basis and under the supervision of a staff of one or more duly licensed Physicians) diagnostic and surgery facilities for the medical care and treatment of injured and sick persons on an inpatient basis for which a charge is made; and (iii) provides 24-hour nursing service by or under the supervision of a licensed registered nurse (R.N.).

Hospital shall not include any institution which: is principally a rest home, nursing home, convalescent home, home for the aged, or is principally an institution for the care and treatment of alcohol or chemical dependency.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Home Health Care Services Waiver of Withdrawal Charges

Each Contract Year after the first Contract Year, the Owner may request an additional Free Withdrawal if the Annuitant or at least one of the Joint Annuitants is unable to perform at least two (2) of the five (5) Activities of Daily Living. The additional Free Withdrawal request must be accompanied by a Physician's written verification of the Annuitant or Joint Annuitant's inability to perform the Activities of Daily Living.

The additional Free Withdrawal amount that is available during any Contract Year that the above provisions are satisfied is equal to (1) minus (2) minus (3) where:

- (1) Is 20% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.
- (2) Is the maximum Free Withdrawal amount available for that Contract Year under the Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals provision of the Contract.
- (3) Is the amount of any additional Free Withdrawal taken during the Contract Year under the Terminal Illness Waiver of Withdrawal Charges or the Confinement Waiver of Withdrawal Charges provisions of the Contract.

Activities of Daily Living shall include and be limited to Bathing, Dressing, Eating, Toileting and Transferring.

- Bathing means washing oneself by sponge bath or in either a tub or shower, and shall include the task of getting into or out of the tub or shower.
- Dressing means putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- Eating means feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
- Toileting means getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene.
- Transferring means moving into or out of a bed, chair or wheelchair.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Upon receipt of the Physician's written verification, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company. The Company may also require proof from time to time to verify the Annuitant or Joint Annuitant's inability to perform Activities of Daily Living.

SETTLEMENT OPTIONS

● Election of Option

The Beneficiary may elect to receive the Death Benefit provided by this Contract under one of the Settlement Options provided in this Contract. However, the Settlement Option elected must satisfy the applicable distribution requirements of Section 72(s) of the Internal Revenue Code.

Any election of a Settlement Option must be made in writing and is irrevocable after the payments commence. The Payee is the person who will receive the payments under the option. The Payee must be a natural person. No Payee shall have the right to assign or transfer any future payments under any option except as provided in the option or by law.

Multiple Settlement Options may be elected except in the case where the payout is being made because of the death of an Owner. If more than one option is elected, the amount applied under each option must be at least \$5,000. Payments under the options elected may start on the same or different dates as agreed by the Company.

Payments made quarterly, semiannually or annually may be elected in lieu of monthly payments. The amount of such payments will be furnished upon request. Payments less than \$100 will only be made annually.

● Optional Annuity Benefits

This Contract will provide the following Optional Annuity Benefits:

Option 1 - Life Annuity

Monthly payments will be made during the lifetime of the Payee. The monthly payments will cease on the death of the Payee. No payments will be due after the death of the Payee.

Option 2 - Life Annuity with Guaranteed Period

Monthly payments will be made for the guaranteed period elected and thereafter for the lifetime of the Payee. The guaranteed periods are 5, 10, 15 or 20 years, or any other period agreed upon in writing by the Company. After the guaranteed period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the guaranteed period, no payments will be due after the guaranteed period.

SETTLEMENT OPTIONS**Option 3 - Installment Refund Life Annuity**

Monthly payments will be made for the Installment Refund Period and thereafter for the lifetime of the Payee. The Installment Refund Period is the period required for the sum of the monthly payments to equal the total amount applied under this option. After the Installment Refund Period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the Installment Refund Period, no payments will be due after the Installment Refund Period.

Option 4 - Joint and Last Survivor Annuity

Monthly payments will be made for the joint lifetime of two persons and in an equal amount during the remaining lifetime of the survivor. Payments will cease on the death of the last survivor. No payments will be due after the death of the last survivor. Payments may also be made to the survivor in an amount equal to $\frac{2}{3}$ or $\frac{1}{2}$ of the payment made during the joint lifetime of the two persons.

Option 5 - Fixed Period Annuity

Monthly payments will be made for the fixed period elected. Payments will cease at the end of the fixed period and no further payments will be due. The fixed period that may be elected is any period from 5 to 30 years.

The Annuity Settlement Option factors contained in the following tables are based on the Annuity 2000 Mortality Table and a minimum guaranteed interest rate of 2.00%, assuming that 50% of Annuitants are male and 50% are female. Interest in excess of the guaranteed rate may be paid as determined by the Company.

Annuity Settlement Option factors for Option 4 - Joint and Last Survivor Annuity will be furnished upon request.

SETTLEMENT OPTIONS

Option One, Two, and Three Monthly Income Rates per \$1,000 of Proceeds						
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Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
20	2.33	2.33	2.33	2.33	2.33	2.32
21	2.35	2.35	2.35	2.35	2.35	2.33
22	2.37	2.37	2.37	2.37	2.37	2.35
23	2.39	2.39	2.39	2.39	2.39	2.37
24	2.41	2.41	2.41	2.41	2.41	2.39
25	2.43	2.43	2.43	2.43	2.43	2.41
26	2.46	2.46	2.45	2.45	2.45	2.43
27	2.48	2.48	2.48	2.48	2.47	2.45
28	2.50	2.50	2.50	2.50	2.50	2.48
29	2.53	2.53	2.53	2.52	2.52	2.50
30	2.55	2.55	2.55	2.55	2.55	2.52
31	2.58	2.58	2.58	2.58	2.57	2.55
32	2.61	2.61	2.61	2.60	2.60	2.57
33	2.64	2.64	2.64	2.63	2.63	2.60
34	2.67	2.67	2.67	2.66	2.66	2.63
35	2.70	2.70	2.70	2.69	2.69	2.66
36	2.73	2.73	2.73	2.73	2.72	2.68
37	2.77	2.77	2.77	2.76	2.75	2.72
38	2.81	2.80	2.80	2.80	2.79	2.75
39	2.84	2.84	2.84	2.83	2.82	2.78
40	2.88	2.88	2.88	2.87	2.86	2.81
41	2.92	2.92	2.92	2.91	2.90	2.85
42	2.97	2.97	2.96	2.95	2.94	2.89
43	3.01	3.01	3.01	2.99	2.98	2.93
44	3.06	3.06	3.05	3.04	3.02	2.97

SETTLEMENT OPTIONS

Option One, Two, and Three (continued) Monthly Income Rates per \$1,000 of Proceeds
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Period Certain & Life						
----------------------------------	--	--	--	--	--	--

Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
45	3.11	3.11	3.10	3.09	3.06	3.01
46	3.16	3.16	3.15	3.14	3.11	3.05
47	3.22	3.21	3.20	3.19	3.16	3.10
48	3.27	3.27	3.26	3.24	3.21	3.14
49	3.33	3.33	3.32	3.29	3.26	3.19
50	3.39	3.39	3.38	3.35	3.31	3.24
51	3.46	3.45	3.44	3.41	3.37	3.29
52	3.53	3.52	3.51	3.47	3.42	3.35
53	3.60	3.59	3.57	3.54	3.48	3.41
54	3.68	3.67	3.65	3.61	3.54	3.47
55	3.76	3.75	3.72	3.68	3.60	3.53
56	3.84	3.83	3.80	3.75	3.67	3.60
57	3.93	3.92	3.89	3.83	3.73	3.66
58	4.02	4.01	3.98	3.91	3.80	3.74
59	4.12	4.11	4.07	3.99	3.87	3.81
60	4.23	4.22	4.17	4.08	3.94	3.89
61	4.35	4.33	4.27	4.17	4.01	3.97
62	4.47	4.45	4.38	4.26	4.08	4.06
63	4.60	4.57	4.50	4.36	4.15	4.15
64	4.73	4.71	4.62	4.46	4.23	4.24
65	4.88	4.85	4.75	4.56	4.30	4.34
66	5.04	5.00	4.88	4.67	4.37	4.45
67	5.20	5.16	5.02	4.78	4.43	4.56
68	5.38	5.33	5.17	4.89	4.50	4.68
69	5.57	5.51	5.32	5.00	4.56	4.80

SETTLEMENT OPTIONS

Option One, Two, and Three (continued) Monthly Income Rates per \$1,000 of Proceeds
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Period Certain & Life						
----------------------------------	--	--	--	--	--	--

Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
70	5.78	5.71	5.48	5.11	4.62	4.93
71	6.00	5.91	5.65	5.21	4.68	5.06
72	6.23	6.13	5.82	5.32	4.73	5.21
73	6.48	6.36	6.00	5.43	4.78	5.36
74	6.75	6.61	6.18	5.53	4.82	5.52
75	7.04	6.87	6.37	5.63	4.86	5.68
76	7.36	7.15	6.56	5.73	4.89	5.86
77	7.69	7.45	6.75	5.81	4.92	6.05
78	8.05	7.76	6.94	5.90	4.94	6.24
79	8.44	8.08	7.13	5.97	4.96	6.45
80	8.86	8.43	7.31	6.04	4.98	6.66
81	Not Available	8.79	7.50	6.10	5.00	Not Available
82		9.16	7.67	6.16	5.01	
83		9.55	7.84	6.20	5.02	
84		9.95	8.00	6.24	5.02	
85+		10.36	8.15	6.28	5.03	

SETTLEMENT OPTIONS

Option Five			
Monthly Income Rates per \$1,000 of Proceeds			
Number Years	Monthly Payment	Number Years	Monthly Payment
5	17.49	18	5.50
6	14.72	19	5.26
7	12.74	20	5.04
8	11.25	21	4.85
9	10.10	22	4.67
10	9.18	23	4.51
11	8.42	24	4.36
12	7.80	25	4.22
13	7.26	26	4.10
14	6.81	27	3.98
15	6.42	28	3.87
16	6.07	29	3.77
17	5.77	30	3.68

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- **Single Premium Indexed Deferred Annuity Contract**

Monthly income commencing on Annuity Date. Option to change Annuity Date. Option to change type of Annuity Benefit payable. Non-Participating. A Stock Company.



AVIVA

611 5th Avenue
Des Moines, IA 50309
(800) 800-9882

Single Premium Indexed Deferred Annuity Contract

Aviva Life and Annuity Company (hereinafter "the Company") will make the payments and provide the benefits described in this Contract in consideration for the payment by the Owner of the Premium when due.

Upon the death of the Annuitant before the Annuity Date, the Company will pay the Beneficiary the Death Benefit as provided in this Contract. Payment will be made on receipt of due proof of the Annuitant's death and surrender of this Contract.

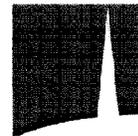
This is a legal contract between the Owner and **Aviva Life and Annuity Company**.

PLEASE READ THIS CONTRACT CAREFULLY. It includes the provisions both on the pages within and on any riders or endorsements which are attached. If the Owner is not satisfied with the Contract, the Owner may return it to the Company or to the agent from whom the Contract was purchased within 20 days following its receipt and the Premium paid will be refunded and the Contract will be cancelled.

- Single Premium Indexed Deferred Annuity Contract.
- Monthly income commencing on Annuity Date.
- Option to change Annuity Date.
- Option to change type of Annuity Benefit payable.
- Non-Participating.
- A Stock Company.


Thomas C. Godlasky
President and CEO


Michael H. Miller
Secretary



AVIVA

611 5th Avenue
Des Moines, IA 50309
(800) 800-9882

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CONTRACT DATA PAGE

Contract Data	
Contract Number:	[Specimen]
Annuitant:	[John Doe]
Annuitant's Age:	[70]
Annuitant's Sex:	[Male]
Contract Date:	[05/01/2008]
Annuity Date:	[05/01/2033]
Premium:	[\$25,000.00]

Withdrawal Charge Rate Schedule	
Contract Year	Rate
1	[7.00%]
2	[7.00%]
3	[6.00%]
4	[6.00%]
5	[5.00%]
6	[5.00%]
7	[4.00%]
There are no Withdrawal Charges after the 7th Contract Year.	

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CONTRACT DATA PAGE • Continued**Strategy Allocation Percentages on the Contract Date**

Fixed Strategy:	[100.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (S&P 500):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (Hang Seng):	[0.00%]
1-Year Point-to-Point Guaranteed Cap Index Strategy (EuroStoxx50):	[0.00%]
Multi-Year Point-to-Point Index Strategy (S&P 500):	[0.00%]
Multi-Year Point-to-Point Index Strategy (Hang Seng):	[0.00%]
Multi-Year Point-to-Point Index Strategy (EuroStoxx50):	[0.00%]

DATA ELEMENTS FOR EACH STRATEGY CAN BE FOUND IN THE ENDORSEMENTS ATTACHED TO THIS CONTRACT. DATA ELEMENTS MAY INCLUDE, BUT ARE NOT LIMITED TO, INITIAL AND MINIMUM GUARANTEED INTEREST RATES, INITIAL INDEX PRICES, INITIAL AND MINIMUM GUARANTEED PARTICIPATION RATES, INITIAL AND MAXIMUM GUARANTEED SPREADS, AND INITIAL AND MINIMUM GUARANTEED CAP RATES.

**FOR INFORMATION, OR TO MAKE A COMPLAINT REGARDING THIS CONTRACT,
CALL: [1-888-252-5530]**

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TABLE OF GUARANTEED MINIMUM VALUES

End of Contract Year	Minimum Cash Surrender Value
1	[\$24,122.50]
2	[24,840.93]
3	[25,829.08]
4	[26,599.46]
5	[27,657.76]
6	[28,483.74]
7	[29,616.97]
8	[31,361.78]
9	[31,989.01]
10	[32,628.79]
11	[33,281.37]
12	[33,947.00]
13	[34,625.94]
14	[35,318.46]
15	[36,024.83]
16	[36,745.32]
17	[37,480.23]
18	[38,229.83]
19	[38,994.43]
20	[39,774.32]
Age 95	[43,914.07]

Contract Number: [Specimen]

Premium: [\$25,000.00]

The values at left are calculated as defined in the Cash Surrender Value section of this Contract, assuming no Interest Credits, Withdrawals, transfers or Premium Taxes.

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract, other than on the Contract Anniversary, shall be calculated with allowance for the lapse of time since the Contract Anniversary and are not less than the minimum benefits required by statute in the state in which this Contract is delivered.

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GENERAL PROVISIONS

- **The Contract**

This Contract, including endorsements, riders or signed amendments, the Contract Data Page and the attached application, constitute the entire Contract. All statements made in the application are representations and not warranties. No statement will be used to deny a claim unless made in the application, a copy of which is attached to this Contract. This Contract and the Company's obligation under this Contract shall terminate upon the payment of all benefits required by this Contract.

- **Contract Date, Contract Month, Contract Year and Contract Anniversary**

Coverage provided by this Contract is effective as of the Contract Date shown on the Contract Data Page. Contract Months, Contract Years and Contract Anniversaries are determined from the Contract Date. Hypothetical example: If the Contract Date is January 26, 2008, the first Contract Month ends on February 26, 2008, the first Contract Year ends on January 26, 2009, and the first Contract Anniversary occurs on January 26, 2009.

- **Authority to Change**

No one except the President or Secretary of the Company may change or waive any of the terms of this Contract. Any change must be in writing and signed by the President or the Secretary of the Company.

- **Incontestability**

All statements made in the application are considered representations and not warranties. The validity of the Contract will not be contestable.

- **Age and Sex**

If the age or sex of the Annuitant has been misstated, the amount payable by the Company will be that which the Premium paid would have purchased if the true age and sex had been stated on the application for this Contract. Age will be calculated as of the Contract Date and will be equal to the age at the last birthday of the Annuitant. Any underpayments already made by the Company will be immediately paid in one sum with interest compounded at the rate of 3.00% per year. Any overpayments made by the Company will be charged against the next succeeding annuity payment or payments with interest compounded at the rate of 3.00% per year.

- **Annuitant; Joint Annuitants**

The Annuitant is the person named on the Contract Data Page whose life determines the annuity payments made under this Contract and is the person who will receive such payments on the Annuity Date. We will allow the Owner to name in the application two people to jointly serve as the Annuitant. If Joint Annuitants are named, this Contract will be issued only if the Joint Annuitants are spouses. After the Contract Date, neither the Annuitant nor the Joint Annuitants may be changed.

GENERAL PROVISIONS

Unless otherwise stated, Annuitant shall mean the Annuitants jointly if Joint Annuitants have been named. If Joint Annuitants are named and one Joint Annuitant dies, the Contract shall continue with the surviving Joint Annuitant serving as the sole surviving Annuitant. For purposes of administering the provisions of this Contract, when Joint Annuitants are named, the Annuitant shall be considered living as long as at least one Joint Annuitant is alive. In other words, for purposes of administering the provisions of this Contract, if Joint Annuitants are named, it is only on the death of the last surviving Annuitant that the Annuitant is considered to have died.

• Owner

Owner means the Contract Owner named in the application or the Contract Owner's successor or assignee if ownership has been assigned. If no Owner is named on the application, the Annuitant will be the Owner. During the Annuitant's lifetime all rights described in this Contract may be exercised by the Owner subject to the rights of:

- (a) Any assignee of record with the Company; and
- (b) Any irrevocably named Beneficiary.

If an Owner who is a natural person dies during the Annuitant's lifetime, the contingent owner named in the application, if any, will become the Owner. If there is no contingent owner named, ownership will pass to the estate of the Owner. Subject to the Distribution on Death of Owner section in this Contract, in the case of joint ownership, on the death of a joint owner, ownership will pass to the surviving Owner(s). On the death of the last surviving Owner, if no contingent owner has been named, ownership will pass to the estate of the last surviving Owner.

All rights of the Owner under this Contract terminate on the death of the Annuitant.

For purposes of the Distribution on Death of Owner section, if the Owner of the Contract is not a natural person, the death of any Annuitant shall be treated as the death of an Owner of the Contract.

• Assignment

This Contract may be assigned by written request filed with the Company unless restricted by endorsement to this Contract. The assignment will take effect on the date the written request was signed. However, the assignment is subject to any action taken by the Company prior to receipt of the written request. The Company has no liability under any assignment for its actions or omissions done in good faith.

• Beneficiary

The Beneficiary is the person or persons who will receive the Death Benefit provided by this Contract. While the Annuitant is alive, the Owner may change a Beneficiary by a signed written request filed with the Company and may name one or more contingent Beneficiaries. No change will take effect unless the Company receives such signed written request. A change will take effect as of the date the written request was signed. Any change is subject to payment or other action taken by the Company before the change was received.

GENERAL PROVISIONS

The following rules shall apply unless otherwise permitted by the Company in accordance with applicable law:

1. All rights of a Beneficiary, including an irrevocable Beneficiary, will end if such Beneficiary dies before the Annuitant.
2. If no Beneficiary has been named when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
3. If no Beneficiary is alive when the Annuitant dies, the Company will pay the Death Benefit to the Annuitant's estate. In the case of Joint Annuitants, the Company will pay the Death Benefit to the estate of the last surviving Joint Annuitant. If the death of both Joint Annuitants occurs simultaneously, the estates of both Joint Annuitants will share the Death Benefit equally.
4. If only one Beneficiary survives the Annuitant, the Company will pay the entire Death Benefit to such Beneficiary.
5. If the Owner has not designated how the Death Benefit is to be distributed and two or more Beneficiaries survive the Annuitant, the surviving Beneficiaries will share the Death Benefit equally.
6. If the Owner has designated how the Death Benefit is to be distributed and a Beneficiary predeceases the Annuitant, the portion of the Death Benefit designated to the deceased Beneficiary shall be divided among the surviving Beneficiaries on a pro rata basis. In other words, each surviving Beneficiary's interest in the Death Benefit will be divided by the sum of the interests of all surviving Beneficiaries to determine the percentage each surviving Beneficiary will receive of the deceased Beneficiary's original interest in the Death Benefit.

A Beneficiary that is not a natural person will be considered living for purposes of administering these rules. The interest of any named irrevocable Beneficiary cannot be changed without the written consent of such Beneficiary. No Beneficiary has any rights in the Contract until the Annuitant dies.

If the Annuitant dies on or after the Annuity Date and before all of the required Annuity payments have been made, all remaining Annuity payments will be subject to the above requirements regarding payment of the Death Benefit. Thus, for purposes of determining the amount of and to whom all remaining Annuity payments shall be made, the Company will treat all remaining Annuity payments as if they were a Death Benefit.

● Designated Beneficiary

Designated Beneficiary as used in the Distribution on Death of Owner section shall mean: (i) the contingent owner named in the application, or as subsequently changed, if any; (ii) the joint owner or Owners in the case of joint ownership; or (iii) the estate of the Owner if no contingent owner is named, and there is no joint owner or Owners.

GENERAL PROVISIONS

● Annuity Date

On the Contract Date of this Contract, the Annuity Date will be set by the Company at the Contract Anniversary following the Annuitant's age 95. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. During the lifetime of the Annuitant and prior to the Annuity Date, the Owner may change the Annuity Date by filing a signed written request with the Company. The Annuity Date may not be changed to a date earlier than 7 years after the Contract Date of this Contract.

● Proceeds

Proceeds shall mean the amount payable from the Contract when the Contract is surrendered, when the Death Benefit becomes payable or on the Annuity Date.

● Premium Taxes

The Company may be charged a state imposed Premium Tax on the Premiums you pay for this Contract. If a Premium Tax is imposed, the Company may deduct the amount of such tax from your Premiums when your Premiums are received, or from the Accumulated Value of the Contract upon:

1. Any Withdrawal from the Contract;
2. The full surrender of the Contract;
3. The election of a Settlement Option; or
4. The payment of a Death Benefit.

● Terms of Annuity Payment

● If there is one living Annuitant on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide a 10 Year Certain and Life Annuity to the Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Annuitant before making the first annuity payment. In order to receive payments, the Annuitant must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● If there are two living Annuitants on the Annuity Date

On the Annuity Date, the Cash Surrender Value of this Contract will be applied to provide to the Annuitant listed first in the application a Joint and Last Survivor Annuity for the joint lifetime of the two Joint Annuitants and in an equal amount to the surviving Joint Annuitant during the remaining lifetime of the surviving Joint Annuitant, unless an Optional Annuity Benefit has been selected prior to the Annuity Date. The Optional Annuity Benefits are described in the Settlement Options section of this Contract. Once the annuity payments have started, the method and term of the payments cannot be changed.

GENERAL PROVISIONS

The first annuity payment will be made on the Annuity Date. The Company may require proof of the true age and sex of the Joint Annuitants before making the first annuity payment. In order to receive payments, the Joint Annuitants must be living on the Annuity Date and on the date that each subsequent payment is due as required by the terms of the Annuity Settlement Option. The Company may require proof from time to time that this condition has been met.

● **Death Benefit**

The Death Benefit provided by this Contract will be paid upon receipt by the Company at its Administrative Office of due proof of the Annuitant's death and surrender of the Contract. The following in a form and manner satisfactory to the Company shall be considered due proof of the Annuitant's death:

1. Proof of death of the Annuitant while this Contract was in force. If Joint Annuitants are named, proof of death of the Annuitant shall mean proof of death of the second to die of the Joint Annuitants;
2. The Company's claim form from each Beneficiary, properly completed; and
3. Any other documents required by law.

The Death Benefit will be equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor paid in a lump sum and will be calculated as of the date the Company receives at its Administrative Office the due proof of the Annuitant's death as required above. In lieu of receiving the Death Benefit in a lump sum, the Beneficiary may elect to have the Death Benefit applied under any of the Optional Annuity Benefits provided for in the Contract. The Death Benefit must be paid in a manner that complies with the applicable requirements of Section 72(s) of the Internal Revenue Code.

The Death Benefit will earn interest from the date the Company receives at its Administrative Office the due proof of the Annuitant's death required above to the date of payment or other settlement at the same rate the Company would have credited interest on the Fixed Strategy if the Annuitant had not died. If a higher rate of interest is required by law, the Company will pay the higher rate.

● **Death of Non-Owner Annuitant**

The Company will pay the Beneficiary the Death Benefit provided in this Contract if the Annuitant who is not an Owner dies before the Annuity Date while this Contract is in force.

● **Distribution on Death of Owner**

● **Where Owner is not the Annuitant**

If any Owner dies before the Annuity Date while the Annuitant is alive, the Contract will continue, but the Cash Surrender Value of this Contract will be distributed to the Designated Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

GENERAL PROVISIONS

1. The Owner's entire interest in the Contract is payable to the Designated Beneficiary who is an individual;
2. Such entire interest will be distributed over the life of the Designated Beneficiary or over a period not extending beyond the life expectancy of the Designated Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Designated Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

● Where Owner is the Annuitant

If any Owner who is also the Annuitant dies before the Annuity Date, the Contract will continue, but the applicable Death Benefit as provided for under the Death Benefit section of this Contract will be distributed to the Beneficiary within 5 years after the death of such Owner. However, the above distribution requirement will not apply if:

1. The Death Benefit is payable to the Beneficiary who is an individual;
2. The Death Benefit will be distributed over the life of the Beneficiary or over a period not extending beyond the life expectancy of the Beneficiary; and
3. The distribution begins not later than one year after the Owner's death or such later date as prescribed by the Internal Revenue Service.

If the Beneficiary is the surviving spouse of the Owner on the Owner's death, the surviving spouse will be treated in accordance with Section 72(s)(3) of the Internal Revenue Code as the Owner for purposes of this provision. This results in delaying the distribution requirements under this provision until the death of the surviving spouse. The provision relative to the surviving spouse can only apply once. The provision cannot apply a second time if the surviving spouse continues the Contract, remarries and then dies.

If any Owner or any Annuitant dies on or after the Annuity Date, any remaining interest in the Contract will be distributed at least as rapidly as under the method of distribution being used as of the Owner's date of death.

GENERAL PROVISIONS**● Conformity with Applicable Laws**

The paid-up annuity, Cash Surrender Value or Death Benefits available under this Contract are not less than the minimum benefits required by statute in the state in which this Contract is delivered. If any provision of this Contract is determined not to provide the minimum benefits required by the statutes or regulations of the state in which the Contract is delivered, such provision will be deemed to be amended to conform or comply with such laws or regulations. In addition, notwithstanding any provision in the Contract to the contrary, all distributions under the Contract must be made in accordance with the applicable requirements of Section 72(s) of the Internal Revenue Code, and all terms of the Contract shall be interpreted consistently with the requirements of this section.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Premium

The Premium for this Contract may be paid at the Company's Administrative Office, or delivered to an agent of the Company. The Premium is shown on the Contract Data Page and is due on the Contract Date. The Company may limit the amount of Premium that it will accept for this Contract. The Premium will be credited to the Strategies on the Contract Date based on the Allocation Percentages selected by the Owner.

● Business Day

Business Day shall mean any day of the week except for Saturday, Sunday and U.S. Federal holidays.

● Allocation Percentages

On the Contract Date, the Premium will be credited to the Strategies based on the Allocation Percentages selected by the Owner. The Allocation Percentages selected for each Strategy must be a whole percentage ranging from 0% to 100% and when summed together must equal 100%. The Allocation Percentages in effect on the Contract Date are shown on the Contract Data Page.

● Transferred Premium

To the extent a Strategy allows for transfers to be made from that Strategy to one or more of the Contract's other Strategies, the Transferred Premium section of the Endorsement that established that Strategy shall contain the provisions for making such transfers. For any transfer request received by the Company where the amount to be transferred represents a percentage of a known or unknown value, the Company will use its best efforts to determine the amount that must be transferred from each Strategy in order to satisfy the intent of the Owner's original request.

● Strategies

The Strategies for this Contract shall be the Strategies that are added to and made part of this Contract by Endorsement. The Strategies on the Contract Date are shown on the Contract Data Page. Each Strategy will be established by a separate Endorsement. After a Strategy has been added to and made part of this Contract, Premium may be allocated and funds may be transferred to the Strategy in accordance with the provisions of this Contract. The Endorsement shall establish the method by which Interest Credits are earned on each Strategy.

● Interest Credits

Interest Credits will be calculated for a Strategy based on the provisions of the Endorsement for that Strategy.

● Accumulated Value

The Accumulated Value of this Contract at any time shall be equal to the sum of each Strategy's Strategy Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**● Strategy Value**

The Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Cash Surrender Value

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may surrender this Contract for the Cash Surrender Value.

The Cash Surrender Value is the greatest of (1), (2) or (3) where:

- (1) Is the Accumulated Value, adjusted for any applicable Withdrawal Charge.
- (2) Is the Accumulated Value Floor, adjusted for any applicable Withdrawal Charge.
- (3) Is the Minimum Guaranteed Contract Value.

The Withdrawal Charge in any Contract Year will be equal to $[(A - B) \times C]$ where:

- (A) Is the Accumulated Value or the Accumulated Value Floor, whichever is applicable.
- (B) Is any Free Withdrawal amount available and remaining in the Contract Year.
- (C) Is any applicable Withdrawal Charge Rate shown on the Contract Data Page.

The Company may defer payment upon surrender of this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Accumulated Value Floor

The Accumulated Value Floor of this Contract at any time shall be equal to the sum of each Strategy's Strategy Accumulated Value Floor.

● Strategy Accumulated Value Floor

The Strategy Accumulated Value Floor of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

● Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value of this Contract at any time shall be equal to the sum of each Strategy's Minimum Guaranteed Strategy Value.

● Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value of a Strategy at any time shall be determined based on the provisions of the Endorsement that established that Strategy.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**● Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals**

At or before the Annuity Date and prior to the death of the Annuitant, the Owner may withdraw an amount up to the Cash Surrender Value. Unless specified otherwise by the Owner, Withdrawals will be made pro rata from all Strategies based on the Strategy Values as of the Withdrawal date.

A Free Withdrawal amount is provided each Contract Year. There will be no Withdrawal Charges applied to the Free Withdrawal amount. The Free Withdrawal amount available each Contract Year will be calculated at the time of the first Withdrawal that Contract Year. The Free Withdrawal amount will be equal to 10.00% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.

The Free Withdrawal amount provided each Contract Year is per Contract Year and any unused amount during a particular Contract Year cannot be carried over to one or more subsequent Contract Years.

If the amount of a Withdrawal in any Contract Year exceeds the Free Withdrawal amount for that Contract Year, such excess Withdrawal will be subject to any applicable Withdrawal Charge. Withdrawal Charges will be calculated utilizing the Withdrawal Charge Rates shown on the Contract Data Page.

To make a Withdrawal from this Contract, the Owner must submit a written request to the Company. The request must be signed and dated by the Owner. Withdrawals from any of the Strategies will be made in the manner set forth in the Endorsements for those Strategies. The minimum amount that may be withdrawn from this Contract at any time is \$2,000. The Endorsements for certain Strategies may specify a minimum value that must be maintained in order to participate in any Interest Credits for that Strategy.

If the attained age of the Owner is 70 or older at the time of the first Withdrawal in any Contract Year, the Free Withdrawal amount for that Contract Year will equal the greater of (a) or (b) where:

- (a) Is the Contract's Free Withdrawal amount; and
- (b) Is the Owner's Required Minimum Distribution attributable to this Contract up to the Maximum Required Minimum Distribution provided by this Contract.

Owner's Required Minimum Distribution shall mean the minimum amount, if any, as calculated for this Contract under Internal Revenue Code Section 401, 403, 408, 408A, 457 and current IRS rules regarding minimum distributions, that must be distributed to the Owner of this Contract.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

The Maximum Required Minimum Distribution available in any Contract Year shall equal (a) divided by (b) where:

- (a) Is the greatest of the Contract's Cash Surrender Value, Accumulated Value or Accumulated Value Floor at the time of the first Withdrawal that Contract Year; and
- (b) Is the Withdrawal Factor for the Owner's attained age at the time of the first Withdrawal that Contract Year.

Minimum Distribution Withdrawal Factors

Attained Age of Owner	Withdrawal Factor	Attained Age of Owner	Withdrawal Factor
70	27.4	93	9.6
71	26.5	94	9.1
72	25.6	95	8.6
73	24.7	96	8.1
74	23.8	97	7.6
75	22.9	98	7.1
76	22.0	99	6.7
77	21.2	100	6.3
78	20.3	101	5.9
79	19.5	102	5.5
80	18.7	103	5.2
81	17.9	104	4.9
82	17.1	105	4.5
83	16.3	106	4.2
84	15.5	107	3.9
85	14.8	108	3.7
86	14.1	109	3.4
87	13.4	110	3.1
88	12.7	111	2.9
89	12.0	112	2.6
90	11.4	113	2.4
91	10.8	114	2.1
92	10.2	115 and over	1.9

The Company may defer payment of Withdrawals from this Contract for up to six months if the insurance regulatory authority of the state in which this Contract was issued approves such deferral.

● Statements

The Company will furnish to the Owner annually, and at any time upon request, a Statement reflecting the total amount of Accumulated Value and Cash Surrender Value.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES**• Terminal Illness Waiver of Withdrawal Charges**

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is diagnosed with a Terminal Illness and both of the following conditions are met:

- (a) The Annuitant or the Joint Annuitant's Terminal Illness is initially diagnosed at least one year after the Contract Date; and
- (b) The additional Free Withdrawal request is accompanied by Proof of Terminal Illness.

The Free Withdrawal amount that is available during any Contract Year that the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Proof of Terminal Illness means a certification of Terminal Illness prepared by a Physician who has examined the Annuitant or the Joint Annuitant and is qualified to provide the certification.

Upon receipt of the certification of Terminal Illness, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company.

Terminal Illness means an illness that is expected to cause death within twelve (12) months.

• Confinement Waiver of Withdrawal Charges

The Owner may request an additional Free Withdrawal amount in any Contract Year that the Annuitant or one of the Joint Annuitants is confined to a Hospital, Hospice Facility or Convalescent Care Facility and all of the following conditions are met:

- (a) The Annuitant or Joint Annuitant is confined to a Hospital, Hospice Facility or Convalescent Care Facility for at least 60 consecutive days;
- (b) The Annuitant or Joint Annuitant's confinement in the Hospital, Hospice Facility or Convalescent Care Facility begins at least one year after the Contract Date;
- (c) The additional Free Withdrawal request is received by the Company no later than ninety (90) days following the date that the qualifying confinement has ceased;

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

- (d) Confinement in a Hospital, Hospice Facility or Convalescent Care Facility is recommended by a Physician who is duly licensed by the state to treat the injury or sickness causing the confinement and who is not an employee of the Hospital, Convalescent Care Facility or Hospice Facility where the Annuitant or Joint Annuitant is confined; and
- (e) The additional Free Withdrawal request is accompanied by written proof of confinement and the Physician's recommendation.

The Free Withdrawal amount that is available during any Contract Year that all of the above conditions are satisfied is equal to the greatest of the Contract's Cash Surrender Value, the Accumulated Value or the Accumulated Value Floor as of the Contract Anniversary coinciding with the first day of that Contract Year.

Convalescent Care Facility means an institution which: (i) is licensed by the state as a convalescent nursing facility, a qualified nursing facility, a convalescent hospital, a convalescent unit of a Hospital, an intermediate care facility, or a custodial care facility; (ii) is primarily engaged in providing, in addition to room and board accommodations, continuous nursing service by or under the supervision of a Physician or a licensed registered nurse (R.N.); (iii) maintains a daily record of each patient which is available for review by the Company; and (iv) administers a planned program of observation and treatment by a Physician (other than the proprietor or an employee of such facility) which is in accordance with existing standards of medical practice for the confinement.

Convalescent Care Facility does not mean a facility or any part of a facility used primarily for: rest care, training or education, or the treatment of alcoholism or chemical dependency.

Hospice Facility means an institution which provides a formal program of care for terminally ill patients whose life expectancy is less than 6 months, provided on an inpatient basis and directed by a Physician. It must be licensed, certified or registered in accordance with state law.

Hospital means an institution which: (i) is licensed as a Hospital and operated pursuant to law; (ii) is primarily engaged in providing or operating (either on its premises or in facilities available to the Hospital on a prearranged contractual basis and under the supervision of a staff of one or more duly licensed Physicians) diagnostic and surgery facilities for the medical care and treatment of injured and sick persons on an inpatient basis for which a charge is made; and (iii) provides 24-hour nursing service by or under the supervision of a licensed registered nurse (R.N.).

Hospital shall not include any institution which: is principally a rest home, nursing home, convalescent home, home for the aged, or is principally an institution for the care and treatment of alcohol or chemical dependency.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

PREMIUM, ACCUMULATED AND CASH SURRENDER VALUES

● Home Health Care Services Waiver of Withdrawal Charges

Each Contract Year after the first Contract Year, the Owner may request an additional Free Withdrawal if the Annuitant or at least one of the Joint Annuitants is unable to perform at least two (2) of the five (5) Activities of Daily Living. The additional Free Withdrawal request must be accompanied by a Physician's written verification of the Annuitant or Joint Annuitant's inability to perform the Activities of Daily Living.

The additional Free Withdrawal amount that is available during any Contract Year that the above provisions are satisfied is equal to (1) minus (2) minus (3) where:

- (1) Is 20% of the Accumulated Value as of the Contract Anniversary coinciding with the first day of that Contract Year.
- (2) Is the maximum Free Withdrawal amount available for that Contract Year under the Withdrawals; Free Withdrawals; Minimum Distribution Withdrawals provision of the Contract.
- (3) Is the amount of any additional Free Withdrawal taken during the Contract Year under the Terminal Illness Waiver of Withdrawal Charges or the Confinement Waiver of Withdrawal Charges provisions of the Contract.

Activities of Daily Living shall include and be limited to Bathing, Dressing, Eating, Toileting and Transferring.

- Bathing means washing oneself by sponge bath or in either a tub or shower, and shall include the task of getting into or out of the tub or shower.
- Dressing means putting on and taking off all items of clothing and any necessary braces, fasteners or artificial limbs.
- Eating means feeding oneself by getting food into the body from a receptacle (such as a plate, cup or table) or by a feeding tube or intravenously.
- Toileting means getting to and from the toilet, getting on and off the toilet and performing associated personal hygiene.
- Transferring means moving into or out of a bed, chair or wheelchair.

Physician means a practitioner of the healing arts, who is licensed by the state and is not a member of the Annuitant or Joint Annuitant's family.

Upon receipt of the Physician's written verification, the Company may require a second opinion or an examination of the Annuitant or the Joint Annuitant by one of its medical examiners. If the second opinion or examination is obtained, the results of the second opinion or examination shall be the basis for approving or disapproving the additional Free Withdrawal request. The cost of any second opinion or examination will be borne by the Company. The Company may also require proof from time to time to verify the Annuitant or Joint Annuitant's inability to perform Activities of Daily Living.

SETTLEMENT OPTIONS

● Election of Option

The Beneficiary may elect to receive the Death Benefit provided by this Contract under one of the Settlement Options provided in this Contract. However, the Settlement Option elected must satisfy the applicable distribution requirements of Section 72(s) of the Internal Revenue Code.

Any election of a Settlement Option must be made in writing and is irrevocable after the payments commence. The Payee is the person who will receive the payments under the option. The Payee must be a natural person. No Payee shall have the right to assign or transfer any future payments under any option except as provided in the option or by law.

Multiple Settlement Options may be elected except in the case where the payout is being made because of the death of an Owner. If more than one option is elected, the amount applied under each option must be at least \$5,000. Payments under the options elected may start on the same or different dates as agreed by the Company.

Payments made quarterly, semiannually or annually may be elected in lieu of monthly payments. The amount of such payments will be furnished upon request. Payments less than \$100 will only be made annually.

● Optional Annuity Benefits

This Contract will provide the following Optional Annuity Benefits:

Option 1 - Life Annuity

Monthly payments will be made during the lifetime of the Payee. The monthly payments will cease on the death of the Payee. No payments will be due after the death of the Payee.

Option 2 - Life Annuity with Guaranteed Period

Monthly payments will be made for the guaranteed period elected and thereafter for the lifetime of the Payee. The guaranteed periods are 5, 10, 15 or 20 years, or any other period agreed upon in writing by the Company. After the guaranteed period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the guaranteed period, no payments will be due after the guaranteed period.

SETTLEMENT OPTIONS**Option 3 - Installment Refund Life Annuity**

Monthly payments will be made for the Installment Refund Period and thereafter for the lifetime of the Payee. The Installment Refund Period is the period required for the sum of the monthly payments to equal the total amount applied under this option. After the Installment Refund Period, monthly payments will cease on the death of the Payee, and no payments will be due after the death of the Payee. If the Payee dies during the Installment Refund Period, no payments will be due after the Installment Refund Period.

Option 4 - Joint and Last Survivor Annuity

Monthly payments will be made for the joint lifetime of two persons and in an equal amount during the remaining lifetime of the survivor. Payments will cease on the death of the last survivor. No payments will be due after the death of the last survivor. Payments may also be made to the survivor in an amount equal to $\frac{2}{3}$ or $\frac{1}{2}$ of the payment made during the joint lifetime of the two persons.

Option 5 - Fixed Period Annuity

Monthly payments will be made for the fixed period elected. Payments will cease at the end of the fixed period and no further payments will be due. The fixed period that may be elected is any period from 5 to 30 years.

The Annuity Settlement Option factors contained in the following tables are based on the Annuity 2000 Mortality Table and a minimum guaranteed interest rate of 2.00%, assuming that 50% of Annuitants are male and 50% are female. Interest in excess of the guaranteed rate may be paid as determined by the Company.

Annuity Settlement Option factors for Option 4 - Joint and Last Survivor Annuity will be furnished upon request.

SETTLEMENT OPTIONS

Option One, Two, and Three Monthly Income Rates per \$1,000 of Proceeds						
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Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
20	2.33	2.33	2.33	2.33	2.33	2.32
21	2.35	2.35	2.35	2.35	2.35	2.33
22	2.37	2.37	2.37	2.37	2.37	2.35
23	2.39	2.39	2.39	2.39	2.39	2.37
24	2.41	2.41	2.41	2.41	2.41	2.39
25	2.43	2.43	2.43	2.43	2.43	2.41
26	2.46	2.46	2.45	2.45	2.45	2.43
27	2.48	2.48	2.48	2.48	2.47	2.45
28	2.50	2.50	2.50	2.50	2.50	2.48
29	2.53	2.53	2.53	2.52	2.52	2.50
30	2.55	2.55	2.55	2.55	2.55	2.52
31	2.58	2.58	2.58	2.58	2.57	2.55
32	2.61	2.61	2.61	2.60	2.60	2.57
33	2.64	2.64	2.64	2.63	2.63	2.60
34	2.67	2.67	2.67	2.66	2.66	2.63
35	2.70	2.70	2.70	2.69	2.69	2.66
36	2.73	2.73	2.73	2.73	2.72	2.68
37	2.77	2.77	2.77	2.76	2.75	2.72
38	2.81	2.80	2.80	2.80	2.79	2.75
39	2.84	2.84	2.84	2.83	2.82	2.78
40	2.88	2.88	2.88	2.87	2.86	2.81
41	2.92	2.92	2.92	2.91	2.90	2.85
42	2.97	2.97	2.96	2.95	2.94	2.89
43	3.01	3.01	3.01	2.99	2.98	2.93
44	3.06	3.06	3.05	3.04	3.02	2.97

SETTLEMENT OPTIONS

Option One, Two, and Three (continued)						
Monthly Income Rates per \$1,000 of Proceeds						

Period Certain & Life						
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Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
45	3.11	3.11	3.10	3.09	3.06	3.01
46	3.16	3.16	3.15	3.14	3.11	3.05
47	3.22	3.21	3.20	3.19	3.16	3.10
48	3.27	3.27	3.26	3.24	3.21	3.14
49	3.33	3.33	3.32	3.29	3.26	3.19
50	3.39	3.39	3.38	3.35	3.31	3.24
51	3.46	3.45	3.44	3.41	3.37	3.29
52	3.53	3.52	3.51	3.47	3.42	3.35
53	3.60	3.59	3.57	3.54	3.48	3.41
54	3.68	3.67	3.65	3.61	3.54	3.47
55	3.76	3.75	3.72	3.68	3.60	3.53
56	3.84	3.83	3.80	3.75	3.67	3.60
57	3.93	3.92	3.89	3.83	3.73	3.66
58	4.02	4.01	3.98	3.91	3.80	3.74
59	4.12	4.11	4.07	3.99	3.87	3.81
60	4.23	4.22	4.17	4.08	3.94	3.89
61	4.35	4.33	4.27	4.17	4.01	3.97
62	4.47	4.45	4.38	4.26	4.08	4.06
63	4.60	4.57	4.50	4.36	4.15	4.15
64	4.73	4.71	4.62	4.46	4.23	4.24
65	4.88	4.85	4.75	4.56	4.30	4.34
66	5.04	5.00	4.88	4.67	4.37	4.45
67	5.20	5.16	5.02	4.78	4.43	4.56
68	5.38	5.33	5.17	4.89	4.50	4.68
69	5.57	5.51	5.32	5.00	4.56	4.80

SETTLEMENT OPTIONS

Option One, Two, and Three (continued) Monthly Income Rates per \$1,000 of Proceeds
--

Period Certain & Life						
----------------------------------	--	--	--	--	--	--

Age	Life	5 Years	10 Years	15 Years	20 Years	Install Refund
70	5.78	5.71	5.48	5.11	4.62	4.93
71	6.00	5.91	5.65	5.21	4.68	5.06
72	6.23	6.13	5.82	5.32	4.73	5.21
73	6.48	6.36	6.00	5.43	4.78	5.36
74	6.75	6.61	6.18	5.53	4.82	5.52
75	7.04	6.87	6.37	5.63	4.86	5.68
76	7.36	7.15	6.56	5.73	4.89	5.86
77	7.69	7.45	6.75	5.81	4.92	6.05
78	8.05	7.76	6.94	5.90	4.94	6.24
79	8.44	8.08	7.13	5.97	4.96	6.45
80	8.86	8.43	7.31	6.04	4.98	6.66
81	Not Available	8.79	7.50	6.10	5.00	Not Available
82		9.16	7.67	6.16	5.01	
83		9.55	7.84	6.20	5.02	
84		9.95	8.00	6.24	5.02	
85+		10.36	8.15	6.28	5.03	

SETTLEMENT OPTIONS

Option Five			
Monthly Income Rates per \$1,000 of Proceeds			
Number Years	Monthly Payment	Number Years	Monthly Payment
5	17.49	18	5.50
6	14.72	19	5.26
7	12.74	20	5.04
8	11.25	21	4.85
9	10.10	22	4.67
10	9.18	23	4.51
11	8.42	24	4.36
12	7.80	25	4.22
13	7.26	26	4.10
14	6.81	27	3.98
15	6.42	28	3.87
16	6.07	29	3.77
17	5.77	30	3.68

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- **Single Premium Indexed Deferred Annuity Contract**

Monthly income commencing on Annuity Date. Option to change Annuity Date. Option to change type of Annuity Benefit payable. Non-Participating. A Stock Company.



611 5th Avenue
Des Moines, IA 50309
(800) 800-9882

SERFF Tracking Number: AMER-125643818 *State:* Arkansas
Filing Company: Aviva Life and Annuity Company *State Tracking Number:* 38964
Company Tracking Number: AAA3 AAA5 AAA7 (06/08)
TOI: A071 Individual Annuities - Special *Sub-TOI:* A071.001 Equity Indexed
Product Name: AAA3 AAA5 AAA7 (06/08)
Project Name/Number: AAA3 AAA5 AAA7 (06/08)/AAA3 AAA5 AAA7 (06/08)

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AMER-125643818 State: Arkansas
Filing Company: Aviva Life and Annuity Company State Tracking Number: 38964
Company Tracking Number: AAA3 AAA5 AAA7 (06/08)
TOI: A071 Individual Annuities - Special Sub-TOI: A071.001 Equity Indexed
Product Name: AAA3 AAA5 AAA7 (06/08)
Project Name/Number: AAA3 AAA5 AAA7 (06/08)/AAA3 AAA5 AAA7 (06/08)

Supporting Document Schedules

Review Status:

Satisfied -Name: Certification/Notice 05/12/2008

Comments:

Attachments:

AR_AAA3_0608_SCORECERT..pdf
AR_AAA5_0608_SCORECERT..pdf
AR_AAA7_0608_SCORECERT..pdf
AR_AAA357_AGENTEDCERT.pdf
AR_AAA357_CONTSUMMCERT.pdf
AR_AAA357_DISCADVERCER.pdf
AR_AAA357_EXTERNALINDEXCERT.pdf
AR_AAA357_RESERVESCERT.pdf

Review Status:

Bypassed -Name: Application 05/12/2008

Bypass Reason: 80501 (6/08) FW FI approved by the Department on 04/24/2008.

Comments:

Review Status:

Satisfied -Name: Life & Annuity - Acturial Memo 05/12/2008

Comments:

Attachments:

AAA3_0608_ActMemo.pdf
AAA5_0608_ActMemo.pdf
AAA7_0608_ActMemo.pdf

AVIVA LIFE AND ANNUITY COMPANY
Topeka, Kansas

CERTIFICATION

This is to certify that the attached

has achieved a Flesch Reading Ease Score of _____ and complies with the requirements of
Arkansas Insurance Laws, Chapter 80, cited as the Life and Disability Insurance Policy Language
Simplification Act.

Date

Officer's Name

Randy Matzke, FLMI
Vice President, Product Compliance

Title

AVIVA LIFE AND ANNUITY COMPANY
Topeka, Kansas

CERTIFICATION

This is to certify that the attached

has achieved a Flesch Reading Ease Score of _____ and complies with the requirements of
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Date

Officer's Name

Randy Matzke, FLMI
Vice President, Product Compliance

Title

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Topeka, Kansas

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Arkansas Insurance Laws, Chapter 80, cited as the Life and Disability Insurance Policy Language
Simplification Act.

Date

Officer's Name

Randy Matzke, FLMI
Vice President, Product Compliance

Title

Aviva Life and Annuity Company

CERTIFICATION

**AGENT EDUCATION FOR THE STATE OF
ARKANSAS**

Aviva Life and Annuity Company hereby certifies that the contract will not be solicited by any person who is not trained and qualified.

Randy Matzke, FLMI
Vice President
Product Compliance and Development

Dated _____

Aviva Life and Annuity Company

CERTIFICATION

FOR THE STATE OF ARKANSAS

I hereby certify that the company has reviewed and evaluated the contract summary disclosure to assure that it is in no way deceptive, confusing or misleading and contains the following:

- a simplified explanation of the key elements of the contract;
- appropriate examples showing the method of calculating the index credit;
- prominent display of any limitations on payment of premium or allocation of values;
- prominent display of any surrender charges;
- prominent display of any limitation, restriction, penalty or charge for transfers during a term;
- a statement emphasizing the insurance nature of the contract and that the contract is not a variable contract or other type of investment contract.

Randy Matzke, FLMI
V.P. Product Compliance and Development

Dated: _____

Aviva Life and Annuity Company

CERTIFICATION

DISCLOSURE AND ADVERTISING FOR THE STATE OF ARKANSAS

Aviva Life and Annuity Company certifies that we will review and evaluate the contract summary disclosure and advertising for form _____ and that they will be in no way deceptive, confusing or misleading. Any new or revised advertising to be used with these contracts will be reviewed carefully by our Company prior to use.

Randy Matzke, FLMI
Vice President
Product Compliance and Development

Date

CERTIFICATION

EXTERNAL-INDEXED CONTRACTS

FOR THE STATE OF ARKANSAS

I, certify that the Company will address external-indexed contracts separately in the annual (Section 8) actuarial opinion and memorandum addressing each year the amount and type of assets held and the level of reserves and how developed.

Date

Aviva Life and Annuity Company

CERTIFICATION

RESERVES FOR THE STATE OF ARKANSAS

Aviva Life and Annuity Company hereby certifies that we will establish and maintain a detailed file defining the system for hedging of form(s)

This file will be maintained and updated with results of a regular analysis of the effectiveness of the system.

W. Jeffrey Heng, F.S.A., M.A.A.A.
Vice President of Actuary

Dated: _____

AVIVA LIFE AND ANNUITY COMPANY
Actuarial Memorandum
Individual Single Premium Indexed Deferred Annuity
Form Number: AAA3 (06/08)

I. Description Of Contract

General Description

This Contract is an Individual Single Premium Indexed Deferred Annuity which provides Annuity Benefits, Death Benefits and Cash Surrender Values. It will be marketed through marketing organizations, financial institutions, banks and other distribution systems available to the company.

Annuity Benefits

The Contract provides for a 10 Year Certain and Life annuity income benefit commencing on the Annuity Date. The Annuity Date will be the later of the Contract Anniversary following the Annuitant's age 95 or the 10th Contract Anniversary. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. The latest Annuity Date that the Owner may select is the Contract Anniversary following the annuitant's 95th birthday or 10 years from the issue date.

Death Benefits

The Death Benefit will be the larger of the Accumulated Value, the Accumulated Value Floor or the Cash Surrender Value.

Accumulated Value

The Accumulated Value is the sum of the Strategy Values associated with the individual strategies established by endorsement to this base contract. Detailed information on how those values are calculated can be found in Appendix B.

Accumulated Value Floor

The Accumulated Value Floor is the sum of the Accumulated Value Floors associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Cash Surrender Value

The Cash Surrender Value is the greater of:

- Accumulated Value less Withdrawal Charges,
- Accumulated Value Floor less Withdrawal Charges, and
- Minimum Guaranteed Contract Value.

Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value is the sum of the Minimum Guaranteed Contract Values associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Withdrawal Charges and Free Withdrawals

The Withdrawal Charges by contract year are 6, 5, 4%. The beginning of year 4 will have a 0% Withdrawal Charge. Withdrawals may be taken in any amount up to the Cash Surrender Value of the contract. The Free Withdrawal is equal to 10% of the Accumulated Value as of the prior anniversary, or the Required Minimum Distribution on Qualified contracts, whichever is higher. Free Withdrawals are not subject to a Withdrawal Charge. Any withdrawals in excess of the Free Withdrawal amount will be subject to the Withdrawal Charge in effect at the time of the withdrawal.

Premium Allocations

The Initial Premium will be allocated to the various strategies as directed by the owner. The allocation of premium to any strategy may be any whole percentage from 0% to 100%. The percentages of any premium allocated must total 100%.

Transfers

The owner may elect on the anniversary to transfer some or all of the value of one strategy to another strategy. Such requests must be in writing and are subject to the transfer rules associated with the individual strategies. Some strategies may not allow transfers until the Withdrawal Charge Rate Schedule expires.

Substitution of Indices

If a current index referred to in the contract form is no longer in existence or applicable, we will substitute a suitable index in its place and notify the State Insurance Department before using the substitute index. The substitute index would be selected by identifying which index is most similar to the discontinued index. Characteristics of assets backing the original index, such as maturity, quality, duration, sector, geography would be included in the analysis, along with general characteristics of the index, i.e. if the index is an equity index, bond index, etc.

II. Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities (SNLIDA)

Section 3. Nonforfeiture Requirements

There are four requirements under this section:

- Upon cessation of payment considerations or upon request, the company shall grant a paid-up annuity benefit, which must comply with sections 5, 6, 7, 8 and 10 of the SNLIDA. Section 5 is the most applicable in this case and states that the present value of the paid-up annuity benefit on the date annuity payments are to commence is at least as equal to the minimum nonforfeiture amount on that date.

Compliance

The contract is a single premium deferred annuity. The contract does provide for a paid up annuity benefit of a 10 Year Certain and Life Annuity (or other Annuity Option if elected) beginning on the Annuity Date. The payout is determined by applying the factor associated with the Annuity Option to the Cash Surrender Value of the contract less any applicable premium related taxes, fees or assessments imposed by any Federal, State or Municipal taxing authority which have not otherwise been deducted or offset. This contract complies with this requirement since the present value of this benefit is always equal to or greater than the Minimum Nonforfeiture Amount.

- If a contract provides for a lump-sum settlement at maturity or any other time, upon surrender of the contract the company shall pay in lieu of a paid-up annuity benefit a cash surrender benefit that complies with sections 5, 6, 8 and 10 of the SNLIDA. Also, the company may reserve the right to defer payment of cash surrender benefits for a period not to exceed 6 months with approval of the commissioner.

Compliance

The contract does not allow for deferral of payment of the cash surrender value for a period longer than 6 months.

Section 5 is the same as stated in the prior bullet point above.

Compliance

As noted above, the paid-up annuity benefit offered by this contract is in compliance with section 5.

Section 6 states that the cash surrender benefits available prior to maturity shall not be less than the present value as of the date of surrender of that portion of the maturity value of the paid-up annuity benefit that would be provided under the contract at maturity arising from considerations paid prior to the time of cash surrender reduced by the amount appropriate to reflect any prior withdrawals from or partial surrenders of the contract, such present value being calculated on the basis of an interest rate not more than 1% higher than the interest rate specified in the contract for accumulating net considerations. Also, in no event may the cash surrender benefit be less than the minimum nonforfeiture amount at that time. The death benefits also must be at least equal to the cash surrender benefit.

Compliance

With regards to the first part of section 6, demonstration of compliance for issue age 60+ is shown in Appendix A, Tables 1b and 2b. Also, the cash surrender benefit will never be less the minimum nonforfeiture amount and the death benefit will never be less than the minimum nonforfeiture amount.

Section 8 refers to contracts where an election can be made to have annuity payments commence at optional maturity dates.

Compliance

For purposes of determining the benefits in Section 6 the maturity date will be the later of age 70 or 10 years.

Section 10 states that any paid-up annuity, cash surrender or death benefits available at any time, other than the contract anniversary, shall be calculated with allowance for lapse of time and the payment of any considerations beyond the initial payment.

Compliance

All paid-up annuity, cash surrender values and death benefits provided under this Annuity contract do allow for lapse of time since contract anniversaries in their calculation.

- The SNLIDA requires a statement of the mortality table and interest rates used in calculating any minimum paid-up annuity, cash surrender or death benefits that are guaranteed.

Compliance

The guaranteed interest rates used to determine the minimum cash values are specified in the various Strategy Minimum Guaranteed Contract Value sections. No mortality table is used prior to the annuity date (maturity). The annuity benefit purchase rate guarantees provided in the contract are stated in the Optional Annuity Benefits section of the contract.

- The SNLIDA requires a statement that any paid-up annuity, cash surrender or death benefits that may be available under the contract are not less than the minimum benefits required by any statute of the state in which the contract is delivered and an explanation of the manner in which such benefits are altered by the existence of any additional amounts credited by the company to the contract, any indebtedness to the company on the contract or any prior withdrawals from or partial surrenders of the contract.

Compliance

The required statement is found in the Conformity With Applicable Laws section of the Contract.

Section 4. Minimum Values

According to the SNLIDA, the minimum values as specified in sections 5, 6, 7, 8 and 10 of any paid-up annuity, cash surrender or death benefits shall be based on the amounts defined in this section.

Subsection A

The minimum nonforfeiture amounts, at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to such time at a rate of interest as defined in Subsection B of the net consideration paid prior to such time, decreased by the sum of prior withdrawals accumulated at that same rate, an annual contract charge of \$50 accumulated at that same rate, any premium tax accumulated at that same rate and the amount of any indebtedness to the company on the contract.

The net consideration for a given contract year shall be an amount equal to 87.5% of the gross considerations in that year.

Compliance

In Appendix A, tables 1a and 2a demonstrate compliance with Section 4 of the SNLIDA. It has the following assumptions:

- No annual contract charges are included in the SNLIDA cash value.
- Contract size is \$10,000.
- No additional premiums are paid.
- Premium-Related Taxes, Fees or Assessments imposed against the Contract are ignored.
- Compliance is demonstrated at both the minimum nonforfeiture rate of 1% and the maximum nonforfeiture rate of 3%.

Subsection B

The interest rate used in determining the minimum nonforfeiture amounts shall be the lesser of 3.0% per annum and the following:

- The 5-year Constant Maturity Treasury Rate reported by the Federal Reserve as of a date, or average over a period, rounded to the nearest 1/20th of one percent (5 basis points), specified in the contract no longer than 15 months prior to the contract issue date or redetermination date,
- Reduced by 125 basis points,
- Where the resulting interest rate is not less than 1%, and
- The interest rate shall apply for an initial period and may be redetermined for additional periods.

Compliance

The interest rate used in determining the minimum nonforfeiture amounts for this contract will be reset for newly issued policies monthly and be based on the 5-year Constant Maturity Treasury rate.

At the beginning of each month, the daily average of the 5-year Constant Maturity Treasury from the calendar month 3 months prior will be determined. As an example, the January rate would be based on the daily average from October of the prior year. This daily average is then reduced by the appropriate reduction amount (125 bps for Fixed Strategies and 225 bps for Indexed Strategies). The result is then rounded to the nearest 0.05%, with the result being floored at 1.0% and capped at 3.0%.

If the current month's Standard Nonforfeiture Rate is determined to be more than 0.25% different from the prior month's rate, then the current month's rate will be used. If it is not more than 0.25% different, then the prior month's rate will be used. The exception to this is that in January of each year, the rate will always be reset to the rate calculated as described in the prior paragraph.

The rate calculated for January 2008 will be equal to:

For Fixed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 125bps reduction = 2.95%
- Rounded to the nearest 5bps = 2.95%
- Capped at 3% = 2.95%

For Indexed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 225bps reduction = 1.95%
- Rounded to the nearest 5bps = 1.95%

For the remainder of 2008, this rate will be recalculated every month as described in the second previous paragraph and reset for new issues as appropriate.

Subsection C

During the period or term that a contract provides substantive participation in an indexed benefit, it may change the 125 basis point reduction to 225 basis points to reflect the value of an index benefit.

Compliance

Substantive participation in an indexed benefit means an annual cost of at least 25 basis points attributable to that indexed benefit.

To demonstrate compliance, the annualized option cost for the entire index term as of the beginning of the index term must be calculated. The option cost must use the contract's guaranteed product features. The option cost must use a basis representative of the point in time at the beginning of the current index term. The option cost cannot be adjusted for persistency, death, utilization, etc. The methods and parameters for the option cost shall be calibrated to capital markets based option pricing.

If the annualized option cost meets the criteria for substantive indexed participation, then a reduction is available equal to the lesser of 100 basis points and the annual cost basis value.

The following are assumed:

Volatility:	12.98%
Risk Free Rate:	2.50%
Dividend Yield:	1.94%

Fixed Strategy

There are no indexed benefits associated with this strategy, so the reduction will remain at 125 basis points.

1-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Actuarial Certification

I, David Lautenschlager, am responsible for evaluating compliance with the Standard Nonforfeiture Law for Individual Deferred Annuities and the Annuity Nonforfeiture Model Regulation for Aviva. I have reviewed this contract form and am familiar with the Nonforfeiture Laws and Regulations as they pertain to indexed annuities. I have also reviewed the methodology that will be used in calculating and setting assumptions for the additional reduction in nonforfeiture rate for indexed annuities. Based on my review, I certify that the methodology used for this contract form meets the minimum requirements of the applicable Nonforfeiture Laws and Regulations.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

III. Reserves

Valuation Interest Rate

Under the terms of the Standard Valuation Law, the proper valuation interest rate depends on the following criteria:

- Plan Type - This product qualifies as Plan Type C, since the owner may withdraw funds before expiration of interest rate guarantee subject only to a fixed surrender charge stipulated in the contract as a percentage of the fund without adjustment to reflect changes in interest rates or asset values since receipt of the funds by the insurance company.
- Valuation Basis - The basis chosen for this product is the Issue Year basis.
- Guarantee Duration - Under the Standard Valuation Law, “other annuities with cash settlement options” have a guarantee duration which “is the number of years for which the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee duration in excess of twenty (20) years”. Therefore, this Contract falls in the category of contracts with guarantee duration of 5 years or less.
- The valuation rate is determined by considering both initial and future guaranteed interest rates.

Using the criteria stated above, the 2007 valuation rate for these products is 4.50%.

Mortality Table

The mortality table used to calculate reserves is the Annuity 2000 Mortality Table.

Morbidity Table

The morbidity assumption for the confinement waiver feature is based on the 1985 National Nursing Home Survey Utilization Data found in the Transactions, Society of Actuaries, Reports of Mortality, Morbidity and other Experience(1988-89-80): p. 101.

Reserve Basis

Reserves for premium allocated to the fixed strategy will be calculated in accordance with the Commissioners Annuity Reserve Valuation Method (CARVM), on an Issue Year basis, with interest equal to the Calendar Year Statutory Valuation Interest Rate for each calendar year of issue. The reserves for premium allocated to the index strategies will be calculated according to Actuarial Guideline 35 using the CARVM with Updated Market Values.

The reserve established for this contract will value all the guaranteed benefits under the contract. The reserve established will be sufficient to fund the greatest present value of each independent guaranteed benefit stream. This methodology is consistent with Actuarial Guideline 33.

IV. Hedging Strategy & Associated Risks

General Hedging Strategy

The general investment strategy for the indexed strategy(ies) includes purchasing and selling either over the counter (OTC) options and/or exchange traded options/futures (CBOE/CME) to hedge the equity exposure and fixed income securities to provide for the minimum guarantees. The strategy is to purchase and/or sell an option that matches the liability option sold to the contract owner. Options will be carried at market value in the annual statement. Portfolio rebalancing will be done as needed based upon the amount of deaths, withdrawals and surrenders.

Premium received will be used to purchase assets to back the product. The mix of assets will vary depending on allocations chosen by the contract holder, option costs and day-to-day decisions made by the investment department.

It is the goal of the hedging program that all index exposures provided to the contract holder are adequately hedged. It is anticipated that hedges or bonds will be purchased whenever the index exposure materially increases due to premium, transfer into the strategy from another strategy, or index credits. It is anticipated that hedges or bonds will be sold or unwound whenever the index exposure materially decreases due to surrenders, withdrawals, deaths, annuitization or transfer into another strategy.

It is possible that we may accomplish the hedge using an alternative methodology. For example, if it is necessary to purchase additional derivative instruments during the index term and a sufficient quantity of an appropriate investment is not available, alternative exposure to the index could be found either through reinsurance or through similar instruments or securities in the cash market. An example of this would be purchasing SPDRs, a common stock that represents the S&P 500 index, to cover the index exposure.

Typically, since our hedges are matched to the payout to the contract holder, we have a high degree of certainty that the hedges will be effective. There are methods available, however, for verifying the effectiveness of the hedging strategies. The hedging strategy on the index strategies can be monitored by comparing what is earned on the derivatives to what is credited to the contract holder.

Credit Exposure

Investment opportunities and the investment market will dictate the exact investment portfolio on a day to day basis. The credit research department in close cooperation with portfolio management will monitor the total exposure to individual counterparties to ensure that the credit exposure guidelines are adhered to.

Separate Account vs. General Account

The derivatives are purchased specifically for the purpose of hedging the index exposure under this contract and this contract does not require the establishment of a separate account as all liabilities will be provided from the Company's General Account. As a result this product is not registered with the SEC and no separate account will be established.

Derivatives Trading

The Investment Committee of the Board of Directors authorizes the Chief Investment Officer (CIO) to designate an Officer to function as AGC's Derivatives Manager. The CIO is also authorized to designate individuals whom the CIO has determined have the appropriate experience, knowledge and skills as approved traders for derivative instruments. Only such individuals designated by the CIO (or otherwise approved by the Investment Committee) are permitted to enter into and/or approve derivative transactions on behalf of the Company.

Counterparty Approval Process and Review

Prior to entering into a derivative transaction with any counterparty, the authorized trader must verify that such counterparty is on the approved counterparty list. To obtain approval of any counterparty not already approved, a credit opinion must be rendered and then approved by the Head of Credit Research and the counterparty must be then added to the approved list.

The approved counterparties will be monitored on an ongoing basis from reliable public sources. The list will be reviewed at least quarterly as part of the formal Business Summary and Asset Review Meeting unless a material event with a counterparty occurs. A material event is deemed to occur if one of the nationally recognized rating agencies places a counterparty on a credit watch list with negative implications or a downgrade occurs. In such an event, the counterparty in question will be reviewed immediately after the material event becomes known.

The most recent Approved Counterparty List includes the following:

Bank of America Corp.
Bank Nova Scotia
Barclays Bank Plc
Bear Stearns International Ltd (Bear Stearns Cos Inc)
BNP Paribas
Citigroup Inc.
Salomon Swapco Inc.
Credit Lyonnais New York Branch
Credit Suisse First Boston Int'l
Deutsche Bank AG
Goldman Sachs Capital Markets LP (Goldman Sachs Group, Inc.)
JP Morgan Chase & Co
Lehman Brothers Holdings Inc.
Lehman Brothers Special Financing Inc (Leh Bros Holding, Inc.)
Lehman Brothers Deriv. Product
Lehman Brothers Finance SA (Leh Bros Holding, Inc.)
Merrill Lynch & Co
Merrill Lynch Cap Srvcs (Merrill Lynch & Co., Inc.)
Merrill Lynch
Merrill Lynch International (Merrill Lynch & Co., Inc.)
Morgan Stanley
Societe Generale
SuntrustBank Inc.
UBS AG
Wachovia Bank, N.A.

Hedging Risks

The Company will handle the risks associated with purchasing hedging instruments as follows:

1. Liquidity Risk – The Company responds to this risk by product design and investment strategy. The Company develops a hedge position consisting of exchange traded options/futures or OTC options. If money is needed, the options can be sold or the notional amount can be adjusted. Assets backing the minimum guarantee are marketable securities that can be sold or borrowed against to fund benefit payments.
2. Credit Risk – The Company will manage this risk by using counterparties that are rated Investment Grade by independent rating agencies. In addition, a separate credit department within the Company sets limits on the total market value amount which AGC has to each counterparty. If the market value amount to a particular counterparty exceeds specified thresholds, the Company may negotiate for that counterparty to post collateral equal to any amounts over and above the threshold limit established.
3. Market Risk – The Company manages this risk by modeling and projecting both assets and liabilities to ensure a proper match between the two. The appropriate investment strategy is determined by working closely with our investment area.
4. Pricing Risk – The Company manages the pricing risks inherent in the product by performing experience studies and monitoring product performance. The results of these studies are used to determine appropriate pricing assumptions for both assets and liabilities.
5. Legal Risk – The legal risk associated with dealers is covered by executing proper ISDA agreements. The company negotiates language necessary to give it sufficient leeway.
6. Operational Risks – These risks are kept to a minimum because of cross check procedures. The liabilities are reconciled from data down loaded from the administration system. Assets are reconciled by verifying the counterparty mark to markets and internal use of asset spreadsheets.

Management of ALM Risks

The following is information on individuals who monitor and manage the various Asset/Liability risks.

Rohini Ramaswamy

Investment Analyst, Aviva Capital Management

Education: University of Delhi, Brown University, Iowa State University

Chakradhar Deo Singh

Investment Analyst, Aviva Capital Management

Education: Indian Institute of Technology, Kanpur, University of Iowa

Matt Trosper

Jr. Portfolio Manager, Aviva Capital Management

Education: University of Notre Dame, University of Iowa

Anurag Joshi, CFA

Sr. Portfolio Manager, Aviva Capital Management

Education: Banaras Hindu University, Iowa State University

Mark A. Cernicky, CFA

Portfolio Manager, Aviva Capital Management

Education: Washington University, University of Chicago

David Ross, FCIA, FSA

Vice President Asset-Liability Management, Aviva Capital Management

Education: John Abbott College, McMaster University

Ross Junge, CFA

Vice President, Sr. Portfolio Manager, Aviva Capital Management

Education: Simpson College, University of Iowa

Gregory Boal, CFA

Executive Vice President and Chief Investment Officer, Aviva

President, Aviva Capital Management

Education: University of Wyoming

V. Risk-Based Capital

C1 Reporting

To determine the appropriate amount of C1 to hold, the value of the bonds are multiplied by the appropriate asset class factors (classes 1-6), while the value of the options are multiplied by the Miscellaneous Asset, Class 1 factor.

C3 Reporting

To determine the appropriate amount of C3 to hold, the value of the statutory reserves are multiplied by the appropriate C3 factor, which depends on the level of the withdrawal charge. Cash Flow Scenario testing is also performed in some situations to determine if less C3 can be held.

C4 Reporting

To determine the appropriate amount of C4 to hold, the amount of first-year premiums are multiplied by the appropriate C4 factor. The C4 component only applies during the first contract year after the premium.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

Appendix A

Demonstration of Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities

Table 1a - Retrospective Test using 3.00% Nonforfeiture Rate											Table 1b - Prospective Test using 3.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal Charge	Accumulated Value Floor less Withdrawal Charge	Minimum Guaranteed Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 3.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 3.00%	Maturity Value Discounted @ 4.00%	Comply?
1	10,000	10,000	6.00%	10.0%	9,460	9,460	8,750	9,460	8,750	yes	1	9,460	13,439	9,079	yes
2	10,300	10,300	5.00%	10.0%	9,837	9,837	9,013	9,837	9,013	yes	2	9,837	13,439	9,442	yes
3	10,609	10,609	4.00%	10.0%	10,227	10,227	9,283	10,227	9,283	yes	3	10,227	13,439	9,820	yes
4	10,927	10,927	0.00%	0.0%	10,927	10,927	9,561	10,927	9,561	yes	4	10,927	13,439	10,213	yes
5	11,255	11,255	0.00%	0.0%	11,255	11,255	9,848	11,255	9,848	yes	5	11,255	13,439	10,621	yes
6	11,593	11,593	0.00%	0.0%	11,593	11,593	10,144	11,593	10,144	yes	6	11,593	13,439	11,046	yes
7	11,941	11,941	0.00%	0.0%	11,941	11,941	10,448	11,941	10,448	yes	7	11,941	13,439	11,488	yes
8	12,299	12,299	0.00%	0.0%	12,299	12,299	10,761	12,299	10,761	yes	8	12,299	13,439	11,947	yes
9	12,668	12,668	0.00%	0.0%	12,668	12,668	11,084	12,668	11,084	yes	9	12,668	13,439	12,425	yes
10	13,048	13,048	0.00%	0.0%	13,048	13,048	11,417	13,048	11,417	yes	10	13,048	13,439	12,922	yes
11	13,439	13,439	0.00%	0.0%	13,439	13,439	11,759	13,439	11,759	yes	11	13,439	13,439	13,439	yes

Table 2a - Retrospective Test using 1.00% Nonforfeiture Rate											Table 2b - Prospective Test using 1.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal Charge	Accumulated Value Floor less Withdrawal Charge	Minimum Guaranteed Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 1.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 1.00%	Maturity Value Discounted @ 2.00%	Comply?
1	10,000	10,000	6.00%	10.0%	9,460	9,460	8,750	9,460	8,750	yes	1	9,460	11,046	9,062	yes
2	10,100	10,100	5.00%	10.0%	9,646	9,646	8,838	9,646	8,838	yes	2	9,646	11,046	9,243	yes
3	10,201	10,201	4.00%	10.0%	9,834	9,834	8,926	9,834	8,926	yes	3	9,834	11,046	9,428	yes
4	10,303	10,303	0.00%	0.0%	10,303	10,303	9,015	10,303	9,015	yes	4	10,303	11,046	9,616	yes
5	10,406	10,406	0.00%	0.0%	10,406	10,406	9,105	10,406	9,105	yes	5	10,406	11,046	9,809	yes
6	10,510	10,510	0.00%	0.0%	10,510	10,510	9,196	10,510	9,196	yes	6	10,510	11,046	10,005	yes
7	10,615	10,615	0.00%	0.0%	10,615	10,615	9,288	10,615	9,288	yes	7	10,615	11,046	10,205	yes
8	10,721	10,721	0.00%	0.0%	10,721	10,721	9,381	10,721	9,381	yes	8	10,721	11,046	10,409	yes
9	10,829	10,829	0.00%	0.0%	10,829	10,829	9,475	10,829	9,475	yes	9	10,829	11,046	10,617	yes
10	10,937	10,937	0.00%	0.0%	10,937	10,937	9,570	10,937	9,570	yes	10	10,937	11,046	10,830	yes
11	11,046	11,046	0.00%	0.0%	11,046	11,046	9,665	11,046	9,665	yes	11	11,046	11,046	11,046	yes

Appendix B

Strategies Offered, Accumulated Values and Credited Interest

Common Definitions for Strategy Endorsements

Strategy Value

The Strategy Value is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, plus Interest Credits to the strategy, less withdrawals taken from the strategy.

Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value is equal to 87.5% of Initial Premium allocated to the strategy accumulated at X%, plus/minus the Minimum Guaranteed Strategy Value associated with transfers in/out of the current strategy from/to other strategies accumulated at X%, less the Minimum Guaranteed Strategy Value associated with withdrawals from the strategy accumulated at X%.

X% is based on the rate as defined by the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities.

When the Strategy Value is reallocated or transferred:

- a) From a strategy, the Minimum Guaranteed Strategy Value is reduced by the Minimum Guaranteed Strategy Value prior to the transfer multiplied by the proportion of the Strategy Value that is transferred;
- b) To a strategy, the Minimum Guaranteed Strategy Value is increased by the sum of all reductions in Minimum Guaranteed Strategy Value determined under a) multiplied by the proportion of total transferred Strategy Value that is transferred to that strategy

Accumulated Value Floor

The Account Value Floor is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, less withdrawals taken from the strategy, accumulated at the Accumulated Value Floor Interest Rate.

Fixed Strategy

Description

This endorsement establishes the Fixed Strategy for the base contract to which it is attached.

Initial Guaranteed Interest Rate

The Initial Guaranteed Interest Rate is declared on the Contract Date and is guaranteed for the Initial Guaranteed Interest Rate Period only. The Initial Guaranteed Interest Rate is guaranteed never to be lower than the Minimum Guaranteed Interest Rate.

Renewal Interest Rate

The Renewal Interest Rate will be declared at the end of the first Contract Year and any subsequent Contract Year. During the Initial Guaranteed Interest Rate Period the Renewal Interest Rate will never be less than the Initial Guaranteed Interest Rate. The Renewal Interest Rate is guaranteed for one Contract Year only and is guaranteed to never be lower than the Minimum Guaranteed Interest Rate.

Interest Credits

Interest Credits are calculated and added to the strategy value on a daily basis.

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Minimum Guaranteed Rate Information

The Minimum Guaranteed Interest Rate is 2.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

$$1 = (C / D) - 1$$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.

One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

1 = $(C / D) - 1$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The Multi-Year Point to Point Change Percentage.If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0
- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.C = The Index Value on the Index Term End Date.
D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

AVIVA LIFE AND ANNUITY COMPANY
Actuarial Memorandum
Individual Single Premium Indexed Deferred Annuity
Form Number: AAA5 (06/08)

I. Description Of Contract

General Description

This Contract is an Individual Single Premium Indexed Deferred Annuity which provides Annuity Benefits, Death Benefits and Cash Surrender Values. It will be marketed through marketing organizations, financial institutions, banks and other distribution systems available to the company.

Annuity Benefits

The Contract provides for a 10 Year Certain and Life annuity income benefit commencing on the Annuity Date. The Annuity Date will be the later of the Contract Anniversary following the Annuitant's age 95 or the 10th Contract Anniversary. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. The latest Annuity Date that the Owner may select is the Contract Anniversary following the annuitant's 95th birthday or 10 years from the issue date.

Death Benefits

The Death Benefit will be the larger of the Accumulated Value, the Accumulated Value Floor or the Cash Surrender Value.

Accumulated Value

The Accumulated Value is the sum of the Strategy Values associated with the individual strategies established by endorsement to this base contract. Detailed information on how those values are calculated can be found in Appendix B.

Accumulated Value Floor

The Accumulated Value Floor is the sum of the Accumulated Value Floors associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Cash Surrender Value

The Cash Surrender Value is the greater of:

- Accumulated Value less Withdrawal Charges,
- Accumulated Value Floor less Withdrawal Charges, and
- Minimum Guaranteed Contract Value.

Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value is the sum of the Minimum Guaranteed Contract Values associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Withdrawal Charges and Free Withdrawals

The Withdrawal Charges by contract year are 7, 6, 6, 5, 4%. The beginning of year 6 will have a 0% Withdrawal Charge. Withdrawals may be taken in any amount up to the Cash Surrender Value of the contract. The Free Withdrawal is equal to 10% of the Accumulated Value as of the prior anniversary, or the Required Minimum Distribution on Qualified contracts, whichever is higher. Free Withdrawals are not subject to a Withdrawal Charge. Any withdrawals in excess of the Free Withdrawal amount will be subject to the Withdrawal Charge in effect at the time of the withdrawal.

Premium Allocations

The Initial Premium will be allocated to the various strategies as directed by the owner. The allocation of premium to any strategy may be any whole percentage from 0% to 100%. The percentages of any premium allocated must total 100%.

Transfers

The owner may elect on the anniversary to transfer some or all of the value of one strategy to another strategy. Such requests must be in writing and are subject to the transfer rules associated with the individual strategies. Some strategies may not allow transfers until the Withdrawal Charge Rate Schedule expires.

Substitution of Indices

If a current index referred to in the contract form is no longer in existence or applicable, we will substitute a suitable index in its place and notify the State Insurance Department before using the substitute index. The substitute index would be selected by identifying which index is most similar to the discontinued index. Characteristics of assets backing the original index, such as maturity, quality, duration, sector, geography would be included in the analysis, along with general characteristics of the index, i.e. if the index is an equity index, bond index, etc.

II. Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities (SNLIDA)

Section 3. Nonforfeiture Requirements

There are four requirements under this section:

- Upon cessation of payment considerations or upon request, the company shall grant a paid-up annuity benefit, which must comply with sections 5, 6, 7, 8 and 10 of the SNLIDA. Section 5 is the most applicable in this case and states that the present value of the paid-up annuity benefit on the date annuity payments are to commence is at least as equal to the minimum nonforfeiture amount on that date.

Compliance

The contract is a single premium deferred annuity. The contract does provide for a paid up annuity benefit of a 10 Year Certain and Life Annuity (or other Annuity Option if elected) beginning on the Annuity Date. The payout is determined by applying the factor associated with the Annuity Option to the Cash Surrender Value of the contract less any applicable premium related taxes, fees or assessments imposed by any Federal, State or Municipal taxing authority which have not otherwise been deducted or offset. This contract complies with this requirement since the present value of this benefit is always equal to or greater than the Minimum Nonforfeiture Amount.

- If a contract provides for a lump-sum settlement at maturity or any other time, upon surrender of the contract the company shall pay in lieu of a paid-up annuity benefit a cash surrender benefit that complies with sections 5, 6, 8 and 10 of the SNLIDA. Also, the company may reserve the right to defer payment of cash surrender benefits for a period not to exceed 6 months with approval of the commissioner.

Compliance

The contract does not allow for deferral of payment of the cash surrender value for a period longer than 6 months.

Section 5 is the same as stated in the prior bullet point above.

Compliance

As noted above, the paid-up annuity benefit offered by this contract is in compliance with section 5.

Section 6 states that the cash surrender benefits available prior to maturity shall not be less than the present value as of the date of surrender of that portion of the maturity value of the paid-up annuity benefit that would be provided under the contract at maturity arising from considerations paid prior to the time of cash surrender reduced by the amount appropriate to reflect any prior withdrawals from or partial surrenders of the contract, such present value being calculated on the basis of an interest rate not more than 1% higher than the interest rate specified in the contract for accumulating net considerations. Also, in no event may the cash surrender benefit be less than the minimum nonforfeiture amount at that time. The death benefits also must be at least equal to the cash surrender benefit.

Compliance

With regards to the first part of section 6, demonstration of compliance for issue age 60+ is shown in Appendix A, Tables 1b and 2b. Also, the cash surrender benefit will never be less the minimum nonforfeiture amount and the death benefit will never be less than the minimum nonforfeiture amount.

Section 8 refers to contracts where an election can be made to have annuity payments commence at optional maturity dates.

Compliance

For purposes of determining the benefits in Section 6 the maturity date will be the later of age 70 or 10 years.

Section 10 states that any paid-up annuity, cash surrender or death benefits available at any time, other than the contract anniversary, shall be calculated with allowance for lapse of time and the payment of any considerations beyond the initial payment.

Compliance

All paid-up annuity, cash surrender values and death benefits provided under this Annuity contract do allow for lapse of time since contract anniversaries in their calculation.

- The SNLIDA requires a statement of the mortality table and interest rates used in calculating any minimum paid-up annuity, cash surrender or death benefits that are guaranteed.

Compliance

The guaranteed interest rates used to determine the minimum cash values are specified in the various Strategy Minimum Guaranteed Contract Value sections. No mortality table is used prior to the annuity date (maturity). The annuity benefit purchase rate guarantees provided in the contract are stated in the Optional Annuity Benefits section of the contract.

- The SNLIDA requires a statement that any paid-up annuity, cash surrender or death benefits that may be available under the contract are not less than the minimum benefits required by any statute of the state in which the contract is delivered and an explanation of the manner in which such benefits are altered by the existence of any additional amounts credited by the company to the contract, any indebtedness to the company on the contract or any prior withdrawals from or partial surrenders of the contract.

Compliance

The required statement is found in the Conformity With Applicable Laws section of the Contract.

Section 4. Minimum Values

According to the SNLIDA, the minimum values as specified in sections 5, 6, 7, 8 and 10 of any paid-up annuity, cash surrender or death benefits shall be based on the amounts defined in this section.

Subsection A

The minimum nonforfeiture amounts, at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to such time at a rate of interest as defined in Subsection B of the net consideration paid prior to such time, decreased by the sum of prior withdrawals accumulated at that same rate, an annual contract charge of \$50 accumulated at that same rate, any premium tax accumulated at that same rate and the amount of any indebtedness to the company on the contract.

The net consideration for a given contract year shall be an amount equal to 87.5% of the gross considerations in that year.

Compliance

In Appendix A, tables 1a and 2a demonstrate compliance with Section 4 of the SNLIDA. It has the following assumptions:

- No annual contract charges are included in the SNLIDA cash value.
- Contract size is \$10,000.
- No additional premiums are paid.
- Premium-Related Taxes, Fees or Assessments imposed against the Contract are ignored.
- Compliance is demonstrated at both the minimum nonforfeiture rate of 1% and the maximum nonforfeiture rate of 3%.

Subsection B

The interest rate used in determining the minimum nonforfeiture amounts shall be the lesser of 3.0% per annum and the following:

- The 5-year Constant Maturity Treasury Rate reported by the Federal Reserve as of a date, or average over a period, rounded to the nearest 1/20th of one percent (5 basis points), specified in the contract no longer than 15 months prior to the contract issue date or redetermination date,
- Reduced by 125 basis points,
- Where the resulting interest rate is not less than 1%, and
- The interest rate shall apply for an initial period and may be redetermined for additional periods.

Compliance

The interest rate used in determining the minimum nonforfeiture amounts for this contract will be reset for newly issued policies monthly and be based on the 5-year Constant Maturity Treasury rate.

At the beginning of each month, the daily average of the 5-year Constant Maturity Treasury from the calendar month 3 months prior will be determined. As an example, the January rate would be based on the daily average from October of the prior year. This daily average is then reduced by the appropriate reduction amount (125 bps for Fixed Strategies and 225 bps for Indexed Strategies). The result is then rounded to the nearest 0.05%, with the result being floored at 1.0% and capped at 3.0%.

If the current month's Standard Nonforfeiture Rate is determined to be more than 0.25% different from the prior month's rate, then the current month's rate will be used. If it is not more than 0.25% different, then the prior month's rate will be used. The exception to this is that in January of each year, the rate will always be reset to the rate calculated as described in the prior paragraph.

The rate calculated for January 2008 will be equal to:

For Fixed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 125bps reduction = 2.95%
- Rounded to the nearest 5bps = 2.95%
- Capped at 3% = 2.95%

For Indexed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 225bps reduction = 1.95%
- Rounded to the nearest 5bps = 1.95%

For the remainder of 2008, this rate will be recalculated every month as described in the second previous paragraph and reset for new issues as appropriate.

Subsection C

During the period or term that a contract provides substantive participation in an indexed benefit, it may change the 125 basis point reduction to 225 basis points to reflect the value of an index benefit.

Compliance

Substantive participation in an indexed benefit means an annual cost of at least 25 basis points attributable to that indexed benefit.

To demonstrate compliance, the annualized option cost for the entire index term as of the beginning of the index term must be calculated. The option cost must use the contract's guaranteed product features. The option cost must use a basis representative of the point in time at the beginning of the current index term. The option cost cannot be adjusted for persistency, death, utilization, etc. The methods and parameters for the option cost shall be calibrated to capital markets based option pricing.

If the annualized option cost meets the criteria for substantive indexed participation, then a reduction is available equal to the lesser of 100 basis points and the annual cost basis value.

The following are assumed:

Volatility:	12.98%
Risk Free Rate:	2.50%
Dividend Yield:	1.94%

Fixed Strategy

There are no indexed benefits associated with this strategy, so the reduction will remain at 125 basis points.

1-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Actuarial Certification

I, David Lautenschlager, am responsible for evaluating compliance with the Standard Nonforfeiture Law for Individual Deferred Annuities and the Annuity Nonforfeiture Model Regulation for Aviva. I have reviewed this contract form and am familiar with the Nonforfeiture Laws and Regulations as they pertain to indexed annuities. I have also reviewed the methodology that will be used in calculating and setting assumptions for the additional reduction in nonforfeiture rate for indexed annuities. Based on my review, I certify that the methodology used for this contract form meets the minimum requirements of the applicable Nonforfeiture Laws and Regulations.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

III. Reserves

Valuation Interest Rate

Under the terms of the Standard Valuation Law, the proper valuation interest rate depends on the following criteria:

- Plan Type - This product qualifies as Plan Type C, since the owner may withdraw funds before expiration of interest rate guarantee subject only to a fixed surrender charge stipulated in the contract as a percentage of the fund without adjustment to reflect changes in interest rates or asset values since receipt of the funds by the insurance company.
- Valuation Basis - The basis chosen for this product is the Issue Year basis.
- Guarantee Duration - Under the Standard Valuation Law, “other annuities with cash settlement options” have a guarantee duration which “is the number of years for which the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee duration in excess of twenty (20) years”. Therefore, this Contract falls in the category of contracts with guarantee duration of 5 years or less.
- The valuation rate is determined by considering both initial and future guaranteed interest rates.

Using the criteria stated above, the 2007 valuation rate for these products is 4.50%.

Mortality Table

The mortality table used to calculate reserves is the Annuity 2000 Mortality Table.

Morbidity Table

The morbidity assumption for the confinement waiver feature is based on the 1985 National Nursing Home Survey Utilization Data found in the Transactions, Society of Actuaries, Reports of Mortality, Morbidity and other Experience(1988-89-80): p. 101.

Reserve Basis

Reserves for premium allocated to the fixed strategy will be calculated in accordance with the Commissioners Annuity Reserve Valuation Method (CARVM), on an Issue Year basis, with interest equal to the Calendar Year Statutory Valuation Interest Rate for each calendar year of issue. The reserves for premium allocated to the index strategies will be calculated according to Actuarial Guideline 35 using the CARVM with Updated Market Values.

The reserve established for this contract will value all the guaranteed benefits under the contract. The reserve established will be sufficient to fund the greatest present value of each independent guaranteed benefit stream. This methodology is consistent with Actuarial Guideline 33.

IV. Hedging Strategy & Associated Risks

General Hedging Strategy

The general investment strategy for the indexed strategy(ies) includes purchasing and selling either over the counter (OTC) options and/or exchange traded options/futures (CBOE/CME) to hedge the equity exposure and fixed income securities to provide for the minimum guarantees. The strategy is to purchase and/or sell an option that matches the liability option sold to the contract owner. Options will be carried at market value in the annual statement. Portfolio rebalancing will be done as needed based upon the amount of deaths, withdrawals and surrenders.

Premium received will be used to purchase assets to back the product. The mix of assets will vary depending on allocations chosen by the contract holder, option costs and day-to-day decisions made by the investment department.

It is the goal of the hedging program that all index exposures provided to the contract holder are adequately hedged. It is anticipated that hedges or bonds will be purchased whenever the index exposure materially increases due to premium, transfer into the strategy from another strategy, or index credits. It is anticipated that hedges or bonds will be sold or unwound whenever the index exposure materially decreases due to surrenders, withdrawals, deaths, annuitization or transfer into another strategy.

It is possible that we may accomplish the hedge using an alternative methodology. For example, if it is necessary to purchase additional derivative instruments during the index term and a sufficient quantity of an appropriate investment is not available, alternative exposure to the index could be found either through reinsurance or through similar instruments or securities in the cash market. An example of this would be purchasing SPDRs, a common stock that represents the S&P 500 index, to cover the index exposure.

Typically, since our hedges are matched to the payout to the contract holder, we have a high degree of certainty that the hedges will be effective. There are methods available, however, for verifying the effectiveness of the hedging strategies. The hedging strategy on the index strategies can be monitored by comparing what is earned on the derivatives to what is credited to the contract holder.

Credit Exposure

Investment opportunities and the investment market will dictate the exact investment portfolio on a day to day basis. The credit research department in close cooperation with portfolio management will monitor the total exposure to individual counterparties to ensure that the credit exposure guidelines are adhered to.

Separate Account vs. General Account

The derivatives are purchased specifically for the purpose of hedging the index exposure under this contract and this contract does not require the establishment of a separate account as all liabilities will be provided from the Company's General Account. As a result this product is not registered with the SEC and no separate account will be established.

Derivatives Trading

The Investment Committee of the Board of Directors authorizes the Chief Investment Officer (CIO) to designate an Officer to function as AGC's Derivatives Manager. The CIO is also authorized to designate individuals whom the CIO has determined have the appropriate experience, knowledge and skills as approved traders for derivative instruments. Only such individuals designated by the CIO (or otherwise approved by the Investment Committee) are permitted to enter into and/or approve derivative transactions on behalf of the Company.

Counterparty Approval Process and Review

Prior to entering into a derivative transaction with any counterparty, the authorized trader must verify that such counterparty is on the approved counterparty list. To obtain approval of any counterparty not already approved, a credit opinion must be rendered and then approved by the Head of Credit Research and the counterparty must be then added to the approved list.

The approved counterparties will be monitored on an ongoing basis from reliable public sources. The list will be reviewed at least quarterly as part of the formal Business Summary and Asset Review Meeting unless a material event with a counterparty occurs. A material event is deemed to occur if one of the nationally recognized rating agencies places a counterparty on a credit watch list with negative implications or a downgrade occurs. In such an event, the counterparty in question will be reviewed immediately after the material event becomes known.

The most recent Approved Counterparty List includes the following:

Bank of America Corp.
Bank Nova Scotia
Barclays Bank Plc
Bear Stearns International Ltd (Bear Stearns Cos Inc)
BNP Paribas
Citigroup Inc.
Salomon Swapco Inc.
Credit Lyonnais New York Branch
Credit Suisse First Boston Int'l
Deutsche Bank AG
Goldman Sachs Capital Markets LP (Goldman Sachs Group, Inc.)
JP Morgan Chase & Co
Lehman Brothers Holdings Inc.
Lehman Brothers Special Financing Inc (Leh Bros Holding, Inc.)
Lehman Brothers Deriv. Product
Lehman Brothers Finance SA (Leh Bros Holding, Inc.)
Merrill Lynch & Co
Merrill Lynch Cap Srvcs (Merrill Lynch & Co., Inc.)
Merrill Lynch
Merrill Lynch International (Merrill Lynch & Co., Inc.)
Morgan Stanley
Societe Generale
SuntrustBank Inc.
UBS AG
Wachovia Bank, N.A.

Hedging Risks

The Company will handle the risks associated with purchasing hedging instruments as follows:

1. Liquidity Risk – The Company responds to this risk by product design and investment strategy. The Company develops a hedge position consisting of exchange traded options/futures or OTC options. If money is needed, the options can be sold or the notional amount can be adjusted. Assets backing the minimum guarantee are marketable securities that can be sold or borrowed against to fund benefit payments.
2. Credit Risk – The Company will manage this risk by using counterparties that are rated Investment Grade by independent rating agencies. In addition, a separate credit department within the Company sets limits on the total market value amount which AGC has to each counterparty. If the market value amount to a particular counterparty exceeds specified thresholds, the Company may negotiate for that counterparty to post collateral equal to any amounts over and above the threshold limit established.
3. Market Risk – The Company manages this risk by modeling and projecting both assets and liabilities to ensure a proper match between the two. The appropriate investment strategy is determined by working closely with our investment area.
4. Pricing Risk – The Company manages the pricing risks inherent in the product by performing experience studies and monitoring product performance. The results of these studies are used to determine appropriate pricing assumptions for both assets and liabilities.
5. Legal Risk – The legal risk associated with dealers is covered by executing proper ISDA agreements. The company negotiates language necessary to give it sufficient leeway.
6. Operational Risks – These risks are kept to a minimum because of cross check procedures. The liabilities are reconciled from data down loaded from the administration system. Assets are reconciled by verifying the counterparty mark to markets and internal use of asset spreadsheets.

Management of ALM Risks

The following is information on individuals who monitor and manage the various Asset/Liability risks.

Rohini Ramaswamy

Investment Analyst, Aviva Capital Management

Education: University of Delhi, Brown University, Iowa State University

Chakradhar Deo Singh

Investment Analyst, Aviva Capital Management

Education: Indian Institute of Technology, Kanpur, University of Iowa

Matt Trosper

Jr. Portfolio Manager, Aviva Capital Management

Education: University of Notre Dame, University of Iowa

Anurag Joshi, CFA

Sr. Portfolio Manager, Aviva Capital Management

Education: Banaras Hindu University, Iowa State University

Mark A. Cernicky, CFA

Portfolio Manager, Aviva Capital Management

Education: Washington University, University of Chicago

David Ross, FCIA, FSA

Vice President Asset-Liability Management, Aviva Capital Management

Education: John Abbott College, McMaster University

Ross Junge, CFA

Vice President, Sr. Portfolio Manager, Aviva Capital Management

Education: Simpson College, University of Iowa

Gregory Boal, CFA

Executive Vice President and Chief Investment Officer, Aviva
President, Aviva Capital Management

Education: University of Wyoming

V. Risk-Based Capital

C1 Reporting

To determine the appropriate amount of C1 to hold, the value of the bonds are multiplied by the appropriate asset class factors (classes 1-6), while the value of the options are multiplied by the Miscellaneous Asset, Class 1 factor.

C3 Reporting

To determine the appropriate amount of C3 to hold, the value of the statutory reserves are multiplied by the appropriate C3 factor, which depends on the level of the withdrawal charge. Cash Flow Scenario testing is also performed in some situations to determine if less C3 can be held.

C4 Reporting

To determine the appropriate amount of C4 to hold, the amount of first-year premiums are multiplied by the appropriate C4 factor. The C4 component only applies during the first contract year after the premium.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

Appendix A

Demonstration of Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities

Table 1a - Retrospective Test using 3.00% Nonforfeiture Rate											Table 1b - Prospective Test using 3.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal Charge	Accumulated Value Floor less Withdrawal Charge	Minimum Guaranteed Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 3.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 3.00%	Maturity Value Discounted @ 4.00%	Comply?
1	10,000	10,000	7.00%	10.0%	9,370	9,370	8,750	9,370	8,750	yes	1	9,370	13,439	9,079	yes
2	10,300	10,300	6.00%	10.0%	9,744	9,744	9,013	9,744	9,013	yes	2	9,744	13,439	9,442	yes
3	10,609	10,609	6.00%	10.0%	10,036	10,036	9,283	10,036	9,283	yes	3	10,036	13,439	9,820	yes
4	10,927	10,927	5.00%	10.0%	10,436	10,436	9,561	10,436	9,561	yes	4	10,436	13,439	10,213	yes
5	11,255	11,255	4.00%	10.0%	10,850	10,850	9,848	10,850	9,848	yes	5	10,850	13,439	10,621	yes
6	11,593	11,593	0.00%	0.0%	11,593	11,593	10,144	11,593	10,144	yes	6	11,593	13,439	11,046	yes
7	11,941	11,941	0.00%	0.0%	11,941	11,941	10,448	11,941	10,448	yes	7	11,941	13,439	11,488	yes
8	12,299	12,299	0.00%	0.0%	12,299	12,299	10,761	12,299	10,761	yes	8	12,299	13,439	11,947	yes
9	12,668	12,668	0.00%	0.0%	12,668	12,668	11,084	12,668	11,084	yes	9	12,668	13,439	12,425	yes
10	13,048	13,048	0.00%	0.0%	13,048	13,048	11,417	13,048	11,417	yes	10	13,048	13,439	12,922	yes
11	13,439	13,439	0.00%	0.0%	13,439	13,439	11,759	13,439	11,759	yes	11	13,439	13,439	13,439	yes

Table 2a - Retrospective Test using 1.00% Nonforfeiture Rate											Table 2b - Prospective Test using 1.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal Charge	Accumulated Value Floor less Withdrawal Charge	Minimum Guaranteed Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 1.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 1.00%	Maturity Value Discounted @ 2.00%	Comply?
1	10,000	10,000	7.00%	10.0%	9,370	9,370	8,750	9,370	8,750	yes	1	9,370	11,046	9,062	yes
2	10,100	10,100	6.00%	10.0%	9,555	9,555	8,838	9,555	8,838	yes	2	9,555	11,046	9,243	yes
3	10,201	10,201	6.00%	10.0%	9,650	9,650	8,926	9,650	8,926	yes	3	9,650	11,046	9,428	yes
4	10,303	10,303	5.00%	10.0%	9,839	9,839	9,015	9,839	9,015	yes	4	9,839	11,046	9,616	yes
5	10,406	10,406	4.00%	10.0%	10,031	10,031	9,105	10,031	9,105	yes	5	10,031	11,046	9,809	yes
6	10,510	10,510	0.00%	0.0%	10,510	10,510	9,196	10,510	9,196	yes	6	10,510	11,046	10,005	yes
7	10,615	10,615	0.00%	0.0%	10,615	10,615	9,288	10,615	9,288	yes	7	10,615	11,046	10,205	yes
8	10,721	10,721	0.00%	0.0%	10,721	10,721	9,381	10,721	9,381	yes	8	10,721	11,046	10,409	yes
9	10,829	10,829	0.00%	0.0%	10,829	10,829	9,475	10,829	9,475	yes	9	10,829	11,046	10,617	yes
10	10,937	10,937	0.00%	0.0%	10,937	10,937	9,570	10,937	9,570	yes	10	10,937	11,046	10,830	yes
11	11,046	11,046	0.00%	0.0%	11,046	11,046	9,665	11,046	9,665	yes	11	11,046	11,046	11,046	yes

Appendix B

Strategies Offered, Accumulated Values and Credited Interest

Common Definitions for Strategy Endorsements

Strategy Value

The Strategy Value is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, plus Interest Credits to the strategy, less withdrawals taken from the strategy.

Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value is equal to 87.5% of Initial Premium allocated to the strategy accumulated at X%, plus/minus the Minimum Guaranteed Strategy Value associated with transfers in/out of the current strategy from/to other strategies accumulated at X%, less the Minimum Guaranteed Strategy Value associated with withdrawals from the strategy accumulated at X%.

X% is based on the rate as defined by the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities.

When the Strategy Value is reallocated or transferred:

- a) From a strategy, the Minimum Guaranteed Strategy Value is reduced by the Minimum Guaranteed Strategy Value prior to the transfer multiplied by the proportion of the Strategy Value that is transferred;

- b) To a strategy, the Minimum Guaranteed Strategy Value is increased by the sum of all reductions in Minimum Guaranteed Strategy Value determined under a) multiplied by the proportion of total transferred Strategy Value that is transferred to that strategy

Accumulated Value Floor

The Account Value Floor is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, less withdrawals taken from the strategy, accumulated at the Accumulated Value Floor Interest Rate.

Fixed Strategy

Description

This endorsement establishes the Fixed Strategy for the base contract to which it is attached.

Initial Guaranteed Interest Rate

The Initial Guaranteed Interest Rate is declared on the Contract Date and is guaranteed for the Initial Guaranteed Interest Rate Period only. The Initial Guaranteed Interest Rate is guaranteed never to be lower than the Minimum Guaranteed Interest Rate.

Renewal Interest Rate

The Renewal Interest Rate will be declared at the end of the first Contract Year and any subsequent Contract Year. During the Initial Guaranteed Interest Rate Period the Renewal Interest Rate will never be less than the Initial Guaranteed Interest Rate. The Renewal Interest Rate is guaranteed for one Contract Year only and is guaranteed to never be lower than the Minimum Guaranteed Interest Rate.

Interest Credits

Interest Credits are calculated and added to the strategy value on a daily basis.

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Minimum Guaranteed Rate Information

The Minimum Guaranteed Interest Rate is 2.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:
A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
B = The Multi-Year Point to Point Change Percentage.
If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0
- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
1 = $(C / D) - 1$
2 = The Index Cap Rate declared for the current Index Term Period.
C = The Index Value on the Index Term End Date.
D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.

One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

1 = $(C / D) - 1$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

$= \$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

$= \$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

$$1 = (C / D) - 1$$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

$= \$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

$= \$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

AVIVA LIFE AND ANNUITY COMPANY
Actuarial Memorandum
Individual Single Premium Indexed Deferred Annuity
Form Number: AAA7 (06/08)

I. Description Of Contract

General Description

This Contract is an Individual Single Premium Indexed Deferred Annuity which provides Annuity Benefits, Death Benefits and Cash Surrender Values. It will be marketed through marketing organizations, financial institutions, banks and other distribution systems available to the company.

Annuity Benefits

The Contract provides for a 10 Year Certain and Life annuity income benefit commencing on the Annuity Date. The Annuity Date will be the later of the Contract Anniversary following the Annuitant's age 95 or the 10th Contract Anniversary. If Joint Annuitants are named in the application, the Annuity Date will be set based on the age of the oldest Joint Annuitant. The latest Annuity Date that the Owner may select is the Contract Anniversary following the annuitant's 95th birthday or 10 years from the issue date.

Death Benefits

The Death Benefit will be the larger of the Accumulated Value, the Accumulated Value Floor or the Cash Surrender Value.

Accumulated Value

The Accumulated Value is the sum of the Strategy Values associated with the individual strategies established by endorsement to this base contract. Detailed information on how those values are calculated can be found in Appendix B.

Accumulated Value Floor

The Accumulated Value Floor is the sum of the Accumulated Value Floors associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Cash Surrender Value

The Cash Surrender Value is the greater of:

- Accumulated Value less Withdrawal Charges,
- Accumulated Value Floor less Withdrawal Charges, and
- Minimum Guaranteed Contract Value.

Minimum Guaranteed Contract Value

The Minimum Guaranteed Contract Value is the sum of the Minimum Guaranteed Contract Values associated with the individual strategies established by endorsement. Detailed information on how those values are calculated can be found in Appendix B.

Withdrawal Charges and Free Withdrawals

The Withdrawal Charges by contract year are 7, 7, 6, 6, 5, 5, 4%. The beginning of year 8 will have a 0% Withdrawal Charge. Withdrawals may be taken in any amount up to the Cash Surrender Value of the contract. The Free Withdrawal is equal to 10% of the Accumulated Value as of the prior anniversary, or the Required Minimum Distribution on Qualified contracts, whichever is higher. Free Withdrawals are not subject to a Withdrawal Charge. Any withdrawals in excess of the Free Withdrawal amount will be subject to the Withdrawal Charge in effect at the time of the withdrawal.

Premium Allocations

The Initial Premium will be allocated to the various strategies as directed by the owner. The allocation of premium to any strategy may be any whole percentage from 0% to 100%. The percentages of any premium allocated must total 100%.

Transfers

The owner may elect on the anniversary to transfer some or all of the value of one strategy to another strategy. Such requests must be in writing and are subject to the transfer rules associated with the individual strategies. Some strategies may not allow transfers until the Withdrawal Charge Rate Schedule expires.

Substitution of Indices

If a current index referred to in the contract form is no longer in existence or applicable, we will substitute a suitable index in its place and notify the State Insurance Department before using the substitute index. The substitute index would be selected by identifying which index is most similar to the discontinued index. Characteristics of assets backing the original index, such as maturity, quality, duration, sector, geography would be included in the analysis, along with general characteristics of the index, i.e. if the index is an equity index, bond index, etc.

II. Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities (SNLIDA)

Section 3. Nonforfeiture Requirements

There are four requirements under this section:

- Upon cessation of payment considerations or upon request, the company shall grant a paid-up annuity benefit, which must comply with sections 5, 6, 7, 8 and 10 of the SNLIDA. Section 5 is the most applicable in this case and states that the present value of the paid-up annuity benefit on the date annuity payments are to commence is at least as equal to the minimum nonforfeiture amount on that date.

Compliance

The contract is a single premium deferred annuity. The contract does provide for a paid up annuity benefit of a 10 Year Certain and Life Annuity (or other Annuity Option if elected) beginning on the Annuity Date. The payout is determined by applying the factor associated with the Annuity Option to the Cash Surrender Value of the contract less any applicable premium related taxes, fees or assessments imposed by any Federal, State or Municipal taxing authority which have not otherwise been deducted or offset. This contract complies with this requirement since the present value of this benefit is always equal to or greater than the Minimum Nonforfeiture Amount.

- If a contract provides for a lump-sum settlement at maturity or any other time, upon surrender of the contract the company shall pay in lieu of a paid-up annuity benefit a cash surrender benefit that complies with sections 5, 6, 8 and 10 of the SNLIDA. Also, the company may reserve the right to defer payment of cash surrender benefits for a period not to exceed 6 months with approval of the commissioner.

Compliance

The contract does not allow for deferral of payment of the cash surrender value for a period longer than 6 months.

Section 5 is the same as stated in the prior bullet point above.

Compliance

As noted above, the paid-up annuity benefit offered by this contract is in compliance with section 5.

Section 6 states that the cash surrender benefits available prior to maturity shall not be less than the present value as of the date of surrender of that portion of the maturity value of the paid-up annuity benefit that would be provided under the contract at maturity arising from considerations paid prior to the time of cash surrender reduced by the amount appropriate to reflect any prior withdrawals from or partial surrenders of the contract, such present value being calculated on the basis of an interest rate not more than 1% higher than the interest rate specified in the contract for accumulating net considerations. Also, in no event may the cash surrender benefit be less than the minimum nonforfeiture amount at that time. The death benefits also must be at least equal to the cash surrender benefit.

Compliance

With regards to the first part of section 6, demonstration of compliance for issue age 60+ is shown in Appendix A, Tables 1b and 2b. Also, the cash surrender benefit will never be less the minimum nonforfeiture amount and the death benefit will never be less than the minimum nonforfeiture amount.

Section 8 refers to contracts where an election can be made to have annuity payments commence at optional maturity dates.

Compliance

For purposes of determining the benefits in Section 6 the maturity date will be the later of age 70 or 10 years.

Section 10 states that any paid-up annuity, cash surrender or death benefits available at any time, other than the contract anniversary, shall be calculated with allowance for lapse of time and the payment of any considerations beyond the initial payment.

Compliance

All paid-up annuity, cash surrender values and death benefits provided under this Annuity contract do allow for lapse of time since contract anniversaries in their calculation.

- The SNLIDA requires a statement of the mortality table and interest rates used in calculating any minimum paid-up annuity, cash surrender or death benefits that are guaranteed.

Compliance

The guaranteed interest rates used to determine the minimum cash values are specified in the various Strategy Minimum Guaranteed Contract Value sections. No mortality table is used prior to the annuity date (maturity). The annuity benefit purchase rate guarantees provided in the contract are stated in the Optional Annuity Benefits section of the contract.

- The SNLIDA requires a statement that any paid-up annuity, cash surrender or death benefits that may be available under the contract are not less than the minimum benefits required by any statute of the state in which the contract is delivered and an explanation of the manner in which such benefits are altered by the existence of any additional amounts credited by the company to the contract, any indebtedness to the company on the contract or any prior withdrawals from or partial surrenders of the contract.

Compliance

The required statement is found in the Conformity With Applicable Laws section of the Contract.

Section 4. Minimum Values

According to the SNLIDA, the minimum values as specified in sections 5, 6, 7, 8 and 10 of any paid-up annuity, cash surrender or death benefits shall be based on the amounts defined in this section.

Subsection A

The minimum nonforfeiture amounts, at any time at or prior to the commencement of any annuity payments shall be equal to an accumulation up to such time at a rate of interest as defined in Subsection B of the net consideration paid prior to such time, decreased by the sum of prior withdrawals accumulated at that same rate, an annual contract charge of \$50 accumulated at that same rate, any premium tax accumulated at that same rate and the amount of any indebtedness to the company on the contract.

The net consideration for a given contract year shall be an amount equal to 87.5% of the gross considerations in that year.

Compliance

In Appendix A, tables 1a and 2a demonstrate compliance with Section 4 of the SNLIDA. It has the following assumptions:

- No annual contract charges are included in the SNLIDA cash value.
- Contract size is \$10,000.
- No additional premiums are paid.
- Premium-Related Taxes, Fees or Assessments imposed against the Contract are ignored.
- Compliance is demonstrated at both the minimum nonforfeiture rate of 1% and the maximum nonforfeiture rate of 3%.

Subsection B

The interest rate used in determining the minimum nonforfeiture amounts shall be the lesser of 3.0% per annum and the following:

- The 5-year Constant Maturity Treasury Rate reported by the Federal Reserve as of a date, or average over a period, rounded to the nearest 1/20th of one percent (5 basis points), specified in the contract no longer than 15 months prior to the contract issue date or redetermination date,
- Reduced by 125 basis points,
- Where the resulting interest rate is not less than 1%, and
- The interest rate shall apply for an initial period and may be redetermined for additional periods.

Compliance

The interest rate used in determining the minimum nonforfeiture amounts for this contract will be reset for newly issued policies monthly and be based on the 5-year Constant Maturity Treasury rate.

At the beginning of each month, the daily average of the 5-year Constant Maturity Treasury from the calendar month 3 months prior will be determined. As an example, the January rate would be based on the daily average from October of the prior year. This daily average is then reduced by the appropriate reduction amount (125 bps for Fixed Strategies and 225 bps for Indexed Strategies). The result is then rounded to the nearest 0.05%, with the result being floored at 1.0% and capped at 3.0%.

If the current month's Standard Nonforfeiture Rate is determined to be more than 0.25% different from the prior month's rate, then the current month's rate will be used. If it is not more than 0.25% different, then the prior month's rate will be used. The exception to this is that in January of each year, the rate will always be reset to the rate calculated as described in the prior paragraph.

The rate calculated for January 2008 will be equal to:

For Fixed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 125bps reduction = 2.95%
- Rounded to the nearest 5bps = 2.95%
- Capped at 3% = 2.95%

For Indexed Strategies:

- The average 5-year CMT for October 2007 = 4.20%
- Less the 225bps reduction = 1.95%
- Rounded to the nearest 5bps = 1.95%

For the remainder of 2008, this rate will be recalculated every month as described in the second previous paragraph and reset for new issues as appropriate.

Subsection C

During the period or term that a contract provides substantive participation in an indexed benefit, it may change the 125 basis point reduction to 225 basis points to reflect the value of an index benefit.

Compliance

Substantive participation in an indexed benefit means an annual cost of at least 25 basis points attributable to that indexed benefit.

To demonstrate compliance, the annualized option cost for the entire index term as of the beginning of the index term must be calculated. The option cost must use the contract's guaranteed product features. The option cost must use a basis representative of the point in time at the beginning of the current index term. The option cost cannot be adjusted for persistency, death, utilization, etc. The methods and parameters for the option cost shall be calibrated to capital markets based option pricing.

If the annualized option cost meets the criteria for substantive indexed participation, then a reduction is available equal to the lesser of 100 basis points and the annual cost basis value.

The following are assumed:

Volatility:	12.98%
Risk Free Rate:	2.50%
Dividend Yield:	1.94%

Fixed Strategy

There are no indexed benefits associated with this strategy, so the reduction will remain at 125 basis points.

1-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Benefits associated with this strategy are linked to an index. Using the minimum cap rate of 4% and current methods and parameters, the annualized option cost would be equal to 201 basis points. The cap rate will be set such that the annualized option cost for this strategy will always be greater than 100 basis points. Therefore, the reduction will be equal to 225 basis points.

Actuarial Certification

I, David Lautenschlager, am responsible for evaluating compliance with the Standard Nonforfeiture Law for Individual Deferred Annuities and the Annuity Nonforfeiture Model Regulation for Aviva. I have reviewed this contract form and am familiar with the Nonforfeiture Laws and Regulations as they pertain to indexed annuities. I have also reviewed the methodology that will be used in calculating and setting assumptions for the additional reduction in nonforfeiture rate for indexed annuities. Based on my review, I certify that the methodology used for this contract form meets the minimum requirements of the applicable Nonforfeiture Laws and Regulations.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

III. Reserves

Valuation Interest Rate

Under the terms of the Standard Valuation Law, the proper valuation interest rate depends on the following criteria:

- Plan Type - This product qualifies as Plan Type C, since the owner may withdraw funds before expiration of interest rate guarantee subject only to a fixed surrender charge stipulated in the contract as a percentage of the fund without adjustment to reflect changes in interest rates or asset values since receipt of the funds by the insurance company.
- Valuation Basis - The basis chosen for this product is the Issue Year basis.
- Guarantee Duration - Under the Standard Valuation Law, “other annuities with cash settlement options” have a guarantee duration which “is the number of years for which the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee duration in excess of twenty (20) years”. Therefore, this Contract falls in the category of contracts with guarantee duration of more than 5 years but not more than 10 years.
- The valuation rate is determined by considering both initial and future guaranteed interest rates.

Using the criteria stated above, the 2007 valuation rate for these products is 4.50%.

Mortality Table

The mortality table used to calculate reserves is the Annuity 2000 Mortality Table.

Morbidity Table

The morbidity assumption for the confinement waiver feature is based on the 1985 National Nursing Home Survey Utilization Data found in the Transactions, Society of Actuaries, Reports of Mortality, Morbidity and other Experience(1988-89-80): p. 101.

Reserve Basis

Reserves for premium allocated to the fixed strategy will be calculated in accordance with the Commissioners Annuity Reserve Valuation Method (CARVM), on an Issue Year basis, with interest equal to the Calendar Year Statutory Valuation Interest Rate for each calendar year of issue. The reserves for premium allocated to the index strategies will be calculated according to Actuarial Guideline 35 using the CARVM with Updated Market Values.

The reserve established for this contract will value all the guaranteed benefits under the contract. The reserve established will be sufficient to fund the greatest present value of each independent guaranteed benefit stream. This methodology is consistent with Actuarial Guideline 33.

IV. Hedging Strategy & Associated Risks

General Hedging Strategy

The general investment strategy for the indexed strategy(ies) includes purchasing and selling either over the counter (OTC) options and/or exchange traded options/futures (CBOE/CME) to hedge the equity exposure and fixed income securities to provide for the minimum guarantees. The strategy is to purchase and/or sell an option that matches the liability option sold to the contract owner. Options will be carried at market value in the annual statement. Portfolio rebalancing will be done as needed based upon the amount of deaths, withdrawals and surrenders.

Premium received will be used to purchase assets to back the product. The mix of assets will vary depending on allocations chosen by the contract holder, option costs and day-to-day decisions made by the investment department.

It is the goal of the hedging program that all index exposures provided to the contract holder are adequately hedged. It is anticipated that hedges or bonds will be purchased whenever the index exposure materially increases due to premium, transfer into the strategy from another strategy, or index credits. It is anticipated that hedges or bonds will be sold or unwound whenever the index exposure materially decreases due to surrenders, withdrawals, deaths, annuitization or transfer into another strategy.

It is possible that we may accomplish the hedge using an alternative methodology. For example, if it is necessary to purchase additional derivative instruments during the index term and a sufficient quantity of an appropriate investment is not available, alternative exposure to the index could be found either through reinsurance or through similar instruments or securities in the cash market. An example of this would be purchasing SPDRs, a common stock that represents the S&P 500 index, to cover the index exposure.

Typically, since our hedges are matched to the payout to the contract holder, we have a high degree of certainty that the hedges will be effective. There are methods available, however, for verifying the effectiveness of the hedging strategies. The hedging strategy on the index strategies can be monitored by comparing what is earned on the derivatives to what is credited to the contract holder.

Credit Exposure

Investment opportunities and the investment market will dictate the exact investment portfolio on a day to day basis. The credit research department in close cooperation with portfolio management will monitor the total exposure to individual counterparties to ensure that the credit exposure guidelines are adhered to.

Separate Account vs. General Account

The derivatives are purchased specifically for the purpose of hedging the index exposure under this contract and this contract does not require the establishment of a separate account as all liabilities will be provided from the Company's General Account. As a result this product is not registered with the SEC and no separate account will be established.

Derivatives Trading

The Investment Committee of the Board of Directors authorizes the Chief Investment Officer (CIO) to designate an Officer to function as AGC's Derivatives Manager. The CIO is also authorized to designate individuals whom the CIO has determined have the appropriate experience, knowledge and skills as approved traders for derivative instruments. Only such individuals designated by the CIO (or otherwise approved by the Investment Committee) are permitted to enter into and/or approve derivative transactions on behalf of the Company.

Counterparty Approval Process and Review

Prior to entering into a derivative transaction with any counterparty, the authorized trader must verify that such counterparty is on the approved counterparty list. To obtain approval of any counterparty not already approved, a credit opinion must be rendered and then approved by the Head of Credit Research and the counterparty must be then added to the approved list.

The approved counterparties will be monitored on an ongoing basis from reliable public sources. The list will be reviewed at least quarterly as part of the formal Business Summary and Asset Review Meeting unless a material event with a counterparty occurs. A material event is deemed to occur if one of the nationally recognized rating agencies places a counterparty on a credit watch list with negative implications or a downgrade occurs. In such an event, the counterparty in question will be reviewed immediately after the material event becomes known.

The most recent Approved Counterparty List includes the following:

Bank of America Corp.
Bank Nova Scotia
Barclays Bank Plc
Bear Stearns International Ltd (Bear Stearns Cos Inc)
BNP Paribas
Citigroup Inc.
Salomon Swapco Inc.
Credit Lyonnais New York Branch
Credit Suisse First Boston Int'l
Deutsche Bank AG
Goldman Sachs Capital Markets LP (Goldman Sachs Group, Inc.)
JP Morgan Chase & Co
Lehman Brothers Holdings Inc.
Lehman Brothers Special Financing Inc (Leh Bros Holding, Inc.)
Lehman Brothers Deriv. Product
Lehman Brothers Finance SA (Leh Bros Holding, Inc.)
Merrill Lynch & Co
Merrill Lynch Cap Srvcs (Merrill Lynch & Co., Inc.)
Merrill Lynch
Merrill Lynch International (Merrill Lynch & Co., Inc.)
Morgan Stanley
Societe Generale
SuntrustBank Inc.
UBS AG
Wachovia Bank, N.A.

Hedging Risks

The Company will handle the risks associated with purchasing hedging instruments as follows:

1. Liquidity Risk – The Company responds to this risk by product design and investment strategy. The Company develops a hedge position consisting of exchange traded options/futures or OTC options. If money is needed, the options can be sold or the notional amount can be adjusted. Assets backing the minimum guarantee are marketable securities that can be sold or borrowed against to fund benefit payments.
2. Credit Risk – The Company will manage this risk by using counterparties that are rated Investment Grade by independent rating agencies. In addition, a separate credit department within the Company sets limits on the total market value amount which AGC has to each counterparty. If the market value amount to a particular counterparty exceeds specified thresholds, the Company may negotiate for that counterparty to post collateral equal to any amounts over and above the threshold limit established.
3. Market Risk – The Company manages this risk by modeling and projecting both assets and liabilities to ensure a proper match between the two. The appropriate investment strategy is determined by working closely with our investment area.
4. Pricing Risk – The Company manages the pricing risks inherent in the product by performing experience studies and monitoring product performance. The results of these studies are used to determine appropriate pricing assumptions for both assets and liabilities.
5. Legal Risk – The legal risk associated with dealers is covered by executing proper ISDA agreements. The company negotiates language necessary to give it sufficient leeway.
6. Operational Risks – These risks are kept to a minimum because of cross check procedures. The liabilities are reconciled from data down loaded from the administration system. Assets are reconciled by verifying the counterparty mark to markets and internal use of asset spreadsheets.

Management of ALM Risks

The following is information on individuals who monitor and manage the various Asset/Liability risks.

Rohini Ramaswamy

Investment Analyst, Aviva Capital Management

Education: University of Delhi, Brown University, Iowa State University

Chakradhar Deo Singh

Investment Analyst, Aviva Capital Management

Education: Indian Institute of Technology, Kanpur, University of Iowa

Matt Trosper

Jr. Portfolio Manager, Aviva Capital Management

Education: University of Notre Dame, University of Iowa

Anurag Joshi, CFA

Sr. Portfolio Manager, Aviva Capital Management

Education: Banaras Hindu University, Iowa State University

Mark A. Cernicky, CFA

Portfolio Manager, Aviva Capital Management

Education: Washington University, University of Chicago

David Ross, FCIA, FSA

Vice President Asset-Liability Management, Aviva Capital Management

Education: John Abbott College, McMaster University

Ross Junge, CFA

Vice President, Sr. Portfolio Manager, Aviva Capital Management

Education: Simpson College, University of Iowa

Gregory Boal, CFA

Executive Vice President and Chief Investment Officer, Aviva
President, Aviva Capital Management

Education: University of Wyoming

V. Risk-Based Capital

C1 Reporting

To determine the appropriate amount of C1 to hold, the value of the bonds are multiplied by the appropriate asset class factors (classes 1-6), while the value of the options are multiplied by the Miscellaneous Asset, Class 1 factor.

C3 Reporting

To determine the appropriate amount of C3 to hold, the value of the statutory reserves are multiplied by the appropriate C3 factor, which depends on the level of the withdrawal charge. Cash Flow Scenario testing is also performed in some situations to determine if less C3 can be held.

C4 Reporting

To determine the appropriate amount of C4 to hold, the amount of first-year premiums are multiplied by the appropriate C4 factor. The C4 component only applies during the first contract year after the premium.

Prepared by: _____
David Lautenschlager, FSA, MAAA
Vice President, Annuity Product Management
Aviva

Date: _____

Appendix A

Demonstration of Compliance with NAIC Standard Nonforfeiture Law for Individual Deferred Annuities

Table 1a - Retrospective Test using 3.00% Nonforfeiture Rate												Table 1b - Prospective Test using 3.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal	Accumulated Value Floor less Withdrawal	Minimum Guarantee Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 3.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 3.00%	Maturity Value Discounted @ 4.00%	Comply?	
1	10,000	10,000	7.00%	10.0%	9,370	9,370	8,750	9,370	8,750	yes	1	9,370	13,439	9,079	yes	
2	10,300	10,300	7.00%	10.0%	9,651	9,651	9,013	9,651	9,013	yes	2	9,651	13,439	9,442	yes	
3	10,609	10,609	6.00%	10.0%	10,036	10,036	9,283	10,036	9,283	yes	3	10,036	13,439	9,820	yes	
4	10,927	10,927	6.00%	10.0%	10,337	10,337	9,561	10,337	9,561	yes	4	10,337	13,439	10,213	yes	
5	11,255	11,255	5.00%	10.0%	10,749	10,749	9,848	10,749	9,848	yes	5	10,749	13,439	10,621	yes	
6	11,593	11,593	5.00%	10.0%	11,071	11,071	10,144	11,071	10,144	yes	6	11,071	13,439	11,046	yes	
7	11,941	11,941	4.00%	10.0%	11,511	11,511	10,448	11,511	10,448	yes	7	11,511	13,439	11,488	yes	
8	12,299	12,299	0.00%	0.0%	12,299	12,299	10,761	12,299	10,761	yes	8	12,299	13,439	11,947	yes	
9	12,668	12,668	0.00%	0.0%	12,668	12,668	11,084	12,668	11,084	yes	9	12,668	13,439	12,425	yes	
10	13,048	13,048	0.00%	0.0%	13,048	13,048	11,417	13,048	11,417	yes	10	13,048	13,439	12,922	yes	
11	13,439	13,439	0.00%	0.0%	13,439	13,439	11,759	13,439	11,759	yes	11	13,439	13,439	13,439	yes	

Table 2a - Retrospective Test using 1.00% Nonforfeiture Rate												Table 2b - Prospective Test using 1.00% Nonforfeiture				
Beg of Year	Accumulated Value	Accumulated Value	Withdrawal Charge	Free Withdrawal as a % of Account Value	Account Value less Withdrawal	Accumulated Value Floor less Withdrawal	Minimum Guarantee Contract Value	Cash Surrender Value	Annuity Standard Nonforfeiture Minimum Surrender Value using 87.5% at 1.00%	Comply?	Beg of Year	Cash Surrender Value	Maturity Value Projected @ 1.00%	Maturity Value Discounted @ 2.00%	Comply?	
1	10,000	10,000	7.00%	10.0%	9,370	9,370	8,750	9,370	8,750	yes	1	9,370	11,046	9,062	yes	
2	10,100	10,100	7.00%	10.0%	9,464	9,464	8,838	9,464	8,838	yes	2	9,464	11,046	9,243	yes	
3	10,201	10,201	6.00%	10.0%	9,650	9,650	8,926	9,650	8,926	yes	3	9,650	11,046	9,428	yes	
4	10,303	10,303	6.00%	10.0%	9,747	9,747	9,015	9,747	9,015	yes	4	9,747	11,046	9,616	yes	
5	10,406	10,406	5.00%	10.0%	9,938	9,938	9,105	9,938	9,105	yes	5	9,938	11,046	9,809	yes	
6	10,510	10,510	5.00%	10.0%	10,037	10,037	9,196	10,037	9,196	yes	6	10,037	11,046	10,005	yes	
7	10,615	10,615	4.00%	10.0%	10,233	10,233	9,288	10,233	9,288	yes	7	10,233	11,046	10,205	yes	
8	10,721	10,721	0.00%	0.0%	10,721	10,721	9,381	10,721	9,381	yes	8	10,721	11,046	10,409	yes	
9	10,829	10,829	0.00%	0.0%	10,829	10,829	9,475	10,829	9,475	yes	9	10,829	11,046	10,617	yes	
10	10,937	10,937	0.00%	0.0%	10,937	10,937	9,570	10,937	9,570	yes	10	10,937	11,046	10,830	yes	
11	11,046	11,046	0.00%	0.0%	11,046	11,046	9,665	11,046	9,665	yes	11	11,046	11,046	11,046	yes	

Appendix B

Strategies Offered, Accumulated Values and Credited Interest

Common Definitions for Strategy Endorsements

Strategy Value

The Strategy Value is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, plus Interest Credits to the strategy, less withdrawals taken from the strategy.

Minimum Guaranteed Strategy Value

The Minimum Guaranteed Strategy Value is equal to 87.5% of Initial Premium allocated to the strategy accumulated at X%, plus/minus the Minimum Guaranteed Strategy Value associated with transfers in/out of the current strategy from/to other strategies accumulated at X%, less the Minimum Guaranteed Strategy Value associated with withdrawals from the strategy accumulated at X%.

X% is based on the rate as defined by the NAIC Standard Nonforfeiture Law for Individual Deferred Annuities.

When the Strategy Value is reallocated or transferred:

- a) From a strategy, the Minimum Guaranteed Strategy Value is reduced by the Minimum Guaranteed Strategy Value prior to the transfer multiplied by the proportion of the Strategy Value that is transferred;
- b) To a strategy, the Minimum Guaranteed Strategy Value is increased by the sum of all reductions in Minimum Guaranteed Strategy Value determined under a) multiplied by the proportion of total transferred Strategy Value that is transferred to that strategy

Accumulated Value Floor

The Account Value Floor is equal to Premiums allocated to the strategy, plus/minus any amounts transferred from/to other strategies, less withdrawals taken from the strategy, accumulated at the Accumulated Value Floor Interest Rate.

Fixed Strategy

Description

This endorsement establishes the Fixed Strategy for the base contract to which it is attached.

Initial Guaranteed Interest Rate

The Initial Guaranteed Interest Rate is declared on the Contract Date and is guaranteed for the Initial Guaranteed Interest Rate Period only. The Initial Guaranteed Interest Rate is guaranteed never to be lower than the Minimum Guaranteed Interest Rate.

Renewal Interest Rate

The Renewal Interest Rate will be declared at the end of the first Contract Year and any subsequent Contract Year. During the Initial Guaranteed Interest Rate Period the Renewal Interest Rate will never be less than the Initial Guaranteed Interest Rate. The Renewal Interest Rate is guaranteed for one Contract Year only and is guaranteed to never be lower than the Minimum Guaranteed Interest Rate.

Interest Credits

Interest Credits are calculated and added to the strategy value on a daily basis.

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Minimum Guaranteed Rate Information

The Minimum Guaranteed Interest Rate is 2.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

1 Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the 1-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

One Year.

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Interest Credits

Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are 0 until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = A x B, where:
 - A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.
 - B = The 1-Year Change Percentage.If the Interest Credit Calculation yields an Interest Credit less than 0, the Interest Credit should be set to 0
- 1 Year Point to Point Change Percentage equals the lesser of (1) and (2), where:
 - 1 = $(C / D) - 1$
 - 2 = The Index Cap Rate declared for the current Index Term Period.
 - C = The Index Value on the Index Term End Date.
 - D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for each Index Term Period and declared at the beginning of the Index Term Period. During the Initial Cap Rate Guarantee Period, the Index Cap Rate will never be less than the Initial Cap Rate. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1100.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 8.00%

Interest Credits = Lesser of $\$10,000 \times [(1100.00 / 1000.00) - 1]$ or $\$10,000 \times 8.00\%$
= Lesser of \$1,000.00 or \$800.00
= \$800.00

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

S&P 500 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

$$1 = (C / D) - 1$$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

$= \$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

$= \$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Hang Seng index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.

One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

1 = $(C / D) - 1$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.

Multi-Year Point to Point Guaranteed Cap Index Strategy

Description

This endorsement establishes the Multi-Year Point to Point Index Strategy for the base contract to which it is attached.

Index

Dow Jones Euro STOXX 50 index, which excludes dividends

Index Term Period

[Initial Surrender Charge Period] Years for the first [Initial Surrender Charge Period] years.
One Year after the [Initial Surrender Charge Period].

Index Term End Date

The Index Term End Date is the last day of an Index Term Period. The numbered day of the Index Term End Date should be the same as that of the contract date.

Guaranteed Daily Interest Credits

Guaranteed Daily Interest Credits are calculated and added to the strategy value on a daily basis. The Guaranteed Daily Interest Rate is [3%].

Additional Strategy Interest Credits

Additional Strategy Interest Credits in excess of the Guaranteed Daily Interest Credits are calculated and added to the strategy value on the Index Term End Date. Interest Credits in a given Index Term Period are the Guaranteed Daily Interest Credits until the Index Term End Date.

Interest Credit Calculation

- Interest Credits on the Index Term End Date = Guaranteed Daily Interest Credits + Additional Strategy Interest Credits
- Additional Strategy Interest Credits = $A \times B - \text{Guaranteed Daily Interest Credits}$, where:

A = The Strategy Value as of the prior Index Term End Date, after all transactions for that date have been recorded, less any withdrawals from the strategy during the index term period.

B = The Multi-Year Point to Point Change Percentage.

If the Additional Strategy Interest Credit Calculation yields an Additional Strategy Interest Credit less than 0, the Additional Strategy Interest Credit should be set to 0

- Multi-Year Point to Point Change Percentage equals the lesser of (1) and (2), where:

$$1 = (C / D) - 1$$

2 = The Index Cap Rate declared for the current Index Term Period.

C = The Index Value on the Index Term End Date.

D = The Index Value on the prior Index Term End Date.

Index Values

Index Values for any date shall be the closing price of the index on the day before such date. If the index price is not available on that date, the closing price on the first preceding day for which a closing value is available will be used.

Index Cap Rate

Guaranteed for [Initial Surrender Charge Period] years and declared at the beginning of each Index Term Period thereafter. There is a minimum Index Cap Rate declared in the contract.

Interest Credit Calculation Example

Strategy Value at prior Index Term End Date = \$10,000.00

No withdrawals during the year.

Index Value on current Index Term End Date = 1600.00

Index Value on the prior Index Term End Date = 1000.00

Index Cap Rate = 50.00%

Initial Index Term Period = 7 years

Guaranteed Daily Interest Credits = $((1+3.00\%)^7 - 1) * \$10,000 = \$2,298.74$

Interest Credits = $\$2,298.74 + (\text{Lesser of } \$10,000 \times [(1600.00 / 1000.00) - 1] \text{ or } \$10,000 \times 50.00\%) - \$2,298.74$

= $\$2,298.74 + (\text{Lesser of } \$6,000.00 \text{ or } \$5,000.00) - \$2,298.74$

= $\$5,000.00$

Minimum Guaranteed Rate Information

The Minimum Guaranteed Index Cap Rate is 4.00%.