

SERFF Tracking Number: GILI-125539997 State: Arkansas
 Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
 Company Tracking Number: 1FP-7 (1/08)
 TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
 Variable
 Product Name: Ultra Flex Annuity
 Project Name/Number: /

Filing at a Glance

Company: Guaranty Income Life Insurance Company

Product Name: Ultra Flex Annuity SERFF Tr Num: GILI-125539997 State: ArkansasLH
 TOI: A02I Individual Annuities- Deferred Non- SERFF Status: Closed State Tr Num: 38447
 Variable

Sub-TOI: A02I.002 Flexible Premium Co Tr Num: 1FP-7 (1/08) State Status: Approved-Closed
 Filing Type: Form Co Status: Reviewer(s): Linda Bird
 Authors: Sherry Ducote, Darlene Disposition Date: 04/03/2008
 Cooper
 Date Submitted: 03/18/2008 Disposition Status: Approved
 Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: Status of Filing in Domicile: Authorized
 Project Number: Date Approved in Domicile: 02/11/2008
 Requested Filing Mode: Review & Approval Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Individual
 Submission Type: New Submission Group Market Size:
 Overall Rate Impact: Group Market Type:
 Filing Status Changed: 04/03/2008
 State Status Changed: 04/03/2008 Deemer Date:
 Corresponding Filing Tracking Number:
 Filing Description:
 New Form Filing –

Flexible Premium Deferred Annuity, 1FP-7 (1/08)
 Flexible Premium Deferred Annuity, 1FP-10 (1/08)
 Nursing Care Facility Waiver Rider, GI534 (3/08)

SERFF Tracking Number: GILI-125539997 State: Arkansas
Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
Company Tracking Number: 1FP-7 (1/08)
TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.002 Flexible Premium
Variable
Product Name: Ultra Flex Annuity
Project Name/Number: /

Enhanced Life Income Payment Option Rider, GI533 (3/08)

Terminal Illness Rider, GI530 (2/08)

Annuity Application, GI532 (1/08)

The above referenced policy forms are being submitted for your review and approval. The new policies provide an Accumulation Value Death Benefit and the guaranteed payout options have been updated using the Annuity 2000 Table. All forms are in final print. The Actuarial Statement of Methods for each policy form is included. These forms will be used effective the date of your approval.

Forms 1FP-7 (1/08) and 1FP-10 (1/08) will replace Flexible Premium Deferred Annuities 1FP-7 (6/99), 1FP-10 (6/99) and 1FP-12 (6/99), previously approved by your Department August 10, 1999.

These policies will also be used with our Long-Term Care Benefits Rider LTC-2 (AR 2/06) and Extension of Long-Term Care Benefits Rider LTC-3 (AR 2/06), previously approved by your Department January 31, 2007.

The Enhanced Life Income Payment Option Rider GI533 (3/08) will be attached to all flexible premium deferred annuity contracts issued in Arkansas until further notice, with the exception of those contracts that have the Long-Term Care Riders LTC-2 (AR 2/06) and LTC-3 (AR 2/06).

The Nursing Care Facility Waiver Rider GI534 (3/08) and Terminal Illness Rider GI530 (2/08) will be attached to all flexible and single premium deferred annuity contracts issued in Arkansas until further notice, with the exception of those contracts that have the Long-Term Care Riders LTC-2 (AR 2/06) and LTC-3 (AR 2/06).

There is no charge for the new riders, which will not replace any previously filed or approved forms.

The single premium deferred annuities have been previously approved – 1SP5 effective December 11, 1998 and 1SP4 (4/00) effective September 7, 2000.

Annuity Application GI532 (1/08) will be used with the above referenced flexible premium deferred annuity contracts and the previously approved single premium deferred annuity contracts. It will also be used with any subsequently approved flexible and single premium deferred annuity contracts as appropriate.

SERFF Tracking Number:	GILI-125539997	State:	Arkansas
Filing Company:	Guaranty Income Life Insurance Company	State Tracking Number:	38447
Company Tracking Number:	IFP-7 (1/08)		
TOI:	A02I Individual Annuities- Deferred Non-Variable	Sub-TOI:	A02I.002 Flexible Premium
Product Name:	Ultra Flex Annuity		
Project Name/Number:	/		

The Contract Summary is included as a supporting document. The enclosed Contract Summary is for Form 1FP-7 (1/08), and a similar summary is provided for Form 1FP-10 (1/08). It is included with the policy when it is mailed to the policy owner.

If you need further information, you may contact me by email at darlene@gilico.com or toll free at 800.535.8110 ext. 289.

Company and Contact

Filing Contact Information

Darlene Cooper, Administrative Assistant	darlene@gilico.com
929 Government St.	(225) 383-0355 [Phone]
Baton Rouge, LA 70802	(225) 343-0047[FAX]

Filing Company Information

Guaranty Income Life Insurance Company	CoCode: 64238	State of Domicile: Louisiana
929 Government Street	Group Code:	Company Type: Life & Annuity
Baton Rouge, LA 70802-6089	Group Name:	State ID Number:
(225) 383-0355 ext. [Phone]	FEIN Number: 72-0201480	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$200.00
Retaliatory?	Yes
Fee Explanation:	The filing fee for each company filing of life insurance or annuity policy forms with the Louisiana Department of Insurance is \$100.00 per Insurance Product. No filing fees will be required for application forms and riders to be used with a particular life insurance or annuity product.
Per Company:	No

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
00012753	\$200.00	03/18/2008

SERFF Tracking Number: GILI-125539997 State: Arkansas
Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
Company Tracking Number: IFP-7 (1/08)
TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.002 Flexible Premium
Variable
Product Name: Ultra Flex Annuity
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	04/03/2008	04/03/2008

SERFF Tracking Number: GILI-125539997 State: Arkansas
Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
Company Tracking Number: IFP-7 (1/08)
TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
Variable
Product Name: Ultra Flex Annuity
Project Name/Number: /

Disposition

Disposition Date: 04/03/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: GILI-125539997 State: Arkansas
 Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
 Company Tracking Number: IFP-7 (1/08)
 TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.002 Flexible Premium
 Variable
 Product Name: Ultra Flex Annuity
 Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Contract Summary		Yes
Supporting Document	Statement of Variability		Yes
Form	Flexible Premium Deferred Annuity		Yes
Form	Flexible Premium Deferred Annuity		Yes
Form	Nursing Care Facility Waiver Rider		Yes
Form	Enhanced Life Income Payment Option Rider		Yes
Form	Terminal Illness Rider		Yes
Form	Annuity Application		Yes

SERFF Tracking Number: GILI-125539997 State: Arkansas
 Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
 Company Tracking Number: 1FP-7 (1/08)
 TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
 Variable
 Product Name: Ultra Flex Annuity
 Project Name/Number: /

Form Schedule

Lead Form Number: 1FP-7 (1/08)

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	1FP-7 (1/08)	Policy/Cont	Flexible Premium ract/Fratern Deferred Annuity al Certificate	Initial		52	1FP-7(1-08).pdf
	1FP-10 (1/08)	Policy/Cont	Flexible Premium ract/Fratern Deferred Annuity al Certificate	Initial		52	1FP-10(1-08).pdf
	GI534 (3/08)	Certificate	Nursing Care Facility Amendmen Waiver Rider t, Insert Page, Endorseme nt or Rider	Initial		52	GI534(3-08)NursingCa reFacilityWaiv erRider.pdf
	GI533 (3/08)	Certificate	Enhanced Life Amendmen Income Payment t, Insert Option Rider Page, Endorseme nt or Rider	Initial		52	GI533(3-08)Enhanced LifeIncomePa ymentOption Rider.pdf
	GI530 (2/08)	Certificate	Terminal Illness Amendmen Rider t, Insert Page, Endorseme nt or Rider	Initial		52	GI530(2-08)TerminalIll nessRider.pdf
	GI532 (1/08)	Application/	Annuity Application Enrollment Form	Initial		48	GI532(1-08) AnnuityApplic ation.pdf

GUARANTY INCOME LIFE INSURANCE COMPANY
FLEXIBLE PREMIUM DEFERRED ANNUITY

This contract is issued in consideration of the application and payment of the Initial Premium.

The Premium Payments and interest credited thereon will accumulate until the Annuity Date or until You withdraw Your money. On the Annuity Date, We will apply the Accumulation Value or Cash Value to the Annuity Option You elect. We will pay the Death Benefit as described in Part 7 of this contract if the Owner dies before the Annuity Date.

READ YOUR CONTRACT CAREFULLY. This contract is a legal agreement between the Owner and the Company. The terms of this contract are contained on this page and the following pages. Withdrawals from the contract within the first seven (7) years of the Contract Date may be subject to Withdrawal Charges as reflected on Page 3 and in Part 6. Guaranty Income Life Insurance Company and its agents or representatives do not give legal or tax advice. We recommend You consult Your own attorney, accountant or tax advisor to determine the suitability of the annuity in Your own situation.

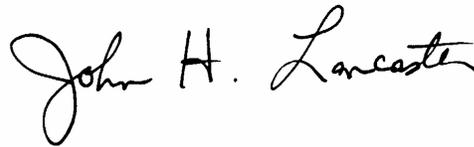
Thirty Day Right to Examine the Contract. This contract may be returned within thirty (30) days after You receive it. Return it to the agent or Our Home Office. We will cancel the contract and refund any premium paid.

Customer Service. To present inquiries, obtain information about Your contract, or to obtain assistance in resolving a complaint, contact Our Home Office at 1-800-535-8110 or e-mail pos@gilico.com.

Signed for the Company on the Contract Date.



Secretary



President

GUARANTY INCOME LIFE INSURANCE COMPANY
A Stock Company
Mailing Address: P.O. Box 2231, Baton Rouge, LA 70821
Street Address: 929 Government Street, Baton Rouge, LA 70802
www.gilico.com

FLEXIBLE PREMIUM DEFERRED ANNUITY
Monthly Income Payments Starting on the Annuity Date.
Death Benefit Payable Before the Annuity Date.
Non-Participating: Dividends Are Not Payable.

INDEX

	PAGE
POLICY SPECIFICATIONS.....	3
PART 1: DEFINITIONS.....	4
PART 2: GENERAL PROVISIONS.....	4
PART 3: OWNERSHIP OF THIS CONTRACT	5
PART 4: BENEFICIARY.....	6
PART 5: VALUES	6
PART 6: WITHDRAWALS AND SURRENDER.....	6
PART 7: DEATH BENEFITS.....	7
PART 8: ANNUITY BENEFITS	8
PART 9: TABLES OF GUARANTEED MONTHLY PAYMENTS.....	11

POLICY SPECIFICATIONS

FLEXIBLE PREMIUM DEFERRED ANNUITY

OWNER [JOHN DOE] [TEST2008301] CONTRACT NUMBER
CONTRACT DATE [MARCH 1, 2008] [70] OWNER'S ISSUE AGE
INITIAL PREMIUM [\$5,000.00] [MARCH 1, 2033] ANNUITY DATE
ANNUITANT THE OWNER, UNLESS DESIGNATED OTHERWISE IN THE APPLICATION OR CHANGED AS PROVIDED IN THIS POLICY.
BENEFICIARY AS DESIGNATED IN THE APPLICATION, UNLESS CHANGED AS PROVIDED IN THIS POLICY.

A STATEMENT OF THE VALUE OF THIS CONTRACT WILL BE FURNISHED TO THE OWNER AT LEAST ANNUALLY.

THE DEATH BENEFIT IS THE ACCUMULATION VALUE AS OF THE DATE OF THE OWNER'S DEATH.

MINIMUM ADDITIONAL PREMIUM PAYMENT - \$200.00
MINIMUM PARTIAL WITHDRAWAL AMOUNT - \$200.00
MINIMUM AMOUNT REMAINING AFTER PARTIAL WITHDRAWAL - \$2,000.00

[RIDERS INCLUDED:]

[ENHANCED LIFE INCOME PAYMENT OPTION RIDER GI533 (3/08)]
[NURSING CARE FACILITY WAIVER RIDER GI534 (3/08)]
[TERMINAL ILLNESS RIDER GI530 (2/08)]

TABLE OF WITHDRAWAL CHARGES
(As a Percentage of Premium Withdrawn)

Contract Years	Percent Charges	Contract Years	Percent Charges
1	9.0	5	5.0
2	8.0	6	4.0
3	7.0	7	3.0
4	6.0	8 and later	0.0

SEE PART 6 ON PAGE 6 OF YOUR CONTRACT FOR A COMPLETE EXPLANATION OF WITHDRAWAL CHARGES.

PART 1: DEFINITIONS

Accumulation Value. Net Premiums plus accumulated interest less withdrawals, as fully described in Part 5 of this contract.

Annuitant. The natural person named in the application or in the most recent change recorded by Us on whose life the amount and duration of Annuity Payments are based.

Annuity Date. The date the Accumulation Value or Cash Value is applied to the Annuity Option selected. The Annuity Date is shown on Page 3, Policy Specifications. The Annuity Date may be changed by the Owner.

Annuity Option. One of the methods available to systematically distribute the Cash Value, as described in the Annuity Options provision of Part 8 of this contract.

Beneficiary(ies). The person(s) named in the application or in the most recent change recorded by Us who is (are) to receive any Death Benefit as described in Part 7 of this contract. If the Owner dies and there is no Beneficiary living at the time that any Death Benefit becomes payable, then that benefit will be paid to any contingent Beneficiary or, if none is then living, to the Owner's estate.

Cash Value. The amount that is available when the contract is surrendered. The Cash Value is the Accumulation Value less any applicable Withdrawal Charge.

Contract Date. The date We received and credited the Initial Premium. The Contract Date is shown on Page 3.

Contract Year. Contract Years are twelve (12) month periods which start on the Contract Date and on the same month and day of each year thereafter.

IRC. The Internal Revenue Code of 1986, as amended. All references in this contract to any sections of the IRC or regulations include any amended or successor sections or regulations, as appropriate or required.

Issue Age. The actual age of the Owner and/or Annuitant as of the Contract Date.

Joint Annuitant. The person on whose life, joined with that of the Annuitant, the amount and duration of Annuity Payments depend. The Joint Annuitant must be a designated Beneficiary on the contract. **Joint Annuitant applies only to Part 8: Annuity Benefits of this contract.**

Owner. The person named in the application who is entitled to the ownership rights described in this contract and as fully described in Part 3 of this contract.

We, Our, Us, Company. Guaranty Income Life Insurance Company.

Written Request. A request that is written, signed, dated, and notarized (if required) on a form satisfactory to, or provided by, Us and received at Our Home Office. We may require delivery of the contract to record the change.

You, Your. The Owner.

PART 2: GENERAL PROVISIONS

Entire Agreement. The Entire Agreement consists of this contract and any application, amendment, rider, or endorsement which is attached to the contract or which was mailed to Your last known address.

No change or waiver of any provision of this contract can be made or will be valid unless agreed to by the President, the Secretary, or a Vice President in Our Home Office. No agent or employee of the Company shall have authority to bind the Company or to amend, alter or change the written provisions of this contract. Any amendment,

alteration, change or waiver of the provisions of this contract must be made in writing and signed by the President, the Secretary or a Vice President of the Company.

Changes to the contract. After We receive and record a Written Request for a contract change, the change will take effect on the date the request was originally signed, even if You have subsequently died. However, the change will be subject to any payments made or actions taken by Us before the Written Request for change was received and recorded.

Incontestability. We will not contest this contract after the Contract Date, except as provided in the Misstatement of Age or Sex provision in Part 8.

Claims of Creditors. To the extent permitted by law, no benefit paid, or to become payable, will be subject to any claim or process of law by any creditor.

Conformity With Statutes. If any provision in this contract is in conflict with the laws of the state which govern this contract, the provision will be deemed to be amended to conform with such laws.

Our Liability. We will not incur any liability nor be responsible for any failure, in whole or in part, by You to comply with the provisions set forth in the IRC or any other law.

Premium Payments. The Initial Premium shown on Page 3 is required with the application as consideration for this annuity contract. The Owner may make optional additional Premium Payments subject to the minimum additional Premium Payment shown on Page 3. Total Premium Payments in excess of \$300,000 are subject to prior approval by the Company. Additional Premium Payments are not required to keep the policy in force.

Premium Tax. Some states impose a Premium Tax on annuities. In the event that a Premium Tax is imposed on the Premium Payment, such tax will be deducted from the Premium Payment at the time of initial crediting. In the event that a Premium Tax is imposed at any other time, such tax will be deducted from any benefit payable under this contract.

Suitability. This annuity is designed as a long-term contract. Withdrawals from the contract may be subject to Withdrawal Charges as reflected on Page 3 and in Part 6.

This contract may be issued to qualify as an Individual Retirement Account (IRA) under IRC Section 408 or 408A. This will be specified in the application. In this case, ownership and assignment of this contract will be restricted so that it will comply with the IRC.

PART 3: OWNERSHIP OF THIS CONTRACT

General. The Owner on the Contract Date is the person named in the application. If no Owner is designated, the Annuitant is the Owner.

Rights of the Owner. You may exercise all rights and privileges under this contract prior to the Annuity Date. The Owner's rights include, but are not limited to:

- ▶ Designate or change a Beneficiary;
- ▶ Designate or change an Annuitant;
- ▶ Transfer ownership; and
- ▶ Elect a Payment Option.

Use of these rights may be subject to the consent of any assignee or irrevocable Beneficiary.

Transfer or Assignment of Ownership. Subject to the limitations described herein, You may transfer ownership or assign this contract. We will not be responsible for any payments We make or other action We take before the Written Request for transfer of ownership or assignment is received at Our Home Office. We are not responsible for

the validity of the transfer or assignment. We may require delivery of the contract to record the transfer or assignment. Transfer or assignment of ownership may involve tax consequences. Determination of the tax consequences and payment of tax liability due to transfer or assignment of ownership is the responsibility of the Owner. We will make all required reports to the Internal Revenue Service (IRS).

PART 4: BENEFICIARY

Change of Beneficiary. Before Annuity Payments begin, You may change a Beneficiary or a contingent Beneficiary by Written Request. After Annuity Payments begin, You may change the Beneficiary or contingent Beneficiary by Written Request if the Annuity Option in effect is Annuity Option 1 or 3, as set forth in Part 8 of this contract.

A Beneficiary named irrevocably may not be changed without the written consent of that Beneficiary.

Payment of Beneficiaries. Before making any payment, We may require evidence as to the identity, age, and other facts about any person or class designated as a Beneficiary. We are entitled to make payments based on that evidence.

PART 5: VALUES

Required Standards. All benefits and values equal or exceed those required by the state which governs this contract.

Accumulation Value. The Accumulation Value is:

- ▶ Net Premium received by Us; plus
- ▶ All interest credited; less
- ▶ Any previous Partial Withdrawals, including any Withdrawal Charges assessed.

Net Premium. To determine the Net Premium, We deduct from each Premium Payment received the applicable Premium Tax, if any. The amount remaining is the Net Premium. We add this amount to the Accumulation Value effective as of the date We receive the Premium Payment at Our Home Office.

Effective Annual Interest Rate. Interest will be credited to the Accumulation Value each day prior to the Annuity Date from the date Premium Payments are received, at a rate which is never less than the guaranteed Effective Annual Interest Rate of 3%.

We may, at Our discretion, declare a current Effective Annual Interest Rate in excess of the guaranteed rate. We may change this interest rate from time to time, but not below the guaranteed Effective Annual Interest Rate of 3%. However, interest already credited will not be affected by any such changes.

Cash Value. The Cash Value will be the Accumulation Value less any applicable Withdrawal Charge.

Notice of Values. At least once each year, We will send You a report of the current Accumulation Value and all amounts added to and subtracted from the Accumulation Value during the period covered by the report. The reports will be mailed to Your last known address. If permitted by law, in lieu of that We may deliver these and other required documents in electronic form.

PART 6: WITHDRAWALS AND SURRENDER

We must receive a Written Request from the Owner for any withdrawal or surrender.

Tax Reporting. Partial Withdrawals and Full Surrender may involve tax consequences. Determination of tax consequences and payment of tax liability for any distribution is the responsibility of the Owner. We will make all required reports to the IRS.

Partial Withdrawals. A portion of the Accumulation Value may be withdrawn before the Annuity Date. Any Withdrawal Charges will be deducted from the Accumulation Value. Partial Withdrawals may not reduce the Accumulation Value to less than two thousand dollars (\$2,000.00). All Partial Withdrawals shall be treated, first, as a withdrawal of accrued interest earnings, and after all accrued interest earnings have been withdrawn, then as a withdrawal of Premium Payments.

Full Surrender. This contract may be surrendered for its Cash Value before the Annuity Date. The amount to be paid upon such surrender will be equal to the Cash Value as of the date We received Your Written Request.

Withdrawal Charge. The Withdrawal Charge will be a percentage of the Premium Payments withdrawn.

The Withdrawal Charge percentages are shown on Page 3 and below.

Policy Year	1	2	3	4	5	6	7	8+
Withdrawal Charge	9%	8%	7%	6%	5%	4%	3%	0%

Free Partial Withdrawals of Interest Earnings. After the contract has been in effect for thirty (30) days, You may withdraw up to one hundred percent (100%) of Your accumulated interest or You may elect to receive monthly interest checks. The minimum interest check is two hundred dollars (\$200.00).

Waiver of Withdrawal Charges. Withdrawal Charges will not apply:

- ▶ in the event of the Owner's death; or
- ▶ after the policy has been in force for five full years and if payments are made under Annuity Options 2, 3, 4 or 5.

Surrender Requirements. We will require:

- ▶ Your Written Request; and
- ▶ return of this contract or a notarized lost policy affidavit to Us.

Deferral of Payment. We may defer payment for a period of not more than six (6) months after We receive the Written Request.

PART 7: DEATH BENEFITS

Death Benefit. The Accumulation Value as of the date of the Owner's death.

Notification of Death. The death of the Owner must be reported to Us as soon as is reasonably possible. Any Death Benefit will be payable when We are notified of the death, and have received the required proof of death, this contract and other information which We may require. Proof of death means written notification delivered to the Company of the death of the Owner, accompanied by a certified copy of the death certificate.

The Death Benefit will be payable to the Beneficiary. If no Beneficiary is living on that date, benefits will be paid to the contingent Beneficiary, or if none is then living, to the Owner's estate. If more than one Beneficiary is to receive Death Benefit proceeds, they will be paid in equal shares unless You specify otherwise in writing.

If a person named to receive benefits is a minor, We will make all payments to the guardian of the minor's estate. We may require proof of the age and sex of any such person.

Death Before the Annuity Date. While this contract is in force and prior to the Annuity Date, the Death Benefit will be payable upon the death of the Owner.

If You die before the Annuity Date and Your surviving spouse is the sole Beneficiary, the Beneficiary may elect:

- ▶ to be treated as a successor Owner of the contract. In this case, distributions are not required to begin until the Annuity Date;
- ▶ to receive the Death Benefit as a lump sum payment; or
- ▶ to receive the Accumulation Value under one of the Annuity Options in Part 8.

If You die before the Annuity Date and Your surviving spouse is not the Beneficiary, the Beneficiary must take distribution of the Death Benefit by electing:

- ▶ within 60 days after your death; an annuity payout option that does not exceed the Beneficiary's life expectancy and begins within one (1) year from the date of Your death; or
- ▶ full distribution within five (5) years of the date of Your death.

All Withdrawal Charges are waived upon Your death. If no Annuity Option for a Death Benefit is in effect when the Owner dies, We will hold the proceeds at interest until a choice of payment method is made. Interest will be paid at a rate which is never less than the guaranteed Effective Annual Interest Rate of 3% from the date of Your death.

Death of Annuitant, if Different than Owner. No distribution is required, nor will any Death Benefit be paid, if an Annuitant dies before the Annuity Date unless the deceased Annuitant is also an Owner, in which case this section's **Death Before the Annuity Date** provision will apply. If the Annuitant dies before the Annuity Date, then the current Owner will become the Annuitant, unless the Owner designates someone else as a new Annuitant.

Death on or after Annuity Payments Begin. If the Annuitant dies after Annuity Payments begin, any remaining payments provided under the selected Annuity Option will be paid to the Beneficiary. Payments, if any, will be continued under the Annuity Option in effect as of the date of the Annuitant's death until all minimum guaranteed payments have been made.

The Beneficiary of any Annuity Payment may name one or more persons to receive any remaining Annuity Payments after such Beneficiary's death. If no such person is named, any remaining Annuity Payments will be paid to the deceased Beneficiary's estate for the minimum remaining guaranteed period.

PART 8: ANNUITY BENEFITS

Annuity Payments. Payments under one of the Payment or Annuity Options may be elected after the contract has been in effect for thirty (30) days. Monthly Annuity Payments will be calculated using the Cash Value and will start on the date which You elect. Annuity Payments will be made to You unless You have directed Us in writing to pay another Annuitant. As Owner, You are responsible for any tax liability associated with the Annuity Payments. Prior to the date Annuity Payments begin, You may elect a different payment frequency (quarterly, semi-annual, or annual) by Written Request.

We reserve the right to pay Your Cash Value in a lump sum if:

- ▶ the amount to be applied to the Payment or Annuity Option is less than five thousand dollars (\$5,000.00); or
- ▶ any Annuity Payment would be less than two hundred dollars (\$200.00).

Notification of Death. After a Payment or Annuity Option has been elected, the death of the Annuitant or Joint Annuitant must be reported to Us as soon as is reasonably possible. We are entitled to recover any overpayments We make because of a failure to notify Us of any such death. We reserve the right to require periodic proof that the Annuitant and Joint Annuitant are living and We may withhold any payment until such proof is received by Us.

Annuity Payment Amount. The amount of Annuity Payments will depend on the:

- ▶ Cash Value as of the date Annuity Payments begin, less any applicable Premium Taxes;
- ▶ Payment or Annuity Option chosen;
- ▶ Payment Period chosen; and
- ▶ Age and sex of the Annuitant and of the Joint Annuitant, if any.

The amount of the payment You receive may be reduced by any state and or federal income taxes which We are required to withhold. Annuity Payments, before income taxes are withheld, will not be less than the payments reflected in the **TABLES OF GUARANTEED MONTHLY PAYMENTS** which are contained in Part 9 of this contract.

Misstatement of Age or Sex. Before making any Annuity Payment, We may require proof of the Annuitant's and Joint Annuitant's birth date and sex. If the birth date or sex of the Annuitant or Joint Annuitant was misstated, We will adjust the amount to be paid by Us. The payment will be the amount which would have been paid if the correct information had been stated.

For misstatements which result in an underpayment to You, We will:

- ▶ include the full amount of the underpayment in Our next payment; and
- ▶ add interest at the rate upon which payments are based to that payment.

For misstatements which result in an overpayment to You, We will:

- ▶ spread the full amount of the overpayment adjusted for interest at the rate upon which payments are based over the remaining guaranteed payment period, if any, or five (5) years, whichever is less, and deduct a level portion of that amount from each of those future payments.

Annuity Date. The Annuity Date is shown on Page 3. The Annuity Date shall be the contract anniversary date immediately following the Owner's 95th birthday or ten (10) years from the date this contract is issued, whichever is later. Requests to change the Annuity Date must be received in writing at least thirty (30) days prior to the Annuity Date shown on Page 3. The change is subject to Our approval. We may require the contract to record the change.

YOUR PAYMENT OPTION

Life Expectancy Payment Option. Upon Written Request from the Owner, We will make minimum annual distributions for this policy based on life expectancy tables and regulations published by the Internal Revenue Service. Payments will be made annually. You may request to have payments made monthly, quarterly or semi-annually. Unless You elect otherwise, payments will be based upon Your life expectancy. Also, unless You elect otherwise, life expectancy may be recalculated annually based on IRS tables.

Once each year, an additional withdrawal may be made. This withdrawal may not exceed the interest earnings and must be in the amount of two hundred dollars (\$200.00) or more.

When this option has been in effect for five (5) years and You have reached age fifty-nine and one-half (59 1/2), another option may be elected.

We will continue crediting interest at Our then declared current annual interest rate in effect for other contracts issued on this form.

YOUR ANNUITY OPTIONS

General. There are five (5) Annuity Options which may be elected after this contract has been in force for thirty (30) days. Withdrawal Charges may apply. Unless another Annuity Option and payment period are requested before the Annuity Date, monthly payments will be made under Annuity Option 3 with a guaranteed period of ten (10) years.

Change of Annuity Option. Before the Annuity Date, You may change the Annuity Option by Written Request. We may require the contract to record the change. **The Annuity Option may not be changed on or after Annuity Payments begin.**

Descriptions of Annuity Options. Following are descriptions of each Annuity Option. **TABLES OF GUARANTEED MONTHLY PAYMENTS** for Annuity Options are contained in Part 9 of this contract. We guarantee that the monthly income payments for each one thousand dollars (\$1,000.00) of proceeds will not be less than those shown in the tables.

Guaranteed Interest Rate. We guarantee that the interest rate used to provide monthly income payments under the five (5) Annuity Options will never be less than one percent (1%) per annum.

Annuity Option – 1 Income for a Fixed Period. Payments are guaranteed for the number of years chosen. The number of years may not be less than five (5) years, nor more than thirty (30) years. If the Annuitant dies before the end of the guaranteed period, a Death Benefit, consisting of the remaining guaranteed Annuity Payments, as scheduled, will be paid.

Annuity Option – 2 Life Income. Payments will be made for as long as the Annuitant is alive.

Caution: No payments will be made after the Annuitant's death!

Annuity Option – 3 Life Income with Guaranteed Period. Payments are guaranteed for the number of years chosen. The number of years may not be less than ten (10) years, nor more than thirty (30) years. If the Annuitant is alive at the end of the guaranteed period, payments will continue for as long as the Annuitant is alive. If the Annuitant dies before the end of the guaranteed period, a Death Benefit, consisting of the remaining guaranteed Annuity Payments, as scheduled, will be paid.

Annuity Option – 4 Qualified Joint and Survivor Income. Payments will be made for as long as either the Annuitant or Joint Annuitant is alive. You may choose a survivor benefit of one hundred percent (100%) of the initial income amount or sixty-six and two-thirds percent (66 2/3%) of the initial income amount:

Option 4(a) Payment will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant or Joint Annuitant, the survivor will continue to receive one hundred percent (100%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Option 4(b) Payments will be made in the initial income amount while the Annuitant is alive. Upon the death of the Annuitant, payments will be reduced to sixty-six and two-thirds percent (66 2/3%) of the initial income amount for as long as the Joint Annuitant is alive. If the Joint Annuitant dies before the Annuitant, payments will continue to be paid in the initial income amount for as long as the Annuitant is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Annuity Option – 5 Joint and Survivor Income. Payments will be made for as long as either the Annuitant or Joint Annuitant is alive. You may choose a survivor benefit of one hundred percent (100%) of the initial income amount or sixty-six and two-thirds percent (66 2/3 %) of the initial income amount:

Option 5(a) Payments will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant **or** Joint Annuitant, the survivor will continue to receive one hundred percent (100%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Option 5(b) Payments will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant **or** Joint Annuitant, payments will be reduced to sixty-six and two-thirds percent (66 2/3%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

PART 9: TABLES OF GUARANTEED MONTHLY PAYMENTS

These tables are based on sex of the Annuitant and age last birthday on the Annuity Date. We may require proof of the Annuitant’s and Joint Annuitant’s sex and date of birth. These tables are based on interest guaranteed at a one percent (1%) effective annual rate and the Annuity 2000 Table. The amount of income for any age or combination of ages not shown will be furnished on request.

ANNUITY OPTION 1: Income for a Fixed Period

Monthly Income per \$1,000 of proceeds

Interest Rate 1.00%

Term in Years	First Payment on Date Proceeds Applied			
	Annual	Semi-Annual	Quarterly	Monthly
10	\$104.54	\$52.40	\$26.23	\$8.75
15	71.41	35.79	17.92	5.98
20	54.87	27.50	13.77	4.59
25	44.96	22.53	11.28	3.76
30	38.36	19.23	9.63	3.21

ANNUITY OPTION 2 AND ANNUITY OPTION 3: Life Income Options

Monthly Income per \$1,000 of proceeds

Interest Rate 1.00%

Age	Annuity Option 2		Annuity Option 3					
	Life Income		Life Income with Guaranteed Period					
			10 Year		15 Year		20 Year	
	Male	Female	Male	Female	Male	Female	Male	Female
55	3.37	3.08	3.34	3.06	3.29	3.04	3.20	2.99
56	3.46	3.16	3.43	3.14	3.37	3.11	3.27	3.06
57	3.56	3.24	3.52	3.22	3.45	3.18	3.34	3.12
58	3.66	3.33	3.61	3.30	3.53	3.26	3.41	3.19
59	3.77	3.42	3.71	3.39	3.62	3.34	3.48	3.26
60	3.89	3.52	3.82	3.49	3.71	3.43	3.55	3.34
61	4.01	3.62	3.93	3.58	3.81	3.52	3.62	3.41
62	4.14	3.73	4.05	3.69	3.91	3.61	3.69	3.49
63	4.28	3.85	4.17	3.80	4.01	3.71	3.76	3.57
64	4.43	3.98	4.30	3.91	4.11	3.81	3.83	3.64
65	4.58	4.11	4.43	4.03	4.22	3.92	3.90	3.72
66	4.75	4.25	4.57	4.16	4.32	4.02	3.97	3.80
67	4.93	4.40	4.72	4.30	4.43	4.14	4.04	3.88
68	5.12	4.57	4.87	4.44	4.54	4.25	4.10	3.95
69	5.33	4.74	5.03	4.59	4.65	4.37	4.16	4.02
70	5.54	4.93	5.20	4.75	4.76	4.49	4.21	4.09
71	5.78	5.13	5.36	4.92	4.86	4.61	4.26	4.16
72	6.02	5.35	5.54	5.09	4.97	4.73	4.31	4.22
73	6.29	5.59	5.71	5.28	5.07	4.84	4.35	4.28
74	6.57	5.84	5.89	5.47	5.16	4.96	4.39	4.33
75	6.87	6.12	6.08	5.66	5.26	5.07	4.43	4.37
76	7.19	6.42	6.26	5.86	5.34	5.18	4.46	4.41
77	7.53	6.74	6.45	6.07	5.43	5.29	4.48	4.45
78	7.90	7.09	6.63	6.28	5.50	5.38	4.51	4.48
79	8.30	7.47	6.81	6.49	5.57	5.47	4.52	4.50
80	8.72	7.88	6.99	6.70	5.63	5.55	4.54	4.52

ANNUITY OPTION 4(a) AND ANNUITY OPTION 5(a): Joint and Survivor Income

Joint and 100% Survivor Benefit
Monthly Life Income Payments

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	2.73	2.85	2.93	2.99	3.03
60	2.90	3.08	3.22	3.33	3.41
65	3.05	3.30	3.53	3.73	3.87
70	3.16	3.49	3.83	4.15	4.41
75	3.25	3.64	4.09	4.56	5.01

ANNUITY OPTION 4(b): Qualified Joint and Survivor Income

Income payment reduces to **66.667%** at death of Annuitant
Initial Monthly Life Income Payments (While the Annuitant is Alive)

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	2.92	3.12	3.33	3.53	3.72
60	3.04	3.31	3.58	3.84	4.10
65	3.15	3.47	3.82	4.18	4.53
70	3.23	3.61	4.05	4.53	5.01
75	3.29	3.72	4.24	4.85	5.50

ANNUITY OPTION 5(b): Joint and Survivor Income

Income payment reduces to **66.667%** at the death of Annuitant or Joint Annuitant
Initial Monthly Life Income Payments (While both the Annuitant and Joint Annuitant are Alive)

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	3.04	3.21	3.39	3.57	3.75
60	3.24	3.46	3.69	3.92	4.15
65	3.46	3.73	4.03	4.33	4.63
70	3.68	4.02	4.40	4.80	5.22
75	3.91	4.31	4.79	5.33	5.90

Other Options. Additional payment options may be offered when proceeds become available. We may also offer payment options with higher guaranteed minimum interest rates or higher guaranteed minimum payments. If so, We may make these more favorable options available subject to any conditions on the options that are in effect at that time.

GUARANTY INCOME LIFE INSURANCE COMPANY

A Stock Company

Mailing Address: P.O. Box 2231, Baton Rouge, LA 70821

Street Address: 929 Government Street, Baton Rouge, LA 70802

www.gilico.com

FLEXIBLE PREMIUM DEFERRED ANNUITY

Monthly Income Payments Starting on the Annuity Date.

Death Benefit Payable Before the Annuity Date.

Non-Participating: Dividends Are Not Payable.

GUARANTY INCOME LIFE INSURANCE COMPANY
FLEXIBLE PREMIUM DEFERRED ANNUITY

This contract is issued in consideration of the application and payment of the Initial Premium.

The Premium Payments and interest credited thereon will accumulate until the Annuity Date or until You withdraw Your money. On the Annuity Date, We will apply the Accumulation Value or Cash Value to the Annuity Option You elect. We will pay the Death Benefit as described in Part 7 of this contract if the Owner dies before the Annuity Date.

READ YOUR CONTRACT CAREFULLY. This contract is a legal agreement between the Owner and the Company. The terms of this contract are contained on this page and the following pages. Withdrawals from the contract within the first ten (10) years of the Contract Date may be subject to Withdrawal Charges as reflected on Page 3 and in Part 6. Guaranty Income Life Insurance Company and its agents or representatives do not give legal or tax advice. We recommend You consult Your own attorney, accountant or tax advisor to determine the suitability of the annuity in Your own situation.

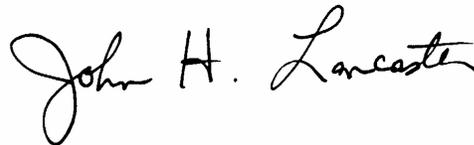
Thirty Day Right to Examine the Contract. This contract may be returned within thirty (30) days after You receive it. Return it to the agent or Our Home Office. We will cancel the contract and refund any premium paid.

Customer Service. To present inquiries, obtain information about Your contract, or to obtain assistance in resolving a complaint, contact Our Home Office at 1-800-535-8110 or e-mail pos@gilico.com.

Signed for the Company on the Contract Date.



Secretary



President

GUARANTY INCOME LIFE INSURANCE COMPANY
A Stock Company
Mailing Address: P.O. Box 2231, Baton Rouge, LA 70821
Street Address: 929 Government Street, Baton Rouge, LA 70802
www.gilico.com

FLEXIBLE PREMIUM DEFERRED ANNUITY
Monthly Income Payments Starting on the Annuity Date.
Death Benefit Payable Before the Annuity Date.
Non-Participating: Dividends Are Not Payable.

INDEX

	PAGE
POLICY SPECIFICATIONS.....	3
PART 1: DEFINITIONS.....	4
PART 2: GENERAL PROVISIONS.....	4
PART 3: OWNERSHIP OF THIS CONTRACT	5
PART 4: BENEFICIARY.....	6
PART 5: VALUES	6
PART 6: WITHDRAWALS AND SURRENDER.....	6
PART 7: DEATH BENEFITS.....	7
PART 8: ANNUITY BENEFITS	8
PART 9: TABLES OF GUARANTEED MONTHLY PAYMENTS.....	11

POLICY SPECIFICATIONS

FLEXIBLE PREMIUM DEFERRED ANNUITY

OWNER	[JOHN DOE]	[TEST2008301]	CONTRACT NUMBER
CONTRACT DATE	[MARCH 1, 2008]	[70]	OWNER'S ISSUE AGE
INITIAL PREMIUM	[\$5,000.00]	[MARCH 1, 2033]	ANNUITY DATE
ANNUITANT	THE OWNER, UNLESS DESIGNATED OTHERWISE IN THE APPLICATION OR CHANGED AS PROVIDED IN THIS POLICY.		
BENEFICIARY	AS DESIGNATED IN THE APPLICATION, UNLESS CHANGED AS PROVIDED IN THIS POLICY.		

A STATEMENT OF THE VALUE OF THIS CONTRACT WILL BE FURNISHED TO THE OWNER AT LEAST ANNUALLY.

THE DEATH BENEFIT IS THE ACCUMULATION VALUE AS OF THE DATE OF THE OWNER'S DEATH.

MINIMUM ADDITIONAL PREMIUM PAYMENT - \$200.00
MINIMUM PARTIAL WITHDRAWAL AMOUNT - \$200.00
MINIMUM AMOUNT REMAINING AFTER PARTIAL WITHDRAWAL - \$2,000.00

[RIDERS INCLUDED:]

[ENHANCED LIFE INCOME PAYMENT OPTION RIDER	GI533 (3/08)]
[NURSING CARE FACILITY WAIVER RIDER	GI534 (3/08)]
[TERMINAL ILLNESS RIDER	GI530 (2/08)]

TABLE OF WITHDRAWAL CHARGES
(As a Percentage of Premium Withdrawn)

Contract Years	Percent Charges	Contract Years	Percent Charges
1	10.0	7	5.0
2	9.0	8	4.0
3	8.0	9	3.0
4	7.0	10	2.0
5	6.0	11 and later	0.0
6	6.0		

SEE PART 6 ON PAGE 6 OF YOUR CONTRACT FOR A COMPLETE EXPLANATION OF WITHDRAWAL CHARGES.

PART 1: DEFINITIONS

Accumulation Value. Net Premiums plus accumulated interest less withdrawals, as fully described in Part 5 of this contract.

Annuitant. The natural person named in the application or in the most recent change recorded by Us on whose life the amount and duration of Annuity Payments are based.

Annuity Date. The date the Accumulation Value or Cash Value is applied to the Annuity Option selected. The Annuity Date is shown on Page 3, Policy Specifications. The Annuity Date may be changed by the Owner.

Annuity Option. One of the methods available to systematically distribute the Cash Value, as described in the Annuity Options provision of Part 8 of this contract.

Beneficiary(ies). The person(s) named in the application or in the most recent change recorded by Us who is (are) to receive any Death Benefit as described in Part 7 of this contract. If the Owner dies and there is no Beneficiary living at the time that any Death Benefit becomes payable, then that benefit will be paid to any contingent Beneficiary or, if none is then living, to the Owner's estate.

Cash Value. The amount that is available when the contract is surrendered. The Cash Value is the Accumulation Value less any applicable Withdrawal Charge.

Contract Date. The date We received and credited the Initial Premium. The Contract Date is shown on Page 3.

Contract Year. Contract Years are twelve (12) month periods which start on the Contract Date and on the same month and day of each year thereafter.

IRC. The Internal Revenue Code of 1986, as amended. All references in this contract to any sections of the IRC or regulations include any amended or successor sections or regulations, as appropriate or required.

Issue Age. The actual age of the Owner and/or Annuitant as of the Contract Date.

Joint Annuitant. The person on whose life, joined with that of the Annuitant, the amount and duration of Annuity Payments depend. The Joint Annuitant must be a designated Beneficiary on the contract. **Joint Annuitant applies only to Part 8: Annuity Benefits of this contract.**

Owner. The person named in the application who is entitled to the ownership rights described in this contract and as fully described in Part 3 of this contract.

We, Our, Us, Company. Guaranty Income Life Insurance Company.

Written Request. A request that is written, signed, dated, and notarized (if required) on a form satisfactory to, or provided by, Us and received at Our Home Office. We may require delivery of the contract to record the change.

You, Your. The Owner.

PART 2: GENERAL PROVISIONS

Entire Agreement. The Entire Agreement consists of this contract and any application, amendment, rider, or endorsement which is attached to the contract or which was mailed to Your last known address.

No change or waiver of any provision of this contract can be made or will be valid unless agreed to by the President, the Secretary, or a Vice President in Our Home Office. No agent or employee of the Company shall have authority to bind the Company or to amend, alter or change the written provisions of this contract. Any amendment,

alteration, change or waiver of the provisions of this contract must be made in writing and signed by the President, the Secretary or a Vice President of the Company.

Changes to the contract. After We receive and record a Written Request for a contract change, the change will take effect on the date the request was originally signed, even if You have subsequently died. However, the change will be subject to any payments made or actions taken by Us before the Written Request for change was received and recorded.

Incontestability. We will not contest this contract after the Contract Date, except as provided in the Misstatement of Age or Sex provision in Part 8.

Claims of Creditors. To the extent permitted by law, no benefit paid, or to become payable, will be subject to any claim or process of law by any creditor.

Conformity With Statutes. If any provision in this contract is in conflict with the laws of the state which govern this contract, the provision will be deemed to be amended to conform with such laws.

Our Liability. We will not incur any liability nor be responsible for any failure, in whole or in part, by You to comply with the provisions set forth in the IRC or any other law.

Premium Payments. The Initial Premium shown on Page 3 is required with the application as consideration for this annuity contract. The Owner may make optional additional Premium Payments subject to the minimum additional Premium Payment shown on Page 3. Total Premium Payments in excess of \$300,000 are subject to prior approval by the Company. Additional Premium Payments are not required to keep the policy in force.

Premium Tax. Some states impose a Premium Tax on annuities. In the event that a Premium Tax is imposed on the Premium Payment, such tax will be deducted from the Premium Payment at the time of initial crediting. In the event that a Premium Tax is imposed at any other time, such tax will be deducted from any benefit payable under this contract.

Suitability. This annuity is designed as a long-term contract. Withdrawals from the contract may be subject to Withdrawal Charges as reflected on Page 3 and in Part 6.

This contract may be issued to qualify as an Individual Retirement Account (IRA) under IRC Section 408 or 408A. This will be specified in the application. In this case, ownership and assignment of this contract will be restricted so that it will comply with the IRC.

PART 3: OWNERSHIP OF THIS CONTRACT

General. The Owner on the Contract Date is the person named in the application. If no Owner is designated, the Annuitant is the Owner.

Rights of the Owner. You may exercise all rights and privileges under this contract prior to the Annuity Date. The Owner's rights include, but are not limited to:

- ▶ Designate or change a Beneficiary;
- ▶ Designate or change an Annuitant;
- ▶ Transfer ownership; and
- ▶ Elect a Payment Option.

Use of these rights may be subject to the consent of any assignee or irrevocable Beneficiary.

Transfer or Assignment of Ownership. Subject to the limitations described herein, You may transfer ownership or assign this contract. We will not be responsible for any payments We make or other action We take before the Written Request for transfer of ownership or assignment is received at Our Home Office. We are not responsible for

the validity of the transfer or assignment. We may require delivery of the contract to record the transfer or assignment. Transfer or assignment of ownership may involve tax consequences. Determination of the tax consequences and payment of tax liability due to transfer or assignment of ownership is the responsibility of the Owner. We will make all required reports to the Internal Revenue Service (IRS).

PART 4: BENEFICIARY

Change of Beneficiary. Before Annuity Payments begin, You may change a Beneficiary or a contingent Beneficiary by Written Request. After Annuity Payments begin, You may change the Beneficiary or contingent Beneficiary by Written Request if the Annuity Option in effect is Annuity Option 1 or 3, as set forth in Part 8 of this contract.

A Beneficiary named irrevocably may not be changed without the written consent of that Beneficiary.

Payment of Beneficiaries. Before making any payment, We may require evidence as to the identity, age, and other facts about any person or class designated as a Beneficiary. We are entitled to make payments based on that evidence.

PART 5: VALUES

Required Standards. All benefits and values equal or exceed those required by the state which governs this contract.

Accumulation Value. The Accumulation Value is:

- ▶ Net Premium received by Us; plus
- ▶ All interest credited; less
- ▶ Any previous Partial Withdrawals, including any Withdrawal Charges assessed.

Net Premium. To determine the Net Premium, We deduct from each Premium Payment received the applicable Premium Tax, if any. The amount remaining is the Net Premium. We add this amount to the Accumulation Value effective as of the date We receive the Premium Payment at Our Home Office.

Effective Annual Interest Rate. Interest will be credited to the Accumulation Value each day prior to the Annuity Date from the date Premium Payments are received, at a rate which is never less than the guaranteed Effective Annual Interest Rate of 3%.

We may, at Our discretion, declare a current Effective Annual Interest Rate in excess of the guaranteed rate. We may change this interest rate from time to time, but not below the guaranteed Effective Annual Interest Rate of 3%. However, interest already credited will not be affected by any such changes.

Cash Value. The Cash Value will be the Accumulation Value less any applicable Withdrawal Charge.

Notice of Values. At least once each year, We will send You a report of the current Accumulation Value and all amounts added to and subtracted from the Accumulation Value during the period covered by the report. The reports will be mailed to Your last known address. If permitted by law, in lieu of that We may deliver these and other required documents in electronic form.

PART 6: WITHDRAWALS AND SURRENDER

We must receive a Written Request from the Owner for any withdrawal or surrender.

Tax Reporting. Partial Withdrawals and Full Surrender may involve tax consequences. Determination of tax consequences and payment of tax liability for any distribution is the responsibility of the Owner. We will make all required reports to the IRS.

Partial Withdrawals. A portion of the Accumulation Value may be withdrawn before the Annuity Date. Any Withdrawal Charges will be deducted from the Accumulation Value. Partial Withdrawals may not reduce the Accumulation Value to less than two thousand dollars (\$2,000.00). All Partial Withdrawals shall be treated, first, as a withdrawal of accrued interest earnings, and after all accrued interest earnings have been withdrawn, then as a withdrawal of Premium Payments.

Full Surrender. This contract may be surrendered for its Cash Value before the Annuity Date. The amount to be paid upon such surrender will be equal to the Cash Value as of the date We received Your Written Request.

Withdrawal Charge. The Withdrawal Charge will be a percentage of the Premium Payments withdrawn.

The Withdrawal Charge percentages are shown on Page 3 and below.

Policy Year	1	2	3	4	5	6	7	8	9	10	11+
Withdrawal Charge	10%	9%	8%	7%	6%	6%	5%	4%	3%	2%	0%

Free Partial Withdrawals of Interest Earnings. After the contract has been in effect for thirty (30) days, You may withdraw up to one hundred percent (100%) of Your accumulated interest or You may elect to receive monthly interest checks. The minimum interest check is two hundred dollars (\$200.00).

Waiver of Withdrawal Charges. Withdrawal Charges will not apply:

- ▶ in the event of the Owner's death; or
- ▶ after the policy has been in force for five full years and if payments are made under Annuity Options 2, 3, 4 or 5.

Surrender Requirements. We will require:

- ▶ Your Written Request; and
- ▶ return of this contract or a notarized lost policy affidavit to Us.

Deferral of Payment. We may defer payment for a period of not more than six (6) months after We receive the Written Request.

PART 7: DEATH BENEFITS

Death Benefit. The Accumulation Value as of the date of the Owner's death.

Notification of Death. The death of the Owner must be reported to Us as soon as is reasonably possible. Any Death Benefit will be payable when We are notified of the death, and have received the required proof of death, this contract and other information which We may require. Proof of death means written notification delivered to the Company of the death of the Owner, accompanied by a certified copy of the death certificate.

The Death Benefit will be payable to the Beneficiary. If no Beneficiary is living on that date, benefits will be paid to the contingent Beneficiary, or if none is then living, to the Owner's estate. If more than one Beneficiary is to receive Death Benefit proceeds, they will be paid in equal shares unless You specify otherwise in writing.

If a person named to receive benefits is a minor, We will make all payments to the guardian of the minor's estate. We may require proof of the age and sex of any such person.

Death Before the Annuity Date. While this contract is in force and prior to the Annuity Date, the Death Benefit will be payable upon the death of the Owner.

If You die before the Annuity Date and Your surviving spouse is the sole Beneficiary, the Beneficiary may elect:

- ▶ to be treated as a successor Owner of the contract. In this case, distributions are not required to begin until the Annuity Date;
- ▶ to receive the Death Benefit as a lump sum payment; or
- ▶ to receive the Accumulation Value under one of the Annuity Options in Part 8.

If You die before the Annuity Date and Your surviving spouse is not the Beneficiary, the Beneficiary must take distribution of the Death Benefit by electing:

- ▶ within 60 days after your death; an annuity payout option that does not exceed the Beneficiary's life expectancy and begins within one (1) year from the date of Your death; or
- ▶ full distribution within five (5) years of the date of Your death.

All Withdrawal Charges are waived upon Your death. If no Annuity Option for a Death Benefit is in effect when the Owner dies, We will hold the proceeds at interest until a choice of payment method is made. Interest will be paid at a rate which is never less than the guaranteed Effective Annual Interest Rate of 3% from the date of Your death.

Death of Annuitant, if Different than Owner. No distribution is required, nor will any Death Benefit be paid, if an Annuitant dies before the Annuity Date unless the deceased Annuitant is also an Owner, in which case this section's **Death Before the Annuity Date** provision will apply. If the Annuitant dies before the Annuity Date, then the current Owner will become the Annuitant, unless the Owner designates someone else as a new Annuitant.

Death on or after Annuity Payments Begin. If the Annuitant dies after Annuity Payments begin, any remaining payments provided under the selected Annuity Option will be paid to the Beneficiary. Payments, if any, will be continued under the Annuity Option in effect as of the date of the Annuitant's death until all minimum guaranteed payments have been made.

The Beneficiary of any Annuity Payment may name one or more persons to receive any remaining Annuity Payments after such Beneficiary's death. If no such person is named, any remaining Annuity Payments will be paid to the deceased Beneficiary's estate for the minimum remaining guaranteed period.

PART 8: ANNUITY BENEFITS

Annuity Payments. Payments under one of the Payment or Annuity Options may be elected after the contract has been in effect for thirty (30) days. Monthly Annuity Payments will be calculated using the Cash Value and will start on the date which You elect. Annuity Payments will be made to You unless You have directed Us in writing to pay another Annuitant. As Owner, You are responsible for any tax liability associated with the Annuity Payments. Prior to the date Annuity Payments begin, You may elect a different payment frequency (quarterly, semi-annual, or annual) by Written Request.

We reserve the right to pay Your Cash Value in a lump sum if:

- ▶ the amount to be applied to the Payment or Annuity Option is less than five thousand dollars (\$5,000.00); or
- ▶ any Annuity Payment would be less than two hundred dollars (\$200.00).

Notification of Death. After a Payment or Annuity Option has been elected, the death of the Annuitant or Joint Annuitant must be reported to Us as soon as is reasonably possible. We are entitled to recover any overpayments We make because of a failure to notify Us of any such death. We reserve the right to require periodic proof that the Annuitant and Joint Annuitant are living and We may withhold any payment until such proof is received by Us.

Annuity Payment Amount. The amount of Annuity Payments will depend on the:

- ▶ Cash Value as of the date Annuity Payments begin, less any applicable Premium Taxes;
- ▶ Payment or Annuity Option chosen;
- ▶ Payment Period chosen; and
- ▶ Age and sex of the Annuitant and of the Joint Annuitant, if any.

The amount of the payment You receive may be reduced by any state and or federal income taxes which We are required to withhold. Annuity Payments, before income taxes are withheld, will not be less than the payments reflected in the **TABLES OF GUARANTEED MONTHLY PAYMENTS** which are contained in Part 9 of this contract.

Misstatement of Age or Sex. Before making any Annuity Payment, We may require proof of the Annuitant's and Joint Annuitant's birth date and sex. If the birth date or sex of the Annuitant or Joint Annuitant was misstated, We will adjust the amount to be paid by Us. The payment will be the amount which would have been paid if the correct information had been stated.

For misstatements which result in an underpayment to You, We will:

- ▶ include the full amount of the underpayment in Our next payment; and
- ▶ add interest at the rate upon which payments are based to that payment.

For misstatements which result in an overpayment to You, We will:

- ▶ spread the full amount of the overpayment adjusted for interest at the rate upon which payments are based over the remaining guaranteed payment period, if any, or five (5) years, whichever is less, and deduct a level portion of that amount from each of those future payments.

Annuity Date. The Annuity Date is shown on Page 3. The Annuity Date shall be the contract anniversary date immediately following the Owner's 95th birthday or ten (10) years from the date this contract is issued, whichever is later. Requests to change the Annuity Date must be received in writing at least thirty (30) days prior to the Annuity Date shown on Page 3. The change is subject to Our approval. We may require the contract to record the change.

YOUR PAYMENT OPTION

Life Expectancy Payment Option. Upon Written Request from the Owner, We will make minimum annual distributions for this policy based on life expectancy tables and regulations published by the Internal Revenue Service. Payments will be made annually. You may request to have payments made monthly, quarterly or semi-annually. Unless You elect otherwise, payments will be based upon Your life expectancy. Also, unless You elect otherwise, life expectancy may be recalculated annually based on IRS tables.

Once each year, an additional withdrawal may be made. This withdrawal may not exceed the interest earnings and must be in the amount of two hundred dollars (\$200.00) or more.

When this option has been in effect for five (5) years and You have reached age fifty-nine and one-half (59 1/2), another option may be elected.

We will continue crediting interest at Our then declared current annual interest rate in effect for other contracts issued on this form.

YOUR ANNUITY OPTIONS

General. There are five (5) Annuity Options which may be elected after this contract has been in force for thirty (30) days. Withdrawal Charges may apply. Unless another Annuity Option and payment period are requested before the Annuity Date, monthly payments will be made under Annuity Option 3 with a guaranteed period of ten (10) years.

Change of Annuity Option. Before the Annuity Date, You may change the Annuity Option by Written Request. We may require the contract to record the change. **The Annuity Option may not be changed on or after Annuity Payments begin.**

Descriptions of Annuity Options. Following are descriptions of each Annuity Option. **TABLES OF GUARANTEED MONTHLY PAYMENTS** for Annuity Options are contained in Part 9 of this contract. We guarantee that the monthly income payments for each one thousand dollars (\$1,000.00) of proceeds will not be less than those shown in the tables.

Guaranteed Interest Rate. We guarantee that the interest rate used to provide monthly income payments under the five (5) Annuity Options will never be less than one percent (1%) per annum.

Annuity Option – 1 Income for a Fixed Period. Payments are guaranteed for the number of years chosen. The number of years may not be less than five (5) years, nor more than thirty (30) years. If the Annuitant dies before the end of the guaranteed period, a Death Benefit, consisting of the remaining guaranteed Annuity Payments, as scheduled, will be paid.

Annuity Option – 2 Life Income. Payments will be made for as long as the Annuitant is alive.

Caution: No payments will be made after the Annuitant's death!

Annuity Option – 3 Life Income with Guaranteed Period. Payments are guaranteed for the number of years chosen. The number of years may not be less than ten (10) years, nor more than thirty (30) years. If the Annuitant is alive at the end of the guaranteed period, payments will continue for as long as the Annuitant is alive. If the Annuitant dies before the end of the guaranteed period, a Death Benefit, consisting of the remaining guaranteed Annuity Payments, as scheduled, will be paid.

Annuity Option – 4 Qualified Joint and Survivor Income. Payments will be made for as long as either the Annuitant or Joint Annuitant is alive. You may choose a survivor benefit of one hundred percent (100%) of the initial income amount or sixty-six and two-thirds percent (66 2/3%) of the initial income amount:

Option 4(a) Payment will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant or Joint Annuitant, the survivor will continue to receive one hundred percent (100%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Option 4(b) Payments will be made in the initial income amount while the Annuitant is alive. Upon the death of the Annuitant, payments will be reduced to sixty-six and two-thirds percent (66 2/3%) of the initial income amount for as long as the Joint Annuitant is alive. If the Joint Annuitant dies before the Annuitant, payments will continue to be paid in the initial income amount for as long as the Annuitant is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Annuity Option – 5 Joint and Survivor Income. Payments will be made for as long as either the Annuitant or Joint Annuitant is alive. You may choose a survivor benefit of one hundred percent (100%) of the initial income amount or sixty-six and two-thirds percent (66 2/3 %) of the initial income amount:

Option 5(a) Payments will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant **or** Joint Annuitant, the survivor will continue to receive one hundred percent (100%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

Option 5(b) Payments will be made in the initial income amount while either the Annuitant or Joint Annuitant is alive. Upon the death of the Annuitant **or** Joint Annuitant, payments will be reduced to sixty-six and two-thirds percent (66 2/3%) of the initial income amount for as long as the survivor is alive.

Payments stop when both the Annuitant and Joint Annuitant are deceased.

PART 9: TABLES OF GUARANTEED MONTHLY PAYMENTS

These tables are based on sex of the Annuitant and age last birthday on the Annuity Date. We may require proof of the Annuitant’s and Joint Annuitant’s sex and date of birth. These tables are based on interest guaranteed at a one percent (1%) effective annual rate and the Annuity 2000 Table. The amount of income for any age or combination of ages not shown will be furnished on request.

ANNUITY OPTION 1: Income for a Fixed Period

Monthly Income per \$1,000 of proceeds

Interest Rate 1.00%

Term in Years	First Payment on Date Proceeds Applied			
	Annual	Semi-Annual	Quarterly	Monthly
10	\$104.54	\$52.40	\$26.23	\$8.75
15	71.41	35.79	17.92	5.98
20	54.87	27.50	13.77	4.59
25	44.96	22.53	11.28	3.76
30	38.36	19.23	9.63	3.21

ANNUITY OPTION 2 AND ANNUITY OPTION 3: Life Income Options

Monthly Income per \$1,000 of proceeds

Interest Rate 1.00%

Age	Annuity Option 2		Annuity Option 3					
	Life Income		Life Income with Guaranteed Period					
			10 Year		15 Year		20 Year	
	Male	Female	Male	Female	Male	Female	Male	Female
55	3.37	3.08	3.34	3.06	3.29	3.04	3.20	2.99
56	3.46	3.16	3.43	3.14	3.37	3.11	3.27	3.06
57	3.56	3.24	3.52	3.22	3.45	3.18	3.34	3.12
58	3.66	3.33	3.61	3.30	3.53	3.26	3.41	3.19
59	3.77	3.42	3.71	3.39	3.62	3.34	3.48	3.26
60	3.89	3.52	3.82	3.49	3.71	3.43	3.55	3.34
61	4.01	3.62	3.93	3.58	3.81	3.52	3.62	3.41
62	4.14	3.73	4.05	3.69	3.91	3.61	3.69	3.49
63	4.28	3.85	4.17	3.80	4.01	3.71	3.76	3.57
64	4.43	3.98	4.30	3.91	4.11	3.81	3.83	3.64
65	4.58	4.11	4.43	4.03	4.22	3.92	3.90	3.72
66	4.75	4.25	4.57	4.16	4.32	4.02	3.97	3.80
67	4.93	4.40	4.72	4.30	4.43	4.14	4.04	3.88
68	5.12	4.57	4.87	4.44	4.54	4.25	4.10	3.95
69	5.33	4.74	5.03	4.59	4.65	4.37	4.16	4.02
70	5.54	4.93	5.20	4.75	4.76	4.49	4.21	4.09
71	5.78	5.13	5.36	4.92	4.86	4.61	4.26	4.16
72	6.02	5.35	5.54	5.09	4.97	4.73	4.31	4.22
73	6.29	5.59	5.71	5.28	5.07	4.84	4.35	4.28
74	6.57	5.84	5.89	5.47	5.16	4.96	4.39	4.33
75	6.87	6.12	6.08	5.66	5.26	5.07	4.43	4.37
76	7.19	6.42	6.26	5.86	5.34	5.18	4.46	4.41
77	7.53	6.74	6.45	6.07	5.43	5.29	4.48	4.45
78	7.90	7.09	6.63	6.28	5.50	5.38	4.51	4.48
79	8.30	7.47	6.81	6.49	5.57	5.47	4.52	4.50
80	8.72	7.88	6.99	6.70	5.63	5.55	4.54	4.52

ANNUITY OPTION 4(a) AND ANNUITY OPTION 5(a): Joint and Survivor Income

Joint and 100% Survivor Benefit
Monthly Life Income Payments

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	2.73	2.85	2.93	2.99	3.03
60	2.90	3.08	3.22	3.33	3.41
65	3.05	3.30	3.53	3.73	3.87
70	3.16	3.49	3.83	4.15	4.41
75	3.25	3.64	4.09	4.56	5.01

ANNUITY OPTION 4(b): Qualified Joint and Survivor Income

Income payment reduces to **66.667%** at death of Annuitant
Initial Monthly Life Income Payments (While the Annuitant is Alive)

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	2.92	3.12	3.33	3.53	3.72
60	3.04	3.31	3.58	3.84	4.10
65	3.15	3.47	3.82	4.18	4.53
70	3.23	3.61	4.05	4.53	5.01
75	3.29	3.72	4.24	4.85	5.50

ANNUITY OPTION 5(b): Joint and Survivor Income

Income payment reduces to **66.667%** at the death of Annuitant or Joint Annuitant
Initial Monthly Life Income Payments (While both the Annuitant and Joint Annuitant are Alive)

Per \$1,000.00 of proceeds

Interest Rate 1.00%

Age of Joint Annuitant	Age of Annuitant				
	55	60	65	70	75
55	3.04	3.21	3.39	3.57	3.75
60	3.24	3.46	3.69	3.92	4.15
65	3.46	3.73	4.03	4.33	4.63
70	3.68	4.02	4.40	4.80	5.22
75	3.91	4.31	4.79	5.33	5.90

Other Options. Additional payment options may be offered when proceeds become available. We may also offer payment options with higher guaranteed minimum interest rates or higher guaranteed minimum payments. If so, We may make these more favorable options available subject to any conditions on the options that are in effect at that time.

GUARANTY INCOME LIFE INSURANCE COMPANY

A Stock Company

Mailing Address: P.O. Box 2231, Baton Rouge, LA 70821

Street Address: 929 Government Street, Baton Rouge, LA 70802

www.gilico.com

FLEXIBLE PREMIUM DEFERRED ANNUITY

Monthly Income Payments Starting on the Annuity Date.

Death Benefit Payable Before the Annuity Date.

Non-Participating: Dividends Are Not Payable.

GUARANTY INCOME LIFE INSURANCE COMPANY
P.O. Box 2231, Baton Rouge, LA 70821
929 Government Street, Baton Rouge, LA 70802
800.535.8110 / 225.383.0355
www.gilico.com

NURSING CARE FACILITY WAIVER RIDER

This Rider is part of Your contract. The words "We," "Our," "Us" and "Company" refer to Guaranty Income Life Insurance Company. The words "You" and "Your" refer to the Owner of the contract. If the Owner is a non-natural person, the words "You" and "Your" as used in this Rider refer to the Annuitant.

BENEFIT. We will waive Withdrawal Charges on an amount not to exceed twenty-five percent (25%) per year of the premium remaining in the contract, if You meet **all** of the following conditions:

- You are confined to a Nursing Care Facility or Hospital for at least ninety (90) consecutive days;
- A Physician prescribes the confinement and it is Medically Necessary;
- The first day of confinement is more than one (1) year after the Contract Date; and
- We receive a Written Request to make any payment under the contract. We will require satisfactory proof of your confinement. We must receive the Written Request and proof of confinement no more than ninety (90) days after You are discharged from the Nursing Care Facility or Hospital, and before this Rider terminates.

DEFINITIONS. Capitalized terms have the meanings given to them in the contract, except as shown below.

"Nursing Care Facility" means a Skilled Nursing Facility or an Intermediate Care Facility, but does **not** mean any of the following:

- A facility for treatment resulting from Mental or Nervous Disorders or disorders without demonstrable organic origin;
- A facility for treatment for alcoholism, drug addiction, or chemical dependency;
- An assisted living facility, a community living center, or a place that primarily provides residential care or retirement care; or
- A place owned or operated by a member of Your Immediate Family.

"Skilled Nursing Facility" means a facility that meets all of the following conditions:

- It is in the United States or its territories;
- It maintains a license, if required, and operates as a Skilled Nursing Facility under the laws of the state or territory in which it is located;
- It provides skilled nursing care under the supervision of a licensed Physician;
- It provides nursing services twenty-four (24) hours a day by, or under the supervision of, a registered graduate professional nurse (R.N.); and
- It maintains a daily medical record of each patient.

“Intermediate Care Facility” means a facility that meets all of the following conditions:

- It is in the United States or its territories;
- It maintains a license, if required, and operates as an Intermediate Care Facility under the laws of the state or territory in which it is located;
- It provides nursing services twenty-four (24) hours a day by, or under the supervision of, a registered graduate professional nurse (R.N.) or a licensed practical nurse (L.P.N.); and
- It maintains a daily medical record of each patient.

“Hospital” means a facility that meets all of the following conditions:

- It is in the United States or its territories;
- It maintains a license and operates as a Hospital under the laws of the state or territory in which it is located;
- A staff of licensed Physicians supervises it;
- It provides nursing services twenty-four (24) hours a day by, or under the supervision of, a registered graduate professional nurse (R.N.);
- It operates primarily for the care and treatment of sick and injured persons as inpatients for a charge; and
- It maintains, or has access to, medical, diagnostic and major surgical facilities.

“Physician” means a licensed medical doctor (M.D.) or a licensed doctor of osteopathy (D.O.) practicing within the scope of his or her license. The term “Physician” does not include You, or a member of Your Immediate Family. In the case of a non-natural person Owner, the term “Physician” does not include an employee, officer, director, or agent of the Owner.

“Medically Necessary” means appropriate and consistent with the diagnosis of a Physician, and with accepted standards of practice.

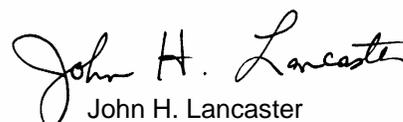
“Immediate Family” means any spouse, children, parents, grandparents, grandchildren, siblings, or in-laws.

TERMINATION. This Rider will terminate and shall have no value when Withdrawal Charges imposed under the contract equal 0%, or on the date the contract is terminated, whichever comes first. The Company reserves the right to terminate this Rider and the benefits under it at anytime if ownership of the contract is changed.

This Rider is not a separate contract. This Rider changes Your contract only as and to the extent stated. In the case of conflict with other terms of the contract, the terms of this Rider shall control.

Signed for Us at Our office as of the date of issue.


George A. Foster, III
Secretary


John H. Lancaster
President

GUARANTY INCOME LIFE INSURANCE COMPANY
P.O. Box 2231, Baton Rouge, LA 70821
929 Government Street, Baton Rouge, LA 70802
800.535.8110 / 225.383.0355
www.gilico.com

ENHANCED LIFE INCOME PAYMENT OPTION RIDER

This Rider is part of Your contract. The words “We,” “Our,” “Us” and “Company” refer to Guaranty Income Life Insurance Company. The words “You” and “Your” refer to the Owner of the contract.

If You meet the Eligibility Requirements detailed in this Rider, You may elect a Life Income Payment that is higher than that otherwise available in Your Policy. If eligible, You may choose an Option from this Rider under which You want the annuity payments to be made. Even if the Eligibility Requirements are met, it is not mandatory that You elect to make use of this Enhanced Life Income Payment Option.

COMMENCEMENT DATE

The Commencement Date is the date We approve Your eligibility as required by this Rider. Payments generally begin one month after the Commencement Date.

ELIGIBILITY REQUIREMENTS

The Eligibility Requirements are:

1. This Rider has been in force for at least four (4) years on the Commencement Date.
2. You must be at least fifty-five (55) years old and no more than ninety-five (95) years old on the Commencement Date.
3. You must be certified by a Licensed Health Care Practitioner as being unable to perform, without Substantial Assistance, at least two (2) of the six (6) Activities of Daily Living (ADLs) for a period of at least 90 days due to a permanent loss of functional capacity. We may arrange for an assessment, which will be performed at no cost to You. We may also contact Your Licensed Health Care Practitioner and review Your medical records. Based on Our evaluation of this information, We will determine Your eligibility for benefits. You may authorize someone else to act for You in filing Your request.

ACTIVITIES OF DAILY LIVING

The Activities of Daily Living are:

1. *Bathing:* Washing oneself by sponge bath or in either a tub or shower, including the act of getting into or out of a tub or shower.
2. *Continence:* Ability to maintain control of bowel or bladder functions; and when unable to maintain control of bowel or bladder functions, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
3. *Dressing:* Putting on and taking off all items of clothing and any necessary braces, fasteners, splints or artificial limbs.

4. *Eating*: 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.
5. *Toileting*: Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
6. *Transferring*: Moving into or out of a bed, chair or wheelchair.

SUBSTANTIAL ASSISTANCE

Substantial Assistance means either hands-on assistance or standby assistance. Hands-on assistance is the physical assistance of another person without which You would be unable to perform the Activity of Daily Living. Standby assistance means the presence of another person, within Your arm's reach, that is necessary to prevent, by physical intervention, Your injury while You are performing the Activity of Daily Living.

ENHANCED LIFE INCOME PAYMENT OPTIONS

Payments will be calculated based on Your age and sex. The monthly income for each \$1,000 applied will not be less than those shown herein. We will pay the monthly income to You for the certain period selected and then for as long as You are alive. **The Enhanced Life Income Payment Option cannot be changed after payments begin.** Monthly income payments are illustrated, but other payment frequencies may be available.

If the Commencement Date is ten (10) or more years after the date of issue of this Rider, We will increase the amount of the Enhanced Life Income Payment by 10% of the amount otherwise payable.

The following Enhanced Life Income Payment Options are available:

1. PAYMENTS FOR LIFE ONLY

We will make equal monthly payments for Your lifetime.

NOTE: Payments stop when You die.

2. PAYMENTS FOR LIFE WITH SIXTY (60) MONTHS GUARANTEED

We will make equal monthly payments for 60 months and then for as long as You are alive.

3. PAYMENTS FOR LIFE WITH ONE HUNDRED TWENTY (120) MONTHS GUARANTEED

We will make equal monthly payments for 120 months and then for as long as You are alive.

The following values are based on Your sex and age as of Your last birthday on the date payments begin. We may require proof of age. Values are based on interest guaranteed at a 1% annual effective rate and a modified (substandard) version of the A2000 Table.

ENHANCED LIFE INCOME PAYMENT OPTIONS

Monthly Income per \$1,000 of proceeds

Interest Rate 1.00%

Age	Life Income		Life Income with Guaranteed Period			
	Enhanced Option 1		Enhanced Option 2		Enhanced Option 3	
	For Life Only		60 Months		120 Months	
	Male	Female	Male	Female	Male	Female
55	8.05	6.34	7.51	6.05	6.37	5.40
56	8.21	6.41	7.63	6.11	6.43	5.43
57	8.37	6.47	7.75	6.16	6.50	5.47
58	8.53	6.53	7.88	6.20	6.56	5.50
59	8.69	6.58	8.00	6.25	6.62	5.53
60	8.86	6.63	8.11	6.29	6.68	5.57
61	9.01	6.68	8.23	6.34	6.74	5.60
62	9.17	6.73	8.34	6.38	6.79	5.64
63	9.32	6.79	8.45	6.43	6.84	5.68
64	9.47	6.85	8.56	6.48	6.89	5.72
65	9.62	6.91	8.66	6.54	6.94	5.76
66	9.77	6.98	8.76	6.61	6.98	5.82
67	9.91	7.06	8.86	6.68	7.03	5.87
68	10.05	7.15	8.95	6.76	7.07	5.93
69	10.19	7.25	9.05	6.85	7.12	6.00
70	10.33	7.37	9.14	6.95	7.16	6.08
71	10.47	7.49	9.24	7.07	7.21	6.16
72	10.61	7.63	9.34	7.19	7.25	6.24
73	10.75	7.79	9.44	7.32	7.30	6.33
74	10.91	7.96	9.54	7.47	7.35	6.43
75	11.07	8.16	9.65	7.64	7.40	6.54
76	11.24	8.37	9.77	7.81	7.46	6.65
77	11.42	8.60	9.89	8.01	7.51	6.76
78	11.61	8.86	10.02	8.22	7.57	6.88
79	11.82	9.14	10.17	8.44	7.63	7.00
80	12.06	9.45	10.32	8.68	7.69	7.13
81	12.31	9.79	10.48	8.94	7.76	7.25
82	12.59	10.15	10.66	9.21	7.83	7.38
83	12.90	10.55	10.86	9.50	7.90	7.51
84	13.24	10.99	11.06	9.81	7.97	7.63
85	13.61	11.46	11.29	10.13	8.05	7.75
86	14.03	11.97	11.52	10.47	8.12	7.87
87	14.49	12.53	11.78	10.81	8.19	7.98
88	15.00	13.13	12.05	11.17	8.26	8.08
89	15.56	13.78	12.33	11.54	8.33	8.18
90	16.18	14.48	12.63	11.91	8.39	8.27
91	16.87	15.24	12.94	12.29	8.45	8.35
92	17.63	16.06	13.26	12.67	8.51	8.42
93	18.47	16.94	13.59	13.06	8.55	8.49
94	19.40	17.90	13.92	13.43	8.60	8.55
95	20.43	18.93	14.25	13.81	8.64	8.60

MINIMUM PERIODIC PAYMENTS

If periodic payments would be less than \$200, We may change the frequency of payments or pay the benefits in a lump sum.

LIMITATIONS AND EXCLUSIONS

Neither this Policy nor the Enhanced Life Income Payment Option Rider is long-term care insurance. The Enhanced Life Income Payment Option may not be available, even if You need long-term care. If You qualify for payments from the Enhanced Life Income Payment Option Rider, the payments may not be sufficient to cover Your long-term care expenses.

This Rider will not pay benefits for:

1. Treatment caused by participation in a felony, riot or insurrection; or
2. Treatment for alcoholism, drug addiction or chemical dependency (unless the drug addition or chemical dependency is a result of medication taken in doses as legally prescribed); or
3. Treatment arising out of an attempt (while sane) at suicide or an intentionally self-inflicted injury; or
4. Confinement or care received outside the United States.

If You choose to apply less than the full value of this Policy to provide an Enhanced Life Income Payment, the annualized amount of the payments must be at least \$2,400.00.

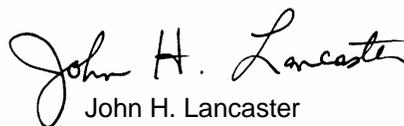
You agree that We must be notified in a timely fashion of Your death and that the responsible individuals must return any payments made after Your death, which are not guaranteed by the option chosen.

You must be available in the United States prior to the Commencement Date and at least once every twelve (12) months following the Commencement Date to prove continued life status. If You are not available during this period, We will assume You are not living and will stop payments after the guaranteed period, if any, under the provisions of this Rider. If this happens and You later prove Your continued life status in the United States, We will pay any payments that were not made in a lump sum and commence subsequent payments.

EVEN IF YOU QUALIFY FOR THE ENHANCED LIFE INCOME PAYMENT, YOU DO NOT HAVE TO ELECT IT, AND ALL OTHER BENEFITS OF THE POLICY CONTINUE TO BE AVAILABLE.

Signed for Us at Our office as of the date of issue.


George A. Foster, III
Secretary


John H. Lancaster
President



GUARANTY INCOME LIFE INSURANCE COMPANY

P.O. BOX 2231

BATON ROUGE, LA 70821

800-535-8110 / 225-383-0355

TERMINAL ILLNESS RIDER

This rider is part of Your contract. The words "We," "Our," "Us" and "Company" refer to Guaranty Income Life Insurance Company. The words "You" and "Your" refer to the Owner of the contract. If the Owner is a non-natural person, the words "You" and "Your" refer to the Annuitant.

BENEFIT. We will waive Withdrawal Charges on an amount not to exceed seventy-five percent (75%) of the premium remaining in the contract, if You meet **all** of the following conditions:

1. You are diagnosed with a terminal illness by a Physician.
2. The expected duration of the terminal illness would result in Your death within twelve (12) months of the date of diagnosis.
3. The initial diagnosis and expected duration is rendered by a Physician more than one (1) year after the Contract Date.
4. We receive a Written Request to make any payment under the contract and satisfactory proof of the diagnosis and expected duration. We must receive the Written Request and satisfactory proof no more than ninety (90) days after the date You are diagnosed with a terminal illness and before this rider terminates.

This waiver will apply to Full Surrenders, Partial Withdrawals, or any election to receive payments under an Annuity Option in the contract.

This waiver of Withdrawal Charges will be made only once, regardless of the subsequent occurrence of the same or a different condition.

DEFINITIONS. Capitalized terms have the meanings given to them in the contract, except as shown below.

"Physician" means a licensed medical doctor (M.D.) or a licensed doctor of osteopathy (D.O.) practicing within the scope of his or her license. The term "Physician" does not include You, or a member of Your Immediate Family. In the case of a non-natural person Owner, the term "Physician" does not include an employee, officer, director, or agent of the Owner.

"Immediate Family" means any spouse, children, parents, grandparents, grandchildren, siblings, or in-laws.

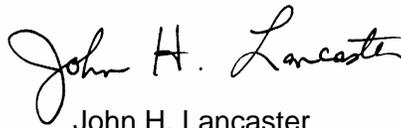
TERMINATION. This rider will terminate and shall have no value when Withdrawal Charges imposed under the contract equal 0%, or on the date payments have begun under the contract, or on the date the contract is terminated, whichever comes first. The Company reserves the right to terminate this rider and the benefits under it at anytime if ownership of the contract is changed.

This rider is not a separate contract. This rider changes Your contract only as and to the extent stated. In the case of conflict with other terms of the contract, the terms of this rider shall control.

Signed for Us at Our office as of the date of issue.



George A. Foster, III
Secretary



John H. Lancaster
President



GUARANTY INCOME LIFE INSURANCE COMPANY (GILICO)

P. O. Box 2231 • Baton Rouge, LA 70821-2231
929 Government Street • Baton Rouge, LA 70802
225-383-0355 • 800-535-8110 • Fax: 225-343-1747 • www.gilico.com

ANNUITY APPLICATION

PLAN _____

<i>Please Print in Ink</i>	A. OWNER <small>(All Correspondence is Sent to Owner)</small>	B. ANNUITANT <small>(Complete ONLY if different from Owner)</small>	C. JOINT OWNER <small>(Non-Qualified Funds Only)</small>
Name:			
Mail Address:			
City, State Zip Code:			
SSN/Tax ID #:			
Date of Birth or Trust:			
Sex:			
Email Address:			
Home Phone #:			
D. ANNUITY PREMIUM:	Paid with Application \$ _____		Anticipated Rollover/Transfer Amount \$ _____
(Make check payable to GILICO.)			
E. TYPE OF FUNDS:	<input type="checkbox"/> Non-Qualified	<input type="checkbox"/> IRA	<input type="checkbox"/> Roth IRA
	Tax Year of New Qualified Contribution _____		
	<input type="checkbox"/> Other _____		
F. INTEREST INCOME CHOICE: <small>(check one)</small>	<input type="checkbox"/> Left to Accumulate (Tax Deferred Growth)		
	<input type="checkbox"/> Interest Paid Monthly Withhold Income Tax: <input type="checkbox"/> No <input type="checkbox"/> Yes @ _____ %		
G. OWNER'S BENEFICIARY DESIGNATIONS:			
PRIMARY:	Name	Date of Birth or Trust Date	SSN or Tax ID #
			Relationship
			%
CONTINGENT:			
H. REPLACEMENT: Does the owner have any existing life insurance or annuity contracts in force? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Is the contract being applied for intended to replace or exchange any insurance or annuity now in force? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If Yes, complete and forward any replacement forms as required in the state of application.			
I. REMARKS AND/OR SPECIAL INSTRUCTIONS:			
J. HOME OFFICE ENDORSEMENTS/CORRECTIONS:			

I represent that my answers in this application are true and complete and that this application shall be part of an annuity contract issued by GILICO. Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. A 10% IRS penalty may apply on amounts withdrawn before the owner reaches age 59½.

Application Completed at (City, State): _____ Date: _____

X _____
SIGNATURE OF OWNER

X _____
SIGNATURE OF JOINT OWNER

PRODUCER: I hereby state that I have left with the applicant all sales materials used in my presentation and that such sales materials are only those approved for use by GILICO. I certify that I have truly and accurately recorded on the application the information provided by the applicant.

Do you have knowledge or reason to believe that the applicant has existing policies or contracts now in force? Yes No

If Yes, I presented and read the applicant a notice regarding the replacement. A signed copy was left with the applicant. Yes No

Is the contract being applied for intended to replace or exchange any insurance or annuity now in force? Yes No

X _____
SIGNATURE OF PRODUCER(S)

PRODUCER NUMBER(S)

STATE LICENSE NUMBER OF PRODUCER(S)

Producer Name & Mail Address: _____

Producer Phone, Fax, & Email: _____

SERFF Tracking Number: GILI-125539997 State: Arkansas
Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
Company Tracking Number: 1FP-7 (1/08)
TOI: A021 Individual Annuities- Deferred Non- Sub-TOI: A021.002 Flexible Premium
Variable
Product Name: Ultra Flex Annuity
Project Name/Number: /

Supporting Document Schedules

Review Status:

Satisfied -Name: Certification/Notice 03/12/2008

Comments:

A copy of our Guaranty Association Notice is provided as a supporting document. This notice is included with the policy when it is mailed to the policy owner.

The required Consumer Information Notice, AR-1 (3/08), is also attached. The Notice is included with the policy.

Attachments:

AR Certification.pdf
Gty Assoc Notice AR.pdf
AR ReadabilityCertification.pdf
AR-1.pdf

Review Status:

Bypassed -Name: Application 03/12/2008

Bypass Reason: The application to be used with these policies is included for approval with this filing.

Comments:

Review Status:

Satisfied -Name: Life & Annuity - Actuarial Memo 03/12/2008

Comments:

Attachments:

1FP-7 ActuarialStmntOfMethods.pdf
1FP-10 ActuarialStmntOfMethods.pdf

Review Status:

Satisfied -Name: Contract Summary 03/12/2008

Comments:

The Contract Summary is included as a supporting document. The attached Contract Summary is for Form 1FP-7 (1/08), and a similar summary is provided for Form 1FP-10 (1/08). It is included with the policy when it is mailed to the policy owner.

Attachment:

SERFF Tracking Number: GILI-125539997 State: Arkansas
Filing Company: Guaranty Income Life Insurance Company State Tracking Number: 38447
Company Tracking Number: IFP-7 (1/08)
TOI: A02I Individual Annuities- Deferred Non- Sub-TOI: A02I.002 Flexible Premium
Variable
Product Name: Ultra Flex Annuity
Project Name/Number: /

Review Status:

Satisfied -Name: Statement of Variability

03/12/2008

Comments:

Attachment:

AR StatementOfVariability.pdf



GUARANTY

Income Life Insurance Company

P.O. BOX 2231 • BATON ROUGE, LA 70821-2231
225.383.0355 www.gilico.com 800.535.8110

COMPLIANCE CERTIFICATION

Guaranty Income Life Insurance Company, NAIC #64238, hereby certifies that this submission complies with the provisions of Rule 19, Unfair Sex Discrimination in the Sale of Insurance. It further certifies that the policy forms contained in this filing comply with the applicable statutes, regulations, and bulletins of the State of Arkansas. They will be revised and/or discontinued in the event of future changes in the statutes, regulations, or bulletins which would prohibit the use of such forms.

Signature of Insurance Company Officer

John H. Lancaster, President

Typed Name and Title

March 12, 2008

Date

**LIMITATIONS AND EXCLUSIONS UNDER THE
ARKANSAS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION ACT**

Residents of this state who purchase life insurance, annuities or health and accident insurance should know that the insurance companies licensed in this state to write these types of insurance are members of the Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association"). The purpose of the Guaranty Association is to assure that policy and contract owners will be protected, within certain limits, in the unlikely event that a member insurer becomes financially unable to meet its obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the claims of policy owners who live in this state and, in some cases, to keep coverage in force. The valuable extra protection provided by the member insurers through the Guaranty Association is not unlimited, however. And, as noted in the box below, this protection is not a substitute for consumers' care in selecting insurance companies that are well-managed and financially stable.

DISCLAIMER

The Arkansas Life and Health Insurance Guaranty Association ("Guaranty Association") may not provide coverage for this policy. If coverage is provided, it may be subject to substantial limitations or exclusions and require continued residency in this state. You should not rely on coverage by the Guaranty Association in purchasing an insurance policy or contract.

Coverage is NOT provided for your policy or contract or any portion of it that is not guaranteed by the insurer or for which you have assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract.

Insurance companies or their agents are required by law to provide you with this notice. However, insurance companies and their agents are prohibited by law from using the existence of the Guaranty Association to induce you to purchase any kind of insurance policy.

The Arkansas Life and Health Insurance Guaranty Association
c/o The Liquidation Division
1023 West Capitol
Little Rock, Arkansas 72201

Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

The state law that provides for this safety-net is called the Arkansas Life and Health Insurance Guaranty Association Act ("Act"). Below is a brief summary of the Act's coverages, exclusions and limits. This summary does not cover all provisions of the Act; nor does it in any way change anyone's rights or obligations under the Act or the rights or obligations of the Guaranty Association.

COVERAGE

Generally, individuals will be protected by the Guaranty Association if they live in this state and hold a life, annuity or health insurance contract or policy, or if they are insured under a group insurance contract issued by a member insurer. The beneficiaries, payees or assignees of policy or contract owners are protected as well, even if they live in another state.

EXCLUSIONS FROM COVERAGE

However, persons owning such policies are **NOT** protected by the Guaranty Association if:

- They are eligible for protection under the laws of another state (this may occur when the insolvent insurer was incorporated in another state whose guaranty association protects insureds who live outside that state);
- The insurer was not authorized to do business in this state;
- Their policy or contract was issued by a nonprofit hospital or medical service organization, an HMO, a fraternal benefit society, a mandatory state pooling plan, a mutual assessment company or similar plan in which the policy or contract owner is subject to future assessments, or by an insurance exchange.

The Guaranty Association also does **NOT** provide coverage for:

- Any policy or contract or portion thereof which is not guaranteed by the insurer or for which the owner has assumed the risk, such as non-guaranteed amounts held in a separate account under a variable life or variable annuity contract;
- Any policy of reinsurance (unless an assumption certificate was issued);
- Interest rate yields that exceed an average rate;
- Dividends and voting rights and experience rating credits;
- Credits given in connection with the administration of policy by a group contract holder;
- Employers' plans to the extent they are self-funded (that is, not insured by an insurance company, even if an insurance company administers them);
- Unallocated annuity contracts (which give rights to group contractholders, not individuals);
- Unallocated annuity contracts issued to/in connection with benefit plans protected under Federal Pension Benefit Corporation ("FPBC") (whether the FPBC is yet liable or not);
- Portions of an unallocated annuity contract not owned by a benefit plan or a government lottery (unless the owner is a resident) or issued to a collective investment trust or similar pooled fund offered by a bank or other financial institution);
- Portions of a policy or contract to the extent assessments required by law for the Guaranty Association are preempted by State or Federal law;
- Obligations that do not arise under the policy or contract, including claims based on marketing materials or side letters, riders, or other documents which do not meet filing requirements, or claims for policy misrepresentations, or extra-contractual or penalty claims;
- Contractual agreements establishing the member insurer's obligations to provide book value accounting guarantees for defined contribution benefit plan participants (by reference to a portfolio of assets owned by a non-affiliate benefit plan or its trustees).

LIMITS ON AMOUNT OF COVERAGE

The Act also limits the amount the Guaranty Association is obligated to cover: The Guaranty Association cannot pay more than what the insurance company would owe under a policy or contract. Also, for any one insured life, the Guaranty Association will pay a maximum of \$300,000 – no matter how many policies and contracts there were with the same company, even if they provided different types of coverages. Within this overall \$300,000 limit, the Association will not pay more than \$300,000 in health insurance benefits, \$300,000 in present value of annuity benefits, or \$300,000 in life insurance death benefits or net cash surrender values – again, no matter how many policies and contracts there were with the same company, and no matter how many different types of coverages. There is a \$1,000,000 limit with respect to any contract holder for unallocated annuity benefits, irrespective of the number of contracts held by the contract holder. These are limitations for which the Guaranty Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer.



GUARANTY

Income Life Insurance Company

P.O. BOX 2231 • BATON ROUGE, LA 70821-2231
225.383.0355 www.gilico.com 800.535.8110

READABILITY CERTIFICATION

Guaranty Income Life Insurance Company, NAIC #64238, hereby certifies that the following forms comply with the requirements of ACS 23-80-206 and achieve Flesch reading ease test scores of:

<u>Form Number</u>	<u>Flesch Score</u>
1FP-7 (1/08)	51.9
1FP-10 (1/08)	51.9
GI534 (3/08)	52.4
GI533 (3/08)	51.6
GI530 (2/08)	52.0
GI532 (1/08)	47.8

Signature of Insurance Company Officer

John H. Lancaster, President

Typed Name and Title

March 12, 2008

Date

GUARANTY INCOME LIFE INSURANCE COMPANY
P.O. Box 2231, Baton Rouge, LA 70821
929 Government Street, Baton Rouge, LA 70802
800.535.8110 / 225.383.0355
www.gilico.com

CONSUMER INFORMATION NOTICE

If you have any questions regarding your policy or if you need assistance in resolving a complaint, please contact:

Policyholder Services Department
Guaranty Income Life Insurance Company
P.O. Box 2231
Baton Rouge, LA 70821-2231
Telephone: 1.800.535.8110 Toll Free
1.225.383.0355
E-Mail: pos@gilico.com

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

Arkansas Insurance Department
Consumer Services Division
1200 West Third Street
Little Rock, AR 72201-1904
Telephone: 1-800-852-5494
1-501-371-2640
E-Mail: Insurance@arkansas.gov
Web Site: www.state.ar.us/insurance

**Guaranty Income Life Insurance Company
Flexible Premium Deferred Annuity, Non-Par
Form No. 1FP-7 (1/08)**

Actuarial Statement of Methods

Brief Plan Description

Flexible Premium Deferred Annuity Individual Policy. The Accumulation Value equals the net premiums plus interest credited, less amounts withdrawn (including any withdrawal charges assessed). Net premium is the gross premium less the applicable premium tax, if any. Interest will be credited at the rate determined by the Company from time to time, but never less than 3.0% per annum.

The Cash Value is the Accumulation Value less any applicable Withdrawal Charge. The Withdrawal Charge is a percentage of the premiums withdrawn, as follows:

Policy Year	Withdrawal Charge Percentage, $(SC\%)_t$
1	9%
2	8
3	7
4	6
5	5
6	4
7	3
8+	0

Partial withdrawals may be made. Partial withdrawals of accumulated interest are not subject to a withdrawal charge.

The general rule is that the Cash Value, rather than the Accumulation Value, will be the proceeds used to annuitize on the Annuity Date. However, the Accumulation Value rather than the Cash Value will be the proceeds used to annuitize in the following situations:

- (1) in the event of the Owner's death; or
- (2) after the policy has been in force for at least 5 full years, if annuity payments involve life contingencies.

Guaranty Income Life Insurance Company

The lump sum Death Benefit prior to the Annuity Date is the Accumulation Value. Such death benefit will be payable at the death of the Owner.

Reserves are calculated by CARVM.

Definitions

- x = issue age
- n = the greater of $(70-x)$ and 10
- AV_t = the accumulation value at time 't', before reduction for a withdrawal
- AV'_t = the accumulation value at time 't', after reduction for a withdrawal
- G_t = gross premium paid at time 't'
- T_t = premium tax payable by Company on account of gross premium paid at time 't'
- NP_t = net premium at time 't' $[NP_t = G_t - T_t]$
- C_t = amount of cash received by owner through a withdrawal at time 't'
- F_t = amount to which no withdrawal charge applies at time 't'
- W_t = total reduction in accumulation value at time 't' $[W_t = C_t + SC_t]$
- CV_t = cash value at time 't'
- SC_t = surrender (or withdrawal) charge at time 't'
- i = credited interest rate (never below 3%)
- V_t = CARVM reserve at time 't'

Any of the above symbols with a superscript "B" indicates that the variable is as of the beginning of a policy year. CV_t^B , for example, is the cash value at the beginning of policy year 't'.

Guaranty Income Life Insurance Company

Formulas

The formulas below apply to a policy for which all partial withdrawals or surrenders occur at the end of policy years and all premiums occur at the beginning of policy years.

$$AV_1 = NP_0 (1+i)$$

Full Surrender Case

$$CV_1 = AV_1 - (SC\%)_1 \cdot NP_0$$

Partial surrender case

$$F_1 = AV_1 - NP_0$$

If $C_1 \leq F_1$

$$SC_1 = 0$$

If $C_1 > F_1$

$$SC_1 = \frac{(C_1 - F_1)}{1 - (SC\%)_1} - (C_1 - F_1)$$

$$W_1 = C_1 + SC_1$$

$$AV_1 = AV_1 - W_1$$

For policy year 't' where $2 \leq t \leq 7$

Full surrender case

$$CV_t = AV_t - (SC\%)_t \cdot \sum_{r=0}^{t-1} (NP_r - W_{r+1})$$

Partial surrender case

$$F_t = AV_t - \sum_{r=0}^{t-1} (NP_r - W_{r+1})$$

If $C_t \leq F_t$

$$SC_t = 0$$

Guaranty Income Life Insurance Company

If $C_t > F_t$

$$SC_t = \frac{(C_t - F_t)}{1 - (SC\%)_t} - (C_t - F_t)$$

$$W_t = C_t + SC_t$$

$$AV_t' = AV_t - W_t$$

For policy year 't', where $t \geq 8$

$$AV_t = \left(AV_{t-1}' + NP_{t-1} \right) (1+i)$$

$$W_t = C_t$$

$$AV_t' = AV_t - W_t$$

$$CV_t = AV_t'$$

$$V_t = \text{CARVM reserve (See sample calculation)}$$

Demonstration of Compliance with Standard Non-Forfeiture Law for Individual Deferred Annuities

There are two tests that must be met. One is a retrospective test which is met from inspection for this particular policy.

The other test is a prospective test. Here the cash value must be at least as great as the present value of the deferred annuity provided by all prior premiums, where the interest rate used to calculate the present value is 1% greater than the rate used to determine the annuity. In this policy, the rate used to calculate the deferred annuity amount is 3%. Thus the interest rate used to calculate the present value is 4%. For purposes of this prospective test the annuity starting date is 10 years after issue because this assumption will require the greatest cash value, and is the most conservative assumption.

If $t = 0$, and $NP_0 = 10,000$, what is CV_1^B and PV_1^B ?

$$CV_1^B = 10,000 - .09(10,000) = 9,100.00$$

Guaranty Income Life Insurance Company

$$PV_1^B = \left[10,000(1.03)^{10} - 10,000(SC\%)_{10} \right] / 1.04^{10} = 9,079.02$$

Thus since $CV_1^B \geq PV_1^B$, the 9% surrender charge passes the prospective test.

The following chart shows the calculations for all years:

Number of future years until maturity age 10

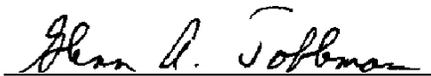
Surrender Charge % at maturity 0%

Year	AV at beg. Of current Year	SC at beg of current Year	CV at beg. of current Year	Future Years til Maturity	AV on Maturity Date	SC at Maturity	CV on Maturity Date	Discount Factor at 4.00%	Present Value	Does CV equal or exceed PV?
1	10,000.00	900.00	9,100.00	10	13,439.16	0	13,439.16	0.675564	9,079.02	Yes
2	10,000.00	800.00	9,200.00	9	13,047.73	0	13,047.73	0.702587	9,167.16	Yes
3	10,000.00	700.00	9,300.00	8	12,667.70	0	12,667.70	0.73069	9,256.16	Yes
4	10,000.00	600.00	9,400.00	7	12,298.74	0	12,298.74	0.759918	9,346.03	Yes
5	10,000.00	500.00	9,500.00	6	11,940.52	0	11,940.52	0.790315	9,436.77	Yes
6	10,000.00	400.00	9,600.00	5	11,592.74	0	11,592.74	0.821927	9,528.39	Yes
7	10,000.00	300.00	9,700.00	4	11,255.09	0	11,255.09	0.854804	9,620.90	Yes
8	10,000.00	0.00	10,000.00	3	10,927.27	0	10,927.27	0.888996	9,714.30	Yes
9	10,000.00	0.00	10,000.00	2	10,609.00	0	10,609.00	0.924556	9,808.62	Yes
10	10,000.00	0.00	10,000.00	1	10,300.00	0	10,300.00	0.961538	9,903.85	Yes

Note that the above analysis is conservative since it assumes that the surrender charge will be applied to the accumulation value, whereas the surrender charge is actually applied to the sum of prior premiums.

Thus the policy's cash value is always at least as great as the present value of the deferred annuity, purchased with prior premiums. Thus the surrender charges satisfy the prospective test.

LEWIS & ELLIS, INC.



Glenn A. Tobleman, F.S.A.

kh

**Guaranty Income Life Insurance Company
Flexible Premium Deferred Annuity, Non-Par
Form No. 1FP-7 (1/08)**

Sample Calculation

Assumptions:

1. No excess interest.
2. No premiums tax.
3. Annual premiums of 10,000, made at the beginning of each policy year.
4. No partial withdrawals.

See the chart below for calculation of accumulation and cash values.

Year	Annual Premium	Cumulative Premiums	AV at beg. of current Year	SC during current Year	CV at beg. of current Year	Interest	AV at end of current Year	CV at end of current Year
1	\$10,000.00	\$10,000.00	\$10,000.00	\$ 900.00	\$ 9,100.00	\$ 300.00	\$10,300.00	\$9,400.00
2	10,000.00	20,000.00	20,300.00	1,600.00	18,700.00	609.00	20,909.00	19,309.00
3	10,000.00	30,000.00	30,909.00	2,100.00	28,809.00	927.27	31,836.27	29,736.27
4	10,000.00	40,000.00	41,836.27	2,400.00	39,436.27	1,255.09	43,091.36	40,691.36
5	10,000.00	50,000.00	53,091.36	2,500.00	50,591.36	1,592.74	54,684.10	52,184.10
6	10,000.00	60,000.00	64,684.10	2,400.00	62,284.10	1,940.52	66,624.62	64,224.62
7	10,000.00	70,000.00	76,624.62	2,100.00	74,524.62	2,298.74	78,923.36	76,823.36
8	10,000.00	80,000.00	88,923.36	0.00	88,923.36	2,667.70	91,591.06	91,591.06
9	10,000.00	90,000.00	101,591.06	0.00	101,591.06	3,047.73	104,638.79	104,638.79
10	10,000.00	100,000.00	114,638.79	0.00	114,638.79	3,439.16	118,077.96	118,077.96
11	10,000.00	110,000.00	128,077.96	0.00	128,077.96	3,842.34	131,920.30	131,920.30
12	10,000.00	120,000.00	141,920.30	0.00	141,920.30	4,257.61	146,177.90	146,177.90

The CARVM reserve at the end of policy year 3 is the greatest of the following 3 cases:

- (a) full surrender
- (b) maximum possible penalty-free partial withdrawals made monthly, followed by full surrender at the beginning of year 8
- (c) annuitization for 5 year payout using annual annuity due, assuming annuitization at the beginning of year 6

- (a) The greatest present value of future full cash surrender values is computed as follows:

$$CV_4^B = 31,836.27 - .06(30,000) = 30,036.27$$

$$CV_5^B = 31,836.27 (1.03) - .05(30,000) = 31,291.36$$

$$CV_6^B = 31,836.27 (1.03)^2 - .04(30,000) = 32,575.10$$

$$CV_7^B = 31,836.27 (1.03)^3 - .03(30,000) = 33,888.35$$

$$CV_8^B = 31,836.27 (1.03)^4 - 0 = 35,832.00$$

The maximum valuation interest rate varies by year of issue. For the purpose of this demonstration, we assume that the Type C rate will be 5%. For the annuitization test we will use 6%.

Thus (a) is greatest of

$$\begin{aligned} &30,036.27, \text{ and} \\ &31,291.36 / 1.05 = 29,801.30, \text{ and} \\ &32,575.10 / 1.05^2 = 29,546.58, \text{ and} \\ &33,888.35 / 1.05^3 = 29,274.03, \text{ and} \\ &35,832.00 / 1.05^4 = 29,479.08 \end{aligned}$$

$$\text{so (a) = } 30,036.27$$

- (b) is the present value of maximum penalty-free withdrawals.

At the beginning of year 4, assume that all interest is withdrawn, $31,836.27 - 30,000.00 = 1,836.27$

Thereafter monthly interest is withdrawn during years 4, 5, 6 and 7. Each

$$\text{monthly withdrawal amount is } 30,000 \left[1.03^{\frac{1}{12}} - 1 \right] = 73.99. \text{ Finally } 30,000 \text{ is}$$

withdrawn at the beginning of year 8.

Guaranty Income Life Insurance Company

$$\text{Thus (b) = } 1,836.27 + 73.99 a_{\overline{48}|j} + 30,000(1/1.05)^4$$

$$\text{Where } j = 1.05^{\frac{1}{12}} - 1 = .004074124$$

$$(b) = 1,836.27 + 3,219.89 + 24,681.07 = 29,737.23$$

$$(c) = \frac{AV_3 (1.03)^2 \ddot{a}_{\overline{5}|.06}}{\ddot{a}_{\overline{5}|.03} (1.06)^2} = \frac{31,836.27 (1.0609) (4.465105613)}{(4.717098403) (1.1236)}$$
$$= 28,453.89$$

CARVM reserve is greatest of

- (a) = 30,036.27;
- (b) = 29,737.23; and
- (c) = 28,453.89

So CARVM reserve $V_3 = 30,036.27$

**Guaranty Income Life Insurance Company
Flexible Premium Deferred Annuity, Non-Par
Form No. 1FP-10 (1/08)**

Actuarial Statement of Methods

Brief Plan Description

Flexible Premium Deferred Annuity Individual Policy. The Accumulation Value equals the net premiums plus interest credited, less amounts withdrawn (including any withdrawal charges assessed). Net premium is the gross premium less the applicable premium tax, if any. Interest will be credited at the rate determined by the Company from time to time, but never less than 3.0% per annum.

The Cash Value is the Accumulation Value less any applicable Withdrawal Charge. The Withdrawal Charge is a percentage of the premiums withdrawn, as follows:

Policy Year	Withdrawal Charge Percentage, (SC%)_t
1	10%
2	9
3	8
4	7
5	6
6	6
7	5
8	4
9	3
10	2
11+	0

Partial withdrawals may be made. Partial withdrawals of accumulated interest are not subject to a withdrawal charge.

The general rule is that the Cash Value, rather than the Accumulation Value, will be the proceeds used to annuitize on the Annuity Date. However, the Accumulation Value rather than the Cash Value will be the proceeds used to annuitize in the following situations:

- (1) in the event of the Owner's death; or
- (2) after the policy has been in force for at least 5 full years, if annuity payments involve life contingencies.

Guaranty Income Life Insurance Company

The lump sum Death Benefit prior to the Annuity Date is the Accumulation Value. Such death benefit will be payable at the death of the Owner.

Reserves are calculated by CARVM.

Definitions

- x = issue age
- n = the number of years from issue until maturity date
- AV_t = the accumulation value at time 't', before reduction for a withdrawal
- AV'_t = the accumulation value at time 't', after reduction for a withdrawal
- G_t = gross premium paid at time 't'
- T_t = premium tax payable by Company on account of gross premium paid at time 't'
- NP_t = net premium at time 't' $[NP_t = G_t - T_t]$
- C_t = amount of cash received by owner through a withdrawal at time 't'
- F_t = amount to which no withdrawal charge applies at time 't'
- W_t = total reduction in accumulation value at time 't' $[W_t = C_t + SC_t]$
- CV_t = cash value at time 't'
- SC_t = surrender (or withdrawal) charge at time 't'
- i = credited interest rate (never below 3%)
- V_t = CARVM reserve at time 't'

Any of the above symbols with a superscript "B" indicates that the variable is as of the beginning of a policy year. CV_t^B , for example, is the cash value at the beginning of policy year 't'.

Formulas

The formulas below apply to a policy for which all partial withdrawals or surrenders occur at the end of policy years and all premiums occur at the beginning of policy years.

$$AV_1 = NP_0 (1+i)$$

Full Surrender Case

$$CV_1 = AV_1 - (SC\%)_1 \cdot NP_0$$

Partial surrender case

$$F_1 = AV_1 - NP_0$$

If $C_1 \leq F_1$

$$SC_1 = 0$$

If $C_1 > F_1$

$$SC_1 = \frac{(C_1 - F_1)}{1 - (SC\%)_1} - (C_1 - F_1)$$

$$W_1 = C_1 + SC_1$$

$$AV_1 = AV_1 - W_1$$

For policy year 't' where $2 \leq t \leq 10$

Full surrender case

$$CV_t = AV_t - (SC\%)_t \cdot \sum_{r=0}^{t-1} (NP_r - W_{r+1})$$

Partial surrender case

$$F_t = AV_t - \sum_{r=0}^{t-1} (NP_r - W_{r+1})$$

If $C_t \leq F_t$

$$SC_t = 0$$

Guaranty Income Life Insurance Company

If $C_t > F_t$

$$SC_t = \frac{(C_t - F_t)}{1 - (SC\%)_t} - (C_t - F_t)$$

$$W_t = C_t + SC_t$$

$$AV'_t = AV_t - W_t$$

For policy year 't', where $t \geq 11$

$$AV_t = \left(AV'_{t-1} + NP_{t-1} \right) (1+i)$$

$$W_t = C_t$$

$$AV'_t = AV_t - W_t$$

$$CV_t = AV'_t$$

$$V_t = \text{CARVM reserve (See sample calculation)}$$

Demonstration of Compliance with Standard Non-Forfeiture Law for Individual Deferred Annuities

There are two tests that must be met. One is a retrospective test which is met from inspection for this particular policy.

The other test is a prospective test. Here the cash value must be at least as great as the present value of the deferred annuity provided by all prior premiums, where the interest rate used to calculate the present value is 1% greater than the rate used to determine the annuity. In this policy, the rate used to calculate the deferred annuity amount is 3%. Thus the interest rate used to calculate the present value is 4%. For purposes of this prospective test the annuity starting date is 10 years after issue because this assumption will require the greatest cash value, and is the most conservative assumption.

If $t = 0$, and $NP_0 = 10,000$, what is CV_1^B and PV_1^B ?

$$CV_1^B = 10,000 - .10(10,000) = 9,000.00$$

Guaranty Income Life Insurance Company

$$PV_1^B = \left[10,000(1.03)^{10} - 10,000(SC\%)_{10} \right] / 1.04^{10} = 8,943.90$$

Thus since $CV_1^B \geq PV_1^B$, the 10% surrender charge passes the prospective test.

The following chart shows the calculations for all years:

Number of future years until maturity age 10

Surrender Charge % at maturity 2%

Year	AV at beg. Of current Year	SC at beg of current Year	CV at beg. of current Year	Future Years til Maturity	AV on Maturity Date	SC at Maturity	CV on Maturity Date	Discount Factor at 4.00%	Present Value	Does CV equal or exceed PV?
1	10,000.00	1,000.00	9,000.00	10	13,439.16	200.00	13,239.16	0.675564	8,943.90	Yes
2	10,000.00	900.00	9,100.00	9	13,047.73	200.00	12,847.73	0.702587	9,026.65	Yes
3	10,000.00	800.00	9,200.00	8	12,667.70	200.00	12,467.70	0.73069	9,110.03	Yes
4	10,000.00	700.00	9,300.00	7	12,298.74	200.00	12,098.74	0.759918	9,194.05	Yes
5	10,000.00	500.00	9,400.00	6	11,940.52	200.00	11,740.52	0.790315	9,278.71	Yes
6	10,000.00	600.00	9,400.00	5	11,592.74	200.00	11,392.74	0.821927	9,364.00	Yes
7	10,000.00	500.00	9,500.00	4	11,255.09	200.00	11,055.09	0.854804	9,449.94	Yes
8	10,000.00	400.00	9,600.00	3	10,927.27	200.00	10,727.27	0.888996	9,536.50	Yes
9	10,000.00	300.00	9,700.00	2	10,609.00	200.00	10,409.00	0.924556	9,623.71	Yes
10	10,000.00	200.00	9,800.00	1	10,300.00	200.00	10,100.00	0.961538	9,711.54	Yes

Note that the above analysis is conservative since it assumes that the surrender charge will be applied to the accumulation value, whereas the surrender charge is actually applied to the sum of prior premiums.

Thus the policy's cash value is always at least as great as the present value of the deferred annuity, purchased with prior premiums. Thus the surrender charges satisfy the prospective test.

LEWIS & ELLIS, INC.



Glenn A. Tobleman, F.S.A.

kh

**Guaranty Income Life Insurance Company
Flexible Premium Deferred Annuity, Non-Par
Form No. 1FP-10 (1/08)**

Sample Calculation

Assumptions:

1. No excess interest.
2. No premiums tax.
3. Annual premiums of 10,000, made at the beginning of each policy year.
4. No partial withdrawals.

See the chart below for calculation of accumulation and cash values.

Year	Annual Premium	Cumulative Premiums	AV at beg. of current Year	SC during current Year	CV at beg. of current Year	Interest	AV at end of current Year	CV at end of current Year
1	\$10,000.00	\$10,000.00	\$10,000.00	\$ 1,000.00	\$ 9,000.00	\$ 300.00	\$10,300.00	\$9,300.00
2	10,000.00	20,000.00	20,300.00	1,800.00	18,500.00	609.00	20,909.00	19,109.00
3	10,000.00	30,000.00	30,909.00	2,400.00	28,509.00	927.27	31,836.27	29,436.27
4	10,000.00	40,000.00	41,836.27	2,800.00	39,036.27	1,255.09	43,091.36	40,291.36
5	10,000.00	50,000.00	53,091.36	3,000.00	50,091.36	1,592.74	54,684.10	51,684.10
6	10,000.00	60,000.00	64,684.10	3,600.00	61,084.10	1,940.52	66,624.62	63,024.62
7	10,000.00	70,000.00	76,624.62	3,500.00	73,124.62	2,298.74	78,923.36	75,423.36
8	10,000.00	80,000.00	88,923.36	3,200.00	85,723.36	2,667.70	91,591.06	88,391.06
9	10,000.00	90,000.00	101,591.06	2,700.00	98,891.06	3,047.73	104,638.79	101,938.79
10	10,000.00	100,000.00	114,638.79	2,000.00	112,638.79	3,439.16	118,077.96	116,077.96
11	10,000.00	110,000.00	128,077.96	0.00	128,077.96	3,842.34	131,920.30	131,920.30
12	10,000.00	120,000.00	141,920.30	0.00	141,920.30	4,257.61	146,177.90	146,177.90

The CARVM reserve at the end of policy year 3 is the greatest of the following 3 cases:

- (a) full surrender
- (b) maximum possible penalty-free partial withdrawals made monthly, followed by full surrender at the beginning of year 11
- (c) annuitization for 5 year payout using annual annuity due, assuming annuitization at the beginning of year 6

Guaranty Income Life Insurance Company

- (a) The greatest present value of future full cash surrender values is computed as follows:

$$CV_4^B = 31,836.27 - .07(30,000) = 29,736.27$$

$$CV_5^B = 31,836.27 (1.03) - .06(30,000) = 30,991.36$$

$$CV_6^B = 31,836.27 (1.03)^2 - .06(30,000) = 31,975.10$$

$$CV_7^B = 31,836.27 (1.03)^3 - .05(30,000) = 33,288.35$$

$$CV_8^B = 31,836.27 (1.03)^4 - .04(30,000) = 34,632.00$$

$$CV_9^B = 31,836.27 (1.03)^5 - .03(30,000) = 36,006.96$$

$$CV_{10}^B = 31,836.27 (1.03)^6 - .02(30,000) = 37,414.17$$

$$CV_{11}^B = 31,836.27 (1.03)^7 = 39,154.60$$

The maximum valuation interest rate varies by year of issue. For the purpose of this demonstration, we assume that the Type C rate will be 5%. For the annuitization test we will use 6%.

Thus (a) is greatest of

$$\begin{aligned} &29,736.27, \text{ and} \\ &30,991.36 / 1.05 = 29,515.58, \text{ and} \\ &31,975.10 / 1.05^2 = 29,002.36, \text{ and} \\ &33,288.35 / 1.05^3 = 28,755.73, \text{ and} \\ &34,632.00 / 1.05^4 = 28,491.83, \text{ and} \\ &36,006.96 / 1.05^5 = 28,212.40, \text{ and} \\ &37,414.17 / 1.05^6 = 27,919.03, \text{ and} \\ &39,154.60 / 1.05^7 = 27,826.44 \end{aligned}$$

$$\text{so (a) = } 29,736.27$$

(b) is the present value of maximum penalty-free withdrawals.

At the beginning of year 4, assume that all interest is withdrawn, $31,836.27 - 30,000.00 = 1,836.27$

Thereafter monthly interest is withdrawn during years 4, 5, 6, 7, 8, 9 and 10.

$$\text{Each monthly withdrawal amount is } 30,000 \left[1.03^{\frac{1}{12}} - 1 \right] = 73.99.$$

Finally 30,000 is withdrawn at the beginning of year 11.

$$\text{Thus (b) = } 1,836.27 + 73.99 a_{\overline{84}|j} + 30,000(1/1.05)^7$$

Where $j =$

$$(b) = 1,836.27 + 5,254.30 + 21,320.44 = 28,411.01$$

CARVM reserve is greatest of

- (a) = 29,736.27;
- (b) = 28,411.01; and
- (c) = 28,453.89

So CARVM reserve $V_3 = 29,736.27$

Guaranty Income Life Insurance Company
 929 Government Street
 P. O. Box 2231
 Baton Rouge, LA 70821 - 2231

For More Information About This Annuity Please Contact:
 ABC Agency
 12345 Main Street
 Baton Rouge, LA 70809
 Phone: (225) 383-0355

March 1, 2008
 Annuity Number TEST2008301
 Form 1FP-7(1/08)

CONTRACT SUMMARY

Prepared For: John Doe
 Issue Age / Sex: 70 / M
 Contract State: AR

Basic Annuity: FLEXIBLE PREMIUM DEFERRED ANNUITY

* ILLUSTRATION OF VALUES BASED
 ON GUARANTEED INTEREST RATES

* ILLUSTRATION OF VALUES BASED
 ON CURRENT INTEREST RATES

Policy Year End	Annual Premium	Accumulation Value	Cash Value	Accumulation Value	Cash Value
1	5,000.00	5,150.00	4,700.00	5,252.50	4,802.50
2	0.00	5,304.50	4,904.50	5,465.23	5,065.23
3	0.00	5,463.64	5,113.64	5,686.57	5,336.57
4	0.00	5,627.54	5,327.54	5,916.87	5,616.87
5	0.00	5,796.37	5,546.37	6,156.51	5,906.51
6	0.00	5,970.26	5,770.26	6,405.85	6,205.85
7	0.00	6,149.37	5,999.37	6,665.28	6,515.28
8	0.00	6,333.85	6,333.85	6,935.23	6,935.23
9	0.00	6,523.87	6,523.87	7,216.10	7,216.10
10	0.00	6,719.58	6,719.58	7,508.36	7,508.36
20	0.00	9,030.56	9,030.56	11,167.75	11,167.75
At Age 95 (Maturity)	0.00	10,468.89	10,468.89	13,619.97	13,619.97

* CURRENT ANNUITY INTEREST RATE IS 5.05% FIRST YEAR AND 4.05% THEREAFTER, NOT GUARANTEED. GUARANTEED RATE IS 3.00% THROUGHOUT THE DEFERRAL PERIOD OF THE CONTRACT. CASH SURRENDER VALUES ABOVE REFLECT PENALTIES FOR EARLY WITHDRAWALS IN THE FIRST SEVEN YEARS.

CONTRACT SUMMARY

Prepared For: John Doe
Issue Age / Sex: 70 / M
Contract State: AR

Basic Annuity: FLEXIBLE PREMIUM DEFERRED ANNUITY

MONTHLY PAYMENT FOR A LIFE ANNUITY
WITH 10 YEARS CERTAIN BASED ON
GUARANTEED MINIMUM RATES

AT MATURITY: \$90.35

EFFECTIVE YIELD BASED ON
GUARANTEED MINIMUM RATES

YEAR 10: 3.00%

AT MATURITY: 3.00%

MONTHLY PAYMENT FOR A LIFE ANNUITY
WITH 10 YEARS CERTAIN BASED ON
CURRENT RATES

AT MATURITY: \$117.54

EFFECTIVE YIELD BASED ON
CURRENT RATES

YEAR 10: 4.15%

AT MATURITY: 4.09%

INTEREST RATES SHOWN ARE ANNUAL RATES. ALL VALUES ARE BASED ON APPLICABLE INTEREST RATES AND ASSUME THAT ALL SCHEDULED CONSIDERATIONS ARE PAID AND THERE ARE NO PRIOR WITHDRAWALS OR PARTIAL SURRENDERS.

THE VALUES ILLUSTRATED ARE NOT ESTIMATES, GUARANTEES OR PROJECTIONS OF WHAT MIGHT OCCUR. THEY ARE BASED ON THE CONTINUATION OF THE CURRENT INTEREST RATES AND CURRENT ANNUITY RATES.

DURING THE FIRST FEW YEARS THE CASH SURRENDER VALUE MAY BE LESS THAN THE PREMIUMS PAID. FOR THIS REASON AN ANNUITY CONTRACT SHOULD NOT BE PURCHASED FOR SHORT TERM PURPOSES.

THIS DISCLOSURE IS FOR YOUR PROTECTION. IT PROVIDES BASIC INFORMATION ABOUT THE PROJECTED VALUES OF THIS ANNUITY. PLEASE READ IT CAREFULLY! IT IS NOT AN OFFER TO CONTRACT AND DOES NOT ALTER OR MODIFY ANY POLICY OR RIDER.

PLEASE CONTACT THE AGENT AS LISTED ON PAGE 1 IF YOU HAVE ANY QUESTIONS REGARDING THIS STATEMENT.

CONTRACT SUMMARY

Prepared For: John Doe
 Issue Age / Sex: 70 / M
 Contract State: AR

Basic Annuity: FLEXIBLE PREMIUM DEFERRED ANNUITY

** DEATH BENEFITS BASED
 ON GUARANTEED INTEREST RATES

** DEATH BENEFITS BASED
 ON CURRENT INTEREST RATES

Policy Year End	Annual Premium	Accumulation Value	Accumulation Value
1	5,000.00	5,150.00	5,252.50
2	0.00	5,304.50	5,465.23
3	0.00	5,463.64	5,686.57
4	0.00	5,627.54	5,916.87
5	0.00	5,796.37	6,156.51
6	0.00	5,970.26	6,405.85
7	0.00	6,149.37	6,665.28
8	0.00	6,333.85	6,935.23
9	0.00	6,523.87	7,216.10
10	0.00	6,719.58	7,508.36
20	0.00	9,030.56	11,167.75
At Age 95 (Maturity)	0.00	10,468.89	13,619.97

** UPON DEATH OF THE OWNER, THE DEATH BENEFIT SHALL BE THE ACCUMULATION VALUE OF THIS CONTRACT.

Annuity Number TEST2008301

Form 1FP-7(1/08)

CONTRACT SUMMARY

Prepared For: John Doe

Issue Age / Sex: 70 / M

Contract State: AR

Basic Annuity: FLEXIBLE PREMIUM DEFERRED ANNUITY

*** TABLE OF WITHDRAWAL CHARGES

Policy Years	Percent Charges
1	9.00%
2	8.00%
3	7.00%
4	6.00%
5	5.00%
6	4.00%
7	3.00%
8 and later	0.00%

*** THE WITHDRAWAL CHARGE WILL BE A PERCENTAGE OF THE PREMIUM WITHDRAWN.

GUARANTY INCOME LIFE INSURANCE COMPANY
STATEMENT OF VARIABILITY
Policy Forms 1FP-7 (1/08) and 1FP-10 (1/08)

Explanation of Variables: All variable material is shown in brackets in the Contract.

Page 3

On new issues for each policy, the following items are intended to be variable and are enclosed in brackets:

Owner:	*
Contract Number:	Number assigned by the company.
Contract Date:	*
Owner's Issue Age:	*
Initial Premium:	*
Annuity Date:	The later of 10 years from the effective date or Age 95.
Riders:	The riders are not applicable if the Long-Term Care Riders are added to the contract.

* All customer information is bracketed so that it may be considered variable to accurately reflect the customer's specific information.