

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Variable and Variable Sub-TOI: A02.1G.002 Flexible Premium  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

## Filing at a Glance

Company: Prudential Annuities Life Assurance Corporation

Product Name: HD7-DB(7/08) SERFF Tr Num: PRUD-125620688 State: ArkansasLH

TOI: A02.1G Group Annuities - Deferred Non- Variable and Variable SERFF Status: Closed State Tr Num: 38781

Sub-TOI: A02.1G.002 Flexible Premium Co Tr Num: IFSA-HD7-DB(7/08) State Status: Approved-Closed

Filing Type: Form Co Status: IFSA Reviewer(s): Linda Bird

Authors: Joseph Boates, Larisa Disposition Date: 04/25/2008

GromykoPRUD, John Witteman,  
Anthony Pereira, Carolyn Cargnel

Date Submitted: 04/24/2008 Disposition Status: Approved

Implementation Date Requested: 07/21/2008

Implementation Date:

State Filing Description:

## General Information

Project Name: HD7-DB(7/08)

Project Number: HD7-DB(7/08)

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 04/25/2008

State Status Changed: 04/25/2008

Corresponding Filing Tracking Number:

Filing Description:

VIA SERFF

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Group

Group Market Size: Large

Group Market Type: Discretionary

Deemer Date:

April 24, 2008

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

Honorable Julia Benafield Bowman  
Insurance Commissioner  
Life and Health Division  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201

Attn: Claudia Meeks, Rates and Form Filings

RE: Prudential Annuities Life Assurance Corporation ("Prudential Annuities," "we," "us")  
NAIC #86630 FEIN # 06-1241288 SERFF Tracking # PRUD-125620688

Forms Submitted for Approval:  
Rider Form RID-HD7-DB(7/08)  
Schedule Supplement Form SCH-HD7-DB(7/08)

Dear Ms. Meeks:

Prudential Annuities respectfully submits the referenced forms for your approval. Once your Department approves this filing, these forms will be offered as optional benefits for any new and existing annuity business (that has received your Department's prior approval) in a non-discriminatory fashion.

Forms RID-HD7-DB(7/08) and SCH-HD7-DB(7/08) are similar to prior filed Forms RID-HD7(1/08), SCH-HD7(1/08) that were approved by your Department on November 29, 2007. SERFF Tracking No. PRUD-125356227. We have updated the prior approved forms for new business issue. Just as in the prior approved rider forms, the Rider we are filing makes provision for guaranteed minimum payments for the lifetime of a single Designated or Spousal Designated Lives, defined in the Rider. A "Protected Withdrawal Value" is used to calculate the initial annual income amount. The main differences between the forms that received prior approval and the forms being submitted now are: the new forms offer an optional death benefit, for an additional charge, that is payable upon the death of the single Designated Life or second death of Spousal Designated Lives; and the Transfer Calculation Formula is updated to accommodate any

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

portion of the Account Value that is allocated in a Fixed Rate Option that we may make available in the future for use with this benefit. As in the prior approved versions, this Rider will make use of a transfer formula to monitor investment performance and move funds between the investment options selected by the owner and a transfer account to mitigate the risks borne by the company associated with the optional rider's guarantees.

The annuity forms submitted are designed for use for qualified and non-qualified sales, as defined in the Internal Revenue Code. Should this Rider be used with certain qualified sales described under the Internal Revenue Code, the appropriate endorsement, approved or accepted by your Department, will be provided to the annuity holder and will be made part of the annuity to satisfy any federal qualified usage requirements.

Any brackets in the Rider or its respective Schedule Supplement indicate that we reserve the right to change the information shown within brackets, without re-filing with your Department, based on new business requirement and any specific classifications of annuity holders to which we wish to offer these benefits. Statements of Variable Material are included with this filing to describe how variable information may change.

Please note that actuarial memorandums, and any related material, are enclosed with this submission. These actuarial memorandums are annuity product-specific. Any certifications or other materials Prudential Annuities believes you require are also enclosed. Prudential Annuities believes that federal law exempts these forms from any "Flesch score" or readability requirements in your statutes or regulations. Unless otherwise informed, Prudential Annuities reserves the right to alter the pagination, layout, including sequential order, color, and typeface of these forms. Prudential Annuities confirms any such change will be in conformance with your State's filing requirements.

Please contact the undersigned as indicated below if you have any questions or require additional information.

Very truly yours,

Carolyn S. Cargnel  
Contract Specialist  
Phone: (203) 925-3883  
Email: carolyn.cargnel@prudential.com  
Fax: (203) 944-7737

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
 Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
 Company Tracking Number: IFSA-HD7-DB(7/08)  
 TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
 Variable and Variable  
 Product Name: HD7-DB(7/08)  
 Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

Enclosures

## Company and Contact

### Filing Contact Information

Larisa Gromyko, Second Vice President, Larisa.Gromyko@Prudential.com  
 Director - Contracts  
 One Corporate Drive (800) 628-6039 [Phone]  
 Shelton, CT 06484 (203) 944-7510[FAX]

### Filing Company Information

Prudential Annuities Life Assurance CoCode: 86630 State of Domicile: Connecticut  
 Corporation  
 One Corporate Drive Group Code: 304 Company Type: Life  
 P.O. Box 883  
 Shelton, CT 06484 Group Name: Prudential Annuities State ID Number:  
 (800) 628-6039 ext. [Phone] FEIN Number: 06-1241288  
 -----

## Filing Fees

Fee Required? Yes  
 Fee Amount: \$40.00  
 Retaliatory? No  
 Fee Explanation: \$20.00 X 2 forms  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Prudential Annuities Life Assurance Corporation	\$40.00	04/24/2008	19874461

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Linda Bird	04/25/2008	04/25/2008

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

## Disposition

Disposition Date: 04/25/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
 Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
 Company Tracking Number: IFSA-HD7-DB(7/08)  
 TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
 Variable and Variable  
 Product Name: HD7-DB(7/08)  
 Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		Yes
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Memo of Variability		Yes
Form	Highest Daily Lifetime 7 with Beneficiary		Yes
	Income Option		
Form	Schedule Supplement		Yes

SERFF Tracking Number: PRUD-125620688 State: Arkansas  
 Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
 Company Tracking Number: IFSA-HD7-DB(7/08)  
 TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
 Variable and Variable  
 Product Name: HD7-DB(7/08)  
 Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

## Form Schedule

Lead Form Number: RID-HD7-DB(7/08)

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	RID-HD7-DB(7/08)	Policy/Cont	Highest Daily ract/Fratern Lifetime 7 with al Beneficiary Income Certificate: Option Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0	RID-HD7-DB(7-08).pdf
	SCH-HD7-DB(7/08)	Schedule Pages	Schedule Supplement	Initial		0	SCH-HD7-DB(7-08).pdf

**PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION**  
**(A Prudential Financial Company)**  
**[ONE CORPORATE DRIVE, P.O. BOX 883**  
**SHELTON, CONNECTICUT 06484]**

**[HIGHEST DAILY LIFETIME SEVEN WITH BENEFICIARY INCOME OPTION] BENEFIT RIDER**

This Rider is made a part of your Annuity. For purposes of this Rider, certain provisions of your Annuity are amended as described below. If the terms of the Annuity and those of this Rider conflict, the provisions of this Rider shall control. Should this Rider terminate, any amended or replaced Annuity provisions based on this Rider's terms will revert back to the provisions in your Annuity, except as may be provided below.

This Rider makes provision for guaranteed minimum payments for the lifetime of a single Designated Life or Spousal Designated Lives (defined below). In addition, this Rider makes provision for a Guaranteed Minimum Account Value Credit ("GMAVC") if you meet certain requirements. This Rider also makes provision for an optional death benefit ("Beneficiary Income Option") payable upon the death of the single Designated Life or the second to die of the Spousal Designated Lives. These provisions are described below. The benefits under this Rider continue until and unless the benefits terminate as described below in "Termination of Benefits." If your Account Value is depleted (reduced to zero) and there are any remaining values, we pay a remaining value as guarantee payments ("Guarantee Payments").

**Definitions:** For purposes of this Rider, the following definitions apply:

**Account Value:** The definition of "Account Value" in your Annuity also includes the value of the Transfer Account.

**Adjusted Purchase Payments:** Purchase Payments increased by any Credits applied to your Account Value in relation to Purchase Payments and decreased by any charges deducted from such Purchase Payments.

**Benefit Quarter:** A three month period beginning on the Effective Date and each three-month anniversary of the Effective Date, and ending on the last day of that three-month period.

**Designated Life/Lives:** The natural person(s) who is the measuring life/lives for the benefits described in this Rider and who is the person(s) shown in the Schedule Supplement.

**Effective Date:** The Effective Date of this Rider is shown in the Schedule Supplement.

**First Death:** The death of the first of the Spousal Designated Lives to die.

**Fixed Rate Option(s):** An allocation option which we may make available that is credited a fixed rate of interest for a specified period of time and is to be supported by assets in our general account.

**Owner/Participant:** The term "Owner" may be referred to as "Participant" in your Annuity. In this Rider, for simplicity, the Participant is referred to as Owner.

**Spouse:** An individual whom we believe would be recognized as a spouse under federal law.

**Tenth Anniversary Date:** The tenth anniversary of the Effective Date.

**Transfer Account:** Account Value is transferred to and from the Transfer Account, as determined by the Transfer Calculation Formula, as explained in the Schedule Supplement.

**Transfer Calculation Formula:** A formula which we use to determine whether assets should be transferred to and from the Transfer Account. The Transfer Calculation Formula is set forth in the Schedule Supplement.

Other capitalized terms in this Rider are either defined in the Rider or in your Annuity.

**Owner, Annuitant and Beneficiary Designations:** For purposes of electing and maintaining this Rider, the designations under your Annuity must be as follows:

For a single Designated Life:

If the Owner is a natural person, the Owner must also be the Annuitant and the Designated Life. If the Owner is an entity that we permit, the Annuitant must be the Designated Life. You may not name a Co-Owner if a single Designated Life is listed in the Schedule Supplement.

For Spousal Designated Lives:

Such persons must be each other's Spouses at the time this Rider is elected and at the First Death. If the Owner is a natural person, he/she must be the Annuitant, and one of the Spousal Designated Lives. The sole primary Beneficiary must be the other Spousal Designated Life for as long as the first Spousal Designated Life Owner is alive. If a Co-Owner is named, he/she must be the other Spousal Designated Life. No additional Co-Owners may be named. While both Spousal Designated Lives are alive, each Co-Owner must be designated as the other Co-Owner's primary Beneficiary. If the Owner is an entity that we permit, the Annuitant must be a Spousal Designated Life, and the Annuitant's Spouse must be the other Spousal Designated Life. This benefit cannot be utilized when the Owner is an entity unless we allow for the continuation of the Annuity and this Rider by the surviving Designated Life after the First Death.

While this Rider is in effect, the single Designated Life/Spousal Designated Lives may not be changed. This may restrict your ability to make changes to Owner/Annuitant designations. You may name a new Beneficiary(ies), subject to the other limitations on Beneficiary designations noted above with respect to Spousal Designated Lives. However, such new Beneficiary(ies) will not be a Designated Life, and would therefore result in the Rider terminating at the First Death.

Please note that you have the spousal version of this Rider **only** if there are Spousal Designated Lives listed on the Schedule Supplement.

**Annual Income Amount:** We guarantee that, subject to the limits and conditions outlined in this Rider, each Annuity Year you may take an income amount ("Annual Income Amount") as one or multiple withdrawals. The initial Annual Income Amount is determined at the time of the first withdrawal after the Effective Date by applying the applicable Annual Income Percentage shown in the Schedule Supplement to the Protected Withdrawal Value (described below). The applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, on the date of the first withdrawal after the Effective Date.

If you have elected this benefit with Spousal Designated Lives, and one of the Designated Lives is removed for any reason (divorce, death, etc.), we will continue to use the date of birth of the younger of both those Spousal Designated Lives for purposes of calculating the applicable Annual Income Percentage.

**Protected Withdrawal Value:** The Protected Withdrawal Value is used to calculate the initial Annual Income Amount and is also used in the calculation of the Beneficiary Income Option described in this Rider. It is also the basis for the charge for this Rider. The Protected Withdrawal Value is a value calculated solely for purposes of this Rider.

On the Effective Date, the Protected Withdrawal Value is equal to your Account Value. On each Valuation Day thereafter, until the earlier of the date of the first withdrawal or a Periodic Value Cut-off

Date, if any, shown in the Schedule Supplement, the Protected Withdrawal Value is equal to the "Periodic Value" described below.

If you have not made a withdrawal on or before the Periodic Value Cut-off Date, we will continue to calculate the Protected Withdrawal Value. Until you have made a withdrawal, the Protected Withdrawal Value is equal to the greater of:

- (1) the Account Value; and
- (2) the Periodic Value on the Periodic Value Cut-off Date, increased for subsequent Adjusted Purchase Payments.

Once the first withdrawal is made after the Effective Date, the Protected Withdrawal Value is equal to the greatest of:

- (1) the Account Value; and
- (2) the Protected Withdrawal Value on the date of the first withdrawal, increased for subsequent Adjusted Purchase Payments and reduced for subsequent withdrawals; and
- (3) the highest quarterly Account Value upon any Step Up. Please refer to the "Step-Ups" provision for details.

**Periodic Value:** The Periodic Value initially is equal to the Account Value on the Effective Date. On each Valuation Day thereafter, until the earlier of the first withdrawal or the Periodic Value Cut-off Date, we recalculate the Periodic Value. Specifically, on each such Valuation Day (the "Current Valuation Day"), the Periodic Value is equal to the greatest of:

- (1) the Periodic Value for the immediately preceding business day (the "Prior Valuation Day") appreciated at the daily equivalent of the Roll-Up Rate indicated in the Schedule Supplement during the calendar day(s) between the Prior Valuation Day and the Current Valuation Day (i.e., one day for successive Valuation Days, but more than one calendar day for Valuation Days that are separated by weekends and/or holidays), plus the amount of any Adjusted Purchase Payment made on the Current Valuation Day; and
- (2) the Account Value; and
- (3) if the Current Valuation Day is on the Tenth Anniversary, and if no withdrawals have been taken prior to the Tenth Anniversary, the sum of:
  - (a) 200% of the Account Value on the Effective Date;
  - (b) 200% of all Adjusted Purchase Payments made within one year after the Effective Date; and
  - (c) all Adjusted Purchase Payments made after one year following the Effective Date up to the Tenth Anniversary.

**Impact of Withdrawals:** Any withdrawals reduce the remaining Annual Income Amount available during an Annuity Year by the amount of each withdrawal. Withdrawals in an Annuity Year that, in total, do not exceed the Annual Income Amount for that Annuity Year do not reduce the Annual Income Amount in subsequent Annuity Years. The Protected Withdrawal Value is reduced by the amount of each withdrawal that does not exceed the Annual Income Amount for that Annuity Year.

All or any portion of a withdrawal that exceeds the Annual Income Amount for that Annuity Year is considered excess income ("Excess Income"). Each withdrawal of Excess Income that occurs once you have withdrawn that Annuity Year's Annual Income Amount reduces the Annual Income Amount proportionately. Each proportional reduction is calculated by multiplying the Annual Income Amount by the ratio of the Excess Income to the Account Value immediately subsequent to the withdrawal of any Annual Income Amount and prior to the withdrawal of the Excess Income (even if both withdrawals occurred in the same day or as one withdrawal request). Each withdrawal of Excess Income also reduces the Protected Withdrawal Value by the same proportion.

No GMAVC, as described below, will be applied if any withdrawal is taken prior to the Tenth Anniversary Date. No Contingent Deferred Sales Charge is applicable to any withdrawal that is less than or equal to the Annual Income Amount, even if the total amount of such withdrawals in any Annuity Year exceeds any maximum free withdrawal amount described in the Annuity. Such withdrawals are not treated as withdrawals of Purchase Payments. Each withdrawal of Excess Income may incur any applicable Contingent Deferred Sales Charge.

**Withdrawal Flexibility:** Withdrawals are not required. However, the Annual Income Amount is not increased in subsequent Annuity Years if you decide not to take a withdrawal in an Annuity Year or take withdrawals in an Annuity Year that in total are less than the Annual Income Amount.

**Additional Purchase Payment(s) after your First Withdrawal:** If your Annuity permits additional Purchase Payments, then, before your Account Value is depleted, you may make additional Purchase Payments, subject to the Purchase Payments Limitation provision below. We reserve the right not to accept additional Purchase Payments if the Account Value becomes zero. The Annual Income Amount is increased by an amount obtained by applying the applicable Annual Income Percentage shown in the Schedule Supplement to the Adjusted Purchase Payment. The applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, on the date of the first withdrawal after the Effective Date. The Protected Withdrawal Value is increased by the amount of each Adjusted Purchase Payment.

**Purchase Payment(s) Limitation:** If your Annuity permits additional Purchase Payments, we may limit any additional Purchase Payment(s) if we determine that as a result of the timing and amounts of your additional Purchase Payments and withdrawals, the Annual Income Amount is being increased in an unintended fashion. Among the factors we will use in making a determination as to whether an action is designed to increase the Annual Income Amount in an unintended fashion is the relative size of additional Purchase Payment(s). We reserve the right to not accept additional Purchase Payments if we are not then offering this benefit for new elections. We will exercise such reservation of right for all annuity purchasers in the same class in a nondiscriminatory manner.

**Required Minimum Distributions:** If: (1) any Required Minimum Distributions are made in any Annuity Year from your Annuity to meet the Required Minimum Distribution provisions of the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder, and (2) such distributions are greater than the Annual Income Amount, then, such distributions will not be treated as Excess Income for purposes of this Rider. For purposes of this provision, Required Minimum Distributions are determined based on the value of your Annuity, and do not include the value of any other contracts subject to the Required Minimum Distribution rules. Required Minimum Distributions are considered a withdrawal from your Annuity; therefore, no GMAVC, as described below, will be applied if such withdrawal is made prior to the Tenth Anniversary Date.

**Step-Ups:** We automatically step up your Annual Income Amount as follows:

Beginning on the first anniversary of the Issue Date of your Annuity after the first withdrawal subsequent to the Effective Date, and on every anniversary thereafter, we will step up your Annual Income Amount if the conditions set forth in this paragraph are met. Specifically, we step up your Annual Income Amount if the value resulting from applying the applicable Annual Income Percentage shown in the Schedule Supplement to the highest quarterly Account Value (as measured on each quarter-end after the Issue Date of your Annuity), occurring over the past Annuity Year and adjusted for any withdrawals and any additional Adjusted Purchase Payments, results in an amount greater than your current Annual Income Amount. For step-up purposes, the applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, at the time the step-up occurs.

For the first step-up, the comparison may be based on less than four quarterly Account Values, since the first withdrawal may occur after one or more quarter-ends within an Annuity Year. Thereafter, the comparison of Account Values is based on four quarter-ends in each Annuity Year.

We reserve the right at the time of a step-up opportunity, as described above, to increase the charge for this Rider to the then-current charge we apply for new elections of this Rider. We will notify you of the increase in charge prior to our implementing any such increase, and you must notify us In Writing if you wish to opt out of this feature based on our procedures at the time of notification. You are only permitted to opt out of the automatic step-up feature, if the charge increases. Once you opt out of the automatic step-up feature, you will not participate in any future step-up opportunities unless you re-elect the automatic step-up feature. To re-elect the feature, you must notify us In Writing. Upon re-election of this feature, you will be subject to the then-current charge we apply to new elections of this Rider.

**Guaranteed Minimum Account Value Credit (“GMAVC”):** The GMAVC is equal to the difference between (a) the sum of: (i) the Account Value on the Effective Date; and (ii) any Adjusted Purchase Payments made after the Effective Date but before the first anniversary of the Effective Date, and (b) the Account Value on the Tenth Anniversary Date. We will apply a GMAVC to your Account Value if on the Tenth Anniversary Date: (1) you have not made any withdrawals (including, but not limited to, withdrawals taken as required minimum distributions); and (2) the GMAVC is greater than zero.

The GMAVC will be allocated among the elected Sub-accounts and the Transfer Account in the same proportion that each bears to your total Account Value immediately prior to the application of the GMAVC.

The GMAVC will not be considered a Purchase Payment for any purpose, including, but not limited to, determining the amount of any death benefit or the value of any optional benefit. However, because the GMAVC will be added to the Account Value, the GMAVC will be subject to each charge under the Annuity that is based on Account Value.

**Guarantee Payments:** Once your Account Value is depleted, we subsequently make Guarantee Payments, as long as any Excess Income has not reduced the Annual Income Amount to zero, until the death of the single Designated Life or the second of the Spousal Designated Lives to die (or upon the simultaneous deaths of both Spousal Designated Lives), as applicable, as long as the Spousal Designated Lives were Spouses at the time of the First Death. In the Annuity Year in which your Account Value is depleted, the only Guarantee Payment due, if any, generally equals the Annual Income Amount not yet withdrawn in that Annuity Year. In subsequent Annuity Years, the Guarantee Payment equals the Annual Income Amount in effect as of the date the Account Value is depleted.

Unless you request an alternate mode of payment we make available, we make such Guarantee Payments once each Annuity Year.

We will commute any Guarantee Payments due and pay you a lump sum if the total Guarantee Payment due each Annuity Year is less than the Minimum Guarantee Payment amount shown in the Schedule Supplement. We commute the Guarantee Payments in a manner equivalent to commuting payments for a fixed, joint life and last survivor annuity if both Spousal Designated Lives are living, or a fixed, single life annuity if only one of the Spousal Designated Lives is living or if this Rider was issued with a single Designated Life. We use the same basis that is used to calculate the guaranteed annuity rates in your Annuity.

**Annuity Payments:** If annuity payments are to begin under the terms of your Annuity, you can elect to either:

- (1) apply your Account Value to any annuity option available in the Annuity Payments section of your Annuity; or
- (2) request that, as of the date annuity payments are to begin, we make annuity payments each year equal to the Annual Income Amount. We will continue to make such payments until the death of the single Designated Life or, as applicable, the death of the second Spousal Designated Life as long as the Spousal Designated Lives were Spouses at the time of the First Death. If this option is elected, the Annual Income Amount will not increase after annuity payments have begun.

We must receive your request at our Office In Writing. If annuity payments are to begin under the terms of your Annuity and you have not made an election, we will make annual annuity payments as a joint and last survivor fixed annuity or as a single life fixed annuity, as applicable, each with ten payments certain using the same basis that is used to calculate the greater of the annuity rates then currently available or the annuity rates guaranteed in your Annuity. The annual guaranteed annuity rates for a joint and last survivor fixed annuity and a single life fixed annuity, each with ten payments certain are shown in the Annuity Payment Table in the Schedule Supplement.

The amount that will be applied to provide such annuity payments under the default annuity payment option will be the greater of:

- (1) the present value of future Annual Income Amount payments. Such present value will be calculated using the same basis that is used to calculate the greater of the current and the guaranteed annuity rates in your Annuity; and
- (2) the Account Value.

Once we receive your election to commence annuity payments, or we make the first payment under a default annuity payment option provision, we will only make annuity payments guaranteed under the specific annuity payment option, and the annuity payment option cannot be changed.

We may limit the length of any annuity payout option, including but not limited to any default option and any period certain, to conform with applicable tax law and to satisfy the Required Minimum Distribution rules.

If no withdrawal was ever taken, we will determine a Protected Withdrawal Value and calculate an Annual Income Amount as if you made your first withdrawal on the date we transfer all Account Value in order to begin annuity payments.

**Beneficiary Income Option:** There is an optional death benefit available under this Rider for an additional charge. The Schedule Supplement will indicate whether you have elected the Beneficiary Income Option and the corresponding charge for the Rider. The Beneficiary Income Option can only be elected in conjunction with this Rider. Once elected, the Beneficiary Income Option cannot be terminated unless you terminate this Rider in its entirety.

If the Beneficiary Income Option under this Rider has been elected, the following provisions apply:

- (1) If a single Designated Life is listed in the Schedule Supplement, the death benefit is payable when we receive due proof, In Writing, of the death of the single Designated Life.
- (2) If Spousal Designated Lives are listed in the Schedule Supplement, the death benefit is payable when we receive due proof, In Writing, of the death of the second Spousal Designated Life to die, as long as the Spousal Designated Lives were Spouses at the time of the First Death.
- (3) Upon the death of the applicable Designated Life, the Beneficiary can choose to receive either:
  - (a) the death benefit amount that would otherwise be payable under the terms of the Annuity;  
or
  - (b) the Beneficiary Income Amount payable as a series of periodic payments. The Beneficiary Income Amount is equal to (1) if no prior withdrawals were taken, the Protected Withdrawal Value determined as if you made your first withdrawal on the date of death of the applicable Designated Life, or (2) if prior withdrawals were taken, the Protected Withdrawal Value determined on the date we receive due proof, In Writing, of the death of the applicable Designated Life. The Beneficiary Income Amount is only payable as a series of periodic payments that initially equal the Annual Income Amount as of the date we determine the Beneficiary Income Amount. We will continue to make the payments until the Beneficiary Income Amount is depleted. When the final periodic payment is greater than the remaining Beneficiary Income Amount, the final payment will equal the remaining Beneficiary Income Amount.

We will make these certain period payments annually on the Contract Anniversary unless the Beneficiary(ies) elects to receive the payments on a more frequent basis. In the latter case, each payment will be pro-rated so that the total amount of payments in an Annuity Year will equal the Annual Income Amount.

If there are multiple Beneficiaries within the same class who are entitled to receive the death benefit, each Beneficiary may choose to receive his/her individual portion of the death benefit in the manner described in either (3)(a) or (3)(b) above. If a Beneficiary elects to receive the death benefit in the form of the Beneficiary Income Amount, the Beneficiary must designate his/her own Beneficiary to receive any payments remaining on his/her death. We must be notified In Writing of such designation.

For purposes of calculating the death benefit under the Beneficiary Income Option, the Beneficiary Income Amount is reduced by any Credits applied within 12 months of the applicable Designated Life's date of death.

All other provisions of the Annuity regarding the death benefit continue to apply unless specifically indicated in this Rider, including, but not limited to:

- those addressing eligibility, and
- those addressing limits of applicability, including any suspension period due to a change in any designation.

**Death of a Designated Life under this Rider:** Please also refer to the “Termination of Benefits” provision below.

**Death of the Single Designated Life:** If this Rider was issued with a single Designated Life and such person dies, this Rider terminates and the death benefit provisions of your Annuity apply. However, if you have elected the Beneficiary Income Option under this Rider, the death benefit payable is described in the “Beneficiary Income Option” provision above.

**Death of the First of the Spousal Designated Lives and Spousal Continuation:** For purposes of this Rider the “Spousal Continuation” provision of your Annuity is supplemented as follows:

- Upon the First Death, if a death benefit would be payable under the Annuity, and the surviving Designated Life chooses to continue the Annuity, this Rider remains in force unless we are instructed otherwise. We will not transfer any amounts to the money market Sub-account upon receipt of due proof of the decedent’s death in connection with this Rider. The Account Value will remain in the elected investment options for this Rider (see the “Investment Limitations” provision below).
- Upon the First Death, if a death benefit would be payable under the Annuity, and a Spouse who chooses to continue the Annuity is not a Designated Life, this Rider terminates. Refer to the “Termination of Benefits” provision below.
- Upon the First Death, if a death benefit would be payable under the Annuity, and the Annuity is not continued according to the Spousal Continuation provision of the Annuity, the death benefit will be paid under the terms of your Annuity, and the Rider terminates as of the date we receive due proof of death In Writing.
- Upon the First Death, if a death benefit is not payable under the Annuity (e.g., if the first of the Spousal Designated Lives to die is the Beneficiary but not an Owner), the Rider will continue.

**Death of the Second of the Spousal Designated Lives:** If this Rider was issued with Spousal Designated Lives and the second Spousal Designated Life dies, this Rider terminates and the death benefit provisions of your Annuity apply. However, if you have elected the Beneficiary Income Option under this Rider, any death benefit payable upon the death of the second of the Spousal Designated Lives is described in the “Beneficiary Income Option” provision above.

**Misstatement of Age or Sex:** For purposes of this Rider, the following sentence is added to the section in your Annuity entitled “Misstatement of Age or Sex”:

If there has been a misstatement of the age and/or sex of a single Designated Life or Spousal Designated Life upon whose life the guarantees under this Rider are based, we make adjustments to any charges, availability and any benefits payable under this Rider to conform to the facts.

**Minimum Surrender Value:** Any provision in your Annuity requiring there be a minimum Surrender Value or Account Value as of the date of any withdrawal is waived while this Rider is in effect.

**Investment Limitations:** While this Rider is in effect, your entire Account Value must be allocated to only those investment options we permit, except as required under the conditions set out in the “Transfers to and from the Transfer Account” section below. In addition, you may be required to maintain all or a portion of your Account Value in accordance with an asset allocation model. At any time until this Rider is terminated, these investment limitations may be implemented, suspended or changed. This includes changing prohibited investment options, changing the extent to which Account Value may be allocated to an investment option, and changing elected investment options. Any transfers resulting from our implementing or changing any investment limitation will not be counted in determining the number of free transfers made during an Annuity Year. If, subsequent to your election of this benefit, we change our requirements as to how Account Value must be allocated under the benefit, that new requirement will apply only to new elections of the benefit, and we will not compel you to re-allocate your Account Value in accordance with our newly-adopted requirements. All transfers and Purchase Payments made after such a change in requirements may be subject to the new investment limitations.

**Transfer Account:** We monitor the investment performance of your Account Value each Valuation Day to determine if we need to transfer any portion of your Account Value to or from the Transfer Account to maintain the guarantees provided by this benefit. We transfer Account Value to or from the Transfer Account, and we only maintain Account Value in the Transfer Account to the extent dictated by the Transfer Calculation Formula. You are **not** permitted to allocate amounts to the Transfer Account.

To the extent permitted by law, we reserve the right at any time to use a Transfer Account that differs from the one that was available when your Rider became effective. We may establish different Transfer Accounts for different classes of annuity purchasers and for different annuities.

**Transfers to and from the Transfer Account:** On each Valuation Day, including the Effective Date, a Transfer Calculation Formula is used to determine whether any portion of your Account Value is to be transferred to or from the Transfer Account. You are **not** permitted to transfer amounts to or from the Transfer Account. Unless you are participating in any asset allocation program for which we are providing administrative support, the formula allocates any amount transferred from the Transfer Account to the elected Sub-accounts pro-rata based on the Account Values in such Sub-accounts at that time. If you are then participating in any such asset allocation program, we allocate the transferred amount in accordance with the then-current percentages for that asset allocation program. Transfers to the Transfer Account will be taken pro-rata from the elected Sub-accounts and elected Fixed Rate Options. In the event your entire Account Value is allocated to the Transfer Account, any transfers to the elected Sub-accounts will be made in accordance with your most recent allocation instructions. Transfers to and from the Transfer Account do not count against the number of free transfers you may make during an Annuity Year.

**Withdrawals:** Any withdrawals from your Annuity while this Rider is in effect will be taken pro-rata from the elected Sub-accounts, elected Fixed Rate Options and the Transfer Account.

**Charge for the Rider:** The charge for this Rider depends on whether you have named a single Designated Life or Spousal Designated Lives and whether you have elected the Beneficiary Income Option. The charge is assessed on the last day of each Benefit Quarter, and is applied to the Protected Withdrawal Value calculated on the Valuation Day prior to the last day of each Benefit Quarter at the quarterly equivalent of the applicable annual rate. On the Effective Date, the applicable rate(s) is as shown in the Schedule Supplement.

The charge is deducted pro-rata from each elected Sub-account, elected Fixed Rate Option and the Transfer Account, to the extent to which the Account Value in your Annuity is allocated to any of them, until the Account Value equals zero or this Rider terminates. If the charge to be deducted exceeds the Account Value at that time, we will reduce the Account Value to zero and this Rider will continue pursuant to the “Guarantee Payments” provision. The charge will not be treated as a withdrawal for purposes of this Rider. The charge does not reduce the Protected Withdrawal Value or any previously established quarterly Account Value described in the “Step-Ups” provision.

Upon any step-up, we may increase the charge if the charge for the Rider at the time of the step-up has increased. Any new charge resulting from the step-up is based on charges applicable to annuity purchasers of the same class of Annuity. See the "Step-Ups" provision for more details.

We cease to deduct a charge for the Rider after it terminates in accordance with the "Termination of Benefits" provision below. In the event this Rider terminates for any reason other than death or annuitization, we will deduct a final charge upon termination, based on the number of days since the most recent charge for the Rider was deducted.

**Proof of Survival:** Any Guarantee Payment is subject to evidence we receive In Writing that the single Designated Life or at least one Spousal Designated Life is then alive. We may withhold such Guarantee Payments until we receive such evidence or evidence satisfactory to us of the life of the single Designated Life or at least one of the Spousal Designated Lives. We credit interest on such withheld Guarantee Payments at the rate required by law. Should we subsequently determine withheld Guarantee Payments are payable, we will pay the withheld Guarantee Payments and any applicable interest credited in a lump sum.

**Facility of Payment:** We reserve the right, in settlement of full liability, to make Guarantee Payments to a guardian, relative, or other person if a Designated Life payee is deemed to be legally incompetent, as permitted by law.

**Recovery of Excess Guarantee Payments:** We may recover from you or your estate any Guarantee Payments made after the death of the single Designated Life or both Spousal Designated Lives.

**Termination of Benefits:** You may terminate this Rider at any time upon notification to us In Writing. Upon the termination of this Rider, we transfer any remaining Account Value from the Transfer Account. Unless you are participating in an asset allocation program for which we are providing administrative support, we allocate the transferred amount to the elected Sub-accounts pro-rata based on the Account Values in such Sub-accounts at that time. If you are then participating in an such asset allocation program, we allocate the transferred amount in accordance with the then-current percentages for that asset allocation program. In the event your entire Account Value is allocated to the Transfer Account, the transfer to the elected Sub-accounts will be made in accordance with your most recent allocation instructions.

Benefits pursuant to this Rider terminate upon the first to occur of the following events:

- (1) we process a termination of this Rider, and/or your request for full surrender of the Annuity. If your Annuity is otherwise still in effect, we will consider you to have elected to remain in any applicable asset allocation program then in effect, or in the investment options that we require for the Rider, other than the Transfer Account, unless you instruct us otherwise;
- (2) the date of receipt of due proof of the First Death who is an Owner (or who is the Annuitant, if the Annuity is entity-owned), if the surviving Spousal Designated Life does not elect to continue the Annuity, and any Account Value remains on the date of death;
- (3) the date of receipt of due proof of the First Death who is an Owner (or who is the Annuitant, if the Annuity is entity-owned) if the surviving Spouse is not eligible to continue the benefit because such Spouse is not a Spousal Designated Life and any Account Value remains on the date of death;

- (4) the date of receipt of due proof of the death of the single Designated Life or the second to die of the Spousal Designated Lives, if death occurs while Account Value remains on the date of death; however, if the Beneficiary Income Option is elected under this Rider, the Beneficiary Income Amount will be payable as described in the "Beneficiary Income Option" provision above;
- (5) the date of death of the single Designated Life or the second to die of the Spousal Designated Lives when Account Value is depleted as of the date of death; however, if the Beneficiary Income Option is elected under this Rider, the Beneficiary Income Amount will be payable as described in the "Beneficiary Income Option" provision above;
- (6) if Account Value remains on the Annuity Date, or if earlier, the date we transfer all Account Value in order to begin annuity payments;
- (7) each of the Account Value and the Annual Income Amount is zero; and
- (8) we process a request to change any designation of the Annuity that either results in a violation of the "Owner, Annuitant and Beneficiary Designations" provision of this Rider or if we do not then consent to continue the Rider.

**PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION**



[ \_\_\_\_\_ ]  
Secretary

**PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION**  
**(A Prudential Financial Company)**  
**[ONE CORPORATE DRIVE, P.O. BOX 883**  
**SHELTON, CONNECTICUT 06484]**

**[HIGHEST DAILY LIFETIME SEVEN WITH BENEFICIARY INCOME OPTION]**  
**SCHEDULE SUPPLEMENT**

**ANNUITY NUMBER:** [001-0001]

**EFFECTIVE DATE:** [Issue Date of the Annuity]

**[[SPOUSAL] DESIGNATED LIFE/LIVES]:**

[John Doe]  
[[Mary Doe]

**DATE OF BIRTH:** [February 21, 1945]  
**DATE OF BIRTH:** [January 1, 1946]

**ROLL-UP RATE:** [7.0% per year]

**ANNUAL INCOME PERCENTAGE:**

<b>[Attained Age of Single Designated Life</b>	<b>Annual Income Percentage</b>	<b>Attained Age of Younger Spousal Designated Life</b>	<b>Annual Income Percentage</b>
Less than 75	5%	Less than 80	5%
75 - 79	6%	80 - 84	6%
80 - 84	7%	85 - 89	7%
85 or more	8%	90 or more	8%

**MINIMUM GUARANTEE PAYMENT:** [\$100]

**PERIODIC VALUE CUT-OFF DATE:** [The [Tenth] Anniversary of the Effective Date]

**TRANSFER ACCOUNT:** [AST Investment Grade Bond Portfolio]. If this portfolio is discontinued, we will substitute a successor portfolio, if there is one. Otherwise, we will substitute a comparable portfolio. We will obtain any required regulatory approvals prior to substitution of the portfolio.

**CHARGE FOR THE RIDER:** [You have elected this Rider on a [Single Designated Life] basis. You have elected this Rider [with] the Beneficiary Income Option. Therefore the charge for the Rider is an annual rate of [0.95].%.]

**ANNUITY PAYMENT TABLE:** [The Annuity Payment Table below is used to compute the minimum annual amount of a single life annuity payment with 10 payments certain per \$1,000 applied. We used the Annuity 2000 Valuation Mortality Table and an interest rate of [3]% per year in preparing the Annuity Payment Table.

**Single Life Annuity Payment with 10 Payments Certain**

<b>Age</b>	<b>Male</b>	<b>Female</b>	<b>Age</b>	<b>Male</b>	<b>Female</b>
55	51.73	48.45	80	92.88	89.43
60	57.13	53.16	85	101.87	100.19
65	64.10	59.34	90	108.28	107.58
70	72.70	67.44	95	112.09	111.74
75	82.61	77.73			

**[HIGHEST DAILY LIFETIME SEVEN WITH BENEFICIARY INCOME OPTION]  
SCHEDULE SUPPLEMENT (CONTINUED)**

The Annuity Payment Table below is used to compute the minimum annual amount of a joint and last survivor life annuity payment with 10 payments certain per \$1,000 applied. We used the Annuity 2000 Valuation Mortality Table and an interest rate of [3]% per year in preparing the Annuity Payment Table.

**Joint and Last Survivor Life Annuity Payment with 10 Payments Certain**

		Female Age								
		55	60	65	70	75	80	85	90	95
Male Age:	55	44.37	46.22	47.90	49.28	50.32	51.02	51.42	51.61	51.70
	60	45.61	48.12	50.58	52.78	54.56	55.80	56.55	56.91	57.07
	65	46.61	49.77	53.14	56.44	59.36	61.56	62.95	63.66	63.97
	70	47.34	51.06	55.33	59.91	64.35	68.03	70.51	71.84	72.45
	75	47.83	51.97	56.99	62.81	68.97	74.58	78.68	81.01	82.13
	80	48.14	52.55	58.12	64.93	72.72	80.42	86.51	90.20	92.06
	85	48.31	52.89	58.78	66.27	75.28	84.78	92.81	97.93	100.62
	90	48.40	53.06	59.12	66.99	76.74	87.48	96.96	103.24	106.65
	95	48.44	53.13	59.28	67.32	77.46	88.88	99.24	106.27	110.17

For purposes of determining annuity payments using the above Annuity Payment Tables, we use the Annuitant's age on his/her last birthday on the date of the first payment, minus the applicable age set back. The age set backs are shown below and are based on the date of the first payment. The age set back does not exceed the age of the Annuitant.

Annuitization Year	Attained Age Set Back
2007 - 2009	1
2010 - 2019	2
2020 AND LATER	3]

**[HIGHEST DAILY LIFETIME SEVEN WITH BENEFICIARY INCOME OPTION]  
SCHEDULE SUPPLEMENT (CONTINUED)**

**TRANSFER CALCULATION FORMULA**

**The following are the Terms and Definitions referenced in the Transfer Calculation Formula:**

- o  $C_u$  the upper target is established on the Effective Date and is not changed for the life of the guarantee.
- o  $C_t$  the target is established on the Effective Date and is not changed for the life of the guarantee.
- o  $C_l$  the lower target is established on the Effective Date and is not changed for the life of the guarantee.
- o  $L$  the target value as of the current Valuation Day.
- o  $r$  the target ratio.
- o  $a$  the factors used in calculating the target value. These factors are established on the Effective Date and are not changed for the life of the guarantee.
- o  $V_V$  the total value of all elected Sub-accounts in the Annuity.
- o  $V_F$  the total value of all elected Fixed Rate Options in the Annuity
- o  $B$  the total value of all Transfer Account allocations.
- o  $P$  the Income Basis. Prior to the first withdrawal, the Income Basis is equal to the Protected Withdrawal Value calculated as if the first withdrawal were taken on the date of calculation. After the first withdrawal, the Income Basis equals the greatest of (1) the Account Value on the date of calculation; (2) the Protected Withdrawal Value on the date of the first withdrawal after the Effective Date, increased for subsequent additional Adjusted Purchase Payments and adjusted proportionally for Excess Income; or (3) the highest quarterly Account Value prior to the date of calculation.
- o  $T$  the amount of a transfer into or out of the Transfer Account.

**Target Value Calculation:**

On each Valuation Day, a target value ( $L$ ) is calculated, according to the following formula. If the Account Value ( $V_V + V_F$ ) is equal to zero, no calculation is necessary.

Target values are subject to change for new elections of the Rider on a going-forward basis.

$$L = 0.05 * P * a$$

**Transfer Calculation:**

The following formula, which is set on the Effective Date and is not changed for the life of the guarantee, determines when a transfer is required:

Target Ratio  $r = (L - B) / (V_V + V_F)$ .

- If  $r > C_u$ , assets in the elected Sub-accounts and elected Fixed Rate Options are transferred to the Transfer Account.
- If  $r < C_l$ , and there are currently assets in the Transfer Account ( $B > 0$ ), assets in the Transfer Account are transferred to the elected Sub-accounts.

The following formula, which is set on the Effective Date and is not changed for the life of the guarantee, determines the transfer amount:

$T = \{\text{Min} ((V_V + V_F), [L - B - (V_V + V_F) * C_l] / (1 - C_t))\}$  Money is transferred from the elected Sub-accounts and Fixed Rate Options to the Transfer Account

$T = \{\text{Min} (B, - [L - B - (V_V + V_F) * C_l] / (1 - C_t))\}$  Money is transferred from the Transfer Account to the elected Sub-accounts]



SERFF Tracking Number: PRUD-125620688 State: Arkansas  
Filing Company: Prudential Annuities Life Assurance Corporation State Tracking Number: 38781  
Company Tracking Number: IFSA-HD7-DB(7/08)  
TOI: A02.1G Group Annuities - Deferred Non- Sub-TOI: A02.1G.002 Flexible Premium  
Variable and Variable  
Product Name: HD7-DB(7/08)  
Project Name/Number: HD7-DB(7/08)/HD7-DB(7/08)

## Supporting Document Schedules

**Review Status:** 04/23/2008  
**Satisfied -Name:** Certification/Notice  
**Comments:**  
**Attachments:**  
AR - 7.pdf  
AR - 7a.pdf

**Review Status:** 04/23/2008  
**Satisfied -Name:** Application  
**Comments:**  
Not applicable to filing.

**Review Status:** 04/23/2008  
**Satisfied -Name:** Life & Annuity - Acturial Memo  
**Comments:**  
**Attachment:**  
HD7\_PWV DB ACT MEMO(PALAC).pdf

**Review Status:** 04/24/2008  
**Satisfied -Name:** Memo of Variability  
**Comments:**  
**Attachment:**  
HD7DB - VarMem (generic).pdf

**Prudential Annuities Life Assurance Corporation  
(A Prudential Financial Company)  
One Corporate Drive  
Shelton, CT 06484**

**STATE OF ARKANSAS**

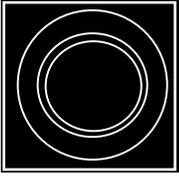
**CERTIFICATION OF COMPLIANCE**

I hereby certify that Prudential Annuities Life Assurance Company complies with the requirements of Rules and Regulation #34 of the Arkansas Insurance Department regarding our Form No. RID-HD7-DB(7/08), SCH-HD7-DB(7/08)



Larisa Gromyko – 2<sup>nd</sup> VP, Director - Contracts

April 23, 2008  
Date



**ARKANSAS  
INSURANCE  
DEPARTMENT**

400 University Tower Building  
1123 South University Ave.  
Little Rock, Arkansas 72204

Lee Douglass  
Insurance Commissioner

501-686-2900

ATTN: LIFE & HEALTH DIVISION, ARKANSAS INSURANCE DEPARTMENT

Company Name: Prudential Annuities Life Assurance Corporation (A Prudential Financial Company)

Company NAIC Code: 86630

Company Contact Person & Telephone # Carolyn S. Cargnel (203) 925-3883

INSURANCE DEPARTMENT USE ONLY

ANALYST: \_\_\_\_\_ AMOUNT: \_\_\_\_\_ ROUTE SLIP: \_\_\_\_\_

ALL FEES ARE PER EACH INSURER. PER ANNUAL STATEMENT LINE OF BUSINESS.  
UNLESS OTHERWISE INDICATED.

FEE SCHEDULE FOR ADMITTED INSURERS

RATE/FORM FILINGS

Life and/or Disability policy form filing and review, per each policy, contract, annuity form, per each insurer, per each filing. \* \_\_\_\_x \$ 50 =\_\_\_\_  
\*\*Retaliatory\_\_\_\_

Life and/or Disability - Filing and review of each rate filing or loss ratio guarantee filing, per each insurer. \* \_\_\_\_x \$ 50 =\_\_\_\_  
\*\*Retaliatory\_\_\_\_

Life and/or Disability: Filing and review of Annuity Forms: Filing and review of each certificate, rider, endorsement or application if each is filed separately from the basic form. \* 2 x \$ 20 = \$40.00  
\*\*Retaliatory\_\_\_\_

Life and/or Disability: Filing and review of Insurer's advertisements, per advertisement, per each insurer. \* \_\_\_\_x \$ 25 =\_\_\_\_  
\*\*Retaliatory\_\_\_\_

AMEND CERTIFICATE OF AUTHORITY

Review and processing of information to amend an Insurer's Certificate of Authority. \* \_\_\_\_ x \$400=\_\_\_\_

Filing to amend Certificate of Authority. \*\*\*\_\_\_\_x \$100=\_\_\_\_

\*THESE FEES ARE PAYABLE UNDER THE NEW FEE SCHEDULE AS OUTLINED UNDER RULE AND REGULATION 57.

\*\*THESE FEES ARE PAYABLE UNDER THE OLD FEE SCHEDULE AS OUTLINED UNDER ARK. CODE ANN. 23-63-102, RETALIATORY TAX.

\*\*\*THESE FEES ARE PAYABLE AS REQUIRED IN ARK. ANN. § 23-61-401.

**PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION  
ACTUARIAL MEMORANDUM**

**Highest Daily Lifetime Seven with Beneficiary Income Option  
Form Number: RID-HD7-DB(7/08)**

I, Daniel O. Kane, Senior Vice President and Chief Actuary, am an officer of the Prudential Annuities Life Assurance Corporation, a Fellow of the Society of Actuaries, and a member of The American Academy of Actuaries. I meet the Academy qualification standards for rendering this opinion.

**Actuarial Benefit Description**

Description            The Highest Daily Lifetime Seven with Beneficiary Income Option Benefit Rider (“The Rider”) is attached to a flexible premium deferred variable annuity contract. The Rider provides guaranteed minimum payments for the lifetime of a single Designated Life or Spousal Designated Lives. In addition, this Rider makes provision for a Guaranteed Minimum Account Value Credit (“GMAVC”) if certain requirements are met. This rider also makes provisions for an optional death benefit (“Beneficiary Income Option”) payable upon the death of the single Designated Life or the second to die of the Spousal Designated Lives.

For a single Designated Life:

If the Owner is a natural person, the Owner must also be the Annuitant and the Designated Life. If the Owner is an entity that we permit, the Annuitant must be the Designated Life. If the Owner is a Custodian, the Annuitant must be Designated Life and the Custodian must be designated as the primary Beneficiary.

The Designated Life must be 55 years old or older at the time of issue. If Beneficiary Income Option elected, the Designated Life must also be 75 years old or younger at the time of issue.

For Spousal Designated Lives:

Such persons must be each other’s Spouses at the time this Rider is elected and at the First Death. If the Owner is a natural person, he/she must be the Annuitant, and one of the Spousal Designated Lives. The sole primary beneficiary must be the other Spousal Designated Life for as long as the first Spousal Designated Life Owner is alive. If a Co-Owner is named, he/she must be the other Spousal Designated Life. If the Owner is an entity that we permit, the Annuitant must be a Spousal Designated Life, and the Annuitant’s Spouse must be the other Spousal Designated Life.

The younger of the two Designated Lives must be 59<sup>1/2</sup> years old or older at the time of issue. If Beneficiary Income Option elected, the older of the two designated lives must also be 75 years old or younger at the time of issue.

**Designated Life/Lives** The individual(s) who are the measuring life/lives for the benefits described in this rider. For Spousal Designated Lives, these persons must be spouses at the time that this rider is elected.

**Annual Income Amount** We guarantee, subject to the limits and conditions outlined in this Rider, in each Annuity Year an income amount (“Annual Income Amount”) as one or multiple withdrawals. The Annual Income Amount is determined at the time of the first withdrawal by applying the applicable Annual Income Percentage shown in the Schedule Supplement to the Protected Withdrawal Value. The applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, on the date of the first withdrawal after the Effective Date.

Currently, the Annual Income Percentages for a single Designated Life are 5% for ages 74 and younger, 6% for ages 75 –79, 7% for ages 80-84 and 8% for ages 85 and older; the Annual Income Percentages for Spousal Designated Lives are 5% for ages 79 and younger, 6% for ages 80 –84, 7% for ages 85-89 and 8% for ages 90 and older.

**Protected Withdrawal Value** The Protected Withdrawal Value is used to calculate the initial Annual Income Amount. It is also the basis for the charge for this Rider.

On the Effective Date, the Protected Withdrawal Value is equal to the Account Value. On each Valuation Day thereafter, until the earlier of the date of the first withdrawal or a Periodic Value Cut-off Date, if any, shown in the Schedule Supplement, the Protected Withdrawal Value is equal to the “Periodic Value” described below.

If no withdrawal made on or before the Periodic Value Cut-off Date, we will continue to calculate the Protected Withdrawal Value. Until a withdrawal is made, the Protected Withdrawal Value is equal to the greatest of:

- (1) the Account Value; or
- (2) the Periodic Value on the Periodic Value Cut-off Date , increased for subsequent Adjusted Purchase Payments

Once the first withdrawal is made after the Effective Date, the Protected Withdrawal Value is equal to the greatest of:

- (1) the Account Value; or
- (2) the Protected Withdrawal Value on the date of the first withdrawal, increased for subsequent Adjusted Purchase Payments and reduced for subsequent withdrawals; or

- (3) the highest quarterly Account Value upon any Step Up. Please refer to the “Step-Ups” provision for details.

Currently, the Periodic Value Cut-off Date is equal to the Tenth Anniversary of the Effective Date.

Periodic Value

The Periodic Value initially is equal to the Account Value on the Effective Date. On each Valuation Day thereafter, until the earlier of the first withdrawal or the Periodic Value Cut-off Date, we recalculate the Periodic Value. Specifically, on each such Valuation Day (the “Current Valuation Day”), the Periodic Value is equal to the greatest of:

- (1) the Periodic Value for the immediately preceding business day (the “Prior Valuation Day”) appreciated at the daily equivalent of the Roll-Up Rate indicated in the Schedule Supplement during the calendar day(s) between the Prior Valuation Day and the Current Valuation Day (i.e., one day for successive Valuation Days, but more than one calendar day for Valuation Days that are separated by weekends and/or holidays), plus the amount of any Adjusted Purchase Payment made on the Current Valuation Day; and
- (2) the Account Value, and
- (3) If the Current Valuation Day is on the Tenth Anniversary and if no withdrawals have been taken prior to the Tenth Anniversary, the sum of:
  - (a) 200% of the Account Value on the Effective Date;
  - (b) 200% of all Adjusted Purchase Payments made within one year after the Effective Date; and
  - (c) all Adjusted Purchase Payments made after one year following the Effective Date up to the Tenth Anniversary.

The Roll-Up Rate is currently 7.0% per year.

Guaranteed Minimum Account Value Credit (“GMAVC”)

We will apply a GMAVC to the Account Value if, on the Tenth Anniversary Date: (1) no withdrawals made (including, but not limited to, withdrawals taken as required minimum distributions); and (2) the GMAVC is greater than zero. The GMAVC is equal to the difference between the Account Value on the Tenth Anniversary Date and the sum of: (i) the Account Value on the Effective Date; and (ii) any Adjusted Purchase Payments made after the Effective Date but before the first anniversary of the Effective Date.

Impact of withdrawals

Any withdrawals reduce the remaining Annual Income Amount available during an Annuity Year by the amount of each withdrawal. Withdrawals in an Annuity Year that, in total, do not exceed the Annual Income Amount for

that Annuity Year do not reduce the Annual Income Amount in subsequent Annuity Years. The Protected Withdrawal Value is reduced by the amount of each withdrawal that does not exceed the Annual Income Amount for that Annuity Year.

All or any portion of a withdrawal that exceeds the Annual Income Amount for that Annuity Year is considered excess income (“Excess Income”). Each withdrawal of Excess Income that occurs once that Annuity Year's Annual Income Amount has been withdrawn reduces the Annual Income Amount proportionately. Each proportional reduction is calculated by multiplying the Annual Income Amount by the ratio of the Excess Income to the Account Value immediately subsequent to the withdrawal of any Annual Income Amount and prior to the withdrawal of the Excess Income (even if both withdrawals occurred in the same day or as one withdrawal request). Each withdrawal of Excess Income also reduces the Protected Withdrawal Value by the same proportion.

Additional Purchase Payments after First Withdrawal	The Annual Income Amount is increased by an amount obtained by applying the Annual Income Percentage shown in the Schedule Supplement to the Adjusted Purchase Payment. The applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, on the date the first withdrawal after the Effective Date. The Protected Withdrawal Value is increased by the amount of each Adjusted Purchase Payment.
Step-Up	Beginning on the first anniversary of the Issue Date of Annuity after the first withdrawal subsequent to the Effective Date, and on every anniversary thereafter, we will step up the Annual Income Amount, if the value resulting from applying the applicable Annual Income Percentage shown in Schedule Supplement to the highest quarterly Account Value (as measured on each quarter anniversary of the Issue Date of the Annuity), occurring over the past Annuity Year and adjusted for any withdrawals and any additional Adjusted Purchase Payments, results in an amount greater than the current Annual Income Amount. For step-up purposes, the applicable Annual Income Percentage is based on the attained age of the single Designated Life, or the younger of the Spousal Designated Lives, at the time the step-up occurs.
Guarantee Payments	Once the Account Value is depleted, we subsequently make Guarantee Payments, as long as any Excess Income has not reduced the Annual Income Amount to zero, until the death of the single Designated Life or the second of the Spousal Designated Lives to die (or upon the simultaneous deaths of both Spousal Designated Lives), as applicable, as long as the Spousal Designated Lives were Spouses at the time of the First Death. In the Annuity Year the Account Value is depleted, the only Guarantee Payment due, if any, generally equals the Annual Income Amount not yet withdrawn in that Annuity Year. In subsequent Annuity Years, the Guarantee Payment equals the Annual Income Amount in effect as of the date the Account Value is depleted.

Required Minimum Distributions (“RMD”) Exception If: (1) any Required Minimum Distributions are made in any Annuity Year from the Annuity to meet the Required Minimum Distribution provisions of the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated there under, and (2) such distributions are greater than the Annual Income Amount, then, such distributions will not be treated as Excess Income for purposes of this Rider.

Beneficiary Income Option Beneficiary Income Option is an optional death benefit available under this Rider for an additional charge. If the Beneficiary Income Option under this Rider has been elected, for a single Designated Life, the death benefit is payable at the death of the single Designated Life; for Spousal Designated Live, the death benefit is payable at the death of the second Spousal Designated Life to die, as long as the Spousal Designated Lives were Spouses at the time of the First Death.

Upon the death of the applicable Designated Life, the Beneficiary can choose to receive either:

- (a) the death benefit amount that would otherwise be payable under the terms of the Annuity, or
- (b) The Beneficiary Income Amount payable as a series of periodic payments. The Beneficiary Income Amount is equal to (1) if no prior withdrawals were taken, the Protected Withdrawal Value determined as if the first withdrawal on the date of death of the applicable Designated Life, or (2) if prior withdrawals were taken, the Protected Withdrawal Value determined at the death of the applicable Designated Life. The Beneficiary Income Amount is only payable as a series of periodic payments that initially equal the Annual Income Amount as of the date we determine the Beneficiary Income Amount. We will continue to make the payments until the Beneficiary Income Amount is depleted. When the final periodic payment is greater than the remaining Beneficiary Income Amount, the final payment will equal the remaining Beneficiary Income Amount.

Death of a Designated Life If the rider was issued with a single Designated Life and the single Designated Life dies, the Rider terminates and the death benefit provisions of the Annuity apply.

If this Rider was issued with Spousal Designated Lives and the first Spousal Designated Life dies:

- Upon the First Death, if a death benefit would be payable under the Annuity exclusive of this Rider, and the surviving Designated Life chooses to continue the Annuity, this Rider remains in force.

- Upon the First Death, if a death benefit would be payable under the Annuity exclusive of this Rider, and a Spouse who chooses to continue the Annuity is not a Designated Life, this Rider terminates.
- Upon the First Death, if a death benefit would be payable under the Annuity exclusive of the Rider, and the Annuity is not continued according to the Spousal Continuation provision of the Annuity, then the death benefit will be paid under the terms of the Annuity, and the Rider terminates.
- Upon the First Death, if a death benefit is not payable under the Annuity, the Rider will continue.

If this Rider was issued with Spousal Designated Lives and the second Spousal Designated Life dies, this Rider terminates and the death benefit provisions of the Annuity apply.

Investment Limitations

While this Rider is in effect, the entire Account Value must be allocated to only those investment options we permit, except as required under the conditions set out in the “Transfers to and from the Transfer Account” section below. In addition, it may be required to maintain all or a portion of the Account Value in accordance with an asset allocation model.

Transfer Account

We monitor the investment performance of Account Value each Valuation Day to determine if we need to transfer any portion of Account Value to or from the Transfer Account to maintain the guarantees provided by this benefit. We only transfer Account Value to or from the Transfer Account, and we only maintain Account Value in Transfer Account to the extent dictated by the Transfer Calculation Formula.

Transfers to and from the Transfer Account

On each Valuation Day, including the Effective Date, a Transfer Calculation Formula is used to determine whether any portion of the Account Value is to be transferred to or from the Transfer Account.

Transfers to the Transfer Account will be taken on a pro-rata from the elected Sub-accounts and elected Fixed Rate Options. Transfers out of the Transfer Account will be deposited into the elected Sub-accounts on a pro-rata based on the Account Values in such Sub-accounts at that time.

Transfer Calculation Formula

The formula described in the attached Rider monitors the Account Value daily, and, if dictated by the formula set forth below, Transfers to and from the Transfer Account.

**Terms and Definitions referenced in the Transfer Calculation Formula:**

- o  $C_u$  the upper target is established on the Effective Date and is not changed for the life of the guarantee.
- o  $C_t$  the target is established on the Effective Date and is not changed for the life of the guarantee.

- o  $C_1$  the lower target is established on the Effective Date and is not changed for the life of the guarantee.
- o  $L$  the target value as of the current Valuation Day.
- o  $r$  the target ratio.
- o  $a$  the factors used in calculating the target value. These factors are established on the Effective Date and are not changed for the life of the guarantee.
- o  $V_V$  the total value of all elected Sub-accounts in the Annuity.
- o  $V_F$  the total value of all elected Fixed Rate Options in the Annuity.
- o  $B$  the total value of all Transfer Account allocations.
- o  $P$  the Income Basis. Prior to the first withdrawal, the Income Basis is equal to the Protected Withdrawal Value calculated as if the first withdrawal were taken on the date of calculation. After the first withdrawal, the Income Basis equals the greatest of (1) the Account Value on the date of calculation; (2) the Protected Withdrawal Value on the date of the first withdrawal after the Effective Date, increased for subsequent additional Adjusted Purchase Payments and adjusted proportionally for Excess Income; or (3) the highest quarterly Account Value prior to the date of calculation.
- o  $T$  the amount of a transfer into or out of the Transfer Account.

**Target Value Calculation:**

On each Valuation Day, a target value ( $L$ ) is calculated, according to the following formula. If the Account Value ( $V_V + V_F$ ) is equal to zero, no calculation is necessary.

Target values are subject to change for new elections of the Rider on a going-forward basis.

$$L = 0.05 * P * a$$

**Transfer Calculation:**

The following formula, which is set on the Effective Date and is not changed for the life of the guarantee, determines when a transfer is required:

$$\text{Target Ratio } r = (L - B) / (V_V + V_F).$$

- If  $r > C_u$ , assets in the elected Sub-accounts and elected Fixed Rate Options are transferred to the Transfer Account.
- If  $r < C_1$ , and there are currently assets in the Transfer Account ( $B > 0$ ), assets in the Transfer Account are transferred to the elected Sub-accounts.

The following formula, which is set on the Effective Date and is not changed for the life of the guarantee, determines the transfer amount:

$T = \{ \text{Min} ((V_V + V_F), [L - B - (V_V + V_F) * C_I] / (1 - C_I)) \}$  Money is transferred from the elected Sub-accounts and Fixed Rate Options to the Transfer Account

$T = \{ \text{Min} (B, - [L - B - (V_V + V_F) * C_I] / (1 - C_I)) \}$  Money is transferred from the Transfer Account to the elected Sub-accounts

**Charge** The charge is assessed on the last day of each Benefit Quarter, and is applied to the Protected Withdrawal Value calculated on the Valuation Day prior to the last day of each Benefit Quarter at the quarterly equivalent of the applicable annual rate. On the Effective Date, the applicable rate(s) is as shown in the Schedule Supplement.

Currently, if the Beneficiary Income Option is not elected, for a Single Designated Life the annual rate is 0.60%, and for Spousal Designated Lives the annual rate is 0.75%. If the Beneficiary Income Option is elected, the rate is 0.95% for both the Single Designated Life and Spousal Designated Lives.

### **Actuarial Basis for Surrender Amounts**

There are no surrender benefits associated with this rider.

### **Actuarial Basis for Reserves**

In December of 2002, the National Association of Insurance Commissioners (“NAIC”) adopted Actuarial Guideline 39 – Reserving for Variable Annuities with Guaranteed Living Benefits (“VAGLBs”). This Guideline specifies that the aggregate reserves for contracts with VAGLBs should equal the sum of:

- (1) the aggregate reserves for the variable annuity contracts ignoring both the future revenues and benefits from the VAGLBs and after comparison to the cash value of the contracts; and
- (2) the VAGLB reserve, determined as the sum of the aggregate VAGLB charges from the date of issue to the valuation date for VAGLB benefits in-force (i.e., contracts still in force and still eligible for the VAGLB).

### Reserves Ignoring VAGLBs

Statutory reserves will be calculated for each contract on an integrated basis. The reserves are calculated according to the methodologies described in the Commissioners Annuity Reserve Valuation Method (“CARVM”), Actuarial Guideline 33, and Actuarial Guideline 34.

As required by Actuarial Guideline 34, an additional reserve will be held to provide for the contingencies of death occurring when the minimum death benefit exceeds the death benefit that would be paid in the absence of the guarantee. The portion of the minimum death benefit in excess of the account value is projected assuming an immediate drop in account value followed by an assumed recovery rate. The immediate drop and the assumed recovery rate to be used in this calculation are specified in Actuarial Guideline 34. The mortality basis used to discount projected death benefits for this reserve will be the 1994 Variable Annuity MGDB Mortality Table. Both mortality bases are sex-distinct and use the seriatim valuation approach, reflecting the sex and attained age of each contract owner. The current (2007) valuation interest rate is 4.50%.

### VAGLB Reserves

Statutory reserves will be compiled in accordance with the New York Regulation 128, and will not be less than those computed in accordance with NAIC Actuarial Guideline 39. All contracts with guaranteed living benefits are subject to the asset maintenance requirements of New York Regulation 128. Reserve testing will be performed on a seriatim basis and the asset deduction percentages will be based on the asset type of each contract’s sub account. In the event the funds maintained for the annuities and guaranteed living benefit riders are not sufficient to meet the minimum asset requirements, an additional reserve up to 8% of minimum value of guaranteed contract liability will be established in the general account and any excess reserve will be held in a non-insulated separate account.

The statutory reserves held for our Highest Daily Lifetime Seven feature consist of the sum of the charges from the date of issue to the valuation date accumulated at the valuation interest rate for benefits in force. The valuation rates used in the accumulation are the “Valuation Interest Rates for Other Annuities and Guaranteed Interest Contracts” with cash settlement options and guarantee duration of 5 years or less (Plan Type C). The rates are determined based on the issue date of the contract and are consistent with those required in the Standard Valuation Law, as interpreted by Actuarial Guideline 33.

As specified in Guideline 39, we will perform a standalone asset adequacy analysis of the VAGLB reserve. If such analysis reveals a reserve shortfall, we will increase our VAGLB reserve.

In my opinion, the reserves held for this rider:

- 1) are computed in accordance with presently accepted actuarial standards of practice consistently applied, and fairly stated, in accordance with sound actuarial principles;
- 2) are based on actuarial assumptions which produce reserves at least as great as those called for in any rider provision as to reserve basis and method, and are in accordance with all other rider provisions.

*Daniel O. Kane*

---

Daniel O. Kane, F.S.A., M.A.A.A.  
Senior Vice President and Chief Actuary

Date April 15, 2008

**PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION**

**STATEMENT OF VARIABILITY FOR  
HIGHEST DAILY LIFETIME SEVEN WITH BENEFICIARY INCOME OPTION BENEFIT  
SCHEDULE SUPPLEMENT SCH-HD7-DB(7/08)**

Brackets in the referenced Schedule Supplement designate any variable material. There are two types of variations: those that vary by purchaser and those items that vary by class of purchaser. For any designated class of purchaser the values shown within brackets in the referenced Schedule Supplement will not be applied in a discriminatory manner.

Currently, for marketing purposes, the benefit is referenced as the "Highest Daily Lifetime Seven With Beneficiary Income Option Benefit." We may change the marketing name to accommodate future business needs or if we enter into a proprietary or private placement arrangement.

The current Company address is as indicated in the referenced annuity forms. This is subject to change over time.

From time to time we may use administrative codes/information for recordkeeping purposes. If we do, such information will appear on the bottom right hand side of the form, one line below the state filed annuity form number or in the upper right side of the form above the Company name. We consider any administrative information to not be part of the filed annuity form. We reserve the right to include, delete, or change administrative information.

**VARIATIONS BY PURCHASER:**

<b>Annuity Number</b>	This is the number assigned to the Annuity by us for record keeping purposes.
<b>Effective Date</b>	This date will be the Issue Date, if this benefit is elected at the time the Annuity is purchased, or a subsequent date, if this benefit is elected post-issue.
<b>[[Spousal] Designated Life/Lives]</b>	This item will reflect the name and birth date of the individual(s) for whom we issue this benefit as the Designated Life/Lives.

**VARIATIONS BY CLASS OF PURCHASER:** The following items may vary based on any decisions affecting new business or specific classes of purchasers. Minimum and maximum value ranges that may be used are indicated.

<b>Roll-Up Rate</b>	Currently the Roll-Up Rate is 7% per year. In the future we may use a Roll-Up Rate ranging between 0% and 10% per year. Roll-Up Rates may vary, based on the period the benefit has been in effect under the Annuity, e.g., 5% for the first three years the benefit is in effect, 4% for the remainder of the period, etc.
<b>Annual Income Percentage</b>	Currently this percentage is based on attained age of the single Designated Life or the younger of the Spousal Designated Lives. Currently, the range for this item is 5% to 8%. In the future, the Annual Income Percentage may range from 1% to 10%.

<b>Minimum Guarantee Payment</b>	Currently this amount is \$100. In the future this amount may be as little as \$25 or as much as \$1000.
<b>Periodic Value Cut-off Date</b>	Currently the Periodic Value Cut-off Date is the Tenth Anniversary of the Effective Date of the Rider, defined as "Tenth Anniversary Date" in the Rider. In the future we reserve the right to make the Periodic Value Cut-off Date not applicable or extend it to a maximum of 40 years.
<b>Transfer Account</b>	This is the name of the account to which and from which we may transfer funds, as determined by the Transfer Calculation Formula. Currently the Transfer Account is the AST Investment Grade Bond Portfolio. If this portfolio is discontinued, we will substitute a successor portfolio, if there is one. Otherwise, we will substitute a comparable portfolio. We will obtain any required regulatory approvals prior to substitution of the portfolio.
<b>Charge for the Rider</b>	<p>Currently the charge for this benefit is assessed at the end of each Benefit Quarter at the quarterly equivalent of an annual rate of 0.60% if the benefit is elected with a Single Designated Life. If this benefit is elected with Spousal Designated Lives, the charge is the quarterly equivalent of an annual rate of 0.75%. If the Beneficiary Income Option is elected on either a Single Designated Life or Spousal Designated Lives basis, the charge is the quarterly equivalent of an annual rate of 0.95% and the insert for the "Charge for the Rider" would read: "You have elected this Rider on a [single Designated Life] [Spousal Designated Lives] basis. You have elected this Rider with the Beneficiary Income Option. Therefore, the charge for the Rider is an annual rate is 0.95%."</p> <p>In the future we may vary the charge, using a range of 0% to 1.50% if the Rider is elected <i>without</i> the Beneficiary Income Option, 0% to 2.0% if the Rider is elected <i>with</i> the Beneficiary Income Option. This item may be changed to reflect changes in interest rate activity, capital standards and competitive pressures over time.</p>
<b>Annuity Payment Table</b>	This table may vary, depending on the mortality table, interest rate, and any age set back or projected mortality improvement scale used, as well as the age intervals illustrated.
<b>Transfer Calculation Formula</b>	We reserve the right to replace this entire section with another program that is based on a static calculation formula. Such replacement will not affect existing business and will only apply to new elections of this Rider.