

SERFF Tracking Number: AEGA-126021064 State: Arkansas  
Filing Company: Transamerica Life Insurance Company State Tracking Number: 41480  
Company Tracking Number: RGMB 36 0109  
TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable  
Product Name: RGMB 36 0109  
Project Name/Number: Variable Annuity Rider/RGMB 36 0109

## Filing at a Glance

Company: Transamerica Life Insurance Company

Product Name: RGMB 36 0109 SERFF Tr Num: AEGA-126021064 State: ArkansasLH

TOI: A02.11 Individual Annuities- Deferred Non- SERFF Status: Closed State Tr Num: 41480

Variable and Variable

Sub-TOI: A02.11.002 Flexible Premium Co Tr Num: RGMB 36 0109 State Status: Approved-Closed

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

Author: Laurie Jaeger Disposition Date: 02/10/2009

Date Submitted: 02/06/2009 Disposition Status: Approved-

Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Variable Annuity Rider

Project Number: RGMB 36 0109

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Filing Status Changed: 02/10/2009

Deemer Date:

Filing Description:

State of Arkansas

Department of Insurance

1200 West Third Street

Little Rock, AR 72201-1904

Status of Filing in Domicile: Pending

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Group Market Size:

Group Market Type:

Explanation for Other Group Market Type:

State Status Changed: 02/10/2009

Corresponding Filing Tracking Number:

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Attn: Policy Examination Division (Life & Annuity)

Re: Transamerica Life Insurance Company

NAIC # 468 – 86231

RGMB 36 0109 – Flexible Premium Variable Annuity Rider

SERFF Tracking # - AEGA-126021064

Dear Sir or Madam:

Please find attached the above referenced rider for your review and approval. This is a new form and is not intended to replace any form previously approved by your Department. This is an optional rider for use with in-force and new issues of our Variable Annuity portfolio approved by your Department. These riders will be issued in qualified and non-qualified markets.

This rider offers a Guaranteed Lifetime Withdrawal Benefit and Income Enhancement Option that is available to the policyholder when they purchase this rider. The policyholder will elect an allocation option, either the Designated Allocation option or the Open Allocation Option. The policyholder also may elect additional features on this rider. We have started with a base rider that provides a Guaranteed Lifetime Withdrawal Benefit and have attached cover sheets to various versions of the rider that outline the language that varies dependent solely upon the features the policyholder elects. Statements of variability that outline the items bracketed are also enclosed.

The owner can terminate this rider within 30 days after the fifth rider anniversary and every fifth rider anniversary thereafter. If the policy holder elects the Designated Allocation option the rider must be terminated if funds are transferred out of the designated investment options while the rider is in force. Termination of the rider will result in the loss of all benefits provided by the rider.

Please note the paper and font of the attached rider print may change in the future. You have our assurances the form will contain the same language as approved by your Department.

We would appreciate your review and approval of this form.

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Sincerely,

Transamerica Life Insurance Company

Laurie Jaeger  
Filing Analyst II  
FMG Regulatory Filing Unit  
Phone: 319/355-6813  
Fax: 319/355-6820  
Email: ljaeger@aegonusa.com

P.S. This form was approved by Iowa, our home state, on \_\_\_\_\_, or is concurrently submitted.

## Company and Contact

### Filing Contact Information

Laurie Jaeger, Forms Filing Analyst II  
4333 Edgewood Road, NE  
Cedar Rapids, IA 52499  
ljaeger@aegonusa.com  
(319) 355-6813 [Phone]  
(319) 355-6820[FAX]

### Filing Company Information

Transamerica Life Insurance Company  
4333 Edgewood Road, NE  
Cedar Rapids, IA 52499  
(319) 355-8511 ext. [Phone]  
CoCode: 86231  
Group Code: 468  
Group Name:  
FEIN Number: 39-0989781  
State of Domicile: Iowa  
Company Type:  
State ID Number:

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## Filing Fees

Fee Required? Yes  
Fee Amount: \$20.00  
Retaliatory? No  
Fee Explanation:

*SERFF Tracking Number:* AEGA-126021064      *State:* Arkansas  
*Filing Company:* Transamerica Life Insurance Company      *State Tracking Number:* 41480  
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**Per Company:** No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Transamerica Life Insurance Company	\$20.00	02/06/2009	25557860

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved- Closed	Linda Bird	02/10/2009	02/10/2009

*SERFF Tracking Number:* AEGA-126021064      *State:* Arkansas  
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## **Disposition**

Disposition Date: 02/10/2009

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Flesch Certification		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Acturial Memo		No
<b>Supporting Document</b>	Cover Sheets with SOVs		Yes
<b>Form</b>	Flexible Premium Variable Annuity Rider		Yes

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## Form Schedule

### Lead Form Number:

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	RGMB 36 0109	Policy/Cont	Flexible Premium ract/Fratern al Rider Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial			RGMB 36 0109.pdf



# TRANSAMERICA LIFE INSURANCE COMPANY

A Stock Company (Hereafter called the Company, we, our or us)

Home Office:  
4333 Edgewood Road N.E.  
Cedar Rapids, Iowa 52499  
(319)355-8511

## RETIREMENT INCOME CHOICE RIDER

This rider is issued as a part of the policy (contract) to which it is attached. Policy refers to the individual policy if the rider is attached to an individual annuity or the group certificate if the rider is attached to a group annuity.

All provisions of the policy that do not conflict with this rider apply to this rider. In the event of any conflict between the provisions of this rider and the provisions of the policy, the provisions of this rider shall prevail over the provisions of the policy.

### Rider Data Specification

Policy Number:	12345
Rider Date:	02/01/2009
Growth Rate Percentage:	5.00%
Open Allocation*:	Yes
Designated Allocation*:	No

\*These selections are as of the rider date.

If you selected or transfer to the Open Allocation option, the following rider fee percentage will apply: [1.25%]

If you selected or transfer to the Designated Allocation option, the following rider fee percentages will apply:

Designated Allocation Group A:	[1.40%]
Designated Allocation Group B:	[1.05%]
Designated Allocation Group C:	[0.55%]

Annuitant: [John Doe]

Annuitant's Issue Age/Sex: [35 / Male]

### ARTICLE I

**You may cancel this rider on the close of business before midnight of the thirtieth calendar day after you received it and no rider fees will be assessed.**

There are two allocation options available under this rider, the Designated Allocation option and the Open Allocation option. These options are more fully described in Articles II and III below.

## **ARTICLE I CONTINUED**

### **DEFINITIONS:**

Terms used that are not defined in this rider shall have the same meaning as those in your policy.

#### **Designated Investment Options**

Investment options authorized for use with this rider and identified by us as designated investment options.

#### **Excess Withdrawal**

The excess of a gross partial withdrawal over the rider withdrawal amount remaining prior to the withdrawal, if any.

#### **Gross Partial Withdrawal**

The amount by which will be deducted from your policy value as a result of each partial withdrawal.

#### **Open Allocation Method**

The method by which the Company uses specific subaccounts to provide rider guarantees.

#### **Rider Anniversary**

The anniversary of the rider date.

#### **Rider Fee**

The fees charged for the benefits under this rider. The fees will be charged on a rider quarterly basis by the Company.

#### **Rider Monthiversary**

The same day of the month as the rider date, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Quarter**

The last business day of each rider quarter, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Withdrawal Amount**

The maximum amount that can be withdrawn from the policy each rider year without causing an excess withdrawal under the terms of this rider and thus reducing the withdrawal base. This amount will change if the withdrawal base changes.

#### **Rider Year**

Each twelve-month period following the rider date.

#### **Valuation Period**

The period of time from one determination of the value of a subaccount to the next. Such determinations are made when the value of the assets and liabilities of each subaccount is calculated. This is generally the close of business on each day on which the New York Stock Exchange is open.

#### **Withdrawal Base**

The amount used to calculate the rider withdrawal amount and the rider fee. This amount cannot be taken as a lump sum.

## **ARTICLE II**

Transfers will be permitted between the Designated Allocation option and the Open Allocation option at any time.

### **DESIGNATED ALLOCATION OPTION**

When you select the Designated Allocation option, 100% of your policy value must be in one or more of the designated investment options.

You can generally transfer between the designated investment options as permitted under your policy; however, you cannot make transfers as provided for in the policy to a non-designated investment option while this allocation option is in force.

## **ARTICLE II CONTINUED**

### **OPEN ALLOCATION OPTION**

When you select the Open Allocation option, you may allocate to any investment options available under your policy and the open allocation method will be used.

Under the open allocation method, we compare your policy value to the rider guarantees once per valuation period. Based on the relationship of the rider guarantees to your policy value, we will determine how much of your policy value, if any, to transfer out of your investment options to one or more of the open allocation method investment options. Transfers into the open allocation method investment options will not exceed [20%] of your total policy value at the time of the transfer. We will continue to transfer policy value to and/or among the open allocation method investment options to the extent necessary to maintain the rider guarantees. Likewise, we will determine how much policy value to transfer out of the open allocation method investment options into your investment options. Investments in the open allocation method investment options will not exceed [30%] of your total policy value. Transfers into or out of your investment options will be pro rata.

You cannot allocate premiums or transfers to the open allocation method investment options.

Transfers pursuant to this Article will be subject to any provisions of the policy concerning transfers of policy value.

## **ARTICLE III**

### **RIDER FEES**

The rider fee is deducted on each rider quarter in arrears. The fee is calculated and stored at issue and at each subsequent rider quarter for the upcoming quarter. The rider fee percentage will not change during the first five rider years, and will only change thereafter due to an automatic step-up. Fees will also change if you select to transfer between the two allocation options. You will be notified of any increase in the rider fee percentage. A portion of this fee will also be deducted when the rider is terminated based on the number of days that have elapsed since the previous rider quarter.

You may choose between two allocation options; the Designated Allocation option or the Open Allocation option. The stored fee will be adjusted for new deposits and excess withdrawals made during the rider quarter for both asset allocation options. If the Designated Allocation option is selected, the stored fee will be adjusted for transfers among designated investment options within the rider quarter. If the Open Allocation option is selected, the fee will not be adjusted for transfers among investment options.

For the Designated Allocation option and the Open Allocation option, fees will be calculated and stored on the day the rider is issued and at the beginning of each rider quarter. They will be deducted automatically from each investment option on a pro rata basis at the end of each rider quarter. The annual fee percentages for each designated allocation group are shown on page 1, in the Rider Data Specification section.

The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4).

- 1) Withdrawal Base;
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value;
- 3) Total policy value;
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

The Open Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) by (3).

- 1) Withdrawal Base;
- 2) Rider Fee Percentage;
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

Please see the Appendix attached to this rider which illustrates how the rider fee is calculated.

## **ARTICLE IV**

### **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's death.

The withdrawal percentage is determined by the attained age (age at last birthday) of the annuitant at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the annuitant's [59th] birthday. Once the withdrawal percentage is established, it may only be changed by an upgrade or automatic step-up and redetermined at that time. Upon automatic step-up, the withdrawal percentage will be reset based on the attained age at the time of the automatic step-up. The withdrawal percentages are shown in the table below.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0 - 58	0.0%
59 - 69	4.0%
70 - 79	5.0%
80 +	6.0%

If the annuitant is not yet [59] on the rider date, the withdrawal percentage will be zero until the rider anniversary following the annuitant's [59th] birthday. Withdrawals prior to age 59 1/2 will be subject to the 10% penalty tax.

Withdrawals will reduce the policy value of the policy to which this rider is attached. If the policy value equals zero, you cannot make subsequent premium payments and all other policy features, benefits and guarantees are no longer available. Also, if the policy value equals zero, you will need to request payments by selecting the amount and frequency in accordance with the policy provisions to which this rider attaches, equal to the rider withdrawal amount. Once the payment amount and frequency are established, they cannot be changed and no additional withdrawals will be allowed.

### **ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant. Proof of survival and the issue ages may be required by the Company.

If the annuitant's age has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age. However, if this rider would not have been issued had the age not been misstated, the rider is treated as if it never existed, and any fees charged for this rider would be returned. If withdrawals under the provisions of the rider have already commenced and the misstatement caused the rider withdrawal amount to be overstated, any withdrawal in excess of the correct rider withdrawal amount will be considered an excess withdrawal and will impact the withdrawal base and rider withdrawal amount. If overpayments occurred when the sum of the accumulated values in all the investment options was zero, the amount of that overpayment will be deducted from one or more future payments until this amount is paid in full.

### **RIDER WITHDRAWAL AMOUNT**

The rider withdrawal amount will be equal to the greater of 1) and 2), where:

- 1) is the withdrawal percentage multiplied by the withdrawal base;
- 2) is an amount equal to the minimum required distribution amount, if any. Prior to the 1st rider anniversary, this amount is based on the initial policy value on the rider date. After this time, the minimum required distribution is calculated based on the rules established by the IRS. The minimum required distribution may only be used if all of the following are true:
  - A) the policy to which this rider is attached is a tax-qualified policy for which IRS minimum required distributions are required,
  - B) the minimum required distributions do not start prior to the annuitant's attained age 70 1/2,
  - C) the minimum required distributions are based on either the Uniform Lifetime table or the Joint Life and Last Survivor Expectancy table,
  - D) the minimum required distributions are based on age of the living annuitant. The minimum required distributions can not be based on the age of someone who is deceased,
  - E) the minimum required distributions are based only on the policy to which this rider is attached, and
  - F) the minimum required distributions are only for the current rider year. Amounts carried over from past rider years are not considered.

## **ARTICLE IV CONTINUED**

If any of the above are not true, then 2) is equal to zero and it is not available as a rider withdrawal amount.

If you withdraw less than the rider withdrawal amount in a rider year, the unused portion cannot be carried over to the next rider year.

### **WITHDRAWAL BASE**

The withdrawal base is used to calculate the rider withdrawal amount. On the rider date, the initial withdrawal base is equal to the policy value (less any premium enhancements if the rider is added in the first policy year). During any rider year, the withdrawal base is increased by subsequent premium payments (not including premium enhancements, if any), and is reduced for excess withdrawals.

On each rider anniversary, the withdrawal base will be set to the greatest of:

- 1) The current withdrawal base;
- 2) The policy value on the rider anniversary;
- 3) The highest policy value on a rider [monthiversary] for the current rider year; or
- 4) The current withdrawal base immediately prior to rider anniversary processing increased by the growth rate percentage.

Item 3) above will be zero if there have been any excess withdrawals in the current rider year. Item 4) above will be zero after the [10th] rider anniversary or if there have been any withdrawals in the current rider year.

### **AUTOMATIC STEP-UP FEATURE**

The rider receives an automatic step-up on the rider anniversary if the withdrawal base is set equal to the policy value or the highest policy value on a rider [monthiversary]. This feature does not require the termination of the existing rider. This rider will continue with the same rider date and features. The rider fee and withdrawal percentages may be changed due to an automatic step-up, but there will be no increase in the rider fee percentage during the first [five] rider years. Following the [fifth] rider anniversary, the rider fee percentage may be increased due to an automatic step-up, but will not increase more than [0.75%] from the initial rider fee percentage shown on page 1.

You have the right to reject an automatic step-up within [30] days following a rider anniversary, if the rider fee percentage increases. If you reject an automatic step-up, you must notify us in a manner which is acceptable to us, however you are eligible for future automatic step-ups. Changes as a result of the automatic step-up feature will be reversed. Any increase in the rider fee or withdrawal percentages will also be reversed.

### **WITHDRAWAL BASE ADJUSTMENTS**

Gross partial withdrawals, taken in a rider year, less than or equal to the rider withdrawal amount will not reduce the withdrawal base. Excess withdrawals will reduce the withdrawal base by the withdrawal base adjustment. The withdrawal base adjustment is the greater of 1) and 2), where:

- 1) is the excess withdrawal amount; and
- 2) is the result of (A multiplied by B), divided by C, where:
  - A) is the excess withdrawal;
  - B) is the withdrawal base prior to the excess withdrawal amount; and
  - C) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the withdrawal of the excess withdrawal amount.

**ARTICLE IV CONTINUED**

**INCOME ENHANCEMENT OPTION**

**THE INCOME ENHANCEMENT OPTION IS NOT LONG TERM CARE INSURANCE**

Definitions applicable to this option:

**Elimination Period** - [180] days within the last [365] days.

**Hospital** - An institution which 1) is operated pursuant to the laws of the jurisdiction in which it is located, 2) operates primarily for the care and treatment of sick and injured persons on an inpatient basis, 3) provides 24-hour nursing service by or under the supervision of registered graduate professional nurses, 4) is supervised by a staff of one or more licensed physicians, and 5) has medical, surgical and diagnostic facilities or access to such facilities.

**Medical Necessity** - Confinement prescribed by a physician based on the individual's inability to sustain themselves outside of a hospital or nursing facility due to physical or cognitive ailments.

**Nursing Facility** - A facility, or that part of a facility, which: 1) is licensed to operate pursuant to the laws and regulations of the state in which it is located as a nursing facility or an Alzheimer's disease facility; and 2) provides care prescribed by a physician and performed or supervised by a registered graduate nurse, in addition to room and board accommodations, 24-hour nursing services, 7 days a week by an on-site Registered Nurse and related services on a continuing inpatient basis; and 3) has a planned program of policies and procedures developed with the advice of, and periodically reviewed by, at least one Doctor; and 4) maintains a clinical record of each patient.

A nursing facility may be either a freestanding facility or a distinct part of a facility such as a ward, wing, unit, or swing bed of a hospital or other institution. If the facility complex to which an insured person is confined consists of wards, wings, floors, units, or swing-beds, the area of the facility in which such insured person is confined must be licensed as a nursing facility and the insured person's assigned bed must be included as a part of such license.

The term "nursing facility" does not include, for example: 1) a hospital (except as provided above); 2) a rehabilitation hospital, 3) a place which is primarily for treatment of mental or nervous disorders, drug addiction, or alcoholism; 4) a home for the aged; 5) a rest home, community living center, or a place that provides domestic, resident, retirement or educational care; 6) assisted living facilities; 7) personal care homes; 8) residential care facilities; 9) adult foster care facilities; 10) congregate care facilities; 11) family and group assisted living facilities; 12) personal care boarding homes; 13) domiciliary care homes; 14) basic care facilities; or 15) similar facilities.

**Physician** - A Doctor of Medicine or Doctor of Osteopathy who is licensed as such and operating within the scope of the license.

**Waiting Period** - [12] months from the rider date.

If the annuitant is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The income enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the annuitant is no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

<u>Attained Age at First Withdrawal</u>	<u>Income Enhancement Option Increase Percentage</u>
[59 +]	[100%]

## **ARTICLE IV CONTINUED**

As an example of the income enhancement option benefit, assume that the first withdrawal under the rider was taken at attained age 72 and the applicable withdrawal percentage is 5.0%. If the qualification conditions for this option are met at any later date, then the withdrawal percentage will be increased by the income enhancement option increase percentage applicable for attained age 72. The applicable attained age is based on the first withdrawal of any amount from the policy value under the rider itself, and is not based on any withdrawal under the income enhancement option, unless that withdrawal is also the first withdrawal of any policy value under the rider itself.

If the income enhancement option increase percentage for attained age 72 is 100%, then the income enhancement option benefit provides an additional 5.0% to the withdrawal percentage resulting in a total withdrawal percentage of 10.0% while the income enhancement option benefit continues to be available.

We will require confirmation of confinement while benefits are being received. Confirmation of confinement must be deemed satisfactory to us. Confirmation of confinement may be a statement from a physician or a hospital or nursing facility administrator and any other information deemed necessary by us to confirm confinement. When confinement has ceased, the withdrawal percentage will be as indicated in the guaranteed lifetime withdrawal benefit provision previously described in this Article. If confinement ceases and the rider remains active, you may re-qualify by satisfying the elimination period requirement and the benefits under this option will be available.

## **ARTICLE V**

### **CONTINUATION**

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is not the annuitant dies and the surviving spouse is the sole beneficiary, the surviving spouse may elect to continue the policy and rider. In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies, this rider will terminate.

In the case of non-spousal joint owners where an owner who is not the annuitant dies, the surviving owner (who is also the sole designated beneficiary) may elect to receive lifetime income payments under this rider instead of receiving any benefits applicable to the policy. The lifetime income payments must begin no later than 1 year after the owner's death and will be equal to the rider withdrawal amount divided by the number of payments made per year. Once the payments begin, no additional premium payments will be accepted and no additional withdrawals will be paid.

### **ANNUITIZATION**

On the maximum annuity commencement date, as described in your policy, you will have the option to receive lifetime income payments that are no less than your rider withdrawal amount each year. This option will also guarantee that the sum of all income payments received over time will equal or exceed the policy value on the maximum annuity commencement date. If the annuitant should die before the sum of all income payments received equals or exceeds the greater of the policy value or the rider death benefit on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

### **RIDER UPGRADE**

You may elect, in writing, to upgrade the withdrawal base to the policy value within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter, subject to the issue age restrictions on the new rider. If an upgrade is selected, this rider will terminate and a new rider with the same features will be issued with a new rider date. The new rider will have its own growth rate percentage and rider fee percentages which may not be the same as this rider's percentages.

At the time upgrade, the rider withdrawal amount will be recalculated based on the new withdrawal base.

The new rider date will be the date the Company receives all information necessary, at our Home Office, in a written form acceptable to the Company, to process the upgrade.

**ARTICLE V CONTINUED**

**TERMINATION**

This rider will terminate upon the earliest of:

- 1) the date the policy to which this rider is attached terminates;
- 2) the date the policy to which this rider is attached is assigned or if the owner is changed without our approval;
- 3) the date of the annuitant's death;
- 4) the date you elect to upgrade (as described in Article V of this rider);
- 5) the date you elect to receive annuity payments under your policy; and
- 6) the date you notify us in writing of your intention to terminate this rider (this date must be within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter).

Any amounts allocated to the open allocation method investment options will be moved back to your original and/or current allocations pro rata, when this rider terminates.

Termination of the rider will result in the loss of all benefits provided by the rider.

Signed for us at our home office.

  
SECRETARY

  
PRESIDENT

## APPENDIX

### The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal Base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value
- 3) Total policy value
- 4) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total transaction amount
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for fund transfers is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total policy value
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following two examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Initial Policy Value</u>	<u>Additional Premium Used in Example 2</u>
Group A	2.50%	\$50,000	\$5,000
Group B	2.40%	\$30,000	\$3,000
Group C	2.30%	\$20,000	\$2,000

**Example 1:** Calculation at rider issue for first quarter fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * [(50,000*0.0250) + (30,000*0.0240) + (20,000*0.0230)] / 100,000 * (91/365) \\ &= 100,000 * (1,250 + 720 + 460) / 100,000 * (91/365) \\ &= 100,000 * 2,430/100,000 * (91/365) \\ &= 2,430 * (91/365) \\ &= \$605.84 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter (invested as shown above). The withdrawal base change and total transaction amount equal \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (20/365) \\ &= 10,000 * (125 + 72 + 46) / 10,000 * (20/365) \\ &= 10,000 * 243/10,000 * (20/365) \\ &= 243 * (20/365) \\ &= \$13.32 \end{aligned}$$

Total fee assessed at end of first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.32 + 605.84 \\ &= \$619.16 \end{aligned}$$

The following three examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Policy Value</u>	<u>Partial Withdrawal Used in Example 4</u>	<u>Fund Transfer Used in Example 5</u>
Group A	2.50%	\$49,000	\$-5,000	\$-5,000
Group B	2.40%	\$29,000	\$-3,000	\$3,000
Group C	2.30%	\$19,000	\$-2,000	\$2,000

**Example 3:** Calculation for second quarter fee at beginning of second rider quarter, assuming withdrawal base of \$110,000 and policy value of \$97,000 invested as above.

$$\begin{aligned}
 &= 110,000 * [(49,000*0.0250) + (29,000*0.0240) + (19,000*0.0230)] / 97,000 * (91/365) \\
 &= 110,000 * (1,225 + 696 + 437) / 97,000 * (91/365) \\
 &= 110,000 * 2,358/97,000 * (91/365) \\
 &= 2,674.02 * (91/365) \\
 &= \$666.67
 \end{aligned}$$

**Example 4:** Calculation for second quarter fee assuming beginning values as in Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and change in withdrawal base as follows:

$$\begin{aligned}
 \text{Rider Withdrawal Amount (RWA)} &= \text{Withdrawal Base} * \text{Withdrawal Percentage} = 110,000 * .05 = \$5,500 \\
 \text{Excess Withdrawal} &= \text{Difference between assumed withdrawal amount and RWA} = 10,000 - 5,500 = \$4,500 \\
 \text{Withdrawal Base Adjustment} &= \text{Max (Excess Withdrawal, Excess Withdrawal * Withdrawal Base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal)} = \text{Max} [4,500, 4,500 * 110,000 / (97,000-5,500)] = \text{Max} (4,500, 5,409.84) = \$5,409.84
 \end{aligned}$$

Fee adjustment as follows:

$$\begin{aligned}
 &= -5,409.84 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (40/365) \\
 &= -5,409.84 * (125 + 72 + 46) / 10,000 * (40/365) \\
 &= -5,409.84 * 243/10,000 * (40/365) \\
 &= -131.46 * (40/365) \\
 &= \$-14.41
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 666.67 - 14.41 \\
 &= \$652.26
 \end{aligned}$$

The new Withdrawal Base = \$110,000 - \$5,409.84 = \$104,590.16

**Example 5:** Calculation for fund transfer occurring during second quarter with 25 days remaining in the rider quarter, assuming beginning values as in Example 3 and withdrawal adjustment as in Example 4 above.

Withdrawal Base = \$104,590.16 and assumed policy value of \$90,000. Fund transfer amount of \$5,000 as allocated in table above.

Fee adjustment as follows:

$$\begin{aligned}
 &= 104,590.16 * [(-5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 90,000 * (25/365) \\
 &= 104,590.16 * (-125 + 72 + 46) / 90,000 * (25/365) \\
 &= 104,590.16 * -7/90,000 * (25/365) \\
 &= -8.13 * (25/365) \\
 &= \$-0.56
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 652.26 - 0.56 \\
 &= \$651.70
 \end{aligned}$$

**The Open Allocation option quarterly fee is calculated as follows:**

Multiply (1) by (2) by (3) where:

- 1) Withdrawal Base
- 2) Fee percentage
- 3) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) by (3) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Fee percentage
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following progressive examples assume an annualized rider fee percentage of 2.50%. The assumed rider year is not a leap year.

**Example 1:** Calculation at rider issue for first quarter rider fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * 0.0250 * (91/365) \\ &= 2,500 * (91/365) \\ &= \$623.29 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter. The withdrawal base change equals \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * 0.0250 * (20/365) \\ &= 250 * (20/365) \\ &= \$13.70 \end{aligned}$$

Total fee assessed at the end of the first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.70 + 623.29 \\ &= \$636.99 \end{aligned}$$

**Example 3:** Calculation for second quarter rider fee at beginning of second rider quarter, assuming withdrawal base of \$110,000.

$$\begin{aligned} &= 110,000 * 0.0250 * (91/365) \\ &= 2,750 * (91/365) \\ &= \$685.62 \end{aligned}$$

**Example 4:** Calculation for second quarter fee from Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and pre-transaction withdrawal base of \$110,000. Change in withdrawal base calculated as follows:

Rider Withdrawal Amount (RWA) = Withdrawal base \* Withdrawal Percentage =  $110,000 * .05 = \$5,500$

Excess Withdrawal = Difference between assumed withdrawal amount and RWA =  $10,000 - 5,500 = \$4,500$

Withdrawal Base Adjustment = Max (Excess Withdrawal, Excess Withdrawal \* Withdrawal base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal) = Max [4,500,  $4,500 * 110,000 / (97,000 - 5,500)$ ] = Max (4,500, 5,409.84) = \$5,409.84

Fee adjustment as follows:

=  $-5,409.84 * 0.0250 * (40/365)$

=  $-135.25 * (40/365)$

= \$-14.82

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

=  $685.62 - 14.82$

= \$670.80

The new withdrawal base =  $\$110,000 - \$5,409.84 = \$104,590.16$



# TRANSAMERICA LIFE INSURANCE COMPANY

A Stock Company (Hereafter called the Company, we, our or us)

Home Office:  
4333 Edgewood Road N.E.  
Cedar Rapids, Iowa 52499  
(319)355-8511

## RETIREMENT INCOME CHOICE RIDER

This rider is issued as a part of the policy (contract) to which it is attached. Policy refers to the individual policy if the rider is attached to an individual annuity or the group certificate if the rider is attached to a group annuity.

All provisions of the policy that do not conflict with this rider apply to this rider. In the event of any conflict between the provisions of this rider and the provisions of the policy, the provisions of this rider shall prevail over the provisions of the policy.

### Rider Data Specification

Policy Number:	12345
Rider Date:	02/01/2009
Growth Rate Percentage:	5.00%
Open Allocation*:	Yes
Designated Allocation*:	No

\*These selections are as of the rider date.

If you selected or transfer to the Open Allocation option, the following rider fee percentage will apply: [1.40%]

If you selected or transfer to the Designated Allocation option, the following rider fee percentages will apply:

Designated Allocation Group A:	[1.55%]
Designated Allocation Group B:	[1.20%]
Designated Allocation Group C:	[0.70%]

Annuitant: [John Doe]

Annuitant's Issue Age/Sex: [35 / Male]

Annuitant's Spouse: [Jane Doe]

Annuitant's Spouse's Issue Age/Sex: [35 / Female]

### ARTICLE I

**You may cancel this rider on the close of business before midnight of the thirtieth calendar day after you received it and no rider fees will be assessed.**

There are two allocation options available under this rider, the Designated Allocation option and the Open Allocation option. These options are more fully described in Articles II and III below.

The annuitant's spouse as of the rider date is hereafter referred to as the annuitant's spouse. As it pertains to the benefits of this rider, the annuitant's spouse cannot be changed. The annuitant's spouse must be the sole primary beneficiary and/or a joint owner. The only living owners allowed on the policy to which this rider is attached are the annuitant and the annuitant's spouse.

## **ARTICLE I CONTINUED**

### **DEFINITIONS:**

Terms used that are not defined in this rider shall have the same meaning as those in your policy.

#### **Designated Investment Options**

Investment options authorized for use with this rider and identified by us as designated investment options.

#### **Excess Withdrawal**

The excess of a gross partial withdrawal over the rider withdrawal amount remaining prior to the withdrawal, if any.

#### **Gross Partial Withdrawal**

The amount by which will be deducted from your policy value as a result of each partial withdrawal.

#### **Open Allocation Method**

The method by which the Company uses specific subaccounts to provide rider guarantees.

#### **Rider Anniversary**

The anniversary of the rider date.

#### **Rider Fee**

The fees charged for the benefits under this rider. The fees will be charged on a rider quarterly basis by the Company.

#### **Rider Monthiversary**

The same day of the month as the rider date, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Quarter**

The last business day of each rider quarter, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Withdrawal Amount**

The maximum amount that can be withdrawn from the policy each rider year without causing an excess withdrawal under the terms of this rider and thus reducing the withdrawal base. This amount will change if the withdrawal base changes.

#### **Rider Year**

Each twelve-month period following the rider date.

#### **Valuation Period**

The period of time from one determination of the value of a subaccount to the next. Such determinations are made when the value of the assets and liabilities of each subaccount is calculated. This is generally the close of business on each day on which the New York Stock Exchange is open.

#### **Withdrawal Base**

The amount used to calculate the rider withdrawal amount and the rider fee. This amount cannot be taken as a lump sum.

## **ARTICLE II**

Transfers will be permitted between the Designated Allocation option and the Open Allocation option at any time.

### **DESIGNATED ALLOCATION OPTION**

When you select the Designated Allocation option, 100% of your policy value must be in one or more of the designated investment options.

You can generally transfer between the designated investment options as permitted under your policy; however, you cannot make transfers as provided for in the policy to a non-designated investment option while this allocation option is in force.

## **ARTICLE II CONTINUED**

### **OPEN ALLOCATION OPTION**

When you select the Open Allocation option, you may allocate to any investment options available under your policy and the open allocation method will be used.

Under the open allocation method, we compare your policy value to the rider guarantees once per valuation period. Based on the relationship of the rider guarantees to your policy value, we will determine how much of your policy value, if any, to transfer out of your investment options to one or more of the open allocation method investment options. Transfers into the open allocation method investment options will not exceed [20%] of your total policy value at the time of the transfer. We will continue to transfer policy value to and/or among the open allocation method investment options to the extent necessary to maintain the rider guarantees. Likewise, we will determine how much policy value to transfer out of the open allocation method investment options into your investment options. Investments in the open allocation method investment options will not exceed [30%] of your total policy value. Transfers into or out of your investment options will be pro rata.

You cannot allocate premiums or transfers to the open allocation method investment options.

Transfers pursuant to this Article will be subject to any provisions of the policy concerning transfers of policy value.

## **ARTICLE III**

### **RIDER FEES**

The rider fee is deducted on each rider quarter in arrears. The fee is calculated and stored at issue and at each subsequent rider quarter for the upcoming quarter. The rider fee percentage will not change during the first five rider years, and will only change thereafter due to an automatic step-up. Fees will also change if you select to transfer between the two allocation options. You will be notified of any increase in the rider fee percentage. A portion of this fee will also be deducted when the rider is terminated based on the number of days that have elapsed since the previous rider quarter.

You may choose between two allocation options; the Designated Allocation option or the Open Allocation option. The stored fee will be adjusted for new deposits and excess withdrawals made during the rider quarter for both asset allocation options. If the Designated Allocation option is selected, the stored fee will be adjusted for transfers among designated investment options within the rider quarter. If the Open Allocation option is selected, the fee will not be adjusted for transfers among investment options.

For the Designated Allocation option and the Open Allocation option, fees will be calculated and stored on the day the rider is issued and at the beginning of each rider quarter. They will be deducted automatically from each investment option on a pro rata basis at the end of each rider quarter. The annual fee percentages for each designated allocation group are shown on page 1, in the Rider Data Specification section.

The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4).

- 1) Withdrawal Base;
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value;
- 3) Total policy value;
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

The Open Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) by (3).

- 1) Withdrawal Base;
- 2) Rider Fee Percentage;
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

Please see the Appendix attached to this rider which illustrates how the rider fee is calculated.

## ARTICLE IV

### **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's or the annuitant's spouse's death, whichever is later.

The withdrawal percentage is determined by the attained age (age at last birthday) of the younger of the living spouses at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the younger of the living spouse's 59th birthday. Once the withdrawal percentage is established, it may only be changed by an upgrade or automatic step-up and redetermined at that time. Upon automatic step-up, the withdrawal percentage will be reset based on the attained age of the younger of the living spouses at the time of the automatic step-up. The withdrawal percentages are shown in the table below.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0 - 58	0.0%
59 - 69	3.5%
70 - 79	4.5%
80 +	5.5%

If the younger of the annuitant and the annuitant's spouse is not yet 59 on the rider date, the withdrawal percentage will be zero until the rider anniversary following the younger of the living spouse's 59th birthday. Withdrawals prior to age 59 1/2 will be subject to the 10% penalty tax.

Withdrawals will reduce the policy value of the policy to which this rider is attached. If the policy value equals zero, you cannot make subsequent premium payments and all other policy features, benefits and guarantees are no longer available. Also, if the policy value equals zero, you will need to request payments by selecting the amount and frequency in accordance with the policy provisions to which this rider attaches, equal to the rider withdrawal amount. Once the payment amount and frequency are established, they cannot be changed and no additional withdrawals will be allowed.

### **ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant or annuitant's spouse being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant and annuitant's spouse. Proof of survival and the issue ages may be required by the Company.

If the younger of the spouses' ages has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age. However, if this rider would not have been issued had the age not been misstated, the rider is treated as if it never existed, and any fees charged for this rider would be returned. If withdrawals under the provisions of the rider have already commenced and the misstatement caused the rider withdrawal amount to be overstated, any withdrawal in excess of the correct rider withdrawal amount will be considered an excess withdrawal and will impact the withdrawal base and rider withdrawal amount. If overpayments occurred when the sum of the accumulated values in all the investment options was zero, the amount of that overpayment will be deducted from one or more future payments until this amount is paid in full.

### **RIDER WITHDRAWAL AMOUNT**

The rider withdrawal amount will be equal to the greater of 1) and 2), where:

- 1) is the withdrawal percentage multiplied by the withdrawal base;
- 2) is an amount equal to the minimum required distribution amount, if any. Prior to the 1st rider anniversary, this amount is based on the initial policy value on the rider date. After this time, the minimum required distribution is calculated based on the rules established by the IRS. The minimum required distribution may only be used if all of the following are true:
  - A) the policy to which this rider is attached is a tax-qualified policy for which IRS minimum required distributions are required,
  - B) the minimum required distributions do not start prior to the annuitant's attained age 70 1/2,
  - C) the minimum required distributions are based on either the Uniform Lifetime table or the Joint Life and Last Survivor Expectancy table,

## **ARTICLE IV CONTINUED**

- D) the minimum required distributions are based on age of the living annuitant or the annuitant's spouse if the annuitant is deceased. The minimum required distributions can not be based on the age of someone who is deceased,
- E) the minimum required distributions are based only on the policy to which this rider is attached, and
- F) the minimum required distributions are only for the current rider year. Amounts carried over from past rider years are not considered.

If any of the above are not true, then 2) is equal to zero and it is not available as a rider withdrawal amount.

If you withdraw less than the rider withdrawal amount in a rider year, the unused portion cannot be carried over to the next rider year.

### **WITHDRAWAL BASE**

The withdrawal base is used to calculate the rider withdrawal amount. On the rider date, the initial withdrawal base is equal to the policy value (less any premium enhancements if the rider is added in the first policy year). During any rider year, the withdrawal base is increased by subsequent premium payments (not including premium enhancements, if any), and is reduced for excess withdrawals.

On each rider anniversary, the withdrawal base will be set to the greatest of:

- 1) The current withdrawal base;
- 2) The policy value on the rider anniversary;
- 3) The highest policy value on a rider [monthiversary] for the current rider year; or
- 4) The current withdrawal base immediately prior to rider anniversary processing increased by the growth rate percentage.

Item 3) above will be zero if there have been any excess withdrawals in the current rider year. Item 4) above will be zero after the [10th] rider anniversary or if there have been any withdrawals in the current rider year.

### **AUTOMATIC STEP-UP FEATURE**

The rider receives an automatic step-up on the rider anniversary if the withdrawal base is set equal to the policy value or the highest policy value on a rider [monthiversary]. This feature does not require the termination of the existing rider. This rider will continue with the same rider date and features. The rider fee and withdrawal percentages may be changed due to an automatic step-up, but there will be no increase in the rider fee percentage during the first [five] rider years. Following the [fifth] rider anniversary, the rider fee percentage may be increased due to an automatic step-up, but will not increase more than [0.75%] from the initial rider fee percentage shown on page 1.

You have the right to reject an automatic step-up within [30] days following a rider anniversary, if the rider fee percentage increases. If you reject an automatic step-up, you must notify us in a manner which is acceptable to us, however you are eligible for future automatic step-ups. Changes as a result of the automatic step-up feature will be reversed. Any increase in the rider fee or withdrawal percentages will also be reversed.

### **WITHDRAWAL BASE ADJUSTMENTS**

Gross partial withdrawals, taken in a rider year, less than or equal to the rider withdrawal amount will not reduce the withdrawal base. Excess withdrawals will reduce the withdrawal base by the withdrawal base adjustment. The withdrawal base adjustment is the greater of 1) and 2), where:

- 1) is the excess withdrawal amount; and
- 2) is the result of (A multiplied by B), divided by C, where:
  - A) is the excess withdrawal;
  - B) is the withdrawal base prior to the excess withdrawal amount; and
  - C) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the withdrawal of the excess withdrawal amount.

**ARTICLE IV CONTINUED**

**INCOME ENHANCEMENT OPTION**

**THE INCOME ENHANCEMENT OPTION IS NOT LONG TERM CARE INSURANCE**

Definitions applicable to this option:

**Elimination Period** - [180] days within the last [365] days.

**Hospital** - An institution which 1) is operated pursuant to the laws of the jurisdiction in which it is located, 2) operates primarily for the care and treatment of sick and injured persons on an inpatient basis, 3) provides 24-hour nursing service by or under the supervision of registered graduate professional nurses, 4) is supervised by a staff of one or more licensed physicians, and 5) has medical, surgical and diagnostic facilities or access to such facilities.

**Medical Necessity** - Confinement prescribed by a physician based on the individual's inability to sustain themselves outside of a hospital or nursing facility due to physical or cognitive ailments.

**Nursing Facility** - A facility, or that part of a facility, which: 1) is licensed to operate pursuant to the laws and regulations of the state in which it is located as a nursing facility or an Alzheimer's disease facility; and 2) provides care prescribed by a physician and performed or supervised by a registered graduate nurse, in addition to room and board accommodations, 24-hour nursing services, 7 days a week by an on-site Registered Nurse and related services on a continuing inpatient basis; and 3) has a planned program of policies and procedures developed with the advice of, and periodically reviewed by, at least one Doctor; and 4) maintains a clinical record of each patient.

A nursing facility may be either a freestanding facility or a distinct part of a facility such as a ward, wing, unit, or swing bed of a hospital or other institution. If the facility complex to which an insured person is confined consists of wards, wings, floors, units, or swing-beds, the area of the facility in which such insured person is confined must be licensed as a nursing facility and the insured person's assigned bed must be included as a part of such license.

The term "nursing facility" does not include, for example: 1) a hospital (except as provided above); 2) a rehabilitation hospital, 3) a place which is primarily for treatment of mental or nervous disorders, drug addiction, or alcoholism; 4) a home for the aged; 5) a rest home, community living center, or a place that provides domestic, resident, retirement or educational care; 6) assisted living facilities; 7) personal care homes; 8) residential care facilities; 9) adult foster care facilities; 10) congregate care facilities; 11) family and group assisted living facilities; 12) personal care boarding homes; 13) domiciliary care homes; 14) basic care facilities; or 15) similar facilities.

**Physician** - A Doctor of Medicine or Doctor of Osteopathy who is licensed as such and operating within the scope of the license.

**Waiting Period** - [12] months from the rider date.

If either the annuitant or the annuitant's spouse is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The income enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the qualifying person or persons are no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

Attained Age at  
First Withdrawal

[59+]

Income Enhancement Option  
Increase Percentage

[100%]

## **ARTICLE IV CONTINUED**

As an example of the income enhancement option benefit, assume that the first withdrawal under the rider was taken at attained age 72 and the applicable withdrawal percentage is 5.0%. If the qualification conditions for this option are met at any later date, then the withdrawal percentage will be increased by the income enhancement option increase percentage applicable for attained age 72. The applicable attained age is based on the first withdrawal of any amount from the policy value under the rider itself, and is not based on any withdrawal under the income enhancement option, unless that withdrawal is also the first withdrawal of any policy value under the rider itself.

If the income enhancement option increase percentage for attained age 72 is 100%, then the income enhancement option benefit provides an additional 5.0% to the withdrawal percentage resulting in a total withdrawal percentage of 10.0% while the income enhancement option benefit continues to be available.

We will require confirmation of confinement while benefits are being received. Confirmation of confinement must be deemed satisfactory to us. Confirmation of confinement may be a statement from a physician or a hospital or nursing facility administrator and any other information deemed necessary by us to confirm confinement. When confinement has ceased, the withdrawal percentage will be as indicated in the guaranteed lifetime withdrawal benefit provision previously described in this Article. If confinement ceases and the rider remains active, you may re-qualify by satisfying the elimination period requirement and the benefits under this option will be available.

## **ARTICLE V**

### **CONTINUATION**

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is not the annuitant dies and the surviving spouse is the sole beneficiary, the surviving spouse may elect to continue the policy and rider. In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies and the surviving spouse is the sole beneficiary, the rider continues until the death of the surviving spouse.

### **ANNUITIZATION**

On the maximum annuity commencement date, as described in your policy, you will have the option to receive lifetime income payments that are no less than your rider withdrawal amount each year. This option will also guarantee that the sum of all income payments received over time will equal or exceed the policy value on the maximum annuity commencement date. If the annuitant or annuitant's spouse should die before the sum of all income payments received equals or exceeds the greater of the policy value or the rider death benefit on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

### **RIDER UPGRADE**

You may elect, in writing, to upgrade the withdrawal base to the policy value within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter, subject to the issue age restrictions on the new rider. If an upgrade is selected, this rider will terminate and a new rider with the same features will be issued with a new rider date. The new rider will have its own growth rate percentage and rider fee percentage which may not be the same as this rider's percentages.

At the time of upgrade the rider withdrawal amount will be recalculated based on the new withdrawal base.

The new rider date will be the date the Company receives all information necessary, at our Home Office, in a written form acceptable to the Company, to process the upgrade.

**ARTICLE V CONTINUED**

**TERMINATION**

This rider will terminate upon the earliest of:

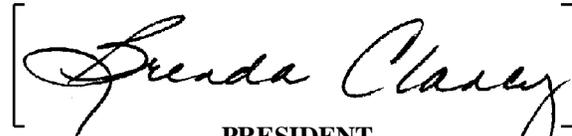
- 1) the date the policy to which this rider is attached terminates;
- 2) the date the policy to which this rider is attached is assigned or if the owner is changed without our approval;
- 3) the later of the annuitant's or annuitant's spouse's death;
- 4) the date you elect to upgrade (as described in Article V of this rider);
- 5) the date you elect to receive annuity payments under your policy; and
- 6) the date you notify us in writing of your intention to terminate this rider (this date must be within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter).

Any amounts allocated to the open allocation method investment options will be moved back to your original and/or current allocations pro rata, when this rider terminates.

Termination of the rider will result in the loss of all benefits provided by the rider.

Signed for us at our home office.

  
SECRETARY

  
PRESIDENT

## APPENDIX

### The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal Base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value
- 3) Total policy value
- 4) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total transaction amount
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for fund transfers is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total policy value
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following two examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Initial Policy Value</u>	<u>Additional Premium Used in Example 2</u>
Group A	2.50%	\$50,000	\$5,000
Group B	2.40%	\$30,000	\$3,000
Group C	2.30%	\$20,000	\$2,000

**Example 1:** Calculation at rider issue for first quarter fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * [(50,000*0.0250) + (30,000*0.0240) + (20,000*0.0230)] / 100,000 * (91/365) \\ &= 100,000 * (1,250 + 720 + 460) / 100,000 * (91/365) \\ &= 100,000 * 2,430/100,000 * (91/365) \\ &= 2,430 * (91/365) \\ &= \$605.84 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter (invested as shown above). The withdrawal base change and total transaction amount equal \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (20/365) \\ &= 10,000 * (125 + 72 + 46) / 10,000 * (20/365) \\ &= 10,000 * 243/10,000 * (20/365) \\ &= 243 * (20/365) \\ &= \$13.32 \end{aligned}$$

Total fee assessed at end of first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.32 + 605.84 \\ &= \$619.16 \end{aligned}$$

The following three examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Policy Value</u>	<u>Partial Withdrawal Used in Example 4</u>	<u>Fund Transfer Used in Example 5</u>
Group A	2.50%	\$49,000	\$-5,000	\$-5,000
Group B	2.40%	\$29,000	\$-3,000	\$3,000
Group C	2.30%	\$19,000	\$-2,000	\$2,000

**Example 3:** Calculation for second quarter fee at beginning of second rider quarter, assuming withdrawal base of \$110,000 and policy value of \$97,000 invested as above.

$$\begin{aligned}
 &= 110,000 * [(49,000*0.0250) + (29,000*0.0240) + (19,000*0.0230)] / 97,000 * (91/365) \\
 &= 110,000 * (1,225 + 696 + 437) / 97,000 * (91/365) \\
 &= 110,000 * 2,358/97,000 * (91/365) \\
 &= 2,674.02 * (91/365) \\
 &= \$666.67
 \end{aligned}$$

**Example 4:** Calculation for second quarter fee assuming beginning values as in Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and change in withdrawal base as follows:

$$\begin{aligned}
 \text{Rider Withdrawal Amount (RWA)} &= \text{Withdrawal Base} * \text{Withdrawal Percentage} = 110,000 * .05 = \$5,500 \\
 \text{Excess Withdrawal} &= \text{Difference between assumed withdrawal amount and RWA} = 10,000 - 5,500 = \$4,500 \\
 \text{Withdrawal Base Adjustment} &= \text{Max (Excess Withdrawal, Excess Withdrawal * Withdrawal Base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal)} = \text{Max} [4,500, 4,500 * 110,000 / (97,000-5,500)] = \text{Max} (4,500, 5,409.84) = \$5,409.84
 \end{aligned}$$

Fee adjustment as follows:

$$\begin{aligned}
 &= -5,409.84 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (40/365) \\
 &= -5,409.84 * (125 + 72 + 46) / 10,000 * (40/365) \\
 &= -5,409.84 * 243/10,000 * (40/365) \\
 &= -131.46 * (40/365) \\
 &= \$-14.41
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 666.67 - 14.41 \\
 &= \$652.26
 \end{aligned}$$

The new Withdrawal Base = \$110,000 - \$5,409.84 = \$104,590.16

**Example 5:** Calculation for fund transfer occurring during second quarter with 25 days remaining in the rider quarter, assuming beginning values as in Example 3 and withdrawal adjustment as in Example 4 above.

Withdrawal Base = \$104,590.16 and assumed policy value of \$90,000. Fund transfer amount of \$5,000 as allocated in table above.

Fee adjustment as follows:

$$\begin{aligned}
 &= 104,590.16 * [(-5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 90,000 * (25/365) \\
 &= 104,590.16 * (-125 + 72 + 46) / 90,000 * (25/365) \\
 &= 104,590.16 * -7/90,000 * (25/365) \\
 &= -8.13 * (25/365) \\
 &= \$-0.56
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 652.26 - 0.56 \\
 &= \$651.70
 \end{aligned}$$

**The Open Allocation option quarterly fee is calculated as follows:**

Multiply (1) by (2) by (3) where:

- 1) Withdrawal Base
- 2) Fee percentage
- 3) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) by (3) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Fee percentage
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following progressive examples assume an annualized rider fee percentage of 2.50%. The assumed rider year is not a leap year.

**Example 1:** Calculation at rider issue for first quarter rider fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * 0.0250 * (91/365) \\ &= 2,500 * (91/365) \\ &= \$623.29 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter. The withdrawal base change equals \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * 0.0250 * (20/365) \\ &= 250 * (20/365) \\ &= \$13.70 \end{aligned}$$

Total fee assessed at the end of the first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.70 + 623.29 \\ &= \$636.99 \end{aligned}$$

**Example 3:** Calculation for second quarter rider fee at beginning of second rider quarter, assuming withdrawal base of \$110,000.

$$\begin{aligned} &= 110,000 * 0.0250 * (91/365) \\ &= 2,750 * (91/365) \\ &= \$685.62 \end{aligned}$$

**Example 4:** Calculation for second quarter fee from Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and pre-transaction withdrawal base of \$110,000. Change in withdrawal base calculated as follows:

Rider Withdrawal Amount (RWA) = Withdrawal base \* Withdrawal Percentage = 110,000 \*.05 = \$5,500

Excess Withdrawal = Difference between assumed withdrawal amount and RWA = 10,000 - 5,500 = \$4,500

Withdrawal Base Adjustment = Max (Excess Withdrawal, Excess Withdrawal \* Withdrawal base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal) = Max [4,500, 4,500 \* 110,000 / (97,000-5,500)] = Max (4,500, 5,409.84) = \$5,409.84

Fee adjustment as follows:

= -5,409.84 \* 0.0250 \* (40/365)

= -135.25 \* (40/365)

= \$-14.82

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

= 685.62 - 14.82

= \$670.80

The new withdrawal base = \$110,000 - \$5,409.84 = \$104,590.16



**TRANSAMERICA LIFE  
INSURANCE COMPANY**

A Stock Company (Hereafter called the Company, we, our or us)

Home Office:  
4333 Edgewood Road N.E.  
Cedar Rapids, Iowa 52499  
(319)355-8511

**RETIREMENT INCOME CHOICE WITH DEATH BENEFIT RIDER**

This rider is issued as a part of the policy (contract) to which it is attached. Policy refers to the individual policy if the rider is attached to an individual annuity or the group certificate if the rider is attached to a group annuity.

All provisions of the policy that do not conflict with this rider apply to this rider. In the event of any conflict between the provisions of this rider and the provisions of the policy, the provisions of this rider shall prevail over the provisions of the policy.

**Rider Data Specification**

Policy Number:	12345
Rider Date:	02/01/2009
Growth Rate Percentage:	5.00%
Open Allocation*:	Yes
Designated Allocation*:	No

\*These selections are as of the rider date.

If you selected or transfer to the Open Allocation option, the following rider fee percentage will apply: [1.50%]

If you selected or transfer to the Designated Allocation option, the following rider fee percentages will apply:

Designated Allocation Group A:	[1.65%]
Designated Allocation Group B:	[1.30%]
Designated Allocation Group C:	[0.80%]

Annuitant: [John Doe]

Annuitant's Issue Age/Sex: [35 / Male]

**ARTICLE I**

**You may cancel this rider on the close of business before midnight of the thirtieth calendar day after you received it and no rider fees will be assessed.**

There are two allocation options available under this rider, the Designated Allocation option and the Open Allocation option. These options are more fully described in Articles II and III below.

## **ARTICLE I CONTINUED**

### **DEFINITIONS:**

Terms used that are not defined in this rider shall have the same meaning as those in your policy.

#### **Designated Investment Options**

Investment options authorized for use with this rider and identified by us as designated investment options.

#### **Excess Withdrawal**

The excess of a gross partial withdrawal over the rider withdrawal amount remaining prior to the withdrawal, if any.

#### **Gross Partial Withdrawal**

The amount by which will be deducted from your policy value as a result of each partial withdrawal.

#### **Open Allocation Method**

The method by which the Company uses specific subaccounts to provide rider guarantees.

#### **Rider Anniversary**

The anniversary of the rider date.

#### **Rider Fee**

The fees charged for the benefits under this rider. The fees will be charged on a rider quarterly basis by the Company.

#### **Rider Monthiversary**

The same day of the month as the rider date, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Quarter**

The last business day of each rider quarter, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Withdrawal Amount**

The maximum amount that can be withdrawn from the policy each rider year without causing an excess withdrawal under the terms of this rider and thus reducing the withdrawal base. This amount will change if the withdrawal base changes.

#### **Rider Year**

Each twelve-month period following the rider date.

#### **Valuation Period**

The period of time from one determination of the value of a subaccount to the next. Such determinations are made when the value of the assets and liabilities of each subaccount is calculated. This is generally the close of business on each day on which the New York Stock Exchange is open.

#### **Withdrawal Base**

The amount used to calculate the rider withdrawal amount and the rider fee. This amount cannot be taken as a lump sum.

## **ARTICLE II**

Transfers will be permitted between the Designated Allocation option and the Open Allocation option at any time.

### **DESIGNATED ALLOCATION OPTION**

When you select the Designated Allocation option, 100% of your policy value must be in one or more of the designated investment options.

You can generally transfer between the designated investment options as permitted under your policy; however, you cannot make transfers as provided for in the policy to a non-designated investment option while this allocation option is in force.

## **ARTICLE II CONTINUED**

### **OPEN ALLOCATION OPTION**

When you select the Open Allocation option, you may allocate to any investment options available under your policy and the open allocation method will be used.

Under the open allocation method, we compare your policy value to the rider guarantees once per valuation period. Based on the relationship of the rider guarantees to your policy value, we will determine how much of your policy value, if any, to transfer out of your investment options to one or more of the open allocation method investment options. Transfers into the open allocation method investment options will not exceed [20%] of your total policy value at the time of the transfer. We will continue to transfer policy value to and/or among the open allocation method investment options to the extent necessary to maintain the rider guarantees. Likewise, we will determine how much policy value to transfer out of the open allocation method investment options into your investment options. Investments in the open allocation method investment options will not exceed [30%] of your total policy value. Transfers into or out of your investment options will be pro rata.

You cannot allocate premiums or transfers to the open allocation method investment options.

Transfers pursuant to this Article will be subject to any provisions of the policy concerning transfers of policy value.

## **ARTICLE III**

### **RIDER FEES**

The rider fee is deducted on each rider quarter in arrears. The fee is calculated and stored at issue and at each subsequent rider quarter for the upcoming quarter. The rider fee percentage will not change during the first five rider years, and will only change thereafter due to an automatic step-up. Fees will also change if you select to transfer between the two allocation options. You will be notified of any increase in the rider fee percentage. A portion of this fee will also be deducted when the rider is terminated based on the number of days that have elapsed since the previous rider quarter.

You may choose between two allocation options; the Designated Allocation option or the Open Allocation option. The stored fee will be adjusted for new deposits and excess withdrawals made during the rider quarter for both asset allocation options. If the Designated Allocation option is selected, the stored fee will be adjusted for transfers among designated investment options within the rider quarter. If the Open Allocation option is selected, the fee will not be adjusted for transfers among investment options.

For the Designated Allocation option and the Open Allocation option, fees will be calculated and stored on the day the rider is issued and at the beginning of each rider quarter. They will be deducted automatically from each investment option on a pro rata basis at the end of each rider quarter. The annual fee percentages for each designated allocation group are shown on page 1, in the Rider Data Specification section.

The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4).

- 1) Withdrawal Base;
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value;
- 3) Total policy value;
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

The Open Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) by (3).

- 1) Withdrawal Base;
- 2) Rider Fee Percentage;
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

Please see the Appendix attached to this rider which illustrates how the rider fee is calculated.

## **ARTICLE IV**

### **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's death.

The withdrawal percentage is determined by the attained age (age at last birthday) of the annuitant at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the annuitant's [59th] birthday. Once the withdrawal percentage is established, it may only be changed by an upgrade or automatic step-up and redetermined at that time. Upon automatic step-up, the withdrawal percentage will be reset based on the attained age at the time of the automatic step-up. The withdrawal percentages are shown in the table below.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0 - 58	0.0%
59 - 69	4.0%
70 - 79	5.0%
80 +	6.0%

If the annuitant is not yet [59] on the rider date, the withdrawal percentage will be zero until the rider anniversary following the annuitant's [59th] birthday. Withdrawals prior to age 59 1/2 will be subject to the 10% penalty tax.

Withdrawals will reduce the policy value of the policy to which this rider is attached. If the policy value equals zero, you cannot make subsequent premium payments and all other policy features, benefits and guarantees are no longer available. Also, if the policy value equals zero, you will need to request payments by selecting the amount and frequency in accordance with the policy provisions to which this rider attaches, equal to the rider withdrawal amount. Once the payment amount and frequency are established, they cannot be changed and no additional withdrawals will be allowed.

### **ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant. Proof of survival and the issue ages may be required by the Company.

If the annuitant's age has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age. However, if this rider would not have been issued had the age not been misstated, the rider is treated as if it never existed, and any fees charged for this rider would be returned. If withdrawals under the provisions of the rider have already commenced and the misstatement caused the rider withdrawal amount to be overstated, any withdrawal in excess of the correct rider withdrawal amount will be considered an excess withdrawal and will impact the withdrawal base and rider withdrawal amount. If overpayments occurred when the sum of the accumulated values in all the investment options was zero, the amount of that overpayment will be deducted from one or more future payments until this amount is paid in full.

### **RIDER WITHDRAWAL AMOUNT**

The rider withdrawal amount will be equal to the greater of 1) and 2), where:

- 1) is the withdrawal percentage multiplied by the withdrawal base;
- 2) is an amount equal to the minimum required distribution amount, if any. Prior to the 1st rider anniversary, this amount is based on the initial policy value on the rider date. After this time, the minimum required distribution is calculated based on the rules established by the IRS. The minimum required distribution may only be used if all of the following are true:
  - A) the policy to which this rider is attached is a tax-qualified policy for which IRS minimum required distributions are required,
  - B) the minimum required distributions do not start prior to the annuitant's attained age 70 1/2,
  - C) the minimum required distributions are based on either the Uniform Lifetime table or the Joint Life and Last Survivor Expectancy table,
  - D) the minimum required distributions are based on age of the living annuitant. The minimum required distributions can not be based on the age of someone who is deceased,
  - E) the minimum required distributions are based only on the policy to which this rider is attached, and
  - F) the minimum required distributions are only for the current rider year. Amounts carried over from past rider years are not considered.

## **ARTICLE IV CONTINUED**

If any of the above are not true, then 2) is equal to zero and it is not available as a rider withdrawal amount.

If you withdraw less than the rider withdrawal amount in a rider year, the unused portion cannot be carried over to the next rider year.

### **WITHDRAWAL BASE**

The withdrawal base is used to calculate the rider withdrawal amount. On the rider date, the initial withdrawal base is equal to the policy value (less any premium enhancements if the rider is added in the first policy year). During any rider year, the withdrawal base is increased by subsequent premium payments (not including premium enhancements, if any), and is reduced for excess withdrawals.

On each rider anniversary, the withdrawal base will be set to the greatest of:

- 1) The current withdrawal base;
- 2) The policy value on the rider anniversary;
- 3) The highest policy value on a rider [monthiversary] for the current rider year; or
- 4) The current withdrawal base immediately prior to rider anniversary processing increased by the growth rate percentage.

Item 3) above will be zero if there have been any excess withdrawals in the current rider year. Item 4) above will be zero after the [10th] rider anniversary or if there have been any withdrawals in the current rider year.

### **AUTOMATIC STEP-UP FEATURE**

The rider receives an automatic step-up on the rider anniversary if the withdrawal base is set equal to the policy value or the highest policy value on a rider [monthiversary]. This feature does not require the termination of the existing rider. This rider will continue with the same rider date and features. The rider fee and withdrawal percentages may be changed due to an automatic step-up, but there will be no increase in the rider fee percentage during the first [five] rider years. Following the [fifth] rider anniversary, the rider fee percentage may be increased due to an automatic step-up, but will not increase more than [0.75%] from the initial rider fee percentage shown on page 1.

You have the right to reject an automatic step-up within [30] days following a rider anniversary, if the rider fee percentage increases. If you reject an automatic step-up, you must notify us in a manner which is acceptable to us, however you are eligible for future automatic step-ups. Changes as a result of the automatic step-up feature will be reversed. Any increase in the rider fee or withdrawal percentages will also be reversed.

### **WITHDRAWAL BASE ADJUSTMENTS**

Gross partial withdrawals, taken in a rider year, less than or equal to the rider withdrawal amount will not reduce the withdrawal base. Excess withdrawals will reduce the withdrawal base by the withdrawal base adjustment. The withdrawal base adjustment is the greater of 1) and 2), where:

- 1) is the excess withdrawal amount; and
- 2) is the result of (A multiplied by B), divided by C, where:
  - A) is the excess withdrawal;
  - B) is the withdrawal base prior to the excess withdrawal amount; and
  - C) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the withdrawal of the excess withdrawal amount.

## **ARTICLE IV CONTINUED**

### **RIDER DEATH BENEFIT**

Upon the annuitant's death, we will pay an additional death benefit amount equal to the excess, if any, of the rider death benefit over the greater of the base policy death benefit or the guaranteed minimum death benefit, if applicable, and this rider will then terminate. The rider death benefit on the rider date is equal to the policy value (less any premium enhancements, if the rider is added in the first policy year). The rider death benefit after the rider date is equal to the rider death benefit on the rider date plus any premiums (not including premium enhancements, if any) added after the rider date less any rider death benefit adjustments.

The rider death benefit does not reset due to the automatic step-up.

### **RIDER DEATH BENEFIT ADJUSTMENTS**

Cumulative gross partial withdrawals, taken in a rider year, up to the rider withdrawal amount will reduce the rider death benefit by the same amount (dollar for dollar). Excess withdrawals will reduce the rider death benefit by the greater of:

- 1) the excess withdrawal amount; and
- 2) the result of (A divided by B), multiplied by C, where:
  - A) is the excess withdrawal;
  - B) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal; and
  - C) is the rider death benefit after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal.

### **INCOME ENHANCEMENT OPTION**

#### **THE INCOME ENHANCEMENT OPTION IS NOT LONG TERM CARE INSURANCE**

Definitions applicable to this option:

**Elimination Period** - [80] days within the last [365] days.

**Hospital** - An institution which 1) is operated pursuant to the laws of the jurisdiction in which it is located, 2) operates primarily for the care and treatment of sick and injured persons on an inpatient basis, 3) provides 24-hour nursing service by or under the supervision of registered graduate professional nurses, 4) is supervised by a staff of one or more licensed physicians, and 5) has medical, surgical and diagnostic facilities or access to such facilities.

**Medical Necessity** - Confinement prescribed by a physician based on the individual's inability to sustain themselves outside of a hospital or nursing facility due to physical or cognitive ailments.

**Nursing Facility** - A facility, or that part of a facility, which: 1) is licensed to operate pursuant to the laws and regulations of the state in which it is located as a nursing facility or an Alzheimer's disease facility; and 2) provides care prescribed by a physician and performed or supervised by a registered graduate nurse, in addition to room and board accommodations, 24-hour nursing services, 7 days a week by an on-site Registered Nurse and related services on a continuing inpatient basis; and 3) has a planned program of policies and procedures developed with the advice of, and periodically reviewed by, at least one Doctor; and 4) maintains a clinical record of each patient.

A nursing facility may be either a freestanding facility or a distinct part of a facility such as a ward, wing, unit, or swing bed of a hospital or other institution. If the facility complex to which an insured person is confined consists of wards, wings, floors, units, or swing-beds, the area of the facility in which such insured person is confined must be licensed as a nursing facility and the insured person's assigned bed must be included as a part of such license.

The term "nursing facility" does not include, for example: 1) a hospital (except as provided above); 2) a rehabilitation hospital, 3) a place which is primarily for treatment of mental or nervous disorders, drug addiction, or alcoholism; 4) a home for the aged; 5) a rest home, community living center, or a place that provides domestic, resident, retirement or educational care; 6) assisted living facilities; 7) personal care homes; 8) residential care facilities; 9) adult foster care facilities; 10) congregate care facilities; 11) family and group assisted living facilities; 12) personal care boarding homes; 13) domiciliary care homes; 14) basic care facilities; or 15) similar facilities.

**ARTICLE IV CONTINUED**

**Physician** - A Doctor of Medicine or Doctor of Osteopathy who is licensed as such and operating within the scope of the license.

**Waiting Period** ~~[12]~~ months from the rider date.

If the annuitant is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The income enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the annuitant is no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

<u>Attained Age at First Withdrawal</u>	<u>Income Enhancement Option Increase Percentage</u>
[ 59 + ]	[100%]

As an example of the income enhancement option benefit, assume that the first withdrawal under the rider was taken at attained age 72 and the applicable withdrawal percentage is 5.0%. If the qualification conditions for this option are met at any later date, then the withdrawal percentage will be increased by the income enhancement option increase percentage applicable for attained age 72. The applicable attained age is based on the first withdrawal of any amount from the policy value under the rider itself, and is not based on any withdrawal under the income enhancement option, unless that withdrawal is also the first withdrawal of any policy value under the rider itself.

If the income enhancement option increase percentage for attained age 72 is 100%, then the income enhancement option benefit provides an additional 5.0% to the withdrawal percentage resulting in a total withdrawal percentage of 10.0% while the income enhancement option benefit continues to be available.

We will require confirmation of confinement while benefits are being received. Confirmation of confinement must be deemed satisfactory to us. Confirmation of confinement may be a statement from a physician or a hospital or nursing facility administrator and any other information deemed necessary by us to confirm confinement. When confinement has ceased, the withdrawal percentage will be as indicated in the guaranteed lifetime withdrawal benefit provision previously described in this Article. If confinement ceases and the rider remains active, you may re-qualify by satisfying the elimination period requirement and the benefits under this option will be available.

**ARTICLE V**

**CONTINUATION**

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is not the annuitant dies and the surviving spouse is the sole beneficiary, the surviving spouse may elect to continue the policy and rider. In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies, this rider will terminate. No additional death benefit will be paid under this rider at this time.

In the case of non-spousal joint owners where an owner who is not the annuitant dies, the surviving owner (who is also the sole designated beneficiary) may elect to receive lifetime income payments under this rider instead of receiving any benefits applicable to the policy. The lifetime income payments must begin no later than 1 year after the owner's death and will be equal to the rider withdrawal amount divided by the number of payments made per year. Once the payments begin, no additional premium payments will be accepted and no additional withdrawals will be paid. If these payments are elected but the annuitant dies before the rider death benefit equals zero, the annuitant's beneficiary will receive a death benefit equal to the rider death benefit.

**ANNUITIZATION**

On the maximum annuity commencement date, as described in your policy, you will have the option to receive lifetime income payments that are no less than your rider withdrawal amount each year. This option will also guarantee that the sum of all income payments received over time will equal or exceed the greater of the policy value or the rider death benefit on the maximum annuity commencement date. If the annuitant should die before the sum of all income payments received equals or exceeds the greater of the policy value or the rider death benefit on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

**ARTICLE V CONTINUED**

**RIDER UPGRADE**

You may elect, in writing, to upgrade the withdrawal base to the policy value within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter, subject to the issue age restrictions on the new rider. If an upgrade is selected, this rider will terminate and a new rider with the same features will be issued with a new rider date. The new rider will have its own growth rate percentage and rider fee percentage which may not be the same as this rider's percentages.

At the time of upgrade, the rider death benefit will also be upgraded to the policy value and the rider withdrawal amount will be recalculated based on the new withdrawal base.

The new rider date will be the date the Company receives all information necessary, at our Home Office, in a written form acceptable to the Company, to process the upgrade.

**TERMINATION**

This rider will terminate upon the earliest of:

- 1) the date the policy to which this rider is attached terminates;
- 2) the date the policy to which this rider is attached is assigned or if the owner is changed without our approval;
- 3) the date of the annuitant's death;
- 4) the date you elect to upgrade (as described in Article V of this rider);
- 5) the date you elect to receive annuity payments under your policy; and
- 6) the date you notify us in writing of your intention to terminate this rider (this date must be within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter).

Any amounts allocated to the open allocation method investment options will be moved back to your original and/or current allocations pro rata, when this rider terminates.

Termination of the rider will result in the loss of all benefits provided by the rider.

Signed for us at our home office.

[  
SECRETARY

[  
PRESIDENT

## APPENDIX

### The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal Base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value
- 3) Total policy value
- 4) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total transaction amount
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for fund transfers is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total policy value
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following two examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Initial Policy Value</u>	<u>Additional Premium Used in Example 2</u>
Group A	2.50%	\$50,000	\$5,000
Group B	2.40%	\$30,000	\$3,000
Group C	2.30%	\$20,000	\$2,000

**Example 1:** Calculation at rider issue for first quarter fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * [(50,000*0.0250) + (30,000*0.0240) + (20,000*0.0230)] / 100,000 * (91/365) \\ &= 100,000 * (1,250 + 720 + 460) / 100,000 * (91/365) \\ &= 100,000 * 2,430/100,000 * (91/365) \\ &= 2,430 * (91/365) \\ &= \$605.84 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter (invested as shown above). The withdrawal base change and total transaction amount equal \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (20/365) \\ &= 10,000 * (125 + 72 + 46) / 10,000 * (20/365) \\ &= 10,000 * 243/10,000 * (20/365) \\ &= 243 * (20/365) \\ &= \$13.32 \end{aligned}$$

Total fee assessed at end of first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.32 + 605.84 \\ &= \$619.16 \end{aligned}$$

The following three examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Policy Value</u>	<u>Partial Withdrawal Used in Example 4</u>	<u>Fund Transfer Used in Example 5</u>
Group A	2.50%	\$49,000	\$-5,000	\$-5,000
Group B	2.40%	\$29,000	\$-3,000	\$3,000
Group C	2.30%	\$19,000	\$-2,000	\$2,000

**Example 3:** Calculation for second quarter fee at beginning of second rider quarter, assuming withdrawal base of \$110,000 and policy value of \$97,000 invested as above.

$$\begin{aligned}
 &= 110,000 * [(49,000*0.0250) + (29,000*0.0240) + (19,000*0.0230)] / 97,000 * (91/365) \\
 &= 110,000 * (1,225 + 696 + 437) / 97,000 * (91/365) \\
 &= 110,000 * 2,358/97,000 * (91/365) \\
 &= 2,674.02 * (91/365) \\
 &= \$666.67
 \end{aligned}$$

**Example 4:** Calculation for second quarter fee assuming beginning values as in Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and change in withdrawal base as follows:

$$\begin{aligned}
 \text{Rider Withdrawal Amount (RWA)} &= \text{Withdrawal Base} * \text{Withdrawal Percentage} = 110,000 * .05 = \$5,500 \\
 \text{Excess Withdrawal} &= \text{Difference between assumed withdrawal amount and RWA} = 10,000 - 5,500 = \$4,500 \\
 \text{Withdrawal Base Adjustment} &= \text{Max (Excess Withdrawal, Excess Withdrawal * Withdrawal Base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal)} = \text{Max [4,500, 4,500 * 110,000 / (97,000-5,500)]} = \text{Max (4,500, 5,409.84)} = \$5,409.84
 \end{aligned}$$

Fee adjustment as follows:

$$\begin{aligned}
 &= -5,409.84 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (40/365) \\
 &= -5,409.84 * (125 + 72 + 46) / 10,000 * (40/365) \\
 &= -5,409.84 * 243/10,000 * (40/365) \\
 &= -131.46 * (40/365) \\
 &= \$-14.41
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 666.67 - 14.41 \\
 &= \$652.26
 \end{aligned}$$

The new Withdrawal Base = \$110,000 - \$5,409.84 = \$104,590.16

**Example 5:** Calculation for fund transfer occurring during second quarter with 25 days remaining in the rider quarter, assuming beginning values as in Example 3 and withdrawal adjustment as in Example 4 above.

Withdrawal Base = \$104,590.16 and assumed policy value of \$90,000. Fund transfer amount of \$5,000 as allocated in table above.

Fee adjustment as follows:

$$\begin{aligned}
 &= 104,590.16 * [(-5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 90,000 * (25/365) \\
 &= 104,590.16 * (-125 + 72 + 46) / 90,000 * (25/365) \\
 &= 104,590.16 * -7/90,000 * (25/365) \\
 &= -8.13 * (25/365) \\
 &= \$-0.56
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 652.26 - 0.56 \\
 &= \$651.70
 \end{aligned}$$

**The Open Allocation option quarterly fee is calculated as follows:**

Multiply (1) by (2) by (3) where:

- 1) Withdrawal Base
- 2) Fee percentage
- 3) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) by (3) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Fee percentage
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following progressive examples assume an annualized rider fee percentage of 2.50%. The assumed rider year is not a leap year.

**Example 1:** Calculation at rider issue for first quarter rider fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * 0.0250 * (91/365) \\ &= 2,500 * (91/365) \\ &= \$623.29 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter. The withdrawal base change equals \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * 0.0250 * (20/365) \\ &= 250 * (20/365) \\ &= \$13.70 \end{aligned}$$

Total fee assessed at the end of the first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.70 + 623.29 \\ &= \$636.99 \end{aligned}$$

**Example 3:** Calculation for second quarter rider fee at beginning of second rider quarter, assuming withdrawal base of \$110,000.

$$\begin{aligned} &= 110,000 * 0.0250 * (91/365) \\ &= 2,750 * (91/365) \\ &= \$685.62 \end{aligned}$$

**Example 4:** Calculation for second quarter fee from Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and pre-transaction withdrawal base of \$110,000. Change in withdrawal base calculated as follows:

Rider Withdrawal Amount (RWA) = Withdrawal base \* Withdrawal Percentage = 110,000 \*.05 = \$5,500

Excess Withdrawal = Difference between assumed withdrawal amount and RWA = 10,000 - 5,500 = \$4,500

Withdrawal Base Adjustment = Max (Excess Withdrawal, Excess Withdrawal \* Withdrawal base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal) = Max [4,500, 4,500 \* 110,000 / (97,000-5,500)] = Max (4,500, 5,409.84) = \$5,409.84

Fee adjustment as follows:

$$= -5,409.84 * 0.0250 * (40/365)$$

$$= -135.25 * (40/365)$$

$$= \$-14.82$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$= 685.62 - 14.82$$

$$= \$670.80$$

The new withdrawal base = \$110,000 - \$5,409.84 = \$104,590.16



# TRANSAMERICA LIFE INSURANCE COMPANY

A Stock Company (Hereafter called the Company, we, our or us)

Home Office:  
4333 Edgewood Road N.E.  
Cedar Rapids, Iowa 52499  
(319)355-8511

## RETIREMENT INCOME CHOICE WITH DEATH BENEFIT RIDER

This rider is issued as a part of the policy (contract) to which it is attached. Policy refers to the individual policy if the rider is attached to an individual annuity or the group certificate if the rider is attached to a group annuity.

All provisions of the policy that do not conflict with this rider apply to this rider. In the event of any conflict between the provisions of this rider and the provisions of the policy, the provisions of this rider shall prevail over the provisions of the policy.

### Rider Data Specification

Policy Number:	12345
Rider Date:	02/01/2009
Growth Rate Percentage:	5.00%
Open Allocation*:	Yes
Designated Allocation*:	No

\*These selections are as of the rider date.

If you selected or transfer to the Open Allocation option, the following rider fee percentage will apply: [1.60%]

If you selected or transfer to the Designated Allocation option, the following rider fee percentages will apply:

Designated Allocation Group A:	[1.75%]
Designated Allocation Group B:	[1.40%]
Designated Allocation Group C:	[0.90%]

Annuitant: [John Doe]

Annuitant's Issue Age/Sex: [35 / Male]

Annuitant's Spouse: [Jane Doe]

Annuitant's Spouse's Issue Age/Sex: [35 / Female]

### ARTICLE I

**You may cancel this rider on the close of business before midnight of the thirtieth calendar day after you received it and no rider fees will be assessed.**

There are two allocation options available under this rider, the Designated Allocation option and the Open Allocation option. These options are more fully described in Articles II and III below.

The annuitant's spouse as of the rider date is hereafter referred to as the annuitant's spouse. As it pertains to the benefits of this rider, the annuitant's spouse cannot be changed. The annuitant's spouse must be the sole primary beneficiary and/or a joint owner. The only living owners allowed on the policy to which this rider is attached are the annuitant and the annuitant's spouse.

## **ARTICLE I CONTINUED**

### **DEFINITIONS:**

Terms used that are not defined in this rider shall have the same meaning as those in your policy.

#### **Designated Investment Options**

Investment options authorized for use with this rider and identified by us as designated investment options.

#### **Excess Withdrawal**

The excess of a gross partial withdrawal over the rider withdrawal amount remaining prior to the withdrawal, if any.

#### **Gross Partial Withdrawal**

The amount by which will be deducted from your policy value as a result of each partial withdrawal.

#### **Open Allocation Method**

The method by which the Company uses specific subaccounts to provide rider guarantees.

#### **Rider Anniversary**

The anniversary of the rider date.

#### **Rider Fee**

The fees charged for the benefits under this rider. The fees will be charged on a rider quarterly basis by the Company.

#### **Rider Monthiversary**

The same day of the month as the rider date, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Quarter**

The last business day of each rider quarter, or the next business day if our Administrative Office or the New York Stock Exchange are closed.

#### **Rider Withdrawal Amount**

The maximum amount that can be withdrawn from the policy each rider year without causing an excess withdrawal under the terms of this rider and thus reducing the withdrawal base. This amount will change if the withdrawal base changes.

#### **Rider Year**

Each twelve-month period following the rider date.

#### **Valuation Period**

The period of time from one determination of the value of a subaccount to the next. Such determinations are made when the value of the assets and liabilities of each subaccount is calculated. This is generally the close of business on each day on which the New York Stock Exchange is open.

#### **Withdrawal Base**

The amount used to calculate the rider withdrawal amount and the rider fee. This amount cannot be taken as a lump sum.

## **ARTICLE II**

Transfers will be permitted between the Designated Allocation option and the Open Allocation option at any time.

### **DESIGNATED ALLOCATION OPTION**

When you select the Designated Allocation option, 100% of your policy value must be in one or more of the designated investment options.

You can generally transfer between the designated investment options as permitted under your policy; however, you cannot make transfers as provided for in the policy to a non-designated investment option while this allocation option is in force.

## **ARTICLE II CONTINUED**

### **OPEN ALLOCATION OPTION**

When you select the Open Allocation option, you may allocate to any investment options available under your policy and the open allocation method will be used.

Under the open allocation method, we compare your policy value to the rider guarantees once per valuation period. Based on the relationship of the rider guarantees to your policy value, we will determine how much of your policy value, if any, to transfer out of your investment options to one or more of the open allocation method investment options. Transfers into the open allocation method investment options will not exceed [20%] of your total policy value at the time of the transfer. We will continue to transfer policy value to and/or among the open allocation method investment options to the extent necessary to maintain the rider guarantees. Likewise, we will determine how much policy value to transfer out of the open allocation method investment options into your investment options. Investments in the open allocation method investment options will not exceed [30%] of your total policy value. Transfers into or out of your investment options will be pro rata.

You cannot allocate premiums or transfers to the open allocation method investment options.

Transfers pursuant to this Article will be subject to any provisions of the policy concerning transfers of policy value.

## **ARTICLE III**

### **RIDER FEES**

The rider fee is deducted on each rider quarter in arrears. The fee is calculated and stored at issue and at each subsequent rider quarter for the upcoming quarter. The rider fee percentage will not change during the first five rider years, and will only change thereafter due to an automatic step-up. Fees will also change if you select to transfer between the two allocation options. You will be notified of any increase in the rider fee percentage. A portion of this fee will also be deducted when the rider is terminated based on the number of days that have elapsed since the previous rider quarter.

You may choose between two allocation options; the Designated Allocation option or the Open Allocation option. The stored fee will be adjusted for new deposits and excess withdrawals made during the rider quarter for both asset allocation options. If the Designated Allocation option is selected, the stored fee will be adjusted for transfers among designated investment options within the rider quarter. If the Open Allocation option is selected, the fee will not be adjusted for transfers among investment options.

For the Designated Allocation option and the Open Allocation option, fees will be calculated and stored on the day the rider is issued and at the beginning of each rider quarter. They will be deducted automatically from each investment option on a pro rata basis at the end of each rider quarter. The annual fee percentages for each designated allocation group are shown on page 1, in the Rider Data Specification section.

The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4).

- 1) Withdrawal Base;
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value;
- 3) Total policy value;
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

The Open Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) by (3).

- 1) Withdrawal Base;
- 2) Rider Fee Percentage;
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year.

Please see the Appendix attached to this rider which illustrates how the rider fee is calculated.

## ARTICLE IV

### **GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's or the annuitant's spouse's death, whichever is later.

The withdrawal percentage is determined by the attained age (age at last birthday) of the younger of the living spouses at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the younger of the living spouse's 59th birthday. Once the withdrawal percentage is established, it may only be changed by an upgrade or automatic step-up and redetermined at that time. Upon automatic step-up, the withdrawal percentage will be reset based on the attained age of the younger of the living spouses at the time of the automatic step-up. The withdrawal percentages are shown in the table below.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0 - 58	0.0%
59 - 69	3.5%
70 - 79	4.5%
80 +	5.5%

If the younger of the annuitant and the annuitant's spouse is not yet 59 on the rider date, the withdrawal percentage will be zero until the rider anniversary following the younger of the living spouse's 59th birthday. Withdrawals prior to age 59 1/2 will be subject to the 10% penalty tax.

Withdrawals will reduce the policy value of the policy to which this rider is attached. If the policy value equals zero, you cannot make subsequent premium payments and all other policy features, benefits and guarantees are no longer available. Also, if the policy value equals zero, you will need to request payments by selecting the amount and frequency in accordance with the policy provisions to which this rider attaches, equal to the rider withdrawal amount. Once the payment amount and frequency are established, they cannot be changed and no additional withdrawals will be allowed.

### **ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant or annuitant's spouse being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant and annuitant's spouse. Proof of survival and the issue ages may be required by the Company.

If the younger of the spouses' ages has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age. However, if this rider would not have been issued had the age not been misstated, the rider is treated as if it never existed, and any fees charged for this rider would be returned. If withdrawals under the provisions of the rider have already commenced and the misstatement caused the rider withdrawal amount to be overstated, any withdrawal in excess of the correct rider withdrawal amount will be considered an excess withdrawal and will impact the withdrawal base and rider withdrawal amount. If overpayments occurred when the sum of the accumulated values in all the investment options was zero, the amount of that overpayment will be deducted from one or more future payments until this amount is paid in full.

### **RIDER WITHDRAWAL AMOUNT**

The rider withdrawal amount will be equal to the greater of 1) and 2), where:

- 1) is the withdrawal percentage multiplied by the withdrawal base;
- 2) is an amount equal to the minimum required distribution amount, if any. Prior to the 1st rider anniversary, this amount is based on the initial policy value on the rider date. After this time, the minimum required distribution is calculated based on the rules established by the IRS. The minimum required distribution may only be used if all of the following are true:
  - A) the policy to which this rider is attached is a tax-qualified policy for which IRS minimum required distributions are required,
  - B) the minimum required distributions do not start prior to the annuitant's attained age 70 1/2,
  - C) the minimum required distributions are based on either the Uniform Lifetime table or the Joint Life and Last Survivor Expectancy table,

## **ARTICLE IV CONTINUED**

- D) the minimum required distributions are based on age of the living annuitant or the annuitant's spouse if the annuitant is deceased. The minimum required distributions can not be based on the age of someone who is deceased,
- E) the minimum required distributions are based only on the policy to which this rider is attached, and
- F) the minimum required distributions are only for the current rider year. Amounts carried over from past rider years are not considered.

If any of the above are not true, then 2) is equal to zero and it is not available as a rider withdrawal amount.

If you withdraw less than the rider withdrawal amount in a rider year, the unused portion cannot be carried over to the next rider year.

### **WITHDRAWAL BASE**

The withdrawal base is used to calculate the rider withdrawal amount. On the rider date, the initial withdrawal base is equal to the policy value (less any premium enhancements if the rider is added in the first policy year). During any rider year, the withdrawal base is increased by subsequent premium payments (not including premium enhancements, if any), and is reduced for excess withdrawals.

On each rider anniversary, the withdrawal base will be set to the greatest of:

- 1) The current withdrawal base;
- 2) The policy value on the rider anniversary;
- 3) The highest policy value on a rider [monthiversary] for the current rider year; or
- 4) The current withdrawal base immediately prior to rider anniversary processing increased by the growth rate percentage.

Item 3) above will be zero if there have been any excess withdrawals in the current rider year. Item 4) above will be zero after the [10th] rider anniversary or if there have been any withdrawals in the current rider year.

### **AUTOMATIC STEP-UP FEATURE**

The rider receives an automatic step-up on the rider anniversary if the withdrawal base is set equal to the policy value or the highest policy value on a rider [monthiversary]. This feature does not require the termination of the existing rider. This rider will continue with the same rider date and features. The rider fee and withdrawal percentages may be changed due to an automatic step-up, but there will be no increase in the rider fee percentage during the first [five] rider years. Following the [fifth] rider anniversary, the rider fee percentage may be increased due to an automatic step-up, but will not increase more than [0.75%] from the initial rider fee percentage shown on page 1.

You have the right to reject an automatic step-up within [30] days following a rider anniversary, if the rider fee percentage increases. If you reject an automatic step-up, you must notify us in a manner which is acceptable to us, however you are eligible for future automatic step-ups. Changes as a result of the automatic step-up feature will be reversed. Any increase in the rider fee or withdrawal percentages will also be reversed.

### **WITHDRAWAL BASE ADJUSTMENTS**

Gross partial withdrawals, taken in a rider year, less than or equal to the rider withdrawal amount will not reduce the withdrawal base. Excess withdrawals will reduce the withdrawal base by the withdrawal base adjustment. The withdrawal base adjustment is the greater of 1) and 2), where:

- 1) is the excess withdrawal amount; and
- 2) is the result of (A multiplied by B), divided by C, where:
  - A) is the excess withdrawal;
  - B) is the withdrawal base prior to the excess withdrawal amount; and
  - C) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the withdrawal of the excess withdrawal amount.

## ARTICLE IV CONTINUED

### **RIDER DEATH BENEFIT**

Upon the later of the annuitant or the annuitant's spouse's death, we will pay an additional death benefit amount equal to the excess, if any, of the rider death benefit over the greater of the base policy death benefit or the guaranteed minimum death benefit, if applicable, and this rider will then terminate. The rider death benefit on the rider date is equal to the policy value (less any premium enhancements, if the rider is added in the first policy year). The rider death benefit after the rider date is equal to the rider death benefit on the rider date plus any premiums (not including premium enhancements, if any) added after the rider date less any rider death benefit adjustments.

The rider death benefit does not reset due to the automatic step-up.

### **RIDER DEATH BENEFIT ADJUSTMENTS**

Cumulative gross partial withdrawals, taken in a rider year, up to the rider withdrawal amount will reduce the rider death benefit by the same amount (dollar for dollar). Excess withdrawals will reduce the rider death benefit by the greater of:

- 1) the excess withdrawal amount; and
- 2) the result of (A divided by B), multiplied by C, where:
  - A) is the excess withdrawal;
  - B) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal; and
  - C) is the rider death benefit after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal.

### **INCOME ENHANCEMENT OPTION**

#### **THE INCOME ENHANCEMENT OPTION IS NOT LONG TERM CARE INSURANCE**

Definitions applicable to this option:

**Elimination Period** - [80]days within the last [365]days.

**Hospital** - An institution which 1) is operated pursuant to the laws of the jurisdiction in which it is located, 2) operates primarily for the care and treatment of sick and injured persons on an inpatient basis, 3) provides 24-hour nursing service by or under the supervision of registered graduate professional nurses, 4) is supervised by a staff of one or more licensed physicians, and 5) has medical, surgical and diagnostic facilities or access to such facilities.

**Medical Necessity** - Confinement prescribed by a physician based on the individual's inability to sustain themselves outside of a hospital or nursing facility due to physical or cognitive ailments.

**Nursing Facility** - A facility, or that part of a facility, which: 1) is licensed to operate pursuant to the laws and regulations of the state in which it is located as a nursing facility or an Alzheimer's disease facility; and 2) provides care prescribed by a physician and performed or supervised by a registered graduate nurse, in addition to room and board accommodations, 24-hour nursing services, 7 days a week by an on-site Registered Nurse and related services on a continuing inpatient basis; and 3) has a planned program of policies and procedures developed with the advice of, and periodically reviewed by, at least one Doctor; and 4) maintains a clinical record of each patient.

A nursing facility may be either a freestanding facility or a distinct part of a facility such as a ward, wing, unit, or swing bed of a hospital or other institution. If the facility complex to which an insured person is confined consists of wards, wings, floors, units, or swing-beds, the area of the facility in which such insured person is confined must be licensed as a nursing facility and the insured person's assigned bed must be included as a part of such license.

The term "nursing facility" does not include, for example: 1) a hospital (except as provided above); 2) a rehabilitation hospital, 3) a place which is primarily for treatment of mental or nervous disorders, drug addiction, or alcoholism; 4) a home for the aged; 5) a rest home, community living center, or a place that provides domestic, resident, retirement or educational care; 6) assisted living facilities; 7) personal care homes; 8) residential care facilities; 9) adult foster care facilities; 10) congregate care facilities; 11) family and group assisted living facilities; 12) personal care boarding homes; 13) domiciliary care homes; 14) basic care facilities; or 15) similar facilities.

**ARTICLE IV CONTINUED**

**Physician** - A Doctor of Medicine or Doctor of Osteopathy who is licensed as such and operating within the scope of the license.

**Waiting Period** - [12] months from the rider date.

If either the annuitant or the annuitant's spouse is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The income enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the qualifying person or persons are no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

<u>Attained Age at First Withdrawal</u>	<u>Income Enhancement Option Increase Percentage</u>
[59 + ]	[100%]

As an example of the income enhancement option benefit, assume that the first withdrawal under the rider was taken at attained age 72 and the applicable withdrawal percentage is 5.0%. If the qualification conditions for this option are met at any later date, then the withdrawal percentage will be increased by the income enhancement option increase percentage applicable for attained age 72. The applicable attained age is based on the first withdrawal of any amount from the policy value under the rider itself, and is not based on any withdrawal under the income enhancement option, unless that withdrawal is also the first withdrawal of any policy value under the rider itself.

If the income enhancement option increase percentage for attained age 72 is 100%, then the income enhancement option benefit provides an additional 5.0% to the withdrawal percentage resulting in a total withdrawal percentage of 10.0% while the income enhancement option benefit continues to be available.

We will require confirmation of confinement while benefits are being received. Confirmation of confinement must be deemed satisfactory to us. Confirmation of confinement may be a statement from a physician or a hospital or nursing facility administrator and any other information deemed necessary by us to confirm confinement. When confinement has ceased, the withdrawal percentage will be as indicated in the guaranteed lifetime withdrawal benefit provision previously described in this Article. If confinement ceases and the rider remains active, you may re-qualify by satisfying the elimination period requirement and the benefits under this option will be available.

**ARTICLE V**

**CONTINUATION**

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is not the annuitant dies and the surviving spouse is the sole beneficiary, the surviving spouse may elect to continue the policy and rider. In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies and the surviving spouse is the sole beneficiary, the rider continues until the death of the surviving spouse. No additional death benefit will be paid under this rider at this time.

**ANNUITIZATION**

On the maximum annuity commencement date, as described in your policy, you will have the option to receive lifetime income payments that are no less than your rider withdrawal amount each year. This option will also guarantee that the sum of all income payments received over time will equal or exceed the greater of the policy value or the rider death benefit on the maximum annuity commencement date. If the annuitant or annuitant's spouse should die before the sum of all income payments received equals or exceeds the greater of the policy value or the rider death benefit on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

**ARTICLE V CONTINUED**

**RIDER UPGRADE**

You may elect, in writing, to upgrade the withdrawal base to the policy value within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter, subject to the issue age restrictions on the new rider. If an upgrade is selected, this rider will terminate and a new rider with the same features will be issued with a new rider date. The new rider will have its own growth rate percentage and rider fee percentage which may not be the same as this rider's percentages.

At the time of upgrade, the rider death benefit will also be upgraded to the policy value and the rider withdrawal amount will be recalculated based on the new withdrawal base.

The new rider date will be the date the Company receives all information necessary, at our Home Office, in a written form acceptable to the Company, to process the upgrade.

**TERMINATION**

This rider will terminate upon the earliest of:

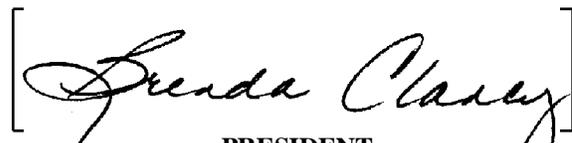
- 1) the date the policy to which this rider is attached terminates;
- 2) the date the policy to which this rider is attached is assigned or if the owner is changed without our approval;
- 3) the later of the annuitant's or annuitant's spouse's death;
- 4) the date you elect to upgrade (as described in Article V of this rider);
- 5) the date you elect to receive annuity payments under your policy; and
- 6) the date you notify us in writing of your intention to terminate this rider (this date must be within [30] days after the [fifth] rider anniversary and every [fifth] rider anniversary thereafter).

Any amounts allocated to the open allocation method investment options will be moved back to your original and/or current allocations pro rata, when this rider terminates.

Termination of the rider will result in the loss of all benefits provided by the rider.

Signed for us at our home office.

  
SECRETARY

  
PRESIDENT

## APPENDIX

### The Designated Allocation option quarterly fee is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal Base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group value
- 3) Total policy value
- 4) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total transaction amount
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for fund transfers is calculated as follows:

Multiply (1) by (2) divided by (3) multiplied by (4) where:

- 1) Withdrawal base
- 2) Sum of each designated allocation group rider fee percentage multiplied by the applicable designated allocation group transaction amount
- 3) Total policy value
- 4) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following two examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Initial Policy Value</u>	<u>Additional Premium Used in Example 2</u>
Group A	2.50%	\$50,000	\$5,000
Group B	2.40%	\$30,000	\$3,000
Group C	2.30%	\$20,000	\$2,000

**Example 1:** Calculation at rider issue for first quarter fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * [(50,000*0.0250) + (30,000*0.0240) + (20,000*0.0230)] / 100,000 * (91/365) \\ &= 100,000 * (1,250 + 720 + 460) / 100,000 * (91/365) \\ &= 100,000 * 2,430/100,000 * (91/365) \\ &= 2,430 * (91/365) \\ &= \$605.84 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter (invested as shown above). The withdrawal base change and total transaction amount equal \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (20/365) \\ &= 10,000 * (125 + 72 + 46) / 10,000 * (20/365) \\ &= 10,000 * 243/10,000 * (20/365) \\ &= 243 * (20/365) \\ &= \$13.32 \end{aligned}$$

Total fee assessed at end of first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.32 + 605.84 \\ &= \$619.16 \end{aligned}$$

The following three examples are based upon the Designated Allocation option using assumed fees and values listed in the table below. The assumed rider year is not a leap year.

<u>Designated Allocation Group</u>	<u>Fee</u>	<u>Policy Value</u>	<u>Partial Withdrawal Used in Example 4</u>	<u>Fund Transfer Used in Example 5</u>
Group A	2.50%	\$49,000	\$-5,000	\$-5,000
Group B	2.40%	\$29,000	\$-3,000	\$3,000
Group C	2.30%	\$19,000	\$-2,000	\$2,000

**Example 3:** Calculation for second quarter fee at beginning of second rider quarter, assuming withdrawal base of \$110,000 and policy value of \$97,000 invested as above.

$$\begin{aligned}
 &= 110,000 * [(49,000*0.0250) + (29,000*0.0240) + (19,000*0.0230)] / 97,000 * (91/365) \\
 &= 110,000 * (1,225 + 696 + 437) / 97,000 * (91/365) \\
 &= 110,000 * 2,358/97,000 * (91/365) \\
 &= 2,674.02 * (91/365) \\
 &= \$666.67
 \end{aligned}$$

**Example 4:** Calculation for second quarter fee assuming beginning values as in Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and change in withdrawal base as follows:

$$\begin{aligned}
 \text{Rider Withdrawal Amount (RWA)} &= \text{Withdrawal Base} * \text{Withdrawal Percentage} = 110,000 * .05 = \$5,500 \\
 \text{Excess Withdrawal} &= \text{Difference between assumed withdrawal amount and RWA} = 10,000 - 5,500 = \$4,500 \\
 \text{Withdrawal Base Adjustment} &= \text{Max (Excess Withdrawal, Excess Withdrawal * Withdrawal Base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal)} = \text{Max} [4,500, 4,500 * 110,000 / (97,000-5,500)] = \text{Max} (4,500, 5,409.84) = \$5,409.84
 \end{aligned}$$

Fee adjustment as follows:

$$\begin{aligned}
 &= -5,409.84 * [(5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 10,000 * (40/365) \\
 &= -5,409.84 * (125 + 72 + 46) / 10,000 * (40/365) \\
 &= -5,409.84 * 243/10,000 * (40/365) \\
 &= -131.46 * (40/365) \\
 &= \$-14.41
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 666.67 - 14.41 \\
 &= \$652.26
 \end{aligned}$$

The new Withdrawal Base = \$110,000 - \$5,409.84 = \$104,590.16

**Example 5:** Calculation for fund transfer occurring during second quarter with 25 days remaining in the rider quarter, assuming beginning values as in Example 3 and withdrawal adjustment as in Example 4 above.

Withdrawal Base = \$104,590.16 and assumed policy value of \$90,000. Fund transfer amount of \$5,000 as allocated in table above.

Fee adjustment as follows:

$$\begin{aligned}
 &= 104,590.16 * [(-5,000*0.0250) + (3,000*0.0240) + (2,000*0.0230)] / 90,000 * (25/365) \\
 &= 104,590.16 * (-125 + 72 + 46) / 90,000 * (25/365) \\
 &= 104,590.16 * -7/90,000 * (25/365) \\
 &= -8.13 * (25/365) \\
 &= \$-0.56
 \end{aligned}$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned}
 &= 652.26 - 0.56 \\
 &= \$651.70
 \end{aligned}$$

**The Open Allocation option quarterly fee is calculated as follows:**

Multiply (1) by (2) by (3) where:

- 1) Withdrawal Base
- 2) Fee percentage
- 3) Number of days in the rider quarter divided by the number of days within the applicable rider year

The fee adjustment for additional premium payments and excess withdrawals is calculated as follows:

Multiply (1) by (2) by (3) where:

- 1) Withdrawal base change (i.e. withdrawal base after the transaction minus the withdrawal base before the transaction)
- 2) Fee percentage
- 3) Number of days remaining in the rider quarter divided by the number of days within the applicable rider year

The following progressive examples assume an annualized rider fee percentage of 2.50%. The assumed rider year is not a leap year.

**Example 1:** Calculation at rider issue for first quarter rider fee assuming an initial withdrawal base of \$100,000.

$$\begin{aligned} &= 100,000 * 0.0250 * (91/365) \\ &= 2,500 * (91/365) \\ &= \$623.29 \end{aligned}$$

**Example 2:** Calculation for first quarter fee assuming initial withdrawal base from Example 1 above, plus adjustment for additional premium payment of \$10,000 made with 20 days remaining in the first rider quarter. The withdrawal base change equals \$10,000.

Fee adjustment as follows:

$$\begin{aligned} &= 10,000 * 0.0250 * (20/365) \\ &= 250 * (20/365) \\ &= \$13.70 \end{aligned}$$

Total fee assessed at the end of the first rider quarter (assuming no further rider fee adjustments):

$$\begin{aligned} &= 13.70 + 623.29 \\ &= \$636.99 \end{aligned}$$

**Example 3:** Calculation for second quarter rider fee at beginning of second rider quarter, assuming withdrawal base of \$110,000.

$$\begin{aligned} &= 110,000 * 0.0250 * (91/365) \\ &= 2,750 * (91/365) \\ &= \$685.62 \end{aligned}$$

**Example 4:** Calculation for second quarter fee from Example 3 above, plus adjustment for partial withdrawal of \$10,000 taken with 40 days remaining in the second rider quarter. Assumes withdrawal percentage of 5%, policy value of \$97,000 prior to the transaction and pre-transaction withdrawal base of \$110,000. Change in withdrawal base calculated as follows:

Rider Withdrawal Amount (RWA) = Withdrawal base \* Withdrawal Percentage = 110,000 \*.05 = \$5,500

Excess Withdrawal = Difference between assumed withdrawal amount and RWA = 10,000 - 5,500 = \$4,500

Withdrawal Base Adjustment = Max (Excess Withdrawal, Excess Withdrawal \* Withdrawal base prior to withdrawal / Policy Value after RWA has been withdrawn but before excess withdrawal) = Max [4,500, 4,500 \* 110,000 / (97,000-5,500)] = Max (4,500, 5,409.84) = \$5,409.84

Fee adjustment as follows:

$$= -5,409.84 * 0.0250 * (40/365)$$

$$= -135.25 * (40/365)$$

$$= \$-14.82$$

Total fee assessed at end of second rider quarter (assuming no further rider fee adjustments):

$$= 685.62 - 14.82$$

$$= \$670.80$$

The new withdrawal base = \$110,000 - \$5,409.84 = \$104,590.16

*SERFF Tracking Number:* AEGA-126021064      *State:* Arkansas  
*Filing Company:* Transamerica Life Insurance Company      *State Tracking Number:* 41480  
*Company Tracking Number:* RGMB 36 0109  
*TOI:* A02.11 Individual Annuities- Deferred Non-      *Sub-TOI:* A02.11.002 Flexible Premium  
Variable and Variable  
*Product Name:* RGMB 36 0109  
*Project Name/Number:* Variable Annuity Rider/RGMB 36 0109

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: AEGA-126021064 State: Arkansas  
Filing Company: Transamerica Life Insurance Company State Tracking Number: 41480  
Company Tracking Number: RGMB 36 0109  
TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable  
Product Name: RGMB 36 0109  
Project Name/Number: Variable Annuity Rider/RGMB 36 0109

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** Flesch Certification

02/04/2009

**Comments:**

**Attachments:**

cert 2 AR.pdf

cert 3 AR.pdf

### Review Status:

**Satisfied -Name:** Cover Sheets with SOVs

02/04/2009

**Comments:**

**Attachment:**

RGMB 36 - Cover Sheets and SOVS.pdf

**TRANSAMERICA LIFE INSURANCE COMPANY**

**STATE OF ARKANSAS**

**CERTIFICATION**

This is to certify that the attached Flexible Premium Variable Annuity Rider Form No. RGMB 36 0109 has achieved a Flesch Reading Ease Score of 51.05 and complies with the requirements of Ark. Stat. Ann. § 23-80-21 through 23-80-208, cited as the Life and Disability Insurance Policy Language Simplification Act.

TRANSAMERICA LIFE INSURANCE COMPANY



Mary Schaefer, Assistant Vice President

02/05/2009

Date

CERTIFICATION OF COMPLIANCE

Company Name: Transamerica Life Insurance Company

Form Title(s): Flexible Premium Variable Annuity Rider

Form Number(s): RGMB 36 0109

I hereby certify that to the best of my knowledge and belief, the above form(s) and submission complies with Reg.19 s 10B, as well as the other laws and regulations of the State of Arkansas.



---

Mary L. Schaefer  
Assistant Vice President

02/05/2009  
Date

*Single option with the Income Only benefit*  
*(Base rider)*  
**(Please refer to Actuarial Exhibits 1, 2, 3 and 7)**

This rider offers a Guaranteed Lifetime Withdrawal Benefit that is available to the policyholder when they purchase this rider. The policyholder will also elect, under each of these riders, one of two allocation options, the Designated Allocation option or the Open Allocation option. The rider will be terminated upon the annuitant's death, when the policy is annuitized, or when the policy is surrendered. The owner can terminate this rider within [30] days after the [fifth] rider anniversary, and every [fifth] rider anniversary thereafter. If the policyholder elects the Designated Allocation option the rider must be terminated if funds are transferred out of the designated investment options while the rider is in force. Termination of the rider will result in the loss of all benefits provided by the rider.

We have attached a statement of variability that outlines the items that are bracketed on this rider. You have our assurances that the Attained Age at First Withdrawal and the Withdrawal Percentage, if changed, would only affect new issues and once a rider is issued, the amounts are fixed and will never change for the life of the rider. The Rider Fee Percentage varies based on the allocation option selected.

**Single option**  
Memorandum of Numerical Variables

Policy Number will be specific to each Policyholder.

Rider Date will be a specific date on each rider.

Growth Rate Percentage <sup>1*</sup> :	Minimum	1.00%
	Maximum	10.00%

Open Allocation or Designated Allocation will be specific to each Policyholder's election at policy issue.

Open Allocation Rider Fee Percentage <sup>2</sup> :	Minimum	0.10%
	Maximum	2.50%

Designated Allocation Rider Fee Percentages <sup>3</sup> :		
Designated Allocation Group A	Minimum	0.10%
	Maximum	2.50%
Designated Allocation Group B	Minimum	0.10%
	Maximum	2.50%
Designated Allocation Group C	Minimum	0.10%
	Maximum	2.50%

Annuitant, age, and sex will be specific on each rider.

Maximum transfer percentage into Open Allocation investment options <sup>4</sup> :	Minimum	0%
	Maximum	100%

Maximum percentage of policy value within Open Allocation investment options <sup>5</sup> :	Minimum	0%
	Maximum	100%

Attained Age at first withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old

Withdrawal Percentage <sup>7*</sup> :	Minimum	1.00%
	Maximum	10.00%

Mode of the highest policy value for an automatic step-up <sup>8</sup> :	Minimum	Monthiversary
	Maximum	Semi-Annually

Growth Period <sup>9</sup> :	Minimum	5 years
	Maximum	15 years

Rider fee percentage automatic step-up increase period <sup>10</sup> :	Minimum	1 year
	Maximum	10 years

Automatic step-up maximum rider fee percentage increase <sup>11</sup> :	Minimum	0.10%
	Maximum	3.00%

Reject an automatic step-up within days from rider anniversary <sup>12</sup> :	Minimum	30 days
	Maximum	365 days
Income Enhancement Elimination Period [X] <sup>13</sup> within the last [Y] <sup>13</sup> :	Minimum for X	90 days
	Maximum for Y	365 days
	Minimum for X	90 days
	Maximum for Y	2 years
Income Enhancement Waiting Period <sup>14</sup> :	Minimum	12 months
	Maximum	5 years
Income Enhancement Attained Age at First Withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old
Income Enhancement Option Increase Percentage <sup>15</sup> :	Minimum	20%
	Maximum	100%
Upgrade within days from designated rider anniversary <sup>16</sup> :	Minimum	30 days
	Maximum	365 days
Upgrading period <sup>17</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year
Termination within days from designated rider anniversary <sup>18</sup> :	Minimum	30 days
	Maximum	365 days
Termination Period <sup>19</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year

<sup>1</sup> This accumulation percentage is applied to the withdrawal base during the growth period and only in rider years that withdrawals are not present.

<sup>2</sup> This percentage is multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>3</sup> This percentage is weighted for amount invested in each Designated Allocation Group, multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>4</sup> This is the maximum percentage of policy value (at the time of transfer) that may be transferred into the Open Allocation investment options. This amount is determined based upon the relationship of rider guarantees to policy value, but will not exceed the maximum percentage.

<sup>5</sup> This is the maximum percentage of policy value (at any given time) that may be invested within the Open Allocation investment options.

<sup>6</sup>This is the attained age at the time of the first withdrawal that will allow a certain percent (see footnote 7) of the Withdrawal Base to be withdrawn.

<sup>7</sup> This percentage is used to derive the Rider Withdrawal Amount annually. If the annuitant is not yet age [59]<sup>6</sup> on the rider date, this percentage will be equal to 0% until the rider anniversary following the annuitant's [59<sup>th</sup>]<sup>6</sup> birthday.

<sup>8</sup> On a rider anniversary, the withdrawal base will be set to the highest policy value on a rider [monthiversary] if there were no excess withdrawals in the current rider year. The Rider Monthiversary is the same day of the month as the rider date. For months not containing that day, the first day of the following month is used.

<sup>9</sup>This period represents the number of rider years that accumulation will occur, assuming no withdrawals are made during this period.

<sup>10</sup>This period is the length of time the rider fee percentage will not increase. After this time period, the rider fee percentage may increase due to an automatic step-up.

<sup>11</sup> This is the maximum the rider fee percentage may increase following the [fifth]<sup>10</sup> rider anniversary.

<sup>12</sup> This is the window during which the policyholder may reject to have an automatic step-up following a rider anniversary, if the rider fee percentage increases.

<sup>13</sup> The elimination period is the number of days [X] either the annuitant or the annuitant's spouse must be confined in a Nursing Facility or Hospital within a specified time period [Y], before Nursing Care Option benefits may become available.

<sup>14</sup> This is the amount of time that has to elapse before Income Enhancement Option benefits will be available.

<sup>15</sup> This is the percentage that the Withdrawal Percentage (see footnote 7) will increase by when the Income Enhancement Option qualifications are met.

<sup>16</sup> This is the number of days after the [fifth]<sup>17</sup> rider anniversary that the rider can be upgraded.

<sup>17</sup> This is the number of years that must elapse before the rider can be upgraded.

<sup>18</sup> This is the number of days after the [fifth]<sup>19</sup> rider anniversary that the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

<sup>19</sup> This is the number of years that must elapse before the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

\* Any riders issued on the same day for a given age will receive the same Growth Rate Percentage and Withdrawal Percentage. Consequently, all riders shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.

**Joint option with the Income Only benefit  
(Please refer to Actuarial Exhibits 1, 2, 4 and 7)**

The following outlines the differences from the base rider:

Rider Data Specification

Added Annuitant's Spouse, issue age and sex

**Article I**

**Added the following paragraph:**

The annuitant's spouse as of the rider date is hereafter referred to as the annuitant's spouse. As it pertains to the benefits of this rider, the annuitant's spouse cannot be changed. The annuitant's spouse must be the sole primary beneficiary and/or a joint owner. The only living owners allowed on the policy to which this rider is attached are the annuitant and the annuitant's spouse.

**Article IV**

**Revised the following provision:**

**GUARANTEED MINIMUM WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's **or the annuitant's spouse's** death, **whichever is later**.

The withdrawal percentage is determined by the attained age (age at last birthday) of the **younger of the living spouses** at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the **younger of the living spouses** [59<sup>th</sup>] birthday.

Upon automatic step-up, the withdrawal percentage will be reset based on the attained age **of the younger of the living spouses** at the time of the automatic step-up.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0-58	<b>0.0%</b>
59-69	<b>3.5%</b>
70-79	<b>4.5%</b>
80+	<b>5.5%</b>

If the **younger of the annuitant and the annuitant's spouse** is not yet [59] on the rider date, the withdrawal percentage will be zero until the rider anniversary following the **younger of the living spouse's** [59<sup>th</sup>] birthday.

**ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant **or annuitant's spouse** being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant **and the annuitant's spouse**.

If the **younger of the spouses'** ages has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age.

**RIDER WITHDRAWAL AMOUNT**

2) D) the minimum required distributions are based on age of the living annuitant **or the annuitant's spouse if the annuitant is deceased**. The minimum required distributions can not be based on the age of someone who is deceased,

## **INCOME ENHANCEMENT OPTION**

If **either** the annuitant **or the annuitant's spouse** is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The Income Enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the **qualifying person or persons** are no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

### **Article V**

#### **CONTINUATION**

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies **and the surviving spouse is the sole beneficiary, the rider continues until the death of the surviving spouse.**

#### **Removed the following paragraph:**

In the case of non-spousal joint owners where an owner who is not the annuitant dies, the surviving owner (who is also the sole designated beneficiary) may elect to receive lifetime income payments under this rider instead of receiving any benefits applicable to the policy. The lifetime income payments must begin no later than 1 year after the owner's death and will be equal to the rider withdrawal amount divided by the number of payments made per year. Once the payments begin, no additional premium payments will be accepted and no additional withdrawals will be paid.

#### **ANNUITIZATION**

If the annuitant **or annuitant's spouse** should die before the sum of all income payments received equals or exceeds the policy value on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

#### **TERMINATION**

- 3) the **later of the annuitant's or annuitant's spouse's** death;

**Joint option**  
Memorandum of Numerical Variables

Policy Number will be specific to each Policyholder.

Rider Date will be a specific date on each rider.

Growth Rate Percentage <sup>1*</sup> :	Minimum	1.00%
	Maximum	10.00%

Open Allocation or Designated Allocation will be specific to each Policyholder's election at policy issue.

Open Allocation Rider Fee Percentage <sup>2</sup> :	Minimum	0.10%
	Maximum	2.50%

Designated Allocation Rider Fee Percentages <sup>3</sup> :	Designated Allocation Group A	Minimum	0.10%
		Maximum	2.50%
	Designated Allocation Group B	Minimum	0.10%
		Maximum	2.50%
	Designated Allocation Group C	Minimum	0.10%
		Maximum	2.50%

Annuitant, age, and sex will be specific on each rider.

Annuitant's spouse, age, and sex will be specific on each rider.

Maximum transfer percentage into Open Allocation investment options <sup>4</sup> :	Minimum	0%
	Maximum	100%

Maximum percentage of policy value within Open Allocation investment options <sup>5</sup> :	Minimum	0%
	Maximum	100%

Attained Age at first withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old

Withdrawal Percentage <sup>7*</sup> :	Minimum	1.00%
	Maximum	10.00%

Mode of the highest policy value for an automatic step-up <sup>8</sup> :	Minimum	Monthiversary
	Maximum	Semi-Annually

Growth Period <sup>9</sup> :	Minimum	5 years
	Maximum	15 years

Rider fee percentage automatic step-up increase period <sup>10</sup> :	Minimum	1 year
	Maximum	10 years

Automatic step-up maximum rider fee percentage increase <sup>11</sup> :	Minimum	0.10%
	Maximum	3.00%

Reject an automatic step-up within days from rider anniversary <sup>12</sup> :	Minimum	30 days
	Maximum	365 days
Income Enhancement Elimination Period [X] <sup>13</sup> within the last [Y] <sup>13</sup> :	Minimum for X	90 days
	Maximum for Y	365 days
	Minimum for X	90 days
	Maximum for Y	2 years
Income Enhancement Waiting Period <sup>14</sup> :	Minimum	12 months
	Maximum	5 years
Income Enhancement Attained Age at First Withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old
Income Enhancement Option Increase Percentage <sup>15</sup> :	Minimum	20%
	Maximum	100%
Upgrade within days from designated rider anniversary <sup>16</sup> :	Minimum	30 days
	Maximum	365 days
Upgrading period <sup>17</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year
Termination within days from designated rider anniversary <sup>18</sup> :	Minimum	30 days
	Maximum	365 days
Termination Period <sup>19</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year

<sup>1</sup> This accumulation percentage is applied to the withdrawal base during the growth period and only in rider years that withdrawals are not present.

<sup>2</sup> This percentage is multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>3</sup> This percentage is weighted for amount invested in each Designated Allocation Group, multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>4</sup> This is the maximum percentage of policy value (at the time of transfer) that may be transferred into the Open Allocation investment options. This amount is determined based upon the relationship of rider guarantees to policy value, but will not exceed the maximum percentage.

<sup>5</sup> This is the maximum percentage of policy value (at any given time) that may be invested within the Open Allocation investment options.

<sup>6</sup> This is the attained age at the time of the first withdrawal that will allow a certain percent (see footnote 7) of the Withdrawal Base to be withdrawn.

<sup>7</sup> This percentage is used to derive the Rider Withdrawal Amount annually. If the annuitant is not yet age [59]<sup>6</sup> on the rider date, this percentage will be equal to 0% until the rider anniversary following the annuitant's [59<sup>th</sup>]<sup>6</sup> birthday.

<sup>8</sup> On a rider anniversary, the withdrawal base will be set to the highest policy value on a rider [monthiversary] if there were no excess withdrawals in the current rider year. The Rider Monthiversary is the same day of the month as the rider date. For months not containing that day, the first day of the following month is used.

<sup>9</sup> This period represents the number of rider years that accumulation will occur, assuming no withdrawals are made during this period.

<sup>10</sup> This period is the length of time the rider fee percentage will not increase. After this time period, the rider fee percentage may increase due to an automatic step-up.

<sup>11</sup> This is the maximum the rider fee percentage may increase following the [fifth]<sup>10</sup> rider anniversary.

<sup>12</sup> This is the window during which the policyholder may reject to have an automatic step-up following a rider anniversary, if the rider fee percentage increases.

<sup>13</sup> The elimination period is the number of days [X] either the annuitant or the annuitant's spouse must be confined in a Nursing Facility or Hospital within a specified time period [Y], before Nursing Care Option benefits may become available.

<sup>14</sup> This is the amount of time that has to elapse before Income Enhancement Option benefits will be available.

<sup>15</sup> This is the percentage that the Withdrawal Percentage (see footnote 7) will increase by when the Income Enhancement Option qualifications are met.

<sup>16</sup> This is the number of days after the [fifth]<sup>17</sup> rider anniversary that the rider can be upgraded.

<sup>17</sup> This is the number of years that must elapse before the rider can be upgraded.

<sup>18</sup> This is the number of days after the [fifth]<sup>19</sup> rider anniversary that the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

<sup>19</sup> This is the number of years that must elapse before the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

\* Any riders issued on the same day for a given age will receive the same Growth Rate Percentage and Withdrawal Percentage. Consequently, all riders shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.

*Single option with the **Income with an additional Death Benefit***  
**(Please refer to Actuarial Exhibits 1, 2, 5 and 7)**

The following outlines the differences from the base rider:

Title

RETIREMENT INCOME CHOICE **WITH DEATH BENEFIT RIDER**

**Article IV**

**Added the following provisions:**

**RIDER DEATH BENEFIT**

Upon the annuitant's death, we will pay an additional death benefit amount equal to the excess, if any, of the rider death benefit over the greater of the base policy death benefit or the guaranteed minimum death benefit, if applicable, and this rider will then terminate. The rider death benefit on the rider date is equal to the policy value (less any premium enhancements, if the rider is added in the first policy year). The rider death benefit after the rider date is equal to the rider death benefit on the rider date plus any premiums (not including premium enhancements, if any) added after the rider date less any rider death benefit adjustments.

The rider death benefit does not reset due to the automatic step-up.

**RIDER DEATH BENEFIT ADJUSTMENTS**

Cumulative gross partial withdrawals, taken in a rider year, up to the rider withdrawal amount will reduce the rider death benefit by the same amount (dollar for dollar). Excess withdrawals will reduce the rider death benefit by the greater of:

- 1) the excess withdrawal amount; and
- 2) the result of (A divided by B), multiplied by C, where:
  - A) is the excess withdrawal;
  - B) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal; and
  - C) is the rider death benefit after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal.

**Article V**

**CONTINUATION**

**Added the following sentence to the end of the first paragraph:**

No additional death benefit will be paid under this rider at this time.

**Added the following sentence to the end of the second paragraph:**

If these payments are elected but the annuitant dies before the rider death benefit equals zero, the annuitant's beneficiary will receive a death benefit equal to the rider death benefit.

**ANNUITIZATION**

This option will also guarantee that the sum of all income payments received over time will equal or exceed **the greater of** the policy value **or the rider death benefit** on the maximum annuity commencement date.

**RIDER UPGRADE**

At the time of upgrade, **the rider death benefit will also be upgraded to the policy value and** the rider withdrawal amount will be recalculated based on the new withdrawal base.

**Single option with additional Death Benefit**  
 Memorandum of Numerical Variables

Policy Number will be specific to each Policyholder.

Rider Date will be a specific date on each rider.

Growth Rate Percentage <sup>1*</sup> :	Minimum	1.00%
	Maximum	10.00%

Open Allocation or Designated Allocation will be specific to each Policyholder's election at policy issue.

Open Allocation Rider Fee Percentage <sup>2</sup> :	Minimum	0.10%
	Maximum	2.50%

Designated Allocation Rider Fee Percentages <sup>3</sup> :		
Designated Allocation Group A	Minimum	0.10%
	Maximum	2.50%
Designated Allocation Group B	Minimum	0.10%
	Maximum	2.50%
Designated Allocation Group C	Minimum	0.10%
	Maximum	2.50%

Annuitant, age, and sex will be specific on each rider.

Maximum transfer percentage into Open Allocation investment options <sup>4</sup> :	Minimum	0%
	Maximum	100%

Maximum percentage of policy value within Open Allocation investment options <sup>5</sup> :	Minimum	0%
	Maximum	100%

Attained Age at first withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old

Withdrawal Percentage <sup>7*</sup> :	Minimum	1.00%
	Maximum	10.00%

Mode of the highest policy value for an automatic step-up <sup>8</sup> :	Minimum	Monthiversary
	Maximum	Semi-Annually

Growth Period <sup>9</sup> :	Minimum	5 years
	Maximum	15 years

Rider fee percentage automatic step-up increase period <sup>10</sup> :	Minimum	1 year
	Maximum	10 years

Automatic step-up maximum rider fee percentage increase <sup>11</sup> :	Minimum	0.10%
	Maximum	3.00%

Reject an automatic step-up within days from rider anniversary <sup>12</sup> :	Minimum	30 days
	Maximum	365 days
Income Enhancement Elimination Period [X] <sup>13</sup> within the last [Y] <sup>13</sup> :	Minimum for X	90 days
	Maximum for Y	365 days
	Minimum for X	90 days
	Maximum for Y	2 years
Income Enhancement Waiting Period <sup>14</sup> :	Minimum	12 months
	Maximum	5 years
Income Enhancement Attained Age at First Withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old
Income Enhancement Option Increase Percentage <sup>15</sup> :	Minimum	20%
	Maximum	100%
Upgrade within days from designated rider anniversary <sup>16</sup> :	Minimum	30 days
	Maximum	365 days
Upgrading period <sup>17</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year
Termination within days from designated rider anniversary <sup>18</sup> :	Minimum	30 days
	Maximum	365 days
Termination Period <sup>19</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year

<sup>1</sup> This accumulation percentage is applied to the withdrawal base during the growth period and only in rider years that withdrawals are not present.

<sup>2</sup> This percentage is multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>3</sup> This percentage is weighted for amount invested in each Designated Allocation Group, multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>4</sup> This is the maximum percentage of policy value (at the time of transfer) that may be transferred into the Open Allocation investment options. This amount is determined based upon the relationship of rider guarantees to policy value, but will not exceed the maximum percentage.

<sup>5</sup> This is the maximum percentage of policy value (at any given time) that may be invested within the Open Allocation investment options.

<sup>6</sup> This is the attained age at the time of the first withdrawal that will allow a certain percent (see footnote 7) of the Withdrawal Base to be withdrawn.

<sup>7</sup> This percentage is used to derive the Rider Withdrawal Amount annually. If the annuitant is not yet age [59]<sup>6</sup> on the rider date, this percentage will be equal to 0% until the rider anniversary following the annuitant's [59<sup>th</sup>]<sup>6</sup> birthday.

<sup>8</sup> On a rider anniversary, the withdrawal base will be set to the highest policy value on a rider [monthiversary] if there were no excess withdrawals in the current rider year. The Rider Monthiversary is the same day of the month as the rider date. For months not containing that day, the first day of the following month is used.

<sup>9</sup> This period represents the number of rider years that accumulation will occur, assuming no withdrawals are made during this period.

<sup>10</sup> This period is the length of time the rider fee percentage will not increase. After this time period, the rider fee percentage may increase due to an automatic step-up.

<sup>11</sup> This is the maximum the rider fee percentage may increase following the [fifth]<sup>10</sup> rider anniversary.

<sup>12</sup> This is the window during which the policyholder may reject to have an automatic step-up following a rider anniversary, if the rider fee percentage increases.

<sup>13</sup> The elimination period is the number of days [X] either the annuitant or the annuitant's spouse must be confined in a Nursing Facility or Hospital within a specified time period [Y], before Nursing Care Option benefits may become available.

<sup>14</sup> This is the amount of time that has to elapse before Income Enhancement Option benefits will be available.

<sup>15</sup> This is the percentage that the Withdrawal Percentage (see footnote 7) will increase by when the Income Enhancement Option qualifications are met.

<sup>16</sup> This is the number of days after the [fifth]<sup>17</sup> rider anniversary that the rider can be upgraded.

<sup>17</sup> This is the number of years that must elapse before the rider can be upgraded.

<sup>18</sup> This is the number of days after the [fifth]<sup>19</sup> rider anniversary that the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

<sup>19</sup> This is the number of years that must elapse before the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

\* Any riders issued on the same day for a given age will receive the same Growth Rate Percentage and Withdrawal Percentage. Consequently, all riders shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.

**Joint option with the *Income with an additional Death Benefit***  
**(Please refer to Actuarial Exhibits 1, 2, 6 and 7)**

The following outlines the differences from the base rider:

Title

RETIREMENT INCOME CHOICE **WITH DEATH BENEFIT RIDER**

**Rider Data Specification**

Added Annuitant's Spouse, issue age and sex

**ARTICLE I**

**Added the following paragraph:**

The annuitant's spouse as of the rider date is hereafter referred to as the annuitant's spouse. As it pertains to the benefits of this rider, the annuitant's spouse cannot be changed. The annuitant's spouse must be the sole primary beneficiary and/or a joint owner. The only living owners allowed on the policy to which this rider is attached are the annuitant and the annuitant's spouse.

**Article IV**

**Revised the following provision:**

**GUARANTEED LIFETIME WITHDRAWAL BENEFIT**

Under this rider, we guarantee that you can receive up to the rider withdrawal amount each rider year, regardless of the policy value, (either through withdrawals or payments, where payments are equal to the rider withdrawal amount if your policy value equals zero) until the annuitant's **or the annuitant's spouse's** death, **whichever is later**.

The withdrawal percentage is determined by the attained age (age at last birthday) of the **younger of the living spouses** at the time of the first withdrawal of any amount from the policy value taken on or after the rider anniversary following the **younger of the living spouse's** [59<sup>th</sup>] birthday.

Upon automatic step-up, the withdrawal percentage will be reset based on the attained age **of the younger of the living spouses** at the time of the automatic step-up.

<u>Attained Age</u>	<u>Withdrawal Percentage</u>
0-58	<b>0.0%</b>
59-69	<b>3.5%</b>
70-79	<b>4.5%</b>
80+	<b>5.5%</b>

If the **younger of the annuitant or the annuitant's spouse** is not yet [59] on the rider date, the withdrawal percentage will be zero until the rider anniversary following the **younger of the living spouse's** [59<sup>th</sup>] birthday.

**ISSUE AGE AND SURVIVAL**

The benefits under this rider depend on the annuitant **or the annuitant's spouse** being alive at the time of withdrawal and the amount of the benefit depends on the issue age of the annuitant **and the annuitant's spouse**.

If the **younger of the spouses'** ages has been misstated, this rider's fees and benefits will be adjusted to the amounts which would have been calculated for the correct age.

### RIDER WITHDRAWAL AMOUNT

- 2) D) the minimum required distributions are based on age of the living annuitant **or the annuitant's spouse if the annuitant is deceased**. The minimum required distributions can not be based on the age of someone who is deceased,

**Added the following provisions:**

### RIDER DEATH BENEFIT

Upon the later of the annuitant or the annuitant's spouse's death, we will pay an additional death benefit amount equal to the excess, if any, of the rider death benefit over the greater of the base policy death benefit or the guaranteed minimum death benefit, if applicable, and this rider will then terminate. The rider death benefit on the rider date is equal to the policy value (less any premium enhancements, if the rider is added in the first policy year). The rider death benefit after the rider date is equal to the rider death benefit on the rider date plus any premiums (not including premium enhancements, if any) added after the rider date less any rider death benefit adjustments.

The rider death benefit does not reset due to the automatic step-up.

### RIDER DEATH BENEFIT ADJUSTMENTS

Cumulative gross partial withdrawals, taken in a rider year, up to the rider withdrawal amount will reduce the rider death benefit by the same amount (dollar for dollar). Excess withdrawals will reduce the rider death benefit by the greater of:

- 1) the excess withdrawal amount; and
- 2) the result of (A divided by B), multiplied by C, where:
  - A) is the excess withdrawal;
  - B) is the policy value after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal; and
  - C) is the rider death benefit after the rider withdrawal amount has been withdrawn, but prior to the excess withdrawal.

### INCOME ENHANCEMENT OPTION

If **either** the annuitant **or the annuitant's spouse** is confined, due to a medical necessity, in a hospital or nursing facility and has been so confined for the elimination period, benefits from this option are available provided that the waiting period requirement has been satisfied. The elimination period and waiting period do not need to occur consecutively. The Income Enhancement option provides an increase to the withdrawal percentage (as described in the guaranteed lifetime withdrawal benefit provision of this Article), until the **qualifying person or persons** are no longer confined as described above. The increase in the withdrawal percentage provided by this option will be as follows:

### Article V

### CONTINUATION

In the case of spousal joint owners where one spouse is the annuitant, if the spouse who is the annuitant dies **and the surviving spouse is the sole beneficiary, the rider continues until the death of the surviving spouse.**

**Added the following sentence to the end of the first paragraph:**

No additional death benefit will be paid under this rider at this time.

**Removed the following paragraph:**

In the case of non-spousal joint owners where an owner who is not the annuitant dies, the surviving owner (who is also the sole designated beneficiary) may elect to receive lifetime income payments under this rider instead of receiving any benefits applicable to the policy. The lifetime income payments must begin no later than 1 year after the owner's death and will be equal to the rider withdrawal amount divided by the number of payments made per year. Once the payments begin, no additional premium payments will be accepted and no additional withdrawals will be paid.

**ANNUITIZATION**

This option will also guarantee that the sum of all income payments received over time will equal or exceed **the greater of** the policy value **or the rider death benefit** on the maximum annuity commencement date. If the annuitant **or annuitant's spouse** should die before the sum of all income payments received equals or exceeds the greater of the policy value or the rider death benefit on the maximum annuity commencement date, the annuitant's beneficiary will receive a final payment equal to the difference.

**RIDER UPGRADE**

At the time of upgrade, **the rider death benefit will also be upgraded to the policy value and** the rider withdrawal amount will be recalculated based on the new withdrawal base.

**TERMINATION**

3) the **later of the** annuitant's **or annuitant's spouse's** death;

**Joint option with an additional Death Benefit**  
Memorandum of Numerical Variables

Policy Number will be specific to each Policyholder.

Rider Date will be a specific date on each rider.

Growth Rate Percentage <sup>1*</sup> :	Minimum	1.00%
	Maximum	10.00%

Open Allocation or Designated Allocation will be specific to each Policyholder's election at policy issue.

Open Allocation Rider Fee Percentage <sup>2</sup> :	Minimum	0.10%
	Maximum	2.50%

Designated Allocation Rider Fee Percentages <sup>3</sup> :	Designated Allocation Group A	Minimum	0.10%
		Maximum	2.50%
	Designated Allocation Group B	Minimum	0.10%
		Maximum	2.50%
	Designated Allocation Group C	Minimum	0.10%
		Maximum	2.50%

Annuitant, age, and sex will be specific on each rider.

Annuitant's spouse, age, and sex will be specific on each rider.

Maximum transfer percentage into Open Allocation investment options <sup>4</sup> :	Minimum	0%
	Maximum	100%

Maximum percentage of policy value within Open Allocation investment options <sup>5</sup> :	Minimum	0%
	Maximum	100%

Attained Age at first withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old

Withdrawal Percentage <sup>7*</sup> :	Minimum	1.00%
	Maximum	10.00%

Mode of the highest policy value for an automatic step-up <sup>8</sup> :	Minimum	Monthiversary
	Maximum	Semi-Annually

Growth Period <sup>9</sup> :	Minimum	5 years
	Maximum	15 years

Rider fee percentage automatic step-up increase period <sup>10</sup> :	Minimum	1 year
	Maximum	10 years

Automatic step-up maximum rider fee percentage increase <sup>11</sup> :	Minimum	0.10%
	Maximum	3.00%

Reject an automatic step-up within days from rider anniversary <sup>12</sup> :	Minimum	30 days
	Maximum	365 days
Income Enhancement Elimination Period [X] <sup>13</sup> within the last [Y] <sup>13</sup> :	Minimum for X	90 days
	Maximum for Y	365 days
	Minimum for X	90 days
	Maximum for Y	2 years
Income Enhancement Waiting Period <sup>14</sup> :	Minimum	12 months
	Maximum	5 years
Income Enhancement Attained Age at First Withdrawal <sup>6</sup> :	Minimum	45 years old
	Maximum	100 years old
Income Enhancement Option Increase Percentage <sup>15</sup> :	Minimum	20%
	Maximum	100%
Upgrade within days from designated rider anniversary <sup>16</sup> :	Minimum	30 days
	Maximum	365 days
Upgrading period <sup>17</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year
Termination within days from designated rider anniversary <sup>18</sup> :	Minimum	30 days
	Maximum	365 days
Termination Period <sup>19</sup> :	Minimum	After the 1 <sup>st</sup> rider year
	Maximum	After the 10 <sup>th</sup> rider year

<sup>1</sup> This accumulation percentage is applied to the withdrawal base during the growth period and only in rider years that withdrawals are not present.

<sup>2</sup> This percentage is multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>3</sup> This percentage is weighted for amount invested in each Designated Allocation Group, multiplied by the withdrawal base at the beginning of each rider quarter and pro-rated for the number of days within the rider quarter. The fee is deducted at the end of the rider quarter and is also deducted on a proportional basis at the time of rider termination.

<sup>4</sup> This is the maximum percentage of policy value (at the time of transfer) that may be transferred into the Open Allocation investment options. This amount is determined based upon the relationship of rider guarantees to policy value, but will not exceed the maximum percentage.

<sup>5</sup> This is the maximum percentage of policy value (at any given time) that may be invested within the Open Allocation investment options.

<sup>6</sup>This is the attained age at the time of the first withdrawal that will allow a certain percent (see footnote 7) of the Withdrawal Base to be withdrawn.

<sup>7</sup> This percentage is used to derive the Rider Withdrawal Amount annually. If the annuitant is not yet age [59]<sup>6</sup> on the rider date, this percentage will be equal to 0% until the rider anniversary following the annuitant's [59<sup>th</sup>]<sup>6</sup> birthday.

<sup>8</sup> On a rider anniversary, the withdrawal base will be set to the highest policy value on a rider [monthiversary] if there were no excess withdrawals in the current rider year. The Rider Monthiversary is the same day of the month as the rider date. For months not containing that day, the first day of the following month is used.

<sup>9</sup> This period represents the number of rider years that accumulation will occur, assuming no withdrawals are made during this period.

<sup>10</sup> This period is the length of time the rider fee percentage will not increase. After this time period, the rider fee percentage may increase due to an automatic step-up.

<sup>11</sup> This is the maximum the rider fee percentage may increase following the [fifth]<sup>10</sup> rider anniversary.

<sup>12</sup> This is the window during which the policyholder may reject to have an automatic step-up following a rider anniversary, if the rider fee percentage increases.

<sup>13</sup> The elimination period is the number of days [X] either the annuitant or the annuitant's spouse must be confined in a Nursing Facility or Hospital within a specified time period [Y], before Nursing Care Option benefits may become available.

<sup>14</sup> This is the amount of time that has to elapse before Income Enhancement Option benefits will be available.

<sup>15</sup> This is the percentage that the Withdrawal Percentage (see footnote 7) will increase by when the Income Enhancement Option qualifications are met.

<sup>16</sup> This is the number of days after the [fifth]<sup>17</sup> rider anniversary that the rider can be upgraded.

<sup>17</sup> This is the number of years that must elapse before the rider can be upgraded.

<sup>18</sup> This is the number of days after the [fifth]<sup>19</sup> rider anniversary that the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

<sup>19</sup> This is the number of years that must elapse before the rider can be terminated. Termination of the rider will result in the loss of all benefits provided by the rider.

\* Any riders issued on the same day for a given age will receive the same Growth Rate Percentage and Withdrawal Percentage. Consequently, all riders shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination.