

SERFF Tracking Number: APLE-126202933 State: Arkansas
Filing Company: Industrial Alliance Pacific Insurance and Financial Services Inc. State Tracking Number: 42751
Company Tracking Number: END-403B-R
TOI: A02.11 Individual Annuities- Deferred Non- Variable and Variable Sub-TOI: A02.11.002 Flexible Premium
Product Name: Annuity 403b Roth End
Project Name/Number: Annuity 403b Roth End/END-403b-R

Filing at a Glance

Company: Industrial Alliance Pacific Insurance and Financial Services Inc.

Product Name: Annuity 403b Roth End SERFF Tr Num: APLE-126202933 State: Arkansas
TOI: A02.11 Individual Annuities- Deferred Non- Variable and Variable SERFF Status: Closed-Approved- Closed State Tr Num: 42751
Sub-TOI: A02.11.002 Flexible Premium Co Tr Num: END-403B-R State Status: Approved-Closed
Filing Type: Form Reviewer(s): Linda Bird
Author: Disposition Date: 06/26/2009
Date Submitted: 06/24/2009 Disposition Status: Approved-Closed
Implementation Date Requested: On Approval Implementation Date:
State Filing Description:

General Information

Project Name: Annuity 403b Roth End
Project Number: END-403b-R
Requested Filing Mode: Review & Approval
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:
Filing Status Changed: 06/26/2009

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: 06/26/2009
Created By: Lucille McGowan
Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Lucille McGowan

Filing Description:

This filing is an endorsement for all annuity products to endorse the annuity as a 403(b) tax sheltered annuity, including Roth. It will be used with all annuity products previously approved by your Department. It will be marketed in the same manner as the annuity product(s) to which it will be attached.

Company and Contact

Filing Contact Information

SERFF Tracking Number: APLE-126202933 State: Arkansas
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 Product Name: Annuity 403b Roth End
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Filing Company Information

Industrial Alliance Pacific Insurance and Financial Services Inc. CoCode: 84514 State of Domicile: Washington
 Box 8118 Group Code: Company Type: Stock
 Blaine, WA 98231-8118 Group Name: State ID Number:
 (888) 681-9201 ext. [Phone] FEIN Number: 98-0018913

Filing Fees

Fee Required? Yes
 Fee Amount: \$20.00
 Retaliatory? Yes
 Fee Explanation: 1 minor for x 20 = \$20.00

Please note our domiciliary state of WA does not require a fee.

Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Industrial Alliance Pacific Insurance and Financial Services Inc.	\$20.00	06/24/2009	28774494

SERFF Tracking Number: APLE-126202933 State: Arkansas
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Financial Services Inc.
Company Tracking Number: END-403B-R
TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium
Variable and Variable
Product Name: Annuity 403b Roth End
Project Name/Number: Annuity 403b Roth End/END-403b-R

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved- Closed	Linda Bird	06/26/2009	06/26/2009

SERFF Tracking Number: *APLE-126202933* State: *Arkansas*
 Filing Company: *Industrial Alliance Pacific Insurance and* State Tracking Number: *42751*
Financial Services Inc.
 Company Tracking Number: *END-403B-R*
 TOI: *A02.11 Individual Annuities- Deferred Non-* Sub-TOI: *A02.11.002 Flexible Premium*
Variable and Variable
 Product Name: *Annuity 403b Roth End*
 Project Name/Number: *Annuity 403b Roth End/END-403b-R*

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Form	Non-ERISA Tax Sheltered Annuity Endorsement		Yes

SERFF Tracking Number: APLE-126202933 State: Arkansas
 Filing Company: Industrial Alliance Pacific Insurance and State Tracking Number: 42751
 Financial Services Inc.
 Company Tracking Number: END-403B-R
 TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium
 Variable and Variable
 Product Name: Annuity 403b Roth End
 Project Name/Number: Annuity 403b Roth End/END-403b-R

Form Schedule

Lead Form Number:

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	END-403b-R	Policy/Contract	Non-ERISA Tax Sheltered Annuity Endorsement Certificate: Amendment, Insert Page, Endorsement or Rider	Initial		40.200	END-403b-R.pdf

Industrial Alliance Pacific Insurance and Financial Services Inc.

Non-ERISA Tax Sheltered Annuity Endorsement Under Section 403(b) of the Internal Revenue Code of 1986, as Amended That Accepts Designated Roth Contributions

The Policy to which this Endorsement is attached is amended as specified below to qualify as an annuity contract described in Section 403(b) of the Internal Revenue Code of 1986, as amended ("IRC"), and applicable income tax regulations. This Policy is not issued in conjunction with an arrangement that is subject to the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Policy includes a designated Roth account within the meaning of IRC Section 402A(b), into which any designated Roth contribution within the meaning of IRC Section 402A(c)(1) and any rollover contribution described in IRC Section 402A(c)(3) will be allocated. All the provisions of the Policy and this Endorsement shall be interpreted in accordance with IRC Section 403(b) and the Income Tax Regulations thereunder, and IRC Section 402A. Where the provisions of the Endorsement are inconsistent with the provisions of the Policy, including the provisions of any other endorsements or riders issued with the Policy, the provisions of this Endorsement will control.

1. The Plan, Employer, and Employee

As used in this Endorsement, the term "Plan" refers to the plan under IRC Section 403(b) that is maintained by the Employer and pursuant to which the Policy is issued or, if applicable, the agreement between the Employer and Industrial Alliance Pacific Insurance and Financial Services Inc. (the "Company") to provide each other with information described in Section 1.403(b)-10(b)(2)(C) of the Income Tax Regulations. The term "Employer" refers to the employer described in IRC Section 403(b)(1)(A) and the Income Tax Regulations thereunder that maintains the Plan pursuant to which the Policy is issued. The term "Employee" refers to an employee or former employee of the Employer for whose benefit the Employer maintains the Plan and the Policy is issued under the Plan.

2. Owner and Annuitant

Except as otherwise provided under applicable federal tax law, (1) the Annuitant must be the Employee, (2) the Owner must be the Employer or the Employee, (3) the Owner and the Annuitant may not be changed, and (4) a joint Owner may not be named.

3. Nontransferability and Nonforfeitability

This Policy is established for the benefit of the Employee and his or her beneficiaries. The interest of the Employee in the Policy is nontransferable and, except as provided by applicable law, is nonforfeitable. In particular, except as otherwise provided under applicable law, the Policy may not be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation or any other purpose, to any other person other than the Company. Special rules may apply in the case of a transfer under the terms of a qualified domestic relations order, as defined in IRC section 414(p) (a "QDRO").

4. Premium Payments

A Premium payment must be made:

- (a) as a contribution by the Employer on behalf of the Employee;
- (b) as an exchange or plan-to-plan transfer described in section 6 of this Endorsement; or
- (c) as a rollover permitted under IRC Sections 402(c), 402(e)(6), 402A(c), 403(a)(4), 403(b)(8), 403(b)(10), 408(d)(3), and 457(e)(16).

A Premium payment must consist only of amounts that are not subject to the requirements of ERISA.

To the extent permitted by the Plan, the IRC, and the Income Tax Regulations, a Premium Payment to the Policy may include a designated Roth contribution, and a direct rollover contribution under IRC Section 402A(c) of a payment or distribution from a designated Roth account under an applicable retirement plan described in IRC Section 402A(e)(1). Such contributions will be accepted only if they are contributed to a designated Roth account.

Except as otherwise permitted by IRC Section 414(u) and 414(v), or other provisions under the federal tax law, Premium payments made pursuant to a salary reduction agreement shall not exceed the limits set forth in IRC Section 402(g). If Premium payments exceed this limit, the Company may distribute the amount of the excess, together with any income allocable thereto, to the Employee as permitted by applicable federal tax law.

In addition, Premium payments shall not exceed the limits of IRC Section 415. The Company will not accept any Premium payments in excess of this limit and does not intend to separately account for any such excess Premium payments or amounts attributable to any such excess Premium payments.

If the Plan includes a qualified Roth contribution program within the meaning of IRC Section 402A, an employee may elect to make designated Roth contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the Plan. The amount of elective deferrals which an employee may designate as designated Roth contributions may not exceed the amount described in IRC Section 402A(c)(2). Unless specifically stated otherwise, a designated Roth contribution will be treated as an elective deferral within the meaning of IRC Section 402(g)(3)(C) for all purposes under the Plan.

5. Distribution Restrictions

- (a) **In General.** Except as otherwise provided under federal tax law, a distribution from the Policy shall be made only in accordance with the requirements of IRC Section 403(b), the Income Tax Regulations, and the Plan. Amounts may be distributed pursuant to a QDRO to the extent permitted by applicable federal tax law.
- (b) **Elective Deferrals.** As required by IRC Sections 403(b)(11) and 403(b)(7) and the applicable Income Tax Regulations thereunder, a distribution permitted under the Plan, if applicable, of Elective Deferrals may not be made from the Policy earlier than the earliest of the date on which the Employee (1) has a severance from employment, (2) dies, (3) has a hardship, (4) becomes disabled (within the meaning of IRC Section 72(m)(7)), or (5) attains age 59½. A hardship distribution is limited to the aggregate dollar amount of the Employee's Elective Deferrals under the Contract (and may not include any income thereon), reduced by the aggregate dollar amount of the distributions previously made to the participant from the Policy.

As used in this Endorsement, the term "Elective Deferrals" means contributions to the Policy made after December 31, 1988, pursuant to a salary reduction agreement, the income attributable to such contributions, and income attributable to any amounts held as of December 31, 1988. Elective Deferrals also include amounts attributable to contributions made to the Policy in a non-taxable transfer, or in an exchange or plan-to-plan transfer described in section 6 of this Endorsement, that are attributable to contributions made pursuant to a salary reduction agreement and are subject to the distribution restrictions under IRC section 403(b)(7) or IRC section 403(b)(11). Unless otherwise indicated, Elective Deferrals include designated Roth contributions within the meaning of IRC Section 402A(c)(1).

- (c) **Employer Annuity Contributions.** If the Policy is issued after 2008, a distribution of Employer Annuity Contributions may be made from the Policy no earlier than upon the earlier of the Employee's severance from employment or upon the prior occurrence of some event, such as after a fixed number of years, the attainment of a stated age, or disability, as provided under the Plan. As used in this Endorsement, the term "Employer Annuity Contributions" means amounts attributable to contributions made to an annuity contract under IRC Section 403(b)(1) that are not made pursuant to a salary reduction agreement. Employer Annuity Contributions do not include after-tax employee contributions or earnings thereon. Employer Annuity Contributions include amounts attributable to contributions made to the Contract in an exchange or plan-to-plan transfer described in section 6 of this Endorsement that are subject to the distribution restrictions under section 1.403(b)-6(b) of the Income Tax Regulations.
- (d) **Employer Custodial Account Contributions.** A distribution permitted under the Plan, if applicable, of Employer Custodial Account Contributions may not be made from the Policy before the Employee (1) has a severance from employment, (2) dies, (3) becomes disabled (within the meaning of IRC Section 72(m)(7)), or (4) attains age 59½. As used in this Endorsement, the term "Employer Custodial Account Contributions" means amounts attributable to contributions made to the Contract in a non-taxable transfer, or in an exchange or plan-to-plan transfer described in section 6 of this Endorsement, that (1) are not made pursuant to a salary reduction agreement, (2) are not Employer Annuity Contributions, and (3) are subject to the distribution restrictions under IRC section 403(b)(7).
- (e) **Separate Accounting.** If the Policy includes both Elective Deferrals and other contributions, and the Elective Deferrals are not maintained in a separate account, then in accordance with section 1.403(b)-6(d)(3) of the Income Tax Regulations, distributions may not be made earlier than the later of:

- (1) any date permitted under subsection (b) of this section 5 of the Endorsement, and
- (2) any date permitted under subsections (c) or (d) of this section 5 of the Endorsement (whichever applies to the contributions that are not Elective Deferrals).

Unless required under the Plan, the Company is not obligated to maintain a separate account for Elective Deferrals.

However, a designated Roth account is a separate account established for the designated Roth contributions of an employee and any earnings properly allocable to the contributions, and separate recordkeeping is maintained with respect to the designated Roth account, as required under IRC Section 402A(b)(2).

- (f) **Exchanges and Transfers.** Amounts exchanged or transferred to the Policy pursuant to section 6 of this Endorsement, and income attributable to such amounts, are subject to distribution restrictions that are not less stringent than those imposed under the contract being exchanged or under the transferor plan, whichever is applicable, in accordance with Section 1.403(b)-10(b)(2) of the Income Tax Regulations.
- (g) **Exceptions.**
 - (1) Notwithstanding any other provision in this section 5 of the Endorsement, distributions are permitted to be made from the Policy to the extent (a) described in sections 4 and 6 of this Endorsement, (b) required by a QDRO, (c) described in IRC Section 72(t)(2)(G), (d) permitted by IRC Section 414(w)(2), or (e) otherwise allowed by applicable federal tax law.
 - (2) If the Employer informs the Company that the Plan has been terminated in accordance with Section 1.403(b)-10(a) of the Income Tax Regulations, the Company shall follow the instructions of the Employer with regard to how this Policy or the accumulated benefits thereunder are to be distributed, provided that such instructions are in accordance with the requirements of IRC Section 403(b) and the Income Tax Regulations thereunder.
 - (3) To the extent that the Company separately accounts for contributions to this Policy that are eligible rollover distributions as described in Sections 1.403(b)-6(i) and 1.403(b)-10(d) of the Income Tax Regulations, such contributions (and any earnings thereon) are not subject to the distribution restrictions described in this section 5 of the Endorsement. The Company is not obligated to separately account for any such amounts.

6. Exchanges and Plan-To-Plan Transfers

Subject to the terms of the Plan, if applicable, exchanges within the Plan and plan-to-plan transfers involving the Policy will be allowed to the extent permitted under federal tax law.

7. Loans and Hardship Distributions

While the Policy is in force, the Owner may borrow from the Policy using the Policy as the sole security for the loan. A loan under the Policy is subject to the requirements and limitations imposed by the Plan, IRC Section 72(p), IRC Section 403(b), the Policy Loan Agreement, and the Company. In addition, a distribution in the case of hardship that is permitted under section 5 of this Endorsement may be made under the Policy. However, except as otherwise provided under Section 1.403(b)-10(b)(2) of the Income Tax Regulations with respect to certain contracts received in an exchange that occurred on or before September 24, 2007, and under section 8 of Revenue Procedure 2007-71 with respect to certain contracts issued before January 1, 2009, an loan and a distribution in the case of hardship may be made under the Policy only if permitted under the Plan.

8. Required Minimum Distributions and Incidental Benefits

- (a) **In General.** Notwithstanding any provision in the Policy to the contrary, the distribution of the entire interest in the Policy shall be made in accordance with the requirements of IRC Sections 403(b)(10) and 401(a)(9), and the Income Tax Regulations thereunder. Distributions from and benefits under this Policy also must satisfy the requirements relating to incidental benefits under Section 1.401-1(b)(1)(ii) of the Income Tax Regulations. All such requirements are incorporated herein by reference. Prior to the date the Policy is annuitized, the entire interest of the Employee or beneficiary under the Policy is the dollar amount credited to the Employee or beneficiary under the Policy plus the actuarial present value of any additional benefit (such as survivor benefits in excess of the dollar amount credited to the Employee or beneficiary) that will be provided under the Policy, in accordance with Q&A-12 of Section 1.401(a)(9)-6 of the Income Tax Regulations.

To the extent permitted under the Plan and the IRC, the minimum distribution required under IRC Sections 403(b)(10) and 401(a)(9) with respect to the Policy may be taken from any one or more of the Employee's IRC Section 403(b) contracts under the Plan.

To the extent provided in Income Tax Regulations, a Policy that is part of a governmental plan (as defined in IRC Section 414(d)) shall, for all years to which IRC Section 401(a)(9) applies to the Policy, be treated as having complied with IRC Section 401(a)(9) if the Policy complies with a reasonable good faith interpretation of IRC Section 401(a)(9).

- (b) **Required Beginning Date.** The term "required beginning date" as used in this Endorsement means April 1 of the calendar year following the later of (1) the calendar year in which the Employee attains age 70½, or (2) the calendar year in which the Employee retires, or such later date provided by law. However, unless the Employee's interest in the Policy is on account of the Employee's participation in a governmental plan (as defined in IRC Section 414(d)) or church plan (as defined in IRC Section 401(a)(9)(C)), if the Employee is a 5-percent owner (as defined in IRC Section 416) of the Employer with respect to the plan year ending in the calendar year in which the Employee attains age 70½, the required beginning date is April 1 of the calendar year following the calendar year in which the Employee attains age 70½. In addition, if distributions commence to the Employee on a date before the Employee's required beginning date over a period permitted under IRC Section 401(a)(9)(A)(ii) and the distribution form is an annuity under which distributions are made in accordance with the provisions of Q&A-1 of Section 1.401(a)(9)-6 of the Income Tax Regulations, the annuity start date will be treated as the required beginning date for purposes of applying the rules of Sections 1.401(a)(9)-2 and 1.401(a)(9)-6 of the Income Tax Regulations.
- (c) **Distributions During Employee's Life.** Unless otherwise permitted under applicable federal tax law, the entire interest shall be distributed, or commence to be distributed, no later than the required beginning date over (a) the life of the Employee, or the lives of the Employee and his or her designated beneficiary (within the meaning of IRC Section 401(a)(9)), or (b) a period not extending beyond the life expectancy of the Employee or the joint life and last survivor expectancy of the Employee and his or her designated beneficiary, as required by law.

Annuity payments must be made in periodic payments at intervals of no longer than one year and must be nonincreasing or they may increase only as provided in Q&As-1, -4, and -14 of Section 1.401(a)(9)-6 of the Income Tax Regulations. Also, to the extent permitted under the Policy, payments may be changed in accordance with Q&A-13 of Section 1.401(a)(9)-6 of the Income Tax Regulations. In addition, any distribution in the form of an annuity must satisfy the incidental benefit requirements specified in Q&A-2 of Section 1.401(a)(9)-6 of the Income Tax Regulations.

The amount to be distributed on or before the required beginning date, and by December 31 of each year, will be made in accordance with the requirements of IRC Section 401(a)(9) and the regulations thereunder.

- (d) **Distributions After Employee's Death.** Unless otherwise permitted under applicable federal tax law, if the Employee dies on or after required distributions commence, the entire remaining interest, if any, will be distributed at least as rapidly as under the method of distribution being used as of the date of the Employee's death.

Unless otherwise permitted under applicable federal tax law, if the Employee dies before required distributions commence, the entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Employee's death, except that:

- (1) if the interest is payable to an individual who is the Employee's designated beneficiary, the designated beneficiary may elect to receive the entire interest over the life of the designated beneficiary or over a period not extending beyond the life expectancy of the designated beneficiary, commencing on or before December 31 of the calendar year immediately following the calendar year in which the Employee died; or
- (2) if the sole designated beneficiary is the Employee's surviving spouse, the surviving spouse may elect to receive the entire interest over the life of the surviving spouse or over a period not extending beyond the life expectancy of the surviving spouse, commencing on or before the later of: (1) December 31 of the calendar year immediately following the calendar year in which the Employee died, and (2) December 31 of the calendar year in which the Employee would have attained age 70½.

If the surviving spouse dies before distributions begin to him or her, the remaining interest will be distributed, starting by the end of the calendar year following the calendar year of the spouse's death, over the spouse's designated beneficiary's remaining life expectancy determined using such beneficiary's age as of his or her birthday in the year following the death of the spouse, or, if elected, will be distributed by the end of the calendar year containing the fifth anniversary of the spouse's death.

An irrevocable election of the method of distribution by a designated beneficiary who is the surviving spouse must be made no later than the earlier of December 31 of the calendar year containing the fifth anniversary of the Employee's death or the date distributions are required to begin pursuant to this subsection (d)(ii). If no election is made, the entire interest will be distributed in accordance with the method of distribution in this subsection (d)(ii).

An irrevocable election of the method of distribution by a designated beneficiary who is not the surviving spouse must be made no later than December 31 of the calendar year immediately following the calendar year in which the Employee died. If no such election is made, the entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Employee's death.

For purposes of this subsection (d) of the Endorsement regarding distributions after the Employee's death, required distributions are considered to commence on the Employee's required beginning date or, if applicable, on the date distributions are required to begin to the Employee's surviving spouse. However, if distributions start prior to the applicable date in the preceding sentence, on an irrevocable basis (except for acceleration) under an annuity contract meeting the requirements of Section 1.401(a)(9)-6 of the Income Tax Regulations, then required distributions are considered to commence on the annuity starting date.

Unless otherwise provided by applicable federal tax law, life expectancy is determined using the Single Life Table in Q&A-1 of Section 1.401(a)(9)-9 of the Income Tax Regulations. If distributions are being made to the Employee's surviving spouse as the sole designated beneficiary, such spouse's remaining life expectancy for a year is the number in the Single Life Table corresponding to such spouse's age in that year. In all other cases, remaining life expectancy for a year is the number in the Single Life Table corresponding to the beneficiary's age in the year following the calendar year of the Employee's death (or in the case of a surviving spouse who is the Employee's sole designated beneficiary and who dies before required distributions commence to him or her, the number in the Single Life Table corresponding to the spouse's designated beneficiary's age in the year following the calendar year of the spouse's death) reduced by 1 for each subsequent year. If benefits under the Policy are payable in accordance with an annuity option provided under the Policy, life expectancy shall not be recalculated.

- (e) **Annuity Options.** All annuity payments under the Policy must meet the requirements of IRC Section 403(b)(10) and IRC Section 401(a)(9) and applicable regulations. The provisions of this Endorsement reflecting these requirements override any annuity option inconsistent with such requirements. If guaranteed payments are to be made under the Policy, the period over which any guaranteed payments are to be made must not exceed the period permitted under Section 1.401(a)(9)-6 of the Income Tax Regulations (except as otherwise permitted by applicable federal tax law).

9. Direct Rollovers

A distributee may elect, at the time and in the manner prescribed by the Company, to have any portion of an eligible rollover distribution that is equal to at least \$500 paid directly to an eligible retirement plan specified by the distributee in a direct rollover. If an eligible rollover distribution is less than \$500, a distributee may not make the election described in the preceding sentence to roll over a portion of the eligible rollover distribution. This limitation allowing the distributee to elect a direct rollover of a portion of an eligible rollover distribution only if the amount rolled over is at least \$500 is applied by treating any amount distributed from the designated Roth account as a separate distribution from any amount distributed from other accounts, even if the amounts are distributed at the same time.

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include:

- (a) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for (1) the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or (2) a specified period of ten (10) years or more,
- (b) any distribution to the extent such distribution is required under IRC Sections 403(b)(10) and 401(a)(9),
- (c) any hardship distribution,
- (d) the portion of any other distribution(s) that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities),
- (e) any other distribution(s) that is reasonably expected to total less than \$200 during a year, and
- (f) any other amounts designated in published federal income tax guidance.

For this purpose, any distribution from a designated Roth account is not taken into account in determining whether distributions from other accounts are reasonably expected to total less than \$200 during a year.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in IRC Section 408(a) or (b), respectively, or to a qualified defined contribution plan described in IRC Sections 401(a) or 403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of the distribution which is not so includible.

An eligible retirement plan is an eligible plan under IRC Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from the Policy, an individual retirement account described in IRC Section 408(a), an individual retirement annuity described in IRC Section 408(b), an annuity plan described in IRC Section 403(a), an annuity contract described in IRC Section 403(b), or a qualified plan described in IRC Section 401(a), that accepts the distributee's eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a QDRO.

If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated Roth account, an eligible retirement plan with respect to such portion shall include only another designated Roth account of the individual from whose account the payments or distributions were made, or a Roth IRA under IRC Section 408A of such individual.

A distributee includes the Employee. In addition, the Employee's surviving spouse and the Employee's spouse or former spouse who is the alternative payee under a QDRO, are distributees with regard to the interest of the spouse or former spouse.

A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

10. Coordination with the Plan

Except to the extent that this Policy is not subject to the written plan requirement under Section 1.403(b)-3(b)(3) of the Income Tax Regulations, the Policy is subject to the terms of the Plan, provided that the terms of the Plan do not expand the terms of the Policy and do not impose any responsibilities or duties on the issuer greater than those set forth in the Policy. For example, any terms of the Policy permitting loans and distributions in the case of hardship do not apply if the Plan does not permit such loans or hardship distributions. In the event of a conflict between the terms of the Policy and any other terms of the Plan, such other terms of the Plan shall govern if necessary to ensure compliance with IRC Section 403(b).

Federal tax law may require the Employer to share information with the Company that is necessary for the Company to administer the Policy in accordance with the terms of the Plan and the IRC. In such case, the Company shall rely upon such information in administering the Policy in accordance with the terms of the Plan and the IRC. If the Company does not receive such information from the Employer in the form and manner the Company deems acceptable, the Company will administer the Policy in the manner it deems appropriate. In some cases, this could mean that the Company has no responsibility to make any distribution (including a loan) from the Policy before the Company receives the information it requires from the Employer.

Federal tax law also may require the Company to share information regarding the Policy with the Employer in order to ensure compliance with the terms of the Plan and the IRC. The Company will share such information as required by federal tax law and any agreement between the Company and the Employer.

The Employer may identify a delegate to provide or receive the information described in this section 10 of the Endorsement.

11. Miscellaneous Provisions

- (a) **Effective Date.** The effective date of this Endorsement is the effective date of the Policy. However, if the Policy was issued prior to January 1, 2009, and another endorsement or rider designed to modify the Policy to qualify as a tax-sheltered annuity under IRC Section 403(b) is attached to the Policy, this Endorsement replaces that other endorsement or rider, effective January 1, 2009.

- (b) **Unisex Rates.** The method of calculating Premium payments and benefits under the Policy are to be based on unisex rates, and any references to sex or gender (with regard to rates and benefits) in the Policy are deleted.
- (c) **Payments Under the Annuity Contract.** If any annual payment amount is less than Fifty Dollars (\$50.00), we have the right to pay the Annuity Value in one single amount, subject to federal tax laws, only if the Annuity Value does not exceed \$1,000.
- (d) **Treatment as an Annuity Contract under IRC Section 403(c).** If the Policy is not treated for federal tax purposes as an annuity contract under IRC Section 403(b), the Policy will be treated as an annuity contract described in IRC Section 403(c), the Policy and all endorsements and riders attached to the Policy will be interpreted in accordance with IRC Section 403(c), and the entire interest in the Policy will be distributed in accordance with the requirements of IRC Section 72(s).
- (e) **Death Benefits under Qualified Active Military Service.** To the extent required under IRC Sections 403(b)(14) and 401(a)(37), in the case of an Employee who dies while performing qualified military services (as defined in IRC Section 414(u)), the survivors of the Employee are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan had the participant resumed and then terminated employment on account of death.
- (f) **Right to Amend the Policy.** The Policy to which this Endorsement is attached is amended to qualify as an annuity contract described in IRC Section 403(b) and applicable income tax regulations. To assure continuance of such qualification, it is agreed that the Company has the right and privilege at any time to amend this Policy as may be necessary in order to comply with changes in the IRC and the regulations and rulings thereunder. We will not be responsible for any adverse tax consequences resulting from the rejection of such an amendment.

Industrial Alliance Pacific Insurance and Financial Services Inc. has signed this rider as part of the Policy to which it is attached.



Secretary



President

SERFF Tracking Number: *APLE-126202933* State: *Arkansas*
 Filing Company: *Industrial Alliance Pacific Insurance and* State Tracking Number: *42751*
Financial Services Inc.
 Company Tracking Number: *END-403B-R*
 TOI: *A02.11 Individual Annuities- Deferred Non-* Sub-TOI: *A02.11.002 Flexible Premium*
Variable and Variable
 Product Name: *Annuity 403b Roth End*
 Project Name/Number: *Annuity 403b Roth End/END-403b-R*

Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification Comments: Attachment: ARReg19cert.pdf		
Bypassed - Item: Application Bypass Reason: N/A for this endorsement filing. Comments:	Item Status:	Status Date:
Bypassed - Item: Life & Annuity - Acturial Memo Bypass Reason: N/A for this endorsement filing. Comments:	Item Status:	Status Date:

STATE OF ARKANSAS
FILING CERTIFICATION

INDUSTRIAL ALLIANCE PACIFIC INSURANCE AND FINANCIAL SERVICES INC. hereby certifies that the attached filing is in compliance with Arkansas Rule and Regulation 19 regarding discrimination in the sale of insurance.

Michael L. Stickney
Executive Vice President

June 24, 2009
Date
